



CITY OF ATASCADERO CITY COUNCIL

AGENDA

Tuesday, January 14, 2020

**City Hall Council Chambers, 4th floor
6500 Palma Avenue, Atascadero, California
(Entrance on Lewis Ave.)**

City Council Closed Session:

5:00 P.M.

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
to the Community
Redevelopment Agency of
Atascadero Session**

CITY COUNCIL CLOSED SESSION: 5:00 P.M.

- 1. CLOSED SESSION -- PUBLIC COMMENT**
- 2. COUNCIL LEAVES CHAMBERS TO BEGIN CLOSED SESSION**
- 3. CLOSED SESSION -- CALL TO ORDER**
 - a. Conference With Legal Counsel—Anticipated Litigation**
Initiation of litigation pursuant to Government Code
Section 54956.9(d)(4); Number of Cases: One
 - b. Conference With Legal Counsel—Anticipated Litigation**
Significant exposure to litigation pursuant to Govt. Code
Section 54956.9(d)(2): One potential case
- 4. CLOSED SESSION – ADJOURNMENT**

5. COUNCIL RETURNS TO CHAMBERS

6. CLOSED SESSION – REPORT

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

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Bourbeau

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

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.

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 – December 10, 2019

- Recommendation: Council approve the December 10, 2019 Draft City Council Special Meeting and Regular Meeting Minutes. [City Manager]

2. November 2019 Accounts Payable and Payroll

- Fiscal Impact: \$2,806,846.55
- Recommendation: Council approve certified City accounts payable, payroll and payroll vendor checks for November 2019. [Administrative Services]

3. 2019 Municipal Code Updates - Title 4, Title 8, Title 9 and Title 11 (CPP19-0080)

- Fiscal Impact: Staff expects minimal fiscal impact to the City from the adoption of the new building codes and proposed code text amendments.
- Recommendations: Council:
 1. Adopt on second reading, by title only, Draft Ordinance A repealing and replacing Title 4, Public Safety, Chapter 7, Fire Code, for consistency with the 2019 California Building and Fire Codes.

2. Adopt on second reading, by title only, Draft Ordinance B repealing and replacing Title 8, Building Code, of the Atascadero Municipal Code for consistency with the 2019 California Building Code.
3. Adopt on second reading, by title only, Draft Ordinance C approving amendments to Title 11, Subdivisions, Section 11-4.23 for minor text corrections. [Community Development]

4. 4 Unit Planned Development – 7900 Curbaril Avenue (DEV18-0124)

- Fiscal Impact: If the project is approved for processing, it should be required to be fiscally neutral so the added residential units fund their own on-site improvements and maintenance, as well as their fair share of off-site improvements and impacts to City emergency services.
- Recommendation: Council adopt on second reading, by title only, Draft Ordinance amending Title 9, Chapter 3 of the Atascadero Municipal Code approving a zoning text change to establish Planned Development Overlay Zone No. 36 and amending the official zoning district designation for APN 031-231-003 from Residential Multi-family – 10 (RMF-10) to Residential Multi-family – 10 / Planned Development Overlay No. 36 (RMF-10/PD36). [Community Development]

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. 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.)

B. PUBLIC HEARINGS:

1. Appeal of Planning Commission Decision - USE19-0061 7835 El Camino Real "Human Bean Coffee" (Moss Lane Ventures/ Pamela Jardini)

- Fiscal Impact: Slight positive fiscal impact is expected from the operation of Human Bean coffee shop.
- Recommendation: Council:
 1. Adopt Draft Resolution A, granting the appeal and affirming in part Planning Commission's action thereby approving Conditional Use Permit (USE19-0061) to allow a drive-through coffee shop in the Commercial Professional (CP) district subject to revised conditions of approval.

OR

2. Adopt Draft Resolution B to deny the appeal and affirm Planning Commission's approval of the Conditional Use Permit (USE 19-0061) with no modifications to the project or conditions of approval. [Community Development]

C. MANAGEMENT REPORTS:

1. Fiscal Year 2018-2019 Audit

- Fiscal Impact: None.
- Recommendation: Council review and accept the financial audit for the period ended June 30, 2019. [Administrative Services]

2. Fiscal Year 2019 Annual Road Report

- Fiscal Impact: Distribution of the 2019 Community Road Report is estimated to cost \$4,000-\$5,000 in budgeted General Funds.
- Recommendations: Council:
 1. Approve the Fiscal Year 2019 Annual Road Report.
 2. Approve the 2019 Community Road Report. [Public Works]

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. Economic Vitality Corporation, Board of Directors (EVC)
4. SLO Council of Governments (SLOCOG)
5. SLO Regional Transit Authority (RTA)

Mayor Pro Tem Bourbeau

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

Council Member Fonzi

1. Air Pollution Control District
2. Atascadero Basin Ground Water Sustainability Agency (GSA)
3. City of Atascadero Design Review Committee
4. SLO Local Agency Formation Commission (LAFCo)

Council Member Funk

1. City of Atascadero Finance Committee
2. Homeless Services Oversight Council
3. League of California Cities – Council Liaison

Council Member Newsom

1. California Joint Powers Insurance Authority (CJPIA) Board
2. City / Schools Committee
3. City of Atascadero Design Review Committee
4. Visit SLO CAL Advisory Committee

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. ADJOURN TO MEETING OF THE SUCCESSOR AGENCY

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

WELCOME TO THE ATASCADERO CITY COUNCIL MEETING

The City Council meets in regular session on the second and fourth Tuesday of each month at 6:00 p.m. Council meetings will be held at the City Hall Council Chambers, 6500 Palma Avenue, Atascadero. Matters are considered by the Council in the order of the printed Agenda. Regular Council meetings are televised live, audio recorded and videotaped for future playback. Charter Communication customers may view the meetings on Charter Cable Channel 20 or via the City's website at www.atascadero.org. Meetings are also broadcast on radio station KPRL AM 1230. Contact the City Clerk for more information at cityclerk@atascadero.org or (805) 470-3400.

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 during City Hall business hours at the Front Counter of City Hall, 6500 Palma Avenue, Atascadero, and on our website, 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 either read into the record or referred to in their statement will be noted in the minutes and available for review in the City Clerk's office.

In compliance with the Americans with Disabilities Act, **if you need special assistance to participate in a City meeting or other services offered by this City**, please contact the City Manager's Office or the City Clerk's Office, both at (805) 470-3400. Notification at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

TO SPEAK ON SUBJECTS NOT LISTED ON THE AGENDA

Under Agenda item, "COMMUNITY FORUM", the Mayor will call for anyone from the audience having business with the Council to approach the lectern and be recognized.

1. Give your name for the record (not required)
2. State the nature of your business.
3. All comments are limited to 3 minutes.
4. All comments should be made to the Mayor and Council.
5. No person shall be permitted to make slanderous, profane or negative personal remarks concerning any other individual, absent or present

This is the time items not on the Agenda may be brought to the Council's attention. A maximum of 30 minutes will be allowed for Community Forum (unless changed by the Council). If you wish to use a computer presentation to support your comments, you must notify the City Clerk's office at least 24 hours prior to the meeting. Digital presentations must be brought to the meeting on a USB drive or CD. You are required to submit to the City Clerk a printed copy of your presentation for the record. Please check in with the City Clerk before the meeting begins to announce your presence and turn in the printed copy.

TO SPEAK ON AGENDA ITEMS (from Title 2, Chapter 1 of the Atascadero Municipal Code)

Members of the audience may speak on any item on the agenda. The Mayor will identify the subject, staff will give their report, and the Council will ask questions of staff. The Mayor will announce when the public comment period is open and will request anyone interested to address the Council regarding the matter being considered to step up to the lectern. If you wish to speak for, against or comment in any way:

1. You must approach the lectern and be recognized by the Mayor
2. Give your name (not required)
3. Make your statement
4. All comments should be made to the Mayor and Council
5. No person shall be permitted to make slanderous, profane or negative personal remarks concerning any other individual, absent or present
6. All comments limited to 3 minutes

The Mayor will announce when the public comment period is closed, and thereafter, no further public comments will be heard by the Council.

SPECIAL MEETING

ATASCADERO CITY COUNCIL

Tuesday, December 10, 2019, 5:30 P.M.

**City Hall Council Chambers, 4th floor
6500 Palma Avenue, Atascadero, California
(Entrance on Lewis Ave.)**

DRAFT MINUTES

COUNCIL CLOSED SESSION: 5:30 P.M.

Mayor Moreno announced at 5:30 p.m. that the Council was going into Closed Session.

- 1. CLOSED SESSION -- PUBLIC COMMENT - None**
- 2. COUNCIL LEAVES CHAMBERS TO BEGIN CLOSED SESSION**
- 3. CLOSED SESSION -- CALL TO ORDER**
 - a. Conference with Legal Counsel – Anticipated Litigation**

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9: (One potential case)
- 4. CLOSED SESSION – ADJOURNMENT**
- 5. COUNCIL RETURNS TO CHAMBERS**
- 6. CLOSED SESSION – REPORT**

The City Attorney reported that there was no reportable action in Closed Session.

ADJOURNMENT:

The Council adjourned to the next Regular Session on December 10, 2019, at 6:00 P.M.

MINUTES PREPARED BY:

Lara K. Christensen
Deputy City Manager / City Clerk

APPROVED:



CITY OF ATASCADERO CITY COUNCIL

DRAFT MINUTES

Tuesday, December 10, 2019

**City Hall Council Chambers, 4th floor
6500 Palma Avenue, Atascadero, California
(Entrance on Lewis Ave.)**

City Council Regular Session:

6:00 P.M.

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

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

ROLL CALL:

Present: Council Members Fonzi, Funk, Newsom, Mayor Pro Tem Bourbeau and Mayor Moreno

Absent: None

Staff Present: City Manager Rachelle Rickard, Public Works Director Nick DeBar, Police Lieutenant Robert Molle, Community Development Director Phil Dunsmore, Fire Chief Casey Bryson, City Attorney Brian Pierik, Deputy City Manager/City Clerk Lara Christensen, Chief Building Official David Muehlhausen and Battalion Chief Tom Peterson

APPROVAL OF AGENDA:

MOTION: By Council Member Fonzi and seconded by Mayor Pro Tem Bourbeau 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.

PRESENTATIONS: None.

A. CONSENT CALENDAR:

1. City Council Draft Action Minutes – November 26, 2019

- Recommendation: Council approve the November 26, 2019 Draft City Council Meeting Minutes. [City Manager]

2. City Council 2020 Meeting Schedule

- Fiscal Impact: None.
- Recommendation: Council approve the City Council meeting schedule for 2020. [City Manager]

3. Destination Marketing Services for the Atascadero Tourism Business Improvement District (ATBID)

- Fiscal Impact: \$274,667.00
- Recommendation: Council authorize the City Manager to execute a contract with Verdin Marketing Ink, in the amount of \$274,667, for ATBID Destination Marketing Services [City Manager]

MOTION: By Mayor Pro Tem Bourbeau and seconded by Council Member Newsom to approve the Consent Calendar. (#A-3: Contract No. 2019-018)

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

UPDATES FROM THE CITY MANAGER:

City Manager Rachelle Rickard gave an update on projects and issues within the City. Police Chief Haley gave a brief update on the City's efforts to address issues occurring in the downtown.

COMMUNITY FORUM:

The following citizens spoke during Community Forum: Richard Snouffer (Exhibit A), Maggie Payne, Karen McNamara (Exhibit B), Susan Moore (Exhibit C), and Geoff Auslen

Mayor Moreno closed the COMMUNITY FORUM period.

B. PUBLIC HEARINGS:

1. Approval of Colony Park Master Site Plan Amendment 2019-1

- Fiscal Impact: None.
- Recommendation: Council adopt Draft Resolution approving Amendment 2019-1 to the Colony Park Master Plan. [Public Works]

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

Ex Parte Communications

Council Member Funk reported visiting with the Pickleball Club and observing the game being played.

Council Members Fonzi and Newsom and Mayor Moreno reported receiving various emails and calls regarding pickleball and speaking with the Pickleball Club President, Barbara Sims.

Mayor Pro Tem Bourbeau reported visiting with the Pickleball Club and observing the game being played as well as donating to the Club.

PUBLIC COMMENT:

The following citizens spoke on this item: Barbara Sims, Dave Mulvey, Jay Decou, and Sharon Rademacher

Mayor Moreno closed the Public Comment period.

**MOTION: By Mayor Pro Tem Bourbeau and seconded by Council Member Funk to adopt Draft Resolution approving Amendment 2019-1 to the Colony Park Master Plan.
*Motion passed 5:0 by a roll-call vote.***

2. 4 Unit Planned Development – 7900 Curbaril Avenue (DEV18-0124)

- Fiscal Impact: If the project is approved for processing, it should be required to be fiscally neutral so the added residential units fund their own on-site improvements and maintenance, as well as their fair share of off-site improvements and impacts to City emergency services.
- Recommendations:
 1. Introduce for first reading, by title only, Draft Ordinance amending Title 9, Chapter 3 of the Atascadero Municipal Code approving a zoning text change to establish Planned Development Overlay Zone No. 36.
 2. Adopt Draft Resolution to approve a Conditional Use Permit (Master Plan of Development), and Vesting Tentative Parcel Map (AT18-0111) based on findings and subject to Conditions of Approval. [Community Development]

Ex Parte Communications

Council Members Newsom and Fonzi reported reviewing this project as part of the Design Review Committee.

The other Council Members reported having no communications on this matter.

Community Development Director Dunsmore gave the staff report and answered questions from the Council.

PUBLIC COMMENT:

The following citizens spoke on this item: Robert Mannon and Jay DeCou

Mayor Moreno closed the Public Comment period.

MOTION: By Council Member Fonzi and seconded by Council Member Newsom to:

1. Introduce for first reading, by title only, Draft Ordinance amending Title 9, Chapter 3 of the Atascadero Municipal Code approving a zoning text change to establish Planned Development Overlay Zone No. 36.
2. Adopt Resolution No. 2019-086 to approve a Conditional Use Permit (Master Plan of Development), and Vesting Tentative Parcel Map (AT18-0111) based on findings and subject to Conditions of Approval.

Deputy City Manager/City Clerk Christensen read the title of the Ordinance:

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO,
CALIFORNIA, AMENDING TITLE 9, CHAPTER 3 OF THE ATASCADERO
MUNICIPAL CODE, APPROVING A ZONING TEXT CHANGE TO ESTABLISH
PLANNED DEVELOPMENT OVERLAY ZONE NO. 36 (9-3.681) AND AMENDING
THE OFFICIAL ZONING DISTRICT DESIGNATION FOR APN 031-231-003
FROM RESIDENTIAL MULTI-FAMILY - 10 (RMF-10) TO RESIDENTIAL
MULTI-FAMILY - 10 WITH A PLANNED DEVELOPMENT NO. 36
OVERLAY ZONING DESIGNATION (RMF-10 / PD36)**

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

3. 2020 Community Development Block Grant Draft Recommendations

- Fiscal Impact: \$164,833.00.
- Recommendation: Council develop and adopt draft recommendations for the 2020 Community Development Block Grant (CDBG) funds. [Public Works]

Ex Parte Communications

All Members reported speaking with Loaves and Fishes regarding expansion needs.

Council Members Funk, Fonzi, Bourbeau and Mayor Moreno reported also speaking with representatives of People's Self Help Housing.

Council Members Fonzi and Funk also disclosed making donations to some of the applicant organizations.

Council Member Funk reported speaking with Jan Price, who owns a piece of property, who has been approached by Loaves and Fishes regarding acquisition for a new facility.

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

Mayor Moreno recessed the meeting at 7:52 p.m.

Mayor Moreno reconvened the meeting at 8:03 p.m. with all present.

PUBLIC COMMENT:

The following citizens spoke on this item: Geoff Auslen

Mayor Moreno closed the Public Comment period.

MOTION: By Mayor Moreno and seconded by Mayor Pro Tem Bourbeau to adopt the following draft recommendations for the 2020 Community Development Block Grant (CDBG) funds:

Accessibility & Barrier Removal Project	\$115,808.00
City Youth Activities Scholarships	\$ 12,500.00
El Camino Homeless Organization	\$ 8,511.00
City Program Administration Costs	\$ 9,805.00
County Program Administration Costs	<u>\$ 18,209.00</u>
TOTAL 2019:	\$164,833.00

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

4. 2019 Municipal Code Updates - Title 4, Title 8, Title 9 and Title 11 (CPP19-0080)

- Fiscal Impact: Staff expects minimal fiscal impact to the City from the adoption of the new building codes and proposed code text amendments.
- Recommendations:
 1. Introduce for first reading, by title only, Draft Ordinance A repealing and replacing Title 4, Public Safety, Chapter 7, Fire Code, for consistency with the 2019 California Building and Fire Codes.
 2. Introduce for first reading, by title only, Draft Ordinance B repealing and replacing Title 8, Building Code, of the Atascadero Municipal Code for consistency with the 2019 California Building Code.
 3. Introduce for first reading, by title only, Draft Ordinance C approving amendments to Title 9, Planning and Zoning, Chapters 2, 3, 4, and 6 of the Atascadero Municipal Code for minor text corrections.
 4. Introduce for first reading, by title only, Draft Ordinance D approving amendments to Title 11, Subdivisions, Section 11-4.23 for minor text corrections. [Community Development]

Ex Parte Communications

All Council Members reported having no communications on this matter.

Community Development Director Dunsmore gave the staff report and answered questions from the Council. Chief Building Official David Muehlhausen and Battalion Chief Peterson also answered questions from the Council.

PUBLIC COMMENT:

The following citizens spoke on this item: Geoff Auslen

Mayor Moreno closed the Public Comment period.

MOTION: By Council Member Fonzi and seconded by Council Member Funk to:
1. Introduce for first reading, by title only, Draft Ordinance A repealing and replacing Title 4, Public Safety, Chapter 7, Fire Code, for consistency with the 2019 California Building and Fire Codes.

2. Introduce for first reading, by title only, Draft Ordinance B repealing and replacing Title 8, Building Code, of the Atascadero Municipal Code for consistency with the 2019 California Building Code.
3. Introduce for first reading, by title only, Draft Ordinance C approving amendments to Title 9, Planning and Zoning, Chapters 2, 3, 4, and 6 of the Atascadero Municipal Code for minor text corrections.
4. Introduce for first reading, by title only, Draft Ordinance D approving amendments to Title 11, Subdivisions, Section 11-4.23 for minor text corrections.

Deputy City Manager/City Clerk read the titles of the Ordinances:

Draft Ordinance A

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, REPEALING AND REPLACING TITLE 4, PUBLIC SAFETY, CHAPTER 7, FIRE CODE, OF THE ATASCADERO MUNICIPAL CODE (CPP19-0080)

Draft Ordinance B

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, REPEALING AND REPLACING TITLE 8, BUILDING CODE, OF THE ATASCADERO MUNICIPAL CODE AMENDING THE LATEST EDITIONS OF THE CONSTRUCTION CODES, AND ADOPTING FINDINGS OF FACT TO SUPPORT THE IMPOSITION OF REQUIREMENTS GREATER THAN THE REQUIREMENTS ESTABLISHED BY, OR PURSUANT TO, THE CALIFORNIA BUILDING STANDARDS CODE (CPP19-0080)

Draft Ordinance C

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, AMENDING TITLE 9, PLANNING AND ZONING, CHAPTERS 2, 3, 4, AND 6 OF THE ATASCADERO MUNICIPAL CODE (CPP19-0080)

Draft Ordinance D

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, AMENDING SECTION 11-4.23 OF THE ATASCADERO MUNICIPAL CODE (CPP19-0080)

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

C. MANAGEMENT REPORTS: None.

D. COUNCIL ANNOUNCEMENTS AND COMMITTEE REPORTS:

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

Mayor Moreno

1. County Mayors Round Table
2. SLO Regional Transit Authority (RTA)

Mayor Pro Tem Bourbeau

1. Integrated Waste Management Authority (IWMA)
2. Mobile Home Rent Stabilization ad hoc Committee

Council Member Fonzi

1. City of Atascadero Design Review Committee

Council Member Funk

1. Homeless Services Oversight Council

Council Member Newsom

1. City of Atascadero Design Review Committee
2. Visit SLO CAL Advisory Committee

E. INDIVIDUAL DETERMINATION AND / OR ACTION:

1. City Council
 - a. Mayor Moreno reported that she plans to appeal the Planning Commission's decision on the Human Bean coffee shop on El Camino Real. She noted that she had concern with a condition on neighborhood compatibility and whether or not the use of loud speakers and hours of operation had been adequately addressed by the Planning Commission prior to approval of the project.

F. ADJOURN

Mayor Moreno adjourned the meeting at 10:10 p.m.

MINUTES PREPARED BY:

Lara K. Christensen
Deputy City Manager / City Clerk

APPROVED:

The following exhibit is available for review in the City Clerk's office:

- Exhibit A – Community Forum Comments
- Exhibit B – Information on becoming a Certified Local Government
- Exhibit C – Special Edition of Time Magazine – The Science of Addiction



Atascadero City Council

Staff Report - Administrative Services Department

November 2019 Accounts Payable and Payroll

RECOMMENDATION:

Council approve certified City accounts payable, payroll and payroll vendor checks for November 2019.

DISCUSSION:

Attached for City Council review and approval are the following:

Payroll

Dated 11/14/19	Checks # 34677 - 34691	\$ 13,031.31
	Direct Deposits	303,551.77
Dated 11/27/19	Checks # 34692 - 34707	13,384.66
	Direct Deposits	287,555.33

Accounts Payable

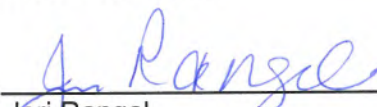
Dated 11/1/19-11/30/19	Checks # 162303 - 162566 & EFTs 3489 - 3515	2,189,323.48
	TOTAL AMOUNT	\$ 2,806,846.55

FISCAL IMPACT:

Total expenditures for all funds is \$ 2,806,846.55

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:

November 2019 Eden Warrant Register in the amount of \$ 2,189,323.48

City of Atascadero
Disbursement Listing

ITEM NUMBER: A-2
DATE: 01/14/20
ATTACHMENT: 1

For the Month of November 2019

Check Number	Check Date	Vendor	Description	Amount
162303	11/04/2019	ANTHEM BLUE CROSS HEALTH	Payroll Vendor Payment	174,447.19
162304	11/04/2019	LINCOLN NATIONAL LIFE INS CO	Payroll Vendor Payment	1,590.09
162305	11/04/2019	MEDICAL EYE SERVICES	Payroll Vendor Payment	1,726.47
162306	11/04/2019	PREFERRED BENEFITS INSURANCE	Payroll Vendor Payment	8,804.30
3489	11/05/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	22,331.54
3490	11/05/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	36,272.79
3491	11/05/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	1,622.85
3492	11/05/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	1,914.94
3493	11/05/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	2,908.84
3494	11/05/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	5,227.02
3495	11/05/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	6,433.81
3496	11/05/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	11,973.60
3497	11/05/2019	RABOBANK, N.A.	Payroll Vendor Payment	55,805.43
3498	11/05/2019	EMPLOYMENT DEV DEPARTMENT	Payroll Vendor Payment	16,374.27
3499	11/05/2019	EMPLOYMENT DEV. DEPARTMENT	Payroll Vendor Payment	2,241.30
162307	11/06/2019	WEX BANK - 76 UNIVERSL	Accounts Payable Check	14,464.74
162308	11/06/2019	WEX BANK - WEX FLEET UNIVERSAL	Accounts Payable Check	8,496.04
162309	11/08/2019	29TONIGHT, INC.	Accounts Payable Check	194.54
162310	11/08/2019	AIR-RITE REFRIGERATION	Accounts Payable Check	530.08
162311	11/08/2019	ALLIANT INSURANCE SERVICES INC	Accounts Payable Check	141.00
162312	11/08/2019	ALTHOUSE & MEADE, INC.	Accounts Payable Check	495.00
162313	11/08/2019	AMERICAN WEST TIRE & AUTO INC	Accounts Payable Check	416.32
162314	11/08/2019	KELLY AREBALO	Accounts Payable Check	423.06
162315	11/08/2019	ASSOCIATED TRAFFIC SAFETY, INC	Accounts Payable Check	214.43
162316	11/08/2019	AT&T	Accounts Payable Check	356.27
162317	11/08/2019	AT&T	Accounts Payable Check	100.58
162319	11/08/2019	ATASCADERO MUTUAL WATER CO.	Accounts Payable Check	22,058.20
162320	11/08/2019	ATASCADERO PICKLEBALL CLUB, INC	Accounts Payable Check	94.20
162321	11/08/2019	AURORA WORLD, INC.	Accounts Payable Check	784.80
162322	11/08/2019	BAY AREA DRIVING SCHOOL, INC.	Accounts Payable Check	30.73
162323	11/08/2019	KEITH R. BERGHER	Accounts Payable Check	405.00
162324	11/08/2019	BIG RED MARKETING, INC.	Accounts Payable Check	3,750.00
162325	11/08/2019	BOUND TREE MEDICAL, LLC	Accounts Payable Check	633.04
162326	11/08/2019	BREZDEN PEST CONTROL, INC.	Accounts Payable Check	65.00
162327	11/08/2019	CASEY BRYSON	Accounts Payable Check	179.00
162328	11/08/2019	BURT INDUSTRIAL SUPPLY	Accounts Payable Check	181.74
162329	11/08/2019	CA CODE CHECK, INC.	Accounts Payable Check	3,505.00
162330	11/08/2019	CANNON	Accounts Payable Check	4,298.75
162331	11/08/2019	CARQUEST OF ATASCADERO	Accounts Payable Check	50.60
162332	11/08/2019	CCI OFFICE TECHNOLOGIES	Accounts Payable Check	183.35

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162333	11/08/2019	CDCE, INC.	Accounts Payable Check	741.15
162334	11/08/2019	CHARTER COMMUNICATIONS	Accounts Payable Check	4,172.08
162335	11/08/2019	KATHLEEN J. CINOWALT	Accounts Payable Check	238.00
162336	11/08/2019	CITY OF SAN LUIS OBISPO	Accounts Payable Check	9,925.03
162337	11/08/2019	KAREN A. CLANIN	Accounts Payable Check	532.00
162338	11/08/2019	COAST COUNTIES PETERBILT	Accounts Payable Check	362.15
162339	11/08/2019	COAST LINE DISTRIBUTING	Accounts Payable Check	327.84
162340	11/08/2019	MIGUEL A. CORDERO	Accounts Payable Check	150.00
162341	11/08/2019	ARMANDO M. CORELLA	Accounts Payable Check	161.00
162342	11/08/2019	CREWSENSE, LLC	Accounts Payable Check	186.72
162343	11/08/2019	CRYSTAL SPRINGS WATER	Accounts Payable Check	20.00
162344	11/08/2019	CUESTA POLYGRAPH	Accounts Payable Check	4,155.89
162345	11/08/2019	CULLIGAN/CENTRAL COAST WTR TRT	Accounts Payable Check	70.00
162346	11/08/2019	VOID	Accounts Payable Check	0.00
162347	11/08/2019	D.A.D.S. TILE AND GROUT RESTOR	Accounts Payable Check	1,575.00
162348	11/08/2019	SHARON J. DAVIS	Accounts Payable Check	301.00
162349	11/08/2019	NICHOLAS DEBAR	Accounts Payable Check	300.00
162350	11/08/2019	CHARLES DICKEY	Accounts Payable Check	354.00
162351	11/08/2019	DREAM BIG DARLING	Accounts Payable Check	15,000.00
162352	11/08/2019	PHILIP DUNSMORE	Accounts Payable Check	300.00
162353	11/08/2019	EL CAMINO BUILDING SUPPLY	Accounts Payable Check	341.57
162354	11/08/2019	FERGUSON ENTERPRISES, LLC	Accounts Payable Check	2,795.47
162355	11/08/2019	FGL ENVIRONMENTAL	Accounts Payable Check	438.00
162356	11/08/2019	FRANCHISE TAX BOARD	Accounts Payable Check	291.38
162357	11/08/2019	GAS COMPANY	Accounts Payable Check	284.95
162358	11/08/2019	KATHLEEN GROGAN	Accounts Payable Check	117.99
162359	11/08/2019	GSOLUTIONZ, INC.	Accounts Payable Check	996.30
162360	11/08/2019	BRADLEY A. HACKLEMAN	Accounts Payable Check	339.00
162361	11/08/2019	HANLEY AND FLEISHMAN, LLP	Accounts Payable Check	2,072.00
162362	11/08/2019	HART IMPRESSIONS PRINTING	Accounts Payable Check	113.14
162364	11/08/2019	HOME DEPOT CREDIT SERVICES	Accounts Payable Check	2,464.93
162365	11/08/2019	INFORMATION TECHNOLOGY	Accounts Payable Check	1,505.49
162366	11/08/2019	J. CARROLL CORPORATION	Accounts Payable Check	286.51
162367	11/08/2019	JK'S UNLIMITED, INC.	Accounts Payable Check	7,780.92
162368	11/08/2019	JOE A. GONSALVES & SON	Accounts Payable Check	3,000.00
162369	11/08/2019	KID TEES	Accounts Payable Check	502.79
162370	11/08/2019	DENISE R. KNEESKERN	Accounts Payable Check	92.00
162371	11/08/2019	KW CONSTRUCTION	Accounts Payable Check	3,000.00
162372	11/08/2019	COLETTE LAYTON	Accounts Payable Check	206.00
162373	11/08/2019	LIFE ASSIST, INC.	Accounts Payable Check	587.53
162374	11/08/2019	JACKSON LIGHT	Accounts Payable Check	206.00

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162375	11/08/2019	CRAIG C. LOWRIE	Accounts Payable Check	100.00
162376	11/08/2019	ANDREW LUERA	Accounts Payable Check	206.00
162377	11/08/2019	MADRONE LANDSCAPES, INC.	Accounts Payable Check	380.00
162378	11/08/2019	MASONRY BY DARIN	Accounts Payable Check	209.00
162379	11/08/2019	MAUL PLUMBING	Accounts Payable Check	620.80
162380	11/08/2019	WADE MCKINNEY	Accounts Payable Check	317.34
162381	11/08/2019	SAMUEL H. MCMILLAN, SR.	Accounts Payable Check	75.00
162382	11/08/2019	MID-COAST MOWER & SAW, INC.	Accounts Payable Check	143.61
162384	11/08/2019	MINER'S ACE HARDWARE	Accounts Payable Check	1,348.20
162385	11/08/2019	MATTHEW J. MIRANDA	Accounts Payable Check	206.00
162386	11/08/2019	MISSION UNIFORM SERVICE	Accounts Payable Check	481.52
162387	11/08/2019	MUFG UNION BANK, N.A.	Accounts Payable Check	2,890.00
162388	11/08/2019	MV TRANSPORTATION, INC.	Accounts Payable Check	17,799.64
162389	11/08/2019	KYLE NAKAZAWA	Accounts Payable Check	206.00
162390	11/08/2019	MARC NOBRIGA	Accounts Payable Check	368.88
162391	11/08/2019	OFFICE DEPOT INC.	Accounts Payable Check	1,295.11
162392	11/08/2019	ONTRAC	Accounts Payable Check	5.99
162393	11/08/2019	PACIFIC CNTRL COAST HLTH CTRS	Accounts Payable Check	150.00
162396	11/08/2019	PACIFIC GAS AND ELECTRIC	Accounts Payable Check	37,866.54
162397	11/08/2019	RICARDO PAZ	Accounts Payable Check	150.00
162398	11/08/2019	PENGUIN RANDOM HOUSE, LLC	Accounts Payable Check	389.27
162399	11/08/2019	JUSTIN L. PETERSON	Accounts Payable Check	92.00
162400	11/08/2019	PINNACLE TRAFFIC ENGINEERING	Accounts Payable Check	4,795.00
162401	11/08/2019	PROCARE JANITORIAL SUPPLY, INC.	Accounts Payable Check	432.93
162402	11/08/2019	PROSOUND BUSINESS MEDIA, INC.	Accounts Payable Check	99.00
162403	11/08/2019	SHIRLEY L. RADCLIFF-BRUTON	Accounts Payable Check	455.40
162404	11/08/2019	RAINSCAPE, A LANDSCAPE SVC CO.	Accounts Payable Check	350.00
162405	11/08/2019	JERI RANGEL	Accounts Payable Check	300.00
162406	11/08/2019	REDWOOD TOXICOLOGY LABORATORY	Accounts Payable Check	172.57
162407	11/08/2019	RACHELLE RICKARD	Accounts Payable Check	500.00
162408	11/08/2019	SAFARI PROGRAMS, INC.	Accounts Payable Check	223.20
162409	11/08/2019	SAN LUIS POWERHOUSE, INC.	Accounts Payable Check	780.80
162410	11/08/2019	MICHELE SCHAMBER	Accounts Payable Check	125.39
162411	11/08/2019	ANDREA L. SHERRILL	Accounts Payable Check	33.00
162412	11/08/2019	THE SHERWIN-WILLIAMS COMPANY	Accounts Payable Check	21.25
162413	11/08/2019	SHI INTERNATIONAL CORP.	Accounts Payable Check	1,548.24
162414	11/08/2019	JOHN C. SIEMENS	Accounts Payable Check	501.20
162415	11/08/2019	SLO COUNTY HEALTH AGENCY	Accounts Payable Check	74,320.25
162416	11/08/2019	SLO COUNTY SHERIFF'S OFFICE	Accounts Payable Check	131.00
162417	11/08/2019	SLO COUNTY TAX COLLECTOR	Accounts Payable Check	97.62
162418	11/08/2019	SMART AND FINAL	Accounts Payable Check	127.97

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162419	11/08/2019	SOUTH COAST EMERGENCY VEH SVC	Accounts Payable Check	1,404.51
162420	11/08/2019	SPEAKWRITE, LLC.	Accounts Payable Check	484.77
162421	11/08/2019	SPECIALIZED EQUIPMENT REPAIR	Accounts Payable Check	2,034.12
162422	11/08/2019	STONEAGE ARTS, INC.	Accounts Payable Check	362.86
162423	11/08/2019	SUN BADGE COMPANY	Accounts Payable Check	92.89
162424	11/08/2019	SUNLIGHT JANITORIAL, INC.	Accounts Payable Check	1,700.00
162425	11/08/2019	TOYSMITH	Accounts Payable Check	453.60
162426	11/08/2019	TRIMOTION MEDIA	Accounts Payable Check	150.00
162427	11/08/2019	UNITED RENTALS (NORTH AM), INC	Accounts Payable Check	2,434.05
162428	11/08/2019	UNIVAR USA, INC.	Accounts Payable Check	4,708.93
162429	11/08/2019	IWINA M. VAN BEEK	Accounts Payable Check	46.00
162430	11/08/2019	SABRINA T. VAN BEEK	Accounts Payable Check	46.00
162431	11/08/2019	THOMAS F. VELASQUEZ	Accounts Payable Check	175.00
162432	11/08/2019	VERIZON WIRELESS	Accounts Payable Check	1,875.34
162433	11/08/2019	VINO VICE, INC.	Accounts Payable Check	165.00
162434	11/08/2019	VISITOR TELEVISION LLC	Accounts Payable Check	595.00
162435	11/08/2019	WALLACE GROUP	Accounts Payable Check	2,066.45
162436	11/08/2019	WARM FUZZY TOYS	Accounts Payable Check	402.68
162437	11/08/2019	WCJ PROPERTY SERVICES	Accounts Payable Check	874.12
162438	11/08/2019	WEST COAST AUTO & TOWING, INC.	Accounts Payable Check	370.00
162439	11/08/2019	KAREN B. WYKE	Accounts Payable Check	471.60
162440	11/08/2019	ZOOM IMAGING SOLUTIONS, INC.	Accounts Payable Check	958.80
3500	11/14/2019	ANTHEM BLUE CROSS HSA	Payroll Vendor Payment	8,044.61
162441	11/14/2019	ATASCADERO MID MGRS ORG UNION	Payroll Vendor Payment	60.00
162442	11/14/2019	ATASCADERO POLICE OFFICERS	Payroll Vendor Payment	1,904.00
162443	11/14/2019	ATASCADERO PROF. FIREFIGHTERS	Payroll Vendor Payment	1,013.05
162444	11/14/2019	MASS MUTUAL WORKPLACE SOLUTION	Payroll Vendor Payment	6,565.50
162445	11/14/2019	NATIONWIDE RETIREMENT SOLUTION	Payroll Vendor Payment	970.47
162446	11/14/2019	NAVIA BENEFIT SOLUTIONS	Payroll Vendor Payment	1,730.18
162447	11/14/2019	SEIU LOCAL 620	Payroll Vendor Payment	872.15
162448	11/14/2019	VANTAGEPOINT TRNSFR AGT 106099	Payroll Vendor Payment	357.85
162449	11/14/2019	VANTAGEPOINT TRNSFR AGT 304633	Payroll Vendor Payment	3,610.86
162450	11/14/2019	VANTAGEPOINT TRNSFR AGT 706276	Payroll Vendor Payment	85.00
3501	11/15/2019	STATE DISBURSEMENT UNIT	Payroll Vendor Payment	209.54
3502	11/15/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	22,347.54
3503	11/15/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	35,577.33
3504	11/15/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	1,594.42
3505	11/15/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	1,914.94
3506	11/15/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	2,908.84
3507	11/15/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	5,037.42
3508	11/15/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	6,433.81

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3509	11/15/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	11,797.03
3510	11/19/2019	RABOBANK, N.A.	Payroll Vendor Payment	57,993.00
3511	11/19/2019	EMPLOYMENT DEV DEPARTMENT	Payroll Vendor Payment	17,315.44
3512	11/19/2019	EMPLOYMENT DEV. DEPARTMENT	Payroll Vendor Payment	2,190.31
162451	11/22/2019	4LEAF, INC.	Accounts Payable Check	3,229.20
162452	11/22/2019	A & T ARBORISTS & VEGETATION	Accounts Payable Check	3,800.00
162453	11/22/2019	AFSS SOUTHERN DIVISION	Accounts Payable Check	30.00
162454	11/22/2019	AGP VIDEO, INC.	Accounts Payable Check	3,065.00
162455	11/22/2019	ALLIANT INSURANCE SERVICES INC	Accounts Payable Check	141.00
162456	11/22/2019	ALTHOUSE & MEADE, INC.	Accounts Payable Check	1,900.00
162457	11/22/2019	AM PAC REPAIR	Accounts Payable Check	190.50
162458	11/22/2019	AMERICAN MARBORG	Accounts Payable Check	115.61
162459	11/22/2019	AMERICAN WEST TIRE & AUTO INC	Accounts Payable Check	1,105.59
162460	11/22/2019	AT&T	Accounts Payable Check	696.17
162461	11/22/2019	AT&T	Accounts Payable Check	236.56
162462	11/22/2019	ATASCADERO NEWS	Accounts Payable Check	39.95
162463	11/22/2019	BIG RED MARKETING, INC.	Accounts Payable Check	5,500.00
162464	11/22/2019	BILL GAINES AUDIO, INC.	Accounts Payable Check	580.40
162465	11/22/2019	BREZDEN PEST CONTROL, INC.	Accounts Payable Check	180.00
162466	11/22/2019	CA ASSC.OF CODE ENF. OFFICERS	Accounts Payable Check	95.00
162467	11/22/2019	CA CODE CHECK, INC.	Accounts Payable Check	6,041.69
162468	11/22/2019	CARQUEST OF ATASCADERO	Accounts Payable Check	254.63
162469	11/22/2019	CCI OFFICE TECHNOLOGIES	Accounts Payable Check	660.00
162470	11/22/2019	CHARTER COMMUNICATIONS	Accounts Payable Check	1,918.67
162471	11/22/2019	CO OF SAN LUIS OBISPO SART PRG	Accounts Payable Check	1,781.00
162472	11/22/2019	COUNTY OF SAN LUIS OBISPO	Accounts Payable Check	776.00
162473	11/22/2019	CREWSENSE, LLC	Accounts Payable Check	99.99
162474	11/22/2019	GREG C. CUNNINGHAM	Accounts Payable Check	100.00
162475	11/22/2019	D.A.D.S. TILE AND GROUT RESTOR	Accounts Payable Check	514.80
162476	11/22/2019	DELTA LIQUID ENERGY	Accounts Payable Check	736.51
162477	11/22/2019	DEPARTMENT OF JUSTICE	Accounts Payable Check	552.00
162478	11/22/2019	DEPARTMENT OF TRANSPORTATION	Accounts Payable Check	2,583.81
162479	11/22/2019	DESTINATION TRAVEL NETWORK	Accounts Payable Check	200.00
162480	11/22/2019	DOCUTEAM	Accounts Payable Check	273.43
162481	11/22/2019	ELECTRICRAFT, INC.	Accounts Payable Check	5,655.00
162482	11/22/2019	ESCUELA DEL RIO	Accounts Payable Check	100.00
162483	11/22/2019	FARWEST LINE SPECIALTIES	Accounts Payable Check	699.30
162484	11/22/2019	FERRAVANTI GRADING & PAVING	Accounts Payable Check	19,610.00
162485	11/22/2019	FERRELL'S AUTO REPAIR	Accounts Payable Check	979.34
162486	11/22/2019	FGL ENVIRONMENTAL	Accounts Payable Check	328.00
162487	11/22/2019	GAS COMPANY	Accounts Payable Check	43.40

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162488	11/22/2019	GHD, INC.	Accounts Payable Check	71,147.32
162489	11/22/2019	GOLDEN STATE COPIER & MAILING	Accounts Payable Check	992.00
162490	11/22/2019	HAMNER, JEWELL & ASSOCIATES	Accounts Payable Check	1,661.76
162491	11/22/2019	HART IMPRESSIONS PRINTING	Accounts Payable Check	79.74
162492	11/22/2019	IRON MOUNTAIN RECORDS MGMNT	Accounts Payable Check	217.92
162493	11/22/2019	J & S STRIPING COMPANY, INC.	Accounts Payable Check	29,998.10
162494	11/22/2019	JK'S UNLIMITED, INC.	Accounts Payable Check	5,447.13
162495	11/22/2019	KEY TERMITE & PEST CONTROL, INC.	Accounts Payable Check	130.00
162496	11/22/2019	KOFF & ASSOCIATES, INC.	Accounts Payable Check	1,960.00
162497	11/22/2019	KPRL 1230 AM	Accounts Payable Check	320.00
162498	11/22/2019	LEE WILSON ELECTRIC CO. INC	Accounts Payable Check	1,470.13
162499	11/22/2019	LIFE ASSIST, INC.	Accounts Payable Check	2,042.38
162500	11/22/2019	MADRONE LANDSCAPES, INC.	Accounts Payable Check	690.00
162501	11/22/2019	MBS LAND SURVEYS	Accounts Payable Check	32,000.00
162502	11/22/2019	MICHAEL K. NUNLEY & ASSC, INC.	Accounts Payable Check	30,660.87
162503	11/22/2019	MID-COAST MOWER & SAW, INC.	Accounts Payable Check	604.33
162504	11/22/2019	MINER'S ACE HARDWARE	Accounts Payable Check	413.39
162505	11/22/2019	MISSION UNIFORM SERVICE	Accounts Payable Check	413.52
162506	11/22/2019	MOSS, LEVY, & HARTZHEIM LLP	Accounts Payable Check	9,000.00
162507	11/22/2019	KYLE NAKAZAWA	Accounts Payable Check	1,557.39
162508	11/22/2019	NUTRIEN AG SOLUTIONS, INC.	Accounts Payable Check	1,400.05
162509	11/22/2019	NVB EQUIPMENT, INC.	Accounts Payable Check	4,186.83
162510	11/22/2019	OFFICE DEPOT INC.	Accounts Payable Check	471.37
162511	11/22/2019	TARA ORLICK	Accounts Payable Check	55.68
162512	11/22/2019	RON OVERACKER	Accounts Payable Check	562.00
162513	11/22/2019	PACIFIC GAS AND ELECTRIC	Accounts Payable Check	24,338.04
162514	11/22/2019	PASO ROBLES FORD LINCOLN MERC	Accounts Payable Check	3,343.18
162515	11/22/2019	PAVEMENT ENGINEERING, INC.	Accounts Payable Check	4,134.00
162516	11/22/2019	PLACEWORKS, INC.	Accounts Payable Check	10,999.15
162517	11/22/2019	PRAXAIR DISTRIBUTION, INC.	Accounts Payable Check	51.05
162518	11/22/2019	PROCARE JANITORIAL SUPPLY, INC.	Accounts Payable Check	972.47
162519	11/22/2019	QUINCY ENGINEERING, INC.	Accounts Payable Check	20,366.30
162520	11/22/2019	RAINSCAPE, A LANDSCAPE SVC CO.	Accounts Payable Check	8,074.52
162521	11/22/2019	READYREFRESH BY NESTLE	Accounts Payable Check	478.07
162522	11/22/2019	REPUBLIC ELEVATOR COMPANY	Accounts Payable Check	443.89
162523	11/22/2019	ROWLEY ENGINEERING	Accounts Payable Check	7,500.00
162524	11/22/2019	SHORE-TEK, INC.	Accounts Payable Check	294.28
162525	11/22/2019	SOUTH COAST EMERGENCY VEH SVC	Accounts Payable Check	941.83
162526	11/22/2019	SOUZA CONSTRUCTION, INC.	Accounts Payable Check	857,661.05
162527	11/22/2019	STANLEY CONVERGENT SECURITY	Accounts Payable Check	609.70
162528	11/22/2019	STAPLES CREDIT PLAN	Accounts Payable Check	923.70

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162529	11/22/2019	STATE WATER RES CONTROL BOARD	Accounts Payable Check	21,392.00
162530	11/22/2019	SUNSET SERVICE CENTER	Accounts Payable Check	91.94
162531	11/22/2019	SUPERION, LLC	Accounts Payable Check	1,400.00
162532	11/22/2019	TEMPLETON UNIFORMS, LLC	Accounts Payable Check	677.42
162533	11/22/2019	TERRA VERDE ENVIRONMENTAL CONS	Accounts Payable Check	807.50
162534	11/22/2019	TOWN & COUNTRY FENCING	Accounts Payable Check	8,178.00
162535	11/22/2019	TURF STAR, INC.	Accounts Payable Check	1,925.69
162541	11/22/2019	U.S. BANK	Accounts Payable Check	31,711.99
162542	11/22/2019	U.S. POSTAL SERVICE	Accounts Payable Check	2,500.00
162543	11/22/2019	U.S. POSTMASTER	Accounts Payable Check	470.00
162544	11/22/2019	ULTREX BUSINESS PRODUCTS	Accounts Payable Check	113.03
162545	11/22/2019	UNITED STAFFING ASSC., INC.	Accounts Payable Check	1,637.56
162546	11/22/2019	USA BLUE BOOK	Accounts Payable Check	220.87
162547	11/22/2019	USA NORTH 811	Accounts Payable Check	1,566.89
162548	11/22/2019	VERDIN	Accounts Payable Check	10,449.64
162549	11/22/2019	VERIZON WIRELESS	Accounts Payable Check	1,141.98
162550	11/22/2019	VINO VICE, INC.	Accounts Payable Check	240.00
162551	11/22/2019	VISIT SLO CAL	Accounts Payable Check	39,183.63
162552	11/22/2019	WALLACE GROUP	Accounts Payable Check	601.25
162553	11/22/2019	WELL SEEN SIGN CO., LLC	Accounts Payable Check	206.76
162554	11/22/2019	WHITLOCK & WEINBERGER TRANS.	Accounts Payable Check	3,578.75
162555	11/22/2019	WILKINS ACTION GRAPHICS	Accounts Payable Check	323.25
3515	11/27/2019	STATE DISBURSEMENT UNIT	Payroll Vendor Payment	209.54
162556	11/27/2019	ATASCADERO MID MGRS ORG UNION	Payroll Vendor Payment	60.00
162557	11/27/2019	ATASCADERO POLICE OFFICERS	Payroll Vendor Payment	1,916.25
162558	11/27/2019	ATASCADERO PROF. FIREFIGHTERS	Payroll Vendor Payment	1,013.05
162559	11/27/2019	FRANCHISE TAX BOARD	Payroll Vendor Payment	590.27
162560	11/27/2019	MASS MUTUAL WORKPLACE SOLUTION	Payroll Vendor Payment	6,365.50
162561	11/27/2019	NATIONWIDE RETIREMENT SOLUTION	Payroll Vendor Payment	94.75
162562	11/27/2019	NAVIA BENEFIT SOLUTIONS	Payroll Vendor Payment	1,730.18
162563	11/27/2019	SEIU LOCAL 620	Payroll Vendor Payment	872.15
162564	11/27/2019	VANTAGEPOINT TRNSFR AGT 106099	Payroll Vendor Payment	357.85
162565	11/27/2019	VANTAGEPOINT TRNSFR AGT 304633	Payroll Vendor Payment	3,444.63
162566	11/27/2019	VANTAGEPOINT TRNSFR AGT 706276	Payroll Vendor Payment	85.00
				<u><u>\$ 2,189,323.48</u></u>



Atascadero City Council

Staff Report – Community Development Department

2019 Municipal Code Updates – Title 4, Title 8, Title 9 and Title 11 (CPP19-0080)

RECOMMENDATIONS:

Council:

1. Adopt on second reading, by title only, Draft Ordinance A repealing and replacing Title 4, Public Safety, Chapter 7, Fire Code, for consistency with the 2019 California Building and Fire Codes.
2. Adopt on second reading, by title only, Draft Ordinance B repealing and replacing Title 8, Building Code, of the Atascadero Municipal Code for consistency with the 2019 California Building Code.
3. Adopt on second reading, by title only, Draft Ordinance C approving amendments to Title 11, Subdivisions, Section 11-4.23 for minor text corrections.

DISCUSSION:

At the December 10, 2019 City Council meeting, Draft Ordinances were introduced, to amend Titles 4, 8 ,9 and 11 of the Atascadero Municipal Code.

The amendments include changes to Title 4 and 8 to be consistent with the State of California 2019 California Building Code (CBC) and the 2019 International Fire Code. With each piece of the Code, local jurisdictions may make local modifications if justified by climatic, topographic, or geological conditions, and provided the modifications are at least as restrictive as the State-mandated Codes and codified by ordinance based on findings. Staff has reviewed the new building codes and has combined proposed text amendments from various titles to implement the required California Building Code and Fire Codes, with some local modifications specific to Atascadero. Many of the local modifications were adopted with previous editions of 2013 and 2016 codes and are simply being carried forward for 2019. Separately, staff has proposed amendments to Title 9 (Zoning Text) and 11 (Subdivision Text) of the Atascadero Municipal Code. These amendments provide for consistency with the Building Code, Fire Code, and the General Plan.

At the December 10, 2019 meeting, the Council voted 5-0 to approve the introduction of the code amendments as proposed.

Following introduction, it was discovered that there were some clerical errors in the text of the Draft Ordinance with proposed amendments to Title 9. Because these clerical errors relate to areas in the Ordinance where CEQA is mentioned and may cause confusion over what areas of the Municipal Code are being amended, staff will be correcting the errors and bringing back the Draft Ordinance, amending Title 9, for introduction at the January 28, 2020 Council Meeting.

FISCAL IMPACT:

Staff expects minimal fiscal impact to the City from the adoption of the new building codes and proposed code text amendments. There is likely to be additional costs related to the construction of private development due to building code changes such as the addition of State-mandated solar requirements.

ATTACHMENTS:

1. Draft Ordinance A – Title 4 – Public Safety
2. Draft Ordinance B – Title 8 – Building Code
3. Draft Ordinance C – Title 11 – Subdivisions

DRAFT ORDINANCE A

**AN ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF ATASCADERO, CALIFORNIA, REPEALING AND
REPLACING TITLE 4, PUBLIC SAFETY, CHAPTER 7, FIRE CODE, OF
THE ATASCADERO MUNICIPAL CODE**

(CPP19-0080)

WHEREAS, it is the desire and intent of the City Council to provide residents with common sense reform to the City's Municipal Code to reduce regulations; and

WHEREAS, the City Fire Marshall has reviewed applicable sections of Title 4 and has determined sections need to be modified for consistency with State Law; and

WHEREAS, provisions codified in this Title are adopted to implement and supplement the California Building and Fire Codes as they exist and may be amended from time to time; and

WHEREAS, it is the desire and intent of the City of the Atascadero to provide citizens with the greatest degree of fire, life and structural safety in buildings in the most cost effective manner by adopting that body of regulations referred to as the California Building Standards Code and California Fire Code with amendments specific to the City of Atascadero; and

WHEREAS, the California Health and Safety Code, Section 17958.5 and Section 18941.5, requires the Planning Commission, before recommending any modifications or changes to the California Building Standards Code pursuant to Health and Safety Code Sections 18941.5 and 17958.5, to make an express finding that each such modification or change is needed; and

WHEREAS, such findings must be made available as a public record and a copy thereof with each such modification or change shall be filed with the State of California Building Standards Commission; and

WHEREAS, a timely and properly noticed Public Hearing upon the subject amendments was held by the Planning Commission of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said amendments, and

WHEREAS, the Planning Commission of the City of Atascadero, at a Public Hearing held on November 19, 2019, studied and considered the proposed code amendments; and

WHEREAS, the Planning Commission of the City of Atascadero has recommended approval of the amendments; and

WHEREAS, a timely and properly noticed Public Hearing upon the subject amendments was held by the City Council of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said amendments.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ATASCADERO HEREBY ORDAINS AS FOLLOWS:

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 14, 2020, considered the proposed amendments.

SECTION 3. Findings. The City Council makes the following findings, determinations and approvals with respect to the Municipal Code Amendments:

FINDING: The code amendments are justified by climatic, topographic or geological conditions of the City.

FINDING: The code amendments are at least as restrictive as the State mandated Codes.

FINDING: The following statements support the local necessity for the changes or modifications:

- A. That the City of Atascadero is situated at the base of a watershed of the Santa Lucia Mountains and that flooding of Atascadero Creek, Graves Creek, and Salinas River results in conditions rendering fire department vehicular traffic unduly burdensome or impossible as witnessed in major floods that occurred in 1952, 1961, 1969, 1973, 1978, 1982, and 1995. Furthermore, flood conditions described above create the potential for overcoming the ability of the fire department to aid or assist in fire control, evacuations, rescues and other emergency task demands inherent in such situations. The resulting overburdening of fire department personnel may cause a substantial or total lack of protection against fire for the buildings and structures located in the City of Atascadero. The afore-described conditions support the imposition of fire protection requirements greater than those set forth in the California State Building Standards Code and, in particular, support the imposition of greater requirements than set forth in the 2019 California Building and Fire Codes;
- B. That the City of Atascadero is situated near three major faults each capable of generating earthquakes with a magnitude of 7.5. These are the San Andreas to the east of the City, the Nacimiento-Rinconada that crosses Hwy 101 north of the City, then parallels the City to the east, and the Hosgri to the South West. Other faults of importance are the Huasna and West Huasna to the Southeast of the City, the San Simeon to the Northwest. In as much as these faults are included as major California earthquake faults, which are subject to becoming active at any time, the City Atascadero is particularly vulnerable to devastation should such an earthquake occur. The potential effects include isolating the City of Atascadero from the North and South due to the potential for collapsing of freeway overpasses or a slide on both the Cuesta and Ontario Grades and the potential for horizontal or vertical movement of the Edna fault rendering surface travel across the southern extremities of the City unduly burdensome or impossible. Additional

potential situations inherent in such an occurrence include broken natural-gas mains causing structure and other fires, leakage of hazardous materials, the need for rescues from collapsed structures, and the rendering of first aid and other medical attention to large numbers of people. The protection of human life and the preservation of property in the event of such an occurrence support the imposition of fire protection requirements greater than those set forth in the California State Building Standards Code and in particular support the imposition of greater requirements than set forth in 2019 California Building and Fire Codes;

- C. That the central commercial area in the City of Atascadero consists of mixed conditions that create the potential for possible conflagration, including congested streets during the business day, numerous older buildings without adequate internal fire-resistance, and contemporary low-rise buildings. Significant spread of fire in said area will actually exceed the fire suppression capabilities of regional firefighting personnel. The continued development of the Atascadero commercial area and the current and potential development of high-rise buildings pose a substantial threat of fire to human life, public safety, and the preservation of property and support the imposition of fire protection requirements greater than those set forth in the California State Building Standards Code, and in particular, support the imposition of greater requirements than set forth in 2019 California Building and Fire Codes;
- D. That the City of Atascadero is bisected by a major freeway (Hwy 101), traversing in the north/south direction and a major highway (Hwy 41) traversing in an east/west direction. The City is also transected by a mainline railroad that traverses in the north/south direction. It is a frequent occurrence for the aforementioned highways and railway to support the transportation of hazardous materials. The potential for release or threatened release of a hazardous material along one of these routes is highly probable given the volume transported daily. Incidents of this nature will normally require all available emergency response personnel to prevent injury and loss of life, and to prevent as far as practicable, property losses. Emergency personnel responding to said incidents may be unduly impeded and delayed in accomplishing an emergency response as a result of this situation, with the potential result of undue and unnecessary risk to the protection of life and public safety, particularly in those buildings or structures without the protection of automatic fire sprinklers. The above-described problems support the imposition of fire protection requirements greater than those set forth in the California State Building Standards Code, and in particular support the imposition of greater requirements than set forth in the 2019 California Building and Fire Codes;
- E. That seasonal climatic conditions during the late summer and fall create numerous serious difficulties in the control and protection against fire situations in the City of Atascadero. The hot, dry weather in combination with Santa Ana winds frequently results in wildland fires in the brush-covered slopes on the Santa Lucia Mountains and several areas surrounding. The aforementioned areas completely surround the City. When a fire occurs in said areas, such as occurred in 1994, the Highway 41 fire burned for several days and entered the City, the entirety of local fire department personnel is required to control, monitor, fight and protect against such fire situations in an effort to protect life and preserve

property and watershed land. The same climatic conditions may result in the concurrent occurrence of one or more fires in the more populated areas of the City without adequate fire department personnel to protect against and control such a situation. Therefore, the above-described findings support the imposition of fire-protection requirements greater than those set forth in the California State Building Standards Code, and in particular support the imposition of greater requirements than set forth in the 2019 California Building and Fire Codes;

- F. That for the most part, the soils in the City of Atascadero are medium to highly expansive in nature, and such soils may cause damage to foundations, structures and underground utilities if not properly mitigated through known construction techniques. Furthermore, a significant part of the City lies on hills and rolling topography subject to earth slides and movements and present problems to developments constructed in such areas due to surface water drainage and disposal. The above-described conditions support the imposition of requirements greater than those set forth in the California State Building Standards Code and, in particular, support the imposition of greater requirements than those set forth in the 2019 California Building and Fire Codes.

SECTION 4. CEQA. The proposed Title 4 amendments are exempt from the California Environmental Quality Act (CEQA), Public resources Code Section 21000 et seq., because it can be seen with certainty that there is no possibility that the enactment of this Ordinance would have a significant effect on the environment (Pub. Resources Code § 21065; CEQA Guidelines §§ 15378(b)(4), 15061(b)(3).

SECTION 5. Approval. The City Council of the City of Atascadero, in a regular session assembled on January 14, 2020, resolved to introduce for second reading by title only, an Ordinance that would repeal and replace all of Chapter 7, 2019 California Fire Code within Title 4 of the City of Atascadero Municipal Code as detailed in Exhibit A attached hereto and incorporated herein by this reference.

SECTION 6. Interpretation. This Ordinance must be broadly construed in order to achieve the purposes stated in this Ordinance. It is the City Council's intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.

SECTION 7. Preservation. Repeal of any provision of the AMC or of any previous Code Sections, does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance's effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 8. Effect of Invalidation. If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the AMC or other City Ordinance by this Ordinance will be rendered void and cause such previous AMC provision or other City Ordinance to remain in full force and effect for all purposes.

SECTION 9. Severability. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

SECTION 10. Notice. The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of Atascadero's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 11. Effective Date. This Ordinance will take effect on the 30th day following its final passage and adoption.

INTRODUCED at a regular meeting of the City Council held on December 10, 2019, and **PASSED, APPROVED** and **ADOPTED** by the City Council of the City of Atascadero, State of California, on January 14, 2020.

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian A. Pierik, City Attorney

Exhibit A

CHAPTER 7 FIRE CODE

4-7.102 Adoption of Fire Code and Wildland-Urban Interface Code.

(a) Two (2) documents, three (3) of which are on file in City offices, identified by the Seal of the City of Atascadero, marked and designated as the 2019 Edition of the California Fire Code and the 2018 Edition of the International Wildland-Urban Interface Code published by the International Code Council are hereby adopted, including chapters and sections not adopted by agencies of the State of California, and including appendices thereto, as the Fire Prevention Regulations of the City of Atascadero. The provisions of such are hereby referred to, adopted, and made a part hereof as if fully set out in this chapter except as modified hereinafter (2019).

4-7.103 Local modifications to the California Fire Code.

- (a) Adopt Appendix D without Table D103.4 and Figure D103.1
- (b) Amend Chapter I, Division II, Section 101.1 to read as follows:

101.1 Title. These regulations shall be known as the Fire Code of the City of Atascadero, referred to as “this code.”

- (c) Amend Chapter I, Division II, Section 108.1 to read as follows:

108.1 Board of appeals established. In order to hear and decide appeals of orders, decisions or determinations made by the fire code official relative to the application and interpretations of this code, there shall be and is hereby created a board of appeals, consistent with Title 8, section 1.02 of the Atascadero Municipal Code. The fire code official shall be an ex officio member and shall act as secretary to said board but shall have no vote upon any matter before the board. The board shall adopt rules of procedure for conducting its business.

- (d) Amend Section 311.2.2 Fire Protection by deletion of Exceptions 1, 2 and 3.
- (e) Amend Section 503.1.1 to read as follows:

503.1.1 Buildings and facilities. Approved fire apparatus access roads shall be provided for every facility, building or portion of a building hereafter constructed or moved into or within the jurisdiction. The fire apparatus access road shall comply with the requirements of this section and shall extend within 150 feet (45,720 mm) of all portions of the facility and all portions of the exterior walls of the first story of the building measured by an approved route around the exterior of the building or facility. Additionally, all roads and driveways shall comply with Atascadero Fire Department standards.

Exception: The fire code official is authorized to increase the dimension of 150 feet (45,720 mm) where:

1. Fire apparatus access roads cannot be installed because of location on property, topography, waterways, nonnegotiable grades or other similar conditions, and an approved alternative means of protection is provided.

2. There are not more than two Group R-3 or Group U occupancies.

(f) Delete Section 505.1:

(g) Amend Section 507.2.2 to read as follows:

507.2.2 Water tanks. Water tanks are not permitted for private fire protection.

(h) Delete section 605.11

(i) Amend Section 609.2 to read as follows:

609.2 Where required. A Type I hood shall be installed at or above all commercial cooking appliances and domestic cooking appliances used for commercial purposes that produce grease vapors. Hood systems shall be tied into existing alarm systems.

(j) Amend Section 901.7 to read as follows:

901.7 Systems out of service. Where a required fire protection system is out of service, the fire code official shall be notified immediately and, where required by the fire code official, the building shall either be evacuated or an approved fire watch shall be provided for all occupants left unprotected by the shut down until the fire protection system has been returned to service.

Where utilized, fire watches shall be provided with at least one approved means for notification of the fire department and their only duty shall be to perform constant patrols of the protected premises and keep watch for fires. The person assigned to fire watch shall maintain a written log of their activities during their assigned shift and the log shall be provided to the fire code official upon request.

(k) Delete Sections 903.2 through 903.2.19 and replace as follows:

903.2. Where required. An approved automatic fire sprinkler system shall be installed throughout all new buildings, and/or buildings that are increased in size that meet the following conditions below:

1. Buildings containing Groups B and M occupancies where floor area is greater than or equal to 500 square feet (46.45 m²) and located less than or equal to 10 feet from adjacent buildings on the same property and less than or equal to 5 feet from adjacent property lines.

2. Buildings containing Group U occupancies where floor area is greater than or equal to 1,000 square feet (92.9 m²) and located less than or equal to 10 feet from adjacent buildings on the same property and less than or equal to 5 feet from adjacent property lines, unless part of a mixed-occupancy building containing a Group R, Division 3 occupancy.

3. Group U occupancy buildings that are not open on at least three sides and greater than or equal to 3,000 square feet.

4. Throughout an existing building other than a Group R, Division 3 occupancy or a U occupancy when accessory to a Group R, Division 3 occupancy whenever additions exceed ten (10) percent of the total floor area of the existing building, and the total combined floor area will exceed 2,000 square feet (185.8 m²), or a second story or greater is added.

5. Throughout an existing Group R, Division 3 occupancy or Group U occupancy when accessory to a Group R, Division 3 occupancy whenever:

a. Additions exceed ten (10) percent and total combined floor area will exceed 3,000 square feet (278.7 m²); or

b. The total combined floor area will exceed 5,000 square feet (464 m²).

6. Group B and M occupancies whenever single or multiple additions will exceed 1,000 square feet (92.9 m²) beyond the size of the structure on the effective date of this regulation, or the total combined floor area will exceed 5,000 square feet (464.5 m²), or a second story or greater is added.

7. Group A, B, E, F, M and S occupancies where one of the following conditions exist in existing buildings when modification or tenant improvements are being considered:

1. The fire area exceeds 5,000 sq. ft. (464 m²).

2. The fire area has an occupant load of 100 or more.

3. The fire area is located on the floor other than a level of exit discharge serving A, B, E, F, M and S occupancies.

4. The structure exceeds 5,000 sq. ft. (464 m²), contains more than one fire area containing A, B, E, F, M and S occupancies and is separated into two or more buildings by firewalls of less than four-hour fire resistance rating without openings.

8. In A-5, F-1 and S-1 building occupancy as follows:

1. An automatic sprinkler system shall be provided for Group A-5 Occupancies in the following areas: concession stands, retail areas, press boxes and other accessory use areas in excess of 1,000 square feet (90 m²).

2. A Group F-1 Occupancy used for the manufacture of upholstered furniture or mattresses exceeds 2,500 square feet (232 m²).

3. Woodworking Operations. An automatic sprinkler system shall be provided throughout all Group F-1 occupancy fire areas that contain wood-working operations in excess of 2,500 square feet in area which generate finely divided combustible waste or which use finely divided combustible materials. A firewall of less than four hour fire-resistance rating without openings, or any firewall with openings, shall not be used to establish separate fire areas.

4. A Group S-1 occupancy used for the storage of upholstered furniture or mattresses exceeds 2,500 square feet (232 m²).

9. Any commercial occupancy, A, B, E, F, M, and S that is converted to an R occupancy adjoining other commercial uses.

903.2.11 Additions to existing buildings equipped with an automatic fire sprinkler system. For the purpose of requiring the automatic fire sprinkler systems specified in this chapter, the floor area within the surrounding exterior walls shall be considered as one building.

903.2.21 Flow switch. All sprinkler systems including NFPA 13, 13R and 13D shall require a flow switch that is connected to a local bell and is highly encouraged to have an inspector test valve at the most hydraulically remote location per Atascadero Fire Department standards.

903.2.13 Automatic fire-extinguishing system. An automatic fire-extinguishing system shall be installed as set forth in Section 903.2 of the California Fire Code as amended in Section 4-7.103 of the Atascadero Municipal Code.

(l) Add Sections 907.10 through 907.10.2 to read as follows:

907.11 False alarms. The fire code official is authorized to seek cost recovery for a fire department response to an alarm system activation which is determined to be a false alarm caused by system malfunction, system misuse or other non-emergency causes.

907.11.1 False alarm frequency. The cost recovery fee will be charged for all responses after the second false alarm in a calendar year.

907.11.2 False alarm fee. The amount of the cost recovery fee will be as set forth in the City of Atascadero User Fees Schedule. Additional fees may be charged for extraordinary circumstances.

(Ord. 607 § 1, 2017)

(m) Amend Section 1204.2 to read as follows:

1204.2 Access and pathways. Roof access, pathways and spacing requirements shall be provided in accordance with Sections 1204.2.1 through 1204.3.3. Pathways shall be over areas capable of supporting firefighters accessing the roof. No portion of a pathway shall be located on a portion of a gable roof overhanging the gable rafter or truss. Pathways shall be located in areas with minimal obstructions. Such as vent pipes, conduit or mechanical equipment.

Exceptions:

1. Detached, non-habitable Group U structures including, but not limited to, detached garages serving Group R-3 buildings, parking shade structures, carports, solar trellises and similar structures.
2. Roof access, pathways, and spacing requirements need not be provided where the fire code official has determined that rooftop operations will not be employed.

(n) Amend Section 1204.2.1.1 to read as follows:

1204.2.1.1 Pathways to ridge. Not fewer than two 36 inch wide (914mm) pathways on each roof plane on which modules are located, or on adjacent roof planes or straddling the same and adjacent roof planes, from lowest roof edge to ridge, shall be provided on all buildings.

Exception:

1. These requirements shall not apply to structure designed and constructed in accordance with the *California Residential Code*.
2. These requirements shall not apply to roofs with slopes of 2 units vertical in 12 units horizontal or less.

(o) Amend Section 1204.2.1.2 to read as follows:

1204.2.1.2 Setbacks at ridge. A setback of not less than 36 inches (914mm) is required on both sides of a horizontal ridge.

(p) Delete Section 1204.2.1.3

(q) Amend Section 1204.2.2 to read as follows:

1204.2.2 Emergency escape and rescue openings. Panels and modules installed on Group R-3 buildings shall not be placed on the portion of a roof that is below an emergency escape and rescue opening. A pathway of not less than 36 inches (914mm) wide shall be provided from the emergency escape and rescue opening to the eave directly below and a 36 inch wide (914mm) shall be provided directly in front of the full length of the wall line containing the emergency escape and rescue opening(s).

(r) Amend Section 1204.3.2 to read as follows:

1204.3.2 Interior pathways. Interior pathways shall be provided between array sections to meet the following requirements:

1. Pathways shall be provided at intervals not greater than 150 feet (45,720 mm) throughout the length and width of the roof.
2. A pathway of not less than 4 feet (1219 mm) wide in a straight line to roof standpipes or ventilation hatches.
3. A pathway not less than 4 feet (1219 mm) wide around roof access hatches, with not fewer than one such pathway to a parapet or roof edge.
4. A pathway of not less than 4 feet (1219 mm) wide to and around each piece of powered mechanical equipment.

(s) Amend Section 1204.4 to read as follows:

1204.4 Ground-mounted photovoltaic panel systems. Ground-mounted photovoltaic panel systems shall comply with Section 1204.1 and this section. Setback requirements shall not apply to ground-mounted, free-standing photovoltaic arrays. A clear, brush-free area of 10 feet (3048 mm) shall be required around ground-mounted photovoltaic arrays and under the array. Arrays shall be located a minimum of 20 feet (6096 mm) from other structures and shall not be located so as to impede access to and around a structure in any manner. Mounts shall be of non-combustible construction. No storage shall be permitted under the panel arrays. Arrays shall not be located upon biological conservation easements, riparian or vernal pool area.

DRAFT ORDINANCE B

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, REPEALING AND REPLACING TITLE 8, BUILDING CODE, OF THE ATASCADERO MUNICIPAL CODE AMENDING THE LATEST EDITIONS OF THE CONSTRUCTION CODES, AND ADOPTING FINDINGS OF FACT TO SUPPORT THE IMPOSITION OF REQUIREMENTS GREATER THAN THE REQUIREMENTS ESTABLISHED BY, OR PURSUANT TO, THE CALIFORNIA BUILDING STANDARDS CODE

(CPP19-0080)

WHEREAS, it is the desire and intent of the City Council to provide residents with common sense reform to the City's Municipal Code to reduce regulations; and

WHEREAS, it is the desire and intent of the City Council of the Atascadero to provide citizens with the greatest degree of fire, life and structural safety in buildings in the most cost effective manner by adopting that body of regulations referred to as the California Building Standards Code with amendments specific to the City of Atascadero; and

WHEREAS, the California Health and Safety Code, Section 17958.5 and Section 18941.5, requires the Planning Commission, before recommending any modifications or changes to the California Building Standards Code pursuant to Health and Safety Code Sections 18941.5 and 17958.5, to make an express finding that each such modification or change is needed; and

WHEREAS, the California Health and Safety Code Section 17958.7 requires that such changes must be determined to be reasonably necessary because of local climatic, geological, or topographical conditions; and

WHEREAS, such findings must be made available as a public record and a copy thereof with each such modification or change shall be filed with the State of California Building Standards Commission; and

WHEREAS, the Council of the City of Atascadero affirms the findings justifying previous changes and modifications to the adopted construction and fire codes previously adopted; and

WHEREAS, the Planning Commission of the City of Atascadero, at a Public Hearing held on November 19, 2019, studied and considered the proposed code amendments; and

WHEREAS, the Planning Commission of the City of Atascadero has recommended approval of the amendments; and

WHEREAS, a timely and properly noticed Public Hearing upon the subject amendments was held by the City Council of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said amendments; and

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ATASCADERO
HEREBY ORDAINS AS FOLLOWS:**

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 14, 2020, considered the proposed amendments.

SECTION 3. Determination. The City Council has determined that the provisions of the State Building Standards Code shall be modified, changed and amended, as provided for in this Ordinance, based upon the foregoing findings and that said Council takes said action because of the public interest in protecting life and preserving public safety and property.

SECTION 4. Findings. The City Council makes the following findings, determinations and approvals with respect to the Code Text Amendments:

FINDING: Each of the changes or modifications to measures referred to therein are reasonably necessary because of local climatic, geological, or topographical conditions in the area encompassed by the boundaries of the City of Atascadero.

FINDING: The code amendments are at least as restrictive as the State mandated Codes.

FINDING: The following statements support the local necessity for the changes or modifications:

- A. That the City of Atascadero is situated at the base of a watershed of the Santa Lucia Mountains and that flooding of Atascadero Creek, Graves Creek, and Salinas River results in conditions rendering fire department vehicular traffic unduly burdensome or impossible as witnessed in major floods that occurred in 1952, 1961, 1969, 1973, 1978, 1982, and 1995. Furthermore, flood conditions described above create the potential for overcoming the ability of the fire department to aid or assist in fire control, evacuations, rescues and other emergency task demands inherent in such situations. The resulting overburdening of fire department personnel may cause a substantial or total lack of protection against fire for the buildings and structures located in the City of Atascadero. The afore-described conditions support the imposition of fire protection requirements greater than those set forth in the California State Building Standards Code and, in particular, support the imposition of greater requirements than set forth in the 2019 California Building Code;
- B. That the City of Atascadero is situated near three major faults each capable of generating earthquakes with a magnitude of 7.5. These are the San Andreas to the east of the City, the Nacimiento-Rinconada that crosses Hwy 101 north of the City then parallels the City to the east, and the Hosgri to the South West. Other faults of importance are the Huasna and West Huasna to the Southeast of the City, the San Simeon to the Northwest. In as much as these faults are included as major California earthquake faults, which are subject to becoming active at any time, the City Atascadero is particularly vulnerable to devastation should such an

earthquake occur. The potential effects include isolating the City of Atascadero from the North and South due to the potential for collapsing of freeway overpasses or a slide on both the Cuesta and Ontario Grades and the potential for horizontal or vertical movement of the Edna fault rendering surface travel across the southern extremities of the city unduly burdensome or impossible. Additional potential situations inherent in such an occurrence include broken natural-gas mains causing structure and other fires, leakage of hazardous materials, the need for rescues from collapsed structures, and the rendering of first aid and other medical attention to large numbers of people. The protection of human life and the preservation of property in the event of such an occurrence support the imposition of fire protection requirements greater than those set forth in the California State Building Standards Code and in particular support the imposition of greater requirements than set forth in 2019 California Building Code;

- C. That the central commercial area in the City of Atascadero consists of mixed conditions that create the potential for possible conflagration, including congested streets during the business day, numerous older buildings without adequate internal fire-resistance, and contemporary low-rise buildings. Significant spread of fire in said area will actually exceed the fire suppression capabilities of regional firefighting personnel. The continued development of the Atascadero commercial area and the current and potential development of high-rise buildings pose a substantial threat of fire to human life, public safety, and the preservation of property and support the imposition of fire protection requirements greater than those set forth in the California State Building Standards Code, and in particular, support the imposition of greater requirements than set forth in 2019 California Building Code;
- D. That the City of Atascadero is bisected by a major freeway (Hwy 101), traversing in the north/south direction and a major highway (Hwy 41) traversing in an east/west direction. The City is also transected by a mainline railroad that traverses in the north/south direction. It is a frequent occurrence for the aforementioned highways and railway to support the transportation of hazardous materials. The potential for release or threatened release of a hazardous material along one of these routes is highly probable given the volume transported daily. Incidents of this nature will normally require all available emergency response personnel to prevent injury and loss of life, and to prevent as far as practicable, property losses. Emergency personnel responding to said incidents may be unduly impeded and delayed in accomplishing an emergency response as a result of this situation, with the potential result of undue and unnecessary risk to the protection of life and public safety, particularly in those buildings or structures without the protection of automatic fire sprinklers. The above-described problems support the imposition of fire protection requirements greater than those set forth in the California State Building Standards Code, and in particular support the imposition of greater requirements than set forth in the 2019 California Building Code;
- E. That seasonal climatic conditions during the late summer and fall create numerous serious difficulties in the control and protection against fire situations in the City of Atascadero. The hot, dry weather in combination with Santa Ana winds frequently results in wildland fires in the brush-covered slopes on the Santa

Lucia Mountains and several areas surrounding. The aforementioned areas completely surround the City. When a fire occurs in said areas, such as occurred in 1994, the Highway 41 fire burned for several days and entered the City, the entirety of local fire department personnel is required to control, monitor, fight and protect against such fire situations in an effort to protect life and preserve property and watershed land. The same climatic conditions may result in the concurrent occurrence of one or more fires in the more populated areas of the City without adequate fire department personnel to protect against and control such a situation. Therefore, the above-described findings support the imposition of fire-protection requirements greater than those set forth in the California State Building Standards Code, and in particular support the imposition of greater requirements than set forth in the 2019 California Building Code;

- F. That for the most part, the soils in the City of Atascadero are medium to highly expansive in nature, and such soils may cause damage to foundations, structures and underground utilities if not properly mitigated through known construction techniques. Furthermore, a significant part of the City lies on hills and rolling topography subject to earth slides and movements and present problems to developments constructed in such areas due to surface water drainage and disposal. The above-described conditions support the imposition of requirements greater than those set forth in the California State Building Standards Code and, in particular, support the imposition of greater requirements than those set forth in the 2019 California Building Code.

SECTION 5. CEQA. The proposed Title 4 zoning text change is exempt from the California Environmental Quality Act (CEQA), Public resources Code Section 21000 et seq., because it can be seen with certainty that there is no possibility that the enactment of this Ordinance would have a significant effect on the environment (Pub. Resources Code § 21065; CEQA Guidelines §§ 15378(b)(4), 15061(b)(3).

SECTION 6. Approval. The City Council of the City of Atascadero, in a regular session assembled on January 14, 2020, resolved to introduce for second reading by title only, an Ordinance that would repeal and replace Title 8 as detailed in Exhibit A attached hereto and incorporated herein by this reference.

SECTION 7. Interpretation. This Ordinance must be broadly construed in order to achieve the purposes stated in this Ordinance. It is the City Council's intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.

SECTION 8. Preservation. Repeal of any provision of the AMC or of any previous Code Sections, does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance's effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 9. Effect of Invalidation. If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the AMC or other City Ordinance by this Ordinance will be rendered void and cause such previous AMC provision or other City Ordinance to remain in full force and effect for all purposes.

SECTION 10. Severability. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

SECTION 11. Notice. The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of Atascadero's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 12. Transmittal. The Building Official is hereby authorized and directed to transmit a copy of this Ordinance to the California Building Standards Commission as required by California Health and Safety Code Section 17958.7.

SECTION 13. Effective Date. This Ordinance will take effect on the 30th day following its final passage and adoption.

INTRODUCED at a regular meeting of the City Council held on December 10, 2019, and **PASSED, APPROVED** and **ADOPTED** by the City Council of the City of Atascadero, State of California, on January 14, 2020.

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian A. Pierik, City Attorney

Exhibit A

Title 8

BUILDING CODE

Chapters:

- 1 Administrative**
- 2 Organization and Enforcement**
- 3 Building Code**
- 4 Residential Code**
- 5 Electrical Code**
- 6 Plumbing Code**
- 7 Mechanical Code**
- 8 Green Building Code**
- 9 Unsafe Buildings and Structures**
- 10 Water Efficient Landscape and Irrigation**
- 11 Unreinforced Masonry**
- 12 Post-Disaster Regulations**

Chapter 1

ADMINISTRATIVE

Sections:

- 8-1.101 Title.**
- 8-1.102 Adoption of Codes.**
- 8-1.103 Building Official designated.**

8-1.101 Title.

This title shall be known as the City of Atascadero Building Construction Code, Title 8 of the Atascadero Municipal Code.

8-1.102 Adoption of Codes.

Eleven (11) documents, three (3) each of which are on file in City offices, identified by the Seal of the City of Atascadero, marked and designated as:

1. 2019 Edition of the California Building Code (Volumes 1 and 2) published by the International Code Council;
2. 2019 Edition of the California Residential Code published by the International Code Council;
3. 2019 Edition of the California Electrical Code published by the National Fire Protection Association;
4. 2019 Edition of the California Mechanical Code published by the International Association of Plumbing and Mechanical Officials;
5. 2019 California Plumbing Code published by the International Association of Plumbing and Mechanical Officials;
6. 2019 Edition of the California Green Building Code;
7. 2019 Edition of California Energy Code;
8. 2019 Edition of the California Historical Building Code;
9. 2019 Edition of the California Existing Building Code;
10. 2018 Edition of International Property Maintenance Code published by the International Code Council
11. 2018 International Swimming Pool and Spa Code

are hereby adopted, including chapters and sections not adopted by agencies of the State of California, and including appendices thereto, as the Building Construction Regulations of the City of Atascadero. The provisions of such are hereby referred to, adopted, and made a part hereof as if fully set out in this chapter except as modified hereinafter.

The 2015 International Solar Energy Provisions and Commentary and the TMS 402/602 Building Code Requirements and Specification for Masonry Structures, 2016, are hereby incorporated as a reference document only to pertinent section of the Building Code as determined by the Building Official.

8-1.103 Building Official designated.

The Building Official is hereby designated as the Building Official and Code Official for the City of Atascadero. Where the “authority having jurisdiction” is used in the adopted codes, it shall mean the Building Official.)

Chapter 2

ORGANIZATION AND ENFORCEMENT

Sections:

8-2.101 Administration of adopted Codes.

The administration and enforcement of this title shall be in accordance with Chapter 1, Division II of the California Building Code as adopted in Chapter 1 of this title and amended in this chapter.

- (a) **Unlawful Continuance** Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be subject to a misdemeanor violation consistent with Title 12-1.05.
- (b) **Authority to enforce Unsafe Building** Any person who occupies or enters a building or structure after the structure has been posted with an “Unsafe to Occupy” notice, except under the direction of the Building Official to evaluate or perform building repairs, shall be subject to a misdemeanor violation consistent with Title 12-1.05.
- (c) **Authority to enforce Restricted Use Buildings.** Any person who occupies or enters a building or structure after the structure has been posted with a “Restricted Use ” notice, except under the direction of the Building Official to remove personal items, shall be subject to a misdemeanor violation consistent with Title 12-1.05.

Chapter 3

BUILDING CODE

Section:

8-3.101 Modifications of the California Building Code.

8-3.101 Modifications of the California Building Code.

- (a) Adopt the 2019 California Building Code Volume 1 and 2 in its entirety,
- (b) Delete all appendices except for Appendices I, Appendix O, and Appendix J except as modified in (f), (d), (eg), and (fh).
- (c) Adopt as reference North American Standard for Cold-Formed Steel Structural Framing (2015) and the TMS 402/602 Building Code Requirements and Specification for Masonry Structures (2016).
- (d) Adopt as reference the 2019 California Solar Permitting Guidebook
- (e) Adopt as reference the ICC 900 / SRCC 300 – 2015: Solar Thermal System Standard
- (df) Adopt Appendix I in its entirety:
- (eg) Modify Appendix O to read as follows:

SECTION O101. GENERAL.

- O101.2. Location of emergency housing and emergency housing facilities shall comply with Section O109.
- O101.3. City approval shall be required for any emergency housing unit or emergency housing facility.

SECTION O103. EMERGENCY HOUSING.

O103.1. General. Emergency sleeping cabins, emergency transportable units, membrane structures and tents constructed and/or assembled in accordance with this appendix, shall be occupied only during declaration of state of emergency, local emergency, or shelter crisis.

~~Buildings and structures constructed in accordance with the California Building Standards Code, used as emergency housing, shall be permitted to be permanently occupied.~~

O103.2.1. New additions, alterations, and change of occupancy. New additions, alterations, and change of occupancy to existing buildings shall comply with the requirements of the California Building Standards Code ~~and all provisions of the Atascadero Municipal Code~~ effective at the time of addition, alteration, or change of occupancy.

SECTION O105 EMERGENCY TRANSPORTABLE HOUSING UNITS

O105.2. Emergency transportable housing used as temporary housing or as emergency housing must be located in a City approved location and are not permitted in residential properties unless the emergency transportable housing unit is used for temporary replacement for a damaged residence. Recreational vehicles used as temporary housing or as emergency housing must be currently registered with the California Department of Motor Vehicles.

SECTION O109 LOCATION, MAINTENANCE, AND IDENTIFICATION

O109.3. Emergency housing and emergency housing facilities shall be located in appropriate locations as determined by Title 9 of the Atascadero Municipal Code and shall comply with zoning requirements, density requirements, and development standards of the appropriate zoning district. Emergency or temporary housing units are not permitted in residential properties unless the emergency transportable housing unit is used for temporary replacement for a damaged residence.

(~~fh~~) Adopt Sections of Appendix J. Adopt only Sections J104, J105, J106, and J107. No local modifications proposed.

(~~gi~~) Amend Section 7A (Materials and Construction Methods for Exterior Wildfire Exposure) to read as follows:

709A.2 Where required

The walking surface material of decks, porches, balconies and stairs shall comply with the requirements of this section when any portion of such surface is within 10 feet (3048 mm) of the building.

Chapter 4

RESIDENTIAL CODE

Section:

8-4.101 Modifications to the California Residential Code.

8-4.101 Modifications to the California Residential Code.

- (a) Adopt the 2019 California Residential Code in its entirety, except,
- (b) Amend the following sections:

Amend Section R310.2.5 Replacement Windows to read as follows:

Window replacements in existing R Occupancy Units shall comply with the following Egress Requirements.

Requirements for Replacing Bedroom Windows in Existing Homes

A minimum of one window must comply unless there is a door to the exterior.

<u>Year House Was Built</u>	<u>Egress Requirements</u>	<u>Net Opening Size</u>	<u>Minimum Opening Size</u>	<u>Maximum Sill Height From Finished Floor</u>
<u>Prior to 1964</u>	<u>Window size only</u>	<u>6 sq ft (Window Size only)</u>	<u>Per CHC 3.3 sq ft min 18 inches-Height 18 inches -Width</u>	<u>None specified</u>
<u>1964 to 1980</u>	<u>Yes</u>	<u>5 sq ft (Net opening)</u>	<u>22 Inches-Height 22 Inches-Width</u>	<u>48 Inches to Sill</u>
<u>1980 to 2007</u>	<u>Yes</u>	<u>5.7 sq ft (Net Opening)</u>	<u>24 Inches – Height 20 Inches – Width</u>	<u>44 Inches to Sill</u>
<u>2008 to Present</u>	<u>Yes</u>	<u>5.7 sq ft (Net Opening) 5.0 sq ft on Ground Floor</u>	<u>24 Inches – Height 20 Inches – Width</u>	<u>44 Inches to Clear Opening</u>

Amend Section R324.6.1 to read as follows:

R324.6.1 Pathways. Not fewer than two 36 inch wide (914mm) pathways on each roof plane on which modules are located, or on adjacent roof planes or straddling the same and adjacent roof planes, from lowest roof edge to ridge, shall be provided on all buildings. Pathways shall be over areas capable of supporting firefighters accessing the roof. No portion of a pathway shall be located on a portion of a gable roof overhanging the gable rafter or truss. Pathways shall be located in areas with minimal obstructions. Such as vent pipes, conduit or mechanical equipment.

Amend Section R324.6.2 to read as follows:

R324.6.2 Setbacks at ridge. A setback of not less than 36 inches (914mm) is required on both sides of a horizontal ridge.

Delete Section R324.6.2.1.

Amend Section R324.6.2.2 to read as follows:

R324.6.2.2 Emergency escape and rescue openings. Panels and modules installed on Group R-3 buildings shall not be placed on the portion of a roof that is below an emergency escape and rescue opening. A pathway of not less than 36 inches (914mm) wide shall be provided from the emergency escape and rescue opening to the eave directly below and a 36 inch wide (914mm) shall be provided directly in front of the full length of the wall line containing the emergency escape and rescue opening(s).

Amend Section R324.7.2 to read as follows:

R324.7.2 Ground-mounted photovoltaic panel systems. Ground-mounted photovoltaic panel systems shall comply with Section 1204.1 and this section. Setback requirements shall not apply to ground-mounted, free-standing photovoltaic arrays. A clear, brush-free area of 10 feet (3048 mm) shall be required around ground-mounted photovoltaic arrays and under the array. Arrays shall be located a minimum of 20 feet (6096 mm) from other structures and shall not be located so as to impede access to and around a structure in any manner. Mounts shall be of non-combustible construction. No storage shall be permitted under the panel arrays. Arrays shall not be located upon biological conservation easements, riparian or vernal pool area.

- (c) Delete all appendices except for Appendices Q
- (d) Adopt and amend Appendix Q Section AQ102 to read:

Tiny House. A dwelling that is 400 square feet (37 m²) or less in floor area excluding lofts. Must be on permanent foundations. This section does not include any structures on wheels or those regulated by the California Department of Motor Vehicles and the State of California Department of Housing and Community Development.

Chapter 5

ELECTRICAL CODE

Section:

8-5.101 Modifications of the California Electrical Code.

- (a) Adopt the 2019 California Electrical Code in its entirety, except,
- (b) Delete all appendices,
- (c) Amend Article 230.70(A)(1) to read as follows:

(1) **Readily accessible location.** The service disconnecting means shall be installed at a readily accessible location either outside the building or other structure, or inside nearest the point of entrance of the service conductors. The disconnecting means shall be accessible to emergency personnel, either directly or by a remote actuating device, without requiring transit of the building interior. Dedicated electrical equipment rooms located at the building perimeter and providing direct access to the outside shall satisfy accessibility for emergency personnel.

(d) **Underground Utility Service.** All new electric, telephone, television, and other communication service connections, for all new, altered, or enlarged buildings shall be provided

by underground wiring. Extension of electric or communication distribution lines to serve such projects shall be underground wiring.

Exceptions:

1. Replacement or relocation of electric service equipment served by existing overhead wiring.
2. Where determined by the building official to be impractical or infeasible within the standards and practices of the utility or other companies providing such services.

Where the utility or other company's distribution system is underground, the service lines shall terminate at a connection point designated by the utility company. Where the utility or other company's distribution is overhead, the service lines shall terminate as a pole riser on a pole designated by the utility company

- (e) Adopt as reference the 2018 International Solar Energy Provisions (ISEP), 2018 International Swimming Pool and Spa Code (ISPSC), 2018 International Residential Code Chapter 23 Solar Thermal Energy Systems, and the City of Atascadero Fire Department Solar Photovoltaic Installation Guidelines.

Chapter 6

PLUMBING CODE

Sections:

8-6.101 Modifications of the California Plumbing Code.

8-6.101 Modifications of the California Plumbing Code.

- (a) Adopt the 2019 California Plumbing Code in its entirety,
- (b) Delete all appendices except for D, I, and K.

Chapter 7

MECHANICAL CODE

Section:

8-7.101 Modifications to the California Mechanical Code.

8-7.101 Modifications to the California Mechanical Code.

- (a) Adopt the 2019 California Mechanical Code in its entirety, except,
- (b) Delete all appendices,

Chapter 8

GREEN BUILDING CODE

Section:

8-8.101 Modifications to the California Green Building Code.

8-8.101 Modifications to the California Green Building Code.

- (a) Adopt in its entirety,
- (b) Delete all appendices.

Chapter 9

UNSAFE BUILDINGS AND STRUCTURES

Section:

8-9.101 Modifications to the International Property Maintenance Code.

- (a) Adopt in its entirety except,
- (b) Delete all appendices.
- (c) **8-9.102 Placards.**

(a) The following official placards shall be used to designate the condition for occupancy of buildings or structures:

(1) Green: “Inspected—Lawful Occupancy Permitted” is to be posted on any building or structure wherein no apparent structural hazard has been found. This placard is not intended to mean that there is no damage to the building or structure.

(2) Yellow: “Restricted Use” is to be posted on each building or structure that has been damaged wherein the damage has resulted in some form of restriction to the continued occupancy. The individual who posts this placard will note in general terms the type of damage encountered and will clearly and concisely note the restriction on continued occupancy.

(3) Red: “Unsafe—Do Not Enter or Occupy” is to be posted on each building or structure that has been damaged such that continued occupancy poses a threat to life safety. Buildings or structures posted with this placard shall not be entered under any circumstances except as authorized in writing by the Building Official or authorized representative. Safety assessment teams shall be authorized to enter these buildings at any time. This placard is not to be used or considered as a demolition order. The individual who posts this placard will note in general terms the type of damaged encountered.

(b) The placard shall display the number of the ordinance codified in this chapter, and the name, address and phone number of the jurisdiction.

(c) Once the placard has been attached to the building or structure, it shall not be removed, altered or covered until authorized representative by the Building Official. It is unlawful for any person, firm or corporation to alter, remove, cover or deface a placard unless authorized pursuant to this section.

(d) Violation of this section will be subject to AMC Title 8 chapter 2 section 101 (AMC 8-2.101)

Chapter 10

WATER EFFICIENT LANDSCAPE AND IRRIGATION

Sections:

8-10.101 Purpose.

8-10.102 Adoption of Codes.

8-10.101 Purpose.

Consistent with California State law, it is the purpose of this chapter to:

(a) Promote the values and benefits of landscapes that integrate and go beyond the conservation and efficient use of water;

(b) Establish a structure for planning, designing, installing, maintaining, and managing water efficient landscapes in new construction and rehabilitated projects by encouraging the use of a watershed approach that required cross-sector collaboration of industry, government and property owners to achieve the many benefits possible.

(c) Establish provisions for water management practices and water wise prevention for existing landscapes.

(d) Use water efficiently without waste by setting a Maximum Applied Water Allowance as an upper limit for water use and reduce water use to the lowest practical amount.

8-10.102 Adoption of Code.

The administration and enforcement of this title shall be in accordance with section 490 through 495 of Title 23, Division 2, Chapter 2.7 of the California Code of Regulations.

Chapter 11

UNREINFORCED MASONRY

Section:

8-11.101 Modifications to the California Existing Building Code.

8-11.101 Modifications to the California Existing Building Code.

- (a) Adopt in its entirety except,
- (b) Delete all appendices.

Chapter 12

POST-DISASTER REGULATIONS

Sections:

8-12.101 Intent.

8-12.102 Application of provisions.

8-12.101 Intent.

This chapter establishes standard placards to be used to indicate the condition of a structure for continued occupancy following an earthquake or other destructive event. The chapter further authorizes the Building Official and representatives to post the appropriate placard at each entry to a building or structure upon completion of a safety assessment.

8-12.102 Application of provisions.

The provisions of this chapter are applicable to all buildings and structures of all occupancies regulated by the City of Atascadero following each destructive event. The Planning Commission may extend the provisions as necessary.

DRAFT ORDINANCE C

**AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF ATASCADERO, CALIFORNIA, AMENDING SECTION 11-4.23
OF THE ATASCADERO MUNICIPAL CODE**

(CPP19-0080)

WHEREAS, the Planning Commission has determined that it is in the best interest of the City to enact amendments to Title 11 Subdivision of the Municipal Code for consistency with the General Plan and to maintain a clear and legible set of map regulations that is easily interpreted by the public and staff; 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; and

WHEREAS, the Planning Commission of the City of Atascadero, at a Public Hearing held on November 19, 2019, studied and considered the proposed amendments; and

WHEREAS, the Planning Commission of the City of Atascadero has recommended approval of the amendments; and

WHEREAS, a timely and properly noticed Public Hearing upon the subject Title 11 amendment application was held by the City Council of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said text amendments.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ATASCADERO
HEREBY ORDAINS AS FOLLOWS:**

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 14, 2020, considered the proposed text amendments.

SECTION 3. CEQA. The proposed Title 4 amendment is exempt from the California Environmental Quality Act (CEQA), Public resources Code Section 21000 et seq., because it can be seen with certainty that there is no possibility that the enactment of this Ordinance would have a significant effect on the environment (Pub. Resources Code § 21065; CEQA Guidelines §§ 15378(b)(4), 15061(b)(3).

SECTION 4. Approval. The City Council of the City of Atascadero, in a regular session assembled on January 14, 2020, resolved to introduce for second reading by title only, an Ordinance that would amend Title 11 of the City of Atascadero Municipal Code as follows:

(a) The Planning Commission may extend the time for filing the final map for a period or periods not exceeding a total of **six (6) years** or as provided by Section 66452.6 and/or Section 66463.5 of the Subdivision Map Act Filing.

(b) Applications for extension shall be made in writing to the Community Development Department prior to the date of tentative map expiration. The first one (1) year time extension can be made by the Community Development Director. Time extensions may be granted subject to the condition that the final map shall be prepared and improvements constructed and installed in compliance with the requirements in effect at the time the request for extension is considered. The Planning Commission may also impose any other conditions which it was empowered to impose at the time of the tentative map approval, and it may revise or delete conditions.

SECTION 5. Interpretation. This Ordinance must be broadly construed in order to achieve the purposes stated in this Ordinance. It is the City Council's intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.

SECTION 6. Preservation. Repeal of any provision of the AMC or of any previous Code Sections, does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance's effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 7. Effect of Invalidation. If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the AMC or other City Ordinance by this Ordinance will be rendered void and cause such previous AMC provision or other City Ordinance to remain in full force and effect for all purposes.

SECTION 8. Severability. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

SECTION 9. Notice. The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of Atascadero's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 10. Effective Date. This Ordinance will take effect on the 30th day following its final passage and adoption.

INTRODUCED at a regular meeting of the City Council held on December 10, 2019, and **PASSED, APPROVED** and **ADOPTED** by the City Council of the City of Atascadero, State of California, on January 14, 2020.

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian A. Pierik, City Attorney



Atascadero City Council

Staff Report – Community Development Department

4 Unit Planned Development – 7900 Curbaril Avenue (DEV18-0124)

RECOMMENDATION:

Council adopt on second reading, by title only, Draft Ordinance amending Title 9, Chapter 3 of the Atascadero Municipal Code approving a zoning text change to establish Planned Development Overlay Zone No. 36 and amending the official zoning district designation for APN 031-231-003 from Residential Multi-family – 10 (RMF-10) to Residential Multi-family – 10 / Planned Development Overlay No. 36 (RMF-10/PD36).

DISCUSSION:

On December 10, 2019, the City Council conducted a public hearing to consider approval of a residential planned development at an existing vacant parcel.

The project consists of a 4-lot subdivision and the construction of four (4) detached single-family residential homes on an existing undeveloped property. The Atascadero Municipal Code allows for small lot single-family subdivisions within the multi-family zoning designation with the approval of the Planned Development (PD) Overlay Zone. The project will establish a PD36 Overlay Zone to accommodate the requested project.

At the December 10, 2019 meeting, Council voted 5-0 to approve the introduction of the Draft Ordinance for the project as conditioned.

FISCAL IMPACT:

Based on findings from the 2003 Taussig Study, revenue from new residential development including property tax revenues, vehicle licensing fees, sales taxes, and other revenues are insufficient to cover the cost to provide services to new development. Based on the revenue projections from the Taussig Study, the City has developed standard conditions of approval for new development projects that require the cost of maintenance and emergency services to be funded by the project through annexation into the existing Community Facilities District (CFD). The proposed project will be required to establish a Homeowners Association or other similar mechanism to maintain the development's roadways, common area landscaping, drainage, etc.

ATTACHMENT:

Draft Ordinance

DRAFT ORDINANCE

**AN ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF ATASCADERO, CALIFORNIA,
AMENDING TITLE 9, CHAPTER 3 OF THE ATASCADERO MUNICIPAL
CODE, APPROVING A ZONING TEXT CHANGE TO ESTABLISH
PLANNED DEVELOPMENT OVERLAY ZONE NO. 36 (9-3.681) AND
AMENDING THE OFFICIAL ZONING DISTRICT DESIGNATION FOR
APN 031-231-003 FROM RESIDENTIAL MULTI-FAMILY - 10 (RMF-10)
TO RESIDENTIAL MULTI-FAMILY - 10 WITH A PLANNED
DEVELOPMENT NO. 36 OVERLAY ZONING DESIGNATION
(RMF-10 / PD36)**

**7900 CURBARIL AVENUE
(APN 031-231-003)**

WHEREAS, an application has been received from Robert Mannon, Applicant, and Owner, to consider a Planned Development Zone Map and Text Amendment, a Master Plan of Development (Conditional Use Permit), and a Vesting Tentative Parcel Map; and

WHEREAS, the site's current General Plan Land Use Designation is Medium Density Residential (MDR); and

WHEREAS, the site's current Zoning Designation is Residential Multi-Family (RMF-10) which allows for a maximum density of 10 du/ac; and

WHEREAS, Article 28 of the Atascadero Municipal Code (AMC) allows for the creation of planned development overlay zones to promote orderly and harmonious development and to enhance the opportunity to best utilize special site characteristics; 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; and

WHEREAS, the Planning Commission has determined that it is in the best interest of the City to enact an amendment to the official Zoning Map to protect the health, safety and welfare of its citizens by applying orderly development through the use of a planned development overlay zone; and

WHEREAS, a timely and properly noticed Public Hearing upon the subject application was held by the Planning Commission of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said project; and

WHEREAS, the Planning Commission of the City of Atascadero, at a Public Hearing held on October 15, 2019, studied and considered Planned Development Overlay Zone No. 36; and

WHEREAS, the Planning Commission of the City of Atascadero has recommended approval of the Planned Development Overlay Zone No. 36; and

WHEREAS, a timely and properly noticed Public Hearing upon the subject Zone Text Change application was held by the City Council of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said zoning text amendments.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ATASCADERO HEREBY ORDAINS AS FOLLOWS:

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 December 10, 2019, considered the proposed zoning map amendments.

SECTION 3. Facts and Findings. The City Council makes the following findings, determinations and approvals with respect to the zoning map amendment:

A. Findings for Approval of a Zone Text and Map Change

FINDING: The Planning and Zoning Text Change is consistent with General Plan policies and all other applicable ordinances and policies of the City.

FACT: The proposed zone text amendments align the code requirements with the vision, intent, and policies of the adopted General Plan.

FINDING: This Amendment of the Zoning Ordinance will provide for the orderly and efficient use of lands where such development standards are applicable.

FACT: The proposed text amendment provides for orderly development within the multi-family zoning districts in accordance with the adopted General Plan.

FINDING: The Text Change will not, in itself, result in significant environmental impacts.

FACT: The proposed text changes are minor and do not trigger any environmental impacts.

FINDING: Modification of development standards or processing requirements of the Zoning Ordinance through the Planned Development overlay is warranted to promote orderly and harmonious development.

FACT: The PD-36 Overlay Zone establishes development standards that promote a cohesive neighborhood development and ensure that City goals related to aesthetic character, inclusionary housing, and high quality design, among others, are achieved.

FINDING: Modification of development standards or processing requirements of the Zoning Ordinance through the Planned Development Overlay will enhance the

opportunity to best utilize special characteristics of an area and will have a beneficial effect on the area.

FACT: The Planned Development No. 36 Overlay Zone will allow for a small-lot single-family subdivision increasing homeownership opportunities in the City.

FINDING: Benefits derived from the Planned Development Overlay Zone cannot be reasonably achieved through existing development standards or processing requirements.

FACT: The Planned Development Overlay Zone No. 36 ensures that development within the area provides certain benefits as identified by Council Policy. In addition, the Planned Development will allow for subdivision of the parcel allowing each unit to be sold individually.

FINDING: Proposed plans offer certain redeeming features to compensate for requested modifications of the Planned Development Overlay Zone.

FACT: City Council Planned Development Policy requires project benefits, such as affordable inclusionary housing and high quality landscape and architecture, be provided in exchange for modified development standards. As conditioned, the project satisfies these requirements.

SECTION 4. Approval. The City Council of the City of Atascadero, in a regular session assembled on December 10, 2019, resolved to introduce for first reading by title only, an Ordinance to amend the Official Zoning Map and text consistent with the following exhibits, attached hereto and incorporated herein by this reference:

EXHIBIT A: PD-36 Zoning Text (9-3.681)

EXHIBIT B: Zoning Map Amendment

SECTION 5. CEQA. The proposed project is Categorically Exempt (Class 15) 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 15315, which exempts minor divisions of land.

SECTION 6. Interpretation. This Ordinance must be broadly construed in order to achieve the purposes stated in this Ordinance. It is the City Council’s intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.

SECTION 7. Preservation. Repeal of any provision of the AMC or of any previous Code Sections, does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance’s effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 8. Effect of Invalidation. If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the AMC or other City Ordinance by this Ordinance will be rendered void and cause such previous AMC provision or other City Ordinance to remain in full force and effect for all purposes.

SECTION 9. Severability. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

SECTION 10. Notice. The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of Atascadero's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 11. Effective Date. This Ordinance will take effect on the 30th day following its final passage and adoption.

INTRODUCED at a regular meeting of the City Council held on December 10, 2019, and **PASSED, APPROVED** and **ADOPTED** by the City Council of the City of Atascadero, State of California, on January 14, 2020.

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian A. Pierik, City Attorney

Exhibit A

9-3.681 Establishment of Planned Development Overlay Zone No. 36: (PD36).

Planned Development Overlay Zone No. 36 may be established in Residential Multifamily Zones. The maximum residential density within the planned development shall not exceed the densities allowed by the underlying zoning district and provisions of this code. The following development standards shall be met by all projects within the PD36 Overlay Zone:

- (a) All site development shall require the approval of a master plan of development. All construction and development shall conform to the approved master plan of development, as conditioned.
- (b) The tentative tract map and any subsequent amendments for the site shall be consistent with an approved master plan of development. All construction and development shall conform to the approved master plan of development, as conditioned.
- (c) No subsequent tentative parcel or tract map shall be approved unless found to be consistent with the approved master plan of development.
- (d) A parent lot or lots shall have frontage on a public street.
- (e) Access off of the public street shall be designed as a parking court with a maximum length of less than one hundred fifty (150) feet and shall include the following elements:
 - (1) Decorative paving continuous throughout the parking court;
 - (2) Address marker at the entrance to the court.
- (f) Appearance of each dwelling unit, site landscaping, site development, and amenities shall be consistent with the Atascadero Appearance Review Manual. All landscaping shown on the approved landscape plan will be installed by the developer and shall be maintained as approved.
- (g) Building setbacks shall be as follows:

Setback from public street frontage	15 feet from right-of-way/back of sidewalk (whichever is greater)
	Porches can encroach up to 3 feet into the required setback
Setback from parking court/interior street	8 feet to porch
	10 feet to front of residence
	10 feet minimum to garage (if one car garage is proposed, the second parking space must be located in the driveway with a minimum length of 20 feet)
	5 feet to side of residence
Setback between buildings	10 feet minimum
Rear yard setback	12 feet minimum

- (h) Porches shall be provided for each unit. Porches shall be a minimum of six (6) feet deep and a functional width.
- (i) Residential units adjacent to a public street shall be oriented to the public street.
- (j) Each unit shall include the following:

(1) Three hundred (300) cubic feet of shelved storage area. (Bedroom and entry/coat closets shall not count toward this requirement);

(2) Dedicated space for laundry facilities with hookups.

(k) All utilities, including electric, telephone, and cable, within the PD and along the project frontages shall be installed and/or relocated underground.

(l) Engineered drainage detention basins shall be located within a common area. Multiple basins on individual lots shall not be permitted. All basins shall be landscaped, shall be no deeper than two (2) feet, and shall be unfenced. No retaining walls or fencing shall be permitted within the basin area.

(m) Exterior walls or fencing shall be consistent throughout the project. Design and appearance of fences and/or walls shall be compatible with the design of the dwelling units. Fence posts shall be metal or pressure-treated wood. Wood preservative/sealer shall be applied to fence panels.

(n) All mechanical equipment, including HVAC units and utility meters, shall be screened from view from adjacent streets and properties.

(o) Trash shall be stored in individual garages or behind fenced areas on individual lots. Dedicated trash storage area shall be a minimum of three (3) feet by six (6) feet paved area.

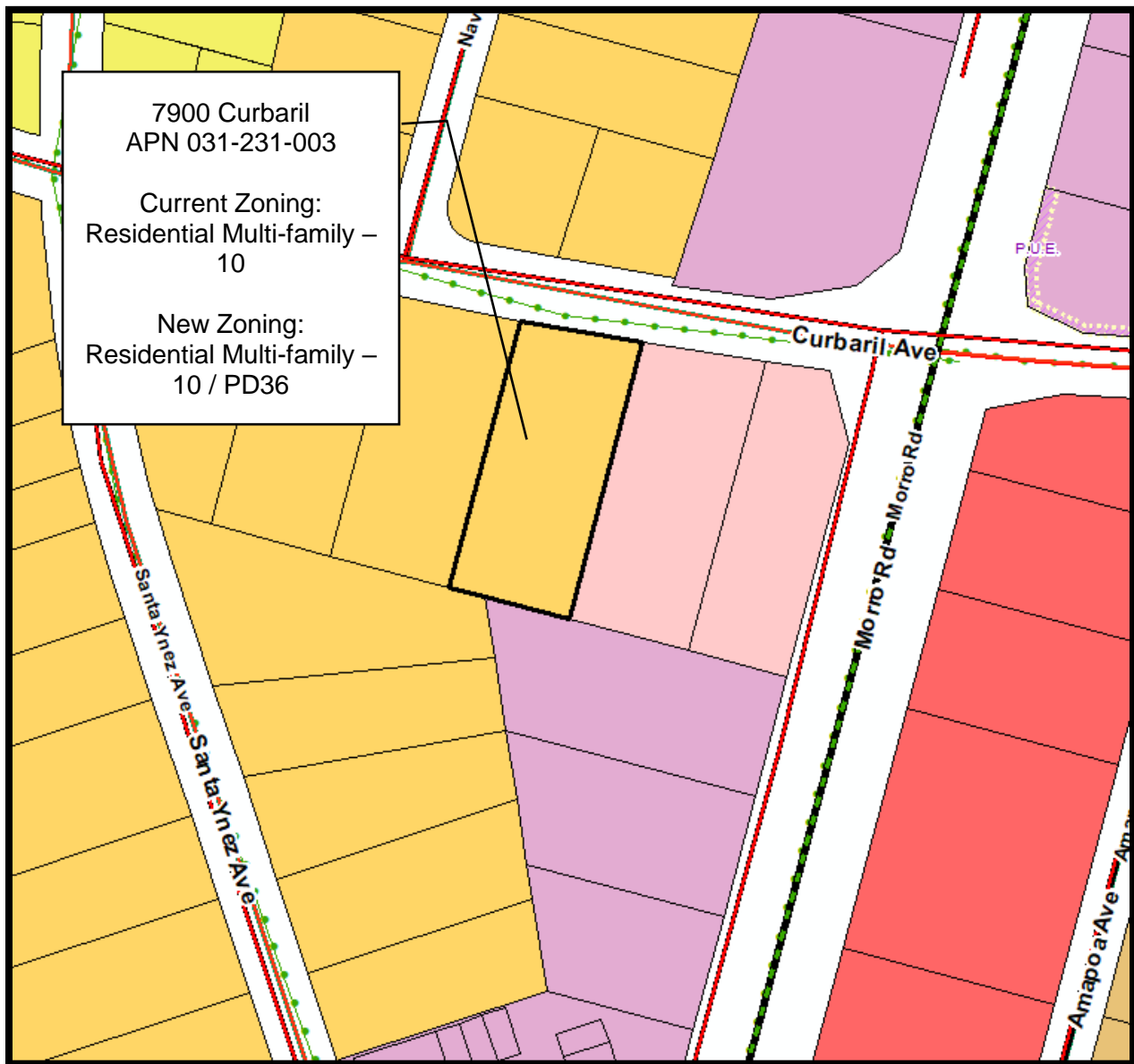
(p) The total number of parking spaces shall be provided as follows:

(1) Two (2) spaces per unit for units with less than four (4) bedrooms. One additional space for each additional bedroom. All spaces must be located on the individual lot

(2) Guest parking provided at a ratio of one space per every three (3) units.*

* Guest parking may not be located adjacent to the public street frontage.

Exhibit B





Atascadero City Council

Staff Report – Community Development Department

Appeal of Planning Commission Decision USE19-0061

7835 El Camino Real “Human Bean Coffee” (Moss Lane Ventures/ Pamela Jardini)

RECOMMENDATIONS:

Staff recommends Council take **one** of the following actions:

1. Adopt Draft Resolution A, granting the appeal and affirming in part Planning Commission’s action thereby approving Conditional Use Permit (USE19-0061) to allow a drive-through coffee shop in the Commercial Professional (CP) district subject to revised conditions of approval.

OR

2. Adopt Draft Resolution B to deny the appeal and affirm Planning Commission’s approval of the Conditional Use Permit (USE 19-0061) with no modifications to the project or conditions of approval.

DISCUSSION:

On December 3, 2019, the Planning Commission unanimously approved, on a 5-0 vote, a Conditional Use Permit (USE 19-0061) allowing a drive-through coffee shop in the Commercial Professional (CP) zoning district at 7835 EL Camino Real. Two commissioners were absent. The proposed coffee shop is a small drive-through kiosk with no on-site dining or walk-up service. The Planning Commission staff report is attached for review and provides a more in-depth presentation of the project (Attachment 3).

On December 16, 2019, Mayor Heather Moreno submitted a letter to appeal the Planning Commission’s determination and decision citing a concern over noise associated with early hours of operation and resulting neighborhood impacts. Pursuant to Atascadero Municipal Code Section 9-1.111, the Planning Department has prepared this report for Council consideration.

At the meeting, one member of the public, Al Fonzi, made comments regarding the proposed drive-through. Mr. Fonzi expressed concern regarding the outdoor speaker noise, particularly during the early hours of the morning, and potential illegal grading that

occurred at the rear of the property by a previous owner. The applicant's representative, Pam Jardini, responded to Mr. Fonzi's concerns about the grading and stated that the applicant's proposed hours of operation are 5am to 9pm. The Planning Commission discussed revising the hours of operation to 6am – 9pm. After discussing the hours of operation for other drive-through coffee shops throughout the City, the Planning Commission voted to not restrict hours of operation on the site. The Commission did not discuss limiting hours of outdoor speaker use. It was noted during the hearing, that the speaker use includes an Automatic Volume Control which adjusts the outbound volume based on the surrounding outdoor ambient noise level. The use of this feature was adopted as a condition of approval in adopted Planning Commission Resolution No. 2019-0036 (Attachment 4).

Analysis

Atascadero Municipal Code Section 9-2.110 requires six (6) findings to approve a Conditional Use Permit. On December 16, 2019 a letter appealing the Planning Commission's adoption of a resolution approving a drive-through coffee shop at 7835 El Camino Real was received by the City. The appellant cites Finding #3 as justification for this appeal:

The establishment, and subsequent operation or conduct of the use will not, because of the circumstances and conditions applied in the particular case, be detrimental to the health, safety or welfare of the general public or persons residing or working in the neighborhood of the use, or be detrimental or injurious to property or improvements in the vicinity of the use;

Based upon the project findings found in the Planning Commission staff report from their December 3, 2019 meeting and following the close of the public hearing, the Planning Commissioners present found the project to be consistent with all required findings and voted to adopt Planning Commission Resolution No. 2019-0036, approving the Use Permit, subject to conditions of approval. Two conditions of approval were added at the public hearing and one was revised. A condition to allow an exception to the sign ordinance for an increase in the maximum signage area allowed for the northern façade was added as well as a condition that the owner mitigate unpermitted onsite grading and repair the slope and fence in the rear as necessary. A condition was revised to allow an additional signage logo on the blank wall facing El Camino Real. No conditions were added to regulate noise levels above and beyond the condition to activate the automatic volume control speaker feature.

It is within the City Council's authority to affirm, affirm in part, or reverse the decision of the Planning Commission after a public hearing is conducted.

FISCAL IMPACT:

Slight positive fiscal impact is expected from the operation of Human Bean coffee shop.

ALTERNATIVES:

1. The Council may continue the public hearing to a date specific, request additional information and refer the item back to staff and the applicant. The Council should clearly specify what information is being requested.
2. The Council may reverse the Planning Commission's decision, continue the public hearing to a date specific, and direct staff to return with a Resolution detailing the Council's reason for reversal.

ATTACHMENTS:

1. Draft Resolution A
2. Draft Resolution B
3. Staff Report to the Planning Commission for USE 19-0061
4. Speaker Report
5. Adopted PC Resolution 2019-0036
6. Letter of Appeal

DRAFT RESOLUTION A

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, GRANTING THE APPEAL AND AFFIRMING IN PART THE PLANNING COMMISSION'S APPROVAL OF A CONDITIONAL USE PERMIT TO ESTABLISH A DRIVE-THROUGH COFFEE SHOP LOCATED AT 7835 EL CAMINO REAL SUBJECT TO REVISED CONDITIONS OF APPROVAL

HUMAN BEAN COFFEE SHOP MOSS LANE VENTURES (USE 19-0061)

WHEREAS, an application has been received from Pat Mitchell, (Owner and Applicant) to consider a Conditional Use Permit (USE 19-0061) to allow a drive-through coffee shop in the Commercial Professional zoning district; and

WHEREAS, the site's General Plan Designation is General Commercial (GC); and

WHEREAS, the site's Zoning is Commercial Professional (CP); and

WHEREAS, drive-throughs are a conditionally allowed use in the Commercial Professional (CP) zoning district; and

WHEREAS, the proposed project qualifies for an Categorical Exemption consistent with CEQA Section 15301: New Construction or Conversion of Small Structures; 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; and

WHEREAS, a timely and properly noticed Public Hearing upon the subject Minor Conditional Use Permit application was held by the Planning Commission of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said Conditional Use Permit; and

WHEREAS, the Planning Commission of the City of Atascadero approved the use permit, USE19-0061, as Planning Commission Resolution No. 2019-0036; and

WHEREAS, an appeal was filed on December 16, 2019 in accordance with the provisions of Atascadero Municipal Code Section 9-1.111; and

WHEREAS, the City Council held a duly noticed public hearing to consider the appeal in accordance with the provisions of Atascadero Municipal Code Section 9-1.110.

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 held a public hearing on January 14, 2020, and considered testimony and reports from staff, the applicants, and the public.

SECTION 3. Findings. The City Council makes the following findings, determinations and approvals with respect to the Conditional Use Permit:

1. Findings for Affirming the Planning Commission's Approval of a Conditional Use Permit

The proposed use is consistent with the General Plan.

Fact: The project is consistent with the Land Use, Open Space and Circulation (LOC) Policies and Programs 1.1 for guiding new development into the urban core; 1.1.7 for infill development; 1.4.1 for screening exterior lights; 7.2.4 for providing shade trees; 8.5.3 for providing on-site storm water management; 13.1 for convenient location of goods and services; and 15.1 for directing growth to an area with existing City services.

The project is consistent with Circulation Element (CIR) Policies and Programs 1.3.3 for locating on an arterial with minimal driveways; 1.5.1 for requiring adequate off-street parking; and 1.5.3 for landscaping, lighting, screening and shade trees in the parking lot.

2. The proposed project satisfies all applicable provisions of the Title (Zoning Ordinance).

Fact. The proposed drive-through coffee shop can be permitted through the Conditional Use Permit process as identified in the Municipal Code. The proposed structure and site plan are consistent with the applicable provisions of the Atascadero Municipal Code with the approval of the subject entitlement.

3. The establishment, and subsequent operation or conduct of the use will not, because of the circumstances and conditions applied in the particular case, be detrimental to the health, safety, or welfare of the general public or persons residing or working in the neighborhood of the use, or be detrimental or injurious to property or improvements in the vicinity of the use.

Fact. The proposed drive-through restaurant is being constructed on an underutilized commercial site with a non-conforming house on it. The establishment of the use on a commercial infill site will bring the site into conformance with the Municipal Code and will not be detrimental to the public health, safety, or welfare. Conditions of Approval have been added to minimize impacts to the adjacent residential uses.

4. That the proposed project will not be inconsistent with the character or the immediate neighborhood or contrary to its orderly development.

Fact. The proposed drive-through use and signage are consistent with the Commercial Professional zoning District. Conditions of Approval have been added to minimize impacts to the adjacent residential uses.

5. That the proposed project will not generate a volume of traffic beyond the safe capacity of all roads providing access to the project, either existing or to be improved in conjunction with the project, or beyond the normal traffic volume of the surrounding neighborhood that would result from full development in accordance with the Land Use Element.

Fact: The drive- through coffee shop will not have an excessive impact on traffic volume. The coffee shop is small with limited services. The use is consistent with other businesses located around it on El Camino Real.

6. The proposed project is in compliance with any pertinent City policy or criteria adopted by ordinance or resolution of the City Council.

Fact. The Design Review Committee has reviewed the proposed project and found the site plan and elevations to be consistent with the criteria in the City's Design Review Manual.

SECTION 4. CEQA the proposed project qualifies for a Categorical Exemption consistent with CEQA Section 15301: New Construction or Conversion of Small Structures.

SECTION 5. Approval. The City Council of the City of Atascadero, in a regular session assembled on January 14, 2020, resolved to grant the appeal and affirm in part the Planning Commissions approval of the Conditional Use Permit to allow for a drive-through coffee shop subject to revised conditions of approval attached as Exhibit A to this Resolution and incorporated herein by this reference.

PASSED AND ADOPTED at a regular meeting of the City Council held on the ___th day of ___, 2020.

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

ITEM NUMBER:
DATE:
ATTACHMENT:

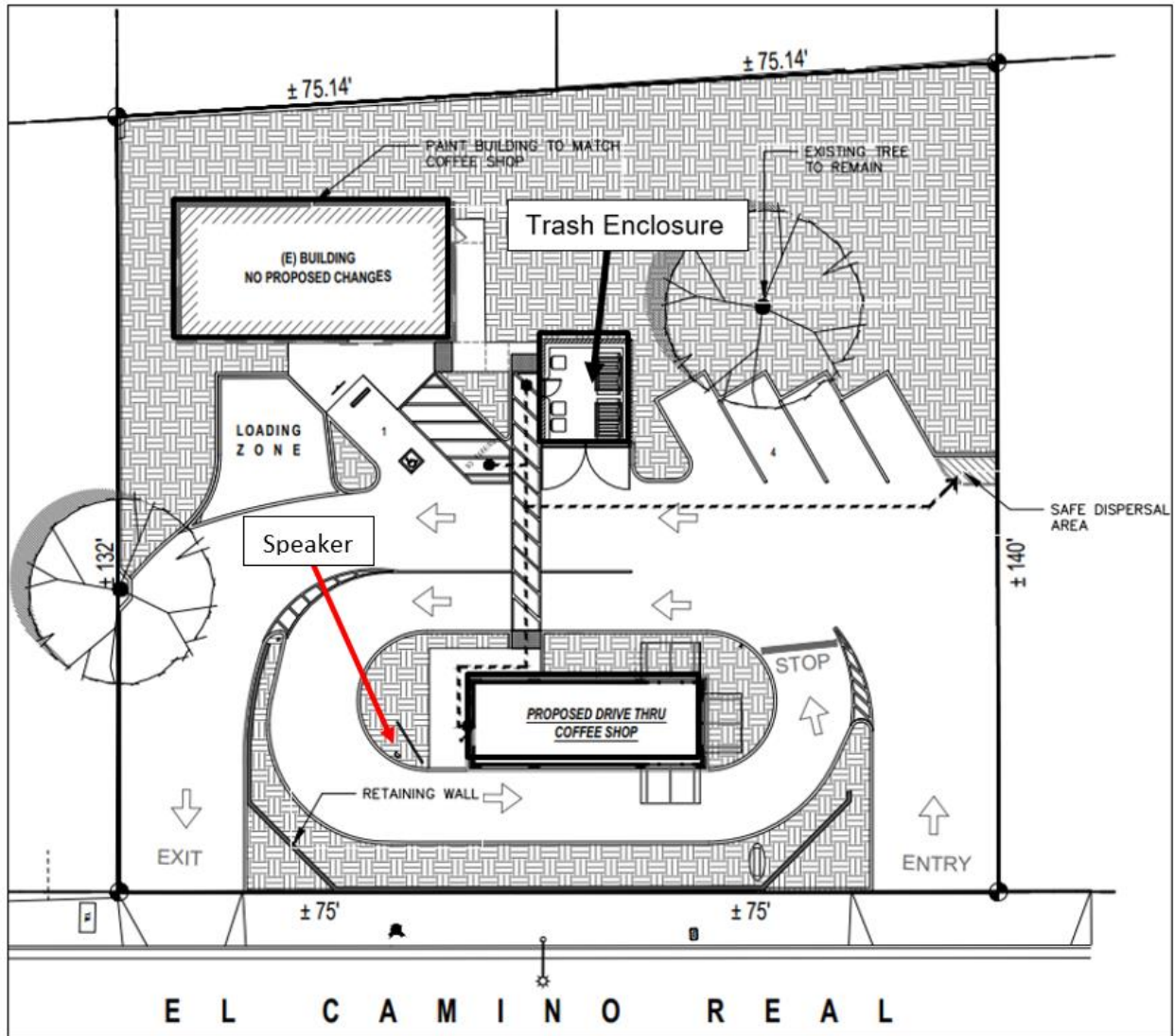
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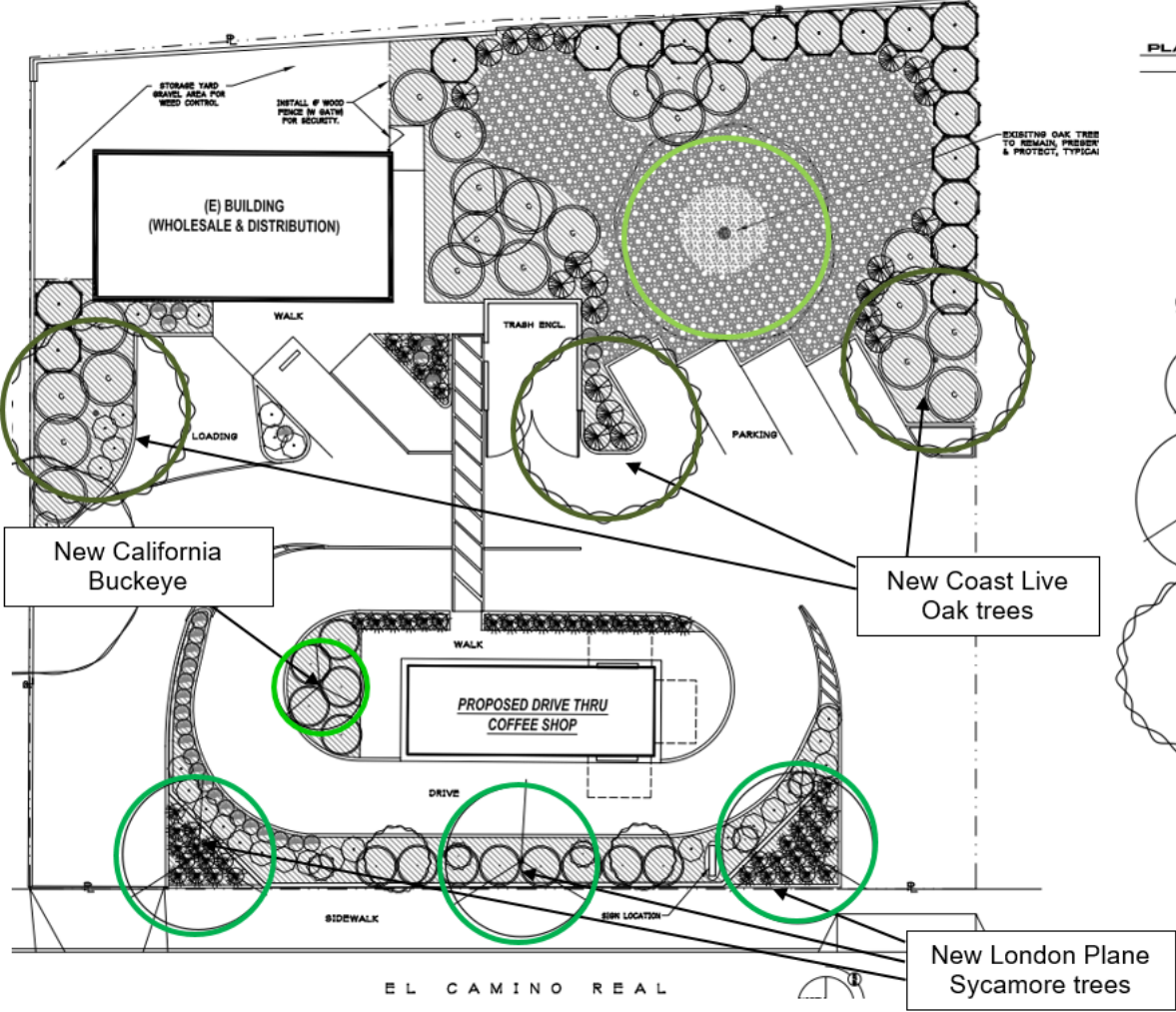
APPROVED AS TO FORM:

Brian Pierik, City Attorney

Conditions of Approval / Mitigation Monitoring Program	Timing	Responsibility /Monitoring
7835 El Camino Real	BL: Business License GP: Grading Permit BP: Building Permit FI: Final Inspection TO: Temporary Occupancy FO: Final Occupancy	PS: Planning Services BS: Building Services FD: Fire Department PD: Police Department CE: City Engineer WW: Wastewater CA: City Attorney
Planning Services Conditions		
1. This Conditional Use Permit shall allow for the establishment of a drive-through restaurant at 7835 El Camino Real described on the attached exhibits and located on APN 030-132-049 &-050, regardless of owner.	Ongoing	PS
2. The approval of this use permit shall become final and effective for the purpose of issuing building permits fourteen (14) days following the Planning Commission approval, unless an appeal to the decision is filed as set forth in Section 9-1.111(b) of the Zoning Ordinance.	Ongoing	PS
3. The Community Development Department shall have the authority to approve the following minor changes to the project that (1) modify the site plan project by less than 10%, and/or (2) result in a superior site design or appearance.	BL	PS, CE
4. Approval of this Conditional Use Permit shall be valid for twenty-four (24) months after its effective date. At the end of the period, the approval shall expire and become null and void unless the project has received a building permit.	BL	PS
5. The applicant 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 this conditional use permit.	Ongoing	CA
6. The speaker shall include the Automatic Volume Control (AVC) feature.	BP	PS
7. The applicant shall merge the two lots before building permits are issued for construction of the new drive-through building.	BP	PS
8. A minimum of five (5) parking spaces shall be added to the site as off-street parking.	Ongoing	PS
9. Landscaping shall be consistent with the approved Landscape Plan. Landscaping shall be added prior to requesting a final planning inspection.	BP/ Ongoing	PS
10. New lighting shall conform to the standards of Atascadero Municipal Code 9-4.137 for exterior lighting.	BP	PS

Conditions of Approval / Mitigation Monitoring Program	Timing	Responsibility /Monitoring
7835 El Camino Real	BL: Business License GP: Grading Permit BP: Building Permit FI: Final Inspection TO: Temporary Occupancy FO: Final Occupancy	PS: Planning Services BS: Building Services FD: Fire Department PD: Police Department CE: City Engineer WW: Wastewater CA: City Attorney
11. Elevations shall incorporate high quality materials and shall be consistent with the colors and design shown in Exhibit D. Stucco shall have a smooth finish.	BP	PS
12. The building wall facing El Camino Real on the northerly building elevation shall be modified to include an awning, tilework, artwork, a window or other features to enhance the appearance of the large blank space. This can include additional signage logo.	BP	PS
13. All utilities shall be installed underground.	BP	PS
14. The existing storage building shall be painted to match the new drive-through.	BP/Ongoing	PS
15. The retaining wall shall be resurfaced with stone to match the new drive-through.	BP	PS
16. All mechanical equipment onsite shall be screened, including all ground and roof-mounted equipment, air conditioners, transformers, etc.	BP	PS
17. Traffic Impact fees shall be provided for this project based on the City's alternative per trip calculation method.	FO	PS BS
18. An exemption to Sign Code 9-15.008 shall be permitted for wall signs as shown in Exhibit D to allow a maximum of 20 square feet of signage on the eastern and western building faces.	BP	PS
19. The owner shall mitigate any non-permitted onsite grading and repair the slope and fence as necessary.	BP	PS
20. Any outdoor amplified sound, including the speaker used for ordering, shall be limited to the hours of 7am to 9pm.	Ongoing	PS





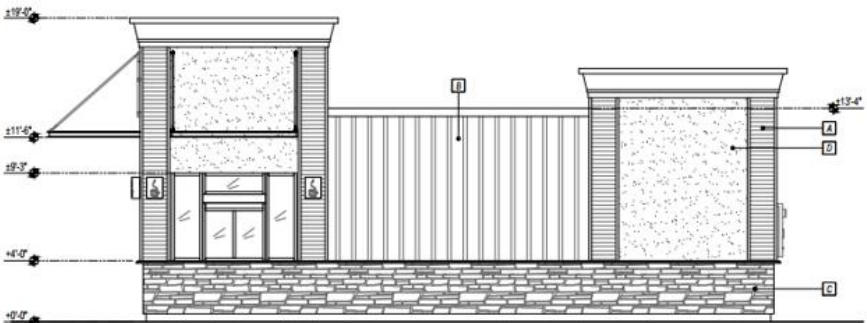
PLANT SYMBOL LEGEND		QUANTITY	CONFIRMED	WATER USE (GALLONS PER WEEK)
SYMBOL	PLANT NAME			
	NEW CALIFORNIA BUCKEYE (PINE MUSEY)	26	1 GAL.	LOW PER WEEK
	CALAMAGROSTIS KARL FOERSTER (KARL FOERSTER REED GRASS)	21	5 GAL.	LOW PER WEEK
	ERIOBOLUS FASCICULATUS DANA POINT (DANA POINT BUCKWHEAT)	28	1 GAL.	LOW PER WEEK
	NEW CALIFORNIA BUCKEYE (SEER GRASS)	21	5 GAL.	LOW PER WEEK
	ARCTOSTAPHYLOS 'SUNSET' (SUNSET MANZANITA)	5	5 GAL.	LOW PER WEEK
	SALVIA LEUCOPHYLLA 'POINT SAL SPREAD' (SPREADING PURPLE BASS)	13	1 GAL.	LOW PER WEEK
	OENOTHERA 'BONNIE' (MOUNTAIN LILAC)	18	5 GAL.	LOW PER WEEK
	OENOTHERA G. H. FRANK'S POINT (WILD LILAC)	21	1 GAL.	LOW PER WEEK
	ARCTOSTAPHYLOS M. 'HUD' (DR. HUD MANZANITA)	3	15 GAL.	LOW PER WEEK
	CERCIS CALIFORNICA (CALIFORNIA BUCKEYES)	2	15 GAL.	VERY LOW PER WEEK
	PLATANUS ACERIFOLIA (LONDON PLANE TREES)	3	5 GAL.	MEDIUM PER WEEK
	CERCIS ACERIFOLIA (COAST LIVE OAK)	3	15 GAL.	LOW PER WEEK

GROUND COVERS

- SHREDDED REDWOOD BARK MULCH 3\"/>



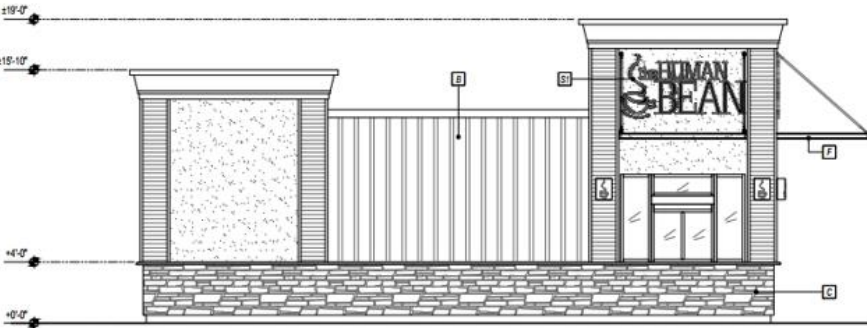
EAST ELEVATION



NORTH ELEVATION



WEST ELEVATION



SOUTH ELEVATION (EL CAMINO REAL)

MATERIALS:



A SIDING
LAP SIDING
COLOR:
SHERWIN WILLIAMS
DORMER BROWN
(SW 7521)



B SIDING
BOARD AND BATTEN
COLOR:
SHERWIN WILLIAMS
CUSTOM COLOR
MC-29065



C SIDING
STONE VENEER
EL DORADO
WARM SPRING LEDGE
PANEL



D SIDING
STUCCO
COLOR:
SHERWIN WILLIAMS
KILIM BEIGE (SW 6106)



E AWNING
EPS FOAM COVERED
w/STUCCO
STUCCO COLOR:
SHERWIN WILLIAMS
KILIM BEIGE (SW 6106)
METAL COLOR:
MUSKET SR-30.2



F AWNING
METAL
CUSTOM-BUILT METALS
COLOR:
MUSKET SR-30.2

LIGHTING:



L1 LIGHTING
WALL MOUNT SCONCE

DRAFT RESOLUTION B

**RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF ATASCADERO, CALIFORNIA, DENYING THE APPEAL AND
AFFIRMING THE PLANNING COMMISSION'S APPROVAL OF A
CONDITIONAL USE PERMIT TO ESTABLISH A DRIVE-THROUGH
COFFEE SHOP LOCATED AT 7835 EL CAMINO REAL WITH NO
MODIFICATIONS TO THE PROJECT OR
CONDITIONS OF APPROVAL**

**HUMAN BEAN COFFEE SHOP
MOSS LANE VENTURES
(USE 19-0061)**

WHEREAS, an application has been received from Pat Mitchell, (Owner and Applicant) to consider a Conditional Use Permit (USE 19-0061) to allow a drive-through coffee shop in the Commercial Professional zoning district; and

WHEREAS, the site's General Plan Designation is General Commercial (GC); and

WHEREAS, the site's Zoning is Commercial Professional (CP); and

WHEREAS, drive-throughs are a conditionally allowed use in the Commercial Professional (CP) zoning district; and

WHEREAS, the proposed project qualifies for an Categorical Exemption consistent with CEQA Section 15301: New Construction or Conversion of Small Structures; 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; and

WHEREAS, a timely and properly noticed Public Hearing upon the subject Minor Conditional Use Permit application was held by the Planning Commission of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said Conditional Use Permit; and

WHEREAS, the Planning Commission of the City of Atascadero approved the use permit, USE19-0061, as Planning Commission Resolution No. 2019-0036; and

WHEREAS, and appeal was filed on December 16, 2019 in accordance with the provisions of Atascadero Municipal Code Section 9-1.111; and

WHEREAS, the City Council held a duly noticed public hearing to consider the appeal in accordance with the provisions of Atascadero Municipal Code Section 9-1.110. on January 14, 2020 and considered testimony and reports from staff, the applicants, and the public.

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 held a public hearing on January 14, 2020, and considered testimony and reports from staff, the applicants, and the public.

SECTION 3. Findings. The City Council makes the following findings, determinations and approvals with respect to the Conditional Use Permit:

1. Findings for Affirming the Planning Commission's Approval of a Conditional Use Permit

The proposed use is consistent with the General Plan.

Fact: The project is consistent with the Land Use, Open Space and Circulation (LOC) Policies and Programs 1.1 for guiding new development into the urban core; 1.1.7 for infill development; 1.4.1 for screening exterior lights; 7.2.4 for providing shade trees; 8.5.3 for providing on-site storm water management; 13.1 for convenient location of goods and services; and 15.1 for directing growth to an area with existing City services.

The project is consistent with Circulation Element (CIR) Policies and Programs 1.3.3 for locating on an arterial with minimal driveways; 1.5.1 for requiring adequate off-street parking; and 1.5.3 for landscaping, lighting, screening and shade trees in the parking lot.

2. The proposed project satisfies all applicable provisions of the Title (Zoning Ordinance).

Fact. The proposed drive-through coffee shop can be permitted through the Conditional Use Permit process as identified in the Municipal Code. The proposed structure and site plan are consistent with the applicable provisions of the Atascadero Municipal Code with the approval of the subject entitlement.

3. The establishment, and subsequent operation or conduct of the use will not, because of the circumstances and conditions applied in the particular case, be detrimental to the health, safety, or welfare of the general public or persons residing or working in the neighborhood of the use, or be detrimental or injurious to property or improvements in the vicinity of the use.

Fact. The proposed drive-through restaurant is being constructed on an underutilized commercial site with a non-conforming house on it. The establishment of the use on a commercial infill site will bring the site into conformance with the Municipal Code and will not be detrimental to the public health, safety, or welfare. Conditions of Approval have been added to minimize impacts to the adjacent residential uses.

4. That the proposed project will not be inconsistent with the character or the immediate neighborhood or contrary to its orderly development.

Fact. The proposed drive-through use and signage are consistent with the Commercial Professional zoning District. Conditions of Approval have been added to minimize impacts to the adjacent residential uses.

5. That the proposed project will not generate a volume of traffic beyond the safe capacity of all roads providing access to the project, either existing or to be improved in conjunction with the project, or beyond the normal traffic volume of the surrounding neighborhood that would result from full development in accordance with the Land Use Element.

Fact: The drive- through coffee shop will not have an excessive impact on traffic volume. The coffee shop is small with limited services. The use is consistent with other businesses located around it on El Camino Real.

6. The proposed project is in compliance with any pertinent City policy or criteria adopted by ordinance or resolution of the City Council.

Fact. The Design Review Committee has reviewed the proposed project and found the site plan and elevations to be consistent with the criteria in the City's Design Review Manual.

SECTION 4. CEQA the proposed project qualifies for a Categorical Exemption consistent with CEQA Section 15301: New Construction or Conversion of Small Structures.

SECTION 5. Approval. The City Council of the City of Atascadero, in a regular session assembled on January 14, 2020, resolved to uphold the Planning Commission's action to approve a Conditional Use Permit to allow for a drive-through coffee shop with no changes to the project or the conditions of approval as detailed in Planning Commission Resolution No. 2019-0036.

PASSED AND ADOPTED at a regular meeting of the City Council held on the ___th day of ___, 2020.

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

ITEM NUMBER:
DATE:
ATTACHMENT:

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01/14/20
2

APPROVED AS TO FORM:

Brian Pierik, City Attorney



Atascadero Planning Commission **Staff Report – Community Development Department**

El Camino Real Drive-through Coffee Shop (USE 19-0061)

RECOMMENDATION(S):



Planning Commission adopt PC Resolution 2019, approving a drive-through coffee shop at 7835 El Camino Real, based on findings and subject to Conditions of Approval.

Project Info In-Brief:

PROJECT ADDRESS:	7835 El Camino Real	Atascadero, CA	APN	030-132-049 030-132-050
PROJECT PLANNER	Mariah Gasch Assistant Planner	470-3436	mgasch@atascadero.org	
APPLICANT	Moss Lane Ventures/ Pamela Jardini			
PROPERTY OWNER	Pat Mitchell			
GENERAL PLAN DESIGNATION:	ZONING DISTRICT:	SITE AREA	EXISTING USE	PROPOSED USE
General Commercial (GC)	Commercial Professional (CP)	0.47 Acres	Storage building/ Non-conforming house	Drive-through coffee shop
ENVIRONMENTAL DETERMINATION				
<input type="checkbox"/> Environmental Impact Report SCH: _____ <input type="checkbox"/> Negative / Mitigated Negative Declaration No. _____ <input checked="" type="checkbox"/> Categorical Exemption CEQA – Guidelines Section 15303 <input type="checkbox"/> Statutory Exemption §§ 21000, et seq & _____ <input type="checkbox"/> No Project – Ministerial Project				

DISCUSSION:

Existing Surrounding Uses / Parcel Configurations:

Existing Zoning		Existing Aerial / Surrounding	
			
North:	South:	East:	West:
Commercial Professional (CP)	Commercial Professional (CP)	Commercial Service (CS)	Residential Multi-family (RMF-24)

Background:

The project was brought before the Design Review Committee (DRC) on August 14, 2019. After reviewing the project, the DRC had the following comments:

- Stripe queueing lane to clarify traffic flow.
- Analyze retaining wall and finish if necessary.
- The existing building to be used for wholesale and distribution shall be painted to match the new building.
- Provide a noise study analyzing the proposed speaker noise levels.
- Provide landscaping to detract people from going to the rear of the property.
- Provide two new trees in the front landscaped planter along with the proposed ramp.
- Look into creating a faux window covered by an awning on the blank wall along the front of the building.

Summary:

The subject site is made up of two parcels with a combined size of 0.47 acres. A condition of approval for the project will be to merge the two lots, as the proposed building would be built over the property line. The proposed coffee shop would be occupied by the coffee chain, Human Bean, and include a single sided drive-up design with a menu board and order station located in a landscaped area. The coffee shop would be 600 square feet with a drive-through lane that can accommodate up to 5 stacked cars. Five onsite parking spaces are provided for the Human Bean's employees and the wholesale/ distribution building. The code requires at least 4.2 spaces for this use. The project does not include



a walkup window or seating areas for customers and the business is designed as solely a drive-through use. Since the new facility is requesting a drive-through, the project is subject to a Conditional Use Permit, requiring the Planning Commission's review.

Aerial



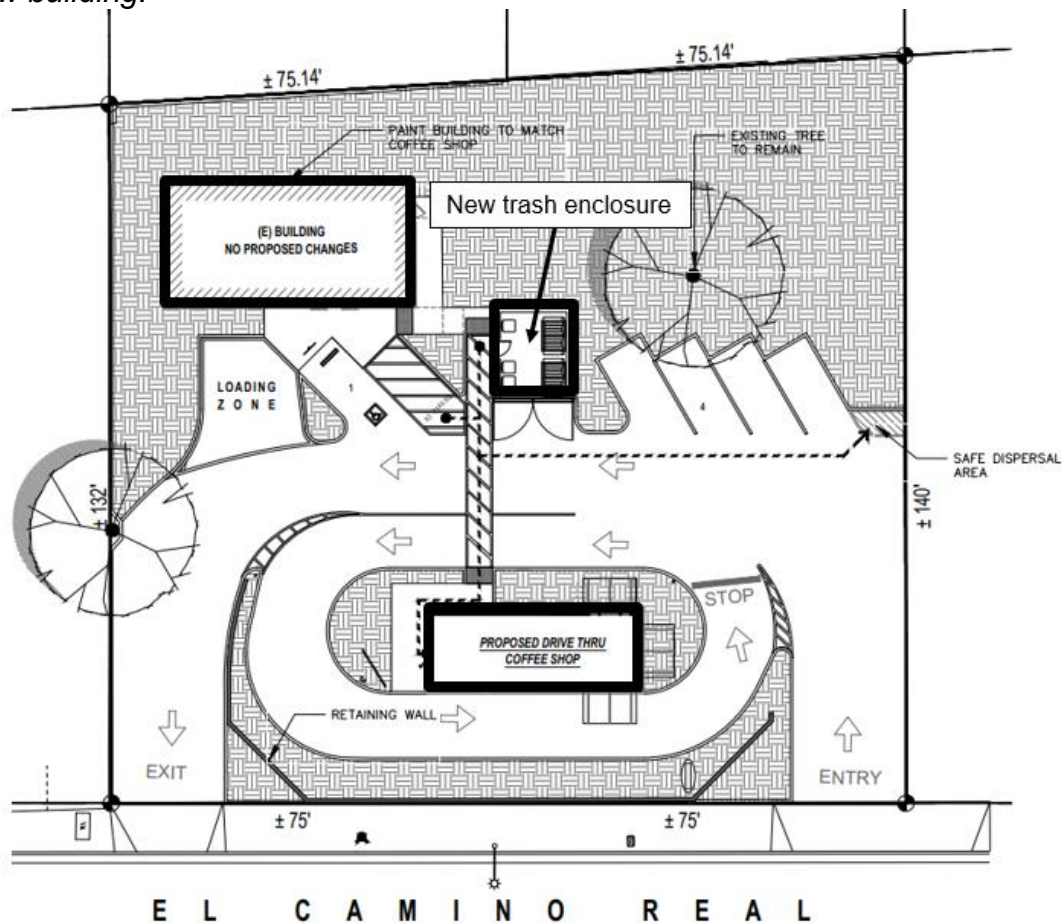
Analysis:

Site Design



The site is accessed from El Camino Real. The new building is proposed to be setback 20 feet off the front property line. Landscape buffering is provided between the drive aisle and the adjacent public streets to soften the visual appearance of the drive-through lane. The project does not have a path for pedestrians from El Camino Real and can only be accessed by the drive aisles. The applicant plans to resurface the retaining wall along the sidewalk either with a stucco finish that matches the drive-through building or with stone or brick.

Staff recommends resurfacing the retaining wall with a stone finish that will complement the new building.

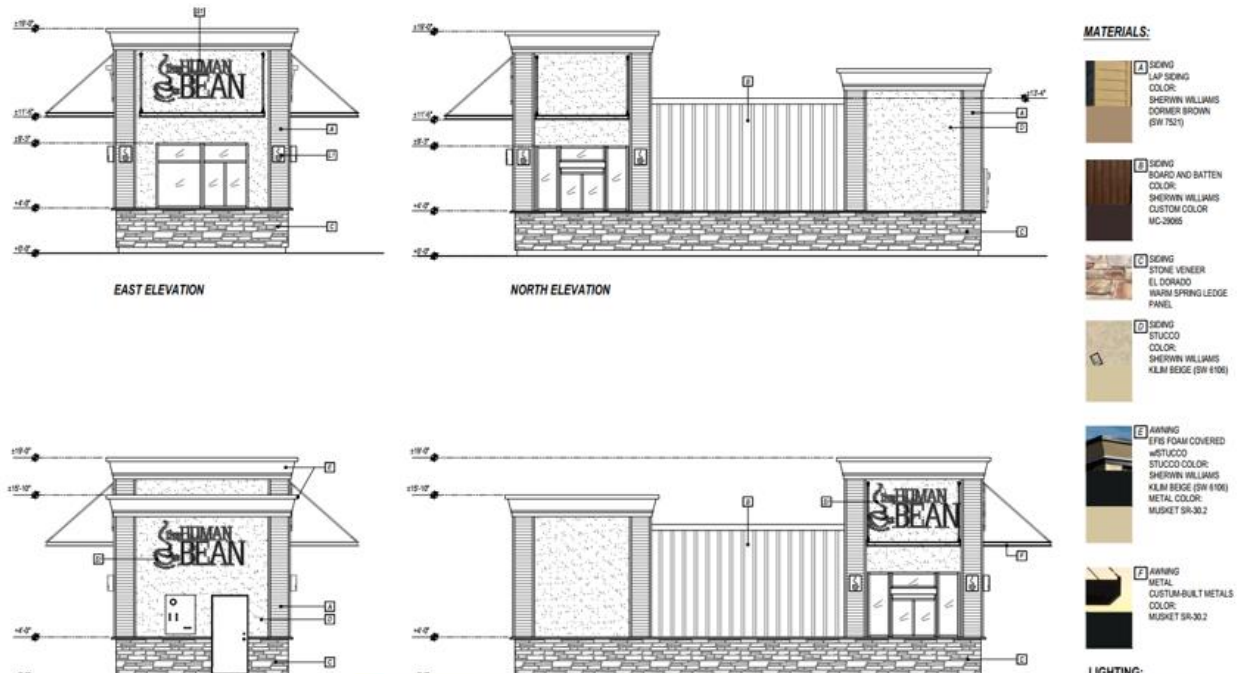


Architectural Design

The project proposed a single-story building consisting of stucco and stone veneer with custom built awnings. Wall mounted sconces provide lighting. The building is a contemporary design with a flat roof and canopies. The design includes varying materials in subtle earth tones, adding architectural interest to the design. The applicant is not proposing any changes to the existing building at the rear of the site but it will be painted to match the new building. The existing building is proposed to be used solely for wholesale distribution. There was discussion at the DRC hearing that the applicant consider adding a feature such as a faux window and/or new awning to the front of the building facing El Camino Real to help provide enhanced appearance to an unadorned wall. The blank wall is nine feet by ten feet. The applicant would prefer to keep the wall



design as proposed (see image below), however staff has provided a project condition to add a feature to this wall to enhance the appearance. Such features could include an awning, artwork, tile work a window or other building features.

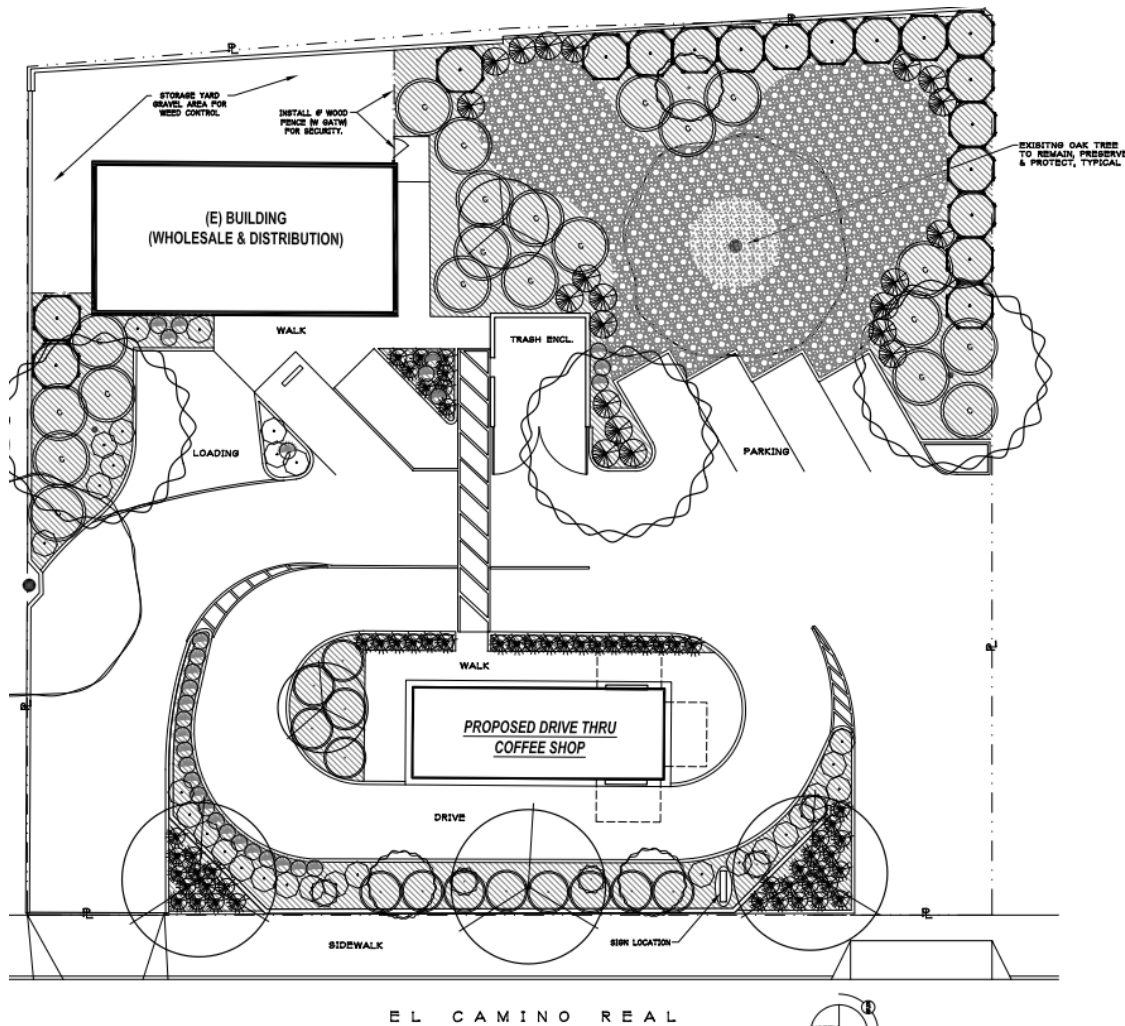


The wall in question



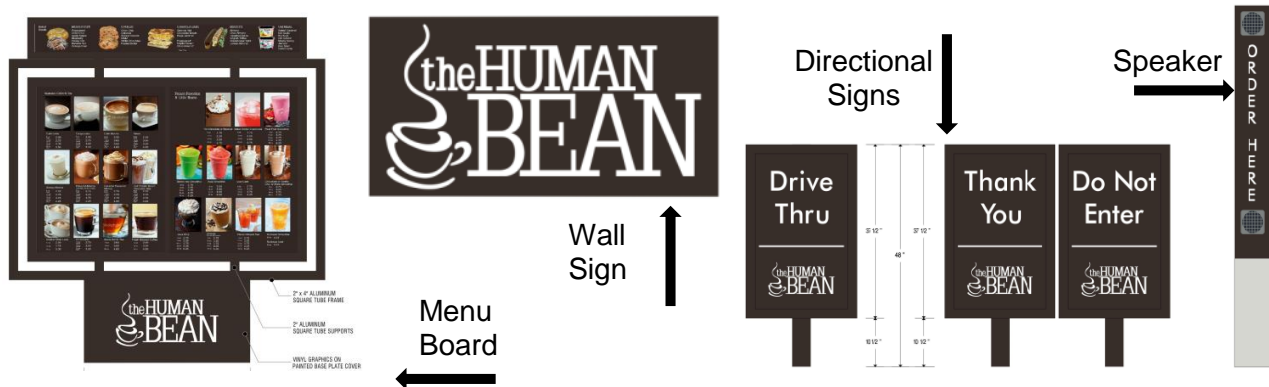
Landscaping

The site has one existing oak tree that is to remain. The applicant is proposing to add new shrubs, grasses and trees to landscape bare areas of the site. Between the parking lot and the adjacent Residential Multi Family zone, the applicant will add large river rock cobbles and shredded bark. The area will also include bushes and shrubs to make the area look complete but stop it from becoming an attractive nuisance. Additional landscaping and parking is proposed around the new parking lot with three new oak trees. The frontage along El Camino Real will also be fully landscaped with three new London Plane sycamore trees as street trees, providing shade for the adjacent sidewalk.



Signage

The applicant is proposing to add three wall signs and multiple directional signs and menu signs. Atascadero Municipal Code (AMC) 9-15.008 states that wall signs are limited to one square foot per linear foot of building frontage. The new building's frontage along EL Camino Real is approximately 40 feet long. The sides are approximately 14 feet wide. The proposed wall signs are composed of individual channel letters. Each sign is approximately 20 square feet, totaling 60 square feet. The applicant is requesting an exception to allow the wall signs to exceed the allowed on two sides of the building by 6 feet each. Total aggregate signage allowed in the Commercial Professional zone is 150 feet, which these signs do not exceed. Directional signs and menu signs do not count toward aggregate signage.



Noise

Staff and the DRC expressed concerns about the potential noise impacts that a drive-through would have adjacent to a residential neighborhood. The applicant provided additional information about the noise levels that the speaker at the menu board will produce. The average daytime (7 am to 9 pm) noise level maximum is 50 dB. The maximum daytime sound level is 70 dB. The information provided states that at 32 feet away from the speaker, the dBA is 54. The speaker is located more than 100 feet from the neighbor's back fence. The speaker has an option to include an Automatic Volume Control (AVC). This will adjust the outbound volume based on the outdoor, ambient noise level. When noise levels decrease, the AVC will reduce the outbound volume. The applicant has agreed to add this component to their speaker.

ENVIRONMENTAL DETERMINATION:

The proposed project is Categorically Exempt (Class 3) 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 15303, for new construction of small structures.

FINDINGS:

To approve USE 19-0061, the Planning Commission must make the following findings. These findings and the facts to support these findings are included in the attached resolution.



Conditional Use Permit (AMC Section 9-2.110(b).(3).(iv)

1. The proposed project or use is consistent with the General Plan;
2. The proposed project or use satisfies all applicable provisions of this title;
3. The establishment, and subsequent operation or conduct of the use will not, because of the circumstances and conditions applied in the particular case, be detrimental to the health, safety or welfare of the general public or persons residing or working in the neighborhood of the use, or be detrimental or injurious to property or improvements in the vicinity of the use;
4. That the proposed project or use will not be inconsistent with the character of the immediate neighborhood or contrary to its orderly development;
5. That the proposed use or project will not generate a volume of traffic beyond the safe capacity of all roads providing access to the project, either existing or to be improved in conjunction with the project, or beyond the normal traffic volume of the surrounding neighborhood that would result from full development in accordance with the land use element;
6. The proposed project is in compliance with any pertinent City policy or criteria adopted by ordinance or resolution of the City Council.

ALTERNATIVES:

1. The Planning Commission may include modifications to the project and/or conditions of approval for the project. Any proposed modifications including conditions of approval, should be clearly re-stated in any vote on any of the attached resolutions.
2. The Planning Commission may determine that more information is needed on some aspect of the project and may refer the item back to the applicant and staff to develop the additional information. The Commission should clearly state the type of information that is required. A motion, and approval of that motion, is required to continue the item to a future date.
3. The Planning Commission may deny the project. The Commission must specify what findings cannot be made, and provide a brief oral statement, based on the Staff Report, oral testimony, site visit, correspondence, or any other rationale introduced and deliberated by the Planning Commission.

ATTACHMENTS:

1. Proposed Façade
2. Site Photos
3. Draft Resolution



**ATTACHMENT 1: Proposed Facade
USE 19-0061**



ATTACHMENT 2: Site Photos
USE 19-0061

Wholesale and Distribution Building (to remain)



View of the site from El Camino Real (existing house to be demolished)



**Attachment 3: Draft Resolution
USE 19-0061**

DRAFT PC RESOLUTION

**RESOLUTION OF THE PLANNING COMMISSION
OF THE CITY OF ATASCADERO, CALIFORNIA, APPROVING A
CONDITIONAL USE PERMIT (USE19-0061) ALLOWING
A DRIVE-THROUGH COFFEE SHOP IN THE COMMERCIAL PROFESSIONAL ZONING
DISTRICT
APN 030-132-049 & 030-132-050
(Human Bean)**

WHEREAS, an application has been received from Pat Mitchell, 4844 E. Mirada Lane, Stockton, CA 95212 (Owner and Applicant) to consider a Conditional Use Permit (USE 19-0061) to allow a drive-through coffee shop in the Commercial Professional zoning district; and

WHEREAS, the site's General Plan Designation is General Commercial (GC); and

WHEREAS, the site's Zoning is Commercial Professional (CP); and

WHEREAS, the proposed project qualifies for an Categorical Exemption consistent with CEQA section 15301: New Construction or Conversion of Small Structures; 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; and

WHEREAS, a timely and properly noticed Public Hearing upon the subject Minor Conditional Use Permit application was held by the Planning Commission of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said Conditional Use Permit; and

WHEREAS, the Planning Commission of the City of Atascadero, at a duly noticed Public Hearing held on December 3, 2019, studied and considered the Conditional Use Permit USE 19-0061.

NOW THEREFORE, BE IT RESOLVED, that the Planning Commission of the City of Atascadero, California, makes the following findings, determinations and recommendations with respect to the proposed Conditional Use Permit:

SECTION 1. Findings of Environmental Exemption. The Planning Commission finds as follows:

1. The proposed project has been found Categorically Exempt under Class 3, Section 15303, New Construction or Conversion of Small Structures, of the California Environmental Quality Act.

SECTION 2. Findings for approval of Conditional Use Permit Amendment. The Planning Commission finds as follows:



1. The proposed use is consistent with the General Plan; and

Fact: The project is consistent with the Land Use, Open Space and Circulation (LOC) Policies and Programs 1.1 for guiding new development into the urban core; 1.1.7 for infill development; 1.4.1 for screening exterior lights; 7.2.4 for providing shade trees; 8.5.3 for providing on-site storm water management; 13.1 for convenient location of goods and services; and 15.1 for directing growth to an area with existing City services.

The project is consistent with Circulation Element (CIR) Policies and Programs 1.3.3 for locating on an arterial with minimal driveways; 1.5.1 for requiring adequate off-street parking; and 1.5.3 for landscaping, lighting, screening and shade trees in the parking lot.

2. The proposed project satisfies all applicable provisions of the Title (Zoning Ordinance), and

Fact. The proposed drive-through coffee shop can be permitted through the Conditional Use Permit process as identified in the Municipal Code. The proposed structure and site plan are consistent with the applicable provisions of the Atascadero Municipal Code with the approval of the subject entitlement.

3. The establishment, and subsequent operation or conduct of the use will not, because of the circumstances and conditions applied in the particular case, be detrimental to the health, safety, or welfare of the general public or persons residing or working in the neighborhood of the use, or be detrimental or injurious to property or improvements in the vicinity of the use; and

Fact. The proposed drive-through restaurant is being constructed on an underutilized commercial site with a non-conforming house on it. The establishment of the use on a commercial infill site will bring the site into conformance with the Municipal Code and will not be detrimental to the public health, safety, or welfare. Conditions of Approval have been added to minimize impacts to the adjacent residential uses.

4. That the proposed project will not be inconsistent with the character or the immediate neighborhood or contrary to its orderly development; and

Fact. The proposed drive-through use and signage are consistent with the Commercial Professional zoning District. Conditions of Approval have been added to minimize impacts to the adjacent residential uses.

5. That the proposed project will not generate a volume of traffic beyond the safe capacity of all roads providing access to the project, either existing or to be improved in conjunction with the project, or beyond the normal traffic volume of the surrounding neighborhood that would result from full development in accordance with the Land Use Element.

Fact: The drive-through coffee shop will not have an excessive impact on traffic volume. The coffee shop is small with limited services. The use is consistent with other businesses located around it on El Camino Real.

6. The proposed project is in compliance with any pertinent City policy or criteria adopted by



ordinance or resolution of the City Council.

Fact. The Design Review Committee has reviewed the proposed project and found the site plan and elevations to be consistent with the criteria in the City's Design Review Manual.

SECTION 3. Approval. The Planning Commission of the City of Atascadero, in a regular session assembled on December 3, 2019, resolved to approve Conditional Use Permit Use 19-0061 subject to the following:

EXHIBIT A: Conditions of Approval
EXHIBIT B: Site Plan
EXHIBIT C: Landscape Plan
EXHIBIT D: Elevations

On motion by Commissioner _____, and seconded by Commissioner _____, the foregoing resolution is hereby adopted in its entirety by the following roll call vote:

AYES: ()

NOES: ()

ABSENT: ()

ABSTAINED: ()

ADOPTED:

CITY OF ATASCADERO, CA

Tom Zirk
Planning Commission Chairperson

ATTEST:

Phil Dunsmore
Planning Commission Secretary



Exhibit A: Conditions of Approval
USE 19-0061

Conditions of Approval / Mitigation Monitoring Program	Timing	Responsibility /Monitoring
7835 El Camino Real	BL: Business License GP: Grading Permit BP: Building Permit FI: Final Inspection TO: Temporary Occupancy FO: Final Occupancy	PS: Planning Services BS: Building Services FD: Fire Department PD: Police Department CE: City Engineer WW: Wastewater CA: City Attorney
Planning Services Conditions		
1. This Conditional Use Permit shall allow for the establishment of a drive-through restaurant at 7835 El Camino Real described on the attached exhibits and located on APN 030-132-049 &-050, regardless of owner.	Ongoing	PS
2. The approval of this use permit shall become final and effective for the purpose of issuing building permits fourteen (14) days following the Planning Commission approval, unless an appeal to the decision is filed as set forth in Section 9-1.111(b) of the Zoning Ordinance.	Ongoing	PS
3. The Community Development Department shall have the authority to approve the following minor changes to the project that (1) modify the site plan project by less than 10%, and/or (2) result in a superior site design or appearance.	BL	PS, CE
4. Approval of this Conditional Use Permit shall be valid for twenty-four (24) months after its effective date. At the end of the period, the approval shall expire and become null and void unless the project has received a building permit.	BL	PS
5. The applicant 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 this conditional use permit.	Ongoing	CA
6. The speaker shall include the Automatic Volume Control (AVC) feature.	BP	PS
7. The applicant shall merge the two lots before building permits are issued for construction of the new drive-through building.	BP	PS
8. A minimum of five (5) parking spaces shall be added to the site as off-street parking.	Ongoing	PS
9. Landscaping shall be consistent with the approved Landscape Plan. Landscaping shall be added prior to requesting a final planning inspection.	BP/ Ongoing	PS
10. New lighting shall conform to the standards of Atascadero Municipal Code 9-4.137 for exterior lighting.	BP	PS
11. Elevations shall incorporate high quality materials and shall be consistent with the colors and design shown in Exhibit D. Stucco shall have a smooth finish.	BP	PS
12. The building wall facing El Camino Real on the northerly building elevation shall be modified to include an awning, tilework, artwork, a	BP	PS



Conditions of Approval / Mitigation Monitoring Program	Timing	Responsibility /Monitoring
7835 El Camino Real	BL: Business License GP: Grading Permit BP: Building Permit FI: Final Inspection TO: Temporary Occupancy FO: Final Occupancy	PS: Planning Services BS: Building Services FD: Fire Department PD: Police Department CE: City Engineer WW: Wastewater CA: City Attorney
window or other features to enhance the appearance of the large blank space.		
13. All utilities shall be installed underground.	BP	PS
14. The existing storage building shall be painted to match the new drive-through.	BP/Ongoing	PS
15. The retaining wall shall be resurfaced with stone to match the new drive-through.	BP	PS
16. All mechanical equipment onsite shall be screened, including all ground and roof-mounted equipment, air conditioners, transformers, etc.	BP	PS
17. Traffic Impact fees shall be provided for this project based on the City's alternative per trip calculation method.	FO	PS BS



EXHIBIT B: Site Plan
USE 19-0061

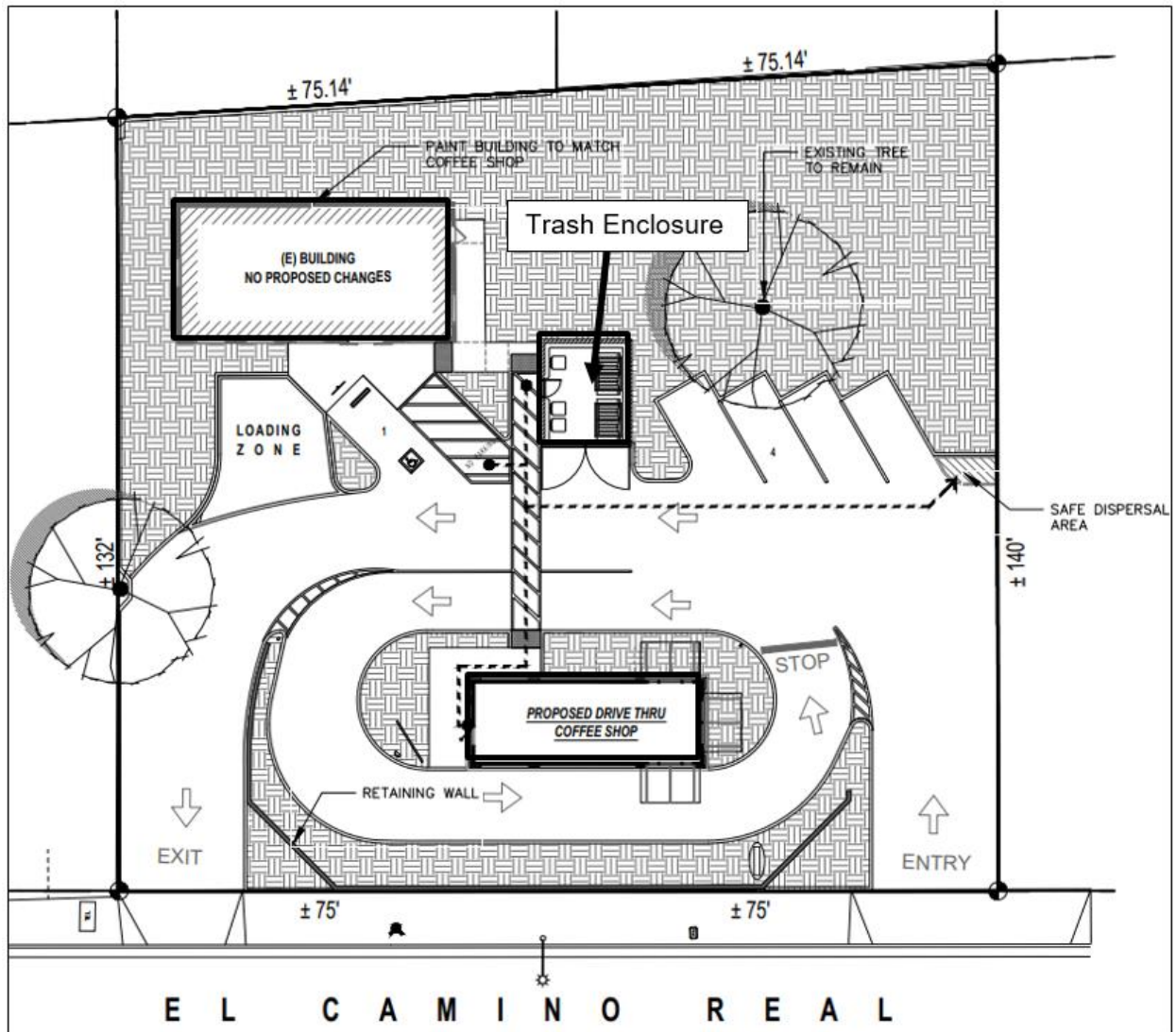


EXHIBIT C: Landscape Plan
USE 19-0061

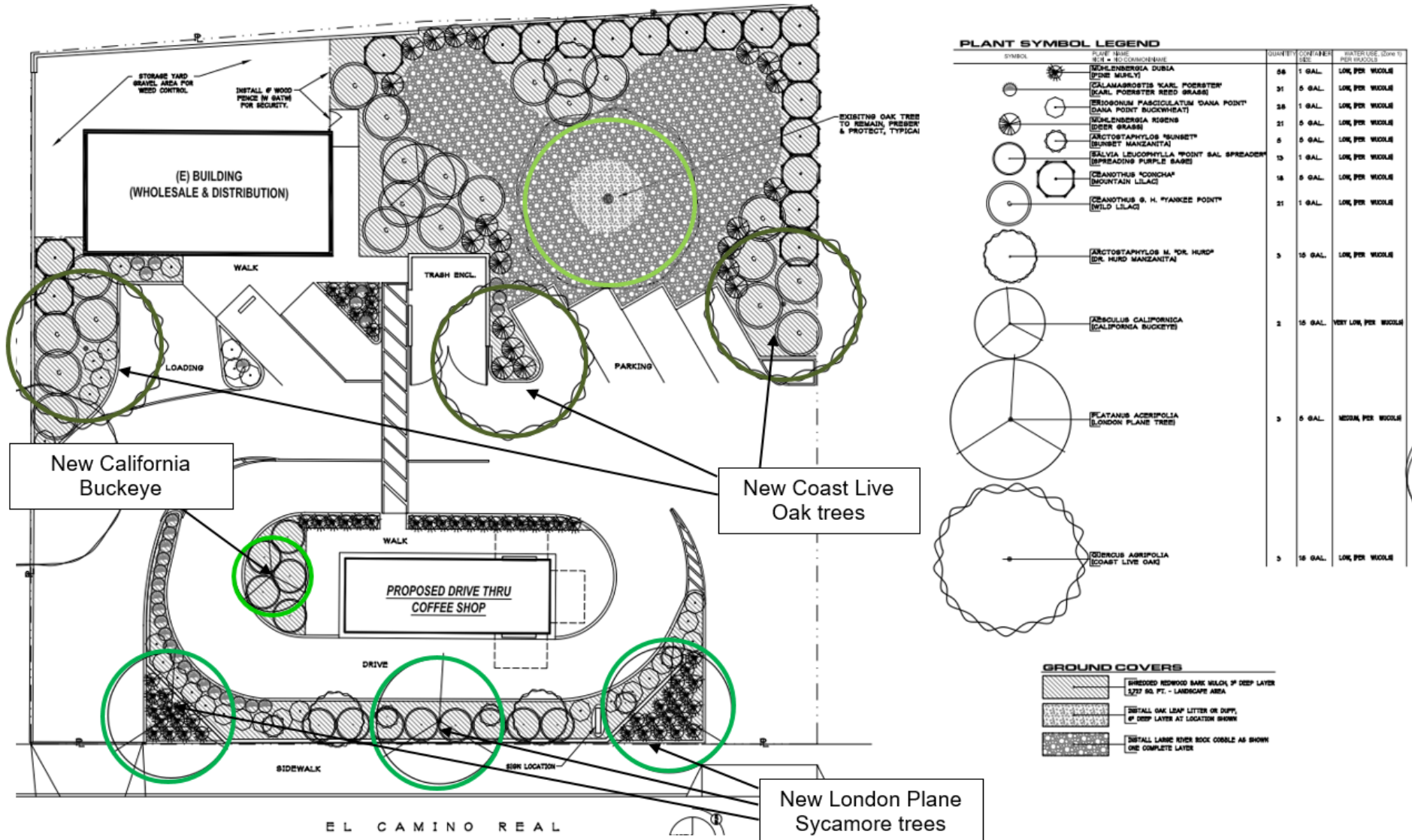
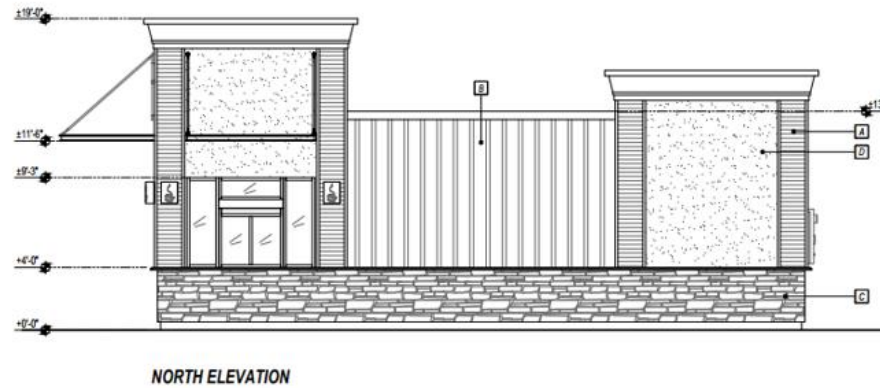
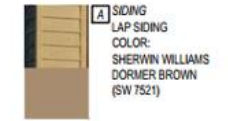


EXHIBIT D: Elevations
USE 19-0061



MATERIALS:



LIGHTING:



ITEM NUMBER:

DATE:

ATTACHMENT:

B-1

01/14/20

4

Planning Solutions
planningsolutions@charter.net
805.801.0453

September 30, 2019

Mariah Gasch, Assistant Planner
Community Development Department
6500 Palma Avenue
Atascadero, CA 93422

RE: Mitchell, Human Bean Project, 7835 El Camino Real, Atascadero

Hi Mariah,

Please find attached information regarding the speaker at the menu board for the Human Bean drive-through coffee shop.

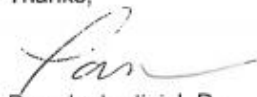
The attached document provides the speaker levels at different distances from the speaker post. The information states that at 32 feet the dBA is 54. The speaker is located more than 100 feet from the fence of the neighbors' back yard.

Additionally, the speaker has an option to include an Automatic Volume Control (AVC). The AVC reduces the outbound volume to a maximum dBA level above the ambient outside noise level.

The attached memo provides information showing that when the AVC is activated, the speaker volume will automatically adjust to lower the volume. My client will install the speaker with this component.

If you have any questions, please contact me.

Thanks,



Pamela Jardini, J. D.
Planning Solutions

Planning Solutions

1360 New Wine Place

Templeton, CA 93465



Customer Driven

Memo

Re: Drive-Thru Sound Pressure Levels From the Menu Board or Speaker Post

The sound pressure levels from the menu board or speaker post are as follows:

1. Sound pressure level (SPL) contours (A weighted) were measured on a typical HME SPP2 speaker post. The test condition was for pink noise set to 84 dBA at 1 foot in front of the speaker. All measurements were conducted outside with the speaker post placed 8 feet from a non-absorbing building wall and at an oblique angle to the wall. These measurements should not be construed to guarantee performance with any particular speaker post in any particular environment. They are typical results obtained under the conditions described above.
2. The SPL levels are presented for different distances from the speaker post:

Distance from the Speaker (Feet)	SPL (dBA)
1 foot	84 dBA
2 feet	78 dBA
4 feet	72 dBA
8 feet	66 dBA
16 feet	60 dBA
32 feet	54 dBA

3. The above levels are based on factory recommended operating levels, which are preset for HME components and represent the optimum level for drive-thru operations in the majority of the installations.

Also, HME incorporates automatic volume control (AVC) into many of our Systems. AVC will adjust the outbound volume based on the outdoor, ambient noise level. When ambient noise levels naturally decrease at night, AVC will reduce the outbound volume on the system. See below for example:

Distance from Outside Speaker	Decibel Level of standard system with 45 dB of outside noise <u>without</u> AVC	Decibel level of standard system with 45 dB of outside noise <u>with</u> AVC active
1 foot	84 dBA	60 dBA
2 feet	78 dBA	54 dBA
4 feet	72 dBA	48 dBA
8 feet	66 dBA	42 dBA
16 feet	60 dBA	36 dBA

If there are any further questions regarding this issue please contact HME customer service at 1-800-848-4468.

Thank you for your interest in HME's products.

PC RESOLUTION 2019-0036

**RESOLUTION OF THE PLANNING COMMISSION
OF THE CITY OF ATASCADERO, CALIFORNIA, APPROVING A
CONDITIONAL USE PERMIT (USE19-0061) ALLOWING
A DRIVE-THROUGH COFFEE SHOP IN THE COMMERCIAL PROFESSIONAL ZONING
DISTRICT**

**Human Bean
7835 El Camino Real
(APN 030-132-049 & 030-132-050)**

WHEREAS, an application has been received from Pat Mitchell, 4844 E. Mirada Lane, Stockton, CA 95212 (Owner and Applicant) to consider a Conditional Use Permit (USE 19-0061) to allow a drive-through coffee shop in the Commercial Professional zoning district; and

WHEREAS, the site's General Plan Designation is General Commercial (GC); and

WHEREAS, the site's Zoning is Commercial Professional (CP); and

WHEREAS, the proposed project qualifies for an Categorical Exemption consistent with CEQA section 15301: New Construction or Conversion of Small Structures; 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; and

WHEREAS, a timely and properly noticed Public Hearing upon the subject Minor Conditional Use Permit application was held by the Planning Commission of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said Conditional Use Permit; and

WHEREAS, the Planning Commission of the City of Atascadero, at a duly noticed Public Hearing held on December 3, 2019, studied and considered the Conditional Use Permit USE 19-0061.

NOW THEREFORE, BE IT RESOLVED, that the Planning Commission of the City of Atascadero, California, makes the following findings, determinations and recommendations with respect to the proposed Conditional Use Permit:

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1. The proposed project has been found Categorically Exempt under Class 3, Section 15303, New Construction or Conversion of Small Structures, of the California Environmental Quality Act.

SECTION 2. Findings for approval of Conditional Use Permit Amendment. The Planning Commission finds as follows:

1. The proposed use is consistent with the General Plan; and

Fact: The project is consistent with the Land Use, Open Space and Circulation (LOC) Policies and Programs 1.1 for guiding new development into the urban core; 1.1.7 for infill development; 1.4.1 for screening exterior lights; 7.2.4 for providing shade trees; 8.5.3 for providing on-site storm water management; 13.1 for convenient location of goods and services; and 15.1 for directing growth to an area with existing City services.

The project is consistent with Circulation Element (CIR) Policies and Programs 1.3.3 for locating on an arterial with minimal driveways; 1.5.1 for requiring adequate off-street parking; and 1.5.3 for landscaping, lighting, screening and shade trees in the parking lot.

2. The proposed project satisfies all applicable provisions of the Title (Zoning Ordinance), and

Fact. The proposed drive-through coffee shop can be permitted through the Conditional Use Permit process as identified in the Municipal Code. The proposed structure and site plan are consistent with the applicable provisions of the Atascadero Municipal Code with the approval of the subject entitlement.

3. The establishment, and subsequent operation or conduct of the use will not, because of the circumstances and conditions applied in the particular case, be detrimental to the health, safety, or welfare of the general public or persons residing or working in the neighborhood of the use, or be detrimental or injurious to property or improvements in the vicinity of the use; and

Fact. The proposed drive-through restaurant is being constructed on an underutilized commercial site with a non-conforming house on it. The establishment of the use on a commercial infill site will bring the site into conformance with the Municipal Code and will not be detrimental to the public health, safety, or welfare. Conditions of Approval have been added to minimize impacts to the adjacent residential uses.

4. That the proposed project will not be inconsistent with the character or the immediate neighborhood or contrary to its orderly development; and

Fact. The proposed drive-through use and signage are consistent with the Commercial Professional zoning District. Conditions of Approval have been added to minimize impacts to the adjacent residential uses.

5. That the proposed project will not generate a volume of traffic beyond the safe capacity of all roads providing access to the project, either existing or to be improved in conjunction with the project, or beyond the normal traffic volume of the surrounding neighborhood that would result from full development in accordance with the Land Use Element; and

Fact: The drive-through coffee shop will not have an excessive impact on traffic volume. The coffee shop is small with limited services. The use is consistent with other businesses located around it on El Camino Real.

6. The proposed project is in compliance with any pertinent City policy or criteria adopted by ordinance or resolution of the City Council.

Fact. The Design Review Committee has reviewed the proposed project and found the site plan and elevations to be consistent with the criteria in the City's Design Review Manual.


SECTION 3. Approval. The Planning Commission of the City of Atascadero, in a regular session assembled on December 3, 2019, resolved to approve Conditional Use Permit Use 19-0061 subject to the following:

EXHIBIT A: Conditions of Approval
EXHIBIT B: Site Plan
EXHIBIT C: Landscape Plan
EXHIBIT D: Elevations

On motion by Commissioner van den Eikhof, and seconded by Commissioner Keen, the foregoing resolution is hereby adopted in its entirety by the following roll call vote:

AYES: Keen, van den Eikhof, Shaw, Dariz, Anderson (5)
NOES: None (0)
ABSENT: Wolff, Zirk (2)
ABSTAINED: None (0)
ADOPTED: December 3, 2019

CITY OF ATASCADERO, CA


Mark Dariz
Planning Commission Vice Chairperson

ATTEST:


Phil Dunsmore
Planning Commission Secretary

**Exhibit A: Conditions of Approval
USE 19-0061**

Conditions of Approval / Mitigation Monitoring Program	Timing	Responsibility /Monitoring
7835 El Camino Real	BL: Business License GP: Grading Permit BP: Building Permit FI: Final Inspection TO: Temporary Occupancy FO: Final Occupancy	PS: Planning Services BS: Building Services FD: Fire Department PD: Police Department CE: City Engineer WW: Wastewater CA: City Attorney
Planning Services Conditions		
1. This Conditional Use Permit shall allow for the establishment of a drive-through restaurant at 7835 El Camino Real described on the attached exhibits and located on APN 030-132-049 &-050, regardless of owner.	Ongoing	PS
2. The approval of this use permit shall become final and effective for the purpose of issuing building permits fourteen (14) days following the Planning Commission approval, unless an appeal to the decision is filed as set forth in Section 9-1.111(b) of the Zoning Ordinance.	Ongoing	PS
3. The Community Development Department shall have the authority to approve the following minor changes to the project that (1) modify the site plan project by less than 10%, and/or (2) result in a superior site design or appearance.	BL	PS, CE
4. Approval of this Conditional Use Permit shall be valid for twenty-four (24) months after its effective date. At the end of the period, the approval shall expire and become null and void unless the project has received a building permit.	BL	PS
5. The applicant 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 this conditional use permit.	Ongoing	CA
6. The speaker shall include the Automatic Volume Control (AVC) feature.	BP	PS
7. The applicant shall merge the two lots before building permits are issued for construction of the new drive-through building.	BP	PS
8. A minimum of five (5) parking spaces shall be added to the site as off-street parking.	Ongoing	PS
9. Landscaping shall be consistent with the approved Landscape Plan. Landscaping shall be added prior to requesting a final planning inspection.	BP/ Ongoing	PS
10. New lighting shall conform to the standards of Atascadero Municipal Code 9-4.137 for exterior lighting.	BP	PS
11. Elevations shall incorporate high quality materials and shall be consistent with the colors and design shown in Exhibit D. Stucco shall have a smooth finish.	BP	PS
12. The building wall facing El Camino Real on the northerly building elevation shall be modified to include an awning, tilework, artwork, a	BP	PS

Conditions of Approval / Mitigation Monitoring Program	Timing	Responsibility /Monitoring
7835 El Camino Real	BL: Business License GP: Grading Permit BP: Building Permit FI: Final Inspection TO: Temporary Occupancy FO: Final Occupancy	PS: Planning Services BS: Building Services FD: Fire Department PD: Police Department CE: City Engineer WW: Wastewater CA: City Attorney
window or other features to enhance the appearance of the large blank space. This can include additional signage logo.		
13. All utilities shall be installed underground.	BP	PS
14. The existing storage building shall be painted to match the new drive-through.	BP/Ongoing	PS
15. The retaining wall shall be resurfaced with stone to match the new drive-through.	BP	PS
16. All mechanical equipment onsite shall be screened, including all ground and roof-mounted equipment, air conditioners, transformers, etc.	BP	PS
17. Traffic Impact fees shall be provided for this project based on the City's alternative per trip calculation method.	FO	PS BS
18. An exemption to Sign Code 9-15.008 shall be permitted for wall signs as shown in Exhibit D to allow a maximum of 20 square feet of signage on the eastern and western building faces.	BP	PS
19. The owner shall mitigate any non-permitted onsite grading and repair the slope and fence as necessary.	BP	PS

EXHIBIT B: Site Plan
USE 19-0061

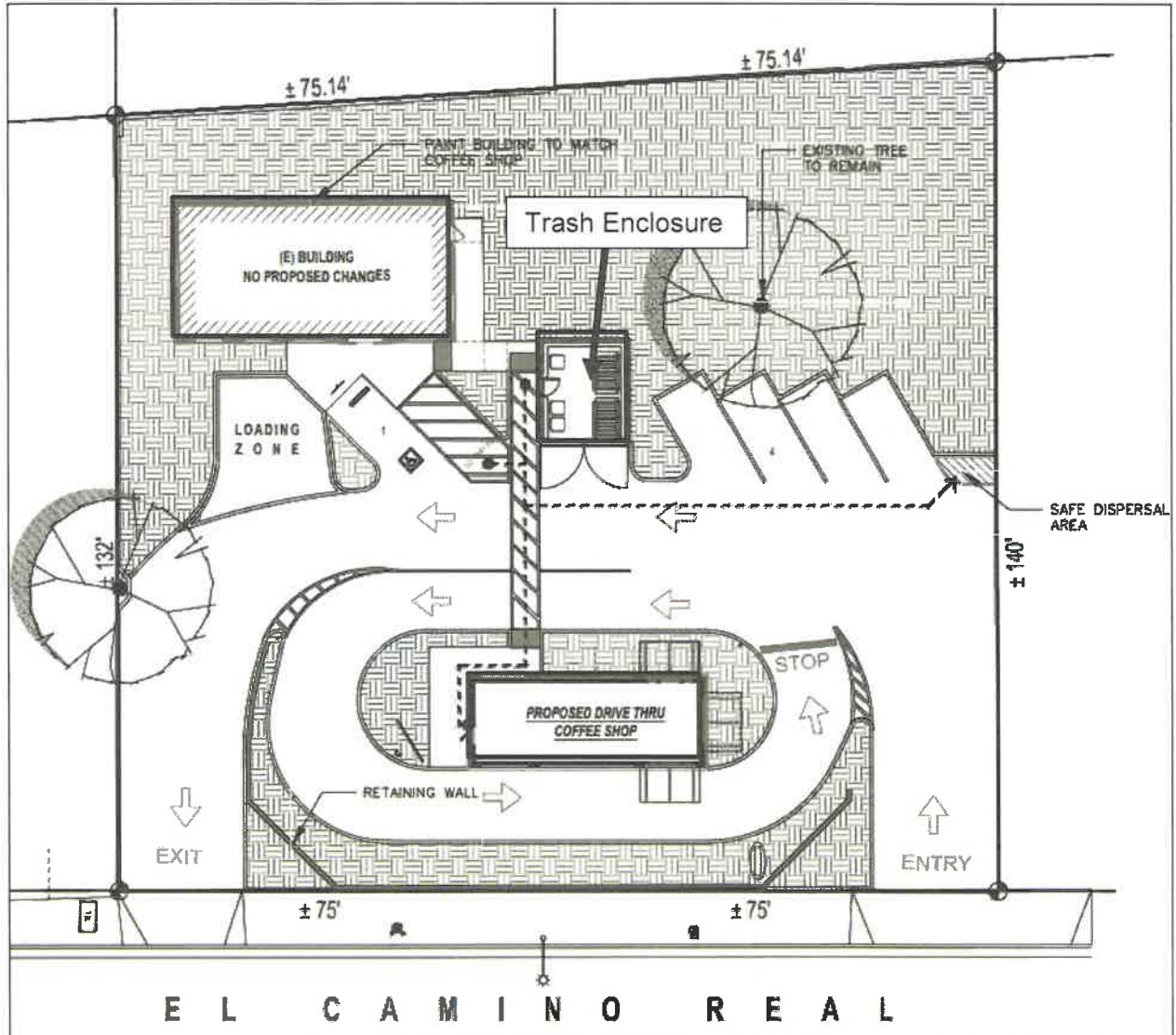
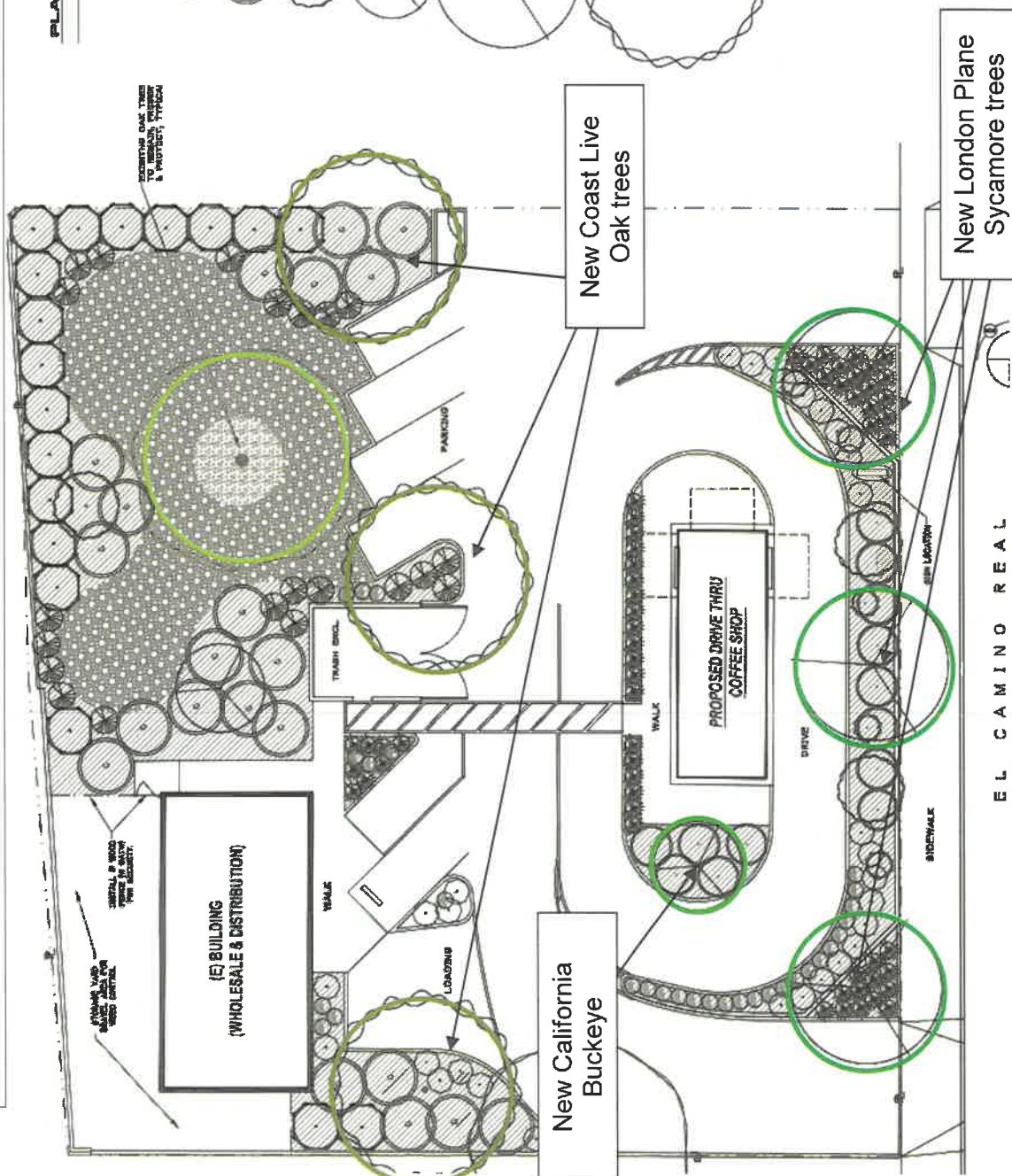


EXHIBIT C: Landscape Plan
USE 19-0061

[illegible]

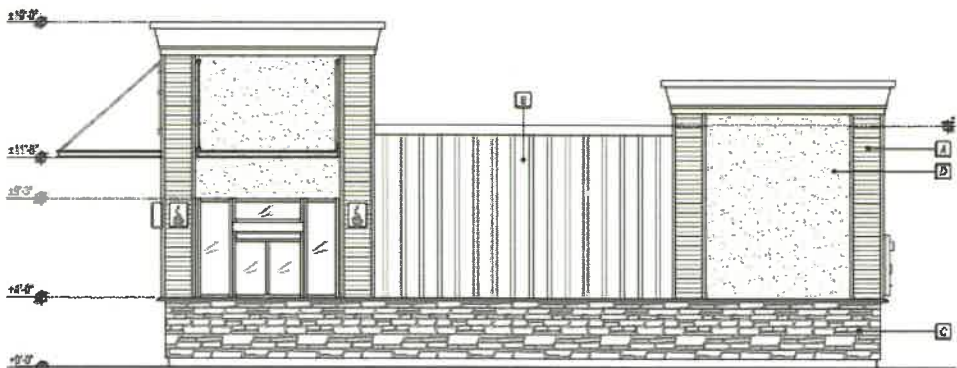
ITEM NUMBER:
DATE:
ATTACHMENT:

B-1
01/14/20
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EXHIBIT D: Elevations
USE 19-0061



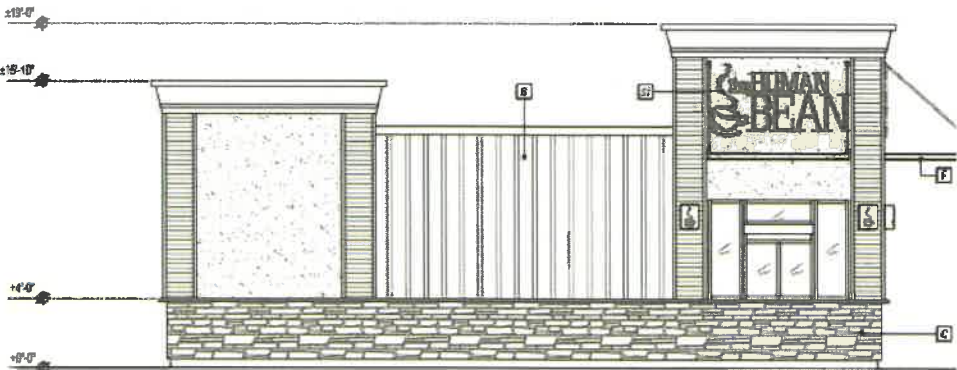
EAST ELEVATION



NORTH ELEVATION



WEST ELEVATION



SOUTH ELEVATION (EL CAMINO REAL)

RECEIVED

Lara Christensen

APL 19-0129

DEC 16 2019

From: Heather Moreno
Sent: Monday, December 16, 2019 1:05 PM
To: Lara Christensen
Subject: Appeal of the Planning Commission's adoption of PC Resolution 2019, approving a drive-through coffee shop at 7835 El Camino Real

CITY OF ATASCADERO
CITY CLERK'S OFFICE

Hello, Lara.

This email letter serves as my appeal of the Planning Commission's adoption of PC Resolution 2019, approving a drive-through coffee shop at 7835 El Camino Real.

My appeal relates to condition of approval #3:

The establishment, and subsequent operation or conduct of the use will not, because of the circumstances and conditions applied in the particular case, be detrimental to the health, safety or welfare of the general public or persons residing or working in the neighborhood of the use, or be detrimental or injurious to property or improvements in the vicinity of the use;

The Commission did not include any parameters for hours of operation of the speakers used for the drive-through and at the meeting it was discussed that the applicant wishes to begin operation at 5am. This property abuts a residential area and I am concerned about whether sufficient attention was given to the potential impacts on the neighbors.

Thank you. Please confirm receipt and let me know if you need anything further.

Warm regards,

Heather Moreno
Mayor, City of Atascadero

"Your representative owes you, not his industry only, but his judgment; and he betrays instead of serving you if he sacrifices it to your opinion." ~ Edmund Burke



Atascadero City Council

Staff Report – Administrative Services Department

Fiscal Year 2018-2019 Audit

RECOMMENDATION:

Council review and accept the financial audit for the period ended June 30, 2019.

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.

The City performed relatively well overall during the fiscal year 2018-2019. The Council's continued focus on economic development, the forward movement of the economy and ongoing fiscal stewardship by the Council and staff were beneficial to the City's bottom line.

General Fund Activity, Excluding Measure F-14 Activities

Measure F-14 Sales Tax activity is included in the General Fund for legal and accounting reasons, but is broken out in this discussion for more transparency.

The positive variance in this year's final results, as compared to the most recent Seven-Year Projection (adopted as part of the 2019-2021 Budget), was due to a number of factors, including modest increases in property tax revenue, sales tax revenue, other tax revenue, development-related revenue, and some modest savings in operating supplies and services.

The City Council's policies support fiscal stewardship and sustainability, which is evident in the fiscal year results. Overall, revenues are trending slowly upward. The unfortunate part is that the growth in expenditures exceeds the growth in revenues. Efforts are, and have been, underway to enhance the vibrancy of the City's revenue base. For now, Atascadero is still a bedroom community and is fiscally challenged. Atascadero has the lowest revenue per capita of all of the cities in San Luis Obispo, and thus spends less per capita than most other cities. Only through the forward-thinking of Council and the hard-working staff is the City able to accomplish so much on such a modest budget.

While the positive variance from the Seven-Year Projection is great news and should be celebrated, there is still much work to be done. The 2019-2021 budget projects the use of over \$1 million in General Fund Reserves in the two-year cycle. Yet, the City will need to address many issues in the upcoming future for which funds are not available, including increasing the number of public safety professionals. Atascadero has 0.95 sworn police officers per 1,000 residents versus 1.33 in San Luis Obispo and 1.12 in Paso Robles. Atascadero has just over 0.60 fire fighters per 1,000 residents compared to 0.90 in San Luis Obispo and 0.70 in Paso Robles. Drainage and parks infrastructure, and replacement of vital equipment will also need to be addressed, among other issues.

As the results of fiscal year 2018-2019 are compared throughout this staff report to the prior year and expected outcomes, it is relevant to view these result within the perspective of the larger picture. The City is effectively using its available resources to the highest extent possible, but this still doesn't allow the City to fund all of the costs necessary to ensure for the needs of tomorrow.

General Fund Activity, Measure F-14 Activity

Measure F-14 revenue was about \$2.5 million for the fiscal year, which is slightly more than 50% of Bradley-Burns sales revenue. Although the Bradley-Burns sales tax is 1% and the Measure F-14 sales tax is 0.5%, some items that are purchased by Atascadero residents outside of Atascadero still incur the Measure F-14 sales tax portion.

Measure F-14 expenditures were about \$1.5 million during the fiscal year, and were based on timing of the streets projects. 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, 3.4 centerline miles of road were paved in the 2018 Pavement Rehabilitation Project, and the design and bidding phases were started for the 2019 Pavement Rehabilitation Project, which will improve 3.28 centerline miles of road.

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

All General Fund activity (Measure F-14 and non-Measure F-14) combined to increase the General Fund by about \$2 million during the year. The General Fund balance at the end of the year, including the Measure F-14 funds, was \$14,919,400.

General Fund activity for fiscal year 2018-2019 is summarized in the following chart:

	<i>Measure F-14</i>	<i>Non-Measure F-14</i>	<i>Total General Fund</i>
Revenues	\$ 2,462,935	\$ 22,382,893	\$ 24,845,828
Expenditures	1,456,298	21,353,426	22,809,724
Net changes in Fund balance	1,006,637	1,029,467	2,036,104
Beginning Fund Balance	2,985,322	9,897,974	12,883,296
Ending Fund Balance	<u>\$ 3,991,959</u>	<u>\$ 10,927,441</u>	<u>\$ 14,919,400</u>

Council's long-term Financial Strategy, as further detailed in the City's June 2019 Seven-Year Projection, is to supplement annual revenues with General Fund reserves during

the lean years in order to continue to fund City operations at a steady level. As projected, revenues are beginning to trend upwards once again, reducing, but not eliminating, the reliance on General Fund reserves. Fiscal year 2018-2019 results were beneficial to the General Fund balance.

To get a better sense of the trending, the following Comparative Income Statement compares revenues and expenditures for the 2017-2018 and 2018-2019 fiscal years. Not all differences indicate a trend, but it is helpful to view the larger picture in perspective. This Statement does not include the Measure F-14 Activity.

GENERAL FUND COMPARATIVE INCOME STATEMENT
Excluding Measure F-14 Activity

	2017/2018 Actuals	2018/2019 Actuals	% Change	\$ Change
REVENUES:				
Property Tax	\$ 9,389,202	\$ 9,990,216	6.4%	\$ 601,014
Redevelopment- Asset Sale Distribution	409,960	-	n/a	(409,960)
Sales tax	4,058,583	4,133,073	1.8%	74,490
Transient Occupancy Tax	1,376,498	1,390,972	1.1%	14,474
Other Taxes	1,468,419	1,467,838	0.0%	(581)
Intergovernmental	184,415	164,734	-10.7%	(19,681)
Grants	272,265	180,818	-33.6%	(91,447)
Service Charges				
Mutual Aid	643,165	342,543	-46.7%	(300,622)
Public safety	189,750	198,197	4.5%	8,447
Development	1,007,512	1,282,844	27.3%	275,332
Recreation, zoo, parks & pavilion	932,594	971,529	4.2%	38,935
Interest	94,760	141,012	48.8%	46,252
Adjustment to Market Value-GASB 31	(85,019)	129,983	-252.9%	215,002
Interfund charges	958,204	962,825	0.5%	4,621
Other	348,224	477,959	37.3%	129,735
Transfers	540,250	548,350	1.5%	8,100
Total revenues	<u>\$ 21,788,782</u>	<u>\$ 22,382,893</u>	<u>2.7%</u>	<u>\$ 594,111</u>
EXPENDITURES:				
Employee services	\$ (14,882,845)	\$ (14,886,317)	0.0%	\$ (3,472)
Operating supplies & services	(5,385,230)	(5,375,804)	-0.2%	9,426
Special purchases	(338,333)	(1,005,181)	197.1%	(666,848)
Capital outlay	(315,252)	(86,124)	-72.7%	229,128
Total expenses	<u>(20,921,660)</u>	<u>(21,353,426)</u>	<u>2.1%</u>	<u>\$ (431,766)</u>
Net Income	867,122	1,029,467		
Fund Balance Beginning of year	9,030,852	9,897,974		
FUND BALANCE END OF YEAR	<u>\$ 9,897,974</u>	<u>\$ 10,927,441</u>		

Revenues

The most significant dollar amount deviations from the prior year on the revenue side are changes in Property Tax Revenue, Development Revenue, Mutual Aid activity, Interest Adjustment to Fair Market Value, and Other Revenues.

Property Tax Revenue

During the economic downturn, Property Tax Revenue hit the lowest level during fiscal year 2011-2012. Since that time, assessed valuation has been slowly increasing. Revenue increased less than one percent from fiscal year 2011-2012 to 2012-2013. Secured property tax grew at a healthy rate of 5% from 2017-2018 fiscal year to the 2018-2019 fiscal year. The increase is due to a combination of the upswing in the economy, reclaimed value on the Proposition 8 assessed valuation write-downs during the downturn, and increased economic development activity. Assessed valuations are expected to continue a steady growth trend for the next few years.

Another item that changed from the prior year was a redevelopment-related asset distribution. In fiscal year 2017/2018, the Successor Agency sold the former Redevelopment Agency's asset, the Creekside Building. This resulted in a residual distribution to the City of about \$410,000 that was a one-time bump up in 2017/2018.

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

GENERAL FUND PROPERTY TAX REVENUE COMPARISON

	2017/2018 Actuals	2018/2019 Actuals	% Change	\$ Change
Secured Property Tax	\$ 6,004,868	\$ 6,302,889	5.0%	\$ 298,021
Property tax in lieu of VLF	2,738,603	2,894,759	5.7%	156,156
Unsecured property tax	149,214	162,672	9.0%	13,458
Supplemental property tax	155,327	187,590	20.8%	32,263
Redevelopment agency distribution	349,216	460,501	31.9%	111,285
Redevelopment agency distribution - Asset Sale	409,960	-	n/a	(409,960)
Prior year secured and unsecured	(6,978)	(17,300)	147.9%	(10,322)
Property tax penalties and interest	(1,048)	(895)	-14.6%	153
Total revenues	<u>\$ 9,799,162</u>	<u>\$ 9,990,216</u>	<u>1.9%</u>	<u>\$ 191,054</u>

Development

Development-related revenues were up about \$275,000 when compared to the prior year. Development continues to be strong in the City. Some of the larger projects that had been delayed in the prior year were able to move forward in 2018-2019. Current and upcoming projects include La Plaza mixed-use, Home2Suites Hotel, Principal mixed-use, Emerald Ridge (208 residential units), and South Mirasol (6 residential units), among many others. Yet more projects are in the works for the Del Rio area, Colony Square, Dove Creek commercial pad, Morro Road, and El Camino Real.

Mutual Aid

Revenue from Mutual Aid activity was down about \$300,000 from the prior year, with a corresponding decrease in expenditures. Mutual Aid activity fluctuates based on the fire response needs during the year. Fiscal year 2018-2019 had relatively less activity than the prior fiscal year.

Interest Adjustment to Fair Market Value

Governmental accounting standards require that the City report investments at Fair Market Value as of the last day of the reporting period. It's the City's policy to hold investments to maturity except under certain circumstances, therefore the gain or loss that is reported as an adjustment to Fair Market Value is typically not realized. The gain or loss reported in the 2018-2019 financial statements was about \$130,000, however, since the City will hold these investments to maturity, this adjustment will not be recognized and is expected to fluctuate with the market.

Other Revenue

The category of Other Revenue includes a number of revenue sources such as donations and administrative charges. Other Revenue for fiscal year 2018-2019 was about \$130,000 more than fiscal year 2017-2018, primarily due to some generous one-time donations that occurred in fiscal year 2018-2019 and collection of some late fees, offset by a reduction of about \$40,000 in administration charges to administer the Successor Agency.

Expenditures

Employee Services

Employee Services actual costs for 2018-2019 were about the same as the prior year and right on target with the June 2019 Seven-Year Projection. This is especially relevant given the fact that Employee Services are the largest portion of General Fund Expenditures. Additionally, the realized costs in 2018-2019 were less than budgeted costs due to salary savings from unplanned vacancies in various departments in the City. In future years, costs will continue to increase due to changes in the calculation of CalPERS Retirement Costs, both the normal rate and the Unfunded Accrued Liability, and rising health care costs.

Operating Supplies and Services

When compared to the prior year, 2018-2019 expenditures were about the same. Actual results for 2018-2019 were slightly under the June 2019 Seven-Year Forecast amounts. However, the underlying trend is toward an increase in operating costs to reflect both the increasing prices due to inflation and the unsustainably low operating budgets that have been part of the overall Financial Strategy for many years.

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.

In Special Purchases during fiscal year 2018-2019, there was a City Council authorized transfer of \$500,000 from the General Fund to the Vehicle and Equipment Replacement Fund to go toward vehicle replacement reserves.

General Fund Balance

The General Fund balance (excluding Measure F-14 Activity) at June 30, 2019, was about \$10.9 million, or 51% 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 2019 Seven-Year Projection estimates the continued use of General Fund reserves through fiscal year 2023-2024. 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 2018-2019 Audited City Financial Statements
2. Independent Auditors' Report on Internal Control

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

CITY OF ATASCADERO

FINANCIAL STATEMENTS
June 30, 2019

FINANCIAL STATEMENTS

June 30, 2019

Heather Moreno, MAYOR

Charles Bourbeau, MAYOR PRO TEMPORE

Roberta Fonzi, COUNCIL MEMBER

Susan Funk, COUNCIL MEMBER

Heather Newsom, 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, 2019, 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, 2019, 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.

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 72 through 94, the schedule of changes in the total OPEB liability and related ratios on page 95, the schedule of OPEB contributions on page 96, the schedule of proportionate share of net pension liability on page 97, and the schedule of pension contributions on page 98, 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 non-major 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 non-major 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 December 17, 2019, 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, Remy & Hartgrain LLP

Santa Maria, California
December 17, 2019



MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2019

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, 2019. 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, 2019, by about \$180.6 million. Of this amount, \$133.5 million is net investment in capital assets, \$35.6 million is restricted for various purposes, and \$11.5 million is unrestricted.
- Capital projects expenditures were less than the amount spent in the prior fiscal year by about \$400,000 due to changes in the various street repair projects and the completion of the Centennial Bridge and Plaza project last fiscal year.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$50 million, an increase of about \$996,000 from the prior fiscal year. Approximately \$37.3 million of the total is not available for more spending because it represents amounts that are already obligated or restricted, including \$14.9 million in advances receivables from the Successor Agency and \$5.6 million in notes receivable for affordable housing. About \$12.6 million of the ending fund balance is available for future obligations.
- The City's compensated absences due to employees increased by about \$110,500, and the City's total liabilities decreased by about \$354,000. This decrease was primarily due to the City's change in CalPERS Net Pension Liability and the reduction in bond debt, and offset by the increase in compensated absences. For additional information, see Note 9 in the Notes to the Financial Statements.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$13,431,089 or 60% of total general fund expenditures, \$3,991,958 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 two categories of activities – governmental and proprietary.

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 Local Transportation 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.

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 exceeded liabilities by about \$180.6 million at the close of the most recent fiscal year.

	2018-2019 Governmental Activities	2018-2019 Business-Type Activities	2018-2019 Total	2017-2018 Governmental Activities	2017-2018 Business-Type Activities	2017-2018 Total
Current and other assets	\$ 62,059,392	\$ 11,473,796	\$ 73,533,188	\$ 59,769,390	\$ 10,777,414	\$ 70,546,804
Capital assets	134,068,456	14,280,387	148,348,843	131,674,781	14,870,726	146,545,507
Total assets	<u>196,127,848</u>	<u>25,754,183</u>	<u>221,882,031</u>	<u>191,444,171</u>	<u>25,648,140</u>	<u>217,092,311</u>
Deferred outflows	6,645,399	134,852	6,780,251	8,207,574	172,573	8,380,147
Total deferred outflows	<u>6,645,399</u>	<u>134,852</u>	<u>6,780,251</u>	<u>8,207,574</u>	<u>172,573</u>	<u>8,380,147</u>
Current liabilities	3,659,289	244,589	3,903,878	3,267,927	231,310	3,499,237
Noncurrent liabilities	42,571,962	741,061	43,313,023	42,905,385	761,799	43,667,184
Total liabilities	<u>46,231,251</u>	<u>985,650</u>	<u>47,216,901</u>	<u>46,173,312</u>	<u>993,109</u>	<u>47,166,421</u>
Deferred inflows	850,094	42,366	892,460	410,981	30,298	441,279
Total deferred inflows	<u>850,094</u>	<u>42,366</u>	<u>892,460</u>	<u>410,981</u>	<u>30,298</u>	<u>441,279</u>
Net position:						
Net investment in capital assets	119,188,456	14,280,387	133,468,843	115,376,960	14,870,726	130,247,686
Restricted	35,629,372	-	35,629,372	36,675,861	-	36,675,861
Unrestricted	874,074	10,580,632	11,454,706	1,014,631	9,926,580	10,941,211
Total net position	<u>\$ 155,691,902</u>	<u>\$ 24,861,019</u>	<u>\$ 180,552,921</u>	<u>\$ 153,067,452</u>	<u>\$ 24,797,306</u>	<u>\$ 177,864,758</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% (\$11,454,706) is considered unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors. There was an increase of \$513,495 in unrestricted net position from fiscal year 2017-2018 to 2018-2019.

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 \$2.7 million. Information about changes in net position is summarized below:

SUMMARY OF CHANGES IN NET POSITION For the Fiscal Years Ended June 30, 2019 and 2018

	2018-2019 Governmental Activities	2018-2019 Business-Type Activities	2018-2019 Total	2017-2018 Governmental Activities	2017-2018 Business-Type Activities	2017-2018 Total
Revenues:						
Program Revenues						
Charges for services	\$ 3,075,393	\$ 2,226,752	\$ 5,302,145	\$ 3,058,946	\$ 2,062,370	\$ 5,121,316
Operating grants and contributions	1,337,936	368,306	1,706,242	1,822,702	372,210	2,194,912
Capital grants and contributions	3,028,538	55,125	3,083,663	2,420,024	234,593	2,654,617
General Revenues:						
Secured and unsecured property taxes	10,848,123	-	10,848,123	10,629,042	-	10,629,042
Sales and use taxes	6,484,085	-	6,484,085	6,365,952	-	6,365,952
Other taxes	3,182,851	-	3,182,851	3,165,407	-	3,165,407
Motor Vehicle in Lieu	14,951	-	14,951	16,265	-	16,265
Investment Income	1,196,907	386,488	1,583,395	816,971	30,924	847,895
Gain on disposal of capital assets	-	-	-	-	4,430	4,430
Interest from Successor Agency	761,626	-	761,626	-	-	-
Total Revenues	<u>29,930,410</u>	<u>3,036,671</u>	<u>32,967,081</u>	<u>28,295,309</u>	<u>2,704,527</u>	<u>30,999,836</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(continued)*

SUMMARY OF CHANGES IN NET POSITION For the Fiscal Years Ended June 30, 2019 and 2018

	2018-2019 Governmental Activities	2018-2019 Business-Type Activities	2018-2019 Total	2017-2018 Governmental Activities	2017-2018 Business-Type Activities	2017-2018 Total
Program Expenses						
General Government	\$ 3,102,473	\$ -	\$ 3,102,473	\$ 3,684,248	\$ -	\$ 3,684,248
Public Safety	13,722,966	-	13,722,966	13,286,548	-	13,286,548
Community Development	2,399,260	-	2,399,260	2,279,614	-	2,279,614
Community, Recreation & Zoo Services	2,684,855	-	2,684,855	2,586,544	-	2,586,544
Parks & Open Space	1,055,022	-	1,055,022	1,144,368	-	1,144,368
Public Works	3,615,971	-	3,615,971	3,641,962	-	3,641,962
Sewer	-	2,455,493	2,455,493	-	2,471,411	2,471,411
Transit	-	517,465	517,465	-	494,604	494,604
Interest on long-term debt	725,413	-	725,413	734,815	-	734,815
Total Expenses	27,305,960	2,972,958	30,278,918	27,358,099	2,966,015	30,324,114
Change in net position	2,624,450	63,713	2,688,163	937,210	(261,488)	675,722
Net position- beginning	153,067,452	24,797,306	177,864,758	152,130,242	25,058,794	177,189,036
Net position- ending	\$ 155,691,902	\$ 24,861,019	\$ 180,552,921	\$ 153,067,452	\$ 24,797,306	\$ 177,864,758

Governmental activities during the year increased the City's net position by \$2.6 million. Business-type activities increased the City's net position by \$63,713.

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, 2019, the City's governmental funds reported combined ending fund balances of \$49,983,540. Approximately 3% (\$1,489,041) of this total amount cannot be spent because it is in a non-spendable form and/or a non-cash form such as prepaid items, long-term notes receivable, and long-term advances receivable. The City's governmental funds Unassigned Fund Balance is \$12,645,376. The General Fund portion of this, \$13,431,089, 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 \$35,628,642 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, \$220,481, 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, 2019, the total fund balance was \$14,919,400 and the spendable unassigned fund balance was 90% 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 66% of fund expenditures. The General Fund balance increased \$2,036,104 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, 2019, the fund balance was \$5,606,612.

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. The fund balance at June 30, 2019, was \$3,613,730, down \$506,629 from the prior year.

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, 2019, was \$2,196,034, down \$357,632 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 (\$785,713) at June 30, 2019. As the economy continues to improve and development is reinvested over time, Impact Fee revenues should move this negative balance toward zero.

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

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, 2019, the total fund balance was \$16,339,541, which reflects \$14.9 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.

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, 2019, these funds had an aggregate fund balance of \$8,093,936. Of this total, \$730 is non-spendable and \$220,481 is assigned for specific uses. The Restricted Fund Balance is \$7,872,725. 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 activities, decreased in FY 2018-2019 by \$333,423, primarily due to the changes in the Net Pension Liability as required to be reported by GASB 68 and the reduction in bonds payable, and offset by an increase in compensated absences. The Net Pension Liability for Governmental Activities at the end of the year was \$25,808,789 and \$711,110 for Business-type Activities. Compensated absences increased by \$110,483 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, 2019, net capital assets of the governmental activities totaled \$134,068,456 and the net capital assets of the business-type activities totaled \$14,280,387. 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:

	2018-2019 Governmental Activities	2018-2019 Business-Type Activities	2018-2019 Total	2017-2018 Governmental Activities	2017-2018 Business-Type Activities	2017-2018 Total
Non-Depreciable:						
Land	\$ 41,575,251	\$ 547,738	\$ 42,122,989	\$ 40,971,264	\$ 442,044	\$ 41,413,308
Construction in progress	3,802,663	73,331	3,875,994	6,445,613	211,134	6,656,747
Depreciable:						
Vehicles and equipment	12,120,988	1,261,408	13,382,396	11,493,762	1,100,813	12,594,575
Structures and improvements	54,194,924	29,353,996	83,548,920	50,477,361	29,258,421	79,735,782
Infrastructure	70,075,067	-	70,075,067	67,477,649	-	67,477,649
Accumulated Depreciation	(47,700,437)	(16,956,086)	(64,656,523)	(45,190,868)	(16,141,686)	(61,332,554)
Net capital assets	<u>\$ 134,068,456</u>	<u>\$ 14,280,387</u>	<u>\$ 148,348,843</u>	<u>\$ 131,674,781</u>	<u>\$ 14,870,726</u>	<u>\$ 146,545,507</u>

General Fund Budgetary Highlights

A detailed budgetary comparison schedule for the fiscal year ended June 30, 2019, 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 2017-2019 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 2018-2019.

General Fund	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues	\$ 22,872,030	\$ 23,250,480	\$ 24,297,478	\$ 1,046,998
Expenditures	24,246,000	25,481,870	22,554,341	2,927,529
Other Sources (Uses)	285,680	284,390	292,967	8,577
Fund Balance, beginning	12,883,296	12,883,296	12,883,296	-
Fund Balance, ending	<u>\$ 11,795,006</u>	<u>\$ 10,936,296</u>	<u>\$ 14,919,400</u>	<u>\$ 3,983,104</u>

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

Both revenues and expenditure budgets were increased during the year, primarily reflecting the increases in activity in public safety, mutual aid, and recreation activities. In addition, Council approved \$858,710 in expenditures during the fiscal year. 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 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 is on a positive trajectory and the effects of the Council's focus on Economic Development are now even more evident. While revenues are gaining momentum, the effect of economic development projects is ongoing into the future. The current improvements in revenues have allowed a limited amount of needed expansion of budgeted expenses but needs to continue to exceed the availability of resources.

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

Sales Tax Measure F-14 This is a general purpose half-cent transaction tax that became effective April 1, 2015, and will be used primarily for repairing and maintaining neighborhood roads and other roadways.

CalPERS Retirement Cost Increases In December 2016, the CalPERS Board of Directors elected to change the discount rate from 7.5% to 7.0%, to be phased in over a three year time frame. The discount rate is the assumed rate of return on investments, and decreasing this rate assumes that CalPERS will learn less interest income, and consequently, employers like the City will see significant increases in the costs required to fund the Retirement Plan.

State impacts and other governmental regulation Impacts from the State such as water restrictions, climate action plans, changes to State building and construction codes, new environmental regulations, heavy reporting requirements and minimum wage increases continue to burden the City's budget.

Animal Control The City contracts with the County of San Luis Obispo for animal control services. Operating costs have been on the rise each year, and the County will be building a new facility for which Atascadero will need to contribute. The County and the cities continue negotiations to find the most affordable and effective solution.

The 2019-2020 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 Development
- Downtown Revitalization
- Employee Resources

To accomplish all of these goals, the 2019-2020 budget includes the planned use of \$602,000 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.

BASIC FINANCIAL STATEMENTS

CITY OF ATASCADERO
STATEMENT OF NET POSITION
June 30, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 35,984,072	\$ 11,440,961	\$ 47,425,033
Restricted cash and investments:			
Cash with fiscal agents	1,415,353	-	1,415,353
Certificates of deposit	85,473	-	85,473
Receivables:			
Federal distributions due	298,579	318,807	617,386
Due from State of California	1,150,164	-	1,150,164
Due from County of San Luis Obispo	763,446	25,265	788,711
Accrued interest	92,248	28,348	120,596
Accrued interest receivable- 2010 bonds	178,992	-	178,992
Other receivables	699,183	42,147	741,330
Internal balances	383,622	(383,622)	-
Deposits, prepaid items and inventory	56,918	1,890	58,808
Notes receivable	4,696,167	-	4,696,167
Advance receivable- Successor Agency	16,255,175	-	16,255,175
Capital assets:			
Non-depreciable:			
Land	41,575,251	547,738	42,122,989
Construction in progress	3,802,663	73,331	3,875,994
Depreciable:			
Vehicles and equipment	12,120,988	1,261,408	13,382,396
Structures and improvements	54,194,924	29,353,996	83,548,920
Infrastructure	70,075,067	-	70,075,067
Accumulated depreciation	(47,700,437)	(16,956,086)	(64,656,523)
Total assets	196,127,848	25,754,183	221,882,031
DEFERRED OUTFLOWS			
Deferred outflows related to pensions	6,645,399	134,852	6,780,251
Total deferred outflows	6,645,399	134,852	6,780,251

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

CITY OF ATASCADERO
STATEMENT OF NET POSITION (continued)
June 30, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Accounts payable	\$ 1,601,976	\$ 181,213	\$ 1,783,189
Accrued salaries and benefits	505,361	16,237	521,598
Accrued interest payable	178,992	-	178,992
Other payables	51,120	24,529	75,649
Deposits payable	63,292	-	63,292
Unearned revenue	1,258,548	22,610	1,281,158
Noncurrent liabilities:			
Due within one year	252,982	-	252,982
Due in more than one year	42,318,980	741,061	43,060,041
Total liabilities	46,231,251	985,650	47,216,901
DEFERRED INFLOWS			
Deferred inflows related to pensions	850,094	42,366	892,460
Total deferred inflows	850,094	42,366	892,460
NET POSITION			
Net investment in capital assets	119,188,456	14,280,387	133,468,843
Restricted for:			
Restricted for parks and recreation	3,302,693	-	3,302,693
Restricted for streets, roads and drainage	7,978,581	-	7,978,581
Restricted for public safety	1,674,225	-	1,674,225
Restricted for redevelopment & housing	6,334,332	-	6,334,332
Restricted for debt service	16,339,541	-	16,339,541
Unrestricted	874,074	10,580,632	11,454,706
Total net position	\$ 155,691,902	\$ 24,861,019	\$ 180,552,921

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Net Governmental Activities	Net Business-Type Activities	
Governmental activities:							
General government	\$ 3,102,473	\$ 154,944	\$ 21,465	\$ -	\$ (2,926,064)	\$ -	\$ (2,926,064)
Public safety	13,722,966	614,196	382,479	111,411	(12,614,880)	-	(12,614,880)
Community development	2,399,260	1,025,240	82,459	96,744	(1,194,817)	-	(1,194,817)
Community, recreation & zoo services	2,684,855	921,156	52,410	78,527	(1,632,762)	-	(1,632,762)
Parks & open space	1,055,022	56,379	4,430	364,047	(630,166)	-	(630,166)
Public works	3,615,971	303,478	794,693	2,377,809	(139,991)	-	(139,991)
Interest on long-term debt	725,413	-	-	-	(725,413)	-	(725,413)
Total governmental activities	<u>27,305,960</u>	<u>3,075,393</u>	<u>1,337,936</u>	<u>3,028,538</u>	<u>(19,864,093)</u>	<u>-</u>	<u>(19,864,093)</u>
Business-type activities:							
Sewer	2,455,493	2,190,469	-	-	-	(265,024)	(265,024)
Transit	517,465	36,283	368,306	55,125	-	(57,751)	(57,751)
Total business-type activities	<u>2,972,958</u>	<u>2,226,752</u>	<u>368,306</u>	<u>55,125</u>	<u>-</u>	<u>(322,775)</u>	<u>(322,775)</u>
Total government	<u>\$ 30,278,918</u>	<u>\$ 5,302,145</u>	<u>\$ 1,706,242</u>	<u>\$ 3,083,663</u>	<u>(19,864,093)</u>	<u>(322,775)</u>	<u>(20,186,868)</u>
General revenues							
Taxes:							
Secured and unsecured property taxes					10,848,123	-	10,848,123
Sales tax and payments in lieu of sales tax					6,484,085	-	6,484,085
Transient lodging tax					1,390,972	-	1,390,972
Franchise taxes					1,117,792	-	1,117,792
Business license tax					170,771	-	170,771
Property transfer tax					179,276	-	179,276
Other taxes					324,040	-	324,040
Motor vehicle in lieu					14,951	-	14,951
Investment income					1,196,907	386,488	1,583,395
Interest from Successor Agency					761,626	-	761,626
Total general revenues					<u>22,488,543</u>	<u>386,488</u>	<u>22,875,031</u>
Change in net position					2,624,450	63,713	2,688,163
Net position at beginning of fiscal year					<u>153,067,452</u>	<u>24,797,306</u>	<u>177,864,758</u>
Net position at end of fiscal year					<u>\$ 155,691,902</u>	<u>\$ 24,861,019</u>	<u>\$ 180,552,921</u>

CITY OF ATASCADERO
GOVERNMENTAL FUNDS
BALANCE SHEET (continued)
June 30, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	General Fund	In Lieu Low / Moderate Income Housing Fund	Local Transportation Fund	Circulation System Fees Fund	Fire Aerial Vehicle Impact Fees Fund	2010 Bond Debt Service Fund	Other NonMajor Governmental Funds	Totals
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 764,770	\$ -	\$ 618,624	\$ 2,200	\$ -	\$ -	\$ 164,627	\$ 1,550,221
Accrued salaries and benefits	477,220	-	-	-	-	-	12,535	489,755
Due to other funds	-	-	-	-	785,713	-	21,367	807,080
Unearned revenue	129,189	-	-	927,870	-	-	200,889	1,257,948
Deposits	63,292	-	-	-	-	-	-	63,292
Other payables	51,120	-	-	-	-	-	-	51,120
Total liabilities	<u>1,485,591</u>	<u>-</u>	<u>618,624</u>	<u>930,070</u>	<u>785,713</u>	<u>-</u>	<u>399,418</u>	<u>4,219,416</u>
Fund Balances:								
Nonspendable	1,488,311	-	-	-	-	-	730	1,489,041
Restricted	-	5,606,612	3,613,730	2,196,034	-	16,339,541	7,872,725	35,628,642
Assigned for road projects	-	-	-	-	-	-	220,481	220,481
Unassigned	<u>13,431,089</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(785,713)</u>	<u>-</u>	<u>-</u>	<u>12,645,376</u>
Total fund balances	<u>14,919,400</u>	<u>5,606,612</u>	<u>3,613,730</u>	<u>2,196,034</u>	<u>(785,713)</u>	<u>16,339,541</u>	<u>8,093,936</u>	<u>49,983,540</u>
Total liabilities and fund balances	<u>\$ 16,404,991</u>	<u>\$ 5,606,612</u>	<u>\$ 4,232,354</u>	<u>\$ 3,126,104</u>	<u>\$ -</u>	<u>\$ 16,339,541</u>	<u>\$ 8,493,354</u>	<u>\$ 54,202,956</u>

CITY OF ATASCADERO
RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

Total fund balances - governmental funds	\$	49,983,540	
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	\$	119,101,489	
Accumulated depreciation		<u>(31,189,586)</u>	
Net			87,911,903
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.			
			(178,992)
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.			
			178,992
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		14,880,000	
Workers' Compensation estimated claims liability in excess of deposits		132,302	
Compensated absences payable		1,418,400	
CalPERS pension liability		24,925,215	
Other Post Employment Benefits		<u>206,318</u>	
			(41,562,235)
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			6,479,101
Deferred inflows			(798,267)
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.			
			(63,430)

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

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.

\$ 53,741,290

Total net position, governmental activities

\$ 155,691,902

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
For the Fiscal Year Ended June 30, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	General Fund	In Lieu Low / Moderate Income Housing Fund	Local Transporation Fund	Circulation System Fees Fund	Fire Aerial Vehicle Impact Fees Fund	2010 Bond Debt Service Fund	Other NonMajor Governmental Funds	Totals
Revenues:								
Secured and unsecured property taxes	\$ 9,990,216	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,136,090	\$ 11,126,306
Taxes based on sales and use	6,484,085	-	-	-	-	-	-	6,484,085
Franchise tax	1,117,792	-	-	-	-	-	-	1,117,792
Other taxes	1,741,018	-	-	-	-	-	-	1,741,018
Licenses and permits	585,524	96,744	-	192,526	1,248	-	382,346	1,258,388
Intergovernmental revenues:								
Motor vehicle in lieu	14,951	-	-	-	-	-	-	14,951
Grants	180,818	-	841,143	-	-	-	225,284	1,247,245
Other governmental revenues	149,783	-	845,543	-	-	-	1,236,881	2,232,207
Charges for services:								
Public safety	540,740	-	-	-	-	-	-	540,740
Development	697,320	-	-	-	-	-	-	697,320
Recreation, parks, pavilion and zoo	971,529	-	-	-	-	-	-	971,529
Other services	58,884	-	-	-	-	-	-	58,884
Fines and forfeitures	117,943	-	-	-	-	-	-	117,943
Use of money and property	382,918	(84,644)	134,181	118,623	-	764,043	271,738	1,586,859
Other revenues	1,263,957	-	-	-	-	-	47,659	1,311,616
Total revenues	24,297,478	12,100	1,820,867	311,149	1,248	764,043	3,299,998	30,506,883

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	General Fund	In Lieu Low / Moderate Income Housing Fund	Local Transportation Fund	Circulation System Fees Fund	Fire Aerial Vehicle Impact Fees Fund	2010 Bond Debt Service Fund	Other NonMajor Governmental Funds	Totals
Expenditures:								
Current:								
General government	\$ 3,058,563	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,933	\$ 3,065,496
Public safety	12,093,325	-	-	-	-	-	82,894	12,176,219
Community development	1,792,993	50,216	-	-	-	2,025	325,408	2,170,642
Community, recreation and zoo services	2,224,339	-	-	-	-	-	10,863	2,235,202
Parks and open space	670,040	-	-	-	-	-	32,446	702,486
Public works	1,172,659	-	115,063	-	-	-	1,141,392	2,429,114
Capital outlay	1,542,422	-	2,811,675	668,781	-	-	733,100	5,755,978
Debt service:								
Principal	-	-	-	-	-	245,000	-	245,000
Interest	-	-	-	-	-	730,812	-	730,812
Total expenditures	<u>22,554,341</u>	<u>50,216</u>	<u>2,926,738</u>	<u>668,781</u>	<u>-</u>	<u>977,837</u>	<u>2,333,036</u>	<u>29,510,949</u>
Excess of revenues over (under) expenditures	<u>1,743,137</u>	<u>(38,116)</u>	<u>(1,105,871)</u>	<u>(357,632)</u>	<u>1,248</u>	<u>(213,794)</u>	<u>966,962</u>	<u>995,934</u>
Other Financing Sources (Uses):								
Transfers in	548,350	-	599,242	-	-	-	255,383	1,402,975
Transfers out	<u>(255,383)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,147,592)</u>	<u>(1,402,975)</u>
Total other financing sources and uses	<u>292,967</u>	<u>-</u>	<u>599,242</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(892,209)</u>	<u>-</u>
Net change in fund balances	2,036,104	(38,116)	(506,629)	(357,632)	1,248	(213,794)	74,753	995,934
Fund balances - June 30, 2018	<u>12,883,296</u>	<u>5,644,728</u>	<u>4,120,359</u>	<u>2,553,666</u>	<u>(786,961)</u>	<u>16,553,335</u>	<u>8,019,183</u>	<u>48,987,606</u>
Fund balances - June 30, 2019	<u>\$ 14,919,400</u>	<u>\$ 5,606,612</u>	<u>\$ 3,613,730</u>	<u>\$ 2,196,034</u>	<u>\$ (785,713)</u>	<u>\$ 16,339,541</u>	<u>\$ 8,093,936</u>	<u>\$ 49,983,540</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, 2019**ITEM NUMBER: C-1
DATE: 01/14/20
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Total net change in fund balance - governmental funds	\$ 995,934
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which additions to capital outlay of \$5,755,978 is greater than depreciation expense \$(1,635,036) in the period.	4,120,942
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.	(130,218)
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.	245,000
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:	(2,417)
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.	2,417
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 earned exceeded the amounts used by:	(104,608)
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:	(1,704,228)
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.	(57,973)

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, 2019

ITEM NUMBER:

C-1

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1

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.

\$ (14,215)

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 (\$33,093) less the contributions of cash and capital assets from other governmental funds (\$762,259).

(729,166)

Changes in net position - governmental activities

\$ 2,624,450

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Enterprise Funds			Internal Service Funds
	Wastewater Fund	Transit Fund	Totals	Funds
ASSETS				
Current Assets:				
Cash and investments	\$ 11,440,961	\$ -	\$ 11,440,961	\$ 8,435,573
Receivables:				
Federal distributions due	-	318,807	318,807	-
Due from County of San Luis Obispo	25,220	45	25,265	-
Accrued interest	29,353	(1,005)	28,348	20,305
Other receivables	39,665	2,482	42,147	121
Prepaid expenses	1,890	-	1,890	28,525
Total current assets	11,537,089	320,329	11,857,418	8,484,524
Capital Assets:				
Non-depreciable:				
Land	547,738	-	547,738	-
Construction in progress	73,331	-	73,331	219,735
Depreciable:				
Vehicles and equipment	783,512	477,896	1,261,408	12,030,272
Structures and improvements	27,881,560	1,472,436	29,353,996	50,417,397
Accumulated depreciation	(16,233,065)	(723,021)	(16,956,086)	(16,510,851)
Net capital assets	13,053,076	1,227,311	14,280,387	46,156,553
Total assets	24,590,165	1,547,640	26,137,805	54,641,077
DEFERRED OUTFLOWS				
Deferred outflows related to pensions	126,429	8,423	134,852	166,298
Total deferred outflows	126,429	8,423	134,852	166,298

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Enterprise Funds			Internal Service Funds
	Wastewater Fund	Transit Fund	Totals	Funds
LIABILITIES				
Current Liabilities:				
Accounts payable	\$ 163,698	\$ 17,515	\$ 181,213	\$ 51,755
Accrued salaries and benefits	15,299	938	16,237	15,606
Unearned revenue	-	22,610	22,610	600
Due to other funds	-	383,622	383,622	-
Other payables	22,603	1,926	24,529	-
Noncurrent Liabilities:				
Noncurrent liabilities	693,256	47,805	741,061	946,297
Total liabilities	894,856	474,416	1,369,272	1,014,258
DEFERRED INFLOWS				
Deferred inflows related to pensions	39,862	2,504	42,366	51,827
Total deferred inflows	39,862	2,504	42,366	51,827
NET POSITION				
Net investment in capital assets	13,053,076	1,227,311	14,280,387	46,156,553
Unrestricted	10,728,800	(148,168)	10,580,632	7,584,737
Total net position	\$ 23,781,876	\$ 1,079,143	\$ 24,861,019	\$ 53,741,290

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Enterprise Funds			Internal Service Funds
	Wastewater Fund	Transit Fund	Totals	
Operating Revenues:				
Service fees	\$ 2,010,848	\$ 36,283	\$ 2,047,131	\$ 2,104,680
Installation, extension and connection fees	179,621	-	179,621	-
Total operating revenues	2,190,469	36,283	2,226,752	2,104,680
Operating Expenses:				
Salaries and benefits	654,665	44,536	699,201	749,260
Office expense	2,672	678	3,350	775
Advertising	-	1,016	1,016	-
Computer maintenance and replacement	25,138	12,940	38,078	3,030
Insurance	26,063	6,337	32,400	53,514
Occupancy and rental costs	9,353	1,800	11,153	34,330
Utilities	274,368	-	274,368	81,005
Communications	8,113	1,522	9,635	62,725
Operating supplies	94,192	553	94,745	40,454
Vehicle and equipment operating costs	97,876	47,457	145,333	12,541
Contract services	99,459	141,429	240,888	167,129
Professional development	8,046	-	8,046	3,766
Recruitment	270	261	531	-
Franchise fees	39,214	-	39,214	-
Administrative charges	294,280	144,560	438,840	75,050
Special projects:				
Manhole rehabilitation projects	56,745	-	56,745	-
Sewer line trench settlement repair project	41,255	-	41,255	-
Wastewater fee study	15,317	-	15,317	-
Local Area Management Plan (LAMP)	1,890	-	1,890	-
Proposition 218 majority protest-rate increase	6,553	-	6,553	-
Small projectors	-	-	-	754
Public safety power shutoff preparation	-	-	-	5,483
Welder	-	-	-	2,135

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Enterprise Funds			Internal Service Funds
	Wastewater Fund	Transit Fund	Totals	Funds
Operating Expenses (continued):				
Special projects (continued):				
Repair HVAC units	\$ -	\$ -	\$ -	\$ 10,296
Depreciation	700,024	114,376	814,400	1,840,252
Total operating expenses	2,455,493	517,465	2,972,958	3,142,499
Operating income (loss)	(265,024)	(481,182)	(746,206)	(1,037,819)
Non-Operating Revenues (Expenses):				
Transportation Development Act Funds - Operations	-	183,403	183,403	-
Section 5307 Revenues - Operations	-	183,403	183,403	-
Interest income	395,834	(9,346)	386,488	278,538
Bus advertising sales	-	1,500	1,500	-
Gain / (loss) on sale of capital assets	-	-	-	30,115
Total non-operating revenues	395,834	358,960	754,794	308,653
Change in net position prior to capital contributions	130,810	(122,222)	8,588	(729,166)
Capital Contributions:				
Transportation Development Act Funds - Capital	-	26,677	26,677	-
Section 5307 Revenues - Capital	-	1,432	1,432	-
Section 5339 Revenues - Capital	-	7,016	7,016	-
RTF- Bus Software	-	20,000	20,000	-
Cash contributions from other funds	-	-	-	40,567
Capital contributions from other funds	-	-	-	721,692
Total capital contributions	-	55,125	55,125	762,259
Change in net position	130,810	(67,097)	63,713	33,093
Total net position, June 30, 2018	23,651,066	1,146,240	24,797,306	53,708,197
Total net position, June 30, 2019	\$ 23,781,876	\$ 1,079,143	\$ 24,861,019	\$ 53,741,290

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Enterprise Funds			Internal Service Funds
	Wastewater Fund	Transit Fund	Totals	
Cash Flows From Operating Activities:				
Receipts from customers	\$ 2,191,006	\$ 36,600	\$ 2,227,606	\$ -
Internal activity - payments from other funds	-	-	-	2,104,680
Payments to suppliers of goods and services	(1,047,264)	(359,464)	(1,406,728)	(609,863)
Payments for employee services	(625,774)	(42,579)	(668,353)	(712,460)
Net cash provided (used) by operating activities	517,968	(365,443)	152,525	782,357
Cash Flows From Non-Capital Financing Activities:				
Receipts from intergovernmental agencies	-	377,120	377,120	-
Receipts from bus advertising sales	-	1,500	1,500	-
Loans / repayments to other funds	-	(13,813)	(13,813)	-
Net cash provided by non-capital related financing activities	-	364,807	364,807	-
Cash Flows From Capital and Related Financing Activities:				
Acquisition of capital assets	(168,936)	(55,125)	(224,061)	(284,411)
Cash contributions for capital purchases	-	-	-	40,567
Capital grant proceeds	-	64,836	64,836	7,500
Proceeds from sale of capital assets	-	-	-	30,755
Net cash provided (used) by capital and related financing activities	(168,936)	9,711	(159,225)	(205,589)

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Enterprise Funds			Internal Service Funds
	Wastewater Fund	Transit Fund	Totals	Funds
Cash Flows From Investing Activities:				
Interest income	\$ 392,305	\$ (9,075)	\$ 383,230	\$ 273,448
Net cash provided (used) by investing activities	392,305	(9,075)	383,230	273,448
Net increase in cash and cash equivalents	741,337	-	741,337	850,216
Cash and cash equivalents - June 30, 2018	10,699,624	-	10,699,624	7,585,357
Cash and cash equivalents - June 30, 2019	<u>\$ 11,440,961</u>	<u>\$ -</u>	<u>\$ 11,440,961</u>	<u>\$ 8,435,573</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (265,024)	\$ (481,182)	\$ (746,206)	\$ (1,037,819)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	700,024	114,376	814,400	1,840,252
Change in assets, deferred outflows, liabilities, and deferred inflows:				
Receivables, net	537	317	854	67
Prepaid expenses	(20)	-	(20)	(25,078)
Accounts payable	53,560	(911)	52,649	(32,019)
Accrued salaries and benefits	1,616	181	1,797	1,976
Unearned revenue	-	-	-	154
Deferred outflows	35,070	2,651	37,721	48,883
Deferred inflows	11,219	849	12,068	15,640
Net pension liability	(22,803)	(1,724)	(24,527)	(31,785)
Compensated absences	3,789	-	3,789	2,086
Net cash provided (used) by operating activities	<u>\$ 517,968</u>	<u>\$ (365,443)</u>	<u>\$ 152,525</u>	<u>\$ 782,357</u>

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Successor Agency to the Community Redevelopment Agency of Atascadero	Housing Successor Agency to the Community Redevelopment Agency of Atascadero	Totals
<u>Successor Agency to the Atascadero Community Redevelopment Agency</u>			
ASSETS			
Cash and investments	\$ 1,955,004	\$ -	\$ 1,955,004
Restricted cash and investments:			
Cash with fiscal agent	861,005	-	861,005
Receivables:			
Accrued interest	4,491	-	4,491
Other receivables	350	-	350
Notes receivable	-	200,000	200,000
Due from Successor Agency	-	1,335,322	1,335,322
Total assets	<u>2,820,850</u>	<u>1,535,322</u>	<u>4,356,172</u>
LIABILITIES			
Unearned revenue	644,431	-	644,431
Interest payable	328,438	-	328,438
Due to Successor Agency Housing Fund	1,335,322	-	1,335,322
Loans payable to City of Atascadero	1,375,175	-	1,375,175
Premium on bonds payable	25,752	-	25,752
2004 Bonds Payable	9,250,000	-	9,250,000
2010 Bond Reimbursement Agreement Payable to City of Atascadero	14,880,000	-	14,880,000
Total liabilities	<u>27,839,118</u>	<u>-</u>	<u>27,839,118</u>
NET POSITION			
Held in trust for taxing agencies	<u>\$ (25,018,268)</u>	<u>\$ 1,535,322</u>	<u>\$ (23,482,946)</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, 2019

ITEM NUMBER:

C-1

DATE:

01/14/20

ATTACHMENT:

1

	Successor Agency to the Community Redevelopment Agency of Atascadero	Housing Successor Agency to the Community Redevelopment Agency of Atascadero	Totals
Additions			
Contributions:			
RPTTF Distributions	\$ 1,966,164	\$ -	\$ 1,966,164
Investment earnings:			
Interest	82,345	-	82,345
Total additions	2,048,509	-	2,048,509
Deductions			
Payment on outstanding services contracts	2,470	-	2,470
Administrative costs	89,740	-	89,740
2004 Bond Interest Expense	451,937	-	451,937
2010 Bond Reimbursement Interest Expense	730,421	-	730,421
Total deductions	1,274,568	-	1,274,568
Change in net position	773,941	-	773,941
Net position - June 30, 2018	(24,866,736)	1,535,322	(23,331,414)
Prior year adjustment	(925,473)	-	(925,473)
Net position - June 30, 2018 restated	(25,792,209)	1,535,322	(24,256,887)
Net position - June 30, 2019	\$ (25,018,268)	\$ 1,535,322	\$ (23,482,946)

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

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.

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 the majority of 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 street projects.

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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both government-wide, proprietary fund financial statements, and the private purpose trust fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments have the option of following subsequent private-sector guidance for their business-type activities and proprietary funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

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 \$10,687,005 was netted against the liability account of \$10,743,924 in fiscal year 2019. The net balance in the performance bond deposits liability account at June 30, 2019, 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 \$1,489,041 is comprised of amounts reported in non-spendable form and/or not in cash form such as prepaid items, long-term notes receivable, and long-term advances receivable.

Restricted Fund Balance

The restricted fund balance of \$35,628,642 is comprised of \$5,606,612 for affordable housing, \$16,339,541 restricted for debt service, and \$13,682,489 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 fund balance of \$220,481 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 criteria for fiscal year 2018-2019.

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
Local Transportation Fund
Circulation System Fees Fund
Fire Aerial Vehicle Impact Fees Fund
2010 Bond Debt Service Fund

Revenue Source

New Developments
Local Transportation Funds
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, 2019								
	General Fund	In Lieu Low/Moderate Income Housing Fund	Local Transportation Fund	Circulation System Fees Fund	Fire Aerial Vehicle Impact Fees Fund	2010 Bond Debt Service Fund	Other NonMajor Governmental Funds	Totals
FUND BALANCES:								
Nonspendable								
Deposits, prepaid items, and inventory	\$ 113,136	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 730	\$ 113,866
Advances Receivable	1,375,175	-	-	-	-	-	-	1,375,175
Restricted								
Public Safety	-	-	-	-	-	-	1,674,225	1,674,225
Streets, Roads, and Drainage	-	-	3,613,730	2,196,034	-	-	2,389,724	8,199,488
Parks, Open Space & Recreation	-	-	-	-	-	-	3,081,056	3,081,056
Community Development and Blight Elimination	-	-	-	-	-	-	727,720	727,720
Affordable Housing	-	5,606,612	-	-	-	-	-	5,606,612
Debt Service	-	-	-	-	-	16,339,541	-	16,339,541
Assigned								
Roads Projects	-	-	-	-	-	-	220,481	220,481
Unassigned	13,431,089	-	-	-	(785,713)	-	-	12,645,376
Total Fund Balances	<u>\$ 14,919,400</u>	<u>\$ 5,606,612</u>	<u>\$ 3,613,730</u>	<u>\$ 2,196,034</u>	<u>\$ (785,713)</u>	<u>\$ 16,339,541</u>	<u>\$ 8,093,936</u>	<u>\$ 49,983,540</u>

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. 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.

Q. 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.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

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	\$ (785,713)

C. Excess of Expenditures over Appropriations

	<u>Excess Expenditures</u>
Major Governmental Fund	
In Lieu Low/Moderate Income Housing Fund	\$ 686

Expenditures exceeded projections in the above fund because the City did not budget for any closing costs, and closing costs were incurred as a result of the sale of one of the residential homes in the Affordable Housing Program.

Nonmajor Governmental Fund	
Capital Projects Fund	\$ 420

Expenditures exceeded projections in the above fund due to costs for the Lake Park projects that were greater than anticipated.

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, 2019, consisted of the following:

Pooled Cash and Investments:	
Cash in bank and on hand	\$ 1,198,521
Investments	29,225,547
Broker Money Market Account	45,491
Local Agency Investment Fund (LAIF)	18,995,951
	<u>49,465,510</u>
Total Pooled Cash and Investments	
Funds with Fiscal Agents:	
United States Treasury Money Fund	2,276,358
	<u>2,276,358</u>
Total Funds with Fiscal Agents	2,276,358
Total Cash and Investments	<u>\$ 51,741,868</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	\$ 35,984,072	\$ 11,440,961	\$ 1,955,004	\$ 49,380,037
Cash and investments held by fiscal agents	1,415,353	-	861,005	2,276,358
Restricted certificates of deposit	85,473	-	-	85,473
Total Cash and Investments	<u>\$ 37,484,898</u>	<u>\$ 11,440,961</u>	<u>\$ 2,816,009</u>	<u>\$ 51,741,868</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 \$1,155,701. The first \$250,000 was insured by federal depository insurance, and the remainder was 110% collateralized. Certificates of Deposit totaling \$10,523,891 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
- 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, 2019, are as follows:

June 30, 2019	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level1)	Significant Other Observable Inputs (Level 2)	Uncategorized (Level 3)
U. S. Government Obligations	\$ 16,134,406	\$ -	\$ 16,134,406	\$ -
Supranational Securities	2,567,250	-	2,567,250	-
Certificates of Deposit	10,523,891	-	10,523,891	-
Broker Money Market Account	45,491	-	45,491	-
United States Treasury Money Fund	2,276,358	-	2,276,358	-
	31,547,396	\$ -	\$ 31,547,396	\$ -
Investments measured at amortized cost				
Local Agency Investment Fund (LAIF)	18,995,951			
Total investments	\$ 50,543,347			

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:

Investments	<u>Fair Value</u>	<u>Percent of Portfolio</u>
U.S. Government Obligations	\$ 16,134,406	34%
Supranational Securities	2,567,250	5%
Certificates of Deposit	10,523,891	22%
Broker Money Market	45,491	0%
Local Agency Investment Fund (LAIF)	18,995,951	39%
Total Investments Managed by City	<u>\$ 48,266,989</u>	<u>100%</u>

Investments Held by Fiscal Agents

United States Treasury Money Fund	<u>\$ 2,276,358</u>	<u>100%</u>
Total Investments Held by Fiscal Agents	<u>\$ 2,276,358</u>	<u>100%</u>

Investments	<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	\$ 16,134,406	\$ -	\$ -	\$ 3,695,239	\$ 12,439,167
Supranational Securities	2,567,250	-	-	-	2,567,250
Certificates of Deposit	10,523,891	-	489,863	1,467,758	8,566,270 *
Broker Money Market	45,491	-	45,491	-	-
Local Agency Investment Fund (LAIF)	18,995,951	18,995,951	-	-	-
Investments Held by Fiscal Agents	2,276,358	2,276,358 **	-	-	-
Total Investments Managed by City	<u>\$ 50,543,347</u>	<u>\$ 21,272,309</u>	<u>\$ 535,354</u>	<u>\$ 5,162,997</u>	<u>\$ 23,572,687</u>
Percentage of Portfolio	100%	42%	1%	10%	47%

* \$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, 2019	
		AAA	Not Rated
Investments			
U. S. Government Obligations	\$ 16,134,406	\$ 16,134,406	\$ -
Supranational Securities	2,567,250	2,567,250	-
Certificates of Deposit	10,523,891	-	10,523,891
Broker Money Market	45,491	-	45,491
Local Agency Investment Fund (LAIF)	18,995,951	-	18,995,951
Investments Held by Fiscal Agents	2,276,358	-	2,276,358
Total Investments Managed by City	<u>\$ 50,543,347</u>	<u>\$ 18,701,656</u>	<u>\$ 31,841,691</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 forty percent (40%) of the City's portfolio shall be invested in U.S. government obligations, U.S. government agency obligations, and U.S. government instrumentality obligations, which have a liquid market with a readily determinable market value.
- 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-1 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 (NRSRO). 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 \$1,415,353 in cash and investments as of June 30, 2019, held by fiscal agents pledged for the payment or security of the 2010 Lease Revenue Bonds. There was an additional \$861,005 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>
General Fund	Successor Agency General Fund	\$ 1,375,175
2010 Bond Debt Service Fund	Successor Agency General Fund	14,880,000
Total		<u>\$ 16,255,175</u>

Advances receivable of \$1,375,175 consists of three separate loans made by the City General Fund to the former Redevelopment Agency. These funds are now liabilities of the Successor Agency. AB 1484 sets forth the criteria for repayment of these loans. See Note 15C – Successor Agency Trust for Assets of Former Redevelopment Agency, Loans Payable, for additional information.

Advances receivable of \$14,880,000 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 \$4,696,167 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 14 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, 2019, was as follows:

	<u>Balance June 30, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers Between Assets</u>	<u>Balance June 30, 2019</u>
Governmental Activities					
Non-Depreciable Capital Assets					
Land	\$ 40,971,264	\$ 603,987	\$ -	\$ -	\$ 41,575,251
Construction in progress	6,445,613	4,575,789	-	(7,218,739)	3,802,663
Total non-depreciable capital assets	<u>47,416,877</u>	<u>5,179,776</u>	<u>-</u>	<u>(7,218,739)</u>	<u>45,377,914</u>
Depreciable Capital Assets					
Vehicles and equipment	11,493,762	173,144	(330,123)	784,205	12,120,988
Structures and improvements	50,477,361	602,403	(13,129)	3,128,289	54,194,924
Infrastructure	<u>67,477,649</u>	<u>44,499</u>	<u>(753,326)</u>	<u>3,306,245</u>	<u>70,075,067</u>
Total depreciable capital assets	129,448,772	820,046	(1,096,578)	7,218,739	136,390,979
Less Accumulated Depreciation	<u>(45,190,868)</u>	<u>(3,475,288)</u>	<u>965,719</u>	<u>-</u>	<u>(47,700,437)</u>
Net depreciable capital assets	<u>84,257,904</u>	<u>(2,655,242)</u>	<u>(130,859)</u>	<u>7,218,739</u>	<u>88,690,542</u>
Net governmental capital assets	<u>\$ 131,674,781</u>	<u>\$ 2,524,534</u>	<u>\$ (130,859)</u>	<u>\$ -</u>	<u>\$ 134,068,456</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, 2019, was as follows:

	Balance June 30, 2018	Additions	Deletions	Transfers Between Assets	Balance June 30, 2019
Business-Type Activities					
Non-Depreciable Capital Assets					
Land	\$ 442,044	\$ 105,694	\$ -	\$ -	\$ 547,738
Construction in progress	211,134	20,326	-	(158,129)	73,331
Total non-depreciable capital assets	<u>653,178</u>	<u>126,020</u>	<u>-</u>	<u>(158,129)</u>	<u>621,069</u>
Depreciable Capital Assets					
Vehicles and equipment	1,100,813	2,466	-	158,129	1,261,408
Structures and improvements	<u>29,258,421</u>	<u>95,575</u>	<u>-</u>	<u>-</u>	<u>29,353,996</u>
Total depreciable capital assets	30,359,234	98,041	-	158,129	30,615,404
Less Accumulated Depreciation	<u>(16,141,686)</u>	<u>(814,400)</u>	<u>-</u>	<u>-</u>	<u>(16,956,086)</u>
Net depreciable capital assets	<u>14,217,548</u>	<u>(716,359)</u>	<u>-</u>	<u>158,129</u>	<u>13,659,318</u>
Net business-type capital assets	<u>\$ 14,870,726</u>	<u>\$ (590,339)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,280,387</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	\$ 341,990
Public safety	611,269
Community development	245,057
Community, recreation & zoo services	355,694
Parks & open space	235,944
Public works	<u>1,685,334</u>

Total Depreciation Expense- Governmental Activities	<u>\$ 3,475,288</u>
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Business-Type Activities:

Sewer	\$ 700,024
Transit	<u>114,376</u>

Total Depreciation Expense- Business-Type Activities	<u>\$ 814,400</u>
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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, 2019, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 21,367
General Fund	Transit Fund	383,622
Nonmajor Governmental Funds	Fire Aerial Vehicle Impact Fees Fund	785,713
Total		<u>\$ 1,190,702</u>

B. Interfund Transfers

Interfund transfers were made as follows:

Interfund Transfers
June 30, 2019

<u>Actual</u>	<u>Description</u>
\$ 548,350	Transfer from the Community Facilities District Fund to the General Fund for fire, police and park services
252,693	Transfer from the General Fund to the Gas Tax Fund for the cost of Streets Department operations
1,290	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
599,242	Transfer from the Gas Tax Fund to the Local Transportation Fund for the El Camino Real North Rehabilitation Project
<u>\$ 1,402,975</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, 2019, total \$1,481,123 for governmental activities and \$29,951 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 will mature between fiscal years 2015 and 2041, at interest rates ranging from 3.0% to 5.0%. The Successor Agency will make 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
2020	\$ 250,000	\$ 721,538
2021	260,000	712,288
2022	270,000	702,012
2023	275,000	689,737
2024	295,000	676,963
2025-2029	1,665,000	3,176,256
2030-2034	2,110,000	2,712,750
2035-2039	6,360,000	1,759,000
2040-2041	3,395,000	171,875
	<u>\$ 14,880,000</u>	<u>\$ 11,322,419</u>

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2019, was as follows:

	Balance June 30, 2018	Additions	Payments	Balance June 30, 2019	Due Within One Year
Governmental Activities:					
Bonds Payable:					
2010 Lease Revenue Bonds	\$ 15,125,000	\$ -	\$ (245,000)	\$ 14,880,000	\$ 250,000
Compensated Absences	1,374,429	1,175,461	(1,068,767)	1,481,123	-
Premium on 2010 Lease Revenue Bonds	66,412	-	(2,982)	63,430	2,982
Workers' Compensation estimated claims liability in excess of deposits	74,329	57,973	-	132,302	-
Net Pension Liability	26,073,112	2,332,986	(2,597,309)	25,808,789	-
Other Post Employment Benefits Liability	192,103	19,015	(4,800)	206,318	-
Total Governmental Activities	<u>\$ 42,905,385</u>	<u>\$ 3,585,435</u>	<u>\$ (3,918,858)</u>	<u>\$ 42,571,962</u>	<u>\$ 252,982</u>
Business-type Activities:					
Compensated Absences	\$ 26,162	\$ 36,903	\$ (33,114)	\$ 29,951	\$ -
Net Pension Liability	735,637	64,117	(88,644)	711,110	-
Total Business-type Activity	<u>\$ 761,799</u>	<u>\$ 101,020</u>	<u>\$ (121,758)</u>	<u>\$ 741,061</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.

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, 2019, are summarized as follows:

	Miscellaneous Plan		
	<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	11.42%	9.64%	7.27%

NOTE 9 – EMPLOYEE RETIREMENT BENEFITS (continued)

A. Public Employees' Retirement System (continued)

Benefits Provided (continued)

	Safety Plan		
	<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	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	20.56%	17.61%	12.14%

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, 2019, were \$2,982,660.

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 \$1,670,791 in fiscal year 2019.

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

As of June 30, 2019, the City reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$26,519,899.

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, 2018, 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, 2017, rolled forward to June 30, 2018, 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. The City's proportionate share of the net pension liability for the Plan as of measurement dates June 30, 2017, and 2018, was as follows:

NOTE 9 – EMPLOYEE RETIREMENT BENEFITS (continued)

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

Proportionate Percentage Share of Net Pension Liability

	Percentage share of Plan		Change: Increase/ (Decrease)
	June 30, 2019	June 30, 2018	
Measurement Date	6/30/2018	6/30/2017	
Percentage of Plan (PERF C) Net Pension Liability	0.27521%	0.27032%	0.00489%

For the fiscal year ended June 30, 2019, the City recognized pension expense of \$4,744,887. At June 30, 2019, 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	\$ 656,615	\$ (44,974)
Changes of assumptions	2,780,900	(516,577)
Net differences between projected and actual earnings on plan investments	158,987	-
Change in employer's proportion	125,236	(170,503)
Differences between the employer's contributions and the employer's proportionate share of contributions	75,853	(160,406)
Pension contributions subsequent to measurement date	2,982,660	-
Total	\$ 6,780,251	\$ (892,460)

NOTE 9 – EMPLOYEE RETIREMENT BENEFITS (continued)

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

\$2,982,660 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, 2020. 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
2020	\$ 2,488,446
2021	1,442,153
2022	(818,497)
2023	(206,971)

Actuarial Assumptions – For the measurement period ended June 30, 2018, the total pension liabilities were determined by rolling forward the June 30, 2017, total pension liability. The June 30, 2018, total pension liabilities were based on the following actuarial methods and assumptions:

	Plan
Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
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

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 returns of 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 ¹	Real Return Years 1-10 ²	Real Return Years 11+ ³
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 CAFR, 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	6/30/2018		
Fiscal Year End	6/30/2019		
Net Pension Liability	\$ 39,981,315	\$ 26,519,899	\$ 15,454,575

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, 2019, 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 \$10,434, and total contributions from the City were \$5,217. 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 two people that received benefits in fiscal year 2018/2019, and sixteen 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. Postemployment 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, 2019, the City's total contributions were \$4,800.

NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (continued)

Employees Covered

As of June 30, 2019, the following current and former employees were covered by the benefit under the plan.

Active members	11
Inactive members	5
Beneficiaries	2
Total	<u>18</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, 2019 and the total OPEB used to calculate the OPEB liability was from the City's valuation as of June 30, 2019.

Changes in the OPEB Liability

	Total OPEB Liability
Balance at June 30, 2018 (valuation date June 30, 2018)	<u>\$ 192,103</u>
Changes recognized for the measurement period:	
Service Cost	13,252
Interest	5,763
Benefit payments	<u>(4,800)</u>
Net changes	<u>14,215</u>
Balance at June 30, 2019 (valuation date June 30, 2019)	<u>\$ 206,318</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	\$ 207,700	\$ 206,318	\$ 205,119

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.

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, 2019, was twenty-five 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 116 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 \$30,000 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 \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$750,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses have a sub-limit of \$40 million per occurrence. The coverage structure includes retained risk that is pooled among members, reinsurance, and excess insurance. More detailed information about the various layers of coverage is available on the following website: <https://cjpia.org/protection/coverage-programs>.

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 \$50,000 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 \$50,000 to \$100,000 for each

NOTE 12 – RISK MANAGEMENT (continued)

C. Purchased Insurance

occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$100,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2018-19 the Authority's pooled retention is \$2 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$5 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

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 \$50,000 deductible. The Authority has an aggregate limit of \$50 million for the 3-year period from July 1, 2017 through July 1, 2020. Each member of the Authority has a \$10 million sub-limit during the 3-year policy term.

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 \$84,366,507. 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.

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 City 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 2018-19.

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, 2019 is summarized as follows:

	Workers' Compensation
Interest earnings and other income	\$ 2,412
Claims expense	101,098
Estimated liability for reported claims and settlement expenses	201,198
Assets on deposit	68,896
Assets in excess of (less than) liabilities	<u>\$ (132,302)</u>

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

	Workers' Compensation
Deposits June 30, 2017	\$ (34,760)
Claim payments and related expenditures	(104,188)
(Increase) in estimated claims liability June 30, 2018	61,894
Deposits and interest earnings	2,725
Deposits (unpaid claims liability) June 30, 2018	(74,329)
Claim payments and related expenditures	(101,098)
(Increase) in estimated claims liability June 30, 2019	40,713
Deposits and interest earnings	2,412
Deposits (unpaid claims liability) June 30, 2019	<u>\$ (132,302)</u>

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's attorney, no contingent liabilities are outstanding and no lawsuits of any significant financial consequence are pending or the risks are covered by the City's insurance programs.

Construction and other significant commitments as of June 30, 2019, including encumbrances outstanding at fiscal year-end, are as follows:

Capital Commitments
Fiscal Year 2018/2019

100 General Fund	\$	215,304
201 Community Facilities District Fund		2,261
202 Apple Valley Street & Storm Drain Assessment District Fund		19,757
203 Apple Valley Landscape & Lighting Assessment District Fund		2,003
204 Las Lomas Street & Storm Drain Assessment District Fund		1,547
205 Las Lomas Landscape & Lighting Assessment District Fund		2,003
206 De Anza Street & Storm Drain Assessment District Fund		13,661
207 De Anza Landscape & Lighting Assessment District Fund		2,003
265 Local Transportation Fund		1,503,998
281 Circulation System Fees Fund		538,555
287 Parkland Facilities Fees Fund		31,904
690 Technology		61,725
Total	\$	<u>2,394,721</u>

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 capital projects, debt service requirements, and redevelopment funds restricted to low and moderate income purposes. Restricted Net Position includes \$35,629,372 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.

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. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

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, 2019.

C. Loans Payable

The City General Fund loaned three separate advances to the former Redevelopment Agency. The total of these three loans is \$1,375,175 and is now a liability of the Successor Agency. 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.

During fiscal year 2018-19, loan repayment was requested on the Required Obligation Payment Schedule 2019-20. The State Department of Finance denied the initial request to begin repayment of the loans. However, the Successor Agency and the City believe these loans are valid obligations of the Successor Agency and will continue to pursue all available avenues in that regard. It is possible that this issue may resolve unfavorably to the City.

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
2020	\$ 400,000	\$ 441,808
2021	415,000	423,263
2022	435,000	403,930
2023	455,000	383,677
2024	475,000	361,634
2025-2029	2,755,000	1,427,191
2030-2034	3,505,000	657,625
2035	810,000	20,250
	<u>\$ 9,250,000</u>	<u>\$ 4,119,378</u>

F. Prior Period Adjustment

A prior period adjustment was made in the amount of \$(925,473) to the Successor Agency of the Community Redevelopment Agency of Atascadero to adjust for the prior period required obligation payment schedule property tax distribution that was reported in the wrong period.

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Secured and unsecured property taxes	\$ 9,838,790	\$ 9,838,790	\$ 9,990,216	\$ 151,426
Taxes based on sales and use	6,112,360	6,112,360	6,484,085	371,725
Franchise tax	1,095,310	1,095,310	1,117,792	22,482
Other taxes	1,643,050	1,647,120	1,741,018	93,898
Licenses and permits	672,660	672,660	585,524	(87,136)
Intergovernmental revenues:				
Motor vehicle in-lieu and related payments	14,000	14,000	14,951	951
Grants	170,790	269,260	180,818	(88,442)
Other governmental revenues	151,650	151,650	149,783	(1,867)
Charges for services:				
Public safety	434,780	511,620	540,740	29,120
Development	521,810	526,310	697,320	171,010
Recreation, parks, pavilion and zoo	859,450	924,220	971,529	47,309
Other services	55,970	55,970	58,884	2,914
Fines and forfeitures	119,270	119,270	117,943	(1,327)
Use of money and property	68,530	68,530	382,918	314,388
Other revenues	1,113,610	1,243,410	1,263,957	20,547
Total revenues	22,872,030	23,250,480	24,297,478	1,046,998
Expenditures:				
Employee services	15,244,710	15,651,670	14,886,317	765,353
Operating supplies and services	5,393,570	5,505,150	5,120,421	384,729
Special purchases, projects, and community funding	498,340	1,241,260	1,005,181	236,079
Capital outlay	3,109,380	3,083,790	1,542,422	1,541,368
Total expenditures	24,246,000	25,481,870	22,554,341	2,927,529
Excess of revenues over (under) expenditures	(1,373,970)	(2,231,390)	1,743,137	3,974,527

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, 2019

ITEM NUMBER:

C-1

DATE:

01/14/20

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Other Financing Sources (Uses):				
Transfers in	\$ 548,350	\$ 548,350	\$ 548,350	\$ -
Transfers out	(262,670)	(263,960)	(255,383)	8,577
Total other financing sources and uses	285,680	284,390	292,967	8,577
Net changes in fund balance	<u>\$ (1,088,290)</u>	<u>\$ (1,947,000)</u>	2,036,104	<u>\$ 3,983,104</u>
Fund balance - June 30, 2018			12,883,296	
Fund balance - June 30, 2019			<u>\$ 14,919,400</u>	

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, 2019

ITEM NUMBER:

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DATE:

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes:				
Secured property tax	\$ 6,320,630	\$ 6,320,630	\$ 6,302,889	\$ (17,741)
Property tax in lieu of VLF	2,807,770	2,807,770	2,894,759	86,989
Unsecured property taxes	151,120	151,120	162,672	11,552
Supplemental property taxes	237,300	237,300	187,590	(49,710)
Redevelopment Agency Dissolution- residual distribution	327,220	327,220	460,501	133,281
Prior year secured and unsecured	(5,000)	(5,000)	(17,300)	(12,300)
Property tax penalties and interest	(250)	(250)	(895)	(645)
Taxes based on sales:				
Sales and use taxes	3,943,460	3,943,460	4,133,073	189,613
Measure F-14 sales tax	2,168,900	2,168,900	2,351,012	182,112
Transient occupancy tax	1,325,900	1,329,970	1,390,972	61,002
Franchise taxes:				
Cable television franchise fees	245,540	245,540	255,502	9,962
Electricity franchise fees	252,680	252,680	261,432	8,752
Garbage disposal franchise fees	404,460	404,460	430,371	25,911
Landfill franchise fees	39,900	39,900	41,411	1,511
Recycling franchise fees	20,250	20,250	19,551	(699)
Gas franchise fees	80,630	80,630	70,311	(10,319)
Wastewater franchise fees	51,850	51,850	39,214	(12,636)
Business licenses	174,250	174,250	170,771	(3,479)
Property transfer tax	142,900	142,900	179,275	36,375
Total Taxes	18,689,510	18,693,580	19,333,111	639,531
Licenses and Permits:				
Construction permits	576,520	576,520	470,636	(105,884)
Grading and drainage permits	32,650	32,650	49,843	17,193
Encroachment permits	50,870	50,870	55,511	4,641
Tree application fees	9,230	9,230	6,006	(3,224)
Planning Inspections	3,390	3,390	3,528	138
Total Licenses and Permits	672,660	672,660	585,524	(87,136)

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, 2019

ITEM NUMBER:

C-1

DATE:

01/14/20

ATTACHMENT:

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues (continued):				
Intergovernmental Revenues:				
Motor vehicle in-lieu (VLF)	\$ 14,000	\$ 14,000	\$ 14,951	\$ 951
Homeowners' tax relief	46,650	46,650	45,856	(794)
State mandated costs	-	-	19,800	19,800
P.O.S.T. reimbursement	25,000	25,000	4,127	(20,873)
School Resources Officer	80,000	80,000	80,000	-
Grants:				
Fire Safe Council grant	-	6,280	8,768	2,488
Fire Safe Council - 2018 Fuel Management	-	5,910	5,901	(9)
Fire Safe Council - 2019 Fuel Management	-	18,000	18,000	-
2017 SAFER Fire Grant	-	46,230	46,231	1
2018 OTS Traffic Enforcement Grant	-	3,180	3,173	(7)
2018 OTS DUI Enforcement Grant	-	17,850	17,843	(7)
Police BSCC Realignment	-	1,020	1,015	(5)
El Camino Corridor Study Grant	170,790	170,790	79,887	(90,903)
Total Intergovernmental Revenues	336,440	434,910	345,552	(89,358)
Charges for Services:				
Public safety:				
First response charges	116,680	116,680	119,756	3,076
Weed abatement services	35,000	35,000	43,002	8,002
Mutual Aid	250,000	326,840	342,543	15,703
Police/Fire false alarms	3,500	3,500	7,022	3,522
Fingerprints	8,120	8,120	6,564	(1,556)
Vehicle release fees	16,240	16,240	18,125	1,885
Other public safety services	5,240	5,240	3,728	(1,512)

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, 2019

ITEM NUMBER:

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DATE:

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	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
Revenues (continued):				
Charges for Services (continued):				
Development:				
Zoning fees	\$ 36,600	\$ 36,600	\$ 84,997	\$ 48,397
Subdivision fees- Planning	26,150	26,150	50,858	24,708
Subdivision fees- Public Works	7,770	7,770	20,554	12,784
General and specific plans	3,980	3,980	8,810	4,830
EIR/Specific Plans/Annexations	-	-	14,809	14,809
Appeals	2,510	2,510	2,836	326
Assessment district formations/annexations	-	4,500	6,573	2,073
Planning review	42,390	42,390	41,625	(765)
Building plan check fees	243,040	243,040	234,431	(8,609)
Public Works plan check fees	90,440	90,440	177,195	86,755
Fire plan check and inspection fees	65,290	65,290	48,204	(17,086)
Other planning fees	3,640	3,640	6,428	2,788
Recreation:				
Advertising	-	-	5,406	5,406
Aquatics	30,850	30,850	-	(30,850)
Adult sports	36,150	40,930	48,977	8,047
Youth sports	59,000	61,560	63,748	2,188
Classes	125,000	125,000	116,289	(8,711)
Special events	32,000	56,390	69,487	13,097
Special events- Zoo	30,000	40,580	40,577	(3)
Teen Center membership	2,330	2,330	4,395	2,065
Rentals and concessions:				
Pavilion facility rentals	108,710	108,710	126,230	17,520
Other Pavilion rents and concessions	6,330	6,330	6,187	(143)
Colony Park Community Center rentals	17,190	17,190	23,797	6,607
Historic City Hall Rentals	-	-	2,925	2,925
Other facility rentals	3,470	3,470	14,935	11,465
Park charges	32,680	32,680	50,373	17,693
Zoo:				
Zoo admissions	255,130	264,040	264,044	4
Zoo educational programs	12,810	16,270	16,272	2
Zoo gift shop	107,800	116,320	116,319	(1)
Other Zoo revenues	-	1,570	1,568	(2)

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, 2019

ITEM NUMBER:

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues (continued):				
Charges for Services (continued):				
Administrative:				
Copy and mailing fees	\$ 6,000	\$ 6,000	\$ 10,853	\$ 4,853
Document imaging fee	19,070	19,070	15,403	(3,667)
Business license application fees	30,900	30,900	32,628	1,728
Total Charges for Services	1,872,010	2,018,120	2,268,473	250,353
Fines and Forfeitures:				
Motor vehicle fines	60,000	60,000	44,960	(15,040)
Misdemeanor and other minor fines	7,640	7,640	3,192	(4,448)
Parking fines	6,500	6,500	3,200	(3,300)
Code enforcement and fire fines	36,930	36,930	4,300	(32,630)
Business license penalties	7,800	7,800	9,186	1,386
Other penalties	400	400	53,105	52,705
Total Fines and Forfeitures	119,270	119,270	117,943	(1,327)
Use of Money and Property:				
Interest	56,000	56,000	141,012	85,012
Adjustment to Fair Market Value-GASB 31	-	-	129,983	129,983
Interest on Measure F-14 Funds	12,530	12,530	63,113	50,583
Measure F-14 Funds Adjustment to Fair Market Value	-	-	48,810	48,810
Total Use of Money and Property	68,530	68,530	382,918	314,388
Other Revenues:				
Interfund administrative charges				
General overhead charges	396,000	396,000	396,000	-
Staffing charges for other funds	420,120	420,120	407,178	(12,942)
Staffing charges for capital projects	216,420	216,420	153,410	(63,010)
Staffing charges for CDBG administration	-	-	6,237	6,237
Administrative charges- Third Parties	2,750	2,750	2,913	163
Administrative charges- Successor Agency	-	-	89,740	89,740
Workers' comp reimbursement	15,300	15,300	6,372	(8,928)
Miscellaneous revenue	12,620	15,280	25,140	9,860

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, 2019

ITEM NUMBER:

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DATE:

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues (continued):				
Other Revenues (continued):				
Donations:				
Police	\$ -	\$ 620	\$ 607	\$ (13)
Fire	23,400	108,190	108,191	1
Recreation	-	190	(380)	(570)
Friends of Zoo Donations:				
Memberships	25,000	26,940	27,633	693
Jennings foundation	-	9,950	9,945	(5)
Other	-	8,500	8,495	(5)
Zoo Wine Festival Donations:				
Indo-Burma Exhibit Area	-	20,000	20,000	-
Other Zoo donations	2,000	3,150	2,476	(674)
Total Other Revenues	1,113,610	1,243,410	1,263,957	20,547
Total Revenues	22,872,030	23,250,480	24,297,478	1,046,998

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, 2019

ITEM NUMBER:

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DATE:

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
City Council:				
Salaries and benefits	\$ 50,050	\$ 52,810	\$ 52,799	\$ 11
Office expense	500	450	443	7
Advertising	500	170	164	6
Computer maintenance and replacement	5,010	5,010	5,010	-
Occupancy	43,960	43,960	43,960	-
Communications	350	410	410	-
Operating supplies	3,710	2,740	2,738	2
Vehicle and equipment operating costs	200	610	601	9
Contract services	36,500	36,000	36,000	-
Professional development	23,450	36,960	36,953	7
Community outreach	52,100	36,600	36,595	5
Chamber of Commerce	113,890	116,710	116,709	1
Business development	21,260	24,250	24,248	2
LAFCO contribution	19,000	17,870	17,862	8
Special projects and community funding:				
Regional Economic Study-Diablo				
Canyon Power Plant closure	-	40,000	21,575	18,425
Promotions	200,000	232,390	232,387	3
Total City Council	570,480	646,940	628,454	18,486
City Clerk:				
Office expense	640	640	4	636
Advertising	5,300	5,300	2,458	2,842
Contract services	6,100	6,100	2,567	3,533
Professional development	6,270	6,270	1,785	4,485
Municipal election	30,160	40,660	38,654	2,006
Total City Clerk	48,470	58,970	45,468	13,502

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, 2019

ITEM NUMBER:

C-1

DATE:

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	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
Expenditures (continued):				
City Treasurer:				
Salaries and benefits	\$ 5,750	\$ 6,100	\$ 6,086	\$ 14
Office expense	-	50	48	2
Contract services	10,200	10,870	10,863	7
Professional development	320	-	-	-
Total City Treasurer	16,270	17,020	16,997	23
City Attorney:				
Office expense	90	80	3	77
Communications	70	80	74	6
Contract services	260,000	309,000	231,786	77,214
Total City Attorney	260,160	309,160	231,863	77,297
City Manager:				
Salaries and benefits	901,200	918,880	905,069	13,811
Office expense	7,730	7,730	6,578	1,152
Computer maintenance and replacement	51,000	57,050	56,900	150
Insurance	11,510	16,990	16,981	9
Occupancy	30,140	30,140	30,140	-
Communications	2,180	2,180	2,046	134
Operating supplies	10,080	10,080	7,287	2,793
Vehicle and equipment operating costs	6,270	6,270	6,000	270
Contract services	35,070	24,200	5,542	18,658
Professional development	22,270	22,270	9,872	12,398
Citywide training	4,000	4,000	2,052	1,948
Recruitment	500	500	172	328
Employee development	1,650	1,650	1,530	120
Contingency	100,000	33,550	-	33,550
Total City Manager	1,183,600	1,135,490	1,050,169	85,321

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, 2019

ITEM NUMBER:

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	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
Expenditures (continued):				
Administrative Services:				
Salaries and benefits	\$ 797,400	\$ 820,210	\$ 747,394	\$ 72,816
Office expense	16,190	14,350	14,015	335
Advertising	390	390	165	225
Computer maintenance and replacement	78,970	80,310	80,307	3
Insurance	12,440	17,800	17,771	29
Occupancy	43,860	44,220	44,214	6
Communications	1,030	1,030	885	145
Operating supplies	240	240	15	225
Vehicle and equipment operating costs	3,600	3,620	3,620	-
Contract services	181,520	178,170	155,162	23,008
Professional development	6,050	6,050	5,672	378
Recruitment	-	880	874	6
Contingency	5,000	3,710	-	3,710
Special purchases, projects, and studies:				
Chairs	-	1,840	1,834	6
Development Impact Fee Study	28,000	28,000	7,000	21,000
Total Administrative Services	1,174,690	1,200,820	1,078,928	121,892
Police:				
Salaries and benefits	5,793,310	5,926,100	5,462,875	463,225
Office expense	18,670	15,650	15,648	2
Computer maintenance and replacement	339,720	345,480	345,472	8
Insurance	329,130	278,510	278,504	6
Occupancy	45,370	48,760	48,752	8
Utilities	35,900	38,780	38,780	-
Communications	29,500	30,110	30,106	4
Operating supplies	21,050	25,160	25,157	3
Vehicle and equipment operating costs	311,500	276,970	276,962	8
Contract services	439,050	439,050	338,473	100,577
Professional development	11,400	30,210	30,209	1
Recruitment	9,600	20,680	20,671	9
Contingency	10,000	-	-	-

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, 2019

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Police (continued):				
Special purchases, projects, and studies:				
Desks	\$ -	\$ 430	\$ 426	\$ 4
Personal protective vests	-	1,830	1,821	9
Laserfiche scan project	27,500	27,500	-	27,500
Claims settlement costs	-	2,500	2,500	-
Capital outlay:				
HVAC Units	-	15,980	15,975	5
Computer Equipment	-	700	700	-
	<u>7,421,700</u>	<u>7,524,400</u>	<u>6,933,031</u>	<u>591,369</u>
Police Grants:				
Salaries and benefits	-	21,030	21,016	14
Operating supplies	-	2,330	2,311	19
Contract services	-	1,620	1,616	4
Professional development	34,380	36,920	18,547	18,373
	<u>34,380</u>	<u>61,900</u>	<u>43,490</u>	<u>18,410</u>
Total Police	<u>7,456,080</u>	<u>7,586,300</u>	<u>6,976,521</u>	<u>609,779</u>
Fire:				
Salaries and benefits	3,650,030	3,659,240	3,651,505	7,735
Office expense	5,750	5,750	3,030	2,720
Computer maintenance and replacement	195,180	190,690	188,584	2,106
Insurance	62,570	86,760	86,752	8
Occupancy	26,340	26,340	25,010	1,330
Utilities	22,500	23,000	22,998	2
Communications	15,100	15,100	13,210	1,890
Operating supplies	44,980	44,980	44,642	338
Vehicle and equipment operating costs	131,420	137,140	137,134	6
Contract services	20,100	20,100	17,532	2,568
Professional development	25,830	25,830	18,657	7,173
Recruitment	500	6,390	6,388	2
Contingency	10,000	-	-	-
Special purchases, projects, and studies:				
Personal protective equipment (turnouts)	-	2,370	2,364	6
	<u>4,210,300</u>	<u>4,243,690</u>	<u>4,217,806</u>	<u>25,884</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, 2019

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Fire (continued):				
Mutual Aid Program:				
Salaries and benefits	\$ 138,530	\$ 220,030	\$ 220,020	\$ 10
Operating supplies	15,390	8,890	8,882	8
Vehicle and equipment operating costs	1,000	2,840	2,838	2
	<u>154,920</u>	<u>231,760</u>	<u>231,740</u>	<u>20</u>
Weed Abatement and Other Fire Programs:				
Salaries and benefits	-	113,170	94,773	18,397
Office expense	800	3,000	2,988	12
Advertising	500	500	-	500
Operating supplies	-	5,940	5,948	(8)
Vehicle and equipment operating costs	-	4,440	4,431	9
Contract services	70,000	72,250	65,625	6,625
Special purchases, projects, and studies:				
Personal protective equipment (turnouts)	-	77,480	77,484	(4)
Capital outlay:				
Cash contribution to Vehicle and Equipment				
Maintenance Fund for Command Vehicle	19,240	20,570	20,567	3
	<u>90,540</u>	<u>297,350</u>	<u>271,816</u>	<u>25,534</u>
Total Fire	<u>4,455,760</u>	<u>4,772,800</u>	<u>4,721,362</u>	<u>51,438</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, 2019

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Community Development:				
Salaries and benefits	\$ 1,292,940	\$ 1,298,440	\$ 1,229,340	\$ 69,100
Office expense	14,320	19,100	19,100	-
Advertising	4,000	4,000	3,498	502
Computer maintenance and replacement	129,320	130,920	130,916	4
Insurance	16,740	24,390	24,383	7
Occupancy	48,210	48,210	48,210	-
Communications	2,040	4,540	4,532	8
Operating supplies	1,030	1,030	810	220
Vehicle and equipment operating costs	15,300	15,300	13,709	1,591
Contract services	96,040	90,330	79,735	10,595
Professional development	18,620	18,850	18,062	788
Recruitment	1,140	2,330	2,324	6
Contingency	5,000	4,000	-	4,000
Special purchases, projects, and studies:				
Tables- Sunken Gardens tree	-	1,130	1,121	9
El Camino Real Corridor Study	170,790	170,790	79,887	90,903
Market Assessment Study	25,000	25,000	25,000	-
Total Community Development	1,840,490	1,858,360	1,680,627	177,733
Central Reception:				
Salaries and benefits	51,490	50,920	50,320	600
Office expense	1,160	1,150	846	304
Computer maintenance and replacement	7,220	7,220	7,220	-
Insurance	980	1,450	1,443	7
Occupancy	35,170	35,170	35,170	-
Communications	400	400	365	35
Operating supplies	50	50	45	5
Vehicle and equipment operating costs	50	50	-	50
Professional development	230	230	-	230
Recruitment	120	120	-	120
Total Central Reception	96,870	96,760	95,409	1,351

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, 2019

ITEM NUMBER:

C-1

DATE:

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	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
Expenditures (continued):				
Recreation:				
Salaries and benefits	\$ 331,450	\$ 339,540	\$ 315,668	\$ 23,872
Office expense	6,080	6,520	5,101	1,419
Advertising	26,300	23,640	23,607	33
Computer maintenance and replacement	24,180	22,870	22,868	2
Insurance	7,340	14,950	14,943	7
Occupancy	41,790	40,590	30,440	10,150
Utilities	4,850	4,850	4,134	716
Communications	770	920	913	7
Operating supplies	36,740	35,130	29,851	5,279
Vehicle and equipment operating costs	800	470	467	3
Contract services	142,210	152,410	143,262	9,148
Professional development	3,980	3,660	3,374	286
Recruitment	500	1,420	1,420	-
Contingency	2,500	-	-	-
Special purchases, projects, and studies:				
Youth scholarships	-	190	190	-
Capital outlay:				
Paloma Park scoreboard	-	14,440	14,440	-
Total Recreation	629,490	661,600	610,678	50,922
Community Center:				
Salaries and benefits	43,250	48,620	48,617	3
Office expense	1,180	1,410	1,404	6
Advertising	400	160	153	7
Computer maintenance and replacement	5,970	5,970	5,970	-
Insurance	8,380	13,470	13,462	8
Occupancy	95,420	95,990	95,983	7
Utilities	45,350	49,890	49,885	5
Communications	1,440	1,760	1,750	10
Operating supplies	14,050	14,520	14,390	130
Vehicle and equipment operating costs	1,150	1,150	390	760
Contract services	17,880	7,900	7,843	57
Professional development	1,350	320	120	200
Recruitment	260	-	-	-
Total Community Center	236,080	241,160	239,967	1,193

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, 2019

ITEM NUMBER:

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Pavilion:				
Salaries and benefits	\$ 137,550	\$ 141,750	\$ 139,544	\$ 2,206
Office expense	1,340	1,180	469	711
Advertising	5,000	3,750	3,155	595
Computer maintenance and replacement	9,640	9,640	9,640	-
Insurance	4,160	6,530	6,529	1
Occupancy	38,930	38,930	38,930	-
Utilities	24,730	22,860	22,824	36
Communications	1,550	1,550	1,451	99
Operating supplies	9,250	6,730	5,628	1,102
Vehicle and equipment operating costs	1,270	1,430	1,427	3
Contract services	23,040	20,890	20,882	8
Professional development	400	400	-	400
Recruitment	310	310	172	138
Special purchases, projects, and studies:				
Flooring projects	5,000	13,700	-	13,700
Door projects	-	1,870	1,870	-
Plumbing repairs	-	3,400	3,400	-
Capital outlay:				
Ice machine	-	2,520	2,516	4
Total Pavilion	262,170	277,440	258,437	19,003

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, 2019

ITEM NUMBER:

C-1

DATE:

01/14/20

ATTACHMENT:

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Zoo:				
Salaries and benefits	\$ 713,750	\$ 686,230	\$ 686,203	\$ 27
Office expense	1,820	2,260	2,241	19
Advertising	1,000	-	-	-
Computer maintenance and replacement	39,360	38,250	38,250	-
Insurance	12,930	19,020	19,012	8
Occupancy	40,430	40,450	40,450	-
Utilities	41,550	53,930	53,919	11
Communications	580	1,040	1,034	6
Operating supplies	96,120	116,350	116,334	16
Vehicle and equipment operating costs	6,570	7,660	7,656	4
Contract services	58,930	75,340	75,331	9
Professional development	10,400	17,970	17,963	7
Recruitment	100	510	504	6
Gift shop retail	35,000	38,890	38,886	4
Special purchases, projects, and studies:				
Cabinets	-	2,140	2,137	3
Animal acquisition	-	7,200	7,200	-
Zoo exhibit improvements	-	5,660	5,657	3
Bear exhibit demolition	-	8,000	8,000	-
Deferred maintenance projects	-	4,740	4,732	8
Capital outlay:				
Indo-Burma- Red Panda exhibit	-	11,460	11,455	5
Indo-Burma- Rat Snake exhibit	-	8,010	8,008	2
Indo-Burma- Aviary	-	2,520	2,518	2
Indo-Burma- Vasa/Coua exhibit	-	9,950	9,945	5
Total Zoo	1,058,540	1,157,580	1,157,435	145

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, 2019

ITEM NUMBER:

C-1

DATE:

01/14/20

ATTACHMENT:

1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Public Works Administration:				
Salaries and benefits	\$ 733,320	\$ 732,770	\$ 716,203	\$ 16,567
Office expense	5,500	4,810	4,809	1
Advertising	250	-	-	-
Computer maintenance and replacement	55,390	59,110	59,110	-
Insurance	8,600	12,590	12,592	(2)
Occupancy charges	19,750	19,750	19,750	-
Communications	2,500	2,830	2,822	8
Operating supplies	17,000	14,800	14,800	-
Vehicle and equipment operating costs	9,300	9,390	9,388	2
Contract services	13,750	40,210	40,205	5
Professional development	5,000	9,460	9,453	7
Recruitment	800	-	-	-
Contingency	7,000	-	-	-
Special purchases, projects, and studies:				
Tables-Sunken Garden tree	-	1,250	1,250	-
Laserfische/microfilm scanning	7,440	7,440	830	6,610
Storm water permit compliance	11,490	11,490	-	11,490
Local Area Management Plan (LAMP)	9,210	24,210	-	24,210
Downtown watershed plan	6,230	6,230	2,718	3,512
Five-Year capital improvement plan	7,680	7,680	-	7,680
Total Public Works Administration	920,210	964,020	893,930	70,090

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, 2019

ITEM NUMBER:

C-1

DATE:

01/14/20

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	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
Expenditures (continued):				
Public Works Operations:				
Salaries and benefits	\$ 201,570	\$ 211,730	\$ 211,716	\$ 14
Office expense	2,900	1,180	1,171	9
Computer maintenance and replacement	13,570	13,570	13,570	-
Insurance	3,510	5,330	5,330	-
Occupancy charges	11,280	12,280	12,280	-
Utilities	8,500	11,740	11,733	7
Communications	1,600	1,470	1,466	4
Operating supplies	1,400	1,530	1,528	2
Vehicle and equipment operating costs	1,400	1,550	1,549	1
Professional development	1,000	2,360	2,356	4
Special purchases, projects, and studies:				
Tables- Sunken Gardens tree	-	1,000	1,000	-
Replace radios	-	7,500	7,498	2
Downtown bird control	-	16,300	5,300	11,000
Total Public Works Operations	246,730	287,540	276,497	11,043
Parks:				
Salaries and benefits	403,120	404,100	327,169	76,931
Computer maintenance and replacement	8,840	8,840	8,840	-
Insurance	7,120	11,160	11,156	4
Occupancy	23,330	23,330	23,330	-
Utilities	149,000	140,390	140,385	5
Communications	2,000	1,220	1,211	9
Operating supplies	46,000	66,730	66,723	7
Vehicle and equipment operating costs	29,960	26,690	26,686	4
Contract services	27,900	29,020	29,016	4
Professional development	2,000	420	420	-
Recruitment	500	370	365	5
Total Parks	699,770	712,270	635,301	76,969

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, 2019

ITEM NUMBER:

C-1

DATE:

01/14/20

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Measure F-14 Sales Tax:				
Capital outlay:				
2018 Pavement Resurfacing Projects	\$ 92,500	\$ -	\$ -	\$ -
2018 Pavement Rehabilitation Projects	2,000,470	2,000,470	1,270,679	729,791
2019 Pavement Rehabilitation Projects	952,170	952,170	181,064	771,106
2020 Pavement Rehabilitation Projects	45,000	45,000	4,555	40,445
Total Measure F-14 Sales Tax	3,090,140	2,997,640	1,456,298	1,541,342
Non-Departmental:				
Special purchases, projects, and studies:				
Cash contribution to Vehicle and Equipment Replacement Fund for deferred maintenance	-	500,000	500,000	-
Total Non-Departmental	-	500,000	500,000	-
Total expenditures	24,246,000	25,481,870	22,554,341	2,927,529
Excess of revenues over (under) expenditures	(1,373,970)	(2,231,390)	1,743,137	3,974,527
Other Financing Sources (Uses):				
Transfer from Community Facilities District Fund	548,350	548,350	548,350	-
Transfer to Gas Tax Fund for streets maintenance	(261,270)	(261,270)	(252,693)	8,577
Transfer to Las Lomas Landscape and Lighting District for open space maintenance	-	(1,290)	(1,290)	-
Transfer to De Anza Landscape and Lighting District for open space maintenance	(1,400)	(1,400)	(1,400)	-
Total other financing sources (uses)	285,680	284,390	292,967	8,577
Excess of revenues and other sources over (under) expenditures and other uses	\$ (1,088,290)	\$ (1,947,000)	2,036,104	\$ 3,983,104
Fund balance, June 30, 2018			12,883,296	
Fund balance, June 30, 2019			\$ 14,919,400	

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, 2019

ITEM NUMBER: C-1
 DATE: 01/14/20
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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Affordable Housing In Lieu Fees	\$ -	\$ -	\$ 96,744	\$ 96,744
Interest income	4,610	4,610	25,587	20,977
Gain / (Loss) on Inclusionary Housing Program Loans	-	-	(110,231)	(110,231)
Total revenues	4,610	4,610	12,100	7,490
Expenditures:				
Office expense	-	-	6	(6)
Contract services	5,000	5,000	2,180	2,820
Administrative charges	44,530	44,530	44,530	-
Special projects:				
Closing Cost Program Expense	-	-	3,500	(3,500)
Total expenditures	49,530	49,530	50,216	(686)
Net change in fund balance	<u>\$ (44,920)</u>	<u>\$ (44,920)</u>	(38,116)	<u>\$ 6,804</u>
Fund balance, June 30, 2018			5,644,728	
Fund balance, June 30, 2019			<u>\$ 5,606,612</u>	

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Local Transportation Tax- Article 3 Bike Paths	\$ 23,560	\$ 23,560	\$ 26,574	\$ 3,014
Local Transportation Tax- Article 8 Streets	573,860	573,860	818,969	245,109
HBRR Grant - Via Avenue Bridge	1,757,320	2,899,270	138,216	(2,761,054)
HBRR Grant - Santa Lucia Bridge	1,000,000	1,312,970	109,523	(1,203,447)
USHA- El Camino Real Pavement Rehabilitation	114,000	566,000	566,000	-
RSHA- Hwy 41 Complete Streets	-	22,130	22,126	(4)
RSHA- ATP Application	-	5,280	5,278	(2)
Interest income	29,770	29,770	134,181	104,411
Total revenues	3,498,510	5,432,840	1,820,867	(3,611,973)
Expenditures:				
Special projects:				
Pavement Crack Sealing Preservation Program	30,000	60,000	42,287	17,713
Hwy 41 Complete Streets	-	28,800	28,792	8
ATP Grant Application-Atascadero Avenue/Mall Connection	-	5,280	5,278	2
Citywide Pavement Condition Evaluation Update	50,000	50,000	38,706	11,294
Capital outlay:				
East Front Overlay	-	289,850	271,096	18,754
San Anselmo Rehabilitation Project- East	230,000	496,090	431,453	64,637
San Anselmo Rehabilitation Project- West	10,000	10,000	7,963	2,037
El Camino Real Rehabilitation Project- North	670,000	1,445,320	1,223,201	222,119
Viejo Camino Road Rehabilitation Project	185,000	252,450	215,992	36,458
Santa Lucia Road Rehabilitation Project	548,800	992,650	87,272	905,378
2019 Pavement Resurfacing - Multiple Roads	592,000	592,000	309,052	282,948
Via Avenue Bridge Replacement	1,985,000	3,273,690	156,123	3,117,567
Santa Lucia Road Bridge Replacement	1,000,000	1,312,970	109,523	1,203,447
Total expenditures	5,300,800	8,809,100	2,926,738	5,882,362
Excess of revenues over (under) expenditures	(1,802,290)	(3,376,260)	(1,105,871)	2,270,389
Other Financing Sources (Uses):				
Transfer from Gas Tax Fund for El Camino Real Rehabilitation Project	530,510	599,240	599,242	2
Total other financing sources (uses)	530,510	599,240	599,242	2
Net change in fund balance	\$ (1,271,780)	\$ (2,777,020)	(506,629)	\$ 2,270,391
Fund balance, June 30, 2018			4,120,359	
Fund balance, June 30, 2019			\$ 3,613,730	

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
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	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
Revenues:				
Impact fees	\$ 939,550	\$ 939,550	\$ 192,526	\$ (747,024)
Interest income	39,910	39,910	118,623	78,713
Total revenues	979,460	979,460	311,149	(668,311)
Expenditures:				
Capital outlay:				
Purchase of 6009 Del Rio	-	603,590	603,584	6
101 @ Del Rio Interchange Project	250,000	167,690	22,813	144,877
Downtown Infrastructure Enhancement Program	-	55,360	42,384	12,976
Total expenditures	250,000	826,640	668,781	157,859
Net change in fund balance	\$ 729,460	\$ 152,820	(357,632)	\$ (510,452)
Fund balance, June 30, 2018			2,553,666	
Fund balance, June 30, 2019			\$ 2,196,034	

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 17,180	\$ 17,180	\$ 1,248	\$ (15,932)
Total revenues	17,180	17,180	1,248	(15,932)
Net change in fund balance	<u>\$ 17,180</u>	<u>\$ 17,180</u>	1,248	<u>\$ (15,932)</u>
Fund balance, June 30, 2018			(786,961)	
Fund balance, June 30, 2019			<u>\$ (785,713)</u>	

CITY OF ATASCADERO
SCHEDULE OF CHANGES IN THE OPEB LIABILITY AND RELATED RATIOS
 Last 10 Years*
 For the Fiscal Year Ended June 30, 2019

ITEM NUMBER: C-1
 DATE: 01/14/20
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The following table provides required supplementary information regarding the City's postemployment healthcare benefits.

Measurement Period	2019	2018
Total OPEB Liability		
Service Cost	\$ 13,252	\$ 7,820
Interest on total OPEB liability	5,763	5,583
Benefit payments	(4,800)	(7,400)
Net change in total OPEB liability	14,215	6,003
OPEB liability, beginning of year	192,103	186,100
OPEB liability, end of year	<u>\$ 206,318</u>	<u>\$ 192,103</u>
Covered payroll	\$ 1,200,858	\$ 1,126,865
Total OPEB liability as a percentage of covered payroll	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 two years are shown

As of June 30, 2019, the plan is not administered through a qualified trust. Therefore, there is no Actuarially Determined contribution (ADC). Benefit 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, 2019

ITEM NUMBER:

C-1

DATE:

01/14/20

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	Fiscal Year End				
	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Measurement Date	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
City's proportion of the net pension liability	0.275210%	0.270324%	0.272255%	0.278260%	0.260250%
City's proportionate share of the net pension liability	\$ 26,519,899	\$ 26,808,749	\$ 23,558,492	\$ 19,099,492	\$ 16,193,941
City's covered payroll **	\$ 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	284.00%	265.36%	272.08%	228.79%	197.94%
Plan's total pension liability	\$ 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	\$ 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	75.26%	73.31%	74.06%	78.40%	79.82%

* Fiscal year 2015 was the first year of implementation, therefore, only five 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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

Contributions for the fiscal year ending:	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Contractually required contribution (actuarially determined)	\$ 2,982,660	\$ 2,685,953	\$ 2,489,485	\$ 2,255,947	\$ 2,227,093
Contributions in relation to the actuarially determined contributions	(2,982,660)	(2,685,953)	(2,489,485)	(2,255,947)	(2,227,093)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll **	\$ 9,541,259	\$ 9,337,993	\$ 10,102,742	\$ 8,658,607	\$ 8,348,164
Contributions as a percentage of covered payroll	31.26%	28.76%	24.64%	26.05%	26.68%

Notes to Schedule

Valuation Date	06/30/16	06/30/15	06/30/14	06/30/13	06/30/12
Methods and assumptions used to determine contribution rates:	Entry age				
Actuarial cost method	5-year smoothed market				
Asset valuation method	Level percentage of payroll, closed				
Amortization method					
Discount rate	7.375%	7.650%	7.650%	7.500%	7.500%
Price inflation	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 five years are shown

** For the fiscal year ending on the date shown

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, 2019

ITEM NUMBER: C-1
 DATE: 01/14/20
 ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Interest income- cash and investments	\$ 5,000	\$ 5,000	\$ 31,205	\$ 26,205
Interest income- 2010 reimbursement agreement with the Successor Agency to the RDA	730,810	730,810	730,813	3
Other 2010 Lease Revenue from Successor Agency	2,800	2,800	2,025	(775)
Total revenues	738,610	738,610	764,043	25,433
Expenditures:				
Contract Services	2,800	2,800	2,025	775
Principal	245,000	245,000	245,000	-
Interest	730,810	730,810	730,812	(2)
Total expenditures	978,610	978,610	977,837	773
Net change in fund balance	\$ (240,000)	\$ (240,000)	(213,794)	\$ 26,206
Fund balance, June 30, 2018			16,553,335	
Fund balance, June 30, 2019			\$ 16,339,541	

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.

Business Improvement Association Fund

The City established a Downtown Parking & 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 reinstituted. The assessment was reinstituted 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.

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.

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Special Revenue Funds					
	Supplemental Law Enforcement Services Fund	Business Improvement Association Fund	Atascadero Tourism Business Improvement District Fund	Community Development Block Grant Fund	Tree Plant Fund	Gas Tax Fund
ASSETS						
Cash and investments	\$ 119,027	\$ 11,303	\$ 245,744	\$ -	\$ 229,880	\$ -
Receivables:						
Federal distributions due	-	-	-	21,471	-	-
Due from State of California	-	-	-	-	-	102,365
Due from County of San Luis Obispo	-	-	-	-	-	-
Accrued interest	320	29	647	-	391	-
Other receivables	-	-	74,405	363	-	-
Due from other funds	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	730
Total assets	<u>\$ 119,347</u>	<u>\$ 11,332</u>	<u>\$ 320,796</u>	<u>\$ 21,834</u>	<u>\$ 230,271</u>	<u>\$ 103,095</u>
LIABILITIES AND FUND BALANCES						
Accounts payable	\$ 2,243	\$ -	\$ 39,710	\$ 467	\$ 8,634	\$ 41,260
Accrued salaries and benefits	799	-	-	-	-	11,736
Due to other funds	-	-	-	21,367	-	-
Unearned revenue	112,433	-	-	-	-	-
Total liabilities	<u>115,475</u>	<u>-</u>	<u>39,710</u>	<u>21,834</u>	<u>8,634</u>	<u>52,996</u>
Fund Balances:						
Nonspendable	-	-	-	-	-	730
Restricted	3,872	11,332	281,086	-	221,637	49,369
Assigned for road projects	-	-	-	-	-	-
Total fund balances	<u>3,872</u>	<u>11,332</u>	<u>281,086</u>	<u>-</u>	<u>221,637</u>	<u>50,099</u>
Total liabilities and fund balances	<u>\$ 119,347</u>	<u>\$ 11,332</u>	<u>\$ 320,796</u>	<u>\$ 21,834</u>	<u>\$ 230,271</u>	<u>\$ 103,095</u>

CITY OF ATASCADERO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
June 30, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Special Revenue Funds					
	Street Assessment Fund	General Government Facilities Fees Fund	Storm Drainage Facilities Fees Fund	Law Enforcement Facilities Fees Fund	Fire Facilities Fees Fund	Open Space Acquisition Fees Fund
ASSETS						
Cash and investments	\$ 78,965	\$ 134,002	\$ 616,482	\$ 241,763	\$ 393,250	\$ 631,857
Receivables:						
Federal distributions due	-	-	-	-	-	-
Due from State of California	-	-	-	-	-	-
Due from County of San Luis Obispo	11	-	-	-	-	-
Accrued interest	203	344	1,654	623	1,012	1,629
Other receivables	-	-	-	-	506	-
Due from other funds	-	-	-	-	785,713	-
Prepaid items	-	-	-	-	-	-
Total assets	<u>\$ 79,179</u>	<u>\$ 134,346</u>	<u>\$ 618,136</u>	<u>\$ 242,386</u>	<u>\$ 1,180,481</u>	<u>\$ 633,486</u>
LIABILITIES AND FUND BALANCES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 29	\$ -
Accrued salaries and benefits	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29</u>	<u>-</u>
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Restricted	79,179	134,346	618,136	242,386	1,180,452	633,486
Assigned for road projects	-	-	-	-	-	-
Total fund balances	<u>79,179</u>	<u>134,346</u>	<u>618,136</u>	<u>242,386</u>	<u>1,180,452</u>	<u>633,486</u>
Total liabilities and fund balances	<u>\$ 79,179</u>	<u>\$ 134,346</u>	<u>\$ 618,136</u>	<u>\$ 242,386</u>	<u>\$ 1,180,481</u>	<u>\$ 633,486</u>

CITY OF ATASCADERO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
June 30, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Special Revenue Funds					
	Parkland Facilities Fees Fund	Public Facilities Fees Fund	Library Expansion Facilities Fees Fund	Community Facilities District Fund	Apple Valley Street & Storm Drain Assessment District Fund	Apple Valley Landscape & Lighting Assessment District Fund
ASSETS						
Cash and investments	\$ 1,115,542	\$ 677,956	\$ 186,723	\$ 243,346	\$ 444,595	\$ 239,195
Receivables:						
Federal distributions due	-	-	-	-	-	-
Due from State of California	-	-	-	-	-	-
Due from County of San Luis Obispo	-	-	-	3,575	402	1,052
Accrued interest	2,874	1,754	481	594	1,141	606
Other receivables	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Total assets	<u>\$ 1,118,416</u>	<u>\$ 679,710</u>	<u>\$ 187,204</u>	<u>\$ 247,515</u>	<u>\$ 446,138</u>	<u>\$ 240,853</u>
LIABILITIES AND FUND BALANCES						
Accounts payable	\$ -	\$ 190	\$ -	\$ -	\$ 24,057	\$ 6,386
Accrued salaries and benefits	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	70,570
Total liabilities	<u>-</u>	<u>190</u>	<u>-</u>	<u>-</u>	<u>24,057</u>	<u>76,956</u>
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Restricted	1,118,416	679,520	187,204	247,515	422,081	163,897
Assigned for road projects	-	-	-	-	-	-
Total fund balances	<u>1,118,416</u>	<u>679,520</u>	<u>187,204</u>	<u>247,515</u>	<u>422,081</u>	<u>163,897</u>
Total liabilities and fund balances	<u>\$ 1,118,416</u>	<u>\$ 679,710</u>	<u>\$ 187,204</u>	<u>\$ 247,515</u>	<u>\$ 446,138</u>	<u>\$ 240,853</u>

CITY OF ATASCADERO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
June 30, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Special Revenue Funds				Capital Projects Funds	
	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	2010 Bond Proceeds Master Agreement Fund
ASSETS						
Cash and investments	\$ 440,660	\$ 179,421	\$ 461,313	\$ 122,307	\$ 364,716	\$ 300,179
Receivables:						
Federal distributions due	-	-	-	-	-	-
Due from State of California	-	-	-	-	716	-
Due from County of San Luis Obispo	336	243	108	87	-	-
Accrued interest	1,111	464	1,187	317	845	777
Other receivables	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Total assets	<u>\$ 442,107</u>	<u>\$ 180,128</u>	<u>\$ 462,608</u>	<u>\$ 122,711</u>	<u>\$ 366,277</u>	<u>\$ 300,956</u>
LIABILITIES AND FUND BALANCES						
Accounts payable	\$ 77	\$ 4,906	\$ 34,439	\$ 2,229	\$ -	\$ -
Accrued salaries and benefits	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	-	-	-	16,673	-
Total liabilities	<u>77</u>	<u>4,906</u>	<u>34,439</u>	<u>2,229</u>	<u>16,673</u>	<u>-</u>
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Restricted	442,030	175,222	428,169	120,482	129,123	300,956
Assigned for road projects	-	-	-	-	220,481	-
Total fund balances	<u>442,030</u>	<u>175,222</u>	<u>428,169</u>	<u>120,482</u>	<u>349,604</u>	<u>300,956</u>
Total liabilities and fund balances	<u>\$ 442,107</u>	<u>\$ 180,128</u>	<u>\$ 462,608</u>	<u>\$ 122,711</u>	<u>\$ 366,277</u>	<u>\$ 300,956</u>

CITY OF ATASCADERO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
June 30, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Capital Projects Funds	
	Youth Center Construction Fund	TOTALS
ASSETS		
Cash and investments	\$ 4,025	\$ 7,482,251
Receivables:		
Federal distributions due	-	21,471
Due from State of California	-	103,081
Due from County of San Luis Obispo	-	5,814
Accrued interest	17	19,020
Other receivables	-	75,274
Due from other funds	-	785,713
Prepaid items	-	730
Total assets	<u>\$ 4,042</u>	<u>\$ 8,493,354</u>
LIABILITIES AND FUND BALANCES		
Accounts payable	\$ -	\$ 164,627
Accrued salaries and benefits	-	12,535
Due to other funds	-	21,367
Unearned revenue	1,213	200,889
Total liabilities	<u>1,213</u>	<u>399,418</u>
Fund Balances:		
Nonspendable	-	730
Restricted	2,829	7,872,725
Assigned for road projects	-	220,481
Total fund balances	<u>2,829</u>	<u>8,093,936</u>
Total liabilities and fund balances	<u>\$ 4,042</u>	<u>\$ 8,493,354</u>

CITY OF ATASCADERO**NONMAJOR GOVERNMENTAL FUNDS****COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

For Fiscal Year Ended June 30, 2019

ITEM NUMBER: C-1
 DATE: 01/14/20
 ATTACHMENT: 1

	Special Revenue Funds					
	Supplemental Law Enforcement Services Fund	Business Improvement Association Fund	Atascadero Tourism Business Improvement District Fund	Community Development Block Grant Fund	Tree Plant Fund	Gas Tax Fund
Revenues:						
Taxes and assessments	\$ -	\$ 11,181	\$ 278,184	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	28,583	-
Intergovernmental revenues	114,140	-	-	22,602	-	1,236,881
Use of money and property	3,872	151	9,631	-	4,617	(1,062)
Other revenues	-	-	-	-	-	11,985
Total revenues	118,012	11,332	287,815	22,602	33,200	1,247,804
Expenditures:						
Salaries and benefits	35,416	-	-	-	-	412,903
Supplies and services	34,708	-	325,408	6,933	28,446	510,775
Special projects and studies	7,869	-	-	10,863	4,000	-
Capital outlay	36,147	-	-	4,806	-	-
Total expenditures	114,140	-	325,408	22,602	32,446	923,678
Excess of revenues over (under) expenditures	3,872	11,332	(37,593)	-	754	324,126
Other Financing Sources (Uses):						
Transfers in	-	-	-	-	-	252,693
Transfers out	-	-	-	-	-	(599,242)
Total other financing sources (uses)	-	-	-	-	-	(346,549)
Net change in fund balances	3,872	11,332	(37,593)	-	754	(22,423)
Fund balance, June 30, 2018	-	-	318,679	-	220,883	72,522
Fund balance, June 30, 2019	\$ 3,872	\$ 11,332	\$ 281,086	\$ -	\$ 221,637	\$ 50,099

CITY OF ATASCADERO**NONMAJOR GOVERNMENTAL FUNDS****COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (continued)**

For Fiscal Year Ended June 30, 2019

ITEM NUMBER: C-1
 DATE: 01/14/20
 ATTACHMENT: 1

	Special Revenue Funds					
	Street Assessment Fund	General Government Facilities Fees Fund	Storm Drainage Facilities Fees Fund	Law Enforcement Facilities Fees Fund	Fire Facilities Fees Fund	Open Space Acquisition Fees Fund
Revenues:						
Taxes and assessments	\$ 2,160	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	30,189	34,056	19,066	29,945	50,163
Intergovernmental revenues	-	-	-	-	-	-
Use of money and property	2,764	4,236	22,784	8,224	23,959	21,620
Other revenues	-	-	-	-	-	-
Total revenues	4,924	34,425	56,840	27,290	53,904	71,783
Expenditures:						
Salaries and benefits	-	-	-	-	-	-
Supplies and services	-	-	-	-	-	-
Special projects and studies	-	-	-	-	-	-
Capital outlay	-	-	52,599	-	-	-
Total expenditures	-	-	52,599	-	-	-
Excess of revenues over (under) expenditures	4,924	34,425	4,241	27,290	53,904	71,783
Other Financing Sources (Uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	4,924	34,425	4,241	27,290	53,904	71,783
Fund balance, June 30, 2018	74,255	99,921	613,895	215,096	1,126,548	561,703
Fund balance, June 30, 2019	\$ 79,179	\$ 134,346	\$ 618,136	\$ 242,386	\$ 1,180,452	\$ 633,486

CITY OF ATASCADERO

NONMAJOR GOVERNMENTAL FUNDS

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

For Fiscal Year Ended June 30, 2019

ITEM NUMBER:

C-1

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	Special Revenue Funds					
	Parkland Facilities Fees Fund	Public Facilities Fees Fund	Library Expansion Facilities Fees Fund	Community Facilities District Fund	Apple Valley Street & Storm Drain Assessment District Fund	Apple Valley Landscape & Lighting Assessment District Fund
Revenues:						
Taxes and assessments	\$ -	\$ -	\$ -	\$ 542,782	\$ 28,000	\$ 73,500
Licenses and permits	138,475	31,436	16,003	-	-	4,430
Intergovernmental revenues	-	-	-	-	-	-
Use of money and property	49,727	24,438	6,351	7,374	15,294	7,911
Other revenues	31,710	-	-	-	-	-
Total revenues	219,912	55,874	22,354	550,156	43,294	85,841
Expenditures:						
Salaries and benefits	-	-	-	-	-	-
Supplies and services	-	-	-	4,901	4,793	56,801
Special projects and studies	-	-	-	-	23,980	-
Capital outlay	509,945	36,266	-	-	-	-
Total expenditures	509,945	36,266	-	4,901	28,773	56,801
Excess of revenues over (under) expenditures	(290,033)	19,608	22,354	545,255	14,521	29,040
Other Financing Sources (Uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(548,350)	-	-
Total other financing sources (uses)	-	-	-	(548,350)	-	-
Net change in fund balances	(290,033)	19,608	22,354	(3,095)	14,521	29,040
Fund balance, June 30, 2018	1,408,449	659,912	164,850	250,610	407,560	134,857
Fund balance, June 30, 2019	\$ 1,118,416	\$ 679,520	\$ 187,204	\$ 247,515	\$ 422,081	\$ 163,897

CITY OF ATASCADERO**NONMAJOR GOVERNMENTAL FUNDS****COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (continued)**

For Fiscal Year Ended June 30, 2019

ITEM NUMBER: C-1
 DATE: 01/14/20
 ATTACHMENT: 1

	Special Revenue Funds				Capital Projects Funds	
	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	2010 Bond Proceeds Master Agreement Fund
Revenues:						
Taxes and assessments	\$ 88,528	\$ 63,731	\$ 30,561	\$ 17,463	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	88,542	-
Use of money and property	13,702	6,309	15,832	4,350	8,717	10,713
Other revenues	-	-	-	-	-	-
Total revenues	102,230	70,040	46,393	21,813	97,259	10,713
Expenditures:						
Salaries and benefits	-	-	-	-	-	-
Supplies and services	5,025	63,136	4,809	20,676	-	-
Special projects and studies	-	4,133	34,361	-	-	-
Capital outlay	-	-	-	-	88,970	403
Total expenditures	5,025	67,269	39,170	20,676	88,970	403
Excess of revenues over (under) expenditures	97,205	2,771	7,223	1,137	8,289	10,310
Other Financing Sources (Uses):						
Transfers in	-	1,290	-	1,400	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	1,290	-	1,400	-	-
Net change in fund balances	97,205	4,061	7,223	2,537	8,289	10,310
Fund balance, June 30, 2018	344,825	171,161	420,946	117,945	341,315	290,646
Fund balance, June 30, 2019	\$ 442,030	\$ 175,222	\$ 428,169	\$ 120,482	\$ 349,604	\$ 300,956

CITY OF ATASCADERO

NONMAJOR GOVERNMENTAL FUNDS

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

For Fiscal Year Ended June 30, 2019

ITEM NUMBER: C-1
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	Capital Projects Funds	
	Youth Center Construction Fund	TOTALS
Revenues:		
Taxes and assessments	\$ -	\$ 1,136,090
Licenses and permits	-	382,346
Intergovernmental revenues	-	1,462,165
Use of money and property	224	271,738
Other revenues	3,964	47,659
Total revenues	4,188	3,299,998
Expenditures:		
Salaries and benefits	-	448,319
Supplies and services	-	1,066,411
Special projects and studies	-	85,206
Capital outlay	3,964	733,100
Total expenditures	3,964	2,333,036
Excess of revenues over (under) expenditures	224	966,962
Other Financing Sources (Uses):		
Transfers in	-	255,383
Transfers out	-	(1,147,592)
Total other financing sources (uses)	-	(892,209)
Net change in fund balances	224	74,753
Fund balance, June 30, 2018	2,605	8,019,183
Fund balance, June 30, 2019	\$ 2,829	\$ 8,093,936

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
S.L.E.S.F. Grant	\$ 20,000	\$ 114,140	\$ 114,140	\$ -
Interest income	-	-	3,872	3,872
Total revenues	20,000	114,140	118,012	3,872
Expenditures:				
Employee services	-	35,420	35,416	4
Computer maintenance & replacement	-	680	680	-
Operating supplies	-	20,850	20,850	-
Contract services	-	11,180	11,178	2
Professional development	-	2,000	2,000	-
Special projects and purchases:				
Software	-	3,600	3,599	1
Replace Radios	-	4,270	4,270	-
Capital outlay:				
Computers- new	-	9,700	9,698	2
Scanner/Printer	-	2,140	2,144	(4)
Evidence Processing Shelter	-	4,300	4,305	(5)
Cash Contribution to Vehicle and Equipment				
Replacement Fund for Vehicle Purchase	20,000	20,000	20,000	-
Total expenditures	20,000	114,140	114,140	-
Net change in fund balance	\$ -	\$ -	3,872	\$ 3,872
Fund balance, June 30, 2018			-	
Fund balance, June 30, 2019			\$ 3,872	

CITY OF ATASCADERO
BUSINESS IMPROVEMENT ASSOCIATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
Revenues:				
Tourism assessments	\$ -	\$ 8,000	\$ 11,181	\$ 3,181
Interest income	-	-	151	151
Total revenues	-	8,000	11,332	3,332
Expenditures:				
Advertising	-	1,000	-	1,000
Operating Supplies	-	7,000	-	7,000
Total expenditures	-	8,000	-	8,000
Net change in fund balance	\$ -	\$ -	11,332	\$ 11,332
Fund balance, June 30, 2018			-	
Fund balance, June 30, 2019			\$ 11,332	

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, 2019

ITEM NUMBER: C-1
 DATE: 01/14/20
 ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Tourism assessments	\$ 266,480	\$ 266,480	\$ 278,184	\$ 11,704
Interest income	2,560	2,560	9,631	7,071
Total revenues	269,040	269,040	287,815	18,775
Expenditures:				
Office expense	5,000	5,000	-	5,000
Advertising	95,000	178,720	178,719	1
Operating Supplies	2,000	1,450	-	1,450
Contract services	275,000	192,930	143,482	49,448
Professional Development	-	430	425	5
Administration	2,660	2,780	2,782	(2)
Total expenditures	379,660	381,310	325,408	55,902
Net change in fund balance	\$ (110,620)	\$ (112,270)	(37,593)	\$ 74,677
Fund balance, June 30, 2018			318,679	
Fund balance, June 30, 2019			\$ 281,086	

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
Revenues:				
Community Development Block Grant	\$ -	\$ 345,360	\$ 22,602	\$ (322,758)
Total revenues	-	345,360	22,602	(322,758)
Expenditures:				
Administration:				
CDBG general administration	-	9,880	6,933	2,947
Special projects and studies:				
Youth Scholarships	-	10,870	10,863	7
Capital outlay:				
Atascadero Mall/Ardilla Barrier Removal	-	2,390	-	2,390
Traffic Way and El Camino Real Barrier Removal	-	322,220	4,806	317,414
Total expenditures	-	345,360	22,602	322,758
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance, June 30, 2018			-	
Fund balance, June 30, 2019			\$ -	

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, 2019

ITEM NUMBER: C-1
 DATE: 01/14/20
 ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Permits and fees	\$ 10,000	\$ 10,000	\$ 28,583	\$ 18,583
Interest income	280	280	4,617	4,337
Total revenues	10,280	10,280	33,200	22,920
Expenditures:				
Office expense	100	100	-	100
Utilities	300	240	-	240
Operating supplies	100	160	152	8
Contract services	36,000	36,000	13,734	22,266
Professional development	500	500	-	500
Administrative charges	14,560	14,560	14,560	-
Special projects and studies:				
Native Tree Replanting	15,000	24,240	4,000	20,240
Total expenditures	66,560	75,800	32,446	43,354
Net change in fund balance	\$ (56,280)	\$ (65,520)	754	\$ 66,274
Fund balance, June 30, 2018			220,883	
Fund balance, June 30, 2019			\$ 221,637	

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, 2019

ITEM NUMBER: C-1
 DATE: 01/14/20
 ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
SB1 - Traffic Congestion Relief Fund Loan Repayment	\$ 35,330	\$ 35,330	\$ 35,125	\$ (205)
Section 2103 highway users tax	136,000	136,000	104,054	(31,946)
Section 2105 highway users tax	179,480	179,480	170,892	(8,588)
Section 2106 highway users tax	113,200	113,200	134,715	21,515
Section 2107 highway users tax	231,860	231,860	214,915	(16,945)
Section 2107.5 highway users tax	6,000	6,000	6,000	-
SB1- Section 2031 Road Maintenance & Rehabilitation	530,440	530,440	571,180	40,740
Other revenues	-	-	11,985	11,985
Interest income	-	-	(1,062)	(1,062)
Total revenues	1,232,310	1,232,310	1,247,804	15,494
Expenditures:				
Salaries and benefits	417,890	422,380	412,903	9,477
Computer maintenance & replacement	4,380	4,380	3,380	1,000
Insurance	10,990	16,210	16,205	5
Utilities	109,000	113,770	113,761	9
Communications	1,500	1,500	1,485	15
Operating supplies and equipment	41,400	50,600	50,597	3
Vehicle and equipment operations	53,460	53,690	53,686	4
Contract services	114,510	100,310	62,721	37,589
Professional development	2,750	2,750	1,750	1,000
Department service allocation	110,090	110,090	110,090	-
Administrative charges	97,100	97,100	97,100	-
Total expenditures	963,070	972,780	923,678	49,102
Excess of revenues over (under) expenditures	269,240	259,530	324,126	64,596

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Other Financing Sources (Uses):				
Transfer from General Fund for street maintenance	\$ 261,270	\$ 261,270	\$ 252,693	\$ (8,577)
Transfer out to Local Transportation Fund for El Camino Real Rehabilitation (SB1)	(530,510)	(599,240)	(599,242)	(2)
Total other financing sources (uses)	(269,240)	(337,970)	(346,549)	(8,579)
Net change in fund balance	\$ -	\$ (78,440)	(22,423)	\$ 56,017
Fund balance, June 30, 2018			72,522	
Fund balance, June 30, 2019			\$ 50,099	

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
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	260	260	2,764	2,504
Total revenues	2,420	2,420	4,924	2,504
Expenditures:				
Special projects and studies:				
Street maintenance projects	-	50,000	-	50,000
Total expenditures	-	50,000	-	50,000
Net change in fund balance	\$ 2,420	\$ (47,580)	4,924	\$ 52,504
Fund balance, June 30, 2018			74,255	
Fund balance, June 30, 2019			\$ 79,179	

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 186,480	\$ 186,480	\$ 30,189	\$ (156,291)
Interest income	6,210	6,210	4,236	(1,974)
Total revenues	192,690	192,690	34,425	(158,265)
Net change in fund balance	<u>\$ 192,690</u>	<u>\$ 192,690</u>	34,425	<u>\$ (158,265)</u>
Fund balance, June 30, 2018			99,921	
Fund balance, June 30, 2019			<u>\$ 134,346</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, 2019

ITEM NUMBER: C-1
 DATE: 01/14/20
 ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 114,260	\$ 114,260	\$ 34,056	\$ (80,204)
Interest income	3,720	3,720	22,784	19,064
Total revenues	117,980	117,980	56,840	(61,140)
Expenditures:				
Special projects and studies:				
Drainage Improvement Program	100,000	191,900	-	191,900
Capital projects:				
Improvements to Storm Damaged Culverts	-	8,100	8,100	-
Culvert Replacement & Inlet Improvement Program	250,000	478,570	44,499	434,071
Total expenditures	350,000	678,570	52,599	625,971
Net change in fund balance	<u>\$ (232,020)</u>	<u>\$ (560,590)</u>	4,241	<u>\$ 564,831</u>
Fund balance, June 30, 2018			613,895	
Fund balance, June 30, 2019			<u>\$ 618,136</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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 86,280	\$ 86,280	\$ 19,066	\$ (67,214)
Interest income	4,420	4,420	8,224	3,804
Total revenues	90,700	90,700	27,290	(63,410)
Net change in fund balance	<u>\$ 90,700</u>	<u>\$ 90,700</u>	27,290	<u>\$ (63,410)</u>
Fund balance, June 30, 2018			215,096	
Fund balance, June 30, 2019			<u>\$ 242,386</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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 140,700	\$ 140,700	\$ 29,945	\$ (110,755)
Rental income	10,800	10,800	10,800	-
Interest income	5,530	5,530	13,159	7,629
Total revenues	157,030	157,030	53,904	(103,126)
Expenditures:				
Special projects and studies:				
Station Needs Assessment	-	3,660	-	3,660
Total expenditures	-	3,660	-	3,660
Net change in fund balance	\$ 157,030	\$ 153,370	53,904	\$ (99,466)
Fund balance, June 30, 2018			1,126,548	
Fund balance, June 30, 2019			\$ 1,180,452	

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 267,880	\$ 267,880	\$ 50,163	\$ (217,717)
Interest income	13,270	13,270	21,620	8,350
Total revenues	281,150	281,150	71,783	(209,367)
Net change in fund balance	<u>\$ 281,150</u>	<u>\$ 281,150</u>	71,783	<u>\$ (209,367)</u>
Fund balance, June 30, 2018			561,703	
Fund balance, June 30, 2019			<u>\$ 633,486</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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 770,570	\$ 770,570	\$ 138,475	\$ (632,095)
Interest income	42,290	42,290	49,727	7,437
Donations - Joy Playground Project	-	31,710	31,710	-
Total revenues	812,860	844,570	219,912	(624,658)
Expenditures:				
Capital Projects:				
Atascadero Lake Pipeline Repair	-	241,540	-	241,540
Joy Playground Project	-	536,710	504,805	31,905
La Plaza Park Project	-	25,000	5,140	19,860
Total expenditures	-	803,250	509,945	293,305
Net change in fund balance	\$ 812,860	\$ 41,320	(290,033)	\$ (331,353)
Fund balance, June 30, 2018			1,408,449	
Fund balance, June 30, 2019			\$ 1,118,416	

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 174,900	\$ 174,900	\$ 31,436	\$ (143,464)
Interest income	6,170	6,170	24,438	18,268
Total revenues	181,070	181,070	55,874	(125,196)
Expenditures:				
Capital projects:				
Zoo Garden Event Center	-	528,240	36,266	491,974
Total expenditures	-	528,240	36,266	491,974
Net change in fund balance	\$ 181,070	\$ (347,170)	19,608	\$ 366,778
Fund balance, June 30, 2018			659,912	
Fund balance, June 30, 2019			\$ 679,520	

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 85,820	\$ 85,820	\$ 16,003	\$ (69,817)
Interest income	4,140	4,140	6,351	2,211
Total revenues	89,960	89,960	22,354	(67,606)
Net change in fund balance	<u>\$ 89,960</u>	<u>\$ 89,960</u>	22,354	<u>\$ (67,606)</u>
Fund balance, June 30, 2018			164,850	
Fund balance, June 30, 2019			<u>\$ 187,204</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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
Revenues:				
Taxes and assessments	\$ 548,350	\$ 548,350	\$ 542,782	\$ (5,568)
Interest income	3,520	3,520	7,374	3,854
Total revenues	551,870	551,870	550,156	(1,714)
Expenditures:				
Contract services	5,720	5,720	4,901	819
Total expenditures	5,720	5,720	4,901	819
Excess of revenues over (under) expenditures	546,150	546,150	545,255	(895)
Other Financing Sources (Uses):				
Transfer to the General Fund for police, fire and parks services	(548,350)	(548,350)	(548,350)	-
Total other financing sources (uses)	(548,350)	(548,350)	(548,350)	-
Net change in fund balance	\$ (2,200)	\$ (2,200)	(3,095)	\$ (895)
Fund balance, June 30, 2018			250,610	
Fund balance, June 30, 2019			\$ 247,515	

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, 2019

ITEM NUMBER: C-1
 DATE: 01/14/20
 ATTACHMENT: 1

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
Revenues:				
Taxes and assessments	\$ 28,000	\$ 28,000	\$ 28,000	\$ -
Interest income	4,350	4,350	15,294	10,944
Total revenues	32,350	32,350	43,294	10,944
Expenditures:				
Advertising	300	300	77	223
Contract services	18,290	18,290	3,208	15,082
Administration	2,000	2,000	1,508	492
Special projects and studies:				
Slurry Seal	-	26,000	23,980	2,020
Total expenditures	20,590	46,590	28,773	17,817
Net change in fund balance	\$ 11,760	\$ (14,240)	14,521	\$ 28,761
Fund balance, June 30, 2018			407,560	
Fund balance, June 30, 2019			\$ 422,081	

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, 2019

ITEM NUMBER: C-1
 DATE: 01/14/20
 ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and assessments	\$ 73,500	\$ 73,500	\$ 73,500	\$ -
Contributions from developer	4,300	4,300	4,430	130
Interest income	1,320	1,320	7,911	6,591
Total revenues	79,120	79,120	85,841	6,721
Expenditures:				
Advertising	150	470	464	6
Utilities	12,220	11,900	8,716	3,184
Operating supplies	2,500	2,500	-	2,500
Contract services	48,960	48,960	46,416	2,544
Administration	2,100	2,100	1,205	895
Total expenditures	65,930	65,930	56,801	9,129
Net change in fund balance	\$ 13,190	\$ 13,190	29,040	\$ 15,850
Fund balance, June 30, 2018			134,857	
Fund balance, June 30, 2019			\$ 163,897	

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and assessments	\$ 104,290	\$ 104,290	\$ 88,528	\$ (15,762)
Interest income	4,200	4,200	13,702	9,502
Total revenues	108,490	108,490	102,230	(6,260)
Expenditures:				
Advertising	300	300	77	223
Contract services	16,870	16,870	3,302	13,568
Administration	1,730	1,730	1,646	84
Total expenditures	18,900	18,900	5,025	13,875
Net change in fund balance	\$ 89,590	\$ 89,590	97,205	\$ 7,615
Fund balance, June 30, 2018			344,825	
Fund balance, June 30, 2019			\$ 442,030	

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, 2019

ITEM NUMBER: C-1
 DATE: 01/14/20
 ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and assessments	\$ 69,530	\$ 69,530	\$ 63,731	\$ (5,799)
Interest income	1,430	1,430	6,309	4,879
Total revenues	70,960	70,960	70,040	(920)
Expenditures:				
Advertising	130	470	464	6
Utilities	4,610	5,000	4,997	3
Operating supplies	1,040	-	-	-
Contract services	56,190	56,040	55,903	137
Administration	1,320	1,780	1,772	8
Special projects and studies:				
Planting and landscape projects	7,500	9,900	4,133	5,767
Total expenditures	70,790	73,190	67,269	5,921
Excess of revenues over (under) expenditures	170	(2,230)	2,771	5,001
Other Financing Sources (Uses):				
Transfer from the General Fund for open space maintenance	-	-	1,290	1,290
Total other financing sources (uses)	-	-	1,290	1,290
Net change in fund balance	\$ 170	\$ (2,230)	4,061	\$ 6,291
Fund balance, June 30, 2018			171,161	
Fund balance, June 30, 2019			\$ 175,222	

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, 2019

ITEM NUMBER: C-1
 DATE: 01/14/20
 ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and assessments	\$ 40,090	\$ 40,090	\$ 30,561	\$ (9,529)
Interest income	3,980	3,980	15,832	11,852
Total revenues	44,070	44,070	46,393	2,323
Expenditures:				
Advertising	300	280	77	203
Contract services	19,700	19,700	3,115	16,585
Administration	1,600	1,620	1,617	3
Special projects and studies:				
Slurry Seal	-	103,000	34,361	68,639
Total expenditures	21,600	124,600	39,170	85,430
Net change in fund balance	\$ 22,470	\$ (80,530)	7,223	\$ 87,753
Fund balance, June 30, 2018			420,946	
Fund balance, June 30, 2019			\$ 428,169	

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
Revenues:				
Taxes and assessments	\$ 17,460	\$ 17,460	\$ 17,463	\$ 3
Interest income	1,060	1,060	4,350	3,290
Total revenues	18,520	18,520	21,813	3,293
Expenditures:				
Advertising	150	470	464	6
Utilities	500	1,360	1,358	2
Operating supplies	840	520	-	520
Contract services	18,790	17,930	17,415	515
Administration	2,100	2,100	1,439	661
Special projects and studies:				
Landscape Improvements	5,000	12,730	-	12,730
Total expenditures	27,380	35,110	20,676	14,434
Excess of revenues over (under) expenditures	(8,860)	(16,590)	1,137	17,727
Other Financing Sources (Uses):				
Transfer from the General Fund for open space maintenance	1,400	1,400	1,400	-
Total other financing sources (uses)	1,400	1,400	1,400	-
Net change in fund balance	\$ (7,460)	\$ (15,190)	2,537	\$ 17,727
Fund balance, June 30, 2018			117,945	
Fund balance, June 30, 2019			\$ 120,482	

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, 2019

ITEM NUMBER: C-1
 DATE: 01/14/20
 ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
HCD Housing Related Parks Grant - Lake Park Playground Equipment and BBQ Area #3	\$ -	\$ 88,550	\$ 88,542	\$ (8)
Interest income	-	-	8,717	8,717
Total revenues	-	88,550	97,259	8,709
Expenditures:				
Capital outlay:				
Lake Park Playground Equipment	-	26,090	26,083	7
Lake Park BBQ Area #3	-	62,460	62,887	(427)
Total expenditures	-	88,550	88,970	(420)
Net change in fund balance	\$ -	\$ -	8,289	\$ 8,289
Fund balance, June 30, 2018			341,315	
Fund balance, June 30, 2019			\$ 349,604	

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, 2019

ITEM NUMBER: C-1
 DATE: 01/14/20
 ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Interest income	\$ -	\$ -	\$ 10,713	\$ 10,713
Total revenues	-	-	10,713	10,713
Expenditures:				
Capital outlay:				
Purchase East Mall Tax Default Properties	-	410	403	7
Centennial Bridge and Plaza Project	-	270,240	-	270,240
Maiden Statue Placement	-	50,000	-	50,000
Total expenditures	-	320,650	403	320,247
Net change in fund balance	\$ -	\$ (320,650)	10,310	\$ 330,960
Fund balance, June 30, 2018			290,646	
Fund balance, June 30, 2019			\$ 300,956	

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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Donations	\$ -	\$ 3,970	\$ 3,964	\$ (6)
Interest income	-	-	224	224
Total revenues	-	3,970	4,188	218
Expenditures:				
Capital outlay:				
Drinking Fountains	-	3,970	3,964	6
Total expenditures	-	3,970	3,964	6
Net change in fund balance	\$ -	\$ -	224	\$ 224
Fund balance, June 30, 2018			2,605	
Fund balance, June 30, 2019			\$ 2,829	

CITY OF ATASCADERO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
June 30, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
ASSETS				
Current Assets:				
Cash and investments	\$ 1,518,590	\$ 3,103,839	\$ 3,813,144	\$ 8,435,573
Receivables:				
Other receivables	121	-	-	121
Accrued interest	3,847	6,634	9,824	20,305
Prepaid expenses	28,525	-	-	28,525
Total current assets	<u>1,551,083</u>	<u>3,110,473</u>	<u>3,822,968</u>	<u>8,484,524</u>
Capital Assets:				
Non-depreciable:				
Construction in progress	544	-	219,191	219,735
Depreciable:				
Vehicles	-	5,123,987	-	5,123,987
Equipment	3,202,316	3,682,945	21,024	6,906,285
Structures and improvements	-	-	50,417,397	50,417,397
Accumulated depreciation	<u>(2,433,739)</u>	<u>(5,421,415)</u>	<u>(8,655,697)</u>	<u>(16,510,851)</u>
Net capital assets	<u>769,121</u>	<u>3,385,517</u>	<u>42,001,915</u>	<u>46,156,553</u>
Total assets	<u>2,320,204</u>	<u>6,495,990</u>	<u>45,824,883</u>	<u>54,641,077</u>
DEFERRED OUTFLOWS				
Deferred outflows related to pensions	<u>84,631</u>	<u>-</u>	<u>81,667</u>	<u>166,298</u>
Total deferred outflows	<u>84,631</u>	<u>-</u>	<u>81,667</u>	<u>166,298</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	34,361	-	17,394	51,755
Accrued salaries and benefits	8,441	-	7,165	15,606
Unearned revenue	-	-	600	600
Noncurrent Liabilities:				
Noncurrent liabilities	<u>485,239</u>	<u>-</u>	<u>461,058</u>	<u>946,297</u>
Total liabilities	<u>528,041</u>	<u>-</u>	<u>486,217</u>	<u>1,014,258</u>

CITY OF ATASCADERO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION (continued)
June 30, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
DEFERRED INFLOWS				
Deferred inflows related to pensions	\$ 26,966	\$ -	\$ 24,861	\$ 51,827
Total deferred inflows	<u>26,966</u>	<u>-</u>	<u>24,861</u>	<u>51,827</u>
NET POSITION				
Net investment in capital assets	769,121	3,385,517	42,001,915	46,156,553
Unrestricted	<u>1,080,707</u>	<u>3,110,473</u>	<u>3,393,557</u>	<u>7,584,737</u>
Total net position	<u>\$ 1,849,828</u>	<u>\$ 6,495,990</u>	<u>\$ 45,395,472</u>	<u>\$ 53,741,290</u>

CITY OF ATASCADERO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
Operating Revenues:				
Charges for services	\$ 864,220	\$ 213,610	\$ 526,850	\$ 1,604,680
Contribution from General Fund	-	500,000	-	500,000
Total operating revenues	<u>864,220</u>	<u>713,610</u>	<u>526,850</u>	<u>2,104,680</u>
Operating Expenses:				
Salaries and benefits	464,057	-	285,203	749,260
Office expense	775	-	-	775
Computer maintenance, software and replacement	-	-	3,030	3,030
Insurance	-	-	53,514	53,514
Occupancy and rental costs	34,330	-	-	34,330
Utilities	-	-	81,005	81,005
Communications	60,225	-	2,500	62,725
Operating supplies and services	18,724	-	21,730	40,454
Vehicle and equipment operating costs	1,681	-	10,860	12,541
Contract services	130,954	-	36,175	167,129
Professional development	3,766	-	-	3,766
Administrative charges	27,490	-	47,560	75,050
Special projects:				
Small projectors	754	-	-	754
Public safety power shutoff preparation	5,483	-	-	5,483
Welder	-	-	2,135	2,135
Repair HVAC units	-	-	10,296	10,296
Depreciation	<u>147,466</u>	<u>584,044</u>	<u>1,108,742</u>	<u>1,840,252</u>
Total operating expenses	<u>895,705</u>	<u>584,044</u>	<u>1,662,750</u>	<u>3,142,499</u>
Operating income (loss)	<u>(31,485)</u>	<u>129,566</u>	<u>(1,135,900)</u>	<u>(1,037,819)</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, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
Non-Operating Revenues (Expenses):				
Interest income	\$ 53,409	\$ 89,360	\$ 135,769	\$ 278,538
Gain (loss) on sale of capital assets	-	30,115	-	30,115
Total non-operating revenues (expenses)	53,409	119,475	135,769	308,653
Change in net position prior to capital contributions	21,924	249,041	(1,000,131)	(729,166)
Capital Contributions:				
Cash contributions from other funds	-	40,567	-	40,567
Capital contributions from other funds	12,542	2,516	706,634	721,692
Total capital contributions	12,542	43,083	706,634	762,259
Change in net position	34,466	292,124	(293,497)	33,093
Total net position, June 30, 2018	1,815,362	6,203,866	45,688,969	53,708,197
Total net position, June 30, 2019	<u>\$ 1,849,828</u>	<u>\$ 6,495,990</u>	<u>\$ 45,395,472</u>	<u>\$ 53,741,290</u>

CITY OF ATASCADERO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
Cash Flows From Operating Activities:				
Internal activity - payments from other funds	\$ 864,220	\$ 713,610	\$ 526,850	\$ 2,104,680
Payments to suppliers of goods and services	(344,300)	(1,724)	(263,839)	(609,863)
Payments for employee services	(447,001)	-	(265,459)	(712,460)
Net cash provided (used) by operating activities	<u>72,919</u>	<u>711,886</u>	<u>(2,448)</u>	<u>782,357</u>
Cash Flows From Capital and Related Financing Activities:				
Acquisition of capital assets	(110,664)	(145,222)	(28,525)	(284,411)
Cash contributions received for capital purchases	-	40,567	-	40,567
Capital grant proceeds	7,500	-	-	7,500
Proceeds from sale of capital assets	-	30,755	-	30,755
Net cash provided (used) by capital and related financing activities	<u>(103,164)</u>	<u>(73,900)</u>	<u>(28,525)</u>	<u>(205,589)</u>
Cash Flows From Investing Activities:				
Interest income	<u>53,168</u>	<u>88,524</u>	<u>131,756</u>	<u>273,448</u>
Net cash provided (used) by investing activities	<u>53,168</u>	<u>88,524</u>	<u>131,756</u>	<u>273,448</u>
Net increase (decrease) in cash and cash equivalents	22,923	726,510	100,783	850,216
Cash and cash equivalents - June 30, 2018	<u>1,495,667</u>	<u>2,377,329</u>	<u>3,712,361</u>	<u>7,585,357</u>
Cash and cash equivalents - June 30, 2019	<u>\$ 1,518,590</u>	<u>\$ 3,103,839</u>	<u>\$ 3,813,144</u>	<u>\$ 8,435,573</u>

CITY OF ATASCADERO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS (continued)
For the Fiscal Year Ended June 30, 2019

ITEM NUMBER: C-1
DATE: 01/14/20
ATTACHMENT: 1

	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (31,485)	\$ 129,566	\$ (1,135,900)	\$ (1,037,819)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	147,466	584,044	1,108,742	1,840,252
Change in assets, deferred outflows, liabilities, and deferred inflows:				
Receivables, net	(121)	-	188	67
Prepaid expenses	(25,078)	-	-	(25,078)
Accounts payable	(34,973)	(1,724)	4,678	(32,019)
Accrued salaries and benefits	531	-	1,445	1,976
Unearned revenue	54	-	100	154
Deferred outflows	25,348	-	23,535	48,883
Deferred inflows	8,110	-	7,530	15,640
Net pension liability	(16,482)	-	(15,303)	(31,785)
Compensated absences	(451)	-	2,537	2,086
Net cash provided (used) by operating activities	<u>\$ 72,919</u>	<u>\$ 711,886</u>	<u>\$ (2,448)</u>	<u>\$ 782,357</u>



Moss, Levy & Hartzheim LLP

Certified Public Accountants

ITEM NUMBER: C-1
DATE: 01/14/20
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, 2019, and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated December 17, 2019.

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
December 17, 2019



Atascadero City Council

Staff Report – Public Works & Admin. Services Departments

Fiscal Year 2019 Annual Road Report

RECOMMENDATIONS:

The Citizens' Sales Tax Oversight Committee recommends Council:

1. Approve the Fiscal Year 2019 Annual Road Report.
2. Approve the 2019 Community Road Report.

DISCUSSION:

2019 Annual Road Report

On July 8, 2014, the Atascadero City Council adopted Ordinance No. 581, imposing a transactions and use tax. This Ordinance became operative when the majority of Atascadero voters approved it in November 2014. Among other items, the Ordinance outlines annual reporting requirements related to the additional half cent sales tax.

Section 15 of the Ordinance requires the preparation of an Annual Road Report by the City to the Citizens' Sales Tax Oversight Committee (CSTOC) for review. Section 15 of Ordinance No. 581 reads as follows:

Section 15. ANNUAL ROAD REPORT. An Annual Road Report shall be prepared by the City no later than the last day of the sixth month following the end of each City fiscal year. The Report shall be submitted to the Citizens' Oversight Committee for review. The Committee will submit their findings and conclusions to the City Council. The Report will also be made available to the public. The Annual Road Report shall detail the prior fiscal year's activities related to the retail transaction and use tax. The Report shall include revenues generated by the Transaction and Use Tax, expenditures (in summary form), funds carried over from previous fiscal years, and any remaining funds to be carried over for expenditure in subsequent fiscal years.

In accordance with the Ordinance, the attached 2019 Annual Road Report was reviewed and approved by CSTOC at their December 12, 2019 meeting. CSTOC recommends that the City Council approve the 2019 Annual Road Report.

2019 Community Road Report

City staff created a Community Road Report (CRR) brochure that summarizes the F-14 Sales Tax Measure and background on how the City is proceeding with implementing the Measure. This brochure/handout is designed to complement the Annual Road Report. A summary of roadway work that occurred for the reporting period, as well as programmed work for the following year, is included in the CRR. Financials from the Annual Road Report are also summarized in the CRR.

The CRR is recommended to be distributed via US mail to all properties in the City. The brochure will also be made available at City Hall and on the City's website.

CSTOC reviewed and endorsed the attached 2019 Community Road Report at their December meeting.

FISCAL IMPACT:

Distribution of the 2019 Community Road Report is estimated to cost \$4,000-\$5,000 in budgeted General Funds.

ATTACHMENTS:

1. Fiscal Year 2019 Annual Road Report
2. 2019 Community Road Report

City of Atascadero

Citizens' Sales Tax Oversight Committee



Annual Road Report

Fiscal Year 2019



City of Atascadero

ELECTED OFFICIALS

Heather Moreno, Mayor

Charles Bourbeau, Mayor Pro Tempore

Roberta Fonzi, Council Member

Susan Funk, Council Member

Heather Newsom, Council Member

Gere W. Sibbach, City Treasurer

CITIZENS' SALES TAX OVERSIGHT COMMITTEE MEMBERS

Robert "Grigger" Jones, Atascadero Chamber of Commerce, *Chairperson*

Jason Anderson, Atascadero Kiwanis

Debbie Argano, Escuela Del Rio

Catherine Bianchi, At Large

Joanne Bruzzo, Atascadero Chapter Quota International

Ben Cornejo, At-Large

Don Giessinger, Atascadero Rotary Club

Kathy Hannemann, The Link Family Center, *Vice-Chairperson*

Richard Shannon, North San Luis Obispo County Association of Realtors

CITY OF ATASCADERO
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June 30, 2019

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*This fund is a sub-account of the General Fund and will be included with the General Fund audited financial statements.

Executive Summary

Revenues

In November 2014, Atascadero voters approved Sales Tax Measure F-14, increasing the City sales tax rate by 0.5%. The additional half-percent sales tax revenue is the subject of this Annual Report.

Retailers within the City limits of Atascadero began collecting the approved 0.5% sales tax on April 1, 2015. These retailers are required to submit sales tax revenues directly to the California Department of Tax and Fee Administration (CDTFA) on a monthly, quarterly, or annual reporting basis (as determined by the State).

After the CDTFA has processed the payments and reports from the Retailers, the CDTFA remits payment to the City. The City generally receives these payments from the CDTFA about 60 days after the end of the month in which the sales took place.

Although the flow of the cash does take extra time to get to the City's account, the sales tax revenue is counted in the period when the sales took place. For example, the City received a sales tax payment from the CDTFA in late September 2018 for the sales that took place during the month of July 2018. The City counts that as July revenue, although it was received much later.

The total Measure F-14 Sales Tax Revenue that was earned for the period July 2018 – June 2019 was \$2,351,012.

Expenditures

Expenditures for repairing and maintaining neighborhood roads and other roadways involve a process designed to provide transparency and fairness. The City has implemented a "Critical Point Management" methodology. This methodology selects road segments whose conditions are such that if repairs or maintenance is not performed in the near future, the road will deteriorate into a condition that will require more extensive and costly repairs to bring it to a similar state of good condition that less costly repairs and maintenance could realize if done sooner. The end result of Critical Point Management is prioritization of road repairs and maintenance with the objective of providing the lowest life cycle costs and optimizing the overall pavement conditions of the roadway system.

Once selected, road segments are compiled into resurfacing or rehabilitation projects, which are designed and then advertised for construction to local contractors and throughout California in accordance with public contracting laws. Sealed bid proposals are received and evaluated, and then a contract is awarded to the lowest responsive bidder. Council approves contracts, if necessary, per the City's purchasing policy. The contracts are executed and bonds and insurance provided by the Contractor. Construction begins and City staff provides project inspection and oversight. Once the project is ready to be publicly bid, construction typically begins approximately 60 to 90 days later.

A total of \$1,456,298 was spent on three projects during the 2018-2019 fiscal year. It is difficult to have all costs for individual projects to occur during a single fiscal period given the time needed to design, bid, and construct roadway projects. In addition, the fiscal year ends June 30th during the middle of peak roadway construction season, which typically splits construction costs over two fiscal

Executive Summary (continued)

Expenditures (continued)

periods. A summary of the projects that incurred costs during the reporting period are included below.

2018 Pavement Rehabilitation Project

This project incurred \$1,270,679 in expenditures during the reporting period and included the following road segments totaling 3.40 centerline miles. Capistrano Road was originally designated as the only road segment in the 2018 Resurfacing Project and was approved by Council for inclusion in the Rehabilitation Project for project efficiencies.

1. Nogales Avenue from Dolores Avenue to Dulzura Avenue
2. Rosario Avenue from El Camino Real to Alamo Avenue
3. San Benito Road from Colima Road to Traffic Way
4. Tunitas Avenue from Bajada Avenue to Traffic Way
5. Capistrano Avenue from West Mall to Sycamore Road

Expenditures during this reporting period were almost entirely related to the construction phase of the project. Project design and bidding phase costs were largely performed during the previous reporting period (totaling \$200,032) and completed in July 2018. Six bid proposals were received on July 19, 2018 ranging from \$1,252,633 to \$1,652,764 with the low bid submitted by Souza Construction, Inc. of San Luis Obispo. Pavement rehabilitation work included full depth pavement replacement in various locations, mill and overlays, and minor drainage improvements. Construction was complete in March 2019 and final construction costs totaled \$1,214,173. The total project cost of \$1,470,711 was less than the budget amount of \$2,200,500, primarily due to value engineering and a favorable bidding environment, resulting in a project surplus of \$729,789 remaining in Measure F-14 fund balance.

The weighted average Pavement Condition Index (PCI) for this project increased from 45 (2014) to an estimated 97 upon project completion.

2019 Pavement Rehabilitation Project

This project incurred \$181,064 in expenditures during the reporting period and includes the following road segments totaling 3.28 centerline miles:

1. Balboa Road from San Fernando Road to Graves Creek Road
2. Garcia Road from Santa Cruz Road to San Gregorio Road
3. San Gregorio Road from Garcia Road to Del Rio Road
4. Del Rio Road from San Gregorio Road to Monterey Road
5. Monterey Road from Del Rio Road to Campo Road
6. Navarette Avenue from Santa Lucia Road to San Marcos Road

Expenditures during this reporting period are related to the design and bidding phases for the project. Design work started in April 2018 and totaled \$25,301 in expenditures during the last reporting period. Wallace Group of San Luis Obispo performed final design and prepared construction plans for the

Executive Summary

(continued)

2019 Pavement Rehabilitation Project (continued)

project, and Earth Systems Pacific of San Luis Obispo performed geotechnical testing and evaluations. Pavement rehabilitation work includes full depth reclamation, cement treating of subgrade soils, pavement reconstruction, mill and overlay, drainage improvements, and replacing dilapidated culverts crossing below the project roadways.

Six bid proposals were received after this reporting period on July 26, 2019 ranging from \$2,072,826 to \$2,299,946 with the low bid submitted by Souza Construction, Inc. of San Luis Obispo. The City Council awarded the construction contract to Souza Construction, Inc. on August 13, 2019 and allocated an additional \$274,700 in Measure F-14 fund balance to the project budget of \$2,525,300 for a revised project budget of \$2,800,000. This increase was approved for project construction contingencies budgeted at \$292,174. Final project costs will be included in the next reporting period. Construction is expected to be completed in December 2019.

2020 Pavement Rehabilitation Project

This project incurred \$4,555 in expenditures during the reporting period and includes the following road segments totaling 4.24 centerline miles:

1. Gabarda Road from Curbaril Avenue to End
2. Junipero Avenue from El Camino Real to End
3. Palomar Avenue from El Camino Real to End
4. Pueblo Avenue from El Camino Real to Sombrilla Avenue
5. Robles Avenue from Santa Ysabel Avenue to Sombrilla Avenue
6. Sinaloa Avenue from Pueblo Avenue to Curbaril Avenue
7. Sombrilla Avenue from Curbaril Avenue to End
8. Sonora Avenue from Valle Avenue to Pinal Avenue
9. Valle Avenue from Curbaril Avenue to End

Expenditures during this reporting period are related to partial work for geotechnical testing and evaluation performed by Earth Systems Pacific of San Luis Obispo. Rick Engineering is performing final design and preparing construction plans for the project. The total project budget is \$2,650,000. Construction is anticipated to begin in late spring or early summer of 2020.

Fund Balance

The amount of \$3,991,958 remained in the Measure F-14 Sales Tax Projects Fund at the end of the fiscal year and will carry forward to the 2019-2020 fiscal year. Fund balance reserves from completed projects and higher than expected revenues are programmed to future roadway projects on the 5-Year Capital Improvement Program (CIP). The CIP is updated in conjunction with the budget process every two years. Estimated costs for CIP projects are updated and additional roadway segments are selected with any remaining fund balance. All Measure F-14 revenue is constrained to be spent on roadway project costs.

CITY OF ATASCADERO

MEASURE F-14 SALES TAX PROJECTS FUND* FINANCIAL STATEMENTS

June 30, 2019

*This fund is a sub-account of the General Fund and will be included with the General Fund audited financial statements.

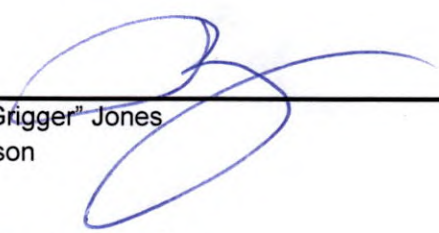
CITY OF ATASCADERO

MEASURE F-14 SALES TAX PROJECTS FUND*

June 30, 2019

Certification of Citizens' Sales Tax Oversight Committee Chairperson:

I hereby certify that the attached statements and report have been reviewed by the City of Atascadero Citizens' Sales Tax Oversight Committee and are true and accurate:



Robert "Grigger" Jones
Chairperson

12/12/19

Date

*This fund is a sub-account of the General Fund and will be included with the General Fund audited financial statements.

CITY OF ATASCADERO
MEASURE F-14 SALES TAX PROJECTS FUND*
BALANCE SHEET
June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and investments	\$ 3,712,786	\$ 2,718,476
Receivables:		
Due from State of California	367,499	425,999
Interest receivable	<u>9,084</u>	<u>6,124</u>
Total assets	<u>4,089,369</u>	<u>3,150,599</u>
LIABILITIES		
Accounts payable	<u>97,411</u>	<u>165,277</u>
Total liabilities	<u>97,411</u>	<u>165,277</u>
FUND BALANCE		
Restricted	<u>3,991,958</u>	<u>2,985,322</u>
Total fund balance	<u><u>\$ 3,991,958</u></u>	<u><u>\$ 2,985,322</u></u>

*This fund is a sub-account of the General Fund and will be included with the General Fund audited financial statements.

CITY OF ATASCADERO

MEASURE F-14 SALES TAX PROJECTS FUND*

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE

For the Fiscal Years Ended June 30, 2019 and 2018

	2019	2018
Revenues:		
Sales tax	\$ 2,351,012	\$ 2,307,369
Use of money and property	111,922	554
Total revenues	2,462,934	2,307,923
Expenditures:		
Capital Outlay:		
2016 Pavement Rehabilitation	-	37,356
2017 Pavement Resurfacing	-	13,079
2017 Pavement Rehabilitation	-	1,408,576
2018 Pavement Rehabilitation	1,270,679	200,032
2019 Pavement Rehabilitation	181,064	25,301
2020 Pavement Rehabilitation	4,555	-
Total expenditures	1,456,298	1,684,344
Net change in fund balance	1,006,636	623,579
Fund balance - beginning of fiscal year	2,985,322	2,361,743
Fund balance - end of fiscal year	\$ 3,991,958	\$ 2,985,322

*This fund is a sub-account of the General Fund and will be included with the General Fund in the City's audited financial statements.

CITY OF ATASCADERO

MEASURE F-14 SALES TAX PROJECTS FUND*

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE

Fiscal Years Ended June 30, 2015 through June 30, 2019

	2015	2016	2017	2018	2019	Total as of June 30, 2019
Revenues:						
Sales tax	\$ 472,278	\$ 2,095,116	\$ 2,119,420	\$ 2,307,369	\$ 2,351,012	\$ 9,345,195
Use of money and property	257	30,786	6,570	554	111,922	150,089
Total revenues	472,535	2,125,902	2,125,990	2,307,923	2,462,934	9,495,284

Expenditures:

Alamo Avenue (Rosario Ave to Barrenda Ave)	3,288	36,893	-	-	-	40,181
Honda Avenue (Traffic Way to Barrenda Ave)	3,287	37,809	-	-	-	41,096
2016 Pavement Resurfacing						
Arena Road (San Benito Rd to San Anselmo Rd)	-	4,163	84,297	-	-	88,460
Arena Road (San Anselmo Rd to Yerba Ave)	-	1,488	30,115	-	-	31,603
Castano Avenue (Curbaril Ave to Palomar Ave)	-	2,102	42,548	-	-	44,650
San Vicente Avenue (San Jacinto Ave to North end)	-	1,303	26,380	-	-	27,683
Yerba Avenue (Estrada Ave to Dolores Ave)	-	1,657	33,534	-	-	35,191
2016 Pavement Rehabilitation						
Cascabel Rd (North end to Santa Lucia Rd)	-	38,504	455,955	10,850	-	505,309
Los Gatos Rd (Santa Lucia Rd to San Marcos Rd)	-	33,444	396,042	9,425	-	438,911
San Andres Ave (Santa Lucia Rd to San Marcos Rd)	-	21,541	255,087	6,072	-	282,700
San Clemente Ave (Portola Rd to San Marcos East)	-	21,938	259,784	6,183	-	287,905
Valle Ave (Curbaril Ave to Palomar Ave)	-	17,120	202,731	4,826	-	224,677
2017 Pavement Resurfacing						
Colorado Ave (San Rafael Rd to San Diego Wy)	-	-	41,643	2,364	-	44,007
Estrada Ave (San Anselmo Rd to San Jacinto Ave)	-	-	29,361	1,667	-	31,028
La Linia Ave (West end to El Dorado Rd)	-	-	39,430	2,239	-	41,669
Navajoa Ave (Santa Ynez Ave to Curbaril Ave)	-	-	95,736	5,438	-	101,174
Serra Ave (Atascadero Ave to San Andres Ave)	-	-	13,100	743	-	13,843
Sycamore Rd (Hidalgo Ave to Miramon Ave)	-	-	11,067	628	-	11,695

CITY OF ATASCADERO

MEASURE F-14 SALES TAX PROJECTS FUND*

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE (continued)

Fiscal Years Ended June 30, 2015 through June 30, 2019

Expenditures (continued):

	2015	2016	2017	2018	2019	Total as of June 30, 2019
2017 Pavement Rehabilitation						
Alcantara Ave (Marchant Ave N to Marchant Ave S)	\$ -	\$ -	\$ 11,061	\$ 128,405	\$ -	\$ 139,466
Carmelita Road (Curbaril Ave to Portola Rd)	-	-	17,967	208,576	-	226,543
Carmelita Road (Portola Road to San Gabriel Rd)	-	-	31,087	360,884	-	391,971
Cortez Ave (Maleza Ave to Curbaril Ave)	-	-	7,777	90,281	-	98,058
Monterey Road (Campo Rd to San Anselmo Rd)	-	-	53,445	620,430	-	673,875
2018 Pavement Rehabilitation						
Capistrano (Sycamore to West Mall) <i>Resurface</i>	-	-	-	43,946	148,131	192,077
Nogales Ave (Dolores Ave to San Jacinto Ave)	-	-	-	34,972	222,187	257,159
Nogales Ave (San Jacinto Ave to Dulzura Ave)	-	-	-	5,760	36,510	42,270
Rosario Ave (Traffic Way to Alamo)	-	-	-	3,446	49,701	53,147
Rosario Ave (Alamo Ave to Gancho Ave)	-	-	-	15,107	217,791	232,898
Rosario Ave (Gancho Ave to Bajada Ave)	-	-	-	7,995	143,437	151,432
Rosario Ave (Bajada Ave to Fresno Ave)	-	-	-	13,179	32,301	45,480
Rosario Ave (Fresno Ave to Olmeda Ave)	-	-	-	8,713	27,518	36,231
Rosario Ave (Olmeda Ave to El Camino Real)	-	-	-	11,837	70,113	81,950
San Benito Road (Colima Road to Traffic Way)	-	-	-	36,686	131,056	167,742
Tunitas Ave (Bajada Ave to Traffic Way)	-	-	-	18,391	191,934	210,325
2019 Pavement Rehabilitation						
Balboa Road (San Fernando Rd to Graves Creek Rd)	-	-	-	10,554	69,940	80,494
Garcia Road (Santa Cruz Rd to San Gregorio Rd)	-	-	-	4,497	29,800	34,297
Monterey Road (Del Rio Rd to Campo Rd)	-	-	-	5,446	36,110	41,556
Navarette Ave (Santa Lucia Rd to San Marcos Rd)	-	-	-	4,804	31,832	36,636
Del Rio Road (Monterey Rd to San Gregorio Rd)	-	-	-	-	7,577	7,577
San Gregorio Road (Del Rio Rd to Garcia Rd)	-	-	-	-	5,805	5,805

CITY OF ATASCADERO

MEASURE F-14 SALES TAX PROJECTS FUND*

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE (continued)

Fiscal Years Ended June 30, 2015 through June 30, 2019

Expenditures (continued):

2020 Pavement Rehabilitation

	2015	2016	2017	2018	2019	Total as of June 30, 2019
Gabarda Road (Curbaril Ave to Tampico)	\$ -	\$ -	\$ -	\$ -	\$ 284	\$ 284
Gabarda Road (Tampico to End)	-	-	-	-	190	190
Junipero Avenue (El Camino Real to End)	-	-	-	-	739	739
Palomar Avenue (El Camino Real to Castano Ave)	-	-	-	-	826	826
Pueblo Avenue (El Camino Real to Sombrilla Ave)	-	-	-	-	306	306
Robles Avenue (Santa Ysabel Ave to Sombrilla Ave)	-	-	-	-	91	91
Sinaloa Avenue (Pueblo Ave to Curbaril Ave)	-	-	-	-	258	258
Sombrilla Avenue (Robles Ave to End)	-	-	-	-	286	286
Sombrilla Avenue (Robles Ave to Curbaril)	-	-	-	-	402	402
Sonora Avenue (Valle Ave to Pinal Ave)	-	-	-	-	213	213
Valle Avenue (North End to Escarpa Ave)	-	-	-	-	278	278
Valle Avenue (Escarpa Ave to Curbaril Ave)	-	-	-	-	682	682
Total expenditures	6,575	217,962	2,138,147	1,684,344	1,456,298	5,503,326
Net change in fund balance	\$ 465,960	\$ 1,907,940	\$ (12,157)	\$ 623,579	\$ 1,006,636	\$ 3,991,958
Fund Balance- beginning of year	-	465,960	2,373,900	2,361,743	2,985,322	-
Fund Balance- end of year	\$ 465,960	\$ 2,373,900	\$ 2,361,743	\$ 2,985,322	\$ 3,991,958	\$ 3,991,958

*This fund is a sub-account of the General Fund and will be included with the General Fund in the City's audited financial statements.

Measure F-14 Sales Tax Revenue Summary

Sales Month	Check Date	Check Amount
July 2018	9/24/2018	\$ 170,192
August 2018	10/24/2018	257,240
September 2018	11/28/2018	177,847
September 2018	11/28/2018	(39,602)
October 2018	12/24/2018	245,319
November 2018	1/24/2019	209,405
December 2018	2/25/2019	161,083
January 2019	3/29/2019	234,676
February 2019	4/24/2019	177,819
March 2019	5/31/2019	150,937
April 2019	6/24/2019	238,599
May 2019	7/24/2019	225,017
June 2019	8/26/2019	142,482
Total Revenue		\$ 2,351,012

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DATE: 01/14/20
ATTACHMENT: 1



THE BACK OF THIS DOCUMENT CONTAINS AN ARTIFICIAL WATERMARK - VIEW AT AN ANGLE

STATE OF CALIFORNIA

WARRANT NUMBER

69-742230

THE TREASURER OF THE STATE WILL PAY OUT OF THE
IDENTIFICATION NO.

419

7600

FUND NO.

0094

FUND NAME

RETAIL SALES TAX

MO. DAY YR.

09 24 2018

90-1342/1211

69742230

TO: 742230

--- CITY OF ATASCADERO T & U TAX
--- ADMINISTRATIVE SERVICES DIR.
--- 6500 PALMA AVENUE
ATASCADERO CA 93422

DOLLARS	CENTS
\$**170191.89	


BETTY T. YEE



CALIFORNIA STATE CONTROLLER

FORM CD-561(1/99) CONTROLLERS WARRANT

1211134230 697422303

DETACH ON DOTTED LINE
KEEP THIS PORTION FOR YOUR RECORDS

69-742230

ISSUE DATE: 09/24/2018

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION STATEMENT OF ADD-ON TAX DISTRIBUTION

419 DATE: 9/19/2018 FOR THE PERIODS SHOWN BELOW
PAYEE: CITY OF ATASCADERO T & U TAX
ADMINISTRATIVE SERVICES DIR.

CURRENT ADVANCE	JUL 2018	170,191.89
PRIOR CREDITS		0.00
TOTAL PAYMENT		170,191.89

IF YOU HAVE ANY QUESTION PLEASE CONTACT CDTFA
LOCAL REVENUE BRANCH AT (916) 324-3000

ITEM NUMBER: C-2
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ATTACHMENT: 1



THE BACK OF THIS DOCUMENT CONTAINS AN ARTIFICIAL WATERMARK - VIEW AT AN ANGLE

STATE OF CALIFORNIA WARRANT NUMBER **69-977801**

H THE TREASURER OF THE STATE WILL PAY OUT OF THE
IDENTIFICATION NO.

419

7600

FUND NO. FUND NAME
0094 RETAIL SALES TAX

MO. DAY YR.
10 24 2018

90-1342/1211

69977801

TO: 977801

--- CITY OF ATASCADERO T & U TAX
--- ADMINISTRATIVE SERVICES DIR.
6500 PALMA AVENUE
ATASCADERO CA 93422

DOLLARS	CENTS
\$**257239	73

Betty T. Yee
BETTY T. YEE

CALIFORNIA STATE CONTROLLER

FORM CD-45(1/98) CONTROLLERS WARRANT

⑆121113423⑆ 699778017⑆

DETACH ON DOTTED LINE
KEEP THIS PORTION FOR YOUR RECORDS

69-977801

ISSUE DATE: 10/24/2018

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

STATEMENT OF ADD-ON TAX DISTRIBUTION

419 DATE: 10/16/2018 FOR THE PERIODS SHOWN BELOW

PAYEE: CITY OF ATASCADERO T & U TAX
ADMINISTRATIVE SERVICES DIR.

CURRENT ADVANCE	AUG 2018	257,239.73
PRIOR CREDITS		0.00
TOTAL PAYMENT		257,239.73

IF YOU HAVE ANY QUESTION PLEASE CONTACT CDTFA
LOCAL REVENUE BRANCH AT (916) 324-3000

ITEM NUMBER: C-2
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STATE OF CALIFORNIA 60-191195

H THE TREASURER OF THE STATE WILL PAY OUT OF THE
IDENTIFICATION NO.

419

7600

FUND NO. FUND NAME
0094 RETAIL SALES TAX

MO. DAY YR.
11 28 2018

90-1342/1211

60191195

TO: 191195

--- CITY OF ATASCADERO T & U TAX
ADMINISTRATIVE SERVICES DIR.
--- 6500 PALMA AVENUE
ATASCADERO CA 93422

DOLLARS	CENTS
\$**177846	.68


BETTY T. YEE

CALIFORNIA STATE CONTROLLER

FORM CD-85(1/99) CONTROLLERS WARRANT

1211134231 601911954

DETACH ON DOTTED LINE
KEEP THIS PORTION FOR YOUR RECORDS

60-191195

ISSUE DATE: 11/28/2018

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
STATEMENT OF ADD-ON TAX DISTRIBUTION

419 DATE: 11/19/2018 FOR THE PERIODS SHOWN BELOW

PAYEE: CITY OF ATASCADERO T & U TAX
ADMINISTRATIVE SERVICES DIR.

TOTAL DUE	3RD QTR 18	714,078.30
PRIOR CREDITS		0.00
PRIOR ADVANCES	3RD QTR 18	529,931.62-
COST OF ADMIN		6,300.00-

BALANCE	3RD QTR 18	177,846.68
CURRENT ADVANCE	SEP 2018	0.00
TOTAL PAYMENT		177,846.68

IF YOU HAVE ANY QUESTION PLEASE CONTACT CDTFA
LOCAL REVENUE BRANCH AT (916) 324-3000

JrnEdPst
10/7/2019 5:57PM

General Journal Posting List
CITY OF ATASCADERO

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Correct RCP120318 - Add On Sales Tax

Document #: 1141704 Date: 12/3/2018 Reference: JE19 12-45 Posting #: 39436 Group: cchavez

Description: CORRECT RCP 120318

Doc Source: je

Summarize: Y

Reverse: N

Reversing date:

Account Number	Account Title	Description	Amount	Posted Into
R 101.41210.1010	Sales Tax	Rev ST CA Add-On TaxBal1st Q19	39,602.00 DB	06/2019
B 101.12130	Accounts Receivable- State	Cor ST CA Add-On TaxBal1st Q19	39,602.00 CR	06/2019
S* B 101.38400	Revenue Control	Automatic Summary	39,602.00 DB	06/2019
S* B 101.38300	Balance Sheet Control	Automatic Summary	39,602.00 CR	06/2019
S* B 101.38300	Balance Sheet Control	Automatic Summary	39,602.00 DB	06/2019
Balance Sheet Totals:		79,204.00 DB 79,204.00 CR	Difference:	0.00

S* = Automatic Summary

Page: 1

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General Journal Posting List
CITY OF ATASCADERO

Summary Documents

Document #: 1141705 Date: 12/3/2018 Reference: 101 Posting #: 39436

Description: FUND 101 SUMMARY

Doc Source: je

<u>Account Number</u>	<u>Account Title</u>	<u>Description</u>	<u>Amount</u>	<u>Posted Into</u>
B 101.38400	Revenue Control	Automatic Summary	39,602.00 DB	06/2019
B 101.38300	Balance Sheet Control	Automatic Summary	39,602.00 CR	06/2019
B 101.38300	Balance Sheet Control	Automatic Summary	39,602.00 DB	06/2019
Balance Sheet Totals:		79,204.00 DB 39,602.00 CR Difference:	39,602.00 DB	

General Journal Posting List
CITY OF ATASCADERO

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		<i>Balance Sheet Fund Totals</i>		
<u>Fund</u>		<u>Debits</u>	<u>Credits</u>	<u>Difference</u>
101	General Fund Measure F-14 Sales Tax	79,204.00	79,204.00	0.00
Grand Totals:		79,204.00	79,204.00	0.00

General Journal Posting List
CITY OF ATASCADERO

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		<i>Document Totals</i>		
<u>Fund</u>		<u>Debits</u>	<u>Credits</u>	<u>Difference</u>
101	General Fund Measure F-14 Sales Tax	39,602.00	39,602.00	0.00
Grand Totals:		39,602.00	39,602.00	0.00

JrnEdPst
10/7/2019 5:57PM

General Journal Posting List
CITY OF ATASCADERO

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Errors / Warnings

Documents with errors : 0
Documents with warnings : 0

Correct RCP 120318 for the reversal of the 2017-2018 accrual of Add On Sales Tax.

The CDTFA estimated the June 2018 advance with unprocessed returns due to confusion in their new computer system. The City requested that HdL, the City's sales tax consultant, provide the City with an estimate as well. This entry reverses the accrual of the difference between the State of California's estimate and the HdL estimate. Moss, Levy & Hartzheim, the City's independent auditors, were in agreement that this amount should be accrued.

HdL estimate \$142,102

State of CA estimate \$102,500 (accrued JE18 06-31)

Difference \$39,602

Account No: R 101.41210.1010

Title: Sales Tax

Fiscal Year: 2019

				Transaction Detail				
Period	Jrnl	Doc Type	Doc Date	Post Date	Group	Reference	Description	Amount D/C
3	GJ	GJ receipts	9/28/2018	11/6/2018	rcp 092818	RCP 092818	ST CAAdd-On Tax Jul 18	170,191.89 C
4	GJ	GJ receipts	10/29/2018	11/6/2018	rcp 102918	RCP 102918	ST CAAdd-On Tax Aug 18	257,239.73 C
6	GJ	GJ receipts	12/3/2018	2/12/2019	rcp 120318	RCP 120318	ST CAAdd-On Tax Bal 1st Q 19	177,846.68 C
6	GJ	GJ receipts	12/31/2018	2/6/2019	rcp 123118	RCP 123118 2	ST CAAdd-On Tax Oct 18	245,318.79 C
7	GJ	GJ receipts	1/29/2019	2/6/2019	rcp 012919	RCP 012919	ST CAAdd-On Tax Nov 18	209,405.21 C
9	GJ	GJ receipts	3/1/2019	3/12/2019	rcp 030119	RCP 030119	ST CAAdd-On Tax Bal 2nd Q 19	161,082.58 C
9	GJ	GJ receipts	3/29/2019	4/8/2019	rcp 032919	RCP 032919	ST CAAdd-On Tax Jan 19	234,675.69 C
10	GJ	GJ receipts	4/30/2019	5/10/2019	rcp 043019	RCP 043019	ST CAAdd-On Tax Feb 19	177,819.19 C
11	GJ	GJ receipts	5/31/2019	6/10/2019	rcp 053119	RCP 053119 2	ST CAAdd-On Tax 3rd Qtr 19	150,936.91 C
12	GJ	GJ receipts	6/28/2019	7/23/2019	rcp 062819	RCP 062819	ST CAAdd-On Tax Apr 19	238,599.07 C
12	GJ	GJ je	6/30/2019	9/6/2019	jwalters	JE19 06-29	Accrue May 19 F-14 Sales Tax	225,016.70 C
12	GJ	GJ je	6/30/2019	9/6/2019	jwalters	JE19 06-29	Accrue 4th Q 19 F-14 Sales Tax	142,481.99 C

Budget Adjustments:

0.00

Activity:

2,390,614.43

Correct RCP 120318

db 101.41210.1010

\$ 39,602.00

cr 101.12130

39,602.00

Reversal of sales tax accrual due to CDTFA
unprocessed returns for 2017-2018 actual sales tax.
This estimate was the difference of the HOL estimate
and the State of CA estimate. See copy of JE18 06-82
attached.

ITEM NUMBER: C-2
DATE: 01/14/20
ATTACHMENT: 1



THE BACK OF THIS DOCUMENT CONTAINS AN ARTIFICIAL WATERMARK - VIEW AT AN ANGLE

STATE OF CALIFORNIA

WARRANT NUMBER

60-380586

THE TREASURER OF THE STATE WILL PAY OUT OF THE
IDENTIFICATION NO.

419

FUND NO. FUND NAME
0094 RETAIL SALES TAX

MO. DAY YR.
12 24 2018

90-1342/1211

60380586

TO: 380586

--- CITY OF ATASCADERO T & U TAX
--- ADMINISTRATIVE SERVICES DIR.
6500 PALMA AVENUE
ATASCADERO CA 93422

DOLLARS	CENTS
\$**245318	.79


BETTY T. YEE
CALIFORNIA STATE CONTROLLER



001211134231 603805869

DETACH ON DOTTED LINE
KEEP THIS PORTION FOR YOUR RECORDS

60-380586

ISSUE DATE: 12/24/2018

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION STATEMENT OF DISTRICT TAX DISTRIBUTION

DATE: 12/17/2018 FOR THE PERIODS SHOWN BELOW

JURIS CODE: 419

PAYEE: CITY OF ATASCADERO T & U TAX
ADMINISTRATIVE SERVICES DIR.

CURRENT DISTRIBUTIONS OCT 2018	90,618.79
CURRENT ADVANCE OCT 2018	154,700.00
PRIOR CREDITS	0.00
TOTAL PAYMENT	245,318.79

TOTAL DUE BREAKDOWN BY PERIOD:

DISTRIBUTION PRIOR TO 3RD QUARTER 2018	16,289.90
DISTRIBUTION 3RD QUARTER 2018	68,978.50
DISTRIBUTION 4TH QUARTER 2018	5,413.93
DISTRIBUTION 1ST QUARTER 2019 (FUTURE)	63.54-
TOTAL CURRENT DISTRIBUTIONS (AS ABOVE)	90,618.79

IF YOU HAVE ANY QUESTION PLEASE CONTACT CDTFA
LOCAL REVENUE BRANCH AT (916) 324-3000



THE BACK OF THIS DOCUMENT CONTAINS AN ARTIFICIAL WATERMARK - VIEW AT AN ANGLE

STATE OF CALIFORNIA 60-582723

WARRANT NUMBER

H THE TREASURER OF THE STATE WILL PAY OUT OF THE
IDENTIFICATION NO.

419

7600

FUND NO. FUND NAME
0094 RETAIL SALES TAX

MO. DAY YR.
01 24 2019

90-1342/1211

60582723

TO 582723

--- CITY OF ATASCADERO T & U TAX
--- ADMINISTRATIVE SERVICES DIR.
--- 6500 PALMA AVENUE
--- ATASCADERO CA 93422

DOLLARS	CENTS
\$**209405	.21

Betty T. Yee
BETTY T. YEE



CALIFORNIA STATE CONTROLLER

FORM CD-95(1/99) CONTROLLERS WARRANT

1211134231 6058272331

DETACH ON DOTTED LINE
KEEP THIS PORTION FOR YOUR RECORDS

60-582723

ISSUE DATE: 01/24/2019

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION STATEMENT OF DISTRICT TAX DISTRIBUTION

DATE: 1/17/2019 FOR THE PERIODS SHOWN BELOW

JURIS CODE: 419

PAYEE: CITY OF ATASCADERO T & U TAX
ADMINISTRATIVE SERVICES DIR.

CURRENT DISTRIBUTIONS NOV 2018	54,705.21
CURRENT ADVANCE NOV 2018	154,700.00
PRIOR CREDITS	0.00
TOTAL PAYMENT	209,405.21

TOTAL DUE BREAKDOWN BY PERIOD:

DISTRIBUTION PRIOR TO 3RD QUARTER 2018	10,958.90
DISTRIBUTION 3RD QUARTER 2018	3,658.06
DISTRIBUTION 4TH QUARTER 2018	40,088.25
DISTRIBUTION 1ST QUARTER 2019 (FUTURE)	0.00
TOTAL CURRENT DISTRIBUTIONS (AS ABOVE)	54,705.21

IF YOU HAVE ANY QUESTION PLEASE CONTACT CDTFA
LOCAL REVENUE BRANCH BY PHONE AT (916) 324-3000 OR MAIL
CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
PO BOX 942879, MIC: 27, SACRAMENTO, CA 94279-0027

ITEM NUMBER: C-2
DATE: 01/14/20
ATTACHMENT: 1



THE BACK OF THIS DOCUMENT CONTAINS AN ARTIFICIAL WATERMARK - VIEW AT AN ANGLE

STATE OF CALIFORNIA

WARRANT NUMBER

60-823515

H THE TREASURER OF THE STATE WILL PAY OUT OF THE
IDENTIFICATION NO.

419

FUND NO.

0094

FUND NAME

RETAIL SALES TAX

MO. DAY YR.

02/25/2019

90-1342/1211

60823515

TO: 823515

--- CITY OF ATASCADERO T & U TAX
--- ADMINISTRATIVE SERVICES DIR.
--- 6500 PALMA AVENUE
--- ATASCADERO CA 93422

DOLLARS	CENTS
\$**161082	.58

Betty T. Yee
BETTY T. YEE

CALIFORNIA STATE CONTROLLER

FORM CD-45(1/99) CONTROLLER'S WARRANT

1211134231 608235156

DETACH ON DOTTED LINE
KEEP THIS PORTION FOR YOUR RECORDS

60-823515

ISSUE DATE: 02/25/2019

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
STATEMENT OF DISTRICT TAX DISTRIBUTION

DATE: 2/19/2019 FOR THE PERIODS SHOWN BELOW

JURIS CODE: 419

PAYEE: CITY OF ATASCADERO T & U TAX
ADMINISTRATIVE SERVICES DIR.

TOTAL DUE	4TH QTR 18	622,106.58
PRIOR CREDITS		0.00
PRIOR DISTRIBUTIONS	4TH QTR 18	145,324.00-
PRIOR ADVANCES	4TH QTR 18	309,400.00-
COST OF ADMIN		6,300.00-

BALANCE 4TH QTR 18 161,082.58

TOTAL PAYMENT 161,082.58

TOTAL DUE BREAKDOWN BY PERIOD:

DISTRIBUTION PRIOR TO 2ND QUARTER 2018	22,084.96
DISTRIBUTION 2ND QUARTER 2018	15,929.89
DISTRIBUTION 3RD QUARTER 2018	73,585.69
DISTRIBUTION 4TH QUARTER 2018	510,505.09
DISTRIBUTION 1ST QUARTER 2019	0.95
TOTAL DUE (AS ABOVE)	622,106.58

IF YOU HAVE ANY QUESTION PLEASE CONTACT CDTFA
LOCAL REVENUE BRANCH BY PHONE AT (916) 324-3000 OR MAIL:

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
LOCAL REVENUE BRANCH, MIC: 27
PO BOX 942879, SACRAMENTO, CA 94279-0027

ITEM NUMBER: C-2
DATE: 01/14/20
ATTACHMENT: 1



THE BACK OF THIS DOCUMENT CONTAINS AN ARTIFICIAL WATERMARK - VIEW AT AN ANGLE

STATE OF CALIFORNIA WARRANT NUMBER **61-062555**

H THE TREASURER OF THE STATE WILL PAY OUT OF THE
IDENTIFICATION NO.

419

FUND NO. FUND NAME
0094 RETAIL SALES TAX

MO. DAY YR.

03 25 2019

90-1342/1211

61062555

TO: 062555

--- CITY OF ATASCADERO T & U TAX
--- ADMINISTRATIVE SERVICES DIR.
--- 6500 PALMA AVENUE
--- ATASCADERO CA 93422

DOLLARS	CENTS
\$**234675	.69


BETTY T. YEE
CALIFORNIA STATE CONTROLLER

01211134230 610625556

DETACH ON DOTTED LINE
KEEP THIS PORTION FOR YOUR RECORDS

61-062555

ISSUE DATE: 03/25/2019

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
STATEMENT OF DISTRICT TAX DISTRIBUTION

DATE: 3/19/2019 FOR THE PERIODS SHOWN BELOW

JURIS CODE: 419

PAYEE: CITY OF ATASCADERO T & U TAX
ADMINISTRATIVE SERVICES DIR.

CURRENT DISTRIBUTIONS JAN 2019	96,875.69
CURRENT ADVANCE JAN 2019	137,800.00
PRIOR CREDITS	0.00

BALANCE JAN 2019	234,675.69
TOTAL PAYMENT	234,675.69

TOTAL DUE BREAKDOWN BY PERIOD:

DISTRIBUTION PRIOR TO 3RD QUARTER 2018	10,265.37
DISTRIBUTION 3RD QUARTER 2018	4,770.62
DISTRIBUTION 4TH QUARTER 2018	76,187.46
DISTRIBUTION 1ST QUARTER 2019	5,652.24
DISTRIBUTION 2ND QUARTER 2019	0.00
TOTAL CURRENT DISTRIBUTIONS (AS ABOVE)	96,875.69

IF YOU HAVE ANY QUESTION PLEASE CONTACT CDTFA
LOCAL REVENUE BRANCH BY PHONE AT (916) 324-3000 OR MAIL:

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
LOCAL REVENUE BRANCH, MIC: 27
PO BOX 942879, SACRAMENTO, CA 94279-0027



STATE OF CALIFORNIA

WARRANT NUMBER

61-293405

H THE TREASURER OF THE STATE WILL PAY OUT OF THE
IDENTIFICATION NO.

FUND NO. FUND NAME
0094 RETAIL SALES TAX

419

7600

MO. DAY YR.
04 24 2019

90-1342/1211

61293405

TO: 293405

--- CITY OF ATASCADERO T & U TAX
ADMINISTRATIVE SERVICES DIR.
--- 6500 PALMA AVENUE
ATASCADERO CA 93422

DOLLARS	CENTS
\$**177819	.19


BETTY T. YEE
CALIFORNIA STATE CONTROLLER

FORM CD-65(1/99) CONTROLLERS WARRANT

1211134231 612934056

DETACH ON DOTTED LINE
KEEP THIS PORTION FOR YOUR RECORDS

61-293405

ISSUE DATE: 04/24/2019

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION STATEMENT OF DISTRICT TAX DISTRIBUTION

DATE: 4/18/2019 FOR THE PERIODS SHOWN BELOW

JURIS CODE: 419

PAYEE: CITY OF ATASCADERO T & U TAX
ADMINISTRATIVE SERVICES DIR.

CURRENT DISTRIBUTIONS FEB 2019	43,619.19
CURRENT ADVANCE FEB 2019	134,200.00
PRIOR CREDITS	0.00

BALANCE FEB 2019	177,819.19
TOTAL PAYMENT	177,819.19

TOTAL DUE BREAKDOWN BY PERIOD:

DISTRIBUTION PRIOR TO 3RD QUARTER 2018	961.63
DISTRIBUTION 3RD QUARTER 2018	790.39
DISTRIBUTION 4TH QUARTER 2018	4,163.54
DISTRIBUTION 1ST QUARTER 2019	37,703.62
DISTRIBUTION 2ND QUARTER 2019	0.01
TOTAL CURRENT DISTRIBUTIONS (AS ABOVE)	43,619.19

IF YOU HAVE ANY QUESTION PLEASE CONTACT CDTFA
LOCAL REVENUE BRANCH BY PHONE AT (916) 324-3000 OR MAIL:

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
LOCAL REVENUE BRANCH, MIC: 27
PO BOX 942879, SACRAMENTO, CA 94279-0027

ITEM NUMBER: C-2
DATE: 01/14/20
ATTACHMENT: 1



THE BACK OF THIS DOCUMENT CONTAINS AN ARTIFICIAL WATERMARK - VIEW AT AN ANGLE

STATE OF CALIFORNIA WARRANT NUMBER **61-548575**

H THE TREASURER OF THE STATE WILL PAY OUT OF THE
IDENTIFICATION NO.

419

7600

FUND NO. FUND NAME
0094 RETAIL SALES TAX

MO. DAY YR.

05 24 2019

90-1342/1211

61548575

TO: 548575

--- CITY OF ATASCADERO T & U TAX
--- ADMINISTRATIVE SERVICES DIR.
--- 6500 PALMA AVENUE
ATASCADERO CA 93422

DOLLARS	CENTS
\$**150936	91

Betty T. Yee
BETTY T. YEE

CALIFORNIA STATE CONTROLLER

FORM CD-65(1/99) CONTROLLERS WARRANT

⑈121113423⑈ 615485754⑈

DETACH ON DOTTED LINE
KEEP THIS PORTION FOR YOUR RECORDS

61-548575

ISSUE DATE: 05/24/2019

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
STATEMENT OF DISTRICT TAX DISTRIBUTION

DATE: 5/20/2019 FOR THE PERIODS SHOWN BELOW

JURIS CODE: 419

PAYEE: CITY OF ATASCADERO T & U TAX
ADMINISTRATIVE SERVICES DIR.

TOTAL DUE	1ST QTR 19	568,931.79
PRIOR CREDITS		0.00
PRIOR DISTRIBUTIONS	1ST QTR 19	140,494.88-
PRIOR ADVANCES	1ST QTR 19	272,000.00-
COST OF ADMIN		5,500.00-

BALANCE 1ST QTR 19 150,936.91

TOTAL PAYMENT 150,936.91

TOTAL DUE BREAKDOWN BY PERIOD:

DISTRIBUTION PRIOR TO 3RD QUARTER 2018	16,051.48
DISTRIBUTION 3RD QUARTER 2018	11,471.75
DISTRIBUTION 4TH QUARTER 2018	86,935.76
DISTRIBUTION 1ST QUARTER 2019	454,338.34
DISTRIBUTION 2ND QUARTER 2019	134.46
TOTAL DUE (AS ABOVE)	568,931.79

IF YOU HAVE ANY QUESTION PLEASE CONTACT CDTFA
LOCAL REVENUE BRANCH BY PHONE AT (916) 324-3000 OR MAIL:

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
LOCAL REVENUE BRANCH, MIC: 27
PO BOX 942879, SACRAMENTO, CA 94279-0027

ITEM NUMBER: C-2
DATE: 01/14/20
ATTACHMENT: 1



THE BACK OF THIS DOCUMENT CONTAINS AN ARTIFICIAL WATERMARK TEST OF SECURITY

STATE OF CALIFORNIA 61-787697

WARRANT NUMBER

H THE TREASURER OF THE STATE WILL PAY OUT OF THE
IDENTIFICATION NO.

419

7600

FUND NO. FUND NAME
0094 RETAIL SALES TAX

MO. DAY YR.
06 24 2019

90-1342/1211

61787697

DOLLARS	CENTS
\$**238599	.07

TO: 787697

--- CITY OF ATASCADERO T & U TAX
--- ADMINISTRATIVE SERVICES DIR.
--- 6500 PALMA AVENUE
--- ATASCADERO CA 93422


BETTY T. YEE
CALIFORNIA STATE CONTROLLER

FORM CD-45 (09) CONTROLLERS WARRANT

1211134230 617876973

DETACH ON DOTTED LINE
KEEP THIS PORTION FOR YOUR RECORDS

61-787697

ISSUE DATE: 06/24/2019

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION STATEMENT OF DISTRICT TAX DISTRIBUTION

DATE: 6/18/2019 FOR THE PERIODS SHOWN BELOW

JURIS CODE: 419

PAYEE: CITY OF ATASCADERO T & U TAX
ADMINISTRATIVE SERVICES DIR.

CURRENT DISTRIBUTIONS APR 2019	79,899.07
CURRENT ADVANCE APR 2019	158,700.00
PRIOR CREDITS	0.00

BALANCE APR 2019	238,599.07
TOTAL PAYMENT	238,599.07

TOTAL DUE BREAKDOWN BY PERIOD:

DISTRIBUTION PRIOR TO 4TH QUARTER 2018	748.80
DISTRIBUTION 4TH QUARTER 2018	1,313.82
DISTRIBUTION 1ST QUARTER 2019	71,649.81
DISTRIBUTION 2ND QUARTER 2019	6,186.64
DISTRIBUTION 3RD QUARTER 2019	0.00
TOTAL CURRENT DISTRIBUTIONS (AS ABOVE)	79,899.07

IF YOU HAVE ANY QUESTION PLEASE CONTACT CDTFA
LOCAL REVENUE BRANCH BY PHONE AT (916) 324-3000 OR MAIL:

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
LOCAL REVENUE BRANCH, MIC: 27
PO BOX 942879, SACRAMENTO, CA 94279-0027



STATE OF CALIFORNIA

WARRANT NUMBER

62-017926

THE TREASURER OF THE STATE WILL PAY OUT OF THE
 IDENTIFICATION NO.

419

7600

FUND NO.
0094

FUND NAME

RETAIL SALES TAX

MO. DAY YR.

07 24 2019

90-1342/1211

62017926

TO: 017926

--- CITY OF ATASCADERO T & U TAX
 --- ADMINISTRATIVE SERVICES DIR.
 --- 6500 PALMA AVENUE
 ATASCADERO CA 93422

DOLLARS	CENTS
\$**225016	.70

Betty T. Yee
 BETTY T. YEE
 CALIFORNIA STATE CONTROLLER

01211134230 6201792630

DETACH ON DOTTED LINE
 KEEP THIS PORTION FOR YOUR RECORDS

62-017926

ISSUE DATE: 07/24/2019

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION STATEMENT OF DISTRICT TAX DISTRIBUTION

DATE: 7/18/2019 FOR THE PERIODS SHOWN BELOW

JURIS CODE: 419

PAYEE: CITY OF ATASCADERO T & U TAX
 ADMINISTRATIVE SERVICES DIR.

CURRENT DISTRIBUTIONS MAY 2019	66,316.70
CURRENT ADVANCE MAY 2019	158,700.00
PRIOR CREDITS	0.00

BALANCE MAY 2019	225,016.70
TOTAL PAYMENT	225,016.70

TOTAL DUE BREAKDOWN BY PERIOD:

DISTRIBUTION PRIOR TO 4TH QUARTER 2018	2,025.58
DISTRIBUTION 4TH QUARTER 2018	887.40
DISTRIBUTION 1ST QUARTER 2019	827.34
DISTRIBUTION 2ND QUARTER 2019	62,576.21
DISTRIBUTION 3RD QUARTER 2019	0.17
TOTAL CURRENT DISTRIBUTIONS (AS ABOVE)	66,316.70

IF YOU HAVE ANY QUESTION PLEASE CONTACT CDTFA
 LOCAL REVENUE BRANCH BY PHONE AT (916) 324-3000 OR MAIL:

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
 LOCAL REVENUE BRANCH, MIC: 27
 PO BOX 942879, SACRAMENTO, CA 94279-0027



STATE OF CALIFORNIA 62-276402

THE TREASURER OF THE STATE WILL PAY OUT OF THE
IDENTIFICATION NO.

419

7600

FUND NO. FUND NAME
0094 RETAIL SALES TAX

MO. DAY YR.
08 26 2019

90-1342/1211
62276402

TO: 276402
--- CITY OF ATASCADERO T & U TAX
--- ADMINISTRATIVE SERVICES DIR.
--- 6500 PALMA AVENUE
--- ATASCADERO CA 93422

DOLLARS	CENTS
\$**142481	99

BETTY T. YEE
CALIFORNIA STATE CONTROLLER

FORM CD-454 (06/15) CONTROL 1 FIRE WARRANT

1211134231 622764027

DETACH ON DOTTED LINE
KEEP THIS PORTION FOR YOUR RECORDS

62-276402

ISSUE DATE: 08/26/2019

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION STATEMENT OF DISTRICT TAX DISTRIBUTION

DATE: 8/20/2019 FOR THE PERIODS SHOWN BELOW

JURIS CODE: 419

PAYEE: CITY OF ATASCADERO T & U TAX
ADMINISTRATIVE SERVICES DIR.

TOTAL DUE	2ND QTR 19	612,487.76
PRIOR CREDITS		0.00
PRIOR DISTRIBUTIONS	2ND QTR 19	146,215.77-
PRIOR ADVANCES	2ND QTR 19	317,400.00-
COST OF ADMIN		6,390.00-

BALANCE 2ND QTR 19 142,481.99

TOTAL PAYMENT 142,481.99

TOTAL DUE BREAKDOWN BY PERIOD:

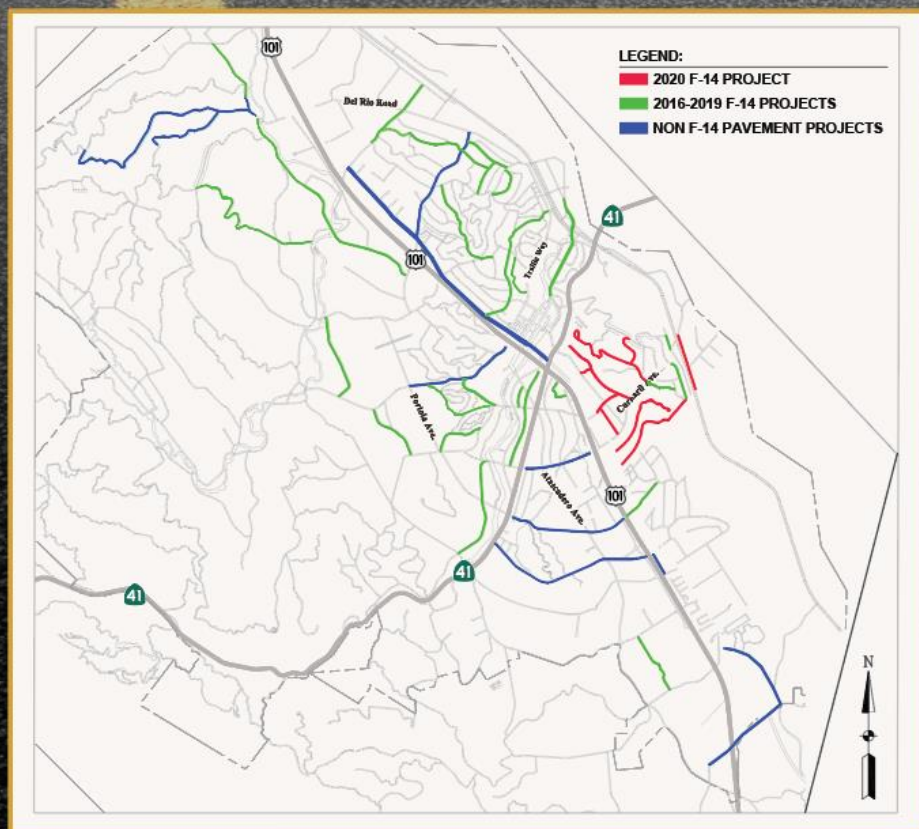
DISTRIBUTION PRIOR TO 4TH QUARTER 2018	7,129.96
DISTRIBUTION 4TH QUARTER 2018	3,218.43
DISTRIBUTION 1ST QUARTER 2019	73,643.77
DISTRIBUTION 2ND QUARTER 2019	528,492.42
DISTRIBUTION 3RD QUARTER 2019	3.18
TOTAL DUE (AS ABOVE)	612,487.76

IF YOU HAVE ANY QUESTION PLEASE CONTACT CDTFA
LOCAL REVENUE BRANCH BY PHONE AT (916) 324-3000 OR MAIL:

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
LOCAL REVENUE BRANCH, MIC: 27
PO BOX 942879, SACRAMENTO, CA 94279-0027

ITEM NUMBER:
DATE:
ATTACHMENT:

C-2
01/14/20
2



WHAT TO EXPECT IN 2020

Measure F-14 Sales Tax Revenue Funded Roadwork

2020 Rehabilitation Project	\$ 2,650,000
Gabarda Road - Curbaril Ave. to Tampico, Tampico to End	
Junipero Ave. - El Camino Real to end	
Palomar Ave. - El Camino Real to Castano Ave.	
Pueblo Ave. - El Camino Real to Sombrilla Ave.	
Robles Ave. - Santa Ysabel Ave. to Sombrilla Ave.	
Sinaloa Ave. - Pueblo Ave. to Curbaril Ave.	
Sombrilla Ave. - Robles to Curbaril & Robles to end	
Sonora Ave. - Valle Ave. to Pinal Ave.	
Valle Ave. - North end to Escarpa & Escarpa to Curbaril	

Non Measure F-14 Funded Roadwork*

El Camino Real Resurfacing - South (El Bordo Avenue to south City Limits)	\$1,250,000
San Anselmo Road Rehabilitation (Monterey Road to El Camino Real)	\$ 390,000
Traffic Way/Ardilla Ave Rehabilitation (El Camino Real to Atascadero Mall)	\$ 295,000
Las Lomas Maintenance District (Roads in the Las Lomas Maintenance District)	\$ 394,000

*The projects above are not be funded by Measure F-14 sales tax revenue. These projects will be paid for by other funding sources.

Presorted Standard
U.S. POSTAGE
PAID
Atascadero, CA
Permit No. 79

ECRWSS

POSTAL CUSTOMER

City of Atascadero
6500 Palma Avenue
Atascadero CA 93422



City of Atascadero

Measure F-14 Funds



2019 Community Road Report

Approved January 2020

Atascadero Roads

The City of Atascadero owns and maintains approximately 145 centerline miles of public roadways. This extensive system is the backbone of housing, commerce and recreation within the community and its repair and maintenance is a top priority.

In order to compare all roads within a system, each roadway is inspected and a Pavement Condition Index (PCI) number is assigned.

Atascadero's Road Conditions

Condition	PCI Range	% Of City Roads	
		2014	2019
Excellent	90-100	8%	6%
Good	70-89	9%	14%
Fair	50-69	28%	25%
Poor	25-49	39%	30%
Failed	0-25	16%	25%

The overall PCI rating of Atascadero's roadway system is 50 on a 100 point scale. With a current asset value of nearly \$300 million, developing a pavement management strategy to provide the lowest life cycle cost over time and save the City funds in the long run was vital.

In order to accomplish this, the City has implemented a "Critical Point Management" methodology. This methodology selects roadways which can have their useful life extended the longest with cost effective maintenance and less expensive repairs. The longer a road can be kept in good condition, the lower the overall cost of its treatments.

In many ways the Critical Point Management method is similar to how you would maintain your car. By focusing on relatively inexpensive routine maintenance and repairs at key times, you can avoid expensive repair bills and breakdowns in the future. When pavement conditions deteriorate, the cost to fix roadways increases substantially. Replacement of a failed street can cost 30-40 times the amount required to maintain a road in good condition!

FINANCIAL STATEMENT AND PROJECT SUMMARY

REVENUES

	Prior Years 2015-2017	FY 2018	FY 2019	Totals as of June 30, 2019	Length (miles)	PCI Before	PCI After
Sales tax	\$ 4,686,814	\$ 2,307,369	\$ 2,351,012	\$ 9,345,195			
Use of money and property	37,613	554	111,922	150,089			
Total revenues	4,724,427	2,307,923	2,462,934	9,495,284			

EXPENDITURES

Prior Years Completed Projects

2015							
Honda Ave. & Alamo Ave.	81,277	-	-	81,277	0.34	16-62	100

2016 Pavement Rehabilitation

Cascabel Rd., Los Gatos Rd., San Andres Ave. San Clemente Ave. & Valle Ave.	1,702,146	37,356	-	1,739,502	2.43	22-60	100
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2016 Pavement Resurfacing

Arena Road, Castano Ave., San Vicente Ave. & Yerba Ave.	227,587	-	-	227,587	1.76	55-78	80-95
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2017 Pavement Resurfacing

Colorado Ave., Estrada Ave., La Linia Ave. Navajo Ave., Serra Ave. & Sycamore Road	230,337	13,079	-	243,416	2.35	52-86	77-95
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2017 Pavement Rehabilitation

Alcantara Ave., Carmelita Road Cortez Ave., & Monterey Road	121,337	1,408,576	-	1,529,913	2.31	21-34	100
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2018 Pavement Rehabilitation - 3.40 miles

Capistrano (Sycamore to West Mall) Resurface	-	43,946	148,131	192,077	0.58	65	100
Nogales Ave. (Dolores Ave. to Dulzura Ave.)	-	40,732	258,697	299,429	0.78	29	100
Rosario Ave. (Traffic Way to El Camino Real)	-	60,277	540,861	601,138	1.09	32-43	100
San Benito Road (Colima Road to Traffic Way)	-	36,686	131,056	167,742	0.60	50	100
Tunitas Ave. (Bajada Ave. to Traffic Way)	-	18,391	191,934	210,325	0.36	41	100

2019 Pavement Rehabilitation*- 3.28 miles

Balboa Road (San Fernando Rd to Graves Creek Rd)	-	10,554	69,940	80,494	1.31	31	TBD
Garcia Road (Santa Cruz Rd to San Gregorio Rd)	-	4,497	29,800	34,297	0.51	56	TBD
San Gregorio Road (Del Rio Rd to Garcia Rd)	-	-	5,805	5,805	0.11	54	TBD
Del Rio Road (Monterey Rd to San Gregorio Rd)	-	-	7,577	7,577	0.14	55	TBD
Monterey Road (Del Rio Rd to Campo Rd)	-	5,446	36,110	41,556	0.59	53	TBD
Navarette Ave. (Santa Lucia Rd to San Marcos Rd)	-	4,804	31,832	36,636	0.62	27	TBD

2020 Pavement Rehabilitation** - 4.24 miles

Gabarda Road (Curbaril Ave. to Tampico, to End)	-	-	474	474	0.35	29-44	TBD
Junipero Ave. (El Camino Real to end)	-	-	739	739	0.68	36	TBD
Palomar Ave. (El Camino Real to Castano Ave.)	-	-	826	826	0.76	33	TBD
Pueblo Ave. (El Camino Real to Sombrilla Ave.)	-	-	306	306	0.23	40	TBD
Robles Ave. (Santa Ysabel Ave. to Sombrilla Ave.)	-	-	91	91	0.08	38	TBD
Sinaloa Ave. (Pueblo Ave. to Curbaril Ave.)	-	-	258	258	0.24	36	TBD
Sombrilla Ave. (Robles to Curbaril & Robles to end)	-	-	688	688	0.66	28-34	TBD
Sonora Ave. (Valle Ave. to Pinal Ave.)	-	-	213	213	0.27	14	TBD
Valle Ave. (North end to Escarpa & Escarpa to Curbaril)	-	-	960	960	0.88	36-40	TBD

Total expenditures	2,362,684	1,684,344	1,456,298	5,503,326	20.03	total miles	
Net change in fund balance	2,361,743	623,579	1,006,636	3,991,958			
Fund Balance- beginning of year	2,839,860	2,361,743	2,985,322	-			
Fund Balance- end of year	\$ 5,201,603	\$ 2,985,322	\$ 3,991,958	\$ 3,991,958			

* Construction not complete prior to end of fiscal year - remaining budgeted expenditures:.....\$ 2,593,635
 **Construction not complete prior to end of fiscal year - remaining budgeted expenditures:.....\$ 2,645,445

ITEM NUMBER:

C-2

DATE:

01/14/20

ATTACHMENT:

2

OVERALL PAVEMENT CONDITIONS ARE IMPROVING

A detailed pavement inspection for all City-maintained roadways was performed in 2019. These inspections occur every four to five years, and the previous overall PCI was 47 in 2014. At that time, it was predicted that the overall PCI in 2019 would decrease by 3 points to 44. However, the 2019 inspections determined that the overall PCI increased 3 points to a PCI of 50!

This PCI increase is significant because it demonstrates that Critical Point Management (the City's methodology for prioritizing roadway repairs) is working. In addition, cost effective project delivery and value engineering have also played an important role in improving the roadway conditions.

MEASURE F-14 BACKGROUND

In 2014, Atascadero voters approved a ballot measure (F-14) which authorized the City to increase its sales tax rate by a ½ percent for a term of 12 years, together with a measure (E-14) advising that the funds be primarily utilized for maintaining and repairing neighborhood roads. While the City will continue to maintain and improve arterial roadways, funds approved under Measure F-14 are specifically earmarked for the improvements of neighborhood roads.

The measures became effective April 1, 2015, and includes a nine member Citizen Oversight Committee tasked with reviewing revenues, expenditures, and the annual road report. Optimizing the use of the funds is a priority of the City.

For more information visit:
www.atascadero.org/measure-f14