

**City of**  
**Atwater**  
Atwater, California

*Annual Financial Report*

*For the year ended June 30, 2022*

Prepared by:  
Finance Department



**City of Atwater**  
**Annual Financial Report**  
**For the year ended June 30, 2022**  
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# City of Atwater



OFFICE OF THE CITY MANAGER  
750 BELLEVUE ROAD  
ATWATER, CA 95301  
(209) 357-6201

*March 31, 2023*

*Honorable Mayor and Members  
of the Atwater City Council*

We are pleased to submit the City of Atwater's Annual Financial Report for the fiscal year ended June 30, 2022. The financial statements are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards. It is the policy of the Council that a licensed certified public accountant conducts an annual audit at the end of each fiscal year and issue a complete set of financial statements to be submitted to them.

Management is responsible for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control that has been established for this purpose. We believe the data presented in this report is accurate in all material respects and all statements and disclosures necessary for the reader to obtain a thorough understanding of the City's financial activities have been included.

Management of the City has established an internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements.

While traditionally addressed to the governing body of the City, this report is intended to provide relevant financial information to the citizens of the City of Atwater, City staff, creditors, investors, and other concerned readers. We encourage all readers to contact the Finance Department with any questions or comments concerning this report.

The City's financial statements have been audited by Badawi & Associates, a firm of certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2022, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Based upon the audit, the independent auditors concluded that there was reasonable basis for rendering an unqualified opinion, which states that the City's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

## **Profile of the City of Atwater**

The City of Atwater was incorporated in 1922 and is located on State Route 99 in Merced County, California in a 6 square mile area approximately 6 miles west-northwest of Merced. The City has a current population of 31,978. The City of Atwater operates under a Council-Manager form of government and provides municipal services that include public safety, public works, community development and parks and recreation. In addition, the City provides water, wastewater, and solid waste services in the form of enterprise activities. This report includes all funds of the City of Atwater and its blended component unit, the Successor Agency of the Atwater Redevelopment Agency, for which the City is financially accountable.

The City Council establishes annual budgets for the General Fund, Proprietary Funds, and all Special Revenue Funds. Budgetary control is legally maintained at the fund level for these funds. Department heads submit budget requests to the City Manager. The City Manager prepares an estimate of revenues and prepares recommendations for the next year's budget. The preliminary budget may or may not be amended by the City Council and is adopted by resolution by the City Council on or before June 30 in accordance with the municipal code.

The Atwater City Council consists of five members, elected by districts to four-year terms. Council members must be residents of the City. The Mayor conducts the City Council meetings and represents the City on ceremonial occasions. The City Council serves as the policy board for the City of Atwater and provides policy direction, establishes goals, and sets priorities for the City government. In addition to serving as the policy makers for the community, the City Council also is responsible for numerous land use decisions within its borders, including the General Plan. The City Council appoints the City Manager, City Attorney, and all members of advisory boards, commissions, and committees.

## **Local Economy**

The City of Atwater was in the middle of a financial recovery when the COVID-19 pandemic hit in March 2019. The City of Atwater's General Fund finances have performed better than other Central Valley cities during fiscal years 2020-2021 and 2021-2022 due largely to the composition of the general fund revenue profile. The City's principle general fund revenue sources are property tax and sales tax which account for almost 52.9 percent of total General Fund revenue. Property and sales tax revenues have remained strong and the City's housing market has continued to grow throughout the COVID-19 pandemic.

## **Financial Information**

During the past fiscal year, there were no changes to the City's financial policies or items in which policies impacted the financial information or presentation. Information concerning significant accounting policies affecting the finances of the City is summarized in the Notes to the Financial Statements.



## Acknowledgements

The preparation of this Annual Financial Report could not be accomplished without the efficient and dedicated service of the entire staff of the Finance Department and the auditing firm of Badawi & Associates. I would also like to express my appreciation to the members of the City Council and the various departments for their cooperation and support in planning and conducting the financial operations of the City during the fiscal year.

Respectfully submitted,



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Lori Waterman,  
City Manager

**City of Atwater**  
**For the year ended June 30, 2022**

**List of City Officials**

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CITY COUNCIL

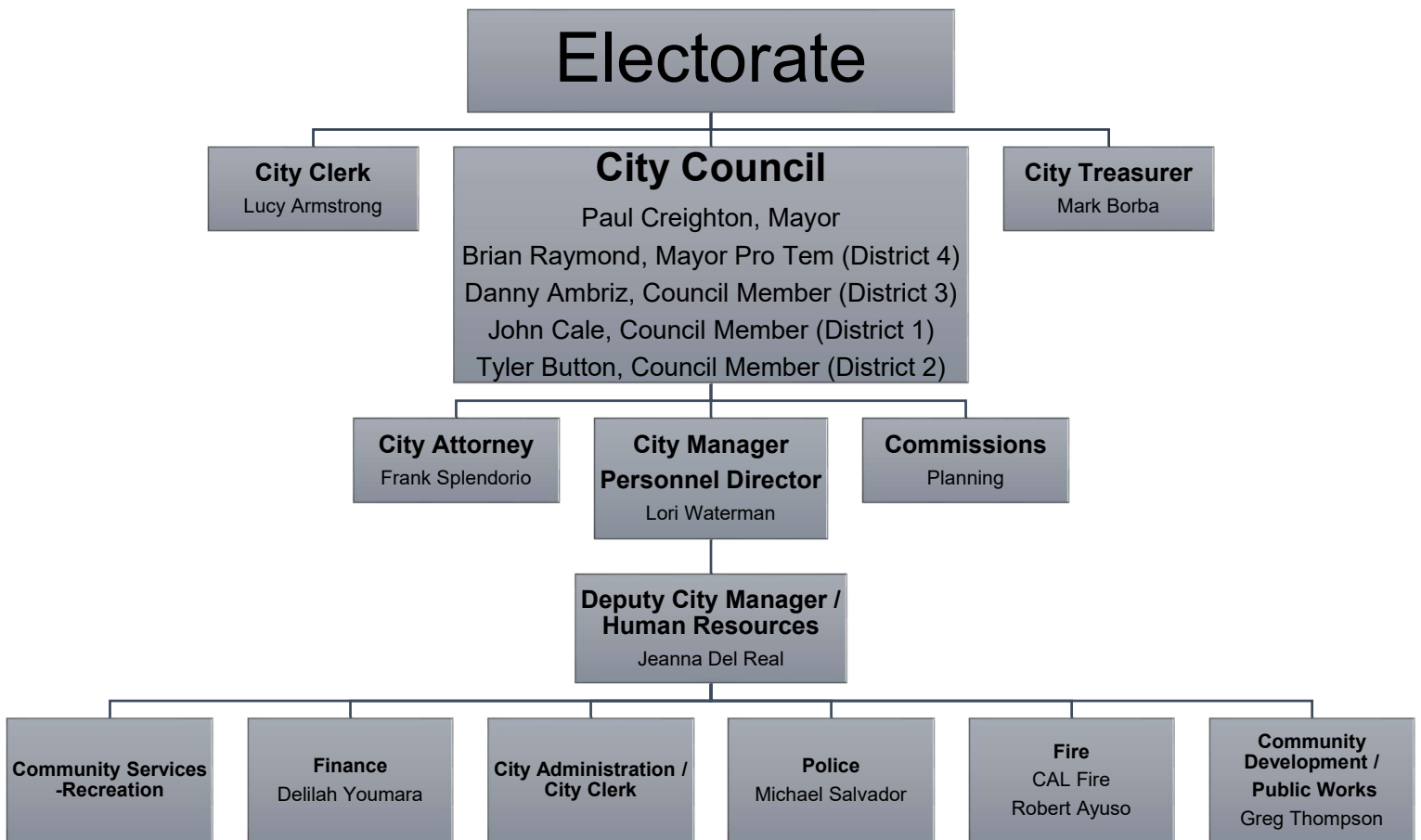
- Paul Creighton, Mayor
- John Cale, Mayor Pro Tem
- Brian Raymond, Council Member
- Tyler Button, Council Member
- Danny Ambriz, Council Member

CITY OFFICIALS

- Lori Waterman, City Manager
- Lucy Armstrong, City Clerk
- Mark Borba, City Treasurer
- Frank Splendorio, City Attorney
- Greg Thompson, Public Works/Community Development Director
- Jeanna Del real, Deputy City Manager/HR Director
- Delilah Youmara, Finance Director
- Michael Salvador, Police Chief



# CITY OF ATWATER ORGANIZATIONAL CHART 2022



## Council Committees

Audit & Finance

Citizens Oversight for Public Safety Transaction and Use Tax Commission

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members  
of the City Council of the City of Atwater  
Atwater, California

### **Report on the Audit of the Financial Statements**

#### *Opinions*

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Atwater (City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

#### *Responsibilities of Management for the Financial Statements*

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required pension and other post-employment benefit (OPEB) information on pages 5-19 and 90-95 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with

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

### ***Supplementary Information***

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

The other budgetary comparison schedules, combining and individual nonmajor fund financial statements, and budgetary comparison schedules of nonmajor governmental funds are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other budgetary comparison schedules, combining and individual nonmajor fund financial statements, and budgetary comparison schedules of nonmajor governmental funds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

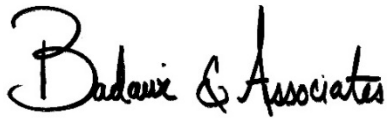
Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The

To the Honorable Mayor and Members  
of the City Council of the City of Atwater  
Atwater, California  
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purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi & Associates, CPAs  
Berkeley, California  
March 31, 2023



**City of Atwater, California**  
**Basic Financial Statements**  
**For the year ended June 30, 2022**

**Management's Discussion and Analysis**

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This section provides a narrative overview and analysis of the financial activities of the City of Atwater (City) for the fiscal year ended June 30, 2022. It should be read in conjunction with the accompanying transmittal letter and basic financial statements.

**FINANCIAL HIGHLIGHTS**

***Government-wide Highlights***

- ◆ City's net position (assets and deferred outflows in excess of liabilities and deferred inflows) at June 30, 2022, totaled \$90.4 million. Governmental activities the net position was \$5.8 million, while the business-type activities net position was \$84.6 million.
- ◆ Total City revenues, including program and general revenues, and business-type activities were \$51.5 million; while total expenses were \$44.8 million.
- ◆ Governmental program and general revenues were \$28.7 million compared to governmental program expenses of \$23.9 million.
- ◆ Program revenues from business-type activities were \$24.1 million, while expenses for business-type activities were \$21.0 million.
- ◆ The City's total net capital asset balance for governmental activities was \$21.5 million and \$30.6 million for business-type activities.

***Fund Highlights***

- ◆ Net General Fund revenues and other financing sources (uses) exceeded expenditures by \$5.6 million as compared to the prior year when revenues and other financing sources (uses) exceeded expenditures by \$4.0 million.
- ◆ At June 30, 2022, the General Fund has a positive fund balance of \$12.4 million.

**OVERVIEW OF THE ANNUAL FINANCIAL REPORT**

This Annual Financial Report is in two major parts:

- 1) **Introductory section**, which includes the Transmittal Letter and general information; and,
- 2) **Financial section**, which includes the Management's Discussion and Analysis (this part), the Basic Financial Statements, which include the Government-wide and the Fund Financial Statements along with the notes to these financial statements and Combining and Individual Fund Financial Statements and Schedules.

**City of Atwater, California**  
**Basic Financial Statements**  
**For the year ended June 30, 2022**

**Management's Discussion and Analysis, Continued**

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**OVERVIEW OF THE ANNUAL FINANCIAL REPORT, Continued**

**The Basic Financial Statements**

The Basic Financial Statements are comprised of the Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of the City's financial activities and financial position.

**Government-wide Financial Statements**

The Government-wide Financial Statements provide a broad overview of the City's activities as a whole and comprise the Statement of Net position and the Statement of Activities. The Statement of Net position provides information about the financial position of the City as a whole, including all its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all the City's revenues and all its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of each the City's programs. The Statement of Activities explains in detail the change in Net position for the year.

All of the City's activities are grouped into Governmental Activities and Business-type activities, as explained below. All the amounts in the Statement of Net position and the Statement of Activities are separated into Governmental Activities and Business-type Activities in order to provide a summary of these two activities of the City as a whole.

- ◆ ***Governmental activities*** – All of the City's basic services are considered to be governmental activities, including general government, public safety, highways and streets, urban redevelopment and housing, community services, and general administration. These services are supported by general City revenues such as taxes and by specific program revenues such as developer fees.
- ◆ ***Business-type activities*** – All the City's enterprise activities are reported here, including Water, Sewer, and Sanitation Funds. Unlike governmental services, these services are supported by charges paid by users based on the amount of the service they use.

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

**City of Atwater, California**  
**Basic Financial Statements**  
**For the year ended June 30, 2022**

**Management's Discussion and Analysis, Continued**

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**OVERVIEW OF THE ANNUAL FINANCIAL REPORT, Continued**

**Fund 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 the 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 Statement. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The Governmental Fund Financial Statements provide detailed information about each of the City's most significant funds, called major funds. The concept of major funds, and the determination of which are major funds, was established by GASB Statement No. 34 and replaces the concept of combining like funds and presenting them as one total. Instead, each major fund is presented individually, with all nonmajor funds summarized and presented only in a single column. Subordinate schedules present the detail of these nonmajor funds. Major funds present the major activities of the City for the year and may change from year to year as a result of changes in the pattern of the City's activities.

For the fiscal year ended June 30, 2022, the City's major funds are as follows:

**GOVERNMENTAL FUNDS:**

- ◆ General Fund
- ◆ Measure H Special Revenue Fund
- ◆ Measure V Special Revenue Fund

**PROPRIETARY FUNDS:**

- ◆ Water Enterprise Fund
- ◆ Sewer Enterprise Fund
- ◆ Sanitation Enterprise Fund

**City of Atwater, California**  
**Basic Financial Statements**  
**For the year ended June 30, 2022**

**Management's Discussion and Analysis, Continued**

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**OVERVIEW OF THE ANNUAL FINANCIAL REPORT, Continued**

**Fund Financial Statements, Continued**

For the fiscal year ended June 30, 2022, the City adopted annual appropriated budgets for all governmental funds.

*Proprietary funds.* The City maintains Enterprise-type and Internal Service proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the Government-wide Financial Statements. The City uses enterprise funds to account for Water, Sewer, and Sanitation activities. Internal service funds are an accounting methodology used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles and its information technology assets. Proprietary funds provide the same type of information as the Government-wide Financial Statements, only in more detail. The proprietary fund financial statements provide separate information for all of these operations.

**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. The notes to the basic financial statements can be found on pages 43–87 of this report.

**Combining and Individual Fund Financial Statements and Schedules**

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements can be found on pages 98–176 of this report.

**City of Atwater, California**  
**Basic Financial Statements**  
**For the year ended June 30, 2022**

**Management’s Discussion and Analysis, Continued**

**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’s net position, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$90.4 million as of June 30, 2022. The Summary of Net position as of June 30, 2021 and 2022 follows:

	<b>Summary of Net Position</b>					
	<b>2021</b>			<b>2022</b>		
	<b>Govern- mental Activities</b>	<b>Business- type Activities</b>	<b>Total</b>	<b>Govern- mental Activities</b>	<b>Business- type Activities</b>	<b>Total</b>
Current and other assets	\$ 30,994,233	\$ 72,775,978	\$ 103,770,211	\$ 41,124,134	\$ 57,840,745	\$ 98,964,879
Noncurrent assets	20,600,723	91,047,679	111,648,402	22,527,907	100,367,772	122,895,679
Deferred outflows of resources	12,763,610	-	12,763,610	11,708,715	-	11,708,715
Total assets and deferred outflows of resources	64,358,566	163,823,657	228,182,223	75,360,756	158,208,517	233,569,273
Current and other liabilities	2,497,521	10,510,134	13,007,655	4,769,615	5,479,442	10,249,057
Long-term liabilities	53,168,838	69,894,497	123,063,335	43,652,165	68,162,310	111,814,475
Deferred inflows of resources	8,325,101	-	8,325,101	21,064,299	-	21,064,299
Total liabilities and deferred inflows of resources	63,991,460	80,404,631	144,396,091	69,486,079	73,641,752	143,127,831
Net position:						
Net investment in capital assets	19,435,140	19,447,136	38,882,276	21,541,733	30,608,418	52,150,151
Restricted	6,709,498	973,031	7,682,529	8,700,981	975,129	9,676,110
Unrestricted (deficit)	(25,777,532)	62,998,859	37,221,327	(24,368,037)	52,983,218	28,615,181
<b>Total net position</b>	<b>\$ 367,106</b>	<b>\$ 83,419,026</b>	<b>\$ 83,786,132</b>	<b>\$ 5,874,677</b>	<b>\$ 84,566,765</b>	<b>\$ 90,441,442</b>

Overall, the total net position increased by \$6.6 million. The total net position of governmental activities increased by \$5.5 million and total net position for business-type activities increased by \$1.1 million.

The total restricted net position increased by \$2.0 million and unrestricted net position experienced a decrease of \$8.6M over the previous year.

**City of Atwater, California**  
**Basic Financial Statements**  
**For the year ended June 30, 2022**

**Management's Discussion and Analysis, Continued**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued**

**Revenues**

The City's total revenues for governmental and business-type activities were \$51.5 million for the fiscal year ended June 30, 2022. Significant revenues for the City for fiscal year 2021-22 were derived from charges for services 55%, sales and use tax 18%, operating/capital grants and contributions 9%, property taxes and assessments 12%.

The following discusses variances in key revenues from the prior fiscal year for governmental and business-type activities:

1. **Charges for Services.** Charges for services increased \$2.1 million or 7% over last fiscal year. This is primarily due to adopted increases in water and sewer user charges.
2. **Sales and Use Tax.** Sales Tax revenue decreased by \$1.1 million or 12% over last fiscal year. This is primarily due to Measure V Regional and Measure V regular apportionments being included in the total and coming in high for fiscal year 2020-21. The City does continue to see economic growth even during the COVID-19 pandemic.
3. **Operating/Capital Grants and Contributions.** Capital contributions represent 9% of overall total revenues for the City.
4. **Property Taxes and Assessments.** Property tax revenue increased by \$218,906 or 4% over last fiscal year. This is due primarily to higher property values.

**City of Atwater, California**  
**Basic Financial Statements**  
**For the year ended June 30, 2022**

**Management's Discussion and Analysis, Continued**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued**

The change in net position for the fiscal years ended June 30, 2021, and 2022, follows:

	Changes in Net Position					
	2021			2022		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 3,873,618	\$ 22,444,216	\$ 26,317,834	\$ 4,649,769	\$ 23,760,407	\$ 28,410,176
Grants and contributions:						
Operating	1,296,316	268,985	1,565,301	3,439,563	374,740	3,814,303
Capital	3,924,136	-	3,924,136	1,047,239	-	1,047,239
General revenues:						
Property taxes and assessments	5,885,979	-	5,885,979	6,104,885	-	6,104,885
Transient occupancy taxes	69,857	-	69,857	76,224	-	76,224
Sales and use tax	10,290,754	-	10,290,754	9,187,635	-	9,187,635
Franchise taxes	914,660	-	914,660	961,869	-	961,869
Other taxes	1,725,746	-	1,725,746	2,360,721	-	2,360,721
Intergovernmental	2,707,936	-	2,707,936	519,401	-	519,401
Use of money and property	163,149	306,769	469,918	(72,670)	(1,399,056)	(1,471,726)
Other	398,778	-	398,778	154,791	-	154,791
Sale of real property	(24,211)	-	(24,211)	300,000	-	300,000
Total revenues	<u>31,226,718</u>	<u>23,019,970</u>	<u>54,246,688</u>	<u>28,729,427</u>	<u>22,736,091</u>	<u>51,465,518</u>
Expenses:						
Governmental activities:						
General government	5,121,443	-	5,121,443	6,976,469	-	6,976,469
Public safety	8,695,486	-	8,695,486	11,447,544	-	11,447,544
Highways and streets	1,739,724	-	1,739,724	3,493,312	-	3,493,312
Urban redevelopment and housing	875,920	-	875,920	1,146,702	-	1,146,702
Community services	273,648	-	273,648	770,751	-	770,751
Interest on long-term debt	40,542	-	40,542	19,430	-	19,430
Business-type activities:						
Water	-	3,817,672	3,817,672	-	4,529,648	4,529,648
Sewer	-	12,009,275	12,009,275	-	12,295,830	12,295,830
Sanitation	-	3,801,257	3,801,257	-	4,130,522	4,130,522
Total expenses	<u>16,746,763</u>	<u>19,628,204</u>	<u>36,374,967</u>	<u>23,854,208</u>	<u>20,956,000</u>	<u>44,810,208</u>
Change in net position before transfers	<u>14,479,955</u>	<u>3,391,766</u>	<u>17,871,721</u>	<u>4,875,219</u>	<u>1,780,091</u>	<u>6,655,310</u>
Transfers	<u>352,375</u>	<u>(352,375)</u>	<u>-</u>	<u>632,352</u>	<u>(632,352)</u>	<u>-</u>
Change in net position	<u>14,832,330</u>	<u>3,039,391</u>	<u>17,871,721</u>	<u>5,507,571</u>	<u>1,147,739</u>	<u>6,655,310</u>
Net position:						
Beginning of year	(9,243,253)	81,014,912	71,771,659	367,106	83,419,026	83,786,132
Adjustment	(5,221,971)	(635,277)	(5,857,248)	-	-	-
Beginning, as adjusted	<u>(14,465,224)</u>	<u>80,379,635</u>	<u>65,914,411</u>	<u>367,106</u>	<u>83,419,026</u>	<u>83,786,132</u>
End of year	<u>\$ 367,106</u>	<u>\$ 83,419,026</u>	<u>\$ 83,786,132</u>	<u>\$ 5,874,677</u>	<u>\$ 84,566,765</u>	<u>\$ 90,441,442</u>

**City of Atwater, California**  
**Basic Financial Statements**  
**For the year ended June 30, 2022**

**Management’s Discussion and Analysis, Continued**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued**

**Expenses**

Governmental and business-type activity expenses of the City for the year totaled \$44.8 million. Governmental activity expenses totaled \$24 million or 53% of total expenses. Business-type activities incurred \$21 million or 47% of total expenses during the fiscal year. Public safety costs represented 48% of total governmental activities expenses.

**Governmental Activities**

The following table shows the cost of each of the City’s major programs and the net cost of the programs. Net cost is the total cost less fees and other direct revenue generated by the activities. The net cost reflects the financial burden that was placed on the City’s taxpayers by each of the programs. The total cost of services and the net cost of services for the fiscal years ended June 30, 2021, and 2022, are as follows:

	2021		2022	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	\$ 5,121,443	\$ 2,491,383	\$ 6,976,469	\$ 3,299,159
Public safety	8,695,486	8,030,392	11,447,544	8,638,860
Highway and streets	1,739,724	(3,665,334)	3,493,312	987,451
Urban revelopment and housing	875,920	728,319	1,146,702	1,005,143
Community services	273,648	27,542	770,751	767,594
Interest on long-term debt	40,542	40,452	19,430	19,430
<b>Total</b>	<b>\$ 16,746,763</b>	<b>\$ 7,652,754</b>	<b>\$ 23,854,208</b>	<b>\$ 14,717,637</b>



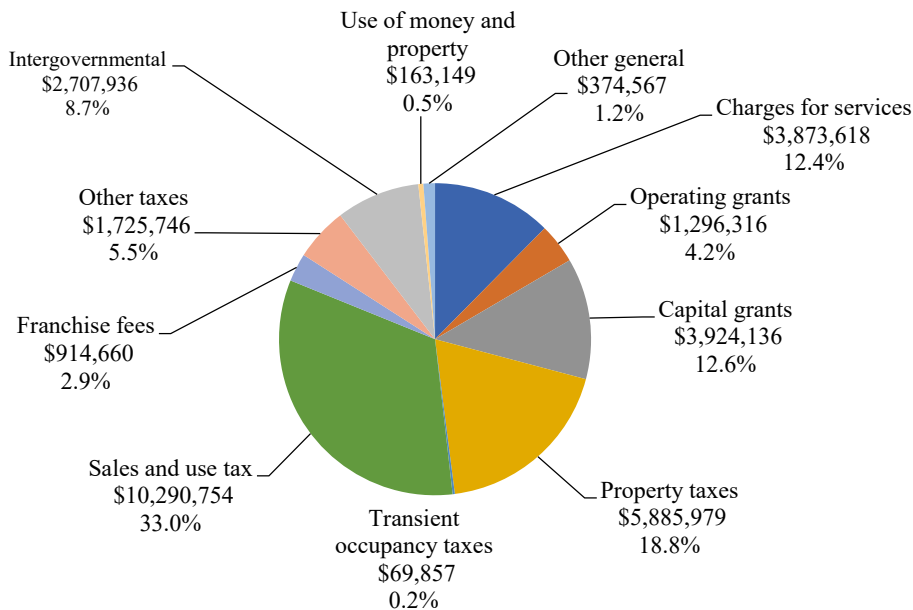
**City of Atwater, California**  
**Basic Financial Statements**  
**For the year ended June 30, 2022**

**Management’s Discussion and Analysis, Continued**

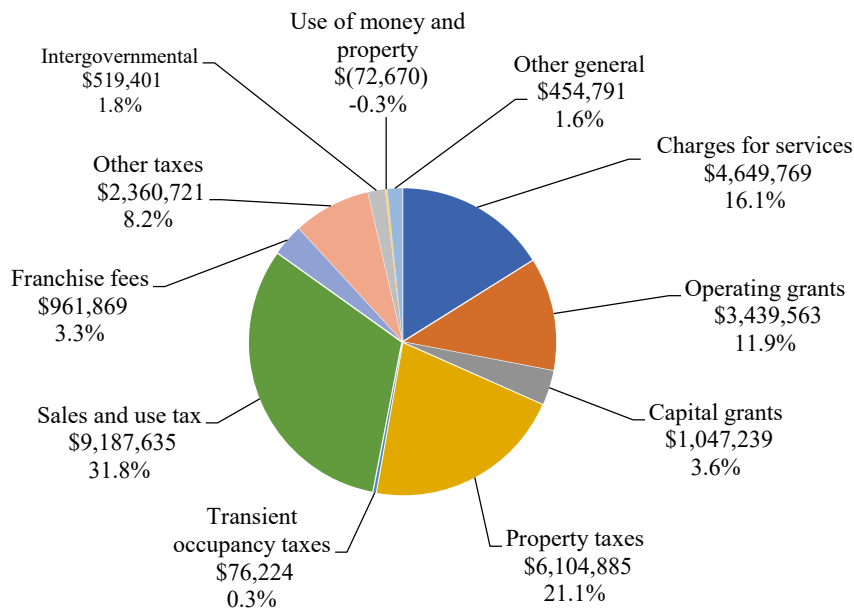
**GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued**  
**Governmental Activities, Continued**

Revenues by source for the fiscal years ended June 30, 2021, and 2022, are as follows:

**Revenues by Source - Governmental Activities 2021**



**Revenues by Source - Governmental Activities 2022**



**City of Atwater, California**  
**Basic Financial Statements**  
**For the year ended June 30, 2022**

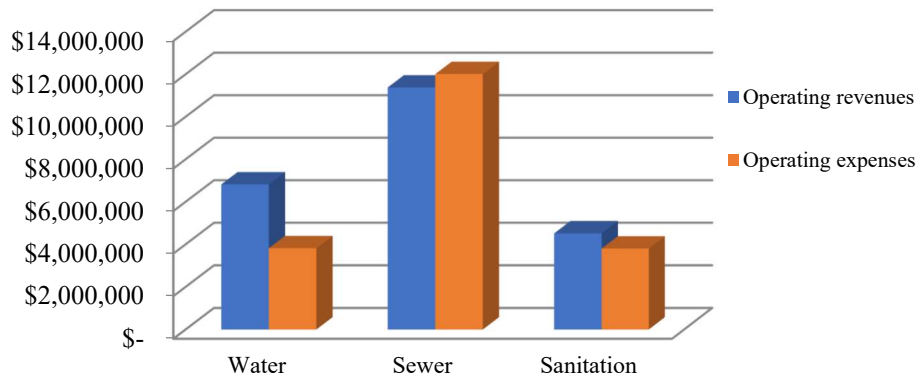
**Management’s Discussion and Analysis, Continued**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued**

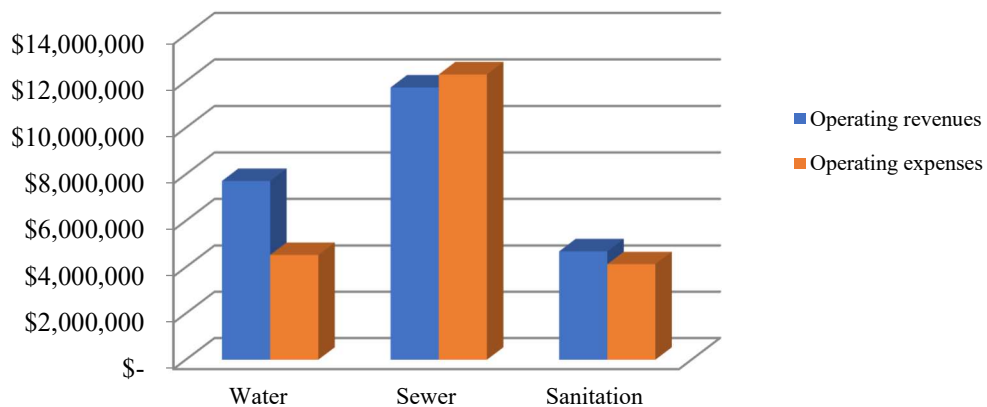
**Business-type Activities**

The City has three business-type activities: Water, Sewer, and Sanitation Operations. The operating revenues and expenses for the business-type activities for the fiscal years ended June 30, 2021 and 2022 are as follows:

**Operating Revenues and Expenses  
Business-type Activities  
2021**



**Operating Revenues and Expenses  
Business-type Activities  
2022**



**City of Atwater, California**  
**Basic Financial Statements**  
**For the year ended June 30, 2022**

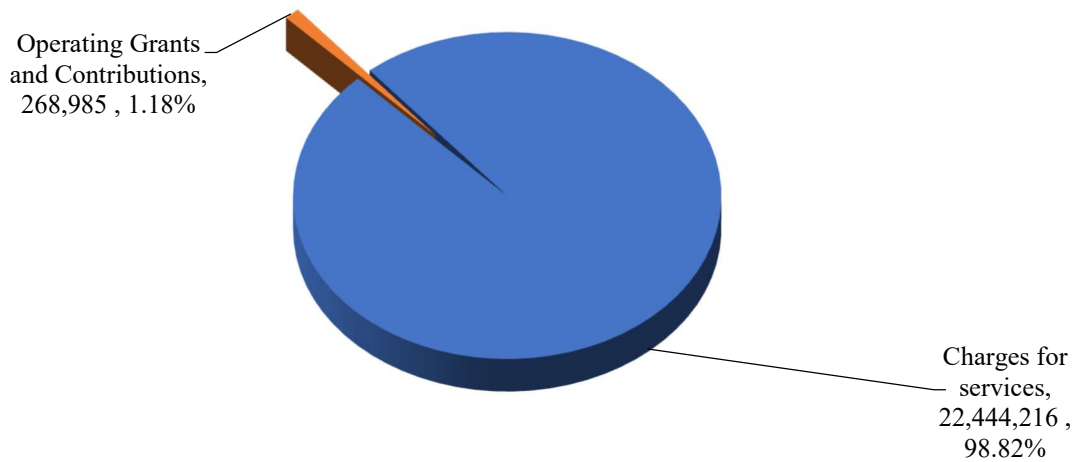
**Management's Discussion and Analysis, Continued**

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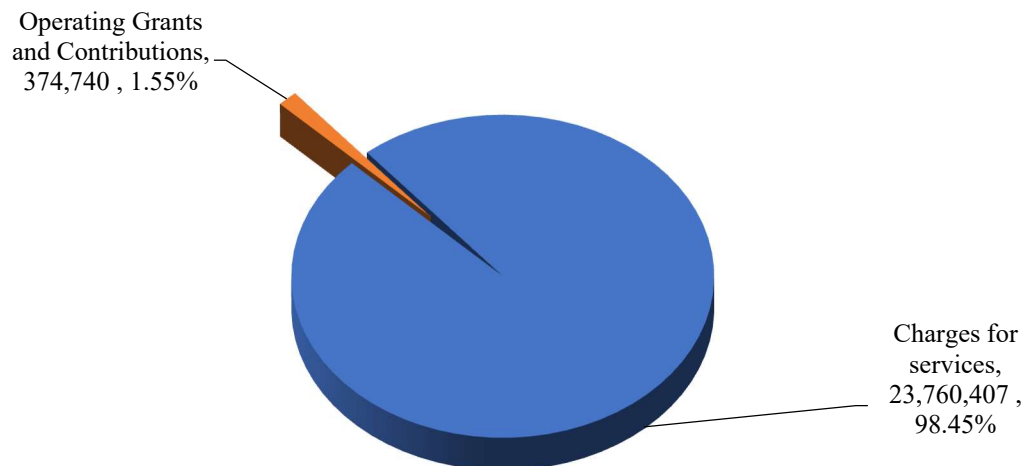
**GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued**  
**Business-type Activities, Continued**

The revenues by source for the business-type activities for the fiscal years ended June 30, 2021, and 2022, are as follows:

**Revenues by Source - Business-type Activities 2021**



**Revenues by Source - Business-type Activities 2022**



**City of Atwater, California**  
**Basic Financial Statements**  
**For the year ended June 30, 2022**

**Management's Discussion and Analysis, Continued**

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**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

The City of Atwater uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide financial statements.

**Governmental Funds.** The City's governmental funds provide information on near-term inflows, outflows, and balances of spending resources. At the fiscal year ended June 30, 2022, the City's governmental funds reported combined fund balances of \$33.1 million. The increase is due mainly to increased charges for services and other revenues.

The General Fund is the chief operating fund of the City. At the fiscal year ended June 30, 2022, the General Fund had a fund balance of \$12.4 million. The General Fund balance improved by \$5.2 million from the prior fiscal year and is the fourth consecutive fiscal year with positive fund balance. The City continues to make positive progress.

**Special Revenue Funds.** The City's special revenue funds include the Measure H major fund, gas tax funds, grant funds, facility impact fee funds, maintenance districts and other nonmajor funds. As of June 30, 2022, the special revenue funds had a combined fund balance of \$15.6 million.

**Capital Projects Funds.** The City's capital projects funds consist of the general and performance bond nonmajor funds. As of June 30, 2022, the capital project funds had a combined negative fund balance of \$49,342. This is due to pending reimbursements from MCAG.

**Proprietary Funds.** The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statement. The City uses enterprise funds to account for its water, sewer and sanitation operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses the internal service funds to account for its building and equipment maintenances, as well as employee benefits fund. The City's proprietary funds net position increased by \$1.2 million for enterprise funds and increased by \$498,818 for internal service funds in the fiscal year ended June 30, 2022. For the enterprise funds, the increase was due mainly to planned rate increases to utility users. The increase in the internal service funds net position was mainly the result of increase in interdepartmental charges.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**City of Atwater, California**  
**Basic Financial Statements**  
**For the year ended June 30, 2022**

**Management’s Discussion and Analysis, Continued**

**FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS, Continued**

**General Fund Budgetary Highlights**

General Fund actual revenues totaled \$19.2 million which was 107.3 percent of the amended budget estimate. General Fund expenditures totaled \$13.5 million or 85 percent of the approved amended budget. The General Fund balance increased by \$5.2 million to a balance of \$12.4 million.

**CAPITAL ASSETS**

The City’s net investment in capital assets for its governmental and business-type activities as of June 30, 2022 amounted to \$52.1 million. This investment in capital assets includes land, construction in progress, costs for buildings and improvements, infrastructure, roads, and equipment.

	Governmental Activities		Business-type Activities		Totals	
	2021	2022	2021	2022	2022	2022
Land	\$ 299,384	\$ 299,384	\$ 764,902	\$ 1,064,902	\$ 1,064,286	\$ 1,364,286
Construction in progress	4,838,500	6,326,345	18,232,069	30,022,443	23,070,569	\$ 36,348,788
Buildings and improvemer	7,114,734	8,578,358	110,628,997	111,277,554	117,743,731	\$ 119,855,912
Infrastructure	1,164,766	1,164,766	-	-	1,164,766	\$ 1,164,766
Roads	52,103,503	52,244,146	-	-	52,103,503	\$ 52,244,146
Equipment	10,288,510	10,517,997	10,771,400	11,029,558	21,059,910	\$ 21,547,555
Total	\$ 75,809,397	\$ 79,130,996	\$ 140,397,368	\$ 153,394,457	\$ 216,206,765	\$ 232,525,453

The June 30, 2022 total balance reflects addition to construction in progress of \$13.2 million. Total depreciation for the year amounted to \$5.2 million.

More detail of the capital assets and current activity can be found in the notes to the financial statements on page 50 for significant accounting policies and Note 3 on pages 62 and 63 for other capital asset information.

**City of Atwater, California**  
**Basic Financial Statements**  
**For the year ended June 30, 2022**

**Management’s Discussion and Analysis, Continued**

**DEBT ADMINISTRATION**

At June 30, 2022, the City had \$71.3 million in debt outstanding consisting of compensated absences, capital lease obligations and revenue bonds.

	2022		
	Governmental	Business-type	Total
	Activities	Activities	
Compensated absences	\$ 779,530	\$ 93,028	\$ 872,558
Capital lease obligation	669,720	-	669,720
2017A Wastewater Revenue Refunding Bonds	-	51,200,000	51,200,000
2018A Wastewater Revenue Refunding Bonds	-	13,870,000	13,870,000
Unamortized bond premium	-	4,689,354	4,689,354
Unamortized underwriting discount	-	-	-
Total	\$ 1,449,250	\$ 69,852,382	\$ 71,301,632

**DEBT ADMINISTRATION, Continued**

During the current fiscal year, the City’s net debt decreased by \$2.1 million. The net decrease was due to scheduled principal payments and unamortized premium retirements. Additional information regarding each of the City’s debt issues as well as debt service requirements is discussed in greater detail in Note 4 to the financial statements on page 64.

**NEXT YEARS BUDGET AND THE ECONOMY**

The budget for Fiscal Year 2022-2023 budget was developed based on the City’s multi-year fiscal solvency recovery program and the lingering fiscal impacts of the COVID-19 pandemic. The City’s total Fiscal Year 2022-2023 adopted budget approves appropriations at \$76.9 million. The budget provides funding for staffing of 105.5 positions and allocates funds for retirement and OPEB obligations.

After eight (8) years of operating at a deficit, the City’s General Fund has had a positive balance for four consecutive fiscal years and is projected to maintain a positive fund balance and continue to meet the reserve requirement as established by Council. The budget fulfills the goal of no new debt as well as allocating funds for General Fund reserves.

The City of Atwater is located in central California in Merced County. The City has experienced increases in economic activity, property and sales tax revenue, and an increased interest in development activity. Over the past several years, the City implemented a number of difficult cost saving and revenue measures which has stabilized the City’s financial situation.

As Atwater worked to climb out of the economic recession, we as well as our surrounding neighbors are faced with maintaining financial stability amidst the end of COVID-19 pandemic. Atwater continues to budget conservatively to not over-estimate our normally anticipated revenue.

**City of Atwater, California**  
**Basic Financial Statements**  
**For the year ended June 30, 2022**

**Management's Discussion and Analysis, Continued**

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In Fiscal Year 2022-2023, the citizens of the City of Atwater, approved a sales tax measure, Measure B, renewing the originally adopted Measure H that was scheduled to sunset by its terms on June 30, 2023. The renewal removed the sunset and increased the tax from half cent (\$0.005) to one cent (\$0.01). The existing Measure H has been providing much needed funding for enhanced public safety costs through FY 2022-2023. The newly adopted Measure B will continue to provide the necessary funding for enhanced public safety costs for years to come.

**REQUESTS FOR INFORMATION**

This Annual Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the City's finances. If you have any questions about this report, need additional financial information, or would like to obtain component unit financial statements, contact the City of Atwater Finance Department, 750 Bellevue Road, Atwater, CA 95301, or visit the City's web page at [www.atwater.org](http://www.atwater.org).

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# BASIC FINANCIAL STATEMENTS

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# GOVERNMENT-WIDE FINANCIAL STATEMENTS

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**City of Atwater**  
**Statement of Net Position**  
**June 30, 2022**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 37,615,334	\$ 53,831,105	\$ 91,446,439
Restricted cash and investments	-	975,129	975,129
Receivables:			
Accounts	3,371,980	3,031,502	6,403,482
Prepaid items	136,820	3,009	139,829
Total current assets	41,124,134	57,840,745	98,964,879
Noncurrent assets:			
Advances to Successor Agency Private Purpose Trust	77,491	-	77,491
Investment in land held for resale	159,364	-	159,364
Capital assets:			
Nondepreciable	6,625,729	31,087,345	37,713,074
Depreciable	72,505,267	122,299,202	194,804,469
Lease assets	249,376	-	249,376
Less accumulated amortization	(71,713)	-	(71,713)
Less accumulated depreciation	(57,017,607)	(53,018,775)	(110,036,382)
Total capital assets	22,291,052	100,367,772	122,658,824
Total noncurrent assets	22,527,907	100,367,772	122,895,679
<b>Total assets</b>	63,652,041	158,208,517	221,860,558
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows - pension	7,327,117	-	7,327,117
Deferred outflows - OPEB	4,381,598	-	4,381,598
<b>Total deferred outflows of resources</b>	11,708,715	-	11,708,715
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and accrued liabilities	2,231,526	1,904,428	4,135,954
Interest payable	-	537,809	537,809
Deposits payable	290,450	498,648	789,098
Other liabilities	48,272	791,547	839,819
Unearned revenue	2,140,691	56,938	2,197,629
Compensated absences - current portion	58,676	10,072	68,748
Long-term debt - current portion	-	1,680,000	1,680,000
Total current liabilities	4,769,615	5,479,442	10,249,057
Noncurrent liabilities:			
Compensated absences	720,854	82,956	803,810
Net pension liability	18,401,458	-	18,401,458
Net OPEB liability	23,860,133	-	23,860,133
Lease liabilities	191,862	-	191,862
Long-term debt	477,858	68,079,354	68,557,212
Total noncurrent liabilities	43,652,165	68,162,310	111,814,475
<b>Total liabilities</b>	48,421,780	73,641,752	122,063,532
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows of resources - pension	15,215,717	-	15,215,717
Deferred inflows of resources - OPEB	5,848,582	-	5,848,582
<b>Total deferred inflows of resources</b>	21,064,299	-	21,064,299
<b>NET POSITION</b>			
Net investment in capital assets	21,541,733	30,608,418	52,150,151
Restricted	8,700,981	975,129	9,676,110
Unrestricted	(24,368,037)	52,983,218	28,615,181
<b>Total net position</b>	\$ 5,874,677	\$ 84,566,765	\$ 90,441,442

See accompanying Notes to Basic Financial Statements.

**City of Atwater**  
**Statement of Activities**  
**For the year ended June 30, 2022**

Functions/Programs	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental activities:</b>					
General government	\$ 6,976,469	\$ 3,672,662	\$ 4,648	\$ -	\$ 3,677,310
Public safety	11,447,544	107,602	2,701,082	-	2,808,684
Highways and streets	3,493,312	866,348	733,833	905,680	2,505,861
Urban redevelopment and housing	1,146,702	-	-	141,559	141,559
Community services	770,751	3,157	-	-	3,157
Interest on long-term debt	19,430	-	-	-	-
Total governmental activities	23,854,208	4,649,769	3,439,563	1,047,239	9,136,571
<b>Business-type Activities:</b>					
Water	4,529,648	7,397,296	316,479	-	7,713,775
Sewer	12,295,830	11,722,088	12,402	-	11,734,490
Sanitation	4,130,522	4,641,023	45,859	-	4,686,882
Total Business-Type activities	20,956,000	23,760,407	374,740	-	24,135,147
<b>Total primary government</b>	<b>\$ 44,810,208</b>	<b>\$ 28,410,176</b>	<b>\$ 3,814,303</b>	<b>\$ 1,047,239</b>	<b>\$ 33,271,718</b>

**General Revenues:**

Taxes:

Property taxes, levied for general purposes  
 Transient occupancy tax  
 Sales taxes  
 Franchise fes  
 Other taxes

Total taxes

Intergovernmental

Use of money and property  
 Other general revenues  
 Sale of real property

Total general revenues

Transfers

Total general revenues and transfers

**Change in net position**

**Net position - beginning of year, as restated**

**Net position - end of year**

Net (Expense) Revenue  
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (3,299,159)	\$ -	\$ (3,299,159)
(8,638,860)	-	(8,638,860)
(987,451)	-	(987,451)
(1,005,143)	-	(1,005,143)
(767,594)	-	(767,594)
(19,430)	-	(19,430)
(14,717,637)	-	(14,717,637)
-	3,184,127	3,184,127
-	(561,340)	(561,340)
-	556,360	556,360
-	3,179,147	3,179,147
(14,717,637)	3,179,147	(11,538,490)
6,104,885	-	6,104,885
76,224	-	76,224
9,187,635	-	9,187,635
961,869	-	961,869
2,360,721	-	2,360,721
18,691,334	-	18,691,334
519,401	-	519,401
(72,670)	(1,399,056)	(1,471,726)
154,791	-	154,791
300,000	-	300,000
901,522	(1,399,056)	(497,534)
632,352	(632,352)	-
1,533,874	(2,031,408)	(497,534)
5,507,571	1,147,739	6,655,310
367,106	83,419,026	83,786,132
\$ 5,874,677	\$ 84,566,765	\$ 90,441,442

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# FUND FINANCIAL STATEMENTS

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*Governmental Fund Financial Statements*

*Proprietary Fund Financial Statements*

*Fiduciary Fund Financial Statements*

**City of Atwater**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2022**

	Major Funds				Total Governmental Funds
	General	Measure H Special	Measure V Special	Nonmajor Governmental	
	Fund	Revenue Fund	Revenue Fund	Funds	
<b>ASSETS</b>					
Cash and investments	\$ 12,372,894	\$ 653,899	\$ 3,675,127	\$ 18,091,717	\$ 34,793,637
Receivables:					
Taxes	405,971	-	-	6,955	412,926
Interest	13,242	646	4,109	20,023	38,020
Intergovernmental	4,789	-	338,144	486,861	829,794
Other receivable	1,414,570	511,330	-	155,431	2,081,331
Prepaid items	59,618	-	-	855	60,473
Due from other funds	-	-	-	-	-
Advance to Successor Agency Private Purpose Trust	-	-	-	77,491	77,491
Investment in land held for resale	-	-	-	159,364	159,364
<b>Total assets</b>	<b>14,271,084</b>	<b>1,165,875</b>	<b>4,017,380</b>	<b>18,998,697</b>	<b>38,453,036</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	1,179,116	7,786	9,178	642,755	1,838,835
Accrued liabilities	211,633	23,569	-	14,120	249,322
Deposits payable	178,784	-	-	111,666	290,450
Other liabilities	-	-	-	48,272	48,272
Unearned revenue	-	-	-	2,140,691	2,140,691
<b>Total liabilities</b>	<b>1,569,533</b>	<b>31,355</b>	<b>9,178</b>	<b>2,957,504</b>	<b>4,567,570</b>
<b>Deferred Inflows of Resources</b>					
Unavailable revenues	270,426	-	51,604	464,739	786,769
<b>Total deferred inflows of resources</b>	<b>270,426</b>	<b>-</b>	<b>51,604</b>	<b>464,739</b>	<b>786,769</b>
<b>Fund Balances:</b>					
Nonspendable					
Prepaid items	59,618	-	-	294	59,912
Investment in land held for resale	-	-	-	159,364	159,364
Restricted	-	1,134,520	-	8,719,305	9,853,825
Assigned	-	-	3,956,598	6,866,368	10,822,966
Unassigned	12,371,507	-	-	(168,877)	12,202,630
<b>Total fund balances</b>	<b>12,431,125</b>	<b>1,134,520</b>	<b>3,956,598</b>	<b>15,576,454</b>	<b>33,098,697</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 14,271,084</b>	<b>\$ 1,165,875</b>	<b>\$ 4,017,380</b>	<b>\$ 18,998,697</b>	<b>\$ 38,453,036</b>

# City of Atwater

## Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position June 30, 2022

**Total Fund Balances - Total Governmental Funds** \$ 33,098,697

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

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

	Government- Wide Statement of Net Position	Internal Service Funds	Total
Nondepreciable	\$ 6,625,729	\$ -	6,625,729
Depreciable, net	15,665,323	(909,116)	14,756,207
<b>Total capital assets</b>	<b>\$ 22,291,052</b>	<b>\$ (909,116)</b>	<b>21,381,936</b>

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

3,657,700

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

786,769

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

Deferred outflows of resources related to pension	7,327,117
Deferred outflows of resources related to OPEB	4,381,598
Deferred inflows of resources related to pension	(15,215,717)
Deferred inflows of resources related to OPEB	(5,848,582)

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

	Government- Wide Statement of Net Position	Internal Service Funds	Total
Compensated absences - due within one year	\$ (58,676)	\$ 2,778	\$ (55,898)
Compensated absences - due in more than one year	(720,854)	13,222	(707,632)
Net pension liability	(18,401,458)	-	(18,401,458)
Net OPEB liability	(23,860,133)	-	(23,860,133)
Lease liability	(191,862)	-	(191,862)
Long-term debt - due in more than one year	(477,858)	-	(477,858)
<b>Total long-term liabilities</b>	<b>\$ (43,710,841)</b>	<b>\$ 16,000</b>	<b>(43,694,841)</b>
<b>Net Position of Governmental Activities</b>			<b>\$ 5,874,677</b>

**City of Atwater**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended June 30, 2022**

	Major Funds				Total Governmental Funds
	General Fund	Measure H Special Revenue	Measure V Special Revenue	Nonmajor Governmental Funds	
<b>REVENUES:</b>					
Taxes and assessments	\$ 9,826,093	\$ 2,857,070	\$ 1,572,881	\$ 1,250,899	\$ 15,506,943
Licenses and permits	418,713	-	-	-	418,713
Fines and forfeitures	84,527	-	-	-	84,527
Intergovernmental	4,186,471	-	-	3,181,701	7,368,172
Use of money and property	89,326	(3,230)	(20,588)	(127,823)	(62,315)
Charges for services	3,950,521	-	-	-	3,950,521
Other revenues	602,841	-	-	258,530	861,371
<b>Total revenues</b>	<b>19,158,492</b>	<b>2,853,840</b>	<b>1,552,293</b>	<b>4,563,307</b>	<b>28,127,932</b>
<b>EXPENDITURES:</b>					
Current:					
General government	4,744,968	-	-	618,981	5,363,949
Public safety	6,518,492	2,831,611	-	1	9,350,104
Highways and streets	1,623,667	-	-	891,158	2,514,825
Urban redevelopment and housing	21,088	-	-	961,743	982,831
Community services	586,440	-	-	61,408	647,848
Capital outlay	-	211,962	356,274	2,673,024	3,241,260
Debt service					
Principal	41,697	279,691	-	-	321,388
Interest and fiscal charges	-	19,430	-	-	19,430
<b>Total expenditures</b>	<b>13,536,352</b>	<b>3,342,694</b>	<b>356,274</b>	<b>5,206,315</b>	<b>22,441,635</b>
<b>REVENUES OVER (UNDER)</b>					
<b>EXPENDITURES</b>	<b>5,622,140</b>	<b>(488,854)</b>	<b>1,196,019</b>	<b>(643,008)</b>	<b>5,686,297</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	651,445	-	-	1,308,597	1,960,042
Transfers out	(978,620)	-	-	(499,070)	(1,477,690)
Proceeds from capital lease	-	138,478	-	-	138,478
Proceeds from sale of capital assets	300,000	-	-	-	300,000
<b>Total other financing sources (uses)</b>	<b>(27,175)</b>	<b>138,478</b>	<b>-</b>	<b>809,527</b>	<b>920,830</b>
<b>Net change in fund balances</b>	<b>5,594,965</b>	<b>(350,376)</b>	<b>1,196,019</b>	<b>166,519</b>	<b>6,607,127</b>
<b>FUND BALANCES:</b>					
Beginning of year	6,836,160	1,484,896	2,760,579	15,409,935	26,491,570
End of year	\$ 12,431,125	\$ 1,134,520	\$ 3,956,598	\$ 15,576,454	\$ 33,098,697

See accompanying Notes to Basic Financial Statements.

**City of Atwater**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**of Governmental Funds to the Government-Wide Statement of Activities**  
**For the year ended June 30, 2022**

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 6,607,127</b>
<p>Amounts reported for governmental activities in the Government-Wide Statement of Activities were different because:</p>	
Governmental funds reported capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over their estimated lives as depreciation expense. This was the amount of capital assets recorded in the current period, net of the amount related to internal service funds.	3,335,058
Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities, but did not require the use of current financial resources. Therefore, depreciation expense was not reported as expenditures in the governmental funds, net of the amount related to internal service funds.	(1,423,189)
Accrued compensated leave payments were reported as expenditures in the governmental funds, however expense is recognized in the Government-Wide Statement of Activities based on earned leave accruals.	(35,461)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position. Repayment of debt was an expenditure in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position.	
Long-term debt repayments	294,980
Issuance of new vehicle lease	138,478
Changes in the net pension liability and related deferred inflows and deferred outflows do not use or provide current financial resources and are therefore not reported in the funds.	(4,304,665)
Changes in the net OPEB liability and related deferred inflows and deferred outflows do not use or provide current financial resources and are therefore not reported in the funds.	207,898
Unavailable revenues recorded in the fund financial statements resulting from activities in which revenues were earned but were not available are reclassified as revenues in the Government-Wide Financial Statements.	322,348
Internal service funds were used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. The net revenue of the internal service funds was reported with governmental activities.	364,997
<b>Change in Net Position of Governmental Activities</b>	<b>\$ 5,507,571</b>

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual General Fund

For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and assessments	\$ 8,819,783	\$ 8,819,783	\$ 9,826,093	\$ 1,006,310
Licenses and permits	311,830	311,830	418,713	106,883
Fines and forfeitures	80,500	80,500	84,527	4,027
Intergovernmental	4,056,863	4,056,863	4,186,471	129,608
Use of money and property	144,493	144,493	89,326	(55,167)
Charges for services	3,885,725	3,885,725	3,950,521	64,796
Other revenues	609,757	609,757	602,841	(6,916)
<b>Total revenues</b>	<b>17,908,951</b>	<b>17,908,951</b>	<b>19,158,492</b>	<b>1,249,541</b>
<b>EXPENDITURES:</b>				
Current:				
General government	5,109,523	5,109,523	4,744,968	364,555
Public safety	7,831,914	7,831,914	6,518,492	1,313,422
Public works	2,185,908	2,185,908	1,623,667	562,241
redevelopment and housing	21,089	21,089	21,088	1
Community services	783,500	783,500	586,440	197,060
Debt Service				
Principal			41,697	
Interest and charges			-	
<b>Total expenditures</b>	<b>15,931,934</b>	<b>15,931,934</b>	<b>13,536,352</b>	<b>2,437,279</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>1,977,017</b>	<b>1,977,017</b>	<b>5,622,140</b>	<b>3,686,820</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	674,435	674,435	651,445	(22,990)
Transfers out	(1,331,926)	(1,331,926)	(978,620)	353,306
Sale of capital assets	300,000	300,000	300,000	-
<b>Total other financing sources (uses)</b>	<b>(357,491)</b>	<b>(357,491)</b>	<b>(27,175)</b>	<b>330,316</b>
<b>Net change in fund balances</b>	<b>\$ 1,619,526</b>	<b>\$ 1,619,526</b>	<b>5,594,965</b>	<b>\$ 4,017,136</b>
<b>FUND BALANCES:</b>				
Beginning of year			6,836,160	
End of year			\$ 12,431,125	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Measure H Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and assessments	\$ 2,500,000	\$ 2,500,000	\$ 2,857,070	\$ 357,070
Use of money and property	1,000	1,000	(3,230)	(4,230)
<b>Total revenues</b>	<b>2,501,000</b>	<b>2,501,000</b>	<b>2,853,840</b>	<b>352,840</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety	2,909,541	2,909,541	2,831,611	77,930
Capital outlay:				
General capital outlay	186,500	186,500	211,962	(25,462)
Debt service				
Principal	305,016	305,016	279,691	25,325
Interest and fiscal charges	-	-	19,430	(19,430)
<b>Total expenditures</b>	<b>3,401,057</b>	<b>3,401,057</b>	<b>3,342,694</b>	<b>52,468</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(900,057)</b>	<b>(900,057)</b>	<b>(488,854)</b>	<b>405,308</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from leases	-	-	138,478	138,478
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>138,478</b>	<b>138,478</b>
<b>Net change in fund balances</b>	<b>\$ (900,057)</b>	<b>\$ (900,057)</b>	<b>(350,376)</b>	<b>\$ 543,786</b>
<b>FUND BALANCES:</b>				
Beginning of year			1,484,896	
End of year			\$ 1,134,520	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Measure V Fund

For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and assessments	\$ 1,030,147	\$ 1,030,147	\$ 1,572,881	\$ 542,734
Use of money and property	2,700	2,700	(20,588)	(23,288)
<b>Total revenues</b>	<b>1,232,847</b>	<b>1,232,847</b>	<b>1,552,293</b>	<b>319,446</b>
<b>EXPENDITURES:</b>				
Capital outlay:				
General capital outlay	1,873,063	1,873,063	356,274	1,516,789
<b>Total expenditures</b>	<b>1,873,063</b>	<b>1,873,063</b>	<b>356,274</b>	<b>1,516,789</b>
<b>Net change in fund balances</b>	<b>\$ (640,216)</b>	<b>\$ (640,216)</b>	<b>1,196,019</b>	<b>\$ 1,836,235</b>
<b>FUND BALANCES:</b>				
Beginning of year			2,760,579	
End of year			<b>\$ 3,956,598</b>	



**City of Atwater**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2022**

	Business-Type Activities - Enterprise Funds				Governmental
	Water	Sewer	Sanitation	Totals	Internal
					Service Funds
<b>ASSETS</b>					
Current Assets:					
Cash and investments	\$ 31,014,972	\$ 20,165,046	\$ 2,651,087	\$ 53,831,105	\$ 2,821,697
Restricted cash and investments	-	975,129	-	975,129	-
Receivables:					
Accounts	921,666	1,432,304	616,255	2,970,225	7,210
Interest	35,364	22,834	3,079	61,277	2,699
Due from other funds	-	-	-	-	-
Prepaid expenses	1,003	1,003	1,003	3,009	76,347
<b>Total current assets</b>	<b>31,973,005</b>	<b>22,596,316</b>	<b>3,271,424</b>	<b>57,840,745</b>	<b>2,907,953</b>
Noncurrent:					
Capital assets:					
Nondepreciable	29,070,954	1,931,047	85,344	31,087,345	-
Depreciable	19,918,761	101,813,770	566,671	122,299,202	2,685,031
Less accumulated depreciation	(17,100,742)	(35,462,736)	(455,297)	(53,018,775)	(1,775,915)
<b>Net capital assets</b>	<b>31,888,973</b>	<b>68,282,081</b>	<b>196,718</b>	<b>100,367,772</b>	<b>909,116</b>
<b>Total noncurrent assets</b>	<b>31,888,973</b>	<b>68,282,081</b>	<b>196,718</b>	<b>100,367,772</b>	<b>909,116</b>
<b>Total assets</b>	<b>63,861,978</b>	<b>90,878,397</b>	<b>3,468,142</b>	<b>158,208,517</b>	<b>3,817,069</b>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	887,824	977,078	2,147	1,867,049	137,078
Accrued payroll	14,424	20,932	2,023	37,379	6,291
Due to other funds	-	-	-	-	-
Interest payable	-	537,809	-	537,809	-
Deposits payable	498,648	-	-	498,648	-
Other liabilities	741,655	49,892	-	791,547	-
Unearned revenue	-	56,938	-	56,938	-
Compensated absences - current	3,542	5,727	803	10,072	2,778
Long-term debt - current	-	1,680,000	-	1,680,000	-
<b>Total current liabilities</b>	<b>2,146,093</b>	<b>3,328,376</b>	<b>4,973</b>	<b>5,479,442</b>	<b>146,147</b>
Noncurrent liabilities:					
Compensated absences	29,163	53,699	94	82,956	13,222
Long-term debt	-	68,079,354	-	68,079,354	-
<b>Total noncurrent liabilities</b>	<b>29,163</b>	<b>68,133,053</b>	<b>94</b>	<b>68,162,310</b>	<b>13,222</b>
<b>Total liabilities</b>	<b>2,175,256</b>	<b>71,461,429</b>	<b>5,067</b>	<b>73,641,752</b>	<b>159,369</b>
<b>NET POSITION</b>					
Net investment in capital assets	31,888,973	(1,477,273)	196,718	30,608,418	909,116
Restricted for capital projects	-	975,129	-	975,129	-
Unrestricted	29,797,749	19,919,112	3,266,357	52,983,218	2,748,584
<b>Total net position</b>	<b>\$ 61,686,722</b>	<b>\$ 19,416,968</b>	<b>\$ 3,463,075</b>	<b>\$ 84,566,765</b>	<b>\$ 3,657,700</b>

See accompanying notes to Basic Financial Statements.

**City of Atwater**  
**Statement of Revenues, Expenditures and Changes in Net Position**  
**Proprietary Funds**  
**For the year ended June 30, 2022**

	Business-Type Activities - Enterprise Funds				Governmental
	Water	Sewer	Sanitation	Totals	Internal Service Funds
<b>OPERATING REVENUES:</b>					
Charges for services	\$ 7,397,296	\$ 11,722,088	\$ 4,641,023	\$ 23,760,407	\$ 4,233,448
Other operating revenue	316,479	12,402	45,859	374,740	155,284
<b>Total operating revenues</b>	<b>7,713,775</b>	<b>11,734,490</b>	<b>4,686,882</b>	<b>24,135,147</b>	<b>4,388,732</b>
<b>OPERATING EXPENSES:</b>					
Salaries and benefits	586,588	1,074,521	112,148	1,773,257	491,816
Contractual services	414,981	2,202,241	3,091,788	5,709,010	501,202
Materials and supplies	232,108	134,921	15,819	382,848	7,742
Repairs and maintenance	-	82,415	-	82,415	708,706
Utilities	1,170,277	1,001,381	-	2,171,658	109,297
Insurance	-	-	-	-	1,865,514
Other operating costs	1,775,650	1,857,425	892,670	4,525,745	193,782
Depreciation	350,044	3,309,258	18,097	3,677,399	145,676
<b>Total operating expenses</b>	<b>4,529,648</b>	<b>9,662,162</b>	<b>4,130,522</b>	<b>18,322,332</b>	<b>4,023,735</b>
<b>Operating income (loss)</b>	<b>3,184,127</b>	<b>2,072,328</b>	<b>556,360</b>	<b>5,812,815</b>	<b>364,997</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>					
Intergovernmental revenues (expenses)	-	-	-	-	(4,200)
Interest revenue	(1,275,544)	(108,777)	(14,735)	(1,399,056)	(11,979)
Interest expense	-	(2,633,668)	-	(2,633,668)	-
<b>Total nonoperating revenues (expenses)</b>	<b>(1,275,544)</b>	<b>(2,742,445)</b>	<b>(14,735)</b>	<b>(4,032,724)</b>	<b>(16,179)</b>
<b>Income before contributions and transfers</b>	<b>1,908,583</b>	<b>(670,117)</b>	<b>541,625</b>	<b>1,780,091</b>	<b>348,818</b>
<b>CONTRIBUTIONS AND TRANSFERS:</b>					
Transfers in	52,801	67,222	-	120,023	200,000
Transfers out	(452,375)	(300,000)	-	(752,375)	(50,000)
<b>Total contributions and transfers</b>	<b>(399,574)</b>	<b>(232,778)</b>	<b>-</b>	<b>(632,352)</b>	<b>150,000</b>
<b>Change in net position</b>	<b>1,509,009</b>	<b>(902,895)</b>	<b>541,625</b>	<b>1,147,739</b>	<b>498,818</b>
<b>NET POSITION:</b>					
Beginning of year	60,177,713	20,319,863	2,921,450	83,419,026	3,158,882
End of year	\$ 61,686,722	\$ 19,416,968	\$ 3,463,075	\$ 84,566,765	\$ 3,657,700

See accompanying notes to Basic Financial Statements.

**City of Atwater**  
**Statement of Revenues, Expenditures and Changes in Net Position**  
**Proprietary Funds**  
**For the year ended June 30, 2022**

	Business-Type Activities - Enterprise Funds				Governmental
	Water	Sewer	Sanitation	Totals	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash received from customers and users	\$ 7,502,160	\$ 11,480,617	\$ 4,527,334	\$ 23,510,111	\$ 4,407,683
Cash paid to suppliers for goods and services	(8,779,626)	(4,982,202)	(4,000,500)	(17,762,328)	(3,360,838)
Cash paid to employees for services	(572,415)	(1,108,680)	(111,771)	(1,792,866)	(482,346)
<b>Net cash provided by (used in) operating activities</b>	<b>(1,849,881)</b>	<b>5,389,735</b>	<b>415,063</b>	<b>3,954,917</b>	<b>564,499</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
Cash transfers in	52,801	67,222	-	120,023	200,000
Cash transfers out	(452,375)	(300,000)	-	(752,375)	(50,000)
Advance from other funds		562,140	(549,699)	12,441	-
Subsidy from grants	-	-	-	-	(4,200)
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(399,574)</b>	<b>329,362</b>	<b>(549,699)</b>	<b>(619,911)</b>	<b>145,800</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Note principal payments	(18,090)	(1,823,099)		(1,841,189)	-
Interest paid on capital debt	-	(2,645,097)		(2,645,097)	-
Purchase of capital assets	(11,553,232)	(1,444,260)	-	(12,997,492)	(115,689)
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(11,571,322)</b>	<b>(5,912,456)</b>	<b>-</b>	<b>(17,483,778)</b>	<b>(115,689)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Interest received	(1,283,179)	(120,431)	(16,252)	(1,419,862)	(11,979)
<b>Net cash provided by (used in) investing activities</b>	<b>(1,283,179)</b>	<b>(120,431)</b>	<b>(16,252)</b>	<b>(1,419,862)</b>	<b>(11,979)</b>
<b>Net cash flows</b>	<b>(15,103,956)</b>	<b>(313,790)</b>	<b>(150,888)</b>	<b>(15,568,634)</b>	<b>582,631</b>
<b>CASH AND INVESTMENTS - Beginning of year</b>	<b>46,118,928</b>	<b>21,453,965</b>	<b>2,801,975</b>	<b>70,374,868</b>	<b>2,239,066</b>
<b>CASH AND INVESTMENTS - End of year</b>	<b>\$ 31,014,972</b>	<b>\$ 21,140,175</b>	<b>\$ 2,651,087</b>	<b>\$ 54,806,234</b>	<b>\$ 2,821,697</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>					
Operating income (loss)	\$ 3,184,127	\$ 2,072,328	\$ 556,360	\$ 5,812,815	364,997
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	350,044	3,309,258	18,097	3,677,399	145,676
(Increase) decrease in accounts receivable	(211,127)	(252,870)	(158,545)	(622,542)	41,499
(Increase) decrease in prepaid expense	(488)	(1,003)	(1,003)	(2,494)	(22,548)
Increase (decrease) in accounts payable	(5,336,066)	267,639	(223)	(5,068,650)	43,406
Increase (decrease) in accrued payroll	6,788	3,451	631	10,870	
Increase (decrease) in accrued liabilities	103,001	28,542	-	131,543	(687)
Increase (decrease) in deposits payable	46,455	-	-	46,455	-
Increase (decrease) in compensated absences	7,385	(37,610)	(254)	(30,479)	(7,844)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ (1,849,881)</b>	<b>\$ 5,389,735</b>	<b>\$ 415,063</b>	<b>\$ 3,954,917</b>	<b>\$ 564,499</b>

See accompanying notes to Basic Financial Statements.

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**City of Atwater**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2022**

	RDA	
	Successor Agency Private Purpose Trust Fund	Custodial Funds
<b>ASSETS</b>		
Current assets:		
Cash and investments	\$ 682,488	\$ 131,857
Cash and investments with trustee/fiscal agent	-	-
Interest receivable	1,033	146
Loans/notes receivable	111,437	-
Total current assets	<u>794,958</u>	<u>132,003</u>
Land	706,256	
Property, plant and equipment	8,839,611	-
Less accumulated depreciation	(6,600,724)	-
Property, plant and equipment	<u>2,945,143</u>	<u>-</u>
<b>Total assets</b>	<u>3,740,101</u>	<u>132,003</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	681	-
Due to others	-	2,023
Due within one year	931,000	-
Total current liabilities	<u>931,681</u>	<u>2,023</u>
Long-term liabilities:		
Advance from governmental funds/activities	77,491	-
Due after one year	2,940,000	-
Total long-term liabilities	<u>3,017,491</u>	<u>-</u>
<b>Total liabilities</b>	<u>3,949,172</u>	<u>2,023</u>
<b>NET POSITION</b>		
Held in trust for dissolution of RDA	(209,071)	-
Held for the CFD Bond holders	-	129,980
<b>Total Net Position</b>	<u>\$ (209,071)</u>	<u>\$ 129,980</u>

**City of Atwater**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the year ended June 30, 2022**

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	RDA	
	Successor Agency	
	Private Purpose	
	Trust Fund	Custodial Funds
	<u>                    </u>	<u>                    </u>
<b>ADDITIONS:</b>		
Property taxes	\$ 1,132,850	-
Investment income	905	(717)
Other additions	1,203,118	-
	<u>2,336,873</u>	<u>(717)</u>
<b>Total additions</b>		
<b>DEDUCTIONS:</b>		
Depreciation expense	-	-
Urban redevelopment and housing	1,154,782	-
Interest expense	61,648	-
	<u>1,216,430</u>	<u>-</u>
<b>Total deductions</b>		
<b>Change in net position</b>	1,120,443	(717)
<b>NET POSITION:</b>		
Beginning of year, as restated	<u>(1,329,514)</u>	<u>130,697</u>
End of year	<u>\$ (209,071)</u>	<u>\$ 129,980</u>

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# NOTES TO BASIC FINANCIAL STATEMENTS

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## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Atwater (City) was incorporated in 1922, under the laws and regulations of the State of California (State). The City operates under a City Council/Manager form of government and provides the following services: public safety (Police), highways and streets, solid waste, storm water utility, public improvements, planning and zoning, and general administration.

The financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. On June 15, 1987, GASB issued a codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The City applies all GASB pronouncements to its activities.

### A. *Financial Reporting Entity*

The City operates as a self-governing local government unit within the State. It has limited authority to levy taxes and has the authority to determine user fees for the services that it provides. The City's main funding sources include sales taxes, other intergovernmental revenue from state and federal sources, user fees, and federal and state financial assistance.

The financial reporting entity consists of (a) the primary government, the City, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (a) the City has the ability to impose its will on the organization, or (b) there is a potential for the organization to provide a financial benefit to or impose a financial burden on the City.

The basic financial statements of the City include only the financial activities of the City. The City does not have component units.

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***B. Basis of presentation***

**Government Wide Financial Statements**

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

Certain types of transactions reported as program revenues for the City are reported in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except for those representing balances between the governmental activities and business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal fund transactions have been eliminated; however those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to/from other funds
- Advances to/from other funds
- Transfer in/out

The City applies all applicable GASB pronouncements including all NCGA Statements and Interpretations currently in effect.

**Governmental Fund Financial Statements**

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that meet specific qualifications.

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***B. Basis of presentation, Continued***

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means the amount is collectible within the current period or soon enough thereafter to pay current liabilities. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year end, with the exception of grant revenues and Transportation Development Act (TDA) revenues. Grant revenues are considered to be available if collected within 190 days and TDA revenues are considered to be available if collected within 90 days of the end of the current fiscal period.

The City reports the following major governmental funds:

- *General Fund* – used for all activities except those legally or administratively required to be accounted for in other funds.
- *Measure H Special Revenue Fund* – accounts for Measure H, a voter approved sales tax measure, to provide enhanced public safety costs.
- *Measure V Special Revenue Fund* – accounts for Measure V, a voter approved sales tax measure, to provide enhanced public safety costs.

**Proprietary Fund Financial Statements**

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Change in Net Position, and a Statement of Cash Flows for all proprietary funds.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position.

Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Operating revenues in the fund are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses. The City reports the following proprietary funds as major:

- *Water Enterprise Fund* – accounts for the operation and maintenance of the City’s water treatment and distribution system.
- *Sewer Enterprise Fund* – accounts for the operation and maintenance of the City’s wastewater treatment plant and collection facilities.
- *Sanitation Enterprise Fund* – accounts for all activities associates with the operation and maintenance of providing solid waste services.

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**B. Basis of presentation, Continued**

Internal service fund balances and activities have been combined with governmental and business-type activities in the Government-Wide Financial Statements. These funds account for building maintenance, employee benefits, risk management and information technology.

**Fiduciary Fund Financial Statements**

Fiduciary fund financial statements consist of a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The City has one private-purpose trust fund. The private-purpose trust fund accounts for resources of all other trust arrangements in which principal and income benefit individuals, private organizations, or other governments (i.e. unclaimed property/escheat property). Fiduciary funds are accounted for using the accrual basis of accounting.

The funds of the financial reporting entity are described below:

- Successor Agency - Former Atwater Community Development Agency Fund - accounts for funds collected and disbursed for the dissolution of the former Atwater Development Agency related to Administration and Retirement of enforceable obligations.
- Custodial Funds - account for assets held by the City in a purely custodial capacity and are not presented in the government-wide financial statements.

**C. Cash Deposits and Investments**

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

The City pools cash and investments from all funds for the purpose of increasing income through investment activities. Highly liquid money market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value in accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. Market value is used as fair value for those securities for which market quotations are readily available.

In accordance with GASB Statement No. 40, *Deposit, and Investment Disclosures (Amendment of GASB No. 3)*, certain disclosure requirements for Deposits and Investment Risks were made in the following areas:

- Interest Rate Risk
- Credit Risk
  - Overall
  - Custodial Credit Risk
  - Concentrations of Credit Risk

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**C. Cash Deposits and Investments, Continued**

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end, and other disclosures.

**D. Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net position. See Note 7 for details of interfund transactions, including receivables and payables at year-end.

**E. Receivables**

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include property taxes, sales and use taxes, utility user taxes, intergovernmental subventions, interest earnings, and expense reimbursements.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property tax, sales tax, utility user tax, and intergovernmental subventions since they are usually both measurable and available. Non-exchange transactions collectible but not available, such as property tax, are deferred in the fund financial statements in accordance with the modified accrual basis, but not deferred in the government-wide financial statements in accordance with the accrual basis.

Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. The loans receivable are recorded in the fund statements, but are deferred to indicate they do not represent current financial resources. The loans are recognized when advanced in the government-wide statements. The City's experience is that all accounts receivable are collectible; therefore an allowance for doubtful accounts is unnecessary.

**F. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. In the governmental fund financial statements, prepaid items are offset with a reservation of fund balance for long-term assets to indicate they do not constitute current resources available for appropriation.

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**G. Capital Assets**

The City's assets are capitalized at historical cost or estimated historical cost, if actual is unavailable, except for donated Capital Assets which are recorded at their estimated fair value at the date of donation. Policy has set the capitalization threshold for reporting at \$5,000 for non-infrastructure capital assets and \$25,000 for infrastructure capital assets.

Public domain (infrastructure) capital assets include roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, and lighting systems.

The accounting treatment of property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. No depreciation is recorded in the year of acquisition or in the year of disposition.

The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	5-40 years	Landscaping	30 years
Roadway improvements	40 years	Signage	25 years
Sidewalks, curbs, and gutters	40 years	Leasehold improvements	5 years
Storm drain pipes/structures	40 years	Machinery and equipment	3-5 years
Traffic signal devices	5-40 years	Vehicles	3 years

**H. Compensated Absences**

Employees accrue vacation, sick, holiday, and compensatory time off benefits. City employees have vested interests in the amount of accrued time off, with the exception of sick time, and are paid on termination. Also, annually an employee may elect to be compensated for 40 to 120 hours of unused annual leave depending upon their length of service. All vacation pay is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements and is currently payable. The City had no employee resignations or retirements for which compensated absences should be accrued in governmental funds at year-end. The general fund is typically used to liquidate compensated absences.

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**I. *Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of net position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statement of net position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**J. *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 Local Government of Example's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' 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.

**K. *Other Postemployment Benefits (OPEB)***

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**L. Net Position and Fund Balance**

*Government-Wide Statements*

Equity is classified as net position and is displayed in three components:

- a. *Net investment in capital assets* – consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. *Restricted net position* – consists of net position with constraints placed on the use by external groups such as creditors, grantors, contributors, or bylaws or regulations of other governments or law through constitutional provisions or enabling legislation.
- c. *Unrestricted net position* – all other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

*Fund Financial Statements*

Governmental fund equity is classified as fund balance. Fund balance is classified as nonspendable, restricted, committed, assigned, or unassigned. Proprietary fund equity is classified the same as in the government-wide statements. The classifications for governmental funds are defined as follows for the City:

***Nonspendable Fund Balance –***

- Assets that will never convert to cash (prepaid items, inventory).
- Assets that will not convert to cash soon enough to affect the current period (long-term notes or loans receivable).
- Resources that must be maintained intact pursuant to legal or contractual requirements (the principal of an endowment).

***Restricted Fund Balance –***

- Resources that are subject to externally enforceable legal restrictions imposed by parties altogether outside the government (creditors, grantors, contributors and other governments).
- Resources that are subject to limitations imposed by law through constitutional provisions or enabling legislation (e.g. Gas Tax).

***Committed Fund Balance –***

- Self-imposed limitations set in place prior to the end of the period (encumbrances, economic contingencies and uncertainties).
- Limitation at the highest level of decision-making (Council) that requires formal action at the same level to remove.
- Council resolution is required to be taken to establish, modify or rescind a fund balance commitment



**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

*L. Net Position and Fund Balance, Continued*

*Assigned Fund Balance -*

- Amounts in excess of nonspendable, restricted and committed fund balance in funds other than the general fund automatically are reported as assigned fund balance.
- Assigned amounts for a specific purpose are as authorized by the City's City Treasurer through its fund balance policy.

*Unassigned Fund Balance -*

- Residual net resources
- Total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance (surplus).
- Excess of nonspendable, restricted, and committed fund balance over total fund balance (deficit).

*M. Revenues, Expenditures, and Expenses*

**Property Tax**

Property taxes in the State of California are administered for all local agencies at the county level and consist of secured, unsecured, and utility tax rolls. The following is a summary of major policies and practices relating to property taxes.

Property Valuations - are established by the Assessor of the County of Merced (County) for the secured and unsecured property tax rolls; the utility property tax rolls are valued by the State Board of Equalization. Under the provisions of Article XIII A of the State Constitution (Proposition 13 adopted by voters on June 6, 2078) properties are assessed at 100% of full value. From this base of assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

Tax Levies - are limited to 1% of full value which results in a tax rate of \$1.00 per \$100 assessed valuation, under the provisions of Proposition 13. Tax rates for voter-approved indebtedness are excluded from this limitation.

Tax Levy Dates - are attached annually on January 1 proceeding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***M. Revenues, Expenditures, and Expenses, Continued***

Tax Collections - are the responsibility of the County Tax Collector. Taxes and assessments on secured and utility rolls which constitute a lien against the property, may be paid in two installments: The first is due on November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the taxes become delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the County for late payments.

The County levies, bills, and collects property taxes and special assessments for the City. Property taxes levied are recorded as revenue when received, in the fiscal year of levy, due to the adoption of the "alternate method of property tax distribution", known as the Teeter Plan, by the City and the County. The Teeter Plan authorizes the Auditor/Controller of the County to allocate 100% of the secured property taxes billed, but not yet paid. The County remits tax monies to the City in three installments as follows:

50 percent remitted in December  
45 percent remitted in April  
5 percent remitted in June

***N. Budgetary Accounting***

The City Council establishes budgets for the General Fund and all Special Revenue Funds, except for certain Special Revenue Funds for which expenditures are controlled by grant funding or by assessments received. Budgetary control is legally maintained at the fund level for these funds. Department heads submit budget requests to the City Manager. The City Manager prepares an estimate of revenues and prepares recommendations for the next year's budget. The preliminary budget may or may not be amended by the City Council and is adopted by resolution by the City Council on or before June 30 in accordance with the municipal code.

The City Council may amend the budget by motion during the fiscal year. Only the Council can authorize transfers between funds and approve inter-fund loans. The City Manager is authorized to transfer budgeted amounts within a fund without formal council action or approval. The City Manager is authorized to increase expenditures in relation to revenues in funds receiving assigned revenues without approval by the City Council.

Expenditures may not legally exceed appropriations at the fund level, which is the legal level of control. Supplemental appropriations, which increase appropriations, may be made during the fiscal year. There were no material supplemental appropriations made for the fiscal year ended June 30, 2022. Budget information is presented for the General and budgeted Special Revenue Funds in the fund financial statements. The budget information is presented on a basis consistent with generally accepted accounting principles. Appropriations, except open project appropriations, and unexpended grant appropriations, lapse at the end of each fiscal year.

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**O. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could differ from those estimates.

**P. New Accounting Pronouncements**

In 2022, the City adopted new accounting standards in order to conform to the following Governmental Accounting Standards Board Statements:

- GASB Statement No. 87, *Leases* – The objective of this statement is to recognize in the financial statements certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.
- GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of the Construction Period* – The objective of this statement is to (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement establishes accounting requirements for interest cost incurred before the end of a construction period. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The requirements of this statement did not apply to the City for the current fiscal year.
- GASB Statement No. 92, *Omnibus 2020* – The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this statement did not apply to the City for the current fiscal year.
- GASB Statement No. 99, *Omnibus 2022* – The primary objectives of this statement are to enhance the comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during the implementation and application of certain GASB Statements. The requirements of this statement did not apply to the City for the current fiscal year.

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

**2. CASH AND INVESTMENTS**

Cash, cash equivalents, and investments are reported in the accompanying basic financial statements as follows:

	Government-Wide Statement of Net Position			
	Governmental Activities	Business-Type Activities	Fiduciary Funds	Total
Cash and investments	\$ 37,615,334	\$ 53,831,105	\$ 814,345	\$ 92,260,784
Restricted cash and investments	-	975,129	-	975,129
Total cash and investments	<u>\$ 37,615,334</u>	<u>\$ 54,806,234</u>	<u>\$ 814,345</u>	<u>\$ 93,235,913</u>

Summary of Cash and Investments

At June 30, 2022, the City's pooled cash and investments consist of the following:

Cash on hand	\$ 450
Deposits with financial institutions	14,480,455
Total cash on hand and deposits	<u>14,480,905</u>
Local Agency Investment Funds (LAIF)	54,398,105
CSJVRMA Investment Pool	1,135,569
Government bonds	3,319,433
Corporate bonds	5,662,360
Asset-backed securities	2,624,043
Suprational obligation	1,156,592
CMO	1,731,092
Money Market Fund	94,940
Agency Obligation	7,413,078
Total investments	<u>77,535,212</u>
Total City Treasury	<u>92,016,117</u>
Cash and investments held by fiscal agents	975,129
Restricted for PARS pension Trust	244,667
Total cash and investments	<u>\$ 93,235,913</u>

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**2. CASH AND INVESTMENTS, Continued**

Deposits

The carrying amount of the City's cash deposit was \$14,480,455 at June 30, 2022.

Bank balances before reconciling items were a positive amount of \$15,186,643 at June 30, 2022. The City's cash deposit was fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The remaining amount was collateralized with securities held by the pledging financial institutions in the City's name.

The California Government Code (Code) Section 53652 requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. The Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name.

The market value of pledged securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits.

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

**2. CASH AND INVESTMENTS, Continued**

Investments

California statutes authorize cities to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 - Financial Affairs. The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. The table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code of the City's investment policy. During the year ended June 30, 2022, the City's permissible investments included the following instruments:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum % of Portfolio	Maximum Investment in One Issuer
Bankers' Acceptances	180 days	A-1, P-1	40%	5%
Certificates of Deposits	2 years	N/A	20%	\$500,000 per entity
Negotiable Certificates of Deposit	2 years	A	30%	\$1m per entity
Commercial Paper	270 days	A-1	25%	10%
State of California Local Agency Investment Fund (State Pool)	N/A	N/A	N/A	10%
Medium Term Notes	5 years	A	N/A	N/A
Money Market Funds	N/A	Aaa	20%	5%
U.S. Treasury Securities	5 years	N/A	N/A	20%
U.S. Treasury Obligations	None	N/A	N/A	N/A
U.S. Government Agency Issues	5 years	A	30%	5%
U.S. Government Agency Sponsored Enterprise Securities	5 years	N/A	N/A	N/A
Repurchase Agreements	1 year	N/A	10%	10%
Mortgage pass-through and asset backed securities	5 years	AA	20%	5%
Supranational Obligations	5 years	AA	30%	N/A

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

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

**2. CASH AND INVESTMENTS, Continued**

Investments, Continued

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investments with LAIF at June 30, 2022, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

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

Asset-Backed Securities - the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2022, the City had \$54,398,105 invested in LAIF, which had invested 1.88% of the pool investment funds in Structured Notes and Asset-Backed Securities as compared to 2.31% in the previous year. The LAIF fair value factor of 0.987125414 was used to calculate the fair value of the investments in LAIF.

Risk Disclosures

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

Investment Type	Total	Investment Maturities (in Months)		
		12 Months or less	13 to 36 Months	More than 36 Months
Government bonds	\$ 3,319,433	\$ -	\$ 2,161,619	\$ 1,157,814
Corporate bonds	5,662,360	-	3,269,782	2,392,578
Asset-backed securities	2,624,043	-	1,459,711	1,164,332
Suprational obligation	1,156,592	-	554,526	602,066
CMO	1,731,092	-	1,581,197	149,895
Money Market Fund	94,940	94,940	-	-
Agency Obligation	7,413,078	-	5,329,797	2,083,281
Subtotal	22,001,538	94,940	14,356,632	7,549,966
Joint investment pools:				
Local Agency Investment Fund	54,398,105	54,398,105	-	-
CSJVRMA Investment Pool	1,135,569	1,135,569	-	-
Total	\$ 77,535,212	\$ 55,628,614	\$ 14,356,632	\$ 7,549,966

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

**2. CASH AND INVESTMENTS, Continued**

Risk Disclosures, Continued

*Credit risk* – Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating at June 30, 2022 for each investment type:

Investment	Total	Rating as of June 30, 2022					
		A3	A2	A1	Aa3	Aa1	Aaa
Government bonds	\$ 3,319,433	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,319,433
Corporate bonds	5,662,360	263,219	5,399,141	-	-	-	-
Suprational obligation	1,156,592	-	-	-	-	-	1,156,592
CMO	1,731,092	-	-	-	-	-	1,731,092
Money Market Fund	94,940	-	-	-	-	-	94,940
Agency Obligation	7,413,078	-	-	-	-	-	7,413,078
Subtotal	<u>\$ 19,377,495</u>	<u>\$ 263,219</u>	<u>\$ 5,399,141</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,715,135</u>

**Not Rated:**

Joint Investment Pool:

Local Agency Investment Fund	54,398,105
CSJVRMA Investment Pool	1,135,569
Asset-backed securities	2,624,043

Total Investments 77,535,212

*Concentration of credit risk* – The City’s investment policy does not allow for an investment in any one issuer that is in excess of five percent of the government’s total investments. The investments made by the City Treasurer are limited to those allowable under State statutes as incorporated into the City’s Investment Policy, which is accepted annually by the City Council. There were no concentrations in any one issuer for the year.

*Custodial credit risk* – investments. For investments, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside counterparty. For the investments maintained by the City, no security was uninsured or unregistered or held by a brokerage firm which is also the counterparty for the security.



**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**2. CASH AND INVESTMENTS, Continued**

Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of June 30, 2022:

Investment Type	Fair Value	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Government bonds	\$ 3,319,433	\$ -	\$ 3,319,433	\$ -
Corporate bonds	5,662,360	-	5,662,360	-
Asset-backed securities	2,624,043	-	2,624,043	-
Suprational obligation	1,156,592	-	1,156,592	-
CMO	1,731,092	-	1,731,092	-
Agency Obligation	7,413,078	-	7,413,078	-
Total investments subject to fair value	21,906,598	\$ -	\$ 21,906,598	\$ -
Investments not subject to levelling:				
Money Market Funds	94,940			
CSJVRMA Investment Pool	1,135,569			
California Local Agency Investment Fund	54,398,105			
Total Investments	\$ 77,535,212			

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

**3. CAPITAL ASSETS**

Governmental capital asset activity for the year ended June 30, 2022, was as follows:

	Balance July 1, 2021	Additions	Deletions	Adjustments/ Transfers	Balance June 30, 2022
<b><u>Governmental activities</u></b>					
<b>Nondepreciable assets:</b>					
Land	\$ 299,384	\$ -	\$ -	\$ -	\$ 299,384
Construction in Progress	4,838,500	2,628,111	-	(1,140,266)	6,326,345
<b>Total nondepreciable assets</b>	<b>5,137,884</b>	<b>2,628,111</b>	<b>-</b>	<b>(1,140,266)</b>	<b>6,625,729</b>
<b>Depreciable assets:</b>					
Buildings and improvements	7,114,734	1,463,624	-	-	8,578,358
Infrastructure	1,164,766	-	-	-	1,164,766
Roads	52,103,503	140,643	-	-	52,244,146
Equipment	10,288,510	229,487	-	-	10,517,997
<b>Total depreciable assets</b>	<b>70,671,513</b>	<b>1,833,754</b>	<b>-</b>	<b>-</b>	<b>72,505,267</b>
<b>Total</b>	<b>75,809,397</b>	<b>4,461,865</b>	<b>-</b>	<b>(1,140,266)</b>	<b>79,130,996</b>
<b>Accumulated depreciation:</b>					
Buildings and improvements	(4,364,255)	(254,689)	-	-	(4,618,944)
Infrastructure	(481,471)	(73,910)	-	-	(555,381)
Roads	(44,458,236)	(693,073)	-	-	(45,151,309)
Equipment	(6,144,780)	(547,194)	-	-	(6,691,974)
<b>Total accumulated depreciation</b>	<b>(55,448,742)</b>	<b>(1,568,865)</b>	<b>-</b>	<b>-</b>	<b>(57,017,607)</b>
<b>Net depreciable assets</b>	<b>15,222,771</b>	<b>264,889</b>	<b>-</b>	<b>-</b>	<b>15,487,660</b>
<b>Amortizable assets:</b>					
Right of use - lease asset	-	249,376	-	-	249,376
<b>Accumulated amortization</b>	<b>-</b>	<b>(71,713)</b>	<b>-</b>	<b>-</b>	<b>(71,713)</b>
<b>Net amortizable assets</b>	<b>-</b>	<b>177,663</b>	<b>-</b>	<b>-</b>	<b>177,663</b>
<b>Total net capital assets</b>	<b>\$ 20,360,655</b>	<b>\$ 3,070,663</b>	<b>\$ -</b>	<b>\$ (1,140,266)</b>	<b>\$ 22,291,052</b>

Depreciation expense for capital assets was charged to functions as follows:

General government	\$ 664,086
Public safety	324,106
Highways and streets	580,673
<b>Total</b>	<b>1,568,865</b>

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

**3. CAPITAL ASSETS, Continued**

Business-type capital asset activity for the year ended June 30, 2022, was as follows:

	Balance July 1, 2021	Additions	Deletions	Adjustments/ Transfers	Balance June 30, 2022
<b>Business-type activities</b>					
<b>Nondepreciable assets:</b>					
Land	\$ 764,902	\$ 300,000	\$ -	\$ -	1,064,902
Construction in Progress	18,232,069	11,841,438	(51,064)	-	30,022,443
<b>Total nondepreciable assets</b>	<u>18,996,971</u>	<u>12,141,438</u>	<u>(51,064)</u>	<u>-</u>	<u>31,087,345</u>
<b>Depreciable assets:</b>					
Buildings and improvements	110,628,997	648,557	-	-	111,277,554
Equipment	10,771,400	250,248	-	-	11,021,648
<b>Total depreciable assets</b>	<u>121,400,397</u>	<u>898,805</u>	<u>-</u>	<u>-</u>	<u>122,299,202</u>
<b>Total</b>	<u>140,397,368</u>	<u>13,040,243</u>	<u>(51,064)</u>	<u>-</u>	<u>153,386,547</u>
<b>Accumulated depreciation:</b>					
Buildings and improvements	(40,587,785)	(3,403,243)	-	-	(43,991,028)
Equipment	(8,761,904)	(274,156)	8,313	-	(9,027,747)
<b>Total accumulated depreciation</b>	<u>(49,349,689)</u>	<u>(3,677,399)</u>	<u>8,313</u>	<u>-</u>	<u>(53,018,775)</u>
<b>Net depreciable assets</b>	<u>72,050,708</u>	<u>(2,778,594)</u>	<u>8,313</u>	<u>-</u>	<u>69,280,427</u>
<b>Total net capital assets</b>	<u>\$ 91,047,679</u>	<u>\$ 9,362,844</u>	<u>\$ (42,751)</u>	<u>\$ -</u>	<u>\$ 100,367,772</u>

Depreciation expense for capital assets was charged to functions as follows:

Water	\$ 350,044
Sewer	3,309,258
Sanitation	18,097
	<u>\$ 3,677,399</u>

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

**4. LONG-TERM LIABILITIES**

The following is a summary of changes in long-term liabilities for governmental activities for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Retirements	Adjustments	Balance June 30, 2022	Due Within One Year
<u>Governmental Activities:</u>						
Lease liability	\$ -	\$ 138,478	\$ (57,514)	\$ 110,898	\$ 191,862	\$ 72,875
Lease-purchase financing	925,515	-	(318,510)	(129,147)	477,858	-
Total governmental activities	<u>\$ 925,515</u>	<u>\$ -</u>	<u>\$ (376,024)</u>	<u>\$ (18,249)</u>	<u>\$ 669,720</u>	<u>\$ -</u>

The following is a summary of changes in long-term liabilities for business-type activities for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Retirements	Adjustments	Balance June 30, 2022	Due Within One Year
<u>Business-type Activities</u>						
2017A Wastewater Revenue						
Refunding Bonds	\$ 52,165,000	\$ -	\$ (965,000)	\$ -	\$ 51,200,000	\$ 1,020,000
Unamortized bond premium	4,831,655	-	(201,320)	-	4,630,335	-
2018A Wastewater Revenue						
Refunding Bonds	14,505,000	-	(635,000)	-	13,870,000	660,000
Unamortized bond premium	62,709	-	(3,690)	-	59,019	-
Capital lease obligation	36,179	-	(36,179)	-	-	-
Total governmental activities	<u>\$ 71,600,543</u>	<u>\$ -</u>	<u>\$ (1,841,189)</u>	<u>\$ -</u>	<u>\$ 69,759,354</u>	<u>\$ 1,680,000</u>

***Governmental Activities:***

**Lease-Purchase financing:**

The City of Atwater has entered into two separate lease agreements as lessee for financing the acquisition of five patrol vehicles valued at \$204,276 and ladder fire truck valued at \$783,751. The interest rates on the leases are 1.98% and 2.65%, respectively. The patrol vehicles have a 5-year estimated useful life and the ladder truck has a 15-year estimated useful life. Title reverts to the City after payment of the minimum lease payments, and, therefore, have been recorded at the present value of future minimum lease payments.

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**4. LONG-TERM LIABILITIES, Continued**

Lease-Purchase financing, Continued

Year Ending June 30,	Principal	Interest
2023	173,976	12,986
2024	173,792	9,824
2025	71,774	7,177
Total	<u>\$ 419,542</u>	<u>\$ 29,987</u>

In fiscal year 2021, the City of Atwater entered into a lease agreement as lessee for financing the acquisition of police bodycam equipment valued at \$105,012. The bodycams have 5-year estimated useful life.

Year Ending June 30,	Principal	Interest
2023	20,905	-
2024	20,905	-
2025	20,906	-
Total	<u>\$ 62,716</u>	<u>\$ -</u>

Lease liabilities

Pursuant to the GASB 87, the City has following lease liabilities:

In fiscal year 2021, the City of Atwater entered into a lease agreement as lessee with Enterprise for one police vehicle (Vehicle #2053-23C8PN) valued at \$45,349. As of June 30, 2022, the value of the lease liability is \$30,077. The vehicle has 4-year estimated useful life. The City is required to make monthly payment of \$944. The value of the right to use the asset as of June 30, 2022 of \$30,077 is included in the intangible assets on the capital assets activities table found in Note 3 above.

Year Ending June 30,	Principal	Interest
2023	\$ 9,222	\$ 2,114
2024	10,004	1,333
2025	10,851	485
Total	<u>\$ 30,077</u>	<u>\$ 3,932</u>

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**4. LONG-TERM LIABILITIES, Continued**

In fiscal year 2020, the City of Atwater entered into a lease agreement as lessee with Enterprise for one police vehicle (Vehicle #2045-239MBF) valued at \$46,033. As of June 30, 2022, the value of the lease liability is \$21,994. The vehicle has 4-year estimated useful life. The City is required to make monthly payment of \$1,198. The value of the right to use the asset as of June 30, 2022 of \$21,994 is included in the intangible assets on the capital assets activities table found in Note 3 above.

Year Ending June 30,	Principal	Interest
2023	\$ 12,758	\$ 1,618
2024	9,236	348
Total	<u>\$ 21,994</u>	<u>\$ 1,966</u>

In fiscal year 2020, the City of Atwater entered into a lease agreement as lessee with Enterprise for one police vehicle (Vehicle #2047-23C8Q4) valued at \$25,785. As of June 30, 2022, the value of the lease liability is \$12,876. The vehicle has 4-year estimated useful life. The City is required to make monthly payment of \$667. The value of the right to use the asset as of June 30, 2022 of \$12,876 is included in the intangible assets on the capital assets activities table found in Note 3 above.

Year Ending June 30,	Principal	Interest
2023	\$ 7,099	\$ 905
2024	5,776	227
Total	<u>\$ 12,875</u>	<u>\$ 1,132</u>

In fiscal year 2020, the City of Atwater entered into a lease agreement as lessee with Enterprise for one police vehicle (Vehicle #2048-23C8Q3) valued at \$25,785. As of June 30, 2022, the value of the lease liability is \$12,929. The vehicle has 4-year estimated useful life. The City is required to make monthly payment of \$669. The value of the right to use the asset as of June 30, 2022 of \$12,929 is included in the intangible assets on the capital assets activities table found in Note 3 above.

Year Ending June 30,	Principal	Interest
2023	\$ 7,129	\$ 909
2024	5,800	228
Total	<u>\$ 12,929</u>	<u>\$ 1,137</u>

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**4. LONG-TERM LIABILITIES, Continued**

In fiscal year 2021, the City of Atwater entered into a lease agreement as lessee with Enterprise for one police vehicle (Vehicle #2056-239MBD) valued at \$36,406. As of June 30, 2022, the value of the lease liability is \$22,696. The vehicle has 4-year estimated useful life. The City is required to make monthly payment of \$919. The value of the right to use the asset as of June 30, 2022 of \$22,696 is included in the intangible assets on the capital assets activities table found in Note 3 above.

Year Ending June 30,	Principal	Interest
2023	\$ 9,599	\$ 1,432
2024	10,375	655
2025	2,722	35
Total	<u>\$ 22,696</u>	<u>\$ 2,122</u>

In fiscal year 2022, the City of Atwater entered into a lease agreement as lessee with Enterprise for one police vehicle (Vehicle #2051-23XZTS) valued at \$36,778. As of June 30, 2022, the value of the lease liability is \$30,262. The vehicle has 4-year estimated useful life. The City is required to make monthly payment of \$931. The value of the right to use the asset as of June 30, 2022 of \$30,262 is included in the intangible assets on the capital assets activities table found in Note 3 above.

Year Ending June 30,	Principal	Interest
2023	\$ 8,972	\$ 2,201
2024	9,756	655
2025	10,608	35
2026	926	6
Total	<u>\$ 30,262</u>	<u>\$ 2,897</u>

In fiscal year 2022, the City of Atwater entered into a lease agreement as lessee with Enterprise for one police vehicle (Vehicle #2052-23XZTV) valued at \$36,778. As of June 30, 2022, the value of the lease liability is \$30,446. The vehicle has 4-year estimated useful life. The City is required to make monthly payment of \$936. The value of the right to use the asset as of June 30, 2022 of \$30,446 is included in the intangible assets on the capital assets activities table found in Note 3 above.

Year Ending June 30,	Principal	Interest
2023	\$ 9,027	\$ 2,215
2024	9,816	1,427
2025	10,673	570
2026	930	6
Total	<u>\$ 30,446</u>	<u>\$ 4,218</u>

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**4. LONG-TERM LIABILITIES, Continued**

In fiscal year 2022, the City of Atwater entered into a lease agreement as lessee with Enterprise for one police vehicle (Vehicle #2050-252ZQB) valued at \$36,778. As of June 30, 2022, the value of the lease liability is \$30,570. The vehicle has 4-year estimated useful life. The City is required to make monthly payment of \$940. The value of the right to use the asset as of June 30, 2022 of \$30,570 is included in the intangible assets on the capital assets activities table found in Note 3 above.

Year Ending June 30,	Principal	Interest
2023	\$ 9,064	\$ 2,224
2024	9,856	1,432
2025	10,716	572
2026	934	6
Total	<u>\$ 30,570</u>	<u>\$ 4,234</u>

***Business-type Activities***

**2017A Wastewater Revenue Refunding Bonds (Sewer)**

In August 2017, the City issued the 2017A Wastewater Revenue Refunding Bonds in the amount of \$56,600,000 to defease the 2008 Wastewater Revenue Refunding Bonds and the 2010 Wastewater Revenue Bonds by placing funds in separate escrow accounts to prepay the obligations. Each payment includes interest at an annual rate between 3.125% to 5.000%. Interest on the bonds is payable on May 1 and November 1 of each year. Principal of the bonds is payable on May 1 of each year beginning May 1, 2019. The bonds fully mature on May 1, 2045. An original issue premium of \$5,619,924 and an underwriting discount of \$509,400 was included in the sales of the bonds.

The annual debt service requirements for the 2017A Bonds are as follow:

Year Ending June 30,	2017A Wastewater Revenue Refunding Bonds	
	Principal	Interest
2023	\$ 1,020,000	\$ 2,296,088
2024	1,065,000	2,245,088
2025	1,115,000	2,191,838
2026	1,175,000	2,136,086
2027	1,230,000	2,077,336
2028-2032	7,140,000	9,426,930
2033-2037	8,820,000	7,745,272
2038-2042	16,645,000	5,296,500
2043-2045	12,990,000	984,000
Total	<u>\$ 51,200,000</u>	<u>\$ 34,399,138</u>



**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**4. LONG-TERM LIABILITIES, Continued**

2018A Wastewater Revenue Refunding Bonds (Sewer)

In April 2019, the City issued the 2019A Wastewater Revenue Refunding Bonds in the amount of \$16,255,000 to defease the 2011 Wastewater Revenue Bonds by placing funds in an escrow account to prepay the obligation. Each payment includes interest at an annual rate between 2.75% to 4.00%. Interest on the bonds is payable on May 1 and November 1 of each year. Principal of the bonds is payable on May 1 of each year beginning June 30, 2022, Interest payments began on November 1, 2019. The bonds fully mature on May 1, 2038. An original issue premium of \$2,064,063 and an underwriting discount of \$146,295 was included in the sales of the bonds.

The annual debt service requirements for the 2018A Bonds are as follow:

Year Ending June 30,	2018A Wastewater Revenue Refunding Bonds	
	Principal	Interest
2023	660,000	480,369
2024	690,000	453,969
2025	715,000	426,369
2026	740,000	397,769
2027	775,000	368,168
2028-2032	4,230,000	1,483,992
2033-2037	4,960,000	742,046
2038-2042	1,100,000	40,700
2032-2045	-	-
	<u>\$ 13,870,000</u>	<u>\$ 4,393,382</u>

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**5. COMPENSATED ABSENCES**

The City's compensated absences payable activity for the year ended June 30, 2022 was as follows:

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022	Due Within One Year
<u>Governmental Activities:</u>					
Compensated absences	\$ 751,913	\$ 84,934	\$ (57,317)	\$ 779,530	\$ 58,676
<u>Business-Type Activities:</u>					
Compensated absences	123,507	13,487	(43,966)	93,028	10,072
Total	<u>\$ 875,420</u>	<u>\$ 98,421</u>	<u>\$ (101,283)</u>	<u>\$ 872,558</u>	<u>\$ 68,748</u>

**6. NET POSITION/ FUND BALANCES**

Net position

	Governmental Activities	Businesss-type Activities	Total
Net investment in capital assets	\$ 21,541,733	\$ 30,608,418	\$ 52,150,151
Restricted	8,700,981	975,129	9,676,110
Unrestricted (deficit)	(24,368,037)	52,983,218	28,615,181
Total	<u>\$ 5,874,677</u>	<u>\$ 84,566,765</u>	<u>\$ 90,441,442</u>

Restricted balances are for the same purposes as fund balance restrictions because external restriction requirements are the same. See descriptions of the restrictions below.

**City of Atwater**  
**Notes to Basic Financial Statements**  
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**6. NET POSITION/ FUND BALANCES, Continued**

Fund Balance

Nonspendable and Restricted fund balance consisted of the following at June 30, 2022:

Nonspendable:	
Prepaid items	\$ 59,912
Investment in land held for resale	159,364
	<hr/>
Total Nonspendable	219,276
	<hr/> <hr/>
Restricted:	
Governmental Funds:	
Measure H	1,134,520
General Plan Update	1,192,042
Gas Tax	174,303
Facility Impact Fee	6,377,716
HOME Investment Partnership Program	511,364
Neighbour Stabilization	219,213
Pension Rate Stabilization	244,667
	<hr/>
Total Restricted	\$ 9,853,825
	<hr/> <hr/>
Assigned:	
Measure V	3,956,598
Police Grant	83,721
Local Transportation	596,944
CDBG Program Income	239,221
Housing Authority	1,222,115
Narcotics Program	2,059
Applegate Exchange	764,209
Reginal Surface Transportation Program	2,305,609
Maintenance Districts	1,546,233
Performance Bond	106,257
	<hr/>
Total Assigned	\$ 10,822,966
	<hr/> <hr/>

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**6. NET POSITION/FUND BALANCES, Continued**

The following describe the purpose of each nonspendable, restricted, and committed category used by the City:

**Nonspendable**

- **Prepaid items** - used to segregate that portion of fund balance to indicate that prepaid amounts do not represent available, spendable resources even though they are components of assets.
- **Investment in land held for resale** - includes properties held for the purpose of redevelopment either through resale or conversion to public use, which do not represent available, spendable resources even though they are components of assets.

**Restricted**

- **Gas Tax** - represents amounts restricted for street maintenance purposes as defined in Sections 2105, 2106, 2107 and 2107.5 of the Streets and Highway Code.
- **Facility Impact Fee** - represents amounts restricted to capital projects through AB1600.
- **HOME Investment Partnership Program** - represents amounts restricted for the City's HOME revolving loan program as this program is supported by specific grants requiring the restriction.
- **Neighborhood Stabilization** - represents restricted amounts received from Federal Grants for neighborhood revitalization programs.

Deficit fund balances consisted of the following:

	As of June 30, 2022
Nonmajor Special Revenue Funds:	
General Capital Projects	\$ (155,599)
Community Development Block Grants	-
APRA Grants	(10,798)
Maintenance District Funds:	
Northwood Village	(247)
Woodview Garland	(8)
Sierra Parks	(2,225)
Total Governmental Funds	<u>\$ (168,877)</u>
Fiduciary Funds:	
Successor Agency Private Purpose Trust	<u>\$ (209,071)</u>

The above deficit fund balances have occurred due to the spending of funds prior to the receipt of revenues (cost reimbursements). The fund balances will be restored in the near future as revenues are received.

**City of Atwater**  
**Notes to Basic Financial Statements**  
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**7. INTERFUND TRANSACTIONS**

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Transfers consisted of the following at June 30, 2022:

Transfers Out	Transfers In					Total
	General Fund	Water Fund	Sewer Fund	Nonmajor Governmental Funds	Nonmajor Proprietary Funds	
General Fund	\$ -	\$ 52,801	\$ 67,222	\$ 658,597	\$ 200,000	\$ 978,620
Nonmajor Governmental Funds	499,070	-	-	-	-	499,070
Water Fund	152,375	-	-	300,000	-	452,375
Sewer Fund	-	-	-	300,000	-	300,000
Nonmajor Proprietary Funds	-	-	-	50,000	-	50,000
<b>Total</b>	<b>\$ 651,445</b>	<b>\$ 52,801</b>	<b>\$ 67,222</b>	<b>\$ 1,308,597</b>	<b>\$ 200,000</b>	<b>\$ 2,280,065</b>

The transfer from Nonmajor Governmental Funds, Sewer Fund and \$300,000 transfer from the Water Fund to the General Fund were for the contributions toward the General Plan Update. The remaining \$152,375 Water Fund transfer from proprietary funds to governmental funds was to fund hydrant maintenance paid from General Fund. The transfers from General Fund to Nonmajor Governmental funds are for the contributions to the Gas tax fund for road maintenance, and to General Capital Improvement Funds for capital improvement projects. The transfers from General fund to Nonmajor Proprietary Funds are for the contributions to internal service fund for equipment replacement and unfunded OPEB liabilities.

**8. RISK MANAGEMENT**

The City participates with other public entities in a joint venture under a joint powers agreement which establishes the Central San Joaquin Valley Risk Management Authority (CSJVRMA). The relationship between the City and CSJVRMA is such that CSJVRMA is not a component unit of the City for financial reporting purposes. The City is covered for the first \$1,000,000 of each general liability claim and \$500,000 of each worker's compensation claim through the CSJVRMA. The City has the right to receive dividends or the obligation to pay assessments based on a formula which, among other expenses, charges the City's account for liability losses under \$50,000 and worker's compensation losses under \$100,000. The CSJVRMA participates in an excess pool which provides worker's compensation coverage from \$500,000 to \$4,500,000 and purchases excess insurance above the \$5,000,000 to the statutory limit.

The CSJVRMA is a consortium of fifty-four (54) cities in San Joaquin Valley, California. It was established under the provisions of California Government Code Section 6500 et. seq. The CSJVRMA is governed by a Board of Directors, which meets 3-4 times per year, consisting of one member appointed by each member city. The day-to-day business is handled by a management group employed by the CSJVRMA.

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**8. RISK MANAGEMENT, CONTINUED**

At the termination of the joint venture agreement and after all claims has been settled, any excess or deficit will be divided among the cities in proportion to the aggregate amount of contribution made by each. The financial position results of operations of CSJVRMA are as follows for June 30, 2022, the most recent available:

Total assets	\$	197,972,574
Total liabilities		75,843,945
Total equities		122,128,629
Total revenues		28,873,744
Total expenses		22,302,988
Revenues over (under) expenses		6,570,756

**9. PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

General Information about the Pension Plans

**Plan Descriptions** - All qualified permanent and probationary employees are eligible to participate in the City's separate Safety (police and fire) and Miscellaneous (all other) Employee Pension Plans, costsharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**Benefits Provided** - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 2057 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.

**City of Atwater**  
**Notes to Basic Financial Statements**  
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**9. PUBLIC EMPLOYEES' RETIREMENT SYSTEM, Continued**

Benefits Provided

The Plans' provisions and benefits in effect at June 30, 2022, are summarized as follows:

	Miscellaneous PEPRA	Miscellaneous Classic	Miscellaneous - Tier 2
	Prior to January 1, 2013	Prior to January 1, 2013	Prior to January 1, 2013
Hire date	January 1, 2013	January 1, 2013	January 1, 2013
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	62	55-60	60
Monthly benefits, as a % of eligible compensation	2.00%	2.00%-3.00%	2.00%
Required employee contribution rates	6.75%	8.00%	
Required employer contribution rates	7.59%	16.30%	8.65%
	Safety - Classic	Safety - PEPRA	
	Prior to January 1, 2013	Prior to January 1, 2013	
Hire date	January 1, 2013	January 1, 2013	
Benefit vesting schedule	5 years of service	5 years of service	
Benefit payments	monthly for life	monthly for life	
Retirement age	50	57	
Monthly benefits, as a % of eligible compensation	3.00%	2.70%	
Required employee contribution rates	9.00%	13.75%	
Required employer contribution rates	25.43%	13.75%	

**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 both Plans are determined annually on an actuarial basis as of June 30 by CaIPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2022, the contributions recognized as part of pension expense for each Plan were as follows:

	Miscellaneous	Safety
Contributions - employer	\$ 1,584,160	\$ 2,105,071

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**9. PUBLIC EMPLOYEES' RETIREMENT SYSTEM, Continued**

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

As of June 30, 2022, the City reported net pension liabilities for its proportionate shares of the net pension liability of each Plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Miscellaneous	\$ 8,867,002
Safety	<u>9,534,456</u>
Total Net Pension Liability	<u>\$ 18,401,458</u>

The City's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2021, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for each Plan as of June 30, 2020 and 2021 was as follows:

Proportion - June 30, 2020	0.25529%
Proportion - June 30, 2021	<u>0.34025%</u>
Change - Increase (Decrease)	0.08495%

For the year ended June 30, 2022, the City recognized pension expense of \$3,902,805. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Change in Assumptions	\$ -	
Differences between actual and expected experience	2,623,293	-
Differences between projected and actual investment		13,415,258
Differences between employers contributions and proportionate share of contributions	988,485	-
Change in employer's proportion	-	1,800,459
Pension contributions made subsequent to measurement date	<u>3,715,339</u>	-
Total	<u>\$ 7,327,117</u>	<u>\$ 15,215,717</u>



**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**9. PUBLIC EMPLOYEES’ RETIREMENT SYSTEM, Continued**

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

\$3,715,339 reported as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended		
June 30,		
2023	\$	(2,280,779)
2024		(2,564,137)
2025		(3,058,334)
2026		(3,700,689)

Actuarial Assumptions -The total pension liabilities in the June 30, 2020 actuarial valuations were determined using the following actuarial assumptions:

Actuarial Assumptions	
Actuarial cost method	Entry-age normal cost method
Actuarial assumptions	
Discount rate	7.15%
Inflation	2.50%
Salary increases	Varies by entry age and service
Mortality Rate Table	Derived using CalPERS’ Membership Data for all Funs
	Contract COLA up to 2.5% until purchasing power protection
Post-retirement benefit increase	allowance floor on purchasing power applies, 2.75% thereafter.

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. More details of the table can be found in December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015).

Discount Rate -The discount rate used to measure the total pension liability was 7.15% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

**City of Atwater**  
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**For the Year Ended June 30, 2022**

**9. PUBLIC EMPLOYEES' RETIREMENT SYSTEM, Continued**

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

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of 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 returns were calculated over the short-term (first 10 years) and the long-term (11-60 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 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 equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class <sup>1</sup>	Assumed Asset Allocation	Real Return Years 1 - 10 <sup>2,4</sup>	Real Return Years 11+ <sup>3,4</sup>
Global equity	50.00%	4.80%	5.98%
Fixed income	28.00%	1.00%	2.26%
Inflation assets	0.00%	0.77%	1.81%
Private equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100%		

1. In the Systems' Annual Comprehensive Financial Report (ACFR), Fixed income is included in Global Debt Securities; Liquidity if 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.

4. Figures are used on previous ALM of 2017

**City of Atwater**  
**Notes to Basic Financial Statements**  
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**9. PUBLIC EMPLOYEES' RETIREMENT SYSTEM, Continued**

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

*Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate* - The following presents the City's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Net Pension Liability as of June 30, 2022			
Net Pension Liability (Asset)	29,851,363	18,401,458	8,968,518
Total	\$ 29,851,363	\$ 18,401,458	\$ 8,968,518

Payable to the Pension Plan

At June 30, 2022 the City reported a payable of \$0 outstanding amount of contributions to the pension plan required for the year ended June 30, 2022.

Pension Plan Fiduciary Net Position

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

**10. OTHER POSTEMPLOYMENT BENEFITS**

Plan Description

The City of Atwater Retired Employees Healthcare Plan is a single-employer defined benefit healthcare plan administered by CalPERS. The City provides medical benefits to eligible retirees, their spouses and dependents. To earn this benefit, employees must have reached the age of fifty with five years of service to the City. The City provides coverage for surviving family members of an enrollee who dies while covered under the plan. Coverage for the enrolled family members then continues until any one of a specific set of circumstances occurs. The Retiree Health Plan does not issue a financial report.

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**10. OTHER POSTEMPLOYMENT BENEFITS, Continued**

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the City Council. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2022, the City contributed \$732,277 to the plan, the entire amount for current premiums. The City pays the full benefit cost of health care coverage premiums for retired members receiving benefits. The City does not pay for dental and vision insurance premiums for retiree. Those retirees wishing to be covered by dental and vision insurance benefits must pay 100% of the cost for the retirees and their dependents.

At June 30, 2022, the following employees were covered by the benefit terms:

Active employees	79
Inactive employees or beneficiaries currently receiving benefits	65
Inactive employees entitled to, but not yet receiving benefits	23
	<hr/>
Total number of participants	167
	<hr/> <hr/>

City Contribution to the Plan

The Plan and its contribution requirements are established by Memoranda of Understanding with the applicable employee bargaining units and may be amended by agreements between the City and the bargaining units. The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2022, the City's cash contributions were \$732,277 cash benefit payments.

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2021 that was rolled forward to determine the June 30, 2022 total OPEB liability, based on the following actuarial methods and assumptions:

**City of Atwater**  
**Notes to Basic Financial Statements**  
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**10. OTHER POSTEMPLOYMENT BENEFITS, Continued**

Net OPEB Liability, Continued

Actuarial Assumptions:

Actuarial Valuation Date	June 30, 2021
Contribution Policy	City plans to contribute \$50,000 into the trust every year after June 30, 2021, pay benefit payments outside of the trust, and not seek reimbursements
Discount Rate	2.21% at June 30, 2020 (Bond Buyer 20-bond Index)
General Inflation	2.50% per annum
Mortality, Retirement, Disability, Termination	CalPERS 2000-2019 experience study
Salary Increases	Aggregate - 2.75% annually Merit - Table from CalPERS 2000-2019 Experience Study
Medical Trend	6.50% - 3.75%
Participation at Retirement	Active & surviving spouse: Participating & Waived: - Percentage of premium - 100% - PEMHCA minimum - 60% Retirees & surviving spouse: Participating - 100% Waived < 65 - 20% at 65 Waived > 65 - 0%

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

Asset Class	Target Allocation PARS- Balanced	Expected Real Rate of Return
Global Equity	58%	4.56%
Fixed Income	35%	0.78%
REITs	2%	4.06%
Cash	5%	-0.05%
	<u>100%</u>	

**City of Atwater**  
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**10. OTHER POSTEMPLOYMENT BENEFITS, Continued**

Discount Rate

The discount rate used to measure the total OPEB liability was 2.16 percent. The projection of cash flows used to determine the discount rate assumed that Authority contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the OPEB Liability

The changes in the net OPEB liability for the Plan are as follows:

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance at 6/30/2021 (6/30/20 measurement date)	\$ 24,282,174	\$ 100,076	\$ 24,382,250
Changes for the year			
Service Cost	1,052,679	-	1,052,679
Interest	552,930	-	552,930
Difference between actual and expected experience	(674,772)	-	(674,772)
Assumption changes	(495,797)	-	(495,797)
Contributions - employer	-	732,277	(724,186)
Contributions - employee	-	-	-
Net investment income	-	26,549	(76)
Benefit payments	(630,738)	(630,738)	-
Administrative expenses	-	(1,821)	1,665
Net Changes	<u>(195,698)</u>	<u>126,267</u>	<u>(321,965)</u>
Balance at 6/30/2022 (6/30/21 measurement date)	<u>\$ 24,086,476</u>	<u>\$ 226,343</u>	<u>23,860,133</u>

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

The discount rate used for the fiscal year end 2022 is 2.16%. The following presents the net OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

	1% Decrease 1.16%	Current Rate 2.16%	1% Increase 3.16%
Change in Discount Rate			
Net OPEB Liability	\$ 28,237,589	\$ 23,860,133	\$ 20,417,866

**City of Atwater**  
**Notes to Basic Financial Statements**  
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**10. OTHER POST EMPLOYMENT BENEFITS, Continued**

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

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021 (Healthcare Cost Trend Rate was assumed to start at 7% and grade down to 4% for years 2076 and thereafter):

Change in Healthcare Cost Trend Rate	1% Decrease	Current Trend	1% Increase
Net OPEB Liability	\$ 20,096,878	\$ 23,860,133	\$ 28,712,135

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on OPEB plan investment	5 years
All other amounts	Expected average remaining service lifetime (EARSL) (6.0 Years at June 30, 2020)

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

For the fiscal year ended June 30, 2022, the City recognized OPEB expense of \$502,367. As of fiscal year ended June 30, 2022, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 4,402,619
Changes in assumptions	3,671,333	1,429,714
Net difference between projected and actual earnings on plan investments	-	16,249
Employer contributions made subsequent to the measurement date	710,265	-
Total	\$ 4,381,598	\$ 5,848,582

**City of Atwater**  
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**10. OTHER POST EMPLOYMENT BENEFITS, Continued**

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB, Continued

The \$710,265 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Fiscal Year Ended June 30,	Deferred Outflow/(Inflow) of Resources
2023	\$ (1,098,817)
2024	(768,817)
2025	(504,723)
2026	347,616
2027	(114,745)
Thereafter	(37,763)

**11. 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 Atwater that previously had 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 12, 2015, 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 112-10.

After enactment of the law on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established 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).

In future fiscal years, successor agencies will only be 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.



**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

**11. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, Continued**

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.

After the date of dissolution, 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.

**Long-term Liabilities**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022	Due Within One Year
Trust Activities					
Refunding Bonds	\$ 4,779,000	\$ -	\$ (908,000)	\$ 3,871,000	\$ 931,000
Total trust fund debt	<u>\$ 4,779,000</u>	<u>\$ -</u>	<u>\$ (908,000)</u>	<u>\$ 3,871,000</u>	<u>\$ 931,000</u>

**2017 Tax Allocation Refunding Bonds - Series A and B**

In September 2017, the Successor Agency to the Atwater Redevelopment Agency issued \$7,524,000 Tax Allocation Refunding Bonds, Series A, in the amount of \$5,999,000 and Series B in the amount of \$1,525,000. The were used to defease all of the outstanding 2098 A Bonds and the 2007, Series A and B Bonds. The final maturity date on the bonds is June 2026.

Future debt service for Fiduciary Activities at June 30, 2022, is as follows:

Year Ending June 30,	Fiduciary Activities	
	2017 Series A & B	
	Tax Allocation Refunding Bonds	
	Principal	Interest
2023	\$ 931,000	\$ 99,872
2024	956,000	75,852
2025	979,000	51,188
2026	1,005,000	25,928
Total	<u>\$ 3,871,000</u>	<u>\$ 252,840</u>

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**12. COMMITMENTS AND CONTINGENCIES**

*Litigation*

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

*Grants and Allocations*

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

*Trichloro propane (TCP) Contamination, Settlement and Remediation Efforts*

The City of Atwater was awarded a \$63 million dollar jury award in 2019 after suing Shell Oil Company and DOW Chemical for marketing and selling a pesticide fumigant used in agricultural applications that contained TCP and over the years infiltrated the groundwater system, thereby contaminating the City's domestic water system wells.

The City's net settlement was \$43 million after legal costs. The City Council of the City of Atwater adopted Resolution No. 3130-20 on January 13, 2020, committing the proceeds of the TCP settlement towards the remediation of TCP from the City's water system. Under the Resolution the funds will be utilized towards long-term well-head treatment, closure and/or abandonment of existing well sites, and the drilling of new wells.

The City completed the 1, 2, 3 -TCP Central Treatment Plant in 2021. The City oversees the operations and maintenance of the TCP Central Treatment plant and performs testing as required utilizing the TCP Settlement Funds.

Currently the annual cost of maintenance is approximately \$100,000 based upon once a month testing requirements and filter replacements. The cost of testing can fluctuate depending upon levels of TCP present in the monthly samples. Should the levels of TCP increase, more frequent testing would be required, therefore resulting in higher costs.

**City of Atwater**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2022**

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**13. DEFERRED COMPENSATION PLAN**

The City has two 457 Deferred Compensation Plans implemented. In October, 1999, the City established a 457(b) Deferred Compensation Plan with Mission Square Retirement (ICMA) to provide retirement income and other deferred benefits to the Employee of the Employer and the Employees' Beneficiaries in accordance with the provisions of Section 457 of the IRC, Sections 1.457-4 through 1.457-10. Approximately 81 employees were eligible to participate in this plan. In fiscal year 2022, the employees were able to contribute to the plan up to a maximum of \$19,500. The City did not match or provide any employer paid contributions to the plan during fiscal year 2022.

Effective in January, 2015, the City established another 457(b) Deferred Compensation Plan with Orion Portfolio Solutions. Approximately 81 employees were eligible to participate in this plan. In fiscal year 2021, the employees were able to contribute to the plan up to a maximum of \$19,500. The City did not match or provide any employer paid contributions to the plan during fiscal year 2022.

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**REQUIRED  
SUPPLEMENTARY INFORMATION**

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**City of Atwater**  
**Required Supplementary Information**  
**For the year ended June 30, 2022**

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*Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios*  
*- Last 10 Years\**

Fiscal year	2022	2021	2020	2019
Measurement date	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Proportion share of the net pension liability / (asset)	0.34025%	0.25529%	0.26482%	0.27549%
Proportionate share of the net pension liability / (asset)	\$ 18,401,458	\$ 27,776,819	\$ 27,135,766	\$ 26,546,855
Covered payroll	5,414,479	4,846,107	4,869,106	4,301,273
Proportionate share of the net pension liability / (asset) as a percentage of its covered-employee payroll	29.42%	17.45%	17.94%	16.20%
Proportionate share of the fiduciary net position as a percentage of the City's net pension liability	100.00%	75.10%	75.26%	75.26%

Notes to Schedule

\*Fiscal year 2015 was the 1st year of implementation, therefore only seven years are shown.

The CalPERS discount rate was increased from 7.5% to 7.65% in fiscal year 2016, and then decreased from 7.65% to 7.15% in fiscal year 2018.

The CalPERS mortality assumptions were adjusted in fiscal year 2019.

**City of Atwater**  
**Required Supplementary Information**  
**For the year ended June 30, 2022**

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Fiscal year	2018	2017	2016
Measurement date	6/30/2017	6/30/2016	6/30/2015
Proportion share of the net pension liability / (asset)	0.27768%	0.29319%	0.32718%
Proportionate share of the net pension liability / (asset)	\$ 27,538,451	\$ 25,370,399	\$ 22,457,323
Covered-employee payroll	4,352,437	4,645,102	4,635,102
Proportionate share of the net pension liability / (asset) as a percentage of its covered-employee payroll	15.80%	18.31%	20.64%
Proportionate share of the fiduciary net position as a percentage of the City's net pension liability	73.31%	74.06%	78.40%

**City of Atwater**  
**Required Supplementary Information**  
**For the year ended June 30, 2022**

*Schedule of Pension Contributions - Last 10 Years\**

Fiscal year	2022	2021	2020	2019
Actuarially determined contribution	\$ 3,715,339	\$ 3,689,231	\$ 3,671,000	\$ 3,103,630
Contributions in relation to actuarially deemed contributions	(3,715,339)	(3,689,231)	(3,671,000)	(3,103,630)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 4,846,107	\$ 4,869,106	\$ 4,301,273	\$ 4,352,437
Contributions as a percentage of covered payroll	76.67%	75.77%	85.35%	71.31%

Notes to Schedule

\*Fiscal year 2015 was the 1st year of implementation, therefore only eight years are shown.

Methods and assumptions used to determine contribution rates:

Valuation date (for contractually required contribution):	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
Actuarial cost method:	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method:	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Assets valuation method:	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	15 Year Smoothed Market Method
Inflation:	2.50%	2.50%	2.63%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases:	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Investment rate of return:	7.00%	7.00%	7.25%	7.375%	7.50%	7.50%	7.50%	7.50%
Retirement age:	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
Mortality:	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)

<sup>(1)</sup> Level percentage of payroll, closed

<sup>(2)</sup> Depending on age, service, and type of employment

<sup>(3)</sup> 50 for all plans, with the exception of 52 for Miscellaneous PEPRA 2%@62

<sup>(4)</sup> Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.



**City of Atwater**  
**Required Supplementary Information**  
**For the year ended June 30, 2022**

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Fiscal year	2018	2017	2016
Actuarially determined contribution	\$ 2,892,846	\$ 2,734,672	\$ 1,645,317
Contributions in relation to actuarially deemed contributions	(2,892,846)	(2,734,672)	(1,645,317)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 4,645,102	\$ 4,635,102	\$ 4,635,102
Contributions as a percentage of covered payroll	62.28%	59.00%	35.50%

**City of Atwater**  
**Required Supplementary Information**  
**For the year ended June 30, 2022**

**OTHER POST-EMPLOYMENT BENEFITS PLAN SCHEDULES**

OPEB Plan, an Agent Multiple-Employer Defined Benefit Plan

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

For the Measurement Period Ended:	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
<b>Total OPEB Liability</b>					
Service cost	1,052,679	\$ 737,612	\$ 986,349	\$ 1,028,487	\$ 1,200,000
Interest	552,930	678,894	949,529	872,785	746,000
Assumption changes	(495,797)	4,517,566	1,230,191	(1,089,852)	(2,981,000)
Differences between expected and actual experience	(674,772)	-	(7,433,570)	-	-
Benefit payments	(630,738)	(622,521)	(622,296)	(604,000)	(627,000)
<b>Net change in the total OPEB liability</b>	(195,698)	5,311,551	(4,889,797)	207,420	(1,662,000)
<b>Total OPEB liability - beginning</b>	24,282,174	18,970,623	23,860,420	23,653,000	25,315,000
<b>Total OPEB liability - ending (a)</b>	<u>24,086,476</u>	<u>\$ 24,282,174</u>	<u>\$ 18,970,623</u>	<u>\$ 23,860,420</u>	<u>\$ 23,653,000</u>
<b>Plan Fiduciary Net Position</b>					
Contributions - employer	\$ 732,277	\$ 724,186	\$ -	\$ -	\$ -
Contributions - employee	-	-	-	-	-
Net investment income	26,549	76	-	-	-
Administrative expense	(1,821)	(1,665)	-	-	-
Benefit payments	(630,738)	(622,521)	-	-	-
<b>Net change in the total OPEB liability</b>	126,267	100,076	-	-	-
<b>Plan fiduciary net position - beginning</b>	100,076	-	-	-	-
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 226,343</u>	<u>\$ 100,076</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Net OPEB liability - ending (a) - (b)</b>	<u>\$ 23,860,133</u>	<u>\$ 24,182,098</u>	<u>\$ 18,970,623</u>	<u>\$ 23,860,420</u>	<u>\$ 23,653,000</u>
Plan fiduciary net position as a percentage percentage of the total OPEB liability	0.94%	0.41%	0.00%	0.00%	0.00%
Covered employee payroll	\$ 5,925,878	\$ 5,993,342	N/A	N/A	\$ 5,940,000
Net OPEB liability as a percentage of covered employee payroll	402.64%	403.48%	N/A	N/A	398.20%

**City of Atwater**  
**Required Supplementary Information**  
**For the year ended June 30, 2022**

**OTHER POST-EMPLOYMENT BENEFITS PLAN SCHEDULES**

*Schedule of OPEB Contributions - Last 10 Years\**

Fiscal Year Ended:	6/30/2022	6/30/2021
Actuarially determined contribution	\$ 732,277	\$ 724,186
Contributions in relation to the actuarially determined contribution	(732,277)	(724,186)
Contribution deficiency (excess)	\$ -	\$ -
Covered - employee payroll	\$ 5,925,878	\$ 5,993,342
Contribution as a percentage of covered-employee payroll	12%	12%

**Notes:**

\*fiscal year 2021 is the first year that the City has actuarially determined contribution

**Actuarial Assumptions:**

Actuarial Valuation Date	June 30, 2021
Contribution Policy	City plans to contribute \$50,000 into the trust every year after June 30, 2021, pay benefit payments outside of the trust, and not seek reimbursements.
Discount Rate	2.16% at June 30, 2021
Long-term Expected Rate of Return on Assets	5.75% for 2021/22
General Inflation	2.5% annually
Mortality, Retirement, Disability, Termination	CalPERS 2000-2019 Experience Study
Salary Increases	Aggregate - 2.75% annually
Medical Trend	Merit - Table from CalPERS 2000-2019 Experience Study
Participation at Retirement	6.50% - 4.60%
	Active & surviving spouse:
	Participating & Waived:
	- Percentage of premium 100%
	- PEMHCA minimum - 60%
	Retirees & surviving spouse:
	Participating - 100%
	Waived < 65 - 20% at 65
	Waived > 65 - 0%

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# SUPPLEMENTARY INFORMATION

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**City of Atwater**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2022**

	Special Revenue Funds	Capital Projects Fund		Total Nonmajor Governmental Funds
		General	Performance Bond	
<b>ASSETS</b>				
Cash and investments	\$ 17,995,633	\$ (121,594)	\$ 217,678	\$ 18,091,717
Receivables:				
Taxes	6,955	-	-	6,955
Interest	19,568	210	245	20,023
Intergovernmental	486,861	-	-	486,861
Other receivable	107,112	48,319	-	155,431
Prepaid items	855	-	-	855
Advance to Successor Agency Private Purpose Trust	77,491	-	-	77,491
Investment in land held for resale	159,364	-	-	159,364
<b>Total assets</b>	<b>18,853,839</b>	<b>(73,065)</b>	<b>217,923</b>	<b>18,998,697</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	633,358	9,397	-	642,755
Accrued liabilities	14,120	-	-	14,120
Due to other funds	-	-	-	-
Deposits payable	-	-	111,666	111,666
Other liabilities	23,454	24,818	-	48,272
<b>Total liabilities</b>	<b>2,811,623</b>	<b>34,215</b>	<b>111,666</b>	<b>2,957,504</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenues	416,420	48,319	-	464,739
<b>Total deferred inflows of resources</b>	<b>416,420</b>	<b>48,319</b>	<b>-</b>	<b>464,739</b>
<b>Fund Balances:</b>				
Nonspendable				
Prepaid items	294	-	-	294
Investment in land held for resale	159,364	-	-	159,364
Restricted	8,719,305	-	-	8,719,305
Assigned	6,760,111	-	106,257	6,866,368
Unassigned	(13,278)	(155,599)	-	(168,877)
<b>Total fund balances</b>	<b>15,625,796</b>	<b>(155,599)</b>	<b>106,257</b>	<b>15,576,454</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 18,853,839</b>	<b>\$ (73,065)</b>	<b>\$ 217,923</b>	<b>\$ 18,998,697</b>

**City of Atwater**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the year ended June 30, 2022**

	Capital Projects Fund			Total Nonmajor Governmental Funds
	Special Revenue Funds	General	Performance Bond	
<b>REVENUES:</b>				
Taxes and assessments	\$ 1,250,899	\$ -	\$ -	\$ 1,250,899
Intergovernmental	2,805,113	376,588	-	3,181,701
Use of money and property	(127,665)	1,043	(1,201)	(127,823)
Other revenues	258,530	-	-	258,530
<b>Total revenues</b>	<b>4,186,877</b>	<b>377,631</b>	<b>(1,201)</b>	<b>4,563,307</b>
<b>EXPENDITURES:</b>				
Current:				
General government	618,981	-	-	618,981
Public safety	1	-	-	1
Highways and streets	891,158	-	-	891,158
Urban redevelopment and housing	961,743	-	-	961,743
Capital outlay	1,358,997	1,314,027	-	2,673,024
<b>Total expenditures</b>	<b>3,892,288</b>	<b>1,314,027</b>	<b>-</b>	<b>5,206,315</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>294,589</b>	<b>(936,396)</b>	<b>(1,201)</b>	<b>(643,008)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from capital lease	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers in	1,308,597	-	-	1,308,597
Transfers out	(50,000)	(449,070)	-	(499,070)
<b>Total other financing sources (uses)</b>	<b>1,258,597</b>	<b>(449,070)</b>	<b>-</b>	<b>809,527</b>
<b>Net change in fund balances</b>	<b>1,553,186</b>	<b>(1,385,466)</b>	<b>(1,201)</b>	<b>166,519</b>
<b>FUND BALANCES:</b>				
Beginning of year, as restated	14,072,610	1,229,867	107,458	15,409,935
End of year	\$ 15,625,796	\$ (155,599)	\$ 106,257	\$ 15,576,454

**City of Atwater**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2022**

	Special Revenue Funds				
	Police Grants	Gas Tax	Local Transportation	Facility Impact Fee	Community Development Block Grants
<b>ASSETS</b>					
Cash and investments	\$ 83,627	\$ 193,357	\$ 614,952	\$ 6,410,922	\$ -
Receivables:					
Taxes	-	-	-	-	-
Interest	94	144	692	7,196	-
Intergovernmental	-	-	-	111,427	-
Other receivable	-	99,617	-	-	-
Prepaid items	-	855	-	-	-
Advance to Successor Agency Private Purpose Trust	-	-	-	-	-
Investment in land held for resale	-	-	-	-	-
<b>Total assets</b>	<b>83,721</b>	<b>293,973</b>	<b>615,644</b>	<b>6,529,545</b>	<b>-</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	-	72,015	18,700	143,069	-
Accrued liabilities	-	5,494	-	-	-
Due to other funds	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Deposits payable	-	-	-	-	-
Other liabilities	-	-	-	8,760	-
Unearned revenue	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>77,509</b>	<b>18,700</b>	<b>151,829</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>					
Unavailable revenues	-	41,867	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>41,867</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>					
Nonspendable					
Prepaid items	-	294	-	-	-
Investment in land held for resale	-	-	-	-	-
Restricted	-	174,303	-	6,377,716	-
Assigned	83,721	-	596,944	-	-
Unassigned	-	-	-	-	-
<b>Total fund balances</b>	<b>83,721</b>	<b>174,597</b>	<b>596,944</b>	<b>6,377,716</b>	<b>-</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 83,721</b>	<b>\$ 293,973</b>	<b>\$ 615,644</b>	<b>\$ 6,529,545</b>	<b>\$ -</b>



Special Revenue Funds

CDBG Program Income	HOME Investment Partnership Program	Housing Authority	Narcotics Program
\$ 238,993	\$ 510,789	\$ 1,140,208	\$ 2,056
-	-	-	-
199	575	1,321	3
-	-	7,495	-
-	-	-	-
-	-	77,491	-
-	-	159,364	-
<u>239,192</u>	<u>511,364</u>	<u>1,385,879</u>	<u>2,059</u>
-	-	4,400	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>4,400</u>	<u>-</u>
(29)	-	-	-
<u>(29)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-
-	-	159,364	-
-	511,364	-	-
239,221	-	1,222,115	2,059
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>239,221</u>	<u>511,364</u>	<u>1,381,479</u>	<u>2,059</u>
<u>\$ 239,192</u>	<u>\$ 511,364</u>	<u>\$ 1,385,879</u>	<u>\$ 2,059</u>

**City of Atwater**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2022**

	Special Revenue Funds			
	Neighborhood	Applegate	Regional Surface	ARPA
	Stabilization	Exchange	Transportation Program	Fund
<b>ASSETS</b>				
Cash and investments	\$ 218,966	\$ 763,351	\$ 2,306,444	\$ 2,509,883
Receivables:				
Taxes	-	-	-	-
Interest	247	858	2,594	3,223
Intergovernmental	-	-	374,582	852
Other receivable	-	-	-	-
Prepaid items	-	-	-	-
Advance to Successor Agency Private Purpose Trust	-	-	-	-
Investment in land held for resale	-	-	-	-
<b>Total assets</b>	<b>219,213</b>	<b>764,209</b>	<b>2,683,620</b>	<b>2,513,958</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	-	-	-	372,800
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Deposits payable	-	-	-	-
Other liabilities	-	-	3,429	11,265
Unearned revenue	-	-	-	2,140,691
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>3,429</b>	<b>2,524,756</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenues	-	-	374,582	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>374,582</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable				
Prepaid items	-	-	-	-
Investment in land held for resale	-	-	-	-
Restricted	219,213	-	-	-
Assigned	-	764,209	2,305,609	-
Unassigned	-	-	-	(10,798)
<b>Total fund balances</b>	<b>219,213</b>	<b>764,209</b>	<b>2,305,609</b>	<b>(10,798)</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 219,213</b>	<b>\$ 764,209</b>	<b>\$ 2,683,620</b>	<b>\$ 2,513,958</b>

Special Revenue Funds			
Pension Rate Stablization 115 Trust	General Plan Update Fund	Maintenance District Funds	Total Nonmajor Special Revenue Funds
\$ 244,667	\$ 1,195,818	\$ 1,561,600	\$ 17,995,633
-	-	6,955	6,955
-	726	1,696	19,568
-	-	-	486,861
-	-	-	107,112
-	-	-	855
-	-	-	77,491
-	-	-	159,364
<u>244,667</u>	<u>1,196,544</u>	<u>1,570,251</u>	<u>18,853,839</u>
-	4,502	17,872	633,358
-	-	8,626	14,120
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	23,454
-	-	-	2,140,691
-	4,502	26,498	2,811,623
-	-	-	416,420
-	-	-	416,420
-	-	-	294
-	-	-	159,364
244,667	1,192,042	-	8,719,305
-	-	1,546,233	6,760,111
-	-	(2,480)	(13,278)
<u>244,667</u>	<u>1,192,042</u>	<u>1,543,753</u>	<u>15,625,796</u>
\$ 244,667	\$ 1,196,544	\$ 1,570,251	\$ 18,853,839

**City of Atwater**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the year ended June 30, 2022**

	Special Revenue Funds			
	Police	Gas	Local	Facility
	Grants	Tax	Transportation	Impact Fee
<b>REVENUES:</b>				
Taxes and assessments	\$ -	\$ -	\$ 16,814	\$ 488,397
Intergovernmental	7,390	728,629	32,391	641,823
Use of money and property	(457)	(1,260)	(3,365)	(35,001)
Other revenues	-	355	-	4,849
<b>Total revenues</b>	<b>6,933</b>	<b>727,724</b>	<b>45,840</b>	<b>1,100,068</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	127
Public safety	1	-	-	-
Highways and streets	-	891,158	-	-
Urban redevelopment and housing	-	-	-	-
Community services	-	-	-	-
Capital outlay	4,745	-	20,105	520,522
<b>Total expenditures</b>	<b>4,746</b>	<b>891,158</b>	<b>20,105</b>	<b>520,649</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>2,187</b>	<b>(163,434)</b>	<b>25,735</b>	<b>579,419</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from capital lease	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	142,327	-	111,000
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>142,327</b>	<b>-</b>	<b>111,000</b>
<b>Net change in fund balances</b>	<b>2,187</b>	<b>(21,107)</b>	<b>25,735</b>	<b>690,419</b>
<b>FUND BALANCES:</b>				
Beginning of year	81,534	195,704	571,209	5,687,297
End of year	\$ 83,721	\$ 174,597	\$ 596,944	\$ 6,377,716

Special Revenue Funds				
Community Development Block Grants	CDBG Program Income	HOME Investment Partnership Program	Housing Authority	Narcotics Program
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	(1,445)	(2,752)	(6,103)	(11)
-	111,075	119,761	22,490	-
-	109,630	117,009	16,387	(11)
-	-	-	-	-
-	-	-	-	-
-	-	-	25,073	-
-	-	-	-	-
-	-	-	-	-
-	-	-	25,073	-
-	109,630	117,009	(8,686)	(11)
-	-	-	-	-
-	-	-	-	-
12,441	-	-	-	-
-	-	-	(50,000)	-
12,441	-	-	(50,000)	-
12,441	109,630	117,009	(58,686)	(11)
(12,441)	129,591	394,355	1,440,165	2,070
\$ -	\$ 239,221	\$ 511,364	\$ 1,381,479	\$ 2,059

**City of Atwater**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the year ended June 30, 2022**

	Special Revenue Funds			
	Neighborhood	Applegate	Regional Surface	ARPA
	Stabilization	Exchange	Transportation Program	Fund
<b>REVENUES:</b>				
Taxes and assessments	\$ -	\$ 3,789	\$ -	\$ -
Intergovernmental	-	-	-	1,394,880
Use of money and property	(1,208)	(4,210)	(12,515)	(10,799)
Other revenues	-	-	-	-
<b>Total revenues</b>	<b>(1,208)</b>	<b>(421)</b>	<b>(12,515)</b>	<b>1,384,081</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	568,854
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Urban redevelopment and housing	-	-	-	-
Community services	-	-	-	61,408
Capital outlay	-	-	-	764,617
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,394,879</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>(1,208)</b>	<b>(421)</b>	<b>(12,515)</b>	<b>(10,798)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from capital lease	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(1,208)</b>	<b>(421)</b>	<b>(12,515)</b>	<b>(10,798)</b>
<b>FUND BALANCES:</b>				
Beginning of year	220,421	764,630	2,318,124	-
End of year	\$ 219,213	\$ 764,209	\$ 2,305,609	\$ (10,798)

Special Revenue Funds			
Pension Rate Stablization 115 Trust	General Plan Update Fund	Maintenance District Funds	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ 741,899	\$ 1,250,899
-	-	-	2,805,113
(31,676)	(8,023)	(8,840)	(127,665)
-	-	-	258,530
(31,676)	(8,023)	733,059	4,186,877
-	50,000	-	618,981
-	-	-	1
-	-	-	891,158
-	-	936,670	961,743
-	-	-	61,408
-	-	49,008	1,358,997
-	50,000	985,678	3,892,288
(31,676)	(58,023)	(252,619)	294,589
-	-	-	-
-	-	-	-
50,000	900,000	92,829	1,308,597
-	-	-	(50,000)
50,000	900,000	92,829	1,258,597
18,324	841,977	(159,790)	1,553,186
226,343	350,065	1,703,543	14,072,610
\$ 244,667	\$ 1,192,042	\$ 1,543,753	\$ 15,625,796

# City of Atwater

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

### Police Grants Fund

For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 19,125	\$ 19,125	\$ 7,390	\$ (11,735)
Fines, forfeitures and assessments	-	-	(457)	(457)
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>19,125</u>	<u>19,125</u>	<u>6,933</u>	<u>(12,192)</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	-	-	1	(1)
Capital outlay:				
General capital outlay	19,125	19,125	4,745	14,380
<b>Total expenditures</b>	<u>19,125</u>	<u>19,125</u>	<u>4,746</u>	<u>14,379</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>2,187</u>	<u>2,187</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Capital lease	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>2,187</u>	<u>\$ 2,187</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>81,534</u>	
End of year			<u>\$ 83,721</u>	



# City of Atwater

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

### Gas Tax Fund

For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 733,623	\$ 733,623	\$ 728,629	\$ (4,994)
Fines, forfeitures and assessments	-	-	(1,260)	(1,260)
Miscellaneous	-	-	355	355
<b>Total revenues</b>	<b>733,623</b>	<b>733,623</b>	<b>727,724</b>	<b>(5,899)</b>
<b>EXPENDITURES:</b>				
Current:				
Public works	929,086	929,086	891,158	37,928
<b>Total expenditures</b>	<b>929,086</b>	<b>929,086</b>	<b>891,158</b>	<b>37,928</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>(195,463)</b>	<b>(195,463)</b>	<b>(163,434)</b>	<b>32,029</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	142,327	142,327	142,327	-
<b>Total other financing sources (uses)</b>	<b>142,327</b>	<b>142,327</b>	<b>142,327</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (53,136)</b>	<b>\$ (53,136)</b>	<b>(21,107)</b>	<b>\$ 32,029</b>
<b>FUND BALANCES:</b>				
Beginning of year			195,704	
End of year			\$ 174,597	

# City of Atwater

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

### Local Transportation Fund

For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 16,814	\$ 16,814
Charges for services	32,391	32,391	32,391	-
Fines, forfeitures and assessments	500	500	(3,365)	(3,865)
<b>Total revenues</b>	<b>32,891</b>	<b>32,891</b>	<b>45,840</b>	<b>12,949</b>
<b>EXPENDITURES:</b>				
Capital outlay:				
General capital outlay	432,410	432,410	20,105	412,305
<b>Total expenditures</b>	<b>432,410</b>	<b>432,410</b>	<b>20,105</b>	<b>412,305</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>(399,519)</b>	<b>(399,519)</b>	<b>25,735</b>	<b>425,254</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (399,519)</b>	<b>\$ (399,519)</b>	<b>25,735</b>	<b>\$ 425,254</b>
<b>FUND BALANCES:</b>				
Beginning of year			571,209	
End of year			<u>\$ 596,944</u>	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Facility Impact Fee Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 488,397	\$ 488,397
Charges for services	745,143	745,143	641,823	(103,320)
Fines, forfeitures and assessments	18,200	18,200	(35,001)	(53,201)
Miscellaneous	4,425	4,425	4,849	424
<b>Total revenues</b>	<b>767,768</b>	<b>767,768</b>	<b>1,100,068</b>	<b>332,300</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	127	(127)
Capital outlay:				
General capital outlay	3,060,726	3,060,726	520,522	2,540,204
<b>Total expenditures</b>	<b>3,060,726</b>	<b>3,060,726</b>	<b>520,649</b>	<b>2,540,077</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,292,958)</b>	<b>(2,292,958)</b>	<b>579,419</b>	<b>2,872,377</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of capital assets	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>111,000</b>	<b>111,000</b>	<b>111,000</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (2,181,958)</b>	<b>\$ (2,181,958)</b>	<b>690,419</b>	<b>\$ 2,872,377</b>
<b>FUND BALANCES:</b>				
Beginning of year			5,687,297	
End of year			<u>\$ 6,377,716</u>	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Community Development Block Grants Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines, forfeitures and assessments	-	-	-	-
Use of money and property	-	-	-	-
Loan payments	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Community development	-	-	-	-
Non-departmental	-	-	-	-
Capital outlay:				
General capital outlay	-	-	-	-
Street improvements	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	12,441	12,441	12,441	-
Transfers out	-	-	-	-
Sale of capital assets	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>12,441</b>	<b>12,441</b>	<b>12,441</b>	<b>-</b>
Special item	-	-	-	-
<b>Net change in fund balances</b>	<b>\$ 12,441</b>	<b>\$ 12,441</b>	<b>12,441</b>	<b>\$ -</b>
<b>FUND BALANCES:</b>				
Beginning of year			(12,441)	
End of year			\$ -	

# City of Atwater

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

### CDBG Program Income Fund

For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Fines, forfeitures and assessments	\$ 100	\$ 100	\$ (1,445)	\$ (1,545)
Miscellaneous	21,110	21,110	111,075	89,965
<b>Total revenues</b>	<b>21,210</b>	<b>21,210</b>	<b>109,630</b>	<b>88,420</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>21,210</b>	<b>21,210</b>	<b>109,630</b>	<b>88,420</b>
<b>Net change in fund balances</b>	<b>\$ 21,210</b>	<b>\$ 21,210</b>	<b>109,630</b>	<b>\$ 88,420</b>
<b>FUND BALANCES:</b>				
Beginning of year			129,591	
End of year			\$ 239,221	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Home Investment Partnership Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Fines, forfeitures and assessments	\$ 1,100	\$ 1,100	\$ (2,752)	\$ (3,852)
Miscellaneous	119,761	119,761	119,761	-
<b>Total revenues</b>	<b>120,861</b>	<b>120,861</b>	<b>117,009</b>	<b>(3,852)</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>120,861</b>	<b>120,861</b>	<b>117,009</b>	<b>(3,852)</b>
<b>Net change in fund balances</b>	<b>\$ 120,861</b>	<b>\$ 120,861</b>	<b>117,009</b>	<b>\$ (3,852)</b>
<b>FUND BALANCES:</b>				
Beginning of year			394,355	
End of year			\$ 511,364	

# City of Atwater

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

### Housing Authority Fund

For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Fines, forfeitures and assessments	\$ 1,000	\$ 1,000	\$ (6,103)	\$ (7,103)
<b>Total revenues</b>	<b>31,120</b>	<b>31,120</b>	<b>16,387</b>	<b>(14,733)</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	40,120	40,120	25,073	15,047
<b>Total expenditures</b>	<b>40,120</b>	<b>40,120</b>	<b>25,073</b>	<b>15,047</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>(9,000)</b>	<b>(9,000)</b>	<b>(8,686)</b>	<b>314</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	(50,000)	(50,000)	(50,000)	-
Sale of capital assets	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (59,000)</b>	<b>\$ (59,000)</b>	<b>(58,686)</b>	<b>\$ 314</b>
<b>FUND BALANCES:</b>				
Beginning of year			1,440,165	
End of year			\$ 1,381,479	

# City of Atwater

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

### Narcotics Program Fund

For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Fines, forfeitures and assessments	\$ -	\$ -	\$ (11)	\$ (11)
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>(11)</u>	<u>(11)</u>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>(11)</u>	<u>(11)</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(11)</u>	<u>\$ (11)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>2,070</u>	
End of year			<u>\$ 2,059</u>	



# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Neighborhood Stabilization Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Fines, forfeitures and assessments	\$ 1,000	\$ 1,000	\$ (1,208)	\$ (2,208)
<b>Total revenues</b>	<b>1,000</b>	<b>1,000</b>	<b>(1,208)</b>	<b>(2,208)</b>
<b>Net change in fund balances</b>	<b>\$ 1,000</b>	<b>\$ 1,000</b>	<b>(1,208)</b>	<b>\$ (2,208)</b>
<b>FUND BALANCES:</b>				
Beginning of year			220,421	
End of year			\$ 219,213	

# City of Atwater

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

### Applegate Interchange Fund

For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Fines, forfeitures and assessments	\$ 5,000	\$ 5,000	\$ (4,210)	\$ (9,210)
<b>Total revenues</b>	<b>5,000</b>	<b>5,000</b>	<b>(421)</b>	<b>(5,421)</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>5,000</b>	<b>5,000</b>	<b>(421)</b>	<b>(5,421)</b>
<b>Net change in fund balances</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>(421)</b>	<b>\$ (5,421)</b>
<b>FUND BALANCES:</b>				
Beginning of year			<u>764,630</u>	
End of year			<u>\$ 764,209</u>	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Regional Surface Transportation Program For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 380,159	\$ 380,159	\$ -	\$ (380,159)
Fines, forfeitures and assessments	5,000	5,000	(12,515)	(17,515)
<b>Total revenues</b>	<b>385,159</b>	<b>385,159</b>	<b>(12,515)</b>	<b>(397,674)</b>
<b>EXPENDITURES:</b>				
Capital outlay:				
General capital outlay	1,747,644	1,747,644	-	1,747,644
<b>Total expenditures</b>	<b>1,747,644</b>	<b>1,747,644</b>	<b>-</b>	<b>1,747,644</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>(1,362,485)</b>	<b>(1,362,485)</b>	<b>(12,515)</b>	<b>1,349,970</b>
<b>Net change in fund balances</b>	<b>\$ (1,362,485)</b>	<b>\$ (1,362,485)</b>	<b>(12,515)</b>	<b>\$ 1,349,970</b>
<b>FUND BALANCES:</b>				
Beginning of year			2,318,124	
End of year			\$ 2,305,609	

# City of Atwater

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

### ARPA Grant

For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	\$ 3,535,571	\$ 3,535,571	\$ 1,394,880	\$ (2,140,691)
Fines, forfeitures and assessments	-	-	\$ (10,799)	(10,799)
<b>Total revenues</b>	<b>3,535,571</b>	<b>3,535,571</b>	<b>1,384,081</b>	<b>(2,151,490)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	782,373	782,373	568,854	213,519
Community development	-	-	61,408	(61,408)
Non-departmental	70,060	70,060	-	70,060
Capital outlay:				
General capital outlay	1,989,903	1,989,903	764,617	1,225,286
<b>Total expenditures</b>	<b>2,842,336</b>	<b>2,842,336</b>	<b>1,394,879</b>	<b>1,447,457</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>693,235</b>	<b>693,235</b>	<b>(10,798)</b>	<b>(704,033)</b>
<b>Net change in fund balances</b>	<b>\$ 693,235</b>	<b>\$ 693,235</b>	<b>(10,798)</b>	<b>\$ (704,033)</b>
<b>FUND BALANCES:</b>				
Beginning of year			-	
End of year			\$ (10,798)	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Pension Rate Stabilization 115 Trust Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ (31,676)	\$ (31,676)
<b>Total revenues</b>	-	-	(31,676)	(31,676)
<b>Net change in fund balances</b>	\$ 50,000	\$ 50,000	18,324	\$ (31,676)
<b>FUND BALANCES:</b>				
Beginning of year			226,343	
End of year			\$ 244,667	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual General Plan Update Grant Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 160,000	\$ 160,000	-	\$ (160,000)
Use of money and property	-	-	(8,023)	(8,023)
<b>Total revenues</b>	<b>160,000</b>	<b>160,000</b>	<b>(8,023)</b>	<b>(168,023)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	1,560,000	1,560,000	50,000	1,510,000
General capital outlay	150,000	150,000	-	150,000
<b>Total expenditures</b>	<b>1,710,000</b>	<b>1,710,000</b>	<b>50,000</b>	<b>1,660,000</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>				
	<b>(1,550,000)</b>	<b>(1,550,000)</b>	<b>(58,023)</b>	<b>1,491,977</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	900,000	900,000	900,000	-
Transfers out	-	-	-	-
Sale of capital assets	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>900,000</b>	<b>900,000</b>	<b>900,000</b>	<b>-</b>
Special item	-	-	-	-
<b>Net change in fund balances</b>	<b>\$ (650,000)</b>	<b>\$ (650,000)</b>	<b>841,977</b>	<b>\$ 1,491,977</b>
<b>FUND BALANCES:</b>				
Beginning of year			350,065	
End of year			<b>\$ 1,192,042</b>	

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**City of Atwater**  
**Combining Balance Sheet**  
**Maintenance District Special Revenue Funds**  
**June 30, 2022**

	Special Revenue Funds			
	Northwood	Orchard Parks	Wildwood	Woodview
	Village	Estates	Estates	Garland
<b>ASSETS</b>				
Cash and investments	\$ 20	\$ 95,030	\$ 7,607	\$ 4
Receivables:				
Taxes	57	3	1	-
Interest	-	107	4	-
Prepaid items	-	-	-	-
<b>Total assets</b>	<b>77</b>	<b>95,140</b>	<b>7,612</b>	<b>4</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	324	121	45	12
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
<b>Total liabilities</b>	<b>324</b>	<b>121</b>	<b>45</b>	<b>12</b>
<b>Fund Balances:</b>				
Assigned	-	95,019	7,567	-
Unassigned	(247)	-	-	(8)
<b>Total fund balances</b>	<b>(247)</b>	<b>95,019</b>	<b>7,567</b>	<b>(8)</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 77</b>	<b>\$ 95,140</b>	<b>\$ 7,612</b>	<b>\$ 4</b>



Special Revenue Funds

Shaffer Lakes West	Woodhaven	Sierra Parks	Shaffer Lakes East	Price Annexation	Sandlewood Square
\$ 24,857	\$ 17,250	\$ 4	\$ 106,139	\$ 19,585	\$ 16,689
126	-	1	161	627	2
28	19	-	118	22	18
-	-	-	-	-	-
<u>25,011</u>	<u>17,269</u>	<u>5</u>	<u>106,418</u>	<u>20,234</u>	<u>16,709</u>
40	13	2,230	160	5,151	370
-	-	-	-	-	-
-	-	-	-	-	-
<u>40</u>	<u>13</u>	<u>2,230</u>	<u>160</u>	<u>5,151</u>	<u>370</u>
24,971	17,256	-	106,258	15,083	16,339
-	-	(2,225)	-	-	-
<u>24,971</u>	<u>17,256</u>	<u>(2,225)</u>	<u>106,258</u>	<u>15,083</u>	<u>16,339</u>
<u>\$ 25,011</u>	<u>\$ 17,269</u>	<u>\$ 5</u>	<u>\$ 106,418</u>	<u>\$ 20,234</u>	<u>\$ 16,709</u>

**City of Atwater**  
**Combining Balance Sheet**  
**Maintenance District Special Revenue Funds**  
**June 30, 2022**

	Special Revenue Funds			
	Pajaro Dunes	Redwood Estates	Cottage Gardens	Airport Business Park
<b>ASSETS</b>				
Cash and investments	\$ 43,272	\$ 64,253	\$ 27,833	\$ 11,927
Receivables:				
Taxes	122	36	-	618
Interest	49	72	32	10
Prepaid items	-	-	-	-
<b>Total assets</b>	<b>43,443</b>	<b>64,361</b>	<b>27,865</b>	<b>12,555</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	340	269	159	59
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
<b>Total liabilities</b>	<b>340</b>	<b>269</b>	<b>159</b>	<b>59</b>
<b>Fund Balances:</b>				
Assigned	43,103	64,092	27,706	12,496
Unassigned	-	-	-	-
<b>Total fund balances</b>	<b>43,103</b>	<b>64,092</b>	<b>27,706</b>	<b>12,496</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 43,443</b>	<b>\$ 64,361</b>	<b>\$ 27,865</b>	<b>\$ 12,555</b>

Special Revenue Funds

Silva Ranch	Mello Ranch	Camelia Estates	Juniper Meadows	Camelia Meadows	Stone Creek
\$ 72,192	\$ 85,228	\$ 21,769	\$ 13,300	\$ 39,643	\$ 158,029
-	110	-	-	-	89
83	96	24	13	45	178
-	-	-	-	-	-
<u>72,275</u>	<u>85,434</u>	<u>21,793</u>	<u>13,313</u>	<u>39,688</u>	<u>158,296</u>
473	845	61	159	382	1,128
-	-	-	-	-	-
-	-	-	-	-	-
<u>473</u>	<u>845</u>	<u>61</u>	<u>159</u>	<u>382</u>	<u>1,128</u>
71,802	84,589	21,732	13,154	39,306	157,168
-	-	-	-	-	-
<u>71,802</u>	<u>84,589</u>	<u>21,732</u>	<u>13,154</u>	<u>39,306</u>	<u>157,168</u>
<u>\$ 72,275</u>	<u>\$ 85,434</u>	<u>\$ 21,793</u>	<u>\$ 13,313</u>	<u>\$ 39,688</u>	<u>\$ 158,296</u>

**City of Atwater**  
**Combining Balance Sheet**  
**Maintenance District Special Revenue Funds**  
**June 30, 2022**

	Special Revenue Funds			
	America West	Bell Crossing	Atwater South	Beluga Court
<b>ASSETS</b>				
Cash and investments	\$ 58,415	\$ 11,463	\$ 107,808	\$ 6,525
Receivables:				
Taxes	-	9	5	-
Interest	66	14	123	7
Prepaid items	-	-	-	-
<b>Total assets</b>	<b>58,481</b>	<b>11,486</b>	<b>107,936</b>	<b>6,532</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	135	532	1,470	-
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
<b>Total liabilities</b>	<b>135</b>	<b>532</b>	<b>1,470</b>	<b>-</b>
<b>Fund Balances:</b>				
Assigned	58,346	10,954	106,466	6,532
Unassigned	-	-	-	-
<b>Total fund balances</b>	<b>58,346</b>	<b>10,954</b>	<b>106,466</b>	<b>6,532</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 58,481</b>	<b>\$ 11,486</b>	<b>\$ 107,936</b>	<b>\$ 6,532</b>

Special Revenue Funds

Mello Ranch 2	Meadow View	Aspenwood	Applegate Ranch	Reserve	CFD District
\$ 196,779	\$ 95,011	\$ 112,933	\$ 29,984	\$ 12,971	\$ 74,740
5	-	-	64	-	4,918
221	108	128	34	15	31
-	-	-	-	-	-
<u>197,005</u>	<u>95,119</u>	<u>113,061</u>	<u>30,082</u>	<u>12,986</u>	<u>79,689</u>
1,122	898	645	729	-	-
-	-	-	-	-	8,626
-	-	-	-	-	-
<u>1,122</u>	<u>898</u>	<u>645</u>	<u>729</u>	<u>-</u>	<u>8,626</u>
195,883	94,221	112,416	29,353	12,986	71,063
-	-	-	-	-	-
<u>195,883</u>	<u>94,221</u>	<u>112,416</u>	<u>29,353</u>	<u>12,986</u>	<u>71,063</u>
<u>\$ 197,005</u>	<u>\$ 95,119</u>	<u>\$ 113,061</u>	<u>\$ 30,082</u>	<u>\$ 12,986</u>	<u>\$ 79,689</u>

**City of Atwater**  
**Combining Balance Sheet**  
**Maintenance District Special Revenue Funds**  
**June 30, 2022**

	Special Revenue Funds			
	Simon	Simon	Juniper	Total Maintenance
	Annexation Lighting District	Annexation Landscape District	Meadows 2 Lighting District	District Special Revenue Funds
<b>ASSETS</b>				
Cash and investments	\$ 12,561	\$ 6,222	\$ 11,557	\$ 1,561,600
Receivables:				
Taxes	-	-	1	6,955
Interest	13	7	11	1,696
Prepaid items	-	-	-	-
<b>Total assets</b>	<b>12,574</b>	<b>6,229</b>	<b>11,569</b>	<b>1,570,251</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	-	-	-	17,872
Accrued liabilities	-	-	-	8,626
Due to other funds	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,498</b>
<b>Fund Balances:</b>				
Assigned	12,574	6,229	11,569	1,546,233
Unassigned	-	-	-	(2,480)
<b>Total fund balances</b>	<b>12,574</b>	<b>6,229</b>	<b>11,569</b>	<b>1,543,753</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 12,574</b>	<b>\$ 6,229</b>	<b>\$ 11,569</b>	<b>\$ 1,570,251</b>

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**City of Atwater**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Maintenance District Special Revenue Funds**  
**For the year ended June 30, 2022**

	Special Revenue Funds			
	Northwood Village	Orchard Parks Estates	Wildwood Estates	Woodview Garland
<b>REVENUES:</b>				
Taxes and assessments	\$ 4,534	\$ 211	\$ 3,492	\$ 391
Use of money and property	-	(525)	(52)	-
<b>Total revenues</b>	<b>4,534</b>	<b>(314)</b>	<b>3,440</b>	<b>391</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety	-	-	-	-
Urban redevelopment and housing	9,120	4,674	1,869	976
<b>Total expenditures</b>	<b>9,120</b>	<b>4,674</b>	<b>1,869</b>	<b>976</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>(4,586)</b>	<b>(4,988)</b>	<b>1,571</b>	<b>(585)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	4,795	350	5,688	627
<b>Total other financing sources (uses)</b>	<b>4,795</b>	<b>350</b>	<b>5,688</b>	<b>627</b>
<b>Net change in fund balances</b>	<b>209</b>	<b>(4,638)</b>	<b>7,259</b>	<b>42</b>
<b>FUND BALANCES:</b>				
Beginning of year	(456)	99,657	308	(50)
End of year	\$ (247)	\$ 95,019	\$ 7,567	\$ (8)



Special Revenue Funds

Shaffer Lakes West	Woodhaven	Sierra Parks	Shaffer Lakes East	Price Annexation	Sandlewood Square
\$ 2,283 (139)	\$ - (96)	\$ 2,021 -	\$ 12,435 (594)	\$ 55,593 (123)	\$ 7,073 (95)
2,144	(96)	2,021	11,841	55,470	6,978
-	-	-	-	-	-
2,213	1,339	8,313	9,612	104,485	9,893
2,213	1,339	8,313	9,612	104,485	9,893
(69)	(1,435)	(6,292)	2,229	(49,015)	(2,915)
280	279	4,210	1,460	46,774	3,674
280	279	4,210	1,460	46,774	3,674
211	(1,156)	(2,082)	3,689	(2,241)	759
24,760	18,412	(143)	102,569	17,324	15,580
\$ 24,971	\$ 17,256	\$ (2,225)	\$ 106,258	\$ 15,083	\$ 16,339

**City of Atwater**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Maintenance District Special Revenue Funds**  
**For the year ended June 30, 2022**

	Special Revenue Funds			
	Pajaro Dunes	Redwood Estates	Cottage Gardens	Airport Business Park
<b>REVENUES:</b>				
Taxes and assessments	\$ 3,440	\$ 3,630	\$ 402	\$ 5,374
Use of money and property	(239)	(355)	(153)	(72)
<b>Total revenues</b>	<b>3,201</b>	<b>3,275</b>	<b>249</b>	<b>5,302</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety	-	-	-	-
Urban redevelopment and housing	6,065	8,982	3,108	5,139
<b>Total expenditures</b>	<b>6,065</b>	<b>8,982</b>	<b>3,108</b>	<b>5,139</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>(2,864)</b>	<b>(5,707)</b>	<b>(2,859)</b>	<b>163</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,057	3,276	594	3,369
<b>Total other financing sources (uses)</b>	<b>1,057</b>	<b>3,276</b>	<b>594</b>	<b>3,369</b>
<b>Net change in fund balances</b>	<b>(1,807)</b>	<b>(2,431)</b>	<b>(2,265)</b>	<b>3,532</b>
<b>FUND BALANCES:</b>				
Beginning of year	44,910	66,523	29,971	8,964
End of year	\$ 43,103	\$ 64,092	\$ 27,706	\$ 12,496

Special Revenue Funds

Silva Ranch	Mello Ranch	Camelia Estates	Juniper Meadows	Camelia Meadows	Stone Creek
\$ - (398)	\$ 7,966 (476)	\$ - (121)	\$ - (77)	\$ - (218)	\$ 10,490 (878)
(398)	7,490	(121)	(77)	(218)	9,612
-	-	-	-	-	-
13,102	17,533	1,846	1,973	5,110	22,175
13,102	17,533	1,846	1,973	5,110	22,175
(13,500)	(10,043)	(1,967)	(2,050)	(5,328)	(12,563)
364	1,184	312	2,768	312	949
364	1,184	312	2,768	312	949
(13,136)	(8,859)	(1,655)	718	(5,016)	(11,614)
84,938	93,448	23,387	12,436	44,322	168,782
\$ 71,802	\$ 84,589	\$ 21,732	\$ 13,154	\$ 39,306	\$ 157,168

**City of Atwater**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Maintenance District Special Revenue Funds**  
**For the year ended June 30, 2022**

	Special Revenue Funds			
	America West	Bell Crossing	Atwater South	Beluga Court
<b>REVENUES:</b>				
Taxes and assessments	\$ -	\$ 2,954	\$ 650	\$ -
Use of money and property	(323)	(62)	(594)	(36)
<b>Total revenues</b>	<b>(323)</b>	<b>2,892</b>	<b>56</b>	<b>(36)</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety	-	-	-	-
Urban redevelopment and housing	2,401	17,454	22,652	120
<b>Total expenditures</b>	<b>2,401</b>	<b>17,454</b>	<b>22,652</b>	<b>120</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>(2,724)</b>	<b>(14,562)</b>	<b>(22,596)</b>	<b>(156)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	415	1,875	1,638	15
<b>Total other financing sources (uses)</b>	<b>415</b>	<b>1,875</b>	<b>1,638</b>	<b>15</b>
<b>Net change in fund balances</b>	<b>(2,309)</b>	<b>(12,687)</b>	<b>(20,958)</b>	<b>(141)</b>
<b>FUND BALANCES:</b>				
Beginning of year	60,655	23,641	127,424	6,673
End of year	\$ 58,346	\$ 10,954	\$ 106,466	\$ 6,532

Special Revenue Funds

Mello Ranch 2	Meadow View	Aspenwood	Applegate Ranch	Reserve	CFD District
\$ 13,677 (1,092)	\$ - (524)	\$ 6 (615)	\$ 3,933 (165)	\$ - (72)	\$ 599,011 (572)
12,585	(524)	(609)	3,768	(72)	598,439
-	-	-	-	-	-
18,765	17,865	9,551	8,086	157	601,761
18,765	17,865	9,551	8,086	157	650,769
(6,180)	(18,389)	(10,160)	(4,318)	(229)	(52,330)
986	754	377	523	126	-
986	754	377	523	126	-
(5,194)	(17,635)	(9,783)	(3,795)	(103)	(52,330)
201,077	111,856	122,199	33,148	13,089	123,393
\$ 195,883	\$ 94,221	\$ 112,416	\$ 29,353	\$ 12,986	\$ 71,063

**City of Atwater**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the year ended June 30, 2022**

	Special Revenue Funds			Total Maintenance District Special Revenue Funds
	Simon Annexation Lighting District	Simon Annexation Landscape District	Juniper Meadows 2 Lighting District	
<b>REVENUES:</b>				
Taxes and assessments	\$ -	\$ -	\$ 2,333	\$ 741,899
Use of money and property	(71)	(34)	(69)	(8,840)
<b>Total revenues</b>	<b>(71)</b>	<b>(34)</b>	<b>2,264</b>	<b>733,059</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety	-	-	-	-
Urban redevelopment and housing	33	60	238	936,670
<b>Total expenditures</b>	<b>33</b>	<b>60</b>	<b>238</b>	<b>985,678</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(104)</b>	<b>(94)</b>	<b>2,026</b>	<b>(252,619)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,045	4	2,749	92,829
<b>Total other financing sources (uses)</b>	<b>1,045</b>	<b>4</b>	<b>2,749</b>	<b>92,829</b>
<b>Net change in fund balances</b>	<b>941</b>	<b>(90)</b>	<b>4,775</b>	<b>(159,790)</b>
<b>FUND BALANCES:</b>				
Beginning of year	11,633	6,319	6,794	1,703,543
End of year	\$ 12,574	\$ 6,229	\$ 11,569	\$ 1,543,753

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Northwood Village - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 4,534	\$ 4,534
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>4,534</b>	<b>4,534</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	9,120	(9,120)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>9,120</b>	<b>(9,120)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>				
	-	-	(4,586)	(4,586)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	4,795	4,795
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>4,795</b>	<b>4,795</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>209</b>	<b>\$ 209</b>
<b>FUND BALANCES:</b>				
Beginning of year			(456)	
End of year			<u>\$ (247)</u>	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Orchard Pakrs Estates - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 211	\$ 211
Fines, forfeitures and assessments	-	-	(525)	(525)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>(314)</b>	<b>(314)</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	4,674	(4,674)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>4,674</b>	<b>(4,674)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>				
	-	-	(4,988)	(4,988)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	350	350
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>350</b>	<b>350</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(4,638)</b>	<b>\$ (4,638)</b>
<b>FUND BALANCES:</b>				
Beginning of year			99,657	
End of year			\$ 95,019	



# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Wildwood Estates - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 3,492	\$ 3,492
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>3,440</b>	<b>3,440</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	1,869	(1,869)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>1,869</b>	<b>(1,869)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>				
	-	-	1,571	1,571
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	5,688	5,688
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>5,688</b>	<b>5,688</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>7,259</b>	<b>\$ 7,259</b>
<b>FUND BALANCES:</b>				
Beginning of year			308	
End of year			<u>\$ 7,567</u>	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Woodview Garland - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 391	\$ 391
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>391</b>	<b>391</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	976	(976)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>976</b>	<b>(976)</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(585)</b>	<b>(585)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	627	627
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>627</b>	<b>627</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>42</b>	<b>\$ 42</b>
<b>FUND BALANCES:</b>				
Beginning of year			(50)	
End of year			<u>\$ (8)</u>	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Shaffer Lake West - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 2,283	\$ 2,283
Fines, forfeitures and assessments	-	-	(139)	(139)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>2,144</b>	<b>2,144</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	2,213	(2,213)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>2,213</b>	<b>(2,213)</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(69)</b>	<b>(69)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	280	280
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>280</b>	<b>280</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>211</b>	<b>\$ 211</b>
<b>FUND BALANCES:</b>				
Beginning of year			24,760	
End of year			\$ 24,971	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Woodhaven - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Fines, forfeitures and assessments	\$ -	\$ -	\$ (96)	\$ (96)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>(96)</b>	<b>(96)</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	1,339	(1,339)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>1,339</b>	<b>(1,339)</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(1,435)</b>	<b>1,243</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	279	279
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>279</b>	<b>279</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(1,156)</b>	<b>\$ 1,522</b>
<b>FUND BALANCES:</b>				
Beginning of year			18,412	
End of year			\$ 17,256	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Sierra Parks - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 2,021	\$ 2,021
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>2,021</u>	<u>2,021</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	8,313	(8,313)
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>8,313</u>	<u>(8,313)</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>				
	<u>-</u>	<u>-</u>	<u>(6,292)</u>	<u>(6,292)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	4,210	4,210
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>4,210</u>	<u>4,210</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(2,082)</u>	<u>\$ (2,082)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>(143)</u>	
End of year			<u>\$ (2,225)</u>	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Shaffer Lakes East - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 12,435	\$ 12,435
Fines, forfeitures and assessments	-	-	(594)	(594)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>11,841</b>	<b>11,841</b>
<b>EXPENDITURES:</b>				
Community development	-	-	9,612	(9,612)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>9,612</b>	<b>(9,612)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>2,229</b>	<b>2,229</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	1,460	1,460
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>1,460</b>	<b>1,460</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>3,689</b>	<b>\$ 3,689</b>
<b>FUND BALANCES:</b>				
Beginning of year			102,569	
End of year			\$ 106,258	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Price Annexation - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 55,593	\$ 55,593
Fines, forfeitures and assessments	-	-	(123)	(123)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>55,470</b>	<b>55,470</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	104,485	(104,485)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>104,485</b>	<b>(104,485)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(49,015)</b>	<b>(49,015)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	46,774	46,774
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>46,774</b>	<b>46,774</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(2,241)</b>	<b>\$ (2,241)</b>
<b>FUND BALANCES:</b>				
Beginning of year			17,324	
End of year			\$ 15,083	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Sandalwood Square - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 7,073	\$ 7,073
Fines, forfeitures and assessments	-	-	(95)	(95)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>6,978</b>	<b>6,978</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	9,893	(9,893)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>9,893</b>	<b>(9,893)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(2,915)</b>	<b>(2,915)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	3,674	3,674
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>3,674</b>	<b>3,674</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>759</b>	<b>\$ 759</b>
<b>FUND BALANCES:</b>				
Beginning of year			15,580	
End of year			\$ 16,339	



# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Pajaro Dunes - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 3,440	\$ 3,440
Fines, forfeitures and assessments	-	-	(239)	(239)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>3,201</b>	<b>3,201</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	6,065	(6,065)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>6,065</b>	<b>(6,065)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>				
	-	-	(2,864)	(2,864)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	1,057	1,057
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>1,057</b>	<b>1,057</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(1,807)</b>	<b>\$ (1,807)</b>
<b>FUND BALANCES:</b>				
Beginning of year			44,910	
End of year			\$ 43,103	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Redwood Estates - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 3,630	\$ 3,630
Fines, forfeitures and assessments	-	-	(355)	(355)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>3,275</b>	<b>3,275</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	8,982	(8,982)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>8,982</b>	<b>(8,982)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>				
	-	-	(5,707)	(5,707)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	3,276	3,276
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>3,276</b>	<b>3,276</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(2,431)</b>	<b>\$ (2,431)</b>
<b>FUND BALANCES:</b>				
Beginning of year			66,523	
End of year			\$ 64,092	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Cottage Gardens - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 402	\$ 402
Fines, forfeitures and assessments	-	-	(153)	(153)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>249</b>	<b>249</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	3,108	(3,108)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>3,108</b>	<b>(3,108)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>				
	-	-	(2,859)	(2,859)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	594	594
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>594</b>	<b>594</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(2,265)</b>	<b>\$ (2,265)</b>
<b>FUND BALANCES:</b>				
Beginning of year			29,971	
End of year			\$ 27,706	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Airport Business Park - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 5,374	\$ 5,374
Fines, forfeitures and assessments	-	-	(72)	(72)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>5,302</b>	<b>5,302</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	5,139	(5,139)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>5,139</b>	<b>(5,139)</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>163</b>	<b>163</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	3,369	3,369
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>3,369</b>	<b>3,369</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>3,532</b>	<b>\$ 3,532</b>
<b>FUND BALANCES:</b>				
Beginning of year			8,964	
End of year			<u>\$ 12,496</u>	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Silva Ranch - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Fines, forfeitures and assessments	\$ -	\$ -	\$ (398)	\$ (398)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>(398)</b>	<b>(398)</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	13,102	(13,102)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>13,102</b>	<b>(13,102)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>				
	<b>-</b>	<b>-</b>	<b>(13,500)</b>	<b>(13,500)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	364	364
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>364</b>	<b>364</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(13,136)</b>	<b>\$ (13,136)</b>
<b>FUND BALANCES:</b>				
Beginning of year			84,938	
End of year			\$ 71,802	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Mello Ranch - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 7,966	\$ 7,966
Fines, forfeitures and assessments	-	-	(476)	(476)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>7,490</b>	<b>7,490</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	17,533	(17,533)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>17,533</b>	<b>(17,533)</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(10,043)</b>	<b>(10,043)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	1,184	1,184
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>1,184</b>	<b>1,184</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(8,859)</b>	<b>\$ (8,859)</b>
<b>FUND BALANCES:</b>				
Beginning of year			93,448	
End of year			\$ 84,589	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Camelia Estates - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Fines, forfeitures and assessments	\$ -	\$ -	\$ (121)	\$ (121)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>(121)</b>	<b>(121)</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	1,846	(1,846)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>1,846</b>	<b>(1,846)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>				
	<b>-</b>	<b>-</b>	<b>(1,967)</b>	<b>(1,967)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	312	312
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>312</b>	<b>312</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(1,655)</b>	<b>\$ (1,655)</b>
<b>FUND BALANCES:</b>				
Beginning of year			23,387	
End of year			\$ 21,732	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Juniper Meadows - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures and assessments	-	-	(77)	(77)
<b>Total revenues</b>	-	-	(77)	(77)
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	1,973	(1,973)
<b>Total expenditures</b>	-	-	1,973	(1,973)
<b>REVENUES OVER (UNDER) EXPENDITURES</b>				
	-	-	(2,050)	(2,050)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	2,768	2,768
<b>Total other financing sources (uses)</b>	-	-	2,768	2,768
<b>Net change in fund balances</b>	\$ -	\$ -	718	\$ 718
<b>FUND BALANCES:</b>				
Beginning of year			12,436	
End of year			\$ 13,154	



# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Camelia Meadows - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures and assessments	-	-	(218)	(218)
<b>Total revenues</b>	-	-	(218)	(218)
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	5,110	(5,110)
<b>Total expenditures</b>	-	-	5,110	(5,110)
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	(5,328)	(5,328)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	312	312
<b>Total other financing sources (uses)</b>	-	-	312	312
<b>Net change in fund balances</b>	\$ -	\$ -	(5,016)	\$ (5,016)
<b>FUND BALANCES:</b>				
Beginning of year			44,322	
End of year			\$ 39,306	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Stone Creek - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 10,490	\$ 10,490
Fines, forfeitures and assessments	-	-	(878)	(878)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>9,612</b>	<b>9,612</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	22,175	(22,175)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>22,175</b>	<b>(22,175)</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(12,563)</b>	<b>(12,563)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	949	949
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>949</b>	<b>949</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(11,614)</b>	<b>\$ (11,614)</b>
<b>FUND BALANCES:</b>				
Beginning of year			168,782	
End of year			\$ 157,168	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual America West - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Fines, forfeitures and assessments	\$ -	\$ -	\$ (323)	\$ (323)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>(323)</b>	<b>(323)</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	2,401	(2,401)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>2,401</b>	<b>(2,401)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>				
	<b>-</b>	<b>-</b>	<b>(2,724)</b>	<b>(2,724)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	415	415
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>415</b>	<b>415</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(2,309)</b>	<b>\$ (2,309)</b>
<b>FUND BALANCES:</b>				
Beginning of year			60,655	
End of year			\$ 58,346	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Bell Crossing - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 2,954	\$ 2,954
Fines, forfeitures and assessments	-	-	(62)	(62)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>2,892</b>	<b>2,892</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	17,454	(17,454)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>17,454</b>	<b>(17,454)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(14,562)</b>	<b>20,346</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	1,875	1,875
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>1,875</b>	<b>1,875</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(12,687)</b>	<b>\$ 22,221</b>
<b>FUND BALANCES:</b>				
Beginning of year			23,641	
End of year			\$ 10,954	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Atwater South - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 650	\$ 650
Fines, forfeitures and assessments	-	-	(594)	(594)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>56</b>	<b>56</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	22,652	(22,652)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>22,652</b>	<b>(22,652)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>				
	-	-	(22,596)	22,708
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	1,638	1,638
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>1,638</b>	<b>1,638</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(20,958)</b>	<b>\$ 24,346</b>
<b>FUND BALANCES:</b>				
Beginning of year			127,424	
End of year			\$ 106,466	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Beluga Court - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures and assessments	-	-	(36)	(36)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>(36)</b>	<b>(36)</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	120	(120)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>120</b>	<b>(120)</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(156)</b>	<b>84</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	15	15
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>15</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(141)</b>	<b>\$ 99</b>
<b>FUND BALANCES:</b>				
Beginning of year			6,673	
End of year			\$ 6,532	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Mello Ranch 2 - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 13,677	\$ 13,677
Fines, forfeitures and assessments	-	-	(1,092)	(1,092)
<b>Total revenues</b>	-	-	12,585	12,585
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	18,765	(18,765)
<b>Total expenditures</b>	-	-	18,765	(18,765)
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	(6,180)	(6,180)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	986	986
<b>Total other financing sources (uses)</b>	-	-	986	986
<b>Net change in fund balances</b>	\$ -	\$ -	(5,194)	\$ (5,194)
<b>FUND BALANCES:</b>				
Beginning of year			201,077	
End of year			\$ 195,883	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Meadow View - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Fines, forfeitures and assessments	\$ -	\$ -	\$ (524)	\$ (524)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>(524)</b>	<b>(524)</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	17,865	(17,865)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>17,865</b>	<b>(17,865)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(18,389)</b>	<b>(18,389)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	754	754
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>754</b>	<b>754</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(17,635)</b>	<b>\$ (17,635)</b>
<b>FUND BALANCES:</b>				
Beginning of year			111,856	
End of year			\$ 94,221	



# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Aspenwood - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 6	\$ 6
Fines, forfeitures and assessments	-	-	(615)	(615)
<b>Total revenues</b>	-	-	(609)	(609)
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	9,551	(9,551)
<b>Total expenditures</b>	-	-	9,551	(9,551)
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	(10,160)	(10,160)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	377	377
<b>Total other financing sources (uses)</b>	-	-	377	377
<b>Net change in fund balances</b>	\$ -	\$ -	(9,783)	\$ (9,783)
<b>FUND BALANCES:</b>				
Beginning of year			122,199	
End of year			\$ 112,416	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Applegate Ranch - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 3,933	\$ 3,933
Fines, forfeitures and assessments	-	-	(165)	(165)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>3,768</b>	<b>3,768</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	8,086	(8,086)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>8,086</b>	<b>(8,086)</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(4,318)</b>	<b>(4,318)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	523	523
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>523</b>	<b>523</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(3,795)</b>	<b>\$ (3,795)</b>
<b>FUND BALANCES:</b>				
Beginning of year			33,148	
End of year			\$ 29,353	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Reserve - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures and assessments	-	-	(72)	(72)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>(72)</b>	<b>(72)</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	157	(157)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>157</b>	<b>(157)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(229)</b>	<b>(229)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	136,775	136,775	126	(136,649)
<b>Total other financing sources (uses)</b>	<b>136,775</b>	<b>136,775</b>	<b>126</b>	<b>(136,649)</b>
<b>Net change in fund balances</b>	<b>\$ 136,775</b>	<b>\$ 136,775</b>	<b>(103)</b>	<b>\$ (136,878)</b>
<b>FUND BALANCES:</b>				
Beginning of year			13,089	
End of year			\$ 12,986	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual CFD Districts - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 599,011	\$ 599,011
Fines, forfeitures and assessments	100	100	(572)	(672)
<b>Total revenues</b>	<b>100</b>	<b>100</b>	<b>598,439</b>	<b>598,339</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety	-	-	-	-
Community development	643,036	643,036	601,761	41,275
Capital outlay:				
General capital outlay	50,000	50,000	49,008	992
<b>Total expenditures</b>	<b>693,036</b>	<b>693,036</b>	<b>650,769</b>	<b>42,267</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>(692,936)</b>	<b>(692,936)</b>	<b>(52,330)</b>	<b>640,606</b>
<b>Net change in fund balances</b>	<b>\$ (692,936)</b>	<b>\$ (692,936)</b>	<b>(52,330)</b>	<b>\$ 640,606</b>
<b>FUND BALANCES:</b>				
Beginning of year			123,393	
End of year			\$ 71,063	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Simon Annexation Lighting District - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Fines, forfeitures and assessments	\$ -	\$ -	\$ (71)	\$ (71)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>(71)</b>	<b>(71)</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	33	(33)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>33</b>	<b>(33)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(104)</b>	<b>(104)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	1,045	1,045
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>1,045</b>	<b>1,045</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>941</b>	<b>\$ 941</b>
<b>FUND BALANCES:</b>				
Beginning of year			11,633	
End of year			\$ 12,574	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Simon Annexation Landscaping District - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Fines, forfeitures and assessments	\$ -	\$ -	\$ (34)	\$ (34)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>(34)</b>	<b>(34)</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	60	(60)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>60</b>	<b>(60)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>				
	<b>-</b>	<b>-</b>	<b>(94)</b>	<b>(94)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	4	4
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>4</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(90)</b>	<b>\$ (90)</b>
<b>FUND BALANCES:</b>				
Beginning of year			6,319	
End of year			\$ 6,229	

# City of Atwater

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Juniper Meadows 2 Lighting District - Maintenance District Special Revenue Fund For the year ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 2,333	\$ 2,333
Fines, forfeitures and assessments	-	-	(69)	(69)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>2,264</b>	<b>2,264</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	238	(238)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>238</b>	<b>(238)</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>2,026</b>	<b>2,026</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	2,749	2,749
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>2,749</b>	<b>2,749</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>4,775</b>	<b>\$ 4,775</b>
<b>FUND BALANCES:</b>				
Beginning of year			6,794	
End of year			\$ 11,569	

**City of Atwater**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2022**

	Building Maintenance	Employee Benefits	Risk Management	Information Technology	Totals
<b>ASSETS</b>					
Current Assets:					
Cash and investments	\$ 633,594	\$ 793,223	\$ 927,586	\$ 467,294	\$ 2,821,697
Receivables:					
Accounts	-	-	-	-	-
Interest	628	816	813	442	2,699
Other	3,980	3,230	-	-	7,210
Due from other funds	-	-	-	-	-
Prepaid expenses	114	4,697	-	71,536	76,347
Total current assets	<u>638,316</u>	<u>801,966</u>	<u>928,399</u>	<u>539,272</u>	<u>2,907,953</u>
Noncurrent:					
Capital assets:					
Depreciable	1,980,589	-	103,094	601,348	2,685,031
Less accumulated depreciation	(1,220,569)	-	(38,662)	(516,684)	(1,775,915)
Net capital assets	<u>760,020</u>	<u>-</u>	<u>64,432</u>	<u>84,664</u>	<u>909,116</u>
Total noncurrent assets	<u>760,020</u>	<u>-</u>	<u>64,432</u>	<u>84,664</u>	<u>909,116</u>
<b>Total assets</b>	<u>1,398,336</u>	<u>801,966</u>	<u>992,831</u>	<u>623,936</u>	<u>3,817,069</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	78,551	11,070	23,218	24,239	137,078
Accrued payroll	6,291	-	-	-	6,291
Compensated absences - current	2,778	-	-	-	2,778
Total current liabilities	<u>87,620</u>	<u>11,070</u>	<u>23,218</u>	<u>24,239</u>	<u>146,147</u>
Noncurrent liabilities:					
Compensated absences	13,222	-	-	-	13,222
Total noncurrent liabilities	<u>13,222</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,222</u>
<b>Total liabilities</b>	<u>100,842</u>	<u>11,070</u>	<u>23,218</u>	<u>24,239</u>	<u>159,369</u>
<b>NET POSITION</b>					
Net investment in capital assets	760,020	-	64,432	84,664	909,116
Restricted for capital projects	-	-	-	-	-
Unrestricted	537,474	790,896	905,181	515,033	2,748,584
<b>Total net position</b>	<u>\$ 1,297,494</u>	<u>\$ 790,896</u>	<u>\$ 969,613</u>	<u>\$ 599,697</u>	<u>\$ 3,657,700</u>



**City of Atwater**  
**Combining Statement of Revenues, Expenditures and Changes in Net Position**  
**Internal Service Funds**  
**For the year ended June 30, 2022**

	Building Maintenance	Employee Benefits	Risk Management	Information Technology	Totals
<b>OPERATING REVENUES:</b>					
Interdepartmental charges	\$ 1,456,905	\$ 710,458	\$ 1,294,987	\$ 771,098	\$ 4,233,448
Other operating revenue	2,729	54,869	97,686	-	155,284
<b>Total operating revenues</b>	<b>1,459,634</b>	<b>765,327</b>	<b>1,392,673</b>	<b>771,098</b>	<b>4,388,732</b>
<b>OPERATING EXPENSES:</b>					
Salaries and benefits	310,114	50,000	-	131,702	491,816
Contractual services	257,312	22,450	73,432	148,008	501,202
Materials and supplies	7,742	-	-	-	7,742
Repairs and maintenance	708,706	-	-	-	708,706
Utilities	109,297	-	-	-	109,297
Insurance	-	676,526	1,188,988	-	1,865,514
Other operating costs	(18,001)	-	2,445	209,338	193,782
Depreciation	81,805	-	3,143	60,728	145,676
<b>Total operating expenses</b>	<b>1,456,975</b>	<b>748,976</b>	<b>1,268,008</b>	<b>549,776</b>	<b>4,023,735</b>
<b>Operating income (loss)</b>	<b>2,659</b>	<b>16,351</b>	<b>124,665</b>	<b>221,322</b>	<b>364,997</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>					
Intergovernmental revenues (expenses)	(4,200)	-	-	-	(4,200)
Interest revenue	723	(4,518)	(5,561)	(2,623)	(11,979)
<b>Total nonoperating revenues (expenses)</b>	<b>(3,477)</b>	<b>(4,518)</b>	<b>(5,561)</b>	<b>(2,623)</b>	<b>(16,179)</b>
<b>Income before contributions and transfers</b>	<b>(818)</b>	<b>11,833</b>	<b>119,104</b>	<b>218,699</b>	<b>348,818</b>
<b>CONTRIBUTIONS AND TRANSFERS:</b>					
Transfers in	100,000	100,000	-	-	200,000
Transfers out	-	(50,000)	-	-	(50,000)
<b>Total contributions and transfers</b>	<b>100,000</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>150,000</b>
<b>Change in net position</b>	<b>99,182</b>	<b>61,833</b>	<b>119,104</b>	<b>218,699</b>	<b>498,818</b>
<b>NET POSITION:</b>					
Beginning of year, as restated	1,198,312	729,063	850,509	380,998	3,158,882
End of year	\$ 1,297,494	\$ 790,896	\$ 969,613	\$ 599,697	\$ 3,657,700

# City of Atwater

## Combining Statement of Revenues, Expenditures and Changes in Net Position

### Internal Service Funds

For the year ended June 30, 2022

	Building Maintenance	Employee Benefits	Risk Management	Information Technology	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash received from customers and users	\$ 1,481,751	\$ 758,488	\$ 1,413,780	\$ 753,664	\$ 4,407,683
Cash paid to suppliers for goods and services	(1,068,228)	(691,502)	(1,249,216)	(351,892)	(3,360,838)
Cash paid to employees for services	(290,803)	(50,000)	-	(141,543)	(482,346)
<b>Net cash provided by (used in) operating activities</b>	<b>122,720</b>	<b>16,986</b>	<b>164,564</b>	<b>260,229</b>	<b>564,499</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
Cash transfers in	100,000	100,000	-	-	200,000
Advance from other funds					-
Subsidy from grants	(4,200)	-	-	-	(4,200)
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>95,800</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>145,800</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Purchase of capital assets	(115,690)	-	-	1	(115,689)
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(115,690)</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>(115,689)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Interest received	723	(4,518)	(5,561)	(2,623)	(11,979)
<b>Net cash provided by (used in) investing activities</b>	<b>723</b>	<b>(4,518)</b>	<b>(5,561)</b>	<b>(2,623)</b>	<b>(11,979)</b>
<b>Net cash flows</b>	<b>103,553</b>	<b>62,468</b>	<b>159,003</b>	<b>257,607</b>	<b>582,631</b>
<b>CASH AND INVESTMENTS - Beginning of year</b>	<b>530,041</b>	<b>730,755</b>	<b>768,583</b>	<b>209,687</b>	<b>2,239,066</b>
<b>CASH AND INVESTMENTS - End of year</b>	<b>\$ 633,594</b>	<b>\$ 793,223</b>	<b>\$ 927,586</b>	<b>\$ 467,294</b>	<b>\$ 2,821,697</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET</b>					
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>					
Operating income (loss)	\$ 2,659	\$ 16,351	\$ 124,665	\$ 221,322	\$ 364,997
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	81,805	-	3,143	60,728	145,676
(Increase) decrease in accounts receivable	22,117	(2,142)	21,107	417	41,499
(Increase) decrease in prepaid expense	-	(4,697)	-	(17,851)	(22,548)
Increase (decrease) in accounts payable	14,829	7,474	15,649	5,454	43,406
Increase (decrease) in accrued payroll	1,733	-	-	(2,420)	(687)
Increase (decrease) in compensated absences	(423)	-	-	(7,421)	(7,844)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 122,720</b>	<b>\$ 16,986</b>	<b>\$ 164,564</b>	<b>\$ 260,229</b>	<b>\$ 564,499</b>

**City of Atwater**  
**Combining Statement of Fiduciary Net Position**  
**Custodial Funds**  
**June 30, 2022**

	Section 125 Medical	Section 125 Dependent Care	Community Facility District No.1	Total Custodial Funds
<b>ASSETS</b>				
Cash and investments held for others, restricted	\$ 2,023	\$ -	\$ 129,834	\$ 131,857
Interest receivables	-	-	146	146
<b>Total assets</b>	<b>2,023</b>	<b>-</b>	<b>129,980</b>	<b>132,003</b>
<b>LIABILITIES</b>				
Other Liabilities	2,023	-	-	2,023
<b>Total liabilities</b>	<b>2,023</b>	<b>-</b>	<b>-</b>	<b>2,023</b>
<b>NET POSITION</b>				
<b>Restricted for</b>				
Bondholders	-	-	129,980	129,980
<b>Total net position</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 129,980</b>	<b>\$ 129,980</b>

**City of Atwater**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Custodial Funds**  
**For the year ended June 30, 2022**

	Section 125 Medical	Section 125 Dependent Care	Community Facility District No.1	Total Custodial Funds
<b>ADDITIONS</b>				
Property taxes revenue	\$ -	\$ -	\$ -	\$ -
Interest income	-	-	(716)	(716)
<b>Total additions</b>	-	-	(716)	(716)
<b>DELETIONS</b>				
Urban Development and Housing	-	-	-	-
<b>Total deletions</b>	-	-	-	-
<b>Changes in net position</b>	-	-	(716)	(716)
Beginning of the year, as restated	-	-	98,697	98,697
End of year	\$ -	\$ -	\$ 97,981	\$ 97,981

**City of Atwater**  
**Schedule of Debt Service Coverage**  
**June 30, 2022 and 2021**

The City has covenanted in the Installment Sale Agreement, to the extent permitted by law, to fix, prescribe and collect rates and charges for the Wastewater System, respectively, which will be at least sufficient to yield "Net Revenues" equal to 120% of debt service (including the Installment Payments and debt service on other Parity Debt) coming due and payable during such Fiscal Year.

	2022	2021
Service charges	\$ 11,386,274	\$ 11,051,639
Connection fees	335,813	317,176
<b>Total service charges</b>	<b>11,722,087</b>	<b>11,368,815</b>
Investment income	49,714	88,905
Other income	12,878	7,193
<b>Total miscellaneous revenue</b>	<b>62,592</b>	<b>96,098</b>
<b>Total Revenue</b>	<b>\$ 11,784,679</b>	<b>\$ 11,464,913</b>
Personnel costs	1,074,520	1,433,572
Supplies (1)	131,290	108,396
Professional Services (2)	2,344,229	1,816,868
Wastewater Treatment Plant Mgmt. Service (3)	2,004,910	2,065,281
Other Charges (1), (4)	516,299	584,188
<b>Total Operations and Maintenance</b>	<b>6,071,248</b>	<b>6,008,305</b>
<b>Net Revenue Available For Debt Service</b>	<b>\$ 5,713,431</b>	<b>\$ 5,456,608</b>
Debt service:		
2008 Wastewater Bond	\$ -	\$ -
2010 Wastewater Bond	-	-
2011 Wastewater Bond	-	-
2017A Wastewater Revenue Refunding Bonds	3,506,636	3,293,535
2018A Wastewater Revenue Refunding Bonds	1,137,049	1,126,412
<b>Total debt service</b>	<b>\$ 4,643,685</b>	<b>\$ 4,419,947</b>
<b>Net Revenue After Debt Service</b>		
Calculated coverage	1.23	1.32
<b>Meets covenant restrictions</b>	<b>Yes</b>	<b>Yes</b>

**Notes:**

- (1) Includes Entries for Both Sewer Enterprise Fund and Wastewater Treatment Plant. Capital Expenses are funded by transfers from the Sewer Enterprise Capital Fund
- (2) Includes Communications, Utilities, Memberships, Subscriptions, Travel, Conference, Meetings, Training, Rents, Leases and Miscellaneous
- (3) Paid to Private Operator
- (4) Includes Equipment, Streets, Water, Parks and Building Maintenance