



**CITY OF PATTERSON,
CALIFORNIA**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE YEAR ENDED
JUNE 30, 2025**





CITY OF PATTERSON

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2025
CITY OF PATTERSON, CALIFORNIA**

**PREPARED AND ISSUED BY
PATTERSON FINANCE
DEPARTMENT**

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Annual Comprehensive Financial Report
For the Year Ended June 30, 2025
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City of Patterson

1 Plaza
P.O. Box 667
Patterson, California 95363
Phone (209) 895-8000

February 20, 2026

To the Honorable Mayor,
Members of the City Council, and the
Citizens of City of Patterson, California

We are pleased to present the City of Patterson's (the "City") Annual Comprehensive Financial Report ("ACFR") for the year ended June 30, 2025. The information in this ACFR is prepared in accordance with Accounting Principles Generally Accepted in the United States of America ("GAAP") and included an unmodified opinion on the report by the City's independent certified accountants. Although we rely on the standards and expertise of these external auditors, the responsibility for the accuracy and fairness of this report rests with the City.

An overview of the City's financial activities for the fiscal year is discussed in the Management's Discussion and Analysis ("MD&A") section of the ACFR.

CITY PROFILE

The City was incorporated in 1919 and is located in Stanislaus County, on Highway 33, along the Interstate 5 corridor, and is approximately 280 miles north of Los Angeles, 92 miles south of Sacramento, 89 miles southeast of San Francisco, and 45 miles southeast of Livermore. The City has a permanent staffing level of 156 City employees and serves approximately 24,370 residents in a land area of 6.0 square miles.

The City operates utilizing the Council-Manager form of government. The Mayor and four Council members are elected for staggered two-year and four-year terms, respectively, to govern the City. The City recently went to District elections for Council members. The Mayor's seat is still an at-large election. The City Council is responsible for establishing policies, adopting the annual budget, appointing commissions and committees, and hiring the City Manager and City Attorney. The City Manager is responsible for implementing the Council's policies, overseeing the day-to-day operations of the City, and appointing the directors of the various City departments.

City Departments and areas of responsibility are comprised of the following:

General Government (Administration) includes staff and activities associated with the City Council, City Manager, City Clerk, City Attorney, Human Resources, Risk Management, Finance, Public Information Officer, Code Enforcement, and Information Technology.

Public Safety includes Stanislaus Sheriff which includes, Detectives, Communications, Patrol, Investigations and Traffic and Parking Enforcement divisions, as well as Fire with Emergency Services, Prevention Services and Advance Life Support Services (ALS).

Community Development includes Economic Development, Housing, Building and Planning.

Engineering includes Capital Projects, and Engineering Services.

Public Works includes Wastewater, Garbage, Water, Streets and Park Maintenance, and other facility maintenance.

Recreation and Community Services include Senior Center and Programs, Youth Programs and Sports, Adult Programs and Sports, Aquatics, and Special Events.

ECONOMIC CONDITION AND OUTLOOK

During FY 2024-25, the City continued to experience measured economic growth supported by ongoing residential development, steady commercial interest, and continued investment in public infrastructure and services. The city remains focused on fostering a balanced mix of housing, employment opportunities, and community-serving amenities that support long-term fiscal stability and quality of life for residents.

Commercial activity in the City remained active throughout the fiscal year, with continued interest in retail, service, and industrial uses, including logistics-oriented development within the City's business parks. These activities reflect Patterson's strategic regional location and contribute to employment opportunities and economic diversification. While shifts in consumer behavior toward online purchasing continue to affect traditional point-of-sale sales tax collections, the city continues to benefit from a diversified revenue structure, including Measure L, SB 1 transportation funding, and a broad mix of commercial activity.

Residential development continued during the fiscal year, with multiple subdivisions under construction or in active phase of build-out. This residential growth supports population increases, contributes to development-related revenues, and helps meet regional housing demand. The city continues to advance long-range housing planning efforts to accommodate future growth in a manner consistent with community priorities and state requirements.

In November 2024, the City Council adopted a five-year Strategic Plan that establishes clear priorities to guide policy decisions, budgeting, and the allocation of resources. The Strategic Plan serves as a framework for aligning the City's operating and capital budgets with long-term objectives, ensuring that investments in infrastructure, public services, and community programs are fiscally sustainable and responsive to community needs.

The City's enterprise operations remain financially stable. Water, sewer, and solid waste rates adopted in recent years are structured to support ongoing operations, capital maintenance, and infrastructure reinvestment. Periodic rate adjustments may be necessary in future years to ensure continued service reliability and long-term sustainability.

The City's adopted budget for FY 2024-25 reflects a continued commitment to maintaining service levels, investing in capital improvement projects supported by grants and development fees, and sustaining public safety staffing. The city also continues to leverage external funding sources to support infrastructure improvements and community enhancement initiatives.

Overall, the City's economic outlook remains stable. While broader economic conditions and evolving sales tax structures may introduce variability in certain revenue streams, the City's conservative fiscal practices, diversified revenues, and continued development activity position it to manage these changes while maintaining financial resilience.

INTERNAL CONTROLS

The management of the City is responsible for establishing and maintaining internal controls designated to ensure that the assets of the City are protected from loss, theft or misuse, and that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: the cost of a control should not exceed the benefits likely to be derived; and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the stated framework. City management believes the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

BUDGETARY CONTROL

As part of the City's internal controls, it maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the appropriated budget approved by the City Council. Annually, departments work with the City Manager and Finance Department to submit operating budget requests for the year. The City Manager then makes recommendations to the City Council regarding the budget. After public discussion and evaluations of their recommendations, the City Council adopts the budget for the fiscal year with or without modifications.

Expenditures are controlled at the fund level for all budgeted departments within the City. At this level, expenditures may not legally exceed appropriations. The City Manager or his designee is authorized to transfer funds between departments within the same fund, and limit expenditures in response to lower than expected revenues whenever necessary. The budgets are adopted on a basis substantially consistent with GAAP. Any amendment to the total level of appropriations for a fund or transfers between funds must be approved by the City Council.

MAJOR INITIATIVES AND PROJECTS

As part of the budget preparation process, the City Council articulates goals and objectives for the next year and evaluates the progress made on the goals established as part of the previous budget. The following represent some of the most significant goals established for Fiscal Years 2024-2025 budget process:

- **Continued advancement of the City's Strategic Plan**, including ongoing efforts to align operations and resources with long-term community objectives.
- **Completion of the Citywide Information Technology Master Plan**, initiated in FY2025 and is expected to be finalized in FY2026, which identified system deficiencies, redundancies, and opportunities to improve both internal and external service efficiencies.
- **Expansion of recreational amenities**, including the development of additional baseball fields at the Sports Park and upgrades to aging facilities such as Garza Park, South Park and the Sports Park.
- **Progress toward implementation of the Downtown Master Plan**, supported by the receipt of a design award that positions the City to leverage additional grant and funding opportunities.
- **Extension of grant programs for downtown businesses**, aimed at improving storefront facades and supporting local economic revitalization efforts.
- **Ongoing pursuit of grant funding** for infrastructure, public facilities, and community enhancement projects that continue to support sustainable growth and long-term community investment.

Some of the specific projects underway in Fiscal Year 2024-2025 included the following:

- I-5 Interchange PS&E design and construction
- Rogers Road Bridge Replacement
- Wastewater Treatment Phase-3A Expansion
- Salado Creek Bike Trail Project
- Public Safety Center
- Ward Avenue Overlay
- New Potable Well #14
- 2025 Slurry Seal
- Pedestrian Controlled Crosswalk Safety
- Las Plamas Safety Corridor
- Class 1 Bike Path on Sperry Avenue
- Wayfinding Sign (Gateway)
- American Eagle Avenue Pavement Rehab
- Park Center Drive Pavement Rehab

New Commercial/Industrial Development includes:

- Del Puerto Health Care District Facilities
- Delta Market Place Commercial Park
- New McDonald's Restaurant
- Garcia Mobile Vehicle Food Court
- Project Zach Logistics Center
- Patterson Logistics Center
- Patterson Veterinary Office
- West Commerce Park
- Loktec Warehouse

New Residential Development included:

- Villages of Patterson will provide approximately 600 to 800 new homes over the next 5 years
- Baldwin Ranch is well underway and plans to provide 420 homes over the next 5 years.
- The Zacharias Annexation was approved in April 2024 and will provide another 320 acres of industrial/Business Park Land and approximately another 5000 homes for the future growth of Patterson.

Acknowledgements

This ACFR was prepared by the City's Finance Department staff. This report is representative of the staff's ongoing effort and commitment to provide excellent service to Patterson residents. Our Thank you is also extended to the independent auditor of The PUN Group, LLP for their review of this report and to the City Council for their stewardship and commitment to assist in ensuring the long-term fiscal health of the City.

Respectfully submitted,


Fernando Ulloa
City Manager



CITY OF PATTERSON
Annual Comprehensive Financial Report
FISCAL YEAR
2024 – 2025

City Council

MAYOR
Michael Clauzel

COUNCIL MEMBERS
Shivaugn Alves, District A
Jessica Romero, District B
Dominic Farinha, District C
Carlos Roque, District D

Executive Staff

Fernando Ulloa, City Manager

Aracely Alegre, City Clerk

Casey Hill, Chief of Police

Jeffrey Frye, Chief of Fire

Marie R, Guillory-Jones , Director of Human Resource

Michael Willett, Director of Public Works

Tiffany Rodriguez, Director of Engineering, Building & Capital Projects

Kevin Williams, Director of Finance

Ashley Weaver, Recreation & Community Services Director

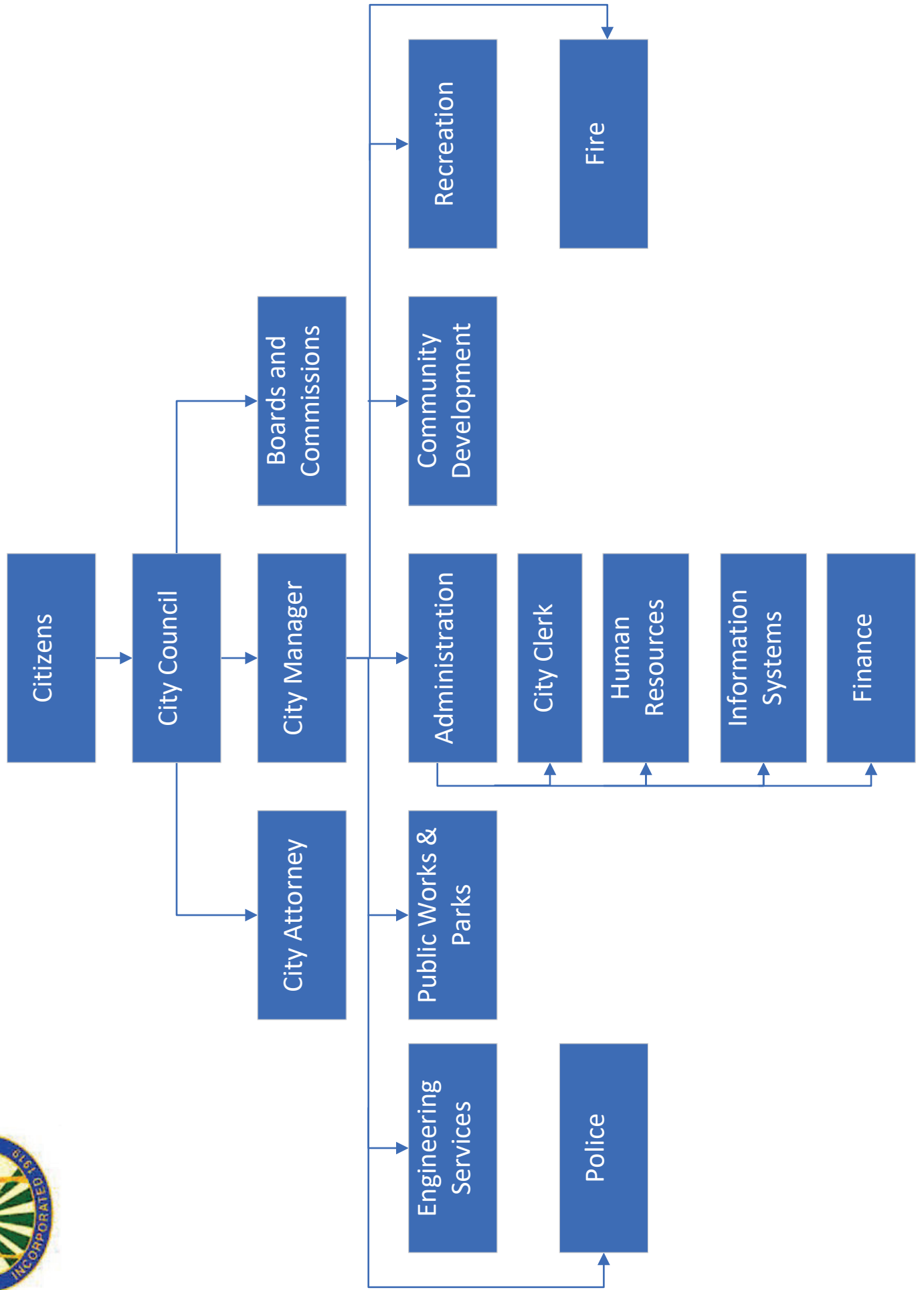
Bryan Stice, Community Development Director

Nubia Goldstein, City Attorney

Mayra Mandujano, Deputy City Attorney



Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Patterson
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Emphasis of a Matter

Change in Accounting Principle

As discussed in Note 19 to the financial statements, the City implemented Governmental Accounting Standards Board ("GASB") Statement No. 101, *Compensated Absences*, effective July 1, 2024. The implementation of this standard required the City to change its method of accounting for compensated absences and resulted in a restatement of beginning net position as of July 1, 2024. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. 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, Analysis, the Budgetary Comparison Schedules – General Fund and Major Special Revenue Funds, the Schedule of Proportionate Share of the Net Pension Liability, the Schedules of Plan Contributions – Pension, and the Schedule of Changes in Net OPEB Liability and Related Ratios, and the Schedule of Plan Contributions – OPEB, as listed in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The Combining and Individual Fund Financial Statements and Budgetary Comparison Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Fund Financial Statements and Budgetary Comparison Schedules 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 and Statistical Sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic 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 basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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.

To the Honorable Mayor and Members
of the City Council of the City of Patterson
Patterson, California
Page 4

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 20, 2026, on our consideration of City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City’s internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "The PwC Group, LLP". The signature is written in a cursive, flowing style.

Walnut Creek, California
February 20, 2026

City of Patterson
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

As management of the City of Patterson, California, (City) we offer readers of the City of Patterson's Annual Comprehensive Financial Report this narrative overview and analysis of the financial performance of the City for the year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report, and with the City's Annual Comprehensive Financial Report, which follows this discussion.

Financial Highlights

- **Changes in Net Position:** The government's total net position increased by 19.30% or \$28,858,898 from the prior year. Governmental activities increased by \$21,031,133 and business-type activities increased by \$7,827,765 at the end of the fiscal year. The increase in total net position is primarily due to an increase in Charges for service, Operating Grants, Capital Grants, Investment earnings, while surpassing an increase in expenditures that led to a positive change in Net Position.
- **Governmental Activities:** As of June 30, 2025, the City's governmental activities reported an ending net position of \$125,168,157, an increase of 20.20% primarily due to an increase in operating grants and contributions and capital grants and contributions in the amounts of \$3,073,549 and \$4,477,228.
- **Business-Type Activities:** As of June 30, 2025, the City's total ending net position of \$55,350,154, an increase of 16.47% primarily due to an increase in capital grants and contributions in the amount of \$3,291,701 as well as annual rate increases of 2% for Water and 6% for Sewer that took effect in July of 2024 and January of 2025, respectively.
- **General Fund:** As of June 30, 2025, committed, assigned and unassigned fund balances of the general fund were \$22,091,531. Of these funds \$15,491,052 is committed or assigned for specific purposes in accordance with City policies and budgetary guidelines. The remaining balance of \$6,600,479 is unassigned.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves. Certain accounts in the previous year's financial statements have been reclassified for comparative purposes to conform with the presentation in the current year's financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Patterson's finances, in a manner like a private sector business.

The statement of net position presents information on all the City of Patterson's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between the four reported as net positions. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Patterson is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

City of Patterson
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Both government-wide financial statements distinguish functions of the City of Patterson that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Patterson include general government, public safety, community development, public works and parks and recreation.

The government-wide financial statements include the City of Patterson and a component unit the Patterson Public Financing Authority. Financial information for this component unit is reported within the funds of the City.

The government-wide financial statements can be found on pages 18 – 21 of this report.

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 of Patterson, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City of Patterson can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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 *balances on spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental 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 fund* and *governmental activities*.

The City of Patterson maintains thirty-nine governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances. Data from the other thirteen governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these other governmental funds is provided in the form of *combining statements* in supplementary information.

The City of Patterson adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget in the required supplementary information. Budgetary comparisons for other funds are located in the supplementary information of this report.

The governmental fund financial statements can be found on pages 26 – 32 of this report.

Proprietary funds. The City of Patterson maintains three proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Patterson uses enterprise funds to account for its Water, Sewer, and Garbage operations.

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 the Water, Sewer and Garbage operations.

The proprietary fund financial statements can be found on pages 34 – 37 of this report.

City of Patterson
Management’s Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City of Patterson’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary fund financial statement can be found on page 41– 42 of this report.

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 47 – 97 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Patterson’s General Fund budgetary comparison schedule, pension and changes in net pension liabilities and related ratio schedules, pension contribution schedules, and other post-employment funding progress schedule. Required supplementary information can be found on pages 101 – 109 of this report.

The combining statements referred to earlier in connection with other governmental funds and agency funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 115 – 153 of this report.

Government-wide Financial Analysis

As noted earlier, net positions may serve over time as a useful indicator of a government’s financial position. In the case of the City of Patterson, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$180,518,311 at June 30, 2025.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 145,024,611	\$ 129,386,816	\$ 26,325,740	\$ 19,882,001	\$ 171,350,351	\$ 149,268,817
Capital assets	76,772,972	72,638,447	63,291,803	60,439,184	140,064,775	133,077,631
Total assets	221,797,583	202,025,263	89,617,543	80,321,185	311,415,126	282,346,448
Deferred outflows of resources	6,222,046	6,427,990	2,709,907	2,914,011	8,931,953	9,342,001
Long-term liabilities	79,568,597	81,707,182	31,255,117	29,997,064	110,823,714	111,704,246
Other liabilities	18,766,491	17,444,765	3,067,675	2,760,569	21,834,166	20,205,334
Total liabilities	98,335,088	99,151,947	34,322,792	32,757,633	132,657,880	131,909,580
Deferred inflows of resources	4,516,384	5,164,282	2,654,504	2,955,174	7,170,888	8,119,456
Net Position:						
Net investment in capital assets	71,809,745	67,129,360	46,633,775	48,241,694	118,443,520	115,371,054
Restricted	38,458,402	28,261,493	7,817,964	3,219,807	46,276,366	31,481,300
Unrestricted	14,900,010	8,746,171	898,415	(3,939,112)	15,798,425	4,807,059
Total net position	\$ 125,168,157	\$ 104,137,024	\$ 55,350,154	\$ 47,522,389	\$ 180,518,311	\$ 151,659,413

By far, the largest portion of the City of Patterson’s net position is its net investment in capital assets (i.e., land, buildings, improvements other than buildings, machinery and equipment, infrastructure, and construction in progress) as it represents \$118,443,520 or 65.6% of the total net position. The City of Patterson uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Patterson’s investment in its capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

City of Patterson
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

A portion of the City of Patterson's net position totaling \$46,276,366 or 25.64%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$15,798,425 is unrestricted and may be used to meet the government's ongoing obligation to citizens and creditors but is subject to designation for specific City programs.

At the end of the current fiscal year, the City of Patterson is able to report positive balances in all categories of net position for governmental activities and business-type activities.

	Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 11,305,383	\$ 10,934,845	\$ 20,573,731	\$ 18,570,675	\$ 31,879,114	\$ 29,505,520
Operating grants and contributions	8,635,246	5,561,697	-	-	8,635,246	5,561,697
Capital grants and contributions	8,926,451	4,449,223	4,267,115	975,414	13,193,566	5,424,637
Total program revenues	28,867,080	20,945,765	24,840,846	19,546,089	53,707,926	40,491,854
General revenues:						
Taxes	21,713,416	23,204,502	-	-	21,713,416	23,204,502
Investment earnings	6,050,686	4,647,090	952,560	797,750	7,003,246	5,444,840
Other and transfers	4,786,259	5,951,681	1,304,056	(2,527,856)	6,090,315	3,423,825
Total general revenues	32,550,361	33,803,273	2,256,616	(1,730,106)	34,806,977	32,073,167
Total revenues	61,417,441	54,749,038	27,097,462	17,815,983	88,514,903	72,565,021
Expenses:						
General government	11,528,038	7,749,472	-	-	11,528,038	7,749,472
Police	4,923,683	7,117,215	-	-	4,923,683	7,117,215
Fire	7,203,828	7,115,407	-	-	7,203,828	7,115,407
Community development and planning	2,401,299	2,314,006	-	-	2,401,299	2,314,006
Public works	7,445,875	6,537,838	-	-	7,445,875	6,537,838
Parks and recreation	4,079,397	4,312,372	-	-	4,079,397	4,312,372
Interest and fiscal charges	2,804,188	3,611,271	-	-	2,804,188	3,611,271
Water	-	-	7,124,980	6,643,380	7,124,980	6,643,380
Sewer	-	-	7,964,893	7,518,474	7,964,893	7,518,474
Garbage	-	-	4,179,824	4,116,413	4,179,824	4,116,413
Total expenses	40,386,308	38,757,581	19,269,697	18,278,267	59,656,005	57,035,848
Changes in net position	\$ 21,031,133	\$ 15,991,457	\$ 7,827,765	\$ (462,284)	\$ 28,858,898	\$ 15,529,173
Net Position:						
Beginning of year	104,137,024	88,145,567	47,522,389	47,984,673	151,659,413	136,130,240
End of year	\$ 125,168,157	\$ 104,137,024	\$ 55,350,154	\$ 47,522,389	\$ 180,518,311	\$ 151,659,413

Additional information on the change in net position can be found on page 20 – 21 of this report.

City of Patterson
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Governmental activities. Overall, governmental revenues increased by \$7.9 million or 38% from the prior year. Key elements of the change are as follows:

- Total taxes decreased by \$1.4 million or 6% due to a decrease in sales tax by \$1,959,397 and an increase in property tax by \$543,900. The number of residential and commercial developments completed in FY2025 have increased and triggered the increase in property tax. The sales tax decrease was the normalization of sales tax revenue after the State of California paid out a sizeable correction in FY2024.
- Charges for services increased incrementally by \$370 thousand due to an increase in participation in activities where fees are charged.
- Operating grants and contributions increased by \$3 million primarily due to one-time funding received during the year.
- Capital grants and contributions increased by \$4.4 million primarily due to an increase in capital contributions related to donated infrastructure.
- Other and transfer revenues decreased by \$1.1 million primarily due to a decrease in transfers in related to the implementation of the City's cost allocation plan.

Overall, expenses in the governmental activities increased by \$1,628,727 or 4.20% compared to the prior year.

Additional information on activities and changes in net position can be found on pages 20 – 21 of this report.

Business-type activities. Overall, business-type revenues increased by \$5,294,757 or 27% from the prior year. Key elements of the change are as follows:

Water operating revenue increased by \$1,293,327 and expenses increased by \$503,125 in fiscal year 2025, resulting in operating income of \$2.3 million. Revenue increased primarily due to the implementation of the new water rates in January 2025.

Sewer operating revenue increased by \$640,658 and expenses increased by \$497,014 in fiscal year 2025. The increase in operating revenue is primarily related to the 6% sewer rate increase in July 2024.

Garbage operating revenue increased by \$47,016 in fiscal year 2025. The increase was due to an increase in the number of customers. Garbage expenses decreased by \$16,395 primarily due to vacant positions throughout the year.

City of Patterson
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City of Patterson's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Patterson's financing requirements. Spendable fund balance may serve as a useful measure of a government's net resources at the end of the fiscal year.

As of the end of the current fiscal year, the City of Patterson's governmental funds reported combined ending fund balances of \$128,912,863, an increase of \$13,181,138 in comparison with the prior year. The City's governmental funds ending fund balances of \$39,652,448 or 31% constitute committed, assigned and unassigned fund balance, which is available for spending at the government's discretion within the guidelines of the funding sources. The remainder of the fund balance of \$89,260,415 is either non-spendable or restricted for purposes imposed by creditors, grantors, contributors, laws, or regulations of other governments or through enabling legislation. The increase in governmental funds fund balance is attributable to increases in the recognition of federal grant funds related to ARPA funding, charges for services related to development, and a more aggressive use of California's LAIF investment system.

CFD 2003-1 Public Safety/Fire Protection Services Special Revenue Fund

The CFD 2003-1 Public Safety/Fire Protection Services Special Revenue Fund had revenues of \$1,785,052, expenditures of \$3,206,440, and transfers in of \$7,455,787. The ending fund balance increase from (\$4,259,196) at June 30, 2024 to \$1,775,203 at June 30, 2025. The amount transferred in was from the General Fund to cover operating deficits over the life of the fund.

Patterson Public Financing Authority Debt Service Fund

The Patterson Public Financing Authority Debt Service Fund had revenues of \$4,705,952, expenditures of \$5,216,308, and transfers out of \$284,353. The ending fund balance decreased from \$61,677,567 at June 30, 2024 to \$60,882,858 at June 30, 2025. The decrease in fund balance comes from the extinguishment of debt.

Proprietary funds. The City of Patterson's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The unrestricted net position of the Enterprise Funds at the end of the year ended at a surplus of \$898,415, an increase of \$4,837,527 from the prior year. This change is primarily the result of an increase in revenue from planned rate increases, increased investment income, and the savings of salary from vacant positions.

City of Patterson
Management’s Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

General Fund Financial Highlights

The General Fund is the chief operating fund of the City of Patterson. At the end of the current fiscal year, the committed, assigned and unassigned fund balance of the general fund was \$22,091,531, while total fund balance was \$23,129,530. The general fund’s ending fund balance decreased by \$1.1 million compared to the prior year. As a measure of the General Fund’s liquidity, it may be useful to compare only the committed, assigned, and unassigned fund balance to total fund expenditures. Committed, assigned and unassigned fund balance represents 72.68% of the total general fund expenditures for the year, most of which is committed or assigned to meet future long-term obligations. The key factors in the increase of General Fund’s fund balance as follows:

- Overall, General Fund revenues (including transfers in) increased from last year by \$3.8 million or 11% and expenditures (including transfers out) increased by \$8.1 million or 27% over the prior year. Tax related revenue decreased by \$1,491,086 due to a decrease in Sales Tax revenue of \$1,959,397 from a one time sales tax correction that was received in FY24. In addition however, increases in property tax of \$543,900 were received as City residential and commercial real estate construction completed in FY 2025. Intergovernmental grants experienced an overall increase of \$2,197,867 due to one-time funding received in FY 2025. In addition, license permit and fees increased by \$346,199 in fiscal year 2025.
- The overall increase in expenditures in the amount of \$8.1 million can be attributed mostly to transfers out. FY2025 was the year in which any funds with a deficit were brought out of deficit. Most notably, CFD 2003-1 had operated at a deficit for multiple years and required a substantial General Fund subsidy.

General Fund Budgetary Highlights

For the fiscal year ended June 30, 2025, the General Fund’s revenue final amended budget increased over the original budget by \$503,539 and actual revenue increased by \$6,274,349 from the final amended budget of \$26,360,199. The final amended expenditure budget increased by \$5,475,405 over the original budget and the actual expenditures were \$6,079,526 lower than the final amended budget. The related activities are summarized as follows:

- The actual revenue was higher than the final budget mainly due to more federal grant revenue, sales tax revenue, interest income, and charges for services related to new development.
- The expenditure final budget was higher than the original budget by \$5,607,897 due to Council approved budget increases primarily for capital outlay.
- General fund actual expenditure is lower than the final budget by \$6 million primarily due to salary savings on vacant positions and the delay of capital outlay expenditures that will carry forward to FY2025-26.

Capital Asset and Long-Term Liabilities Administration

Capital assets. The City of Patterson’s total assets for its governmental and business-type activities as of June 30, 2025, amounts to \$140,064,775 an increase of \$6.9 million or 5.2% of total capital assets over the prior year. This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, and streets.

	Capital Assets (Net of depreciation and amortization)					
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 6,653,657	\$ 5,459,235	\$ 7,455,922	\$ 7,455,922	\$ 14,109,579	\$ 12,915,157
Construction in progress	9,370,920	6,315,503	6,206,124	8,673,915	15,577,044	14,989,418
Depreciable/amortizable capital assets, net	60,748,395	60,863,709	49,629,757	44,309,347	110,378,152	105,173,056
Total assets	76,772,972	72,638,447	63,291,803	60,439,184	140,064,775	133,077,631

Additional information on the City of Patterson’s capital assets can be found in Note 7 to the basic financial statements.

City of Patterson
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Long-Term Liabilities. At the end of the current fiscal year, the City of Patterson's total long-term debt and compensated absences outstanding decreased by \$2,186,734. This decrease is mainly attributable to the normal payment of debt as prescribed.

	<u>2025</u>	<u>2024</u>
Governmental Activities:		
PPFA 2013 Heartland Ranch Revenue Bonds	\$ 641,013	\$ 914,788
PPFA 2023 Series A Sp. Tax Revenue Bonds	52,185,000	54,360,000
Less: Bond Premium	6,176,658	6,397,253
2019 Lease Revenue Bonds	1,449,708	1,604,451
Finance purchase agreements	3,212,855	3,517,975
Lease liability	237,700	365,973
Subscription liability	35,169	4,519
Keystone Corporation Settlement	364,000	364,000
Settlement payable	1,333,355	1,333,355
Compensated Absences	1,741,214	1,717,718
Total governmental activities	<u><u>\$ 67,376,672</u></u>	<u><u>\$ 70,580,032</u></u>
Business-type Activities:		
Water Fund:		
2021 State Revolving Fund Loan	\$ 3,922,423	\$ 1,975,932
2019A Water Revenue Bonds	8,820,000	8,895,000
Add: Bond Premium	478,407	497,934
2019B Water Revenue Refunding Bonds	5,380,000	5,660,000
Add: Bond Premium	705,739	734,254
Compensated Absences	306,679	353,284
Total water fund	<u><u>19,613,248</u></u>	<u><u>18,116,404</u></u>
Sewer Fund:		
2017 Sewer Refunding Revenue Bonds	2,349,700	2,478,400
2008 State Revolving Fund loan	262,549	311,135
2021 State Revolving Fund loan	1,497,244	1,397,532
Banc of America loan	1,014,647	1,128,267
CEC loan	736,395	942,116
Patterson Ranch Development Settlement	1,123,211	1,123,211
Compensated Absences	351,762	420,258
Total sewer fund	<u><u>7,335,508</u></u>	<u><u>7,800,919</u></u>
Garbage Fund:		
Compensated Absences	103,015	117,822
Total garbage fund	<u><u>103,015</u></u>	<u><u>117,822</u></u>
Total business-type activities	<u><u>\$ 27,051,771</u></u>	<u><u>\$ 26,035,145</u></u>

Additional information on the City of Patterson's long-term debt can be found in Note 8 and Note 9 to the basic financial statements.

City of Patterson
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Economic Condition, Outlook, and Activity

The City has continued to see economic growth over the last several years and remains focused on several new businesses interested in the City of Patterson. Factors that will impact our economic strength are the online sales which, in some instances, do not provide the city with a “point-of-sale” taxable nexus. Patterson benefits from a more diverse revenue structure including Measure L, SB1 revenue, and new businesses such as the Oak Harbor Freight Lines, Safavieh Distributors, Dutch Bros, and other interested business.

The City's water and sewer rates were approved in the last few years and will provide stable enterprise funding to provide a high level of infrastructure maintenance in these areas. Additionally, new Garbage rates were approved in the year ended June 30, 2025, and went into effect on July 1, 2025.

Our budget provides for a continuation of high levels of service, capital improvement projects provided by grants and Capital Facility fees, and continued funds to further improve the City and maintain public safety staffing, and new programs to enhance community quality of life for our city's residents.

Next Year's Budget

The following factors were taken into consideration during the preparation of the City's budget for the fiscal year 2025-2026.

- The annual inflation rate as measured by the consumer price index (CPI), increased 1.3 percent for the 12 months ending April 2025 for all items. The City anticipated additional price increases for the goods and services it needs to acquire.
- The expected increase in commercial and residential developments will contribute to increases in major revenue sources such as building permits and property tax. Sales tax was expected to only increase slightly.
- The availability of both Federal/State grants and State Revolving Fund Loan (SRF).
- The remaining American Rescue Plan Act spending will help the City to respond, rebuild and recover from the pandemic. Focusing on economic recovery, stabilizing the government, and uplifting our communities. All American Rescue Plan Act has been allocated, and the City will ensure that all program funds are expended by the due date.
- California's minimum wage will increase to \$16.90 per hour for all employers on January 1, 2026, which is up \$0.40 from the 2025 rate of \$16.50.
- The accumulation of Measure L revenue provides the funding source for the street capital projects that are being carefully planned to begin upon completion of various underground capital pipeline projects.
- During the Water rate study, the City incorporated the 5-year long range capital improvement plan. The City will begin WM-6B replacement of water mains and service lines on the southside of the old town, WM-6A replacement of water mains and service lines in the downtown commercial area projects to enhance and improve the quality of our community's sewer infrastructure, and continue with WM-19B Water Meter replacement project of changing out 6,500 meters and 1,000 meter boxes which is nearly complete.

Requests for Information

This financial report is designed to provide a general overview of the city's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of Patterson, 1 Plaza, Patterson, CA 95363.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Patterson
Statement of Net Position
June 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 72,839,034	\$ 15,075,375	\$ 87,914,409
Restricted cash and investments	3,932,590	420,397	4,352,987
Accounts receivable	1,029,902	2,795,699	3,825,601
Intergovernmental receivable	4,892,931	26,256	4,919,187
Interest receivable	586,723	113,774	700,497
Lease receivable - current	33,085	24,536	57,621
Due from Fiduciary Funds	47,530	-	47,530
Prepaid items	533,984	39,028	573,012
Total current assets	83,895,779	18,495,065	102,390,844
Noncurrent assets:			
Cash and investments with fiscal agents	5,797,713	7,817,964	13,615,677
Investments held in trust	53,519,772	-	53,519,772
Lease receivable - noncurrent	199,593	12,711	212,304
Notes and loans receivable	1,611,754	-	1,611,754
Capital assets:			
Non-depreciable	16,024,577	13,662,046	29,686,623
Depreciable and amortizable, net	60,748,395	49,629,757	110,378,152
Capital assets, net	76,772,972	63,291,803	140,064,775
Total noncurrent assets	137,901,804	71,122,478	209,024,282
Total assets	221,797,583	89,617,543	311,415,126
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refunding	-	270,715	270,715
OPEB-related deferred outflows of resources	1,874,070	866,921	2,740,991
Pension-related deferred outflows of resources	4,347,976	1,572,271	5,920,247
Total deferred outflows of resources	6,222,046	2,709,907	8,931,953

City of Patterson
Statement of Net Position (Continued)
June 30, 2025

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
LIABILITIES			
Current liabilities:			
Accounts payable	5,107,533	1,105,992	6,213,525
Accrued liabilities	576,025	7,350	583,375
Accrued interest payable	1,038,006	75,933	1,113,939
Unearned revenue	590,672	77,394	668,066
Deposits payable	7,046,856	121,889	7,168,745
Compensated absences - due within one year	1,204,300	526,656	1,730,956
Long-term debt - due within one year	3,203,099	1,152,461	4,355,560
Total current liabilities	18,766,491	3,067,675	21,834,166
Noncurrent liabilities:			
Compensated absences - due in more than one year	536,914	234,800	771,714
Long-term debt - due in more than one year	62,432,359	25,137,854	87,570,213
Net OPEB liability	6,965,428	2,469,923	9,435,351
Aggregate net pension liability	9,633,896	3,412,540	13,046,436
Total noncurrent liabilities	79,568,597	31,255,117	110,823,714
Total liabilities	98,335,088	34,322,792	132,657,880
DEFERRED INFLOWS OF RESOURCES			
Lease-related deferred inflows of resources	232,678	37,247	269,925
OPEB-related deferred inflows of resources	4,283,706	2,617,257	6,900,963
Total deferred inflows of resources	4,516,384	2,654,504	7,170,888
NET POSITION			
Net investment in capital assets	71,809,745	46,633,775	118,443,520
Restricted for:			
Special programs	38,458,402	-	38,458,402
Capital projects	-	7,738,154	7,738,154
Debt service	-	79,810	79,810
Total restricted	38,458,402	7,817,964	46,276,366
Unrestricted	14,900,010	898,415	15,798,425
Total net position	\$ 125,168,157	\$ 55,350,154	\$ 180,518,311

City of Patterson
Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 11,528,038	\$ 201,817	\$ 3,462,428	\$ 1,041,514
Police	4,923,683	119,765	239,792	-
Fire	7,203,828	2,682,969	596,498	-
Community development and planning	2,401,299	3,704,949	2,126,394	-
Public works	7,445,875	3,671,599	2,204,694	7,885,146
Parks and recreation	4,079,397	924,284	5,440	(209)
Interest on long-term debt	2,804,188	-	-	-
Total governmental activities	40,386,308	11,305,383	8,635,246	8,926,451
Business-type Activities:				
Water	7,124,980	8,994,776	-	2,357,522
Sewer	7,964,893	6,974,129	-	1,864,550
Garbage	4,179,824	4,604,826	-	45,043
Total business-type activities	19,269,697	20,573,731	-	4,267,115
Total primary government	\$ 59,656,005	\$ 31,879,114	\$ 8,635,246	\$ 13,193,566

City of Patterson
Statement of Activities (Continued)
For the Year Ended June 30, 2025

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
Governmental Activities:			
General government	\$ (6,822,279)	\$ -	\$ (6,822,279)
Police	(4,564,126)	-	(4,564,126)
Fire	(3,924,361)	-	(3,924,361)
Community development and planning	3,430,044	-	3,430,044
Public works	6,315,564	-	6,315,564
Parks and recreation	(3,149,882)	-	(3,149,882)
Interest on long-term debt	(2,804,188)	-	(2,804,188)
Total governmental activities	(11,519,228)	-	(11,519,228)
Business-type Activities:			
Water	-	4,227,318	4,227,318
Sewer	-	873,786	873,786
Garbage	-	470,045	470,045
Total business-type activities	-	5,571,149	5,571,149
Total primary government	(11,519,228)	5,571,149	(5,948,079)
General revenues and transfers:			
General revenues:			
Taxes:			
Property taxes	8,685,386	-	8,685,386
Sales taxes	12,590,086	-	12,590,086
Franchise taxes	207,841	-	207,841
Other taxes	230,103	-	230,103
Total taxes	21,713,416	-	21,713,416
Investment earnings	6,050,686	952,560	7,003,246
Revenue from Fiduciary Fund	2,781,220	2,392,036	5,173,256
Miscellaneous	879,315	37,744	917,059
Transfers	1,125,724	(1,125,724)	-
Total general revenues and transfers	32,550,361	2,256,616	34,806,977
Changes in net position	21,031,133	7,827,765	28,858,898
Net Position:			
Beginning of year, as restated (Note 19)	104,137,024	47,522,389	151,659,413
End of year	\$ 125,168,157	\$ 55,350,154	\$ 180,518,311

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FUND FINANCIAL STATEMENTS

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

**City of Patterson
Balance Sheet
Governmental Funds
June 30, 2025**

	Major Funds		
	General Fund	CFD 2003-1 Public Safety/ Fire Protection Services Fund	Patterson Public Financing Authority
ASSETS			
Cash and investments	\$ 26,815,854	\$ 1,761,088	\$ 1,340,324
Restricted cash and investments	3,932,590	-	-
Cash and investments with fiscal agents	-	-	5,797,713
Investments held in trust	-	-	53,519,772
Receivables:			
Accounts	992,495	-	-
Intergovernmental	3,650,719	55,653	-
Interest	188,908	-	4,685
Notes and loans	16,632	-	-
Lease	232,678	-	-
Due from other funds	24,047	-	-
Due from Fiduciary Funds	47,530	-	-
Prepaid items	300,684	12,936	220,364
Total assets	\$ 36,202,137	\$ 1,829,677	\$ 60,882,858
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES:			
Accounts payable	\$ 4,572,931	\$ 21,007	\$ -
Accrued liabilities	542,558	33,467	-
Due to other funds	-	-	-
Unearned revenue	112,124	-	-
Deposit and other liabilities	6,973,006	-	-
Total liabilities	12,200,619	54,474	-
DEFERRED INFLOWS OF RESOURCES:			
Lease-related deferred inflows of resources	232,678	-	-
Unavailable revenue	639,310	-	-
Total deferred inflows of resources	871,988	-	-
FUND BALANCES:			
Nonspendable	300,684	12,936	220,364
Restricted	737,315	1,762,267	60,662,494
Committed	12,113,995	-	-
Assigned	3,377,057	-	-
Unassigned (deficit)	6,600,479	-	-
Total fund balances	23,129,530	1,775,203	60,882,858
Total liabilities, deferred inflows of resource, and fund balances	\$ 36,202,137	\$ 1,829,677	\$ 60,882,858

**City of Patterson
Balance Sheet (Continued)
Governmental Funds
June 30, 2025**

	Other Governmental Funds	Total Governmental Funds
ASSETS		
Cash and investments	\$ 42,921,768	\$ 72,839,034
Restricted cash and investments	-	3,932,590
Cash and investments with fiscal agents	-	5,797,713
Investments held in trust	-	53,519,772
Receivables:		
Accounts	37,407	1,029,902
Intergovernmental	1,186,559	4,892,931
Interest	393,130	586,723
Notes and loans	1,595,122	1,611,754
Lease	-	232,678
Due from other funds	-	24,047
Due from Fiduciary Funds	-	47,530
Prepaid items	-	533,984
Total assets	\$ 46,133,986	\$ 145,048,658
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES:		
Accounts payable	\$ 513,595	\$ 5,107,533
Accrued liabilities	-	576,025
Due to other funds	24,047	24,047
Unearned revenue	478,548	590,672
Deposit and other liabilities	73,850	7,046,856
Total liabilities	1,090,040	13,345,133
DEFERRED INFLOWS OF RESOURCES:		
Lease-related deferred inflows of resources	-	232,678
Unavailable revenue	1,918,674	2,557,984
Total deferred inflows of resources	1,918,674	2,790,662
FUND BALANCES:		
Nonspendable	-	533,984
Restricted	25,564,355	88,726,431
Committed	17,586,312	29,700,307
Assigned	-	3,377,057
Unassigned (deficit)	(25,395)	6,575,084
Total fund balances	43,125,272	128,912,863
Total liabilities, deferred inflows of resource, and fund balances	\$ 46,133,986	\$ 145,048,658

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City of Patterson
Reconciliation of the Governmental Funds
Balance Sheet to the Government-Wide Statement of Net Position
June 30, 2025

Total fund balances of governmental funds	\$ 128,912,863
 Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in governmental funds.	76,772,972
Pension-related deferred outflows/inflows of resources in the governmental activities were not financial resources (uses) and therefore were not reported in the Governmental Funds Balance Sheet.	
Pension-related deferred outflows of resources	4,347,976
OPEB-related deferred outflows/inflows of resources in the governmental activities were not financial resources (uses) and therefore were not reported in the Governmental Funds Balance Sheet.	
OPEB-related deferred outflows of resources	1,874,070
OPEB-related deferred inflows of resources	(4,283,706)
Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in the Governmental Funds Balance Sheet.	(1,038,006)
Unavailable revenues reported on the Governmental 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.	2,557,984
Long-term liabilities are not due and payable in the current period and therefore are not reported in the Governmental Funds Balance Sheet.	
Long-term debt	(65,635,458)
Compensated absences	(1,741,214)
Net OPEB liability	(6,965,428)
Aggregated net pension liability	(9,633,896)
Net position of governmental activities	\$ <u>125,168,157</u>

City of Patterson
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	Major Funds		
	General Fund	CFD 2003-1 Public Safety/ Fire Protection Services Fund	Patterson Public Financing Authority
REVENUES:			
Taxes:			
Property	\$ 8,685,386	\$ -	\$ -
Sales	12,590,086	-	-
Franchise	207,841	-	-
Other	230,103	-	-
Licenses, permits, and fees	2,184,909	-	-
Charges for services	1,797,555	1,687,458	-
Intergovernmental:			
Federal grant and subsidies	3,206,442	-	-
Other governmental	652,263	-	-
Fines, forfeitures and penalties	89,378	-	-
Investment income (loss)	1,364,893	-	3,337,586
Revenue from Fiduciary Fund	1,031,378	-	1,368,366
Miscellaneous	594,314	97,594	-
Total revenues	32,634,548	1,785,052	4,705,952
EXPENDITURES:			
Current:			
General government	9,805,281	2,732	27,062
Police	4,758,882	-	-
Fire	3,768,234	2,921,620	-
Community development and planning	2,358,636	-	-
Public works	4,573,921	-	-
Park and recreation	3,289,446	-	-
Capital outlay	1,099,692	48,315	-
Debt service:			
Principal	451,753	152,560	2,448,775
Interest and fiscal charges	257,420	81,213	2,740,471
Total expenditures	30,363,265	3,206,440	5,216,308
REVENUES OVER (UNDER) EXPENDITURES	2,271,283	(1,421,388)	(510,356)
OTHER FINANCING SOURCES (USES):			
Inception of subscription agreement	46,827	-	-
Transfers in	4,769,749	7,455,787	-
Transfers out	(8,225,022)	-	(284,353)
Total financing sources (uses)	(3,408,446)	7,455,787	(284,353)
Net change in fund balances	(1,137,163)	6,034,399	(794,709)
FUND BALANCES (DEFICIT):			
Beginning of year	24,266,693	(4,259,196)	61,677,567
End of year	\$ 23,129,530	\$ 1,775,203	\$ 60,882,858

City of Patterson
Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended June 30, 2025

	Other Governmental Funds	Total Governmental Funds
REVENUES:		
Taxes:		
Property	\$ -	\$ 8,685,386
Sales	-	12,590,086
Franchise	-	207,841
Other	-	230,103
Licenses, permits, and fees	4,645,171	6,830,080
Charges for services	4,780,012	8,265,025
Intergovernmental:		
Federal grant and subsidies	234,876	3,441,318
Other governmental	3,799,488	4,451,751
Fines, forfeitures and penalties	-	89,378
Investment income (loss)	1,678,405	6,380,884
Revenue from Fiduciary Fund	381,476	2,781,220
Miscellaneous	8,007	699,915
Total revenues	15,527,435	54,652,987
EXPENDITURES:		
Current:		
General government	966,427	10,801,502
Police	-	4,758,882
Fire	7,272	6,697,126
Community development and planning	3,204	2,361,840
Public works	285,114	4,859,035
Park and recreation	-	3,289,446
Capital outlay	2,596,370	3,744,377
Debt service:		
Principal	-	3,053,088
Interest and fiscal charges	-	3,079,104
Total expenditures	3,858,387	42,644,400
REVENUES OVER (UNDER) EXPENDITURES	11,669,048	12,008,587
OTHER FINANCING SOURCES (USES):		
Inception of subscription agreement	-	46,827
Transfers in	2,110,711	14,336,247
Transfers out	(4,701,148)	(13,210,523)
Total financing sources (uses)	(2,590,437)	1,172,551
Net change in fund balances	9,078,611	13,181,138
FUND BALANCES (DEFICIT):		
Beginning of year	34,046,661	115,731,725
End of year	\$ 43,125,272	\$ 128,912,863

City of Patterson
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,
and Changes in Fund Balances to the Government-Wide Statement of Activities
For the Year Ended June 30, 2025

Net change in fund balances - total governmental funds	\$ 13,181,138
 Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds reported capital outlay as expenditures. However, in the Government-Wide Statement of Activities and Changes in Net Position, the cost of those assets was allocated over their estimated useful lives as depreciation and amortization expense. This was the amount of capital assets recorded in the current period. (\$11,575 of the governmental fund capital outlay balance were for repairs and maintenance expenditures).	3,637,987
In the Government-Wide Statement of Activities, donated assets are reported as a capital contribution.	4,747,785
Depreciation and amortization expense on capital assets was reported in the Government-Wide Statement of Activities and Changes in Net Position, but it did not require the use of current financial resources. Therefore, depreciation and amortization expense was not reported as expenditures in the Governmental Funds.	(4,251,247)
Issuance of long-term liabilities does not provide current financial resources to governmental funds, but the issuance increased long-term liabilities in the Government-Wide Statement of Net Position. Subscription liability	(46,827)
Repayment of long-term liabilities was an expenditures in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position. Principal payment of long-term debt Amortization of bond discount	3,053,088 220,595
Interest expenses on long-term debt was reported in the Government-Wide Statement of Activities, but it did not require the use of current financial resources. This amount represented the changes in accrued interest from prior year.	54,321
Compensated absences expenses reported in the Government-Wide Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(23,496)
Revenues in the Government-Wide Statement of Activities that do not provide current financial resources and are not reported as revenue in the governmental funds.	890,945
Certain pension expenses reported in the Government-Wide Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds. Changes in pension related deferred outflows of resources Changes in net pension liabilities Changes in pension related deferred inflows of resources	(676,887) 36,647 14,005
Certain OPEB expenses reported in the Government-Wide Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds. Changes in OPEB related deferred outflows of resources Changes in net OPEB liabilities Changes in OPEB related deferred inflows of resources	470,943 (971,121) 693,257
Change in net position of governmental activities	\$ <u>21,031,133</u>

PROPRIETARY FUND FINANCIAL STATEMENTS

City of Patterson
Statement of Net Position
Proprietary Funds
June 30, 2025

ASSETS	Major Funds			Total
	Water	Sewer	Garbage	
Current assets:				
Cash and investments	\$ 10,623,768	\$ 2,612,036	\$ 1,839,571	\$ 15,075,375
Restricted cash and investments	-	420,397	-	420,397
Accounts receivable	1,108,088	1,155,534	532,077	2,795,699
Intergovernmental receivable	2,006	7,778	16,472	26,256
Interest receivable	90,560	5,702	17,512	113,774
Lease receivable - current	-	24,536	-	24,536
Advances from other funds - current	150,233	-	-	150,233
Prepaid items	23,016	11,832	4,180	39,028
Total current assets	11,997,671	4,237,815	2,409,812	18,645,298
Noncurrent assets:				
Cash and investments with fiscal agents	7,817,964	-	-	7,817,964
Lease receivable - noncurrent	-	12,711	-	12,711
Advances from other funds - noncurrent	1,160,001	-	-	1,160,001
Capital assets:				
Non-depreciable	7,592,753	6,069,293	-	13,662,046
Depreciable/amortizable, net	25,180,492	24,203,193	246,072	49,629,757
Capital assets, net	32,773,245	30,272,486	246,072	63,291,803
Total noncurrent assets	41,751,210	30,285,197	246,072	72,282,479
Total assets	53,748,881	34,523,012	2,655,884	90,927,777
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on refunding	134,773	135,942	-	270,715
OPEB-related deferred outflows of resources	350,324	405,280	111,317	866,921
Pension-related deferred outflows of resources	664,884	675,918	231,469	1,572,271
Total deferred outflows of resources	1,149,981	1,217,140	342,786	2,709,907
LIABILITIES				
Current liabilities:				
Accounts payable	552,631	300,904	252,457	1,105,992
Accrued liabilities	4,483	2,572	295	7,350
Deposits payable	121,889	-	-	121,889
Unearned revenue	-	739	76,655	77,394
Accrued interest	48,527	27,406	-	75,933
Compensated absences - due within one year	212,112	243,294	71,250	526,656
Advances to other funds - due within one year	-	150,233	-	150,233
Long-term liabilities - due within one year	556,009	596,452	-	1,152,461
Total current liabilities	1,495,651	1,321,600	400,657	3,217,908
Noncurrent liabilities:				
Compensated absences - due within one year	94,567	108,468	31,765	234,800
Advances to other funds - due in more than one year	-	1,160,001	-	1,160,001
Long-term liabilities - due in more than one year	18,750,560	6,387,294	-	25,137,854
Net OPEB liability	1,171,755	1,079,596	218,572	2,469,923
Aggregate net pension liability	1,443,100	1,467,048	502,392	3,412,540
Total noncurrent liabilities	21,459,982	10,202,407	752,729	32,415,118
Total liabilities	22,955,633	11,524,007	1,153,386	35,633,026
DEFERRED INFLOWS OF RESOURCES				
Lease-related deferred inflows of resources	-	37,247	-	37,247
OPEB-related deferred inflows of resources	1,085,310	1,270,735	261,212	2,617,257
Total deferred inflows of resources	1,085,310	1,307,982	261,212	2,654,504
NET POSITION				
Net investment in capital assets	21,419,413	24,968,290	246,072	46,633,775
Restricted:				
Capital projects	7,738,154	-	-	7,738,154
Debt service	79,810	-	-	79,810
Total restricted	7,817,964	-	-	7,817,964
Unrestricted (deficit)	1,620,542	(2,060,127)	1,338,000	898,415
Total net position	\$ 30,857,919	\$ 22,908,163	\$ 1,584,072	\$ 55,350,154

See accompanying Notes to the Basic Financial Statements.

City of Patterson
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2025

	Major Funds			Total
	Water	Sewer	Garbage	
OPERATING REVENUES:				
Charges for services	\$ 8,407,232	\$ 6,971,389	\$ 4,547,147	\$ 19,925,768
Fees, fines, and penalties	587,544	2,740	57,679	647,963
Miscellaneous	3,930	27,508	6,306	37,744
Total operating revenues	8,998,706	7,001,637	4,611,132	20,611,475
OPERATING EXPENSES:				
Salaries and benefits	3,008,937	3,369,130	1,099,545	7,477,612
Contractual and professional services	251,855	631,088	2,502,078	3,385,021
Supplies and operating costs	1,987,961	1,696,646	521,318	4,205,925
Depreciation	1,376,855	2,122,100	56,883	3,555,838
Total operating expenses	6,625,608	7,818,964	4,179,824	18,624,396
OPERATING INCOME (LOSS)	2,373,098	(817,327)	431,308	1,987,079
NONOPERATING REVENUES (EXPENSES):				
Revenue from Fiduciary Fund	-	2,392,036	-	2,392,036
Investment income	832,482	45,508	74,570	952,560
Interest expense	(499,372)	(145,929)	-	(645,301)
Total nonoperating revenues (expenses)	333,110	2,291,615	74,570	2,699,295
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	2,706,208	1,474,288	505,878	4,686,374
CAPITAL CONTRIBUTIONS AND TRANSFERS:				
Capital contributions	2,357,522	1,864,550	45,043	4,267,115
Transfers in	-	496,215	-	496,215
Transfers out	(533,537)	(802,684)	(285,718)	(1,621,939)
Total capital contributions and transfers	1,823,985	1,558,081	(240,675)	3,141,391
CHANGES IN NET POSITION	4,530,193	3,032,369	265,203	7,827,765
NET POSITION:				
Beginning of year, as restated (Note 18)	26,327,726	19,875,794	1,318,869	47,522,389
End of year	\$ 30,857,919	\$ 22,908,163	\$ 1,584,072	\$ 55,350,154

City of Patterson
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Major Funds			Total
	Water	Sewer	Garbage	
Cash Flows from Operating Activities:				
Cash received from customers	\$ 8,811,882	\$ 6,662,119	\$ 4,551,094	\$ 20,025,095
Cash paid to suppliers	(1,967,274)	(2,234,133)	(2,954,905)	(7,156,312)
Cash paid to employees	(3,046,019)	(3,420,631)	(1,157,253)	(7,623,903)
Other	3,930	27,508	6,306	37,744
Net cash provided by operating activities	3,802,519	1,034,863	445,242	5,282,624
Cash Flows from Noncapital Financing Activities:				
Advances between funds	146,638	(146,638)	-	-
Revenue from Fiduciary Fund	-	2,392,036	-	2,392,036
Transfers in	-	496,215	-	496,215
Transfers out	(533,537)	(802,684)	(285,718)	(1,621,939)
Net cash provided by (used in) noncapital financing activities	(386,899)	1,938,929	(285,718)	1,266,312
Cash Flows from Capital and Related Financing Activities:				
Capital contributions from grants	-	-	45,043	45,043
Capital contributions from developers and others	2,357,522	1,864,550	-	4,222,072
Acquisition and construction of capital assets	(3,557,515)	(2,439,911)	-	(5,997,426)
Proceeds from issuance of debt	1,946,491	170,179	-	2,116,670
Principal paid on revenue bonds and loan	(355,000)	(567,093)	-	(922,093)
Interest paid on capital debt	(958,328)	(137,444)	-	(1,095,772)
Net cash provided by (used in) capital and related financing activities	(566,830)	(1,109,719)	45,043	(1,631,506)
Cash Flows from Investing Activities:				
Interest	782,279	58,773	70,026	911,078
Net cash provided by investing activities	782,279	58,773	70,026	911,078
Net increase (decrease) in cash and cash equivalents	3,631,069	1,922,846	274,593	5,828,508
Cash and Cash Equivalents:				
Beginning of year	14,810,663	1,109,587	1,564,978	17,485,228
End of year	<u>\$ 18,441,732</u>	<u>\$ 3,032,433</u>	<u>\$ 1,839,571</u>	<u>\$ 23,313,736</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position:				
Cash and investments	\$ 10,623,768	\$ 2,612,036	\$ 1,839,571	\$ 15,075,375
Restricted cash and investments	-	420,397	-	420,397
Cash and investments with fiscal agent	7,817,964	-	-	7,817,964
Total cash and investments	<u>\$ 18,441,732</u>	<u>\$ 3,032,433</u>	<u>\$ 1,839,571</u>	<u>\$ 23,313,736</u>

City of Patterson
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2025

	Major Funds			Total
	Water	Sewer	Garbage	
Reconciliation of Operating Income (Loss) to				
Net Cash Provided by Operating Activities				
Operating income (loss)	\$ 2,373,098	\$ (817,327)	\$ 431,308	\$ 1,987,079
Adjustments to reconcile operating income (loss) to				
net cash provided by operating activities:				
Depreciation expense	1,376,855	2,122,100	56,883	3,555,838
Change in assets and liabilities:				
Accounts receivable	(190,816)	(310,045)	(22,327)	(523,188)
Intergovernmental receivable	(1,896)	(1,965)	5,633	1,772
Lease receivable	-	(18,254)	-	(18,254)
Prepaid items	(15,873)	(4,239)	(2,146)	(22,258)
OPEB-related deferred outflows of resources	(78,135)	(101,157)	(37,358)	(216,650)
Pension-related deferred outflows of resources	157,977	143,196	102,313	403,486
Accounts payable	288,415	97,840	70,637	456,892
Accrued liabilities	(408)	235	141	(32)
Deposits payable	9,818	-	-	9,818
Unearned revenue	-	-	(37,038)	(37,038)
Compensated absences	(46,605)	(68,496)	(14,807)	(129,908)
Net OPEB liability	161,120	208,594	77,036	446,750
Aggregate net pension liability	(116,011)	(84,963)	(130,039)	(331,013)
Lease-related deferred inflows of resources	-	18,254	-	18,254
OPEB-related deferred inflows of resources	(115,020)	(148,910)	(316,206)	(580,136)
Pension-related deferred inflows of resources	-	-	261,212	261,212
Total adjustments	<u>1,429,421</u>	<u>1,852,190</u>	<u>13,934</u>	<u>3,295,545</u>
Net cash provided by (used in) operating activities	<u>\$ 3,802,519</u>	<u>\$ 1,034,863</u>	<u>\$ 445,242</u>	<u>\$ 5,282,624</u>

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FIDUCIARY FUNDS FINANCIAL STATEMENTS

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City of Patterson
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	Custodial Funds
ASSETS	
Cash and investments	\$ 5,272,383
Restricted cash and investments	186,219
Cash and investments with fiscal agents	19,689,913
Intergovernmental receivable	129,960
Interest receivable	108,191
Notes receivable	936,509
Total assets	26,336,501
LIABILITIES	
Accounts payable	7,904
Due to City	47,530
Total liabilities	55,434
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	26,281,067
Total net position	\$ 26,281,067

City of Patterson
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2025

	Custodial Funds
ADDITIONS:	
Special assessments for other governments	\$ 8,072,696
Developer fees for other governments	3,377
Investment income	1,473,101
Total additions	9,549,174
DEDUCTIONS:	
Administration	1,298,943
Payments on conduit bonds - principal	2,373,122
Payments on conduit bonds - interest	4,887,729
Contributions to City	5,173,256
Total deductions	13,733,050
Change in net position	(4,183,876)
NET POSITION:	
Beginning of year	30,464,943
End of period	\$ 26,281,067

NOTES TO THE BASIC FINANCIAL STATEMENTS

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City of Patterson
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For the Year Ended June 30, 2025

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For the Year Ended June 30, 2025

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City of Patterson
Notes to the Basic Financial Statements
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies

The accompanying basic financial statements of the City of Patterson, California (the “City”), have been prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as applied to governmental agencies. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City’s accounting policies are described below.

A. Financial Reporting Entity

The City operates under a Council-Manager form of government and provides the following services as authorized: public safety (police, fire and civil defense), highway and streets, sanitation, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services. The City also provides water, garbage, and sewer service.

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The primary criteria for including a potential component unit within the reporting entity are the governing body’s financial accountability and a financial benefit or burden relationship and whether it is misleading to exclude. A primary government is financially accountable and shares a financial benefit or burden relationship, if it appoints a voting majority of an organization’s governing body and it is able to impose its will on the organization, or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government. A primary government may also be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government.

Blended Component Units

Although the following are legally separate from the City, they have been “blended” as though they are part of the City because the component unit’s governing body is substantially the same as the City’s and there is a financial benefit or burden relationship between the City and the component unit; management of the City has operational responsibilities for the component unit; and/or the component units provide services entirely, or almost entirely, to the City or otherwise exclusively, or almost exclusively, benefits the City, even though it does not provide services directly to it.

Patterson Public Financing Authority: The Patterson Public Financing Authority (“PPFA”) was formed in 2001 pursuant to a joint exercise of powers agreement between the City and the former Redevelopment Agency of the City. PPFA is authorized to borrow money for the purpose of financing the acquisition of bonds, notes, and other obligations of, or for the purpose of making loans to, public entities, including the City and to provide financing for public capital improvements for lease to public entities, including the City. The members of the City Council also sit as the Board of Directors of PPFA. The financial activities of the PPFA are reported in the debt service fund.

The City also participates in the following organization that does not meet the definition of a component unit:

West Patterson Financing Authority: The West Patterson Financing Authority (the “Authority”) was formed in 2001 pursuant to a joint exercise of powers agreement between the City and the former Redevelopment Agency of the. The primary activity of the Authority is issuing special tax bonds on behalf of the West Patterson Financing Authority Community Facilities District No. 2001-1 (Public Improvements). The proceeds of the special tax bonds are used to finance the costs of certain engineering, design, construction and other expenses related to public infrastructure improvements.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

A. Financial Reporting Entity (Continued)

On October 18, 2005, pursuant to Resolution No. 2005-04 of the Board of Directors of the Authority, the Authority founded its Community Facilities District No. 2005-1 (West Patterson Business Park) and authorized special tax levies therein.

On June 2, 2015, pursuant to Resolution No.2015-03 of the Board of Directors of the Authority, the Authority founded its Community Facilities District No. 2015-1 (Arambel-KND) and authorized special tax levies therein.

On October 16, 2018, pursuant to Resolution No. 2018-04 of the Board of Directors of the Authority, the Authority founded its Community Facilities District No. 2018-1 (Villages of Patterson) and authorized special tax levies therein. The participating landowners have been invoiced for the costs to form CFD 2018-1.

The financial activities of the Authority are included in the City's agency funds. Separate financial statements for the Authority may be obtained from the City at 1 Plaza, Patterson, CA 95363.

B. Basis of Accounting and Measurement Focus

Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Deferred Outflows/Inflows of Resources

The Statement of Net Position and the Balance Sheet of Governmental Funds reports separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources represent outflows of resources (consumption of net assets) that apply to future periods and that, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources represent inflows of resources (acquisition of net assets) that apply to future periods and that, therefore, are not recognized as revenue until that time.

Government-Wide Financial Statements

The City's government-wide financial statements include a statement of net position and a statement of activities. These statements present summaries of governmental and business-type activities for the City accompanied by a total column. Fiduciary activities of the City are not included in these statements.

These financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Government–Wide Financial Statements (Continued)

Certain types of transactions are reported as program revenues for the City 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 those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. However, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due from and to other funds
- Advances to and from other funds
- Transfers in and out

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 met the applicable criteria.

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 sheet. The statement of revenues, expenditures and changes in fund balances present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in fund balances. 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. The City defines available to be within 60 days.

The primary revenue sources, which have been treated as susceptible to accrual by the City, are taxes, intergovernmental revenues, interest and charges for services. Certain indirect costs are included in program expenses reported for individual functions and activities. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

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

The reconciliation of the fund financial statements to the government-wide financial statements is provided to explain the differences.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Governmental Fund Financial Statements (Continued)

Major governmental funds of the City are outlined below:

General Fund - This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

CFD 2003-1 Public Safety/Fire Protection Services Fund - This fund accounts funds for public safety with the first priority being fire and emergency medical service in new developments. This fund account for all special tax revenue levied and all direct and incidental costs related to public safety incurred within the district.

Patterson Public Financing Authority (PPFA) - PPFA is authorized to borrow money for the purpose of financing the acquisition of bonds, notes, and other obligations of, or for the purpose of making loans to, public entities, including the City and to provide financing for public capital improvements for lease to public entities, including the City.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flows for each major proprietary fund.

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 presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. In these funds, receivables have been recorded as revenue and provisions have been made for uncollectible amounts.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

Major proprietary funds of the City are outlined below:

Water Fund - This fund accounts for all financial transactions relating to the City's water service. Services are on a user charge basis to residents and business owners in Patterson.

Sewer Fund - This fund accounts for all financial transactions relating to the City's wastewater treatment collection and treatment. Services are on a user charge basis to residents and business owners located in Patterson.

Garbage Fund - This fund accounts for all financial transactions relating to the City's solid waste service. Services are on a user charge basis to residents and business owners located in Patterson.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Fiduciary Net Position. The City's fiduciary funds represent custodial funds and private purpose trust funds. Fiduciary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Fiduciary fund types are accounted for according to the nature of the fund.

Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. They are also used to account for various assessment districts for which the City acts as an agent for debt service activity, as the City is prohibited from levying additional taxes for these districts. Fiduciary funds are accounted for using the accrual basis of accounting. The City reports the following fiduciary funds:

Custodial Funds - The City accounts for various assessment districts for which the City acts as an agent for debt service activity, as the City is prohibited from levying additional taxes for these districts. Such funds include Community Facilities Districts.

C. Cash and Investments

The City pools its available cash for investment purposes. The City's cash and investments considered to be cash equivalents, consist of cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and reported as Cash and Investments.

Highly liquid 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. Market value is used as fair value for those securities for which market quotations are readily available.

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated on an accounting period basis to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

The City participates in an investment pool managed by the State of California titled *Local Agency Investment Fund* (LAIF) which has invested a portion of the pool funds in structured notes and asset-backed securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these structured notes and asset-backed securities are subject to market risk as to change in interest rates.

U.S. GAAP defines fair value, establishes a framework for measuring fair value and establishes disclosures about fair value measurement. Investments, unless otherwise specified, recorded at fair value in the Statements of Net Position, are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Levels of inputs are as follows:

Level 1 – Inputs are unadjusted, quoted prices for identical assets and liabilities in active markets at the measurement date.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

C. Cash and Investments (Continued)

Level 2 – Inputs, other than quoted prices included in Level 1, that are observable for the assets or liabilities through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management’s best estimate of what market participants would use in pricing the assets or liabilities at the measurement date.

D. Restricted Cash and Investments

Certain restricted cash and investments are held by a fiscal agent for the redemption of bonded debt and for acquisition and construction of capital projects.

E. Accounts and Interest Receivable

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Receivables are recorded in the financial statements net of any allowance for doubtful accounts if applicable, and estimated refunds due. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, grants, police fines and other fees. Business-type activities report utilities and interest earnings as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, 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. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable and interest earnings compose the majority of proprietary fund receivables.

F. Leases

Lessee

The City has a policy to recognize a lease liability and a right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$15,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made.

Lease assets are recorded at the amount of the initial measurement of the lease liabilities and modified by any lease payments made to the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term along with any initial direct costs that are ancillary charges necessary to place the lease assets into service. Lease assets are amortized using the straight-line method over the shorter of the lease term or the useful life of the underlying asset, unless the lease contains a purchase option that the City has determined is reasonably certain of being exercised. In this case, the lease asset is amortized over the useful life of the underlying asset.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

F. Leases (Continued)

Lessee (Continued)

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure any lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported as right to use along with other capital assets and lease liabilities are reported with long-term debt on the Statement of net position.

Lessor

The City is a lessor for leases of special purpose facilities, office and commercial space, and land. The City recognizes leases receivable and deferred inflows of resources in the financial Statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflows of resources are initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflows of resources are recognized as revenue over the life of the lease term in a systematic and rational method.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

G. Subscription-Based Information Technology Arrangements (SBITAs)

The City has a policy to recognize a SBITA liability and a right-to-use subscription asset (SBITA asset) in the financial statements with an initial, individual value of \$25,000 or more with a subscription term greater than one year.

At the commencement of a subscription, when the subscription asset is placed into service, the SBITA liability is measured at the present value of payments expected to be made during the subscription term. Future subscription payments are discounted using the City's incremental borrowing rate and the City recognizes amortization of the discount on the subscription liability as interest expense in subsequent financial reporting periods.

SBITA assets are measured as the sum of the initial subscription liability, payments made to the SBITA vendor before the commencement of the lease term, and capitalizable implementation costs less any incentives received from the SBITA vendor at or before the commencement of the subscription term. Subscription assets are amortized using the straight-line method over the subscription term.

Key estimates and judgments related to SBITAs include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The subscription term includes the period during which the City has a noncancelable right to use the underlying IT asset. The subscription term also includes periods covered by an option to extend if it is reasonably certain to be exercised.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option years that the City is reasonably certain to exercise. The City monitors changes in circumstances that would require a remeasurement of a subscription and will remeasure any subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Right-to-use subscription assets are reported along with other capital assets and subscription liabilities are reported as long-term debt on the statement of net position.

H. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets, and the right to use leased equipment and buildings, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets are recorded at historical cost (except for intangible right-to-use lease assets) or estimated historical cost if purchased or constructed.. Donated capital assets are valued at their estimated acquisition value on the date donated. City policy has set the capitalization threshold at \$5,000. Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

Buildings and improvements	20-40 years
Machinery and equipment	3-6 years
Streets and roads	20 years
Curbs, gutters, sidewalks, and median curbs	20 years
Storm drains	75 years
Lease/subscription assets	Contract term

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

H. Capital Assets (Continued)

For all infrastructure systems, the City elected to use the basic approach for infrastructure reporting. The City defines infrastructure as the basic physical assets that allow the City to function. The assets include streets, sewer, and park lands. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, landscaping and land. These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

Interest accrued during capital assets construction, if any, is capitalized for the business-type and proprietary funds as part of the asset cost.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

I. Long-Term Debt

In the government-wide financial statements and the proprietary fund financial statements, long-term liabilities, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Initial issue bond premiums and discounts, are deferred and amortized over the life of the bonds using the straight-line method. The difference between the reacquisition price of refunding bonds and the net carrying amount of refunded debt (deferred amount on refunding) is amortized over the shorter of the lives of the refunding debt or remaining life of the refunded debt. Bond issuance costs except for insurance, are expenses in the period incurred. Amortization of bond premiums or discounts, issuance costs, and deferred amounts on refunding is included in interest expense.

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and issuance costs during the period issued. The face amount of debt issued is reported as other financing sources. Premiums received are reported as other financing sources, while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

J. Compensated Absences

The City's recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation: The City's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment. Eligible employees are accruing their vacation time on a monthly basis based on their years of continuous service. Effective July 1, 2016, the City changed its vesting procedures for department heads, going forward department heads will vest their annual vacation at the beginning of the year, whereas all other eligible employees vest in their vacation on a monthly basis.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

J. Compensated Absences (Continued)

Sick Leave: The City’s policy permits employees to accumulate earned but unused sick leave. There is no cap on the amount of sick leave that can be accrued. Employees with less than five years of employment do not have vested privilege on sick leave and their sick leave is forfeited upon termination. However, a liability for estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

Government-Wide Financial Statements

Compensated absences are accrued when incurred in the government-wide financial statements.

Fund Financial Statements

In governmental funds, compensated absences are recorded as expenditures in the years paid, as it is the City’s policy to liquidate any unpaid compensated absences at June 30 from future resources, rather than currently available financial resources. When an employee is terminated at fiscal year end, the amount of his or her reimbursable unused vacation is recorded as a liability in the governmental funds. In proprietary funds, compensated absences are expensed to the various funds in the period they are earned, and such fund’s share of the unpaid liability is recorded as a long-term liability of the fund.

K. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plans’ fiduciary net position have been determined on the same basis as they are reported by the plans (Note 13). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

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

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period. For the governmental activities, net pension liability is generally liquidated by the General Fund.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

L. 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 Retiree Benefits Plan (“OPEB Plan”) and additions to/deductions from OPEB Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plan (Note 14). For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments, which are reported at amortized cost.

The following timeframes are used for OPEB reporting:

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

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. The first amortized amounts are 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 amortization period differs depending on the source of gain or loss. The difference between projected and actual earnings is amortized on a straight-line basis over 5 years. All other amounts are amortized on a straight-line basis over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) at the beginning of the measurement period. For the governmental activities, net OPEB liability is generally liquidated by the General Fund.

M. Property Taxes

The County of Stanislaus 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 or levy, due to the adoption of the "alternate method of property tax distribution", known as the Teeter Plan, by the City and the County of Stanislaus. The Teeter Plan authorizes the Auditor/Controller of the County of Stanislaus to allocate 100% of the secured property taxes billed, but not yet paid. The County of Stanislaus remits tax monies to the City in three installments as follows:

- 55% remitted in January
- 40% remitted in May
- 5% remitted in June

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 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 tax becomes 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 payment.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

M. Property Taxes (Continued)

Property valuations are established by the Assessor of the County of Stanislaus for the secured and unsecured property tax rolls. Under the provisions of Article XIII A of the State Constitution, properties are assessed at 100% of purchase price or value in 1978 whichever is later. From this base assessment, subsequent annual increases in valuation are limited to a maximum of 2 percent. 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.

N. Net Position

For government-wide and proprietary fund financial statements, net position is categorized as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

When expenses are incurred for purposes for which both restricted and unrestricted net position is available, the City's policy is to apply restricted net position first.

O. Fund Balances

For governmental fund financial statements, fund balances are categorized as follows:

Nonspendable – Items that cannot be spent because they are not in spendable form, such as prepaid items and inventories and long term receivables, or items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.

Restricted – Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

Committed – Committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations imposed by the formal action of the government's highest level of decision making authority normally through resolutions, etc., and that remain binding unless rescinded or modified in the same manner. The City Council is considered the highest authority for the City.

Assigned – Assigned fund balances encompass the portion of net fund resources reflecting the government's intended use of resources. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The City's policy hereby delegates the authority to assign amounts to be used for specific purposes to the City Manager and the Finance Director for the purpose of reporting these amounts in the annual financial statements.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

O. Fund Balances (Continued)

Unassigned – This amount is for any portion of the fund balances that do not fall into one of the above categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned for those purposes, it may be necessary to report negative unassigned fund balance in that particular fund.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the City’s policy is to apply restricted fund balances first, then unrestricted fund balances as they are needed.

When expenditures are incurred for purposes where only unrestricted fund balances are available, the City uses the unrestricted resources in the following order: committed, assigned, and unassigned.

P. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosure. Accordingly, actual results could differ from those estimates.

Q. Implementation of New GASB Pronouncements for the Year Ended June 30, 2025

The requirements of the following accounting standards are effective for the purpose of implementation, if applicable to the City, for the year ended June 30, 2025. The financial statements included herein apply the requirements and provisions of these statements, including necessary retroactive adjustments to financial statement classifications and presentations.

GASB Statement No. 101 – In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Implementation of this Statement had a significant effect on the City's financial statements for the fiscal year ended June 30, 2025. See Note 19.

GASB Statement No. 102 – In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. Implementation of this Statement did not have a significant effect on the City's financial statements for the fiscal year ended June 30, 2025.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

R. Upcoming Government Accounting Standards Implementations

The City is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB statements:

GASB Statement No. 103 – In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. Application of this statement is effective for the City’s fiscal year ending June 30, 2026.

GASB Statement No. 104 – In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. Application of this statement is effective for the City’s fiscal year ending June 30, 2026.

GASB Statement No. 105 – In December 2025, GASB issued Statement No. 105, *Subsequent Events*. This Statement establishes accounting and financial reporting requirements for events and transactions that occur after the financial statement date but before financial statements are issued. The Statement defines the types of subsequent events and requires disclosure of certain nonrecognized subsequent events. Application of this Statement is effective for the City’s fiscal year ending June 30, 2027.

Note 2 – Cash and Investments

The following is a summary of pooled cash and investments and restricted cash and investments at June 30, 2025:

	Primary Government		Fiduciary Funds	Total
	Governmental Activities	Business-type Activities		
Cash and investments	\$ 72,839,034	\$ 15,075,375	\$ 5,272,383	\$ 93,186,792
Restricted cash and investments	3,932,590	420,397	186,219	4,539,206
Cash and investments with fiscal agents	5,797,713	7,817,964	19,689,913	33,305,590
Investments held in trust	53,519,772	-	-	53,519,772
Total cash and investments	\$ 136,089,109	\$ 23,313,736	\$ 25,148,515	\$ 184,551,360

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments (Continued)

Cash, cash equivalents, and investments, consisted of the following at June 30, 2025:

Cash and cash equivalents:	
Cash on hand	\$ 1,545
Deposits with financial institutions	14,499,332
Total cash and cash equivalents	<u>14,500,877</u>
Investments:	
Local obligation bonds	53,519,772
Money market mutual funds	33,303,444
Central San Joaquin Valley Risk Authority	4,246,334
Investments Held in Section 115 Trust	3,932,590
Local Agency Investment Fund (LAIF)	75,048,343
Total investments	<u>170,050,483</u>
Total cash and investments	<u>\$ 184,551,360</u>

A. Cash Deposits

The carrying amounts of the City’s demand deposits were \$14,499,332 at June 30, 2025. Bank balances were \$16,317,900 at that date. The total amount of which was collateralized or insured with securities held by the pledging financial institutions in the City’s name is discussed below.

The California Government Code requires California banks and savings and loan associations to secure the City’s cash deposits by pledging securities as collateral. This 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. The City may waive collateral requirements for cash deposits; however, the City has not waived the collateralization requirements.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments (Continued)

B. Investments

Investments Authorized by the California Code and the City’s Investments Policy

The table below identifies the investment types that are authorized by the City's investment policy. This 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 or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in one Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Certificates of Deposit	2 years	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Money Market Funds	N/A	None	None
Annuities	N/A	None	None
Mutual Funds	N/A	5%	None
Corporate Notes (Minimum rating of "AAA")	5 years	5%	None
Local Agency Bonds (Local obligation bonds)	5 years	None	None

* The table is based on state law requirements or investment policy requirements, whichever is more restrictive.

Investments Authorized by Debt Agreements

Investment of debt issuances held by bond trustee 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 by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in one Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Certificates of Deposit	2 years	None	None
Local Agency Investment Fund (LAIF)	None	None	None
Money Market Funds	None	None	None
Annuities	None	None	None
Mutual Funds	None	None	None
Corporate Notes (Minimum rating of "AAA")	None	None	None
Local Agency Bonds (Local obligation bonds)	5 years	None	None

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments (Continued)

C. Risk Disclosures

Disclosures Relating to 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's interest rate risk is mitigated 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.

Information about the sensitivity of the fair values of the City's investments to market rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity as of June 30, 2025:

	Fair Value	Maturity			
		12 Months or Less	1-5 Years	6-10 Years	Thereafter
Investments:					
Local obligation bonds	\$ 53,519,772	\$ 271,321	\$ 351,235	\$ -	\$ 52,897,216
Money market mutual funds	33,303,444	33,303,444	-	-	-
Central San Joaquin Valley Risk Authority	4,246,334	4,246,334	-	-	-
Investments Held in Section 115 Trust	3,932,590	3,932,590	-	-	-
Local Agency Investment Fund (LAIF)	75,048,343	75,048,343	-	-	-
Total investments	\$ 170,050,483	\$ 116,802,032	\$ 351,235	\$ -	\$ 52,897,216

Disclosures Relating to Credit Risk

Generally, 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 minimum rating required by (where applicable) the California Government Code or debt agreements, and the actual rating as of the fiscal year for each investment type.

	Fair Value	Minimum	Credit Rating	
		Legal Rating	S&P	Moody's
Investments:				
Local obligation bonds	\$ 53,519,772	N/A	Not rated	Not rated
Money market mutual funds	33,303,444	N/A	AAAm	Aaa-mf
Central San Joaquin Valley Risk Authority	4,246,334	N/A	Not rated	Not rated
Investments Held in Section 115 Trust	3,932,590	N/A	Not rated	Not rated
Local Agency Investment Fund (LAIF)	75,048,343	N/A	Not rated	Not rated
Total investments	\$ 170,050,483			

Disclosures Relating to Concentration of Credit Risk

The City held the following investments in a single issuer (other than U.S. Treasury securities, external investment pools and mutual funds) that represented 5% or more of total City investment as of June 30, 2025:

Issuer	Investment Type	Amount
West Patterson Financing Authority	Local obligation bonds	\$ 53,519,772

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments (Continued)

C. Risk Disclosures (Continued)

Disclosures Relating to Concentration of Credit Risk

The City held the following investments in a single issuer (other than U.S. Treasury securities, external investment pools and mutual funds) that represented 5% or more of total City investment as of June 30, 2025:

Issuer	Investment Type	Amount
West Patterson Financing Authority	Local obligation bonds	\$ 53,519,772

Disclosures Relating to Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. None of the City’s investments was subject to custodial credit risk.

D. Fair Value Measurement

The City’s investments at June 30, 2025, categorized within the fair value hierarchy as described in Notre 1C are as follows:

Investments measured by fair value level:	Total	Level 2
Central San Joaquin Valley Risk Authority (CSJVRMA)	\$ 4,246,334	\$ 4,246,334
Total investments by fair value level	4,246,334	\$ 4,246,334
Investments not subject to the fair value hierarchy:		
Local obligation bonds	53,519,772	
Investments Held in Section 115 Trust	3,932,590	
Local Agency Investment Funds (LAIF)	75,048,343	
Money market mutual funds	33,303,444	
Total investments not subject to the fair value hierarchy	165,804,149	
Total investments	\$ 170,050,483	

Debt and equity securities classified in Level 2 are valued using the following approaches:

- U.S. Treasuries, U.S. Agencies, and Commercial Paper: quoted prices for identical securities in markets that are not active;
- Medium term notes: quoted prices for similar securities in active markets; and
- Asset-backed securities: recent appraisals of the asset value.

E. Investment in Local Agency Investment Fund

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. As of June 30, 2025, the City had \$75,048,343 invested in LAIF. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available. LAIF is reported at amortized cost, which approximates fair value.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments (Continued)

F. Investment in Central San Joaquin Valley Risk Management Authority Investment Pool

The City invested in an investment pool account with the Central San Joaquin Valley Risk Management Authority (“CSJVRMA”). At June 30, 2025, this account was valued at \$4,246,334. The City received an average yield of 0.01% for the fiscal year ended June 30, 2025 on this investment.

G. Investments Held in Public Agencies Retirement Services (PARS) Trust

During the year ended June 30, 2022, the City established an irrevocable trust with PARS for the purpose of accumulating additional resources restricted for retirement benefits. PARS is the trust administrator while the City, as the plan administrator, is responsible to provide direction on the usage and distribution of the funds held in the PARS Trust. At June 30, 2025, the total amount accumulated in the Section 115 Trust was \$3,932,590.

Note 3 – Lease Receivable

A. Governmental Activities

A portion of the City’s property is leased to others. Such property includes special purpose facilities, office and commercial space, and land. Lease receivable consists of agreements with other for the right-to-use of the underlying assets at various locations owned by the City. The terms of the arrangements range from 4 to 12 years. The calculated interest rates used vary depending on the length of the lease. For the fiscal year ended June 30, 2025, the City recognized \$26,617 in lease revenue and \$4,085 in interest revenue. As of June 30, 2025, the balance of the deferred inflow of resources was \$232,678.

A summary of changes in lease receivable for the fiscal year ended June 30, 2025 is as follows:

	Balance			Balance June 30, 2025	Classification	
	July 1, 2024	Additions	Deletions		Due within One Year	Due in More Than One Year
Leases receivable	\$ 173,315	\$ 85,980	\$ (26,617)	\$ 232,678	\$ 33,085	\$ 199,593

As of June 30, 2025, the required payments for these leases, including interest, are:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 33,085	\$ 3,443	\$ 36,528
2027	34,031	2,805	36,836
2028	36,290	2,163	38,453
2029	36,977	1,750	38,727
2030	29,194	1,384	30,578
2031-2032	63,101	1,564	64,665
Total	\$ 232,678	\$ 13,109	\$ 245,787

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 3 – Lease Receivable (Continued)

B. Business-Type Activities

The portion of the City’s property is leased to others. Such property includes special purpose facilities, office and commercial space, and land. Lease receivable consists of agreements with other for the right-to-use of the underlying assets at various locations owned by the City. The terms of the arrangements range from 4 to 6 years. The calculated interest rates used vary depending on the length of the lease. For the fiscal year ended June 30, 2025, the City recognized \$27,421 in lease revenue and \$162 in interest revenue. As of June 30, 2025, the balance of the deferred inflow of resources was \$37,247.

A summary of changes in lease receivable for the fiscal year ended June 30, 2025 is as follows:

	Balance		Deletions	Balance		Classification	
	July 1, 2024	Additions		June 30, 2025	Due within One Year	Due in More Than One Year	
Leases receivable	\$ 18,993	\$ 45,675	\$ (27,421)	\$ 37,247	\$ 24,536	\$ 12,711	

As of June 30, 2025, the required payments for these leases, including interest, are:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 24,536	\$ 40	\$ 24,576
2027	12,711	7	12,718
Total	\$ 37,247	\$ 47	\$ 37,294

Note 4 – Loans and Notes Receivable

A. Governmental Activities

The City engages in programs designed to encourage business enterprises, construction or improvements in low-to moderate income housing, or other projects. Under these programs, grants or loans are provided with favorable terms to businesses, homeowners or developers who agree to spend these funds in accordance with the City's terms. Although these notes are expected to be repaid in full, their balance has been offset in the fund financial statements by deferred inflows of resources, as they are not expected to be repaid within the first 60 days of fiscal year 2025.

Summary of changes in loans and notes receivable for the year ended June 30, 2025 is as follows:

	Loans and Notes Receivable			Loans and Notes Receivable Balance June 30, 2025	Unavailable Revenue Balance June 30, 2025
	Balance July 1, 2024	Additions	Deletions		
Housing Authority of the County of Stanislaus	\$ 290,000	\$ -	\$ -	\$ 290,000	\$ 290,000
Greater Valley Housing Development Corporation	900,000	-	-	900,000	900,000
Housing Rehabilitation and Affordable Housing	422,635	-	(881)	421,754	421,754
Total loans and notes receivable	\$ 1,612,635	\$ -	\$ (881)	\$ 1,611,754	\$ 1,611,754

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 4 – Loans and Notes Receivable (Continued)

A. Governmental Activities (Continued)

Housing Authority of the County of Stanislaus

On December 1, 1997, the City entered into a 30-year loan agreement with the Housing Authority of the County of Stanislaus in the amount of \$170,000. The note does not bear interest and principal payments are deferred for 30 years with a final maturity date of December 1, 2027. The balance of this note has been offset by deferred inflows of resources in the amount of \$170,000 in the fund financial statements.

On November 19, 1998, the City entered into a 30-year loan agreement with the Housing Authority of the County of Stanislaus in the amount of \$120,000. The note does not bear interest and principal payments are deferred for 30 years with a final maturity date of November 19, 2028. The balance of this note has been offset by deferred inflows of resources in the amount of \$120,000 in the fund financial statements.

Greater Valley Housing Development Corporation

On February 1, 2007, the City entered into a loan agreement with the Greater Valley Housing Development Corporation in the amount of \$900,000. These funds were used to build an elderly housing project for low-income senior citizens known as the "Las Palmas Place Senior Apartments". Funding for this loan is derived from developer fees collected over the past few years. As of June 30, 2018, the City had advanced the full amount of \$900,000 to the Greater Valley Housing Development Corporation. The balance of this loan has been offset by related deferred inflows of resources. There are no payments of principal and interest during the first three years of the initial term of this loan. Commencing on the fourth anniversary (February 2011) all accrued interest and principal shall be repaid as long as the Project is generating positive cash flow as determined by a formula in the promissory note. As positive cash flow was not generated during the year, the interest and principal amount is still outstanding.

Housing Rehabilitation and Affordable Housing

The City has provided loans to various homeowners and businesses for rehabilitation. The loans have various interest rates and payment dates. The balance of these loans receivable at June 30, 2025 was \$421,754. The balance of these loans have been offset by deferred inflows of resources in the amount of \$421,754 in the financial statements.

B. Fiduciary Fund

Notes receivable as of June 30, 2025, was as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Darron Silva Promissory Note	\$ 956,413	\$ -	\$ (19,904)	\$ 936,509
Total notes receivable	\$ 956,413	\$ -	\$ (19,904)	\$ 936,509

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 4 – Loans and Notes Receivable (Continued)

B. Fiduciary Fund (Continued)

Darron Silva Promissory Note

On November 21, 2018, the City entered into a promissory note secured by deed of trust dated February 19, 2020 with Darron Silva, a developer within the City, in the amount of \$1,045,000 for the sale of land to be developed. On March 22, 2020 an amended promissory note secured by deed of trust was executed for the benefit of the City and encumbering the parcel. On August 20, 2024, an amended promissory note secured by deed of trust was executed to extend for another five year term. The promissory note bears 5% fixed interest rate per annum, payable at \$5,610 per month for a term of 5 years amortized over 30 years. The outstanding principal amount plus any accrued and unpaid interest shall be due and payable on August 1, 2029. The balance of the note receivable at June 30, 2025 was \$936,509.

Note 5 – Interfund Transactions

A. Due From and To Other Funds

Due from and to other funds as of June 30, 2025, was as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Federal CDBG Grant Special Revenue Fund	\$ 24,047	Overdrawn Cash

B. Advances To and From Other Funds

Water Fund Advance to the Sewer Fund

On March 14, 2023, the Sewer Fund entered into loan agreement with the Water Fund in the amount of \$1,600,000. The loan is to be repaid over 10 years at 2.425% interest rate per year. This loan is for funding the settlement with Patterson Ranch Development for oversized storm drain infrastructure. At June 30, 2025, the outstanding balance of the agreement was \$1,310,234.

The annual requirements to amortize the loan are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 150,233	\$ 30,111	\$ 180,344
2027	153,917	26,427	180,344
2028	157,692	22,652	180,344
2029	161,558	18,786	180,344
2030	165,520	14,824	180,344
2031-2033	521,314	19,719	541,033
Total	\$ 1,310,234	\$ 132,519	\$ 1,442,753

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 5 – Interfund Transactions (Continued)

C. Transfers In and Out

Transfers in and out for the year ended June 30, 2025, was as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Patterson Public Financing Authority Debt Service Fund	\$ 284,353	Capital projects
General Fund	Gas Tax Special Revenue Fund	300,000	Administration
General Fund	Benefit Assessment District Special Revenue Fund	28,718	Administration
General Fund	Landscape Maintenance District Special Revenue Fund	2,030,725	Indirect overhead
General Fund	CFD 2013-1 Special Revenue Fund	47,440	Indirect overhead
General Fund	CFD 2018-2 VOP Maintenance Special Revenue Fund	413,022	Indirect overhead
General Fund	CFD 2022 Public Safety Special Revenue Fund	42,274	Indirect overhead
General Fund	General Government Impact Fee Capital Projects Fund	1,152	Indirect overhead
General Fund	Parkland In-Lieu Fee Capital Projects Fund	63	Indirect overhead
General Fund	Storm Drain Impact Fee Capital Projects Fund	63	Indirect overhead
General Fund	Water Enterprise Fund	533,537	Indirect overhead
General Fund	Sewer Enterprise Fund	802,684	Indirect overhead
General Fund	Garbage Enterprise Fund	285,718	Indirect overhead
	Subtotal	<u>4,769,749</u>	
CFD 2003-1 Public Safety/Fire Protection Services Fund	General Fund	6,506,884	Assessments
CFD 2003-1 Public Safety/Fire Protection Services Fund	CFD 2015-2 Special Revenue Fund	188,047	Assessments
CFD 2003-1 Public Safety/Fire Protection Services Fund	Patterson Garden Fire Suppression Assessment Special Revenue Fund	760,856	Assessments
	Subtotal	<u>7,455,787</u>	
Street Project Capital Projects Fund	Local Transportation Fund Special Revenue Fund	18,412	Capital projects
Street Project Capital Projects Fund	Gas Tax Special Revenue Fund	97,948	Capital projects
Street Project Capital Projects Fund	Street Improvement Impact Fee Capital Projects Fund	383,713	Capital projects
	Subtotal	<u>500,073</u>	
Sewer Enterprise Fund	General Fund	112,763	Debt service
Sewer Enterprise Fund	Benefit Assessment Districts Special Revenue Fund	102,443	Administration
Sewer Enterprise Fund	CFD 2013-1 Special Revenue Fund	17,200	Capital projects
Sewer Enterprise Fund	CFD 2018-2 VOP Maintenance Special Revenue Fund	20,085	Indirect overhead
Sewer Enterprise Fund	Sewer Impact Fee Capital Projects Fund	243,724	Capital projects
	Subtotal	<u>496,215</u>	
Landscape Maintenance District Special Revenue Fund	General Fund	1,133,865	Indirect overhead
Benefit Assessment District Special Revenue Fund	General Fund	78,898	Indirect overhead
CSA #15 Assessment District Special Revenue Fund	General Fund	6,727	Indirect overhead
Federal CDBG Grant Special Revenue Fund	General Fund	193,573	Indirect overhead
Local Transportation Special Revenue Fund	General Fund	192,312	Indirect overhead
	Total	<u>\$ 14,827,199</u>	

Note 6 – Due from Fiduciary Funds

Due from fiduciary funds as of June 30, 2025, was as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	CFD 2015-1 Arambel-KDN Custodial Fund	\$ 47,530	Overdrawn Cash

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 7 – Capital Assets

A. Governmental Activities

Summary of changes in capital assets for governmental activities for the year ended June 30, 2025 is as follows:

	Balance July 1, 2024	Additions	Deletions	Adjustments/ Transfers	Balance June 30, 2025
Capital assets, not being depreciated					
Land	\$ 5,459,235	\$ 1,194,422	\$ -	\$ -	\$ 6,653,657
Construction in progress	6,315,503	3,135,491	-	(80,074)	9,370,920
Total capital assets, not being depreciated	11,774,738	4,329,913	-	(80,074)	16,024,577
Capital assets being depreciated/amortized:					
Building	24,538,184	-	-	-	24,538,184
Improvements	17,403,189	173,128	-	-	17,576,317
Infrastructure	49,004,018	3,553,363	-	80,074	52,637,455
Equipment	9,763,382	282,541	(46,142)	-	9,999,781
Lease assets - buildings and improvements	628,725	-	(27,509)	-	601,216
Subscription assets	110,022	46,827	(110,022)	-	46,827
Total capital assets being depreciated/amortized	101,447,520	4,055,859	(183,673)	80,074	105,399,780
Less accumulated depreciation/amortization for:					
Building	(9,122,084)	(613,839)	-	-	(9,735,923)
Improvements	(11,450,355)	(868,364)	-	-	(12,318,719)
Infrastructure	(13,167,333)	(1,873,228)	-	-	(15,040,561)
Equipment	(6,529,456)	(699,290)	46,142	-	(7,182,604)
Lease assets - buildings and improvements	(208,963)	(180,170)	27,509	-	(361,624)
Subscription assets	(105,620)	(16,356)	110,022	-	(11,954)
Total accumulated depreciation/amortization	(40,583,811)	(4,251,247)	183,673	-	(44,651,385)
Total capital assets, being depreciated/amortized, net	60,863,709	(195,388)	-	80,074	60,748,395
Total capital assets, net	\$ 72,638,447	\$ 4,134,525	\$ -	\$ -	\$ 76,772,972

Governmental activities depreciation and amortization expenses for capital assets for the year ended June 30, 2025 are as follows:

General government	\$ 623,658
Fire	478,265
Public works	2,418,960
Park and recreation	730,364
Total depreciation/amortization expense	\$ 4,251,247

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 7 – Capital Assets (Continued)

B. Business-Type Activities

Summary of changes in capital assets for business-type activities for the year ended June 30, 2025 is as follows:

	Balance July 1, 2024	Additions	Deletions	Adjustments/ Transfers	Balance June 30, 2025
Capital assets, not being depreciated					
Land	\$ 7,455,922	\$ -	\$ -	\$ -	\$ 7,455,922
Construction in progress	8,673,915	1,810,931	-	(4,278,722)	6,206,124
Total capital assets, not being depreciated	16,129,837	1,810,931	-	(4,278,722)	13,662,046
Capital assets, being depreciated					
Building	3,608,900	-	-	-	3,608,900
Infrastructure	78,821,596	4,277,744	-	4,278,722	87,378,062
Equipment	8,867,249	319,781	-	-	9,187,030
Subtotal	91,297,745	4,597,525	-	4,278,722	100,173,992
Less: accumulated depreciation					
Building	(30,074)	(90,223)	-	-	(120,297)
Infrastructure	(41,200,750)	(2,961,511)	-	-	(44,162,261)
Equipment	(5,757,574)	(504,103)	-	-	(6,261,677)
Subtotal	(46,988,398)	(3,555,837)	-	-	(50,544,235)
Total capital assets, being depreciated, net	44,309,347	1,041,688	-	4,278,722	49,629,757
Total capital assets, net	\$ 60,439,184	\$ 2,852,619	\$ -	\$ -	\$ 63,291,803

Business-type activities depreciation expenses for capital assets for the year ended June 30, 2025 are as follows:

Water	\$ 1,376,855
Sewer	2,122,100
Garbage	56,882
Total depreciation expense	\$ 3,555,837

Note 8 – Long-Term Debt

A. Governmental Activities

Summary of changes in long-term liabilities for the governmental activities for the year ended June 30, 2025 is as follows:

	Original Issuance	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Due Within One Year	Due In More Than One Year
Private Placement:							
PPFA 2013 Heartland Ranch Revenue Bonds	\$ 4,963,568	\$ 914,788	\$ -	\$ (273,775)	\$ 641,013	\$ 284,557	\$ 356,456
PPFA 2023 Series A Special Tax							
Special Revenue Refunding Bonds	54,370,000	54,360,000	-	(2,175,000)	52,185,000	2,395,000	49,790,000
Plus: Bond Premium	6,617,848	6,397,253	-	(220,595)	6,176,658	220,595	5,956,063
2018 Lease Revenue Bonds	2,429,000	1,604,451	-	(154,743)	1,449,708	160,158	1,289,550
Direct Borrowing:							
Finance purchase agreements	3,517,975	3,517,975	-	(305,120)	3,212,855	-	3,212,855
Lease liability	365,973	365,973	-	(128,273)	237,700	129,609	108,091
Subscription liability	110,020	4,519	46,827	(16,177)	35,169	13,180	21,989
Keystone Corporation Settlement	1,300,000	364,000	-	-	364,000	-	364,000
Patterson Ranch Development Settlement	1,333,355	1,333,355	-	-	1,333,355	-	1,333,355
Total long-term debt	\$ 75,007,739	\$ 68,862,314	\$ 46,827	\$ (3,273,683)	\$ 65,635,458	\$ 3,203,099	\$ 62,432,359

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Debt (Continued)

A. Governmental Activities (Continued)

2013 Heartland Ranch Revenue Bonds

On July 30, 2013, the Patterson Public Financing Authority issued \$4,963,568 of revenue refunding bonds (Series 2013 Heartland Ranch Revenue Bonds) to repay, in part, the principal of the Authority's 2002 Heartland Ranch Revenue bond. Interest on the bonds is payable semi-annually on March 2 and September 2 of each year through September 2, 2027, beginning on March 2, 2014. The interest rate on the bonds is 3.73 percent. Principal payments are due annually beginning on September 2, 2014. At June 30, 2025, the outstanding balance of the 2013 Heartland Ranch Revenue bonds was \$641,013.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 284,557	\$ 18,603	\$ 303,160
2027	174,771	10,036	184,807
2028	181,685	3,388	185,073
Total	<u>\$ 641,013</u>	<u>\$ 32,027</u>	<u>\$ 673,040</u>

PPFA 2023 Series A Special Tax Revenue Refunding Bonds

On August 1, 2023, the Patterson Public Financing Authority issued \$54,370,000 of special tax revenue refunding bonds (Series 2023 A) to refund the 2013 PPFA Series A Bonds and the 2013 PPFA Series B Bonds which had outstanding balances of \$53,265,000 and \$5,235,000, respectively. The bonds were sold with a net original issue premium of \$6,617,848 and costs of issuance of \$1,029,942 (including the underwriter's discount, the fee for bond insurance and a surety fee for the reserve fund).

Interest on the bonds is payable semi-annually on March 1 and September 1 of each year through September 1, 2024, beginning on March 1, 2024. The interest rates on the bonds range from 2.790 to 3.890 percent. Principal payments are due annually beginning on September 1, 2024. The bonds are secured by a first pledge of the investment revenues and funds on deposit in the Bond Fund, Reserve Fund, and Special Tax Fund. At June 30, 2025, the outstanding balance of the PPFA 2023 Series A Special Tax Revenue Refunding Bonds was \$52,185,000.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 2,395,000	\$ 2,549,375	\$ 4,944,375
2027	2,550,000	2,425,750	4,975,750
2028	2,680,000	2,295,000	4,975,000
2029	2,810,000	2,157,750	4,967,750
2030	2,945,000	2,013,875	4,958,875
2031-2035	16,635,000	7,654,375	24,289,375
2036-2040	22,170,000	2,927,250	25,097,250
Total	<u>\$ 52,185,000</u>	<u>\$ 22,023,375</u>	<u>\$ 74,208,375</u>

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Debt (Continued)

A. Governmental Activities (Continued)

2018 Lease Revenue Bonds

In June 2018, the Patterson Public Financing Authority issued \$2,429,000 of Lease Revenue Bonds, Series 2018 through ZMFU II, INC., a corporation organized under the laws of the State of Utah. The proceeds were utilized to provide funding for acquisition of land for a multipurpose center and adjacent park site. The bonds mature annually in amounts ranging from \$62,400 to \$102,760. Interest is due and payable semiannually at a rate of 3.47 percent. At June 30, 2025, the outstanding balance of the 2018 Lease Revenue Bonds was \$1,449,708.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 160,158	\$ 48,927	\$ 209,085
2027	165,764	43,322	209,086
2028	171,566	37,520	209,086
2029	177,571	31,515	209,086
2030	183,786	25,300	209,086
2031-2033	590,863	36,394	627,257
Total	<u>\$ 1,449,708</u>	<u>\$ 222,978</u>	<u>\$ 1,672,686</u>

Finance Purchase Agreements

The City has entered into various finance purchase agreements for various fire equipment purchases. These lease qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of future minimum lease payments as of the date of inception. The finance purchase agreements carry annual interest rates from 5.23 to 6.76 percent with principal and interest payments due bi-annually. The asset acquired under the finance purchase agreement is classified as machinery, equipment and vehicles. The gross value of equipment acquired under finance purchase agreements at June 30, 2025, was \$3,517,975, with an accumulated amortization of \$203,395. The outstanding balance at June 30, 2025, was \$3,212,855.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ -	\$ 127,819	\$ 127,819
2027	278,346	196,962	475,308
2028	294,644	180,664	475,308
2029	311,911	163,397	475,308
2030	330,207	145,101	475,308
2031-2035	1,589,583	453,569	2,043,152
2036-2037	408,164	21,347	429,511
Total	<u>\$ 3,212,855</u>	<u>\$ 1,288,859</u>	<u>\$ 4,501,714</u>

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Debt (Continued)

A. Governmental Activities (Continued)

Lease Payable

The City has entered into leases for building space. The terms of the agreements range from 2 to 6 years. The interest rate on the lease payable was 1.875%. As of June 30, 2025, the capitalized right-to-use assets related to leases were \$550,753 and the total lease liability was \$237,700, of which \$129,609 is reported as a current liability representing the amount due within the next fiscal year.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 129,609	\$ 2,196	\$ 131,805
2027	73,633	705	74,338
2028	15,483	336	15,819
2029	18,975	102	19,077
Total	<u>\$ 237,700</u>	<u>\$ 3,339</u>	<u>\$ 241,039</u>

Subscription Liability

The City’s Governmental Activities has entered into subscription-based information technology arrangements (SBITAs) for services related to cloud-based software applications, data storage and management services. Under the terms of these arrangements, the Town does not take possession of the software at any time and the vendor provides ongoing services for the software's operation. The subscription period is 25 months and the calculated interest rate used was 2.92%.

As of June 30, 2025, the capitalized right-to-use assets related to SBITAs were \$110,022 and the total subscription liability was \$35,169, of which \$13,180 is reported as a current liability representing the amount due within the next fiscal year.

Subscription Liability

The annual debt service requirements on the subscription liability are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 13,180	\$ 700	\$ 13,880
2027	13,500	380	13,880
2028	8,489	111	8,600
Total	<u>\$ 35,169</u>	<u>\$ 1,191</u>	<u>\$ 36,360</u>

Keystone Corporation Settlement

On June 20, 2012, the City filed a complaint against Keystone Corporation and the Keystone Pacific Business Park for breach of contract (“Keystone”) based on Keystone’s failure to pay its share of General Plan updates costs incurred by the City. After this filing, the City and Keystone immediately began settlement discussions and requested the case be stayed. Subsequently, a Request for Dismissal was filed on June 24, 2013.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Debt (Continued)

A. Governmental Activities (Continued)

Keystone Corporation Settlement (Continued)

Following the dismissal, the City and Keystone had settlement discussions regarding possible money owed to Keystone for the environmental and engineering work performed in relation to the Keystone project, which was not the subject of the City’s breach of contract claim.

Under the terms of the settlement agreement, the total amount the City will pay Keystone is \$1,300,000. Of that sum, \$936,000 will be paid in three annual installments, beginning July 15, 2014 with the final payment due in July 2016. The remaining amount of the settlement in the amount of \$364,000 will be paid to Keystone upon collection from the entitlement or development of undeveloped land in the West Patterson Business Park. The settlement agreement does not require payment of the \$364,000 in any particular time frame other than as early in the entitlement or development process as possible, but no later than entering into development agreements or approving tentative maps or final maps on currently underdeveloped land in the West Patterson Business Park. At June 30, 2025, the remaining balance of the settlement payable was \$364,000.

Patterson Ranch Development Settlement

On November 3, 2022, Patterson Ranch Development LLC (PRD LLC) sent a letter to the City alleging that the City failed to comply with its Reimbursement Administration obligations under Section 5.9 of the Development Agreement in that it failed to condition the subdivision map approvals or reach a reimbursement agreement with the Stakeholders and PRD LLC to allow for the timely payment of the Reimbursement Obligation owed to PRD LLC for the Public Facilities Improvements. The City and PRD LLC had settlement discussions and PRD LLC has agreed to waive their claim as to the timing of the reimbursement obligation in exchange for a portion of the reimbursement obligation being paid immediately and the rest of the reimbursement obligation being covered after the issuance of bond proceeds from Community Facilities District 2018-1. Under the terms of the settlement agreement, the total amount the City will pay PRD LLC is \$1,333,355. At June 30, 2025, the outstanding balance of the settlement liability was \$1,333,355.

B. Business-Type Activities

Summary of changes in long-term liabilities for the business-type activities for the year ended June 30, 2025 is as follows:

	Original Issuance	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Due Within One Year	Due In More Than One Year
Water Fund:							
Public Offering:							
2019A Water Revenue Bonds	\$ 9,215,000	\$ 8,895,000	\$ -	\$ (75,000)	\$ 8,820,000	\$ 70,000	\$ 8,750,000
Add: Bond Premium	-	497,934	-	(19,527)	478,407	-	478,407
2019B Water Revenue Refunding Bonds	7,015,000	5,660,000	-	(280,000)	5,380,000	295,000	5,085,000
Add: Bond Premium	-	734,254	-	(28,515)	705,739	-	705,739
Direct Borrowing:							
2021 State Revolving Fund Loan	4,000,000	1,975,932	1,946,491	-	3,922,423	191,009	3,731,414
Total water fund	20,230,000	17,763,120	1,946,491	(403,042)	19,306,569	556,009	18,750,560
Sewer Fund:							
Private Placement:							
2017 Sewer Refunding Revenue Bonds	2,712,200	2,478,400	-	(128,700)	2,349,700	132,800	2,216,900
Direct Borrowing:							
2008 State Revolving Fund loan	774,790	311,135	-	(48,586)	262,549	49,849	212,700
2021 State Revolving Fund Loan	2,084,000	1,397,532	170,179	(70,467)	1,497,244	69,979	1,427,265
Banc of America loan	951,540	1,128,267	-	(113,620)	1,014,647	136,041	878,606
CEC loan	2,876,172	942,116	-	(205,721)	736,395	207,783	528,612
Patterson Ranch Development Settlement	2,723,211	1,123,211	-	-	1,123,211	-	1,123,211
Total sewer fund	12,121,913	7,380,661	170,179	(567,094)	6,983,746	596,452	6,387,294
Total business-type activities	\$ 32,351,913	\$ 25,143,781	\$ 2,116,670	\$ (970,136)	\$ 26,290,315	\$ 1,152,461	\$ 25,137,854

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Debt (Continued)

B. Business-Type Activities (Continued)

2019A Water Revenue Bonds

On December 24, 2019, the Patterson Public Financing Authority issued \$9,215,000 Water Revenue Bonds, Series 2019A (“Series 2019A”). The City entered into an Installment Sale Agreement dated December 1, 2019 with the Patterson Public Financing Authority to assist with the financing of certain water system improvements in the amount of \$9,591,000. The Series 2019A bonds are scheduled to mature on each June 1 from 2021 to 2049 with serial bonds from 2021 to 2039 and principal amounts ranging from \$50,000 to \$120,000 and term bonds maturing in 2044 in the amount of \$3,415,000 and 2049 in the amount of \$4,080,000. Interest rates range from 2.75 percent to 4.00 percent. The Series 2019A bonds are secured by a pledge of Net Revenues of the water System and are on parity with the Water Revenue Bonds, Series 2010. The Series 2019A bonds were sold with a net original issue premium of \$585,803 and costs of issuance of \$209,803 (including the underwriter’s discount, the fee for bond insurance and a surety fee for the reserve fund). At June 30, 2025, the outstanding balance of the 2019A Water Revenue Bonds was \$8,820,000.

The annual debt service requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 70,000	\$ 307,544	\$ 377,544
2027	75,000	304,744	379,744
2028	80,000	301,744	381,744
2029	85,000	298,544	383,544
2030	85,000	295,144	380,144
2031-2035	475,000	1,422,319	1,897,319
2036-2040	1,085,000	1,327,713	2,412,713
2041-2045	3,555,000	896,200	4,451,200
2046-2049	3,310,000	252,000	3,562,000
Total	<u>\$ 8,820,000</u>	<u>\$ 5,405,952</u>	<u>\$ 14,225,952</u>

2019B Water Revenue Refunding Bonds

On March 3, 2020 the PPFA issued \$7,015,000 in Water Revenue Refunding Bonds, Series 2019B (“Series 2019B”) in order to refund in full the Series 2010 Water Revenue Bonds. The City entered into a First Supplemental Installment Sale Agreement dated March 1, 2021. Proceeds from the issuance of the bonds were held by the Bank of New York Mellon as Escrow Agent in escrow to redeem the remaining principal and accrued interest due on the Water Revenue Bonds, Series 2010 on June 1, 2021.

The Series 2019B bonds are scheduled to mature as serial bonds on each June 1 from 2021 to 2039 with an interest rate of 4.00 percent. The bonds are secured by a pledge of net revenues of the water system and are on parity with the Series 2019A bonds. The bonds were sold with a net original issue premium of \$855,441 and costs of issuance of \$158,580 (including the underwriter’s discount, the fee for bond insurance and a surety fee for the reserve fund).

Interest on the refunding bonds is payable each December 1 and June 1 beginning on June 1, 2020. Principal is payable each June 1 beginning June 1, 2021 to June 1, 2039. At June 30, 2025, the outstanding balance of the 2019B Sewer Refunding Revenue Bonds was \$5,380,000.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Debt (Continued)

B. Business-Type Activities (Continued)

2019B Water Revenue Refunding Bonds (Continued)

The annual debt service requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 295,000	\$ 215,200	\$ 510,200
2027	305,000	197,300	502,300
2028	315,000	184,900	499,900
2029	330,000	178,600	508,600
2030	345,000	165,400	510,400
2031-2035	1,940,000	608,600	2,548,600
2036-2039	1,850,000	188,800	2,038,800
Total	<u>\$ 5,380,000</u>	<u>\$ 1,738,800</u>	<u>\$ 7,118,800</u>

2021 Water State Revolving Fund Loan

In 2021, the City entered into an agreement with the State Water Resource Board for a loan in the amount of \$4,000,000. The loan amount is based on the amount of draws by the City for reimbursable costs. The loan bears interest in the amount of 1.2 percent. The loan principal payments are due annually on August 30th, starting in August 2025 with a final payment in August 2044. At June 30, 2025, the outstanding balance of the State Revolving Fund Loan was \$3,922,423.

The annual debt service requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 191,009	\$ 29,791	\$ 220,800
2027	176,023	44,777	220,800
2028	178,135	42,665	220,800
2029	180,272	40,527	220,799
2030	182,436	38,364	220,800
2031-2035	945,548	158,450	1,103,998
2036-2040	1,003,659	100,340	1,103,999
2041-2045	1,065,341	38,657	1,103,998
Total	<u>\$ 3,922,423</u>	<u>\$ 493,571</u>	<u>\$ 4,415,994</u>

2017 Sewer Refunding Revenue Bonds

On September 5, 2017, Resolution 2017-49 approved the refinancing of a portion of the Patterson Public Financing Authority Revenue Bonds, Series 2009 (City of Patterson Wastewater System Financing Project) (the “2009 Bonds”). The 2009 Bonds were originally issued to finance the costs of acquiring and constructing wastewater system improvements, fund a reserve fund and pay costs of issuance.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Debt (Continued)

B. Business-Type Activities (Continued)

2017 Sewer Refunding Revenue Bonds (Continued)

The refinancing in the amount of \$2,712,200 closed on September 21, 2017 as a direct placement to Capital One Public Funding at an interest rate of 3.4 percent. The refinancing refunded the 2039 term bond of the 2009 Bonds consisting of sinking fund payments from 2025 to 2039. Savings from the refinancing were capitalized in the amount of \$469,905 and will be held by the City to provide additional funding for wastewater capital projects.

Interest on the refinancing is payable each December 1 and June 1 beginning December 1, 2017. Principal is payable each June 1 beginning June 1, 2018 to June 1, 2039. At June 30, 2025, the outstanding balance of the 2017 Sewer Refunding Revenue Bonds was \$2,349,700.

The annual debt service requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 132,800	\$ 79,890	\$ 212,690
2027	136,800	75,375	212,175
2028	145,700	70,723	216,423
2029	149,300	65,770	215,070
2030	152,800	60,693	213,493
2031-2035	844,800	222,187	1,066,987
2036-2039	787,500	68,054	855,554
Total	<u>\$ 2,349,700</u>	<u>\$ 642,692</u>	<u>\$ 2,992,392</u>

2008 Sewer State Revolving Fund Loan

In 2008, the City entered into an agreement with the State Water Resource Board for a loan in the amount of \$1,069,602. However, the project for the loan did not commence until fiscal year 2010. The loan amount is based on the amount of draws by the City for reimbursable costs. The loan bears interest at the amount of 1.3 percent. The loan matures in October 2029. At June 30, 2025, the outstanding balance of the State Revolving Fund Loan was \$262,549.

The annual debt service requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 49,849	\$ 6,826	\$ 56,675
2027	51,145	5,530	56,675
2028	52,475	4,200	56,675
2029	53,840	2,836	56,676
2030	55,240	1,436	56,676
Total	<u>\$ 262,549</u>	<u>\$ 20,828</u>	<u>\$ 283,377</u>

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Debt (Continued)

B. Business-Type Activities (Continued)

2021 Sewer State Revolving Fund Loan

In 2021, the City entered into an agreement with the State Water Resource Board for a loan in the amount of \$2,084,000 (of which \$520,367 was forgiven). However, the project for the loan did not commence until the current fiscal year. The loan amount is based on the amount of draws by the City for reimbursable costs. The loan bears interest in the amount of 1.3 percent. The loan principal payments are due annually on December 29th, starting December 2024 with a final payment in December 2043. At June 30, 2025, the outstanding balance of the State Revolving Fund Loan was \$1,497,244.

The annual debt service requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 69,979	\$ 19,464	\$ 89,443
2027	70,889	18,554	89,443
2028	71,810	17,633	89,443
2029	72,743	16,699	89,442
2030	73,690	15,754	89,444
2031-2035	383,068	64,148	447,216
2036-2040	408,624	38,592	447,216
2041-2044	346,441	11,332	357,773
Total	<u>\$ 1,497,244</u>	<u>\$ 202,176</u>	<u>\$ 1,699,420</u>

Banc of America Public Capital Loan

In 2014, the City entered into an agreement with Banc of America Public Capital for a loan in the amount of \$1,668,961 which was allocated between the General and Sewer Funds. Interest is calculated at 3.46 percent per annum payable each April and October 25 of each year through April 25, 2029. Principal payments are due semi-annually on April 25 and October 25 are payable from energy savings from different funds that benefitted from solar panels, streetlights, and energy efficient fixtures. In 2015, the remaining General Fund balance of \$686,473 was transferred to the Sewer fund. At June 30, 2025, the outstanding balance of the Banc of America Public Capital Loan was \$1,014,647.

Year Ending June 30	Principal	Interest	Total
2026	\$ 136,041	\$ 33,940	\$ 169,981
2027	160,803	29,020	189,823
2028	409,222	21,326	430,548
2029	308,581	8,030	316,611
Total	<u>\$ 1,014,647</u>	<u>\$ 92,316</u>	<u>\$ 1,106,963</u>

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Debt (Continued)

B. Business-Type Activities (Continued)

CEC Loan

In 2014, the City entered into an agreement with the California Energy Commission for a loan in the amount of \$2,876,172. Interest is calculated at 1.0 percent per annum payable each June and December 22 of each year through December 22, 2028. Principal payments are due semi-annually on June 22 and December 22 and are paid from energy savings from the different funds that benefit from the solar panels, streetlights, and energy efficient fixtures. At June 30, 2025, the outstanding balance of the CEC loan was \$736,395.

The annual debt service requirements are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 207,783	\$ 6,847	\$ 214,630
2027	209,866	4,764	214,630
2028	211,964	2,666	214,630
2029	106,782	535	107,317
Total	<u>\$ 736,395</u>	<u>\$ 14,812</u>	<u>\$ 751,207</u>

Patterson Ranch Development Settlement

On November 3, 2022, Patterson Ranch Development LLC (PRD LLC) sent a letter to the City alleging that the City failed to comply with its Reimbursement Administration obligations under Section 5.9 of the Development Agreement in that it failed to condition the subdivision map approvals or reach a reimbursement agreement with the Stakeholders and PRD LLC to allow for the timely payment of the Reimbursement Obligation owed to PRD LLC for the Public Facilities Improvements. The City and PRD LLC had settlement discussions and PRD LLC has agreed to waive their claim as to the timing of the reimbursement obligation in exchange for a portion of the reimbursement obligation being paid immediately and the rest of the reimbursement obligation being covered after the issuance of bond proceeds from Community Facilities District 2018-1. Under the terms of the settlement agreement, the total amount the City will pay PRD LLC is \$2,723,211. In Fiscal Year 2023, the Water Fund advanced the Sewer Fund \$1,600,000 to pay for a portion of the settlement (see Note 5 B). At June 30, 2025, the outstanding balance of the settlement liability was \$1,123,211.

Note 9 – Compensated Absences

A. Governmental Activities

Summary of changes in compensated absences for the year ended June 30, 2025 is as follows:

	<u>Balance July 1, 2024, as restated</u>	<u>Increase/ (Decrease)</u>	<u>Balance June 30, 2025</u>	<u>Classification</u>	
				<u>Due Within One Year</u>	<u>Due In More Than One Year</u>
Governmental Activities	<u>\$ 1,717,718</u>	<u>\$ 23,496</u>	<u>\$ 1,741,214</u>	<u>\$ 1,204,300</u>	<u>\$ 536,914</u>

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 9 – Compensated Absences (Continued)

B. Business-Type Activities

Summary of changes in compensated absences for the year ended June 30, 2025 is as follows:

	Balance July 1, 2024, as restated	Increase/ (Decrease)	Balance June 30, 2025	Classification	
				Due Within One Year	Due In More Than One Year
Business-Type Activities:					
Water Fund	\$ 353,284	\$ (46,605)	\$ 306,679	\$ 212,112	\$ 94,567
Sewer Fund	420,258	(68,496)	351,762	243,294	108,468
Garbage Fund	117,822	(14,807)	103,015	71,250	31,765
Total business-type activities	\$ 891,364	\$ (129,908)	\$ 761,456	\$ 526,656	\$ 234,800

Note 10 – Conduit Debt

Special assessment districts in various parts of the City have issued debt to finance infrastructure improvements and facilities within their boundaries. The City is the collecting and paying agent for the debts issued by these Districts, but does not have a direct, contingent or moral obligation for the payment of this debt. Therefore, these debts are not included in the general long-term liabilities of the City.

The outstanding balance of each of these issues as of June 30, 2025 was as follows:

Heartland Ranch Authority Bonds	\$ 622,557
Community Facilities District No. 2013-A1 Special Tax Bonds	27,734,529
Community Facilities District No. 2013-A2 Special Tax Bonds	21,936,309
Community Facilities District No. 2013-B Special Tax Bonds	3,226,379
Community Facilities District No. 2005-1 Business Park Special Tax Bonds	8,775,000
Community Facilities District No. 2015-1 Special Tax Bonds	4,500,000
Community Facilities District No. 2018-1 Special Tax Bonds, Series 2021	4,340,000
Community Facilities District No. 2005-1 Special Tax Bonds, Series 2021	6,760,000
Community Facilities District No. 2018-1 2024 Bonds	10,885,000
Total	\$ 88,779,774

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 11 – Fund Balances

At June 30, 2025, fund balances classification is as follows:

	General Fund	CFD 2003-1 Public Safety/ Fire Protection Services Fund	Patterson Public Financing Authority	Other Governmental Funds	Total
Nonspendable:					
Prepaid items	\$ 300,684	\$ 12,936	\$ 220,364	\$ -	\$ 533,984
Total nonspendable	300,684	12,936	220,364	-	533,984
Restricted:					
Debt service	604,689	-	60,662,494	-	61,267,183
Public safety	-	1,762,267	-	-	1,762,267
Assessment Districts	-	-	-	5,621,872	5,621,872
Grants	132,626	-	-	737,363	869,989
Streets and roads	-	-	-	5,702,954	5,702,954
Measure L	-	-	-	5,951,446	5,951,446
Developer housing in-lieu	-	-	-	4,550,056	4,550,056
Community Facilities Districts	-	-	-	1,426,431	1,426,431
Impact fee	-	-	-	1,574,233	1,574,233
Total restricted	737,315	1,762,267	60,662,494	25,564,355	88,726,431
Committed:					
Contingencies	12,113,995	-	-	-	12,113,995
Capital projects	-	-	-	17,586,312	17,586,312
Total committed	12,113,995	-	-	17,586,312	29,700,307
Assigned:					
General government operations	1,127,600	-	-	-	1,127,600
Encumbrances	1,829,183	-	-	-	1,829,183
OPEB	71,713	-	-	-	71,713
Capital projects	348,561	-	-	-	348,561
Total assigned	3,377,057	-	-	-	3,377,057
Unassigned (deficit)	6,600,479	-	-	(25,395)	6,575,084
Total	\$ 23,129,530	\$ 1,775,203	\$ 60,882,858	\$ 43,125,272	\$ 128,912,863

Note 12 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City obtains insurance coverage.

Public entity risk pools are formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, those entities exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each risk pool is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective risk pool, including selection of management and approval of operating budgets, independent of any influences by member municipalities beyond their representation of that board. Obligations and liabilities of these risk pools are not the City's responsibility.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Risk Management (Continued)

Since 1986, the City has joined together with other cities to form a public entity risk pool known as the Central San Joaquin Valley Risk Management Authority (“CSJVRMA”), a joint powers authority established in accordance with the California government code. The relationship between the City and CS is such that the CSJVRMA is not a component unit of the City for financial reporting purposes. Financial statements for the CSJVRMA may be obtained from the CSJVRMA's management.

The CSJVRMA is currently operating as a common risk management and insurance program for 54 member cities. The program's general objectives are to formulate, develop, and administer, on the behalf of the member cities, a program of insurance, to obtain lower cost for that coverage, and to develop a comprehensive loss control program. A member may withdraw from the CSJVRMA only by giving six-month notice. Cities applying for membership in the CSJVRMA may do so on approval of a two-thirds vote of the board of the CSJVRMA.

The latest financial information of the CSJVRMA for fiscal year ended June 30, 2025, is as follows:

Total Assets	\$ 206,777,744
Total Liabilities	<u>\$ 157,063,998</u>
Net Position	<u>\$ 49,713,746</u>
Operating Revenues	<u>\$ 85,738,001</u>
Operating Expenses	<u>\$ 86,877,199</u>
Nonoperating Revenues (Expenses)	<u>\$ 8,298,143</u>
Change in Net Position	<u>\$ 7,158,945</u>

A. Coverage

The City participates in the Central San Joaquin Valley Risk Management Authority (CSJVRMA), a public entity risk pool currently operating as a common risk management and insurance program for 54 cities. The purpose of CSJVRMA is to spread the adverse effect of losses among the members and to purchase excess insurance as a group, thereby reducing its expense. The CSJVRMA is governed by a Board of Directors elected by the member agencies; it is not a component unit of the City. Audited financial statements are available from the Central San Joaquin Risk Management Authority at 1750 Creekside Oaks Drive, Suite 200, Sacramento, CA 95833.

The City participates in the following pooled coverages through CSJVRMA:

Type of Coverage (Deductible)	Coverage Limits
Liability (\$100,000)	\$ 54,000,000
Property (\$5,000 to \$25,000)	1,000,000,000
Worker's Compensation (\$500,000)	Statutory Limit
Boiler and Machinery (\$5,000 to \$25,000)	100,000,000
Automobile - for vehicles with values more than \$25,000 (\$500)	1,000,000,000

The CSJVRMA maintains separate records for each member for each year of participation. The records track cash paid to the CSJVRMA through deposit premium assessments, the City's self-insured retention portion of claims paid, and the City's allocation of shared risks. Three years after the close of the workers' compensation coverage year and five years after the close of the general liability coverage year, the CSJVRMA assesses the status of all members for the year, then either makes a refund to a member if it has positive balance (i.e., payout and reserve experience is less than premiums paid) or collects any deficit.

During the fiscal year ended June 30, 2025, the City contributed \$2,774,553 for current year coverage. Settled claims have not exceeded insurance coverage in any of the past three fiscal years.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 13 – Pension Plans

A. Summary

	Governmental Activities	Business-Type Activities	Total
Deferred outflows of resources:			
Pension contribution after measurement date:			
Miscellaneous	1,217,218	\$ 778,417	\$ 1,995,635
Safety	866,793	-	866,793
Change in assumptions:			
Miscellaneous	137,152	87,709	224,861
Safety	105,886	-	105,886
Difference between expected and actual experience:			
Miscellaneous	443,364	283,533	726,897
Safety	339,324	-	339,324
Differences between City's contributions and proportionate share of contributions			
Miscellaneous	142,177	90,922	233,099
Safety	233,044	-	233,044
Adjustments due to differences in proportions			
Miscellaneous	211,468	135,234	346,702
Safety	136,621	-	136,621
Differences between projected and actual investment investment earnings			
Miscellaneous	307,200	196,456	503,656
Safety	207,729	-	207,729
Total deferred outflows of resources	\$ 4,347,976	\$ 1,572,271	\$ 5,920,247
Net pension liabilities:			
Miscellaneous	\$ 5,336,229	\$ 3,412,540	\$ 8,748,769
Safety	4,297,667	-	4,297,667
Total net pension liabilities	\$ 9,633,896	\$ 3,412,540	\$ 13,046,436
Pension expenses:			
Miscellaneous	\$ 1,491,774	\$ 953,995	\$ 2,445,769
Safety	1,115,367	-	1,115,367
Total pension expenses	\$ 2,607,141	\$ 953,995	\$ 3,561,136

B. General Information about Pension Plans

Plan Description

The City contributes to the California Public Employees' Retirement System ("CalPERS"), a cost-sharing multiple-employer defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by State statute and City ordinance. Copies of the CalPERS annual financial report may be obtained from their Executive Office located at 400 P Street, Sacramento, California 95814.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 13 – Pension Plans (Continued)

B. General Information about Pension Plans (Continued)

Employees Covered by Benefit Terms

At June 30, 2024, measurement date, the following employees were covered by the benefit terms:

	Miscellaneous	Safety
Active employees	132	21
Transferred and terminated employees	92	11
Retired employees and beneficiaries	58	43
Total	282	75

Benefits Provided

CalPERS provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Classic and PEPRA Safety CalPERS member becomes eligible for service retirement upon attainment of age 55 with at least 5 years of credited service. PEPRA miscellaneous members become eligible for service retirement upon attainment of age 62 with at least 5 years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation is the monthly average of the member's highest 36 full-time equivalent monthly pay.

Following are the benefit provisions for each plan:

	Miscellaneous	Miscellaneous PEPRA	Safety	Safety PEPRA
Benefit formula	2.7% @ 55	2.0% @ 62	3.0% @ 50	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	55	62	50	57
Monthly benefits, as a % of eligible compensation	2.7%	2.0%	3.0%	2.7%
Required employee contribution rate	8.000%	7.750%	9.000%	13.750%
Required employer contribution rate	15.170%	7.680%	25.650%	13.540%

Contributions

For the year ended June 30, 2025, the contributions recognized as part of pension expense for each Plan are as follows:

	Miscellaneous	Safety	Total
Contributions - employer	\$ 1,995,635	\$ 866,793	\$ 2,862,428

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 13 – Pension Plans (Continued)

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

Proportionate Share of Net Pension Liability and Pension Expense

The following table shows the plan’s proportionate share of the risk pool collective net pension liability over the measurement period:

	<u>Plan Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability/(Asset)</u>
Miscellaneous			
Balance at: 6/30/23 (Valuation date)	\$ 43,584,775	\$ 34,547,147	\$ 9,037,628
Balance at: 6/30/24 (Measurement date)	50,009,765	41,260,996	8,748,769
Net changes during 2023-2024	6,424,990	6,713,849	(288,859)
Safety			
Balance at: 6/30/23 (Valuation date)	\$ 17,355,375	\$ 12,978,907	\$ 4,376,468
Balance at: 6/30/24 (Measurement date)	19,401,948	15,104,281	4,297,667
Net changes during 2023-2024	2,046,573	2,125,374	(78,801)

The City’s net pension liability/(asset) for each Plan is measured as the proportionate share of the net pension liability/(asset). The net pension liability/(asset) of each of the Plans is measured as of June 30, 2024, and the total pension liability/(asset) for each Plan used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. The City’s proportion of the net pension liability/(asset) 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/(asset) for each Plan as of June 30, 2024 and 2023 were as follows:

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
Proportion - June 30, 2023	0.18074%	0.05855%	0.23929%
Proportion - June 30, 2024	0.18089%	0.05895%	0.23983%
Change - Increase/(Decrease)	0.00015%	0.00040%	0.00055%

For the year ended June 30, 2025, the City recognized pension expense/credit of \$2,445,769 and \$1,115,367, for the Miscellaneous and Safety plans, respectively. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Miscellaneous Plan</u>		
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Contribution made after the measurement date	\$ 1,995,635	\$ -
Difference between expected and actual experience	726,897	-
Changes of assumptions	224,861	-
Net difference between projected and actual earnings on pension plan investments	503,656	-
Employer contributions in excess/(under) proportionate share of contributions	233,099	-
Adjustments due to difference in proportions	346,702	-
Total	<u>\$ 4,030,850</u>	<u>\$ -</u>

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 13 – Pension Plans (Continued)

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

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

Safety Plan		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Contribution made after the measurement date	\$ 866,793	\$ -
Difference between expected and actual experience	339,324	-
Changes of assumptions	105,886	-
Net difference between projected and actual earnings on pension plan investments	207,729	-
Employer contributions in excess/(under) proportionate share of contributions	233,044	-
Adjustments due to difference in proportions	136,621	-
Total	\$ 1,889,397	\$ -
Aggregate Total		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Contribution made after the measurement date	\$ 2,862,428	\$ -
Difference between expected and actual experience	1,066,221	-
Changes of assumptions	330,747	-
Net difference between projected and actual earnings on pension plan investments	711,385	-
Employer contributions in excess/(under) proportionate share of contributions	466,143	-
Adjustments due to difference in proportions	483,323	-
Total	\$ 5,920,247	\$ -

For the Miscellaneous Plan and Safety Plan, \$1,995,635 and \$866,793, respectively, was reported as deferred outflows of resources related to pensions resulting from City’s contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	Deferred Outflows/(Inflows) of Resources		
	Miscellaneous Plan	Safety Plan	Total
2025	\$ 799,622	\$ 416,401	\$ 1,216,023
2026	1,323,668	613,850	1,937,518
2027	84,521	63,428	147,949
2028	(172,596)	(71,075)	(243,671)
2029	-	-	-
Thereafter	-	-	-
Total	\$ 2,035,215	\$ 1,022,604	\$ 3,057,819

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 13 – Pension Plans (Continued)

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

Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Payroll Growth	2.75%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Tables ⁽¹⁾	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter.

⁽¹⁾ The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

Change of Assumptions

There were no assumption changes in 2024.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each 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 run out of assets. Therefore, the current 6.90% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 6.90% is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 13 – Pension Plans (Continued)

C. 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, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 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 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 geometric rates of return are net of administrative expenses.

Asset Class ¹	Assumed Asset Allocation	Real Return Years 1-10 ²
Global Equity - Cap-weighted	30.00%	4.45%
Global Equity - Non-Cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%

¹An expected inflation of 2.30% used for this period.

²Figures are based on the 2021 Asset Liability Management study.

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 position liability for the 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:

	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1%	Current Discount	Discount Rate + 1%
	(5.90%)	Rate (6.90%)	(7.90%)
Miscellaneous	\$ 15,497,106	\$ 8,748,769	\$ 3,193,894
Safety	6,947,954	4,297,667	2,130,104
Total	\$ 22,445,060	\$ 13,046,436	\$ 5,323,998

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 13 – Pension Plans (Continued)

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

Pension Plan Fiduciary Net Position

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

D. Payable to the Pension Plan

At June 30, 2025, the City had no outstanding amounts owed to the pension plan for contributions for the year ended June 30, 2025.

Note 14 – Other Postemployment Benefits

A. Summary

	Governmental Activities	Business-Type Activities	Total
Deferred outflows of resources:			
Employer contributions made subsequent to the measurement date	\$ 302,633	\$ 139,995	\$ 442,628
Difference between expected and actual experience	659,814	305,221	965,035
Changes in assumptions	911,623	421,705	1,333,328
Total deferred outflows of resources	\$ 1,874,070	\$ 866,921	\$ 2,740,991
Net OPEB liability:			
Net OPEB liability	\$ 6,965,428	\$ 2,469,923	\$ 9,435,351
Total OPEB liability	\$ 6,965,428	\$ 2,469,923	\$ 9,435,351
Deferred inflows of resources:			
Difference between expected and actual experience	\$ 1,356,238	\$ 828,634	\$ 2,184,872
Change in assumption	2,894,816	1,768,674	4,663,490
Net difference between projects and actual earnings on plan investments	32,652	19,949	52,601
Total deferred inflows of resources	\$ 4,283,706	\$ 2,617,257	\$ 6,900,963
Net OPEB expense	\$ 118,651	\$ 42,074	\$ 160,725

B. General Information about OPEB

Plan Description

The City’s administers a defined benefit OPEB plan (Plan), which provides medical insurance benefits to eligible retirees and their spouses in accordance with applicable Memoranda of Understanding and the California Government Code to all employees who retire from the City. The Plan is an agent multiple-employer defined benefit OPEB plan administered by the City and is governed by the City Council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 14 – Other Postemployment Benefits (Continued)

B. General Information about OPEB (Continued)

Plan Description (Continued)

Employees of the Miscellaneous bargaining group and other non-represented employees, who retire from the City with ten years or more of contiguous City service, are eligible for a Post-Retirement Health Benefit for themselves and spouse or child or children. This benefit is finite in nature and provides for the cost of benefits for one year only. This cost is computed at the rate of the current health care premiums and the current dental premiums, in place at the time of retirement.

Eligibility

Employees become eligible to retire under PEMHCA and receive City-paid healthcare benefits upon attainment of age 50 and 5 years of covered PERS service, or by attaining qualifying disability retirement status. The City has selected the unequal contribution method, where it contributes a percent of the amount paid for actives to its eligible retirees. The percent increases each year until the City's contribution for retirees eventually equals that for similarly stated active employees. The City currently covers 100% of the cost of medical coverage for active employees and their dependents up to, but not exceeding, the dollar amount of the family premium for the lowest cost HMO.

Membership in the plan consisted of the following at June 30, 2024, the valuation date:

Active employees	146
Inactives entitled to but not yet receiving benefits	17
Inactives currently receiving benefits	24
Total	187

Contributions

The obligation of the City to contribute to the Plan is established and may be amended by the City Council. For the 2023-24 fiscal year, measurement period, Payments made outside of the trust were \$316,986. Employees are currently not required to contribute to the plan.

In fiscal year 2022, the City elected to begin prefunding its OPEB obligation through the use of an irrevocable trust established with the Public Agencies Retirement System (PARS) OPEB Trust Program. This trust fund is an agent multiple-employer plan. The trust is used to accumulate and invest funds necessary to pay for future retiree benefits and to reduce the Town's future cash flow requirements. PARS is a tax qualified irrevocable trust, organized under Internal Revenue Code (IRC) Section 115, established to prefund retirement health benefits. At June 30, 2024, measurement date, the balance in this trust account was \$1,424,845.

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2024. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2024.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 14 – Other Postemployment Benefits (Continued)

C. Net OPEB Liability, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

Actuarial Assumptions

The net OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	5.50%
Inflation	2.50%
Aggregate payroll increases	2.75%
Expected long-term investment rate of return	n/a
Mortality, Termination, and Disability	CalPERS 2000-2019 Experience Study
Mortality Improvement Scale	Modified projected fully generational with Scale MP-2021
Healthcare Trend Rate - Non-Medicare	An annual healthcare cost trend rate of 7.35% for 2027, decreasing to an ultimate rate of 3.45% in 2076.
Healthcare Trend Rate - Medicare (Non-Kaiser)	An annual healthcare cost trend rate of 6.50% for 2027, decreasing to an ultimate rate of 3.45% in 2076.
Healthcare Trend Rate - Medicare (Kaiser)	An annual healthcare cost trend rate of 5.45% for 2027, decreasing to an ultimate rate of 3.45% in 2076.

Discount Rate

The discount rate used to measure the net OPEB liability was 5.50% percent. This discount rate is the mid-point, rounded to five basis points, of the range of 3-20 year municipal bond rate indices; S&P Municipal bond 20 Year High Grade Rate Index, Bond Buyer 20-Bond GO Index, and Fidelity GO AA 20 Year Bond Index.

Change in the Net OPEB Liability

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2023	\$ 9,048,176	\$ 1,030,696	\$ 8,017,480
Changes Recognized for the Measurement Period:			
Service Cost	452,386	-	452,386
Interest on the total OPEB liability	513,814	-	513,814
Difference between expected and actual experience	1,065,559	-	1,065,559
Changes of assumptions	97,247	-	97,247
Contributions from the employer	-	569,584	(569,584)
Net investment income	-	147,354	(147,354)
Administrative expenses	-	(5,803)	5,803
Benefit payments	(316,986)	(316,986)	-
Net Changes during July 1, 2023 to June 30, 2024	1,812,020	394,149	1,417,871
Balance at June 30, 2024 (Measurement Date)	<u>\$ 10,860,196</u>	<u>\$ 1,424,845</u>	<u>\$ 9,435,351</u>

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 14 – Other Postemployment Benefits (Continued)

C. Net OPEB Liability, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

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

The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.50 percent) or 1-percentage-point higher (6.50 percent) than the current discount rate:

Plan's Net OPEB Liability		
Discount Rate - 1% (4.50%)	Current Discount Rate (5.50%)	Discount Rate + 1% (6.50%)
\$ 10,685,975	\$ 9,435,351	\$ 8,367,845

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, as well as what the City’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Plan's Net OPEB Liability		
Healthcare Cost		
-1%	Trend Rates	1%
\$ 8,460,702	\$ 9,435,351	\$ 10,692,903

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

For the fiscal year ended June 30, 2025, the City recognized OPEB expense of \$160,725. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 965,035	\$ 2,184,872
Changes of assumptions	1,333,328	4,663,490
Net difference between projected and actual earnings on plan investments	-	52,601
Employer contributions made subsequent to the measurement date	442,628	-
Total	\$ 2,740,991	\$ 6,900,963

The difference between projected OPEB plan investment earnings and actual earnings is amortized over a five year period. The remaining gains and losses are amortized over the expected average remaining service life. The expected average remaining service life is 10.6 years, which was determined as of July 1, 2023, the beginning of the measurement period, for employees covered by the OPEB plan benefit terms as of the valuation date.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 14 – Other Postemployment Benefits (Continued)

C. Net OPEB Liability, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

For the OPEB Plan, \$442,628 was reported as deferred outflows of resources related to pensions resulting from City's contributions subsequent to the measurement date and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended June 30</u>	<u>Deferred Outflows/ (Inflows) of Resources</u>
2026	\$ (743,265)
2027	(742,267)
2028	(636,208)
2029	(590,899)
2030	(579,526)
Thereafter	(1,310,435)
	<u>\$ (4,602,600)</u>

Note 15 – Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their current salary until future years. Under these plans, participants are not taxed on the deferred portion of their compensation until distributed to them. Distributions are not available to the employees until termination, retirement, death or unforeseeable emergency as defined by the Plan.

Note 16 – Other Required Disclosures

A. (Deficit) Net Position/Fund Balances

At June 30, 2025, the following fund had a fund balance (deficit) or unrestricted net position (deficit), which will be eliminated through the reduction in future expenditures, the use of new funding sources, or transfers from the General Fund:

<u>Fund</u>	<u>Fund Type</u>	<u>Deficit</u>
Federal CDBG Grant Fund	Special Revenue	\$ 25,395

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 16 – Other Required Disclosures (Continued)

B. Expenditures Exceeding Appropriations

For the year ended June 30, 2025, expenditures exceeded appropriations in the following funds/functions:

Fund	Function	Excess Expenditures
General Fund	Debt service - Principal	\$ 181,437
	Debt service - Interest and fiscal charges	36,595
CFD 2003-1 Public Safety/Fire Protection Special Revenue Fund	Debt service - Principal	74,336
	Debt service - Interest and fiscal charges	42,551
Patterson Public Financing Authority Debt Service Fund	General government	27,062
	Debt service - Principal	65,000
Landscape Maintenance District Special Revenue Fund	Public works	1,299
	Capital outlay	43,330
CFD 2013-1 Special Revenue Fund	Public works	2,828
CFD 2015-2 Public Safety Special Revenue Fund	General government	50
CFD 2018-2 VOP Maintenance Special Revenue Fund	General government	5,586
	Public works	28,719

Note 17 – Net Position

A. Net Investment in Capital Assets

Net Investment in Capital Assets at June 30, 2025 consisted of the following:

	Governmental Activities	Business-Type Activities
Net investment in capital assets:		
Capital assets, nondepreciable	\$ 16,024,577	\$ 13,662,046
Capital assets, depreciable/amortizable, net	60,748,395	49,629,757
Unspent bond proceeds - Restricted cash and investment	-	420,397
Unspent bond proceeds - Cash with fiscal agent	-	7,817,964
Deferred amount on refunding	-	270,715
Long-term debt:		
Accounts payable (capital-related)	(27,795)	-
Finance purchase agreements	(3,212,855)	-
Lease liability	(237,700)	-
Subscription liability	(35,169)	-
2018 Lease Revenue Bonds	(1,449,708)	-
2019A Water Revenue Bonds	-	(9,298,407)
2019B Water Revenue Refunding Bonds	-	(6,085,739)
2017 Sewer Refunding Revenue Bonds	-	(2,349,700)
2008 State Revolving Fund Loan	-	(262,549)
2021 State Revolving Fund Loan	-	(5,419,667)
Banc of America loan	-	(1,014,647)
CEC loan	-	(736,395)
Total net investment in capital assets	<u>\$ 71,809,745</u>	<u>\$ 46,633,775</u>

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 17 – Net Position (Continued)

B. Restricted Net Position

Restricted Net Position at June 30, 2025 consisted of the following:

	Governmental Activities	Business-Type Activities
Restricted net position:		
Restricted amount on fund statements	\$ 88,726,431	\$ 7,817,964
Unavailable revenue	2,557,984	-
Long-term debt offset by investments held by trust:		
PPFA 2013 Heartland Ranch Revenue Bonds	(641,013)	-
PPFA 2023 Series A Special Tax Special Revenue Refunding Bonds	(52,185,000)	-
Total restricted net position	\$ 38,458,402	\$ 7,817,964

Note 18 – Settlement with Eli Development Corporation

On September 17, 2013, Eli Development Corporation submitted a reimbursement request to the City, pursuant to the development agreement between the City and Northeast Territories Patterson, LP, entered into as of December 19, 2006. The City has received the requested evidence from Eli Development Corporation and has determined that only a portion of the amount requested is subject to reimbursement. The landowner has proposed terms for settlement of the dispute and a release agreement has been prepared, subject to landowner review and acceptance. Therefore, the reimbursement would come from other parties and landowners, not the City.

Note 19 – Restatements of Beginning Balances

During the current year, the City implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation time owed to employees upon separation of employment, the City now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle are summarized below in the “Restatement – GASB 101 implementation” column in the table below.

	June 30, 2024, As Previously Reported	Restatement - GASB 101 implementation	June 30, 2024, As Restated
Government-wide			
Governmental activities	\$ 105,143,380	\$ (1,006,356)	\$ 104,137,024
Business-type activities	48,012,963	(490,574)	47,522,389
Total government-wide	\$ 153,156,343	\$ (1,496,930)	\$ 151,659,413
Proprietary funds			
Enterprise funds			
Major funds:			
Water Fund	\$ 26,522,275	\$ (194,549)	\$ 26,327,726
Sewer Fund	20,105,656	(229,862)	19,875,794
Garbage Fund	1,385,032	(66,163)	1,318,869
Total enterprise funds	\$ 48,012,963	\$ (490,574)	\$ 47,522,389

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 20 – Commitments and Contingencies

A. *Litigation*

The City is a defendant in certain legal actions arising in the normal course of operations. The accompanying basic financial statements reflect a liability for the probable amounts of loss associated with these claims.

B. *Grants*

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies. While no matters of non-compliance were disclosed by the audit of the financial statements or single audit of the Federal grant programs, grantor agencies may subject grant programs to additional compliance tests, which may result in disallowed costs. In the opinion of management, future disallowances of current or prior grant expenditures, if any, would not have a material adverse effect on the financial position of the City.

C. *Expedited Offsite Public Infrastructure Repayment Agreement*

In July 2022, the City entered into an Expedited Offsite Public Infrastructure Repayment Agreement with a retail and gasoline distributor (“the Corporation”). The purpose of the agreement is to support economic development by reimbursing the Corporation for the cost of constructing oversized offsite public infrastructure improvements that will serve future development within the City.

Under the terms of the agreement, the City has agreed to remit to the Corporation 100% of the local Bradley Burns sales tax revenues and local fuel tax revenues generated from the Corporation’s taxable sales each fiscal quarter, excluding penalty assessments. Payments begin in the first full fiscal quarter following the recording of the Notice of Completion for the improvements and continue until the City has reimbursed the Corporation up to a maximum amount of \$5,044,040, representing infrastructure costs not allocable to the Corporation’s own development. Other than the rebate of these tax revenues, the City has made no additional commitments under the agreement.

The Notice of Completion for the improvements was recorded on June 3, 2025. For the fiscal year ended June 30, 2025, the City made no payments to the Corporation, and no City tax revenues were forgone under the terms of the agreement during the fiscal year.

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REQUIRED SUPPLEMENTARY INFORMATION

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City of Patterson
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes:				
Property	\$ 8,371,449	\$ 8,371,449	\$ 8,685,386	\$ 313,937
Sales	12,319,058	12,249,058	12,590,086	341,028
Franchise	255,000	255,000	207,841	(47,159)
Other	286,451	286,451	230,103	(56,348)
Licenses, permits, and fees	1,844,633	1,844,633	2,184,909	340,276
Charges for services	501,120	1,043,560	1,797,555	753,995
Intergovernmental:				
Federal grant and subsidies	-	-	3,206,442	3,206,442
Other governmental	1,191,683	1,202,683	652,263	(550,420)
Fines, forfeitures and penalties	96,000	96,000	89,378	(6,622)
Interest	744,577	744,577	1,364,893	620,316
Miscellaneous	246,689	266,788	594,314	327,526
Total revenues	<u>25,856,660</u>	<u>26,360,199</u>	<u>32,634,548</u>	<u>6,274,349</u>
EXPENDITURES:				
Current:				
General government	6,810,776	12,464,532	9,805,281	2,659,251
Police	7,635,400	5,123,980	4,758,882	365,098
Fire	3,890,192	3,936,410	3,768,234	168,176
Community development and planning	2,731,860	2,729,772	2,358,636	371,136
Public works	4,730,967	4,759,531	4,573,921	185,610
Park and recreation	4,269,104	4,327,595	3,289,446	1,038,149
Capital outlay	445,295	2,609,830	1,099,692	1,510,138
Debt service:				
Principal	232,967	270,316	451,753	(181,437)
Interest and fiscal charges	220,825	220,825	257,420	(36,595)
Total expenditures	<u>30,967,386</u>	<u>36,442,791</u>	<u>30,363,265</u>	<u>6,079,526</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(5,110,726)</u>	<u>(10,082,592)</u>	<u>2,271,283</u>	<u>12,353,875</u>
OTHER FINANCING SOURCES (USES):				
Inception of subscription agreement	-	-	46,827	46,827
Transfers in	5,792,157	5,506,270	4,769,749	(736,521)
Transfers out	(8,186,177)	(7,774,248)	(8,225,022)	(450,774)
Total other financing sources (uses)	<u>(2,394,020)</u>	<u>(2,267,978)</u>	<u>(3,408,446)</u>	<u>(1,140,468)</u>
Net change in fund balances	<u>\$ (7,504,746)</u>	<u>\$ (12,350,570)</u>	<u>(1,137,163)</u>	<u>\$ 11,213,407</u>
FUND BALANCE:				
Beginning of year			24,266,693	
End of year			<u>\$ 23,129,530</u>	

City of Patterson
Budgetary Comparison Schedule
CFD 2003-1 Public Safety/Fire Protection Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Charges for services	\$ 1,346,155	\$ 1,346,155	\$ 1,687,458	\$ 341,303
Miscellaneous	47,000	47,000	97,594	50,594
Total revenues	<u>1,393,155</u>	<u>1,393,155</u>	<u>1,785,052</u>	<u>391,897</u>
EXPENDITURES:				
Current:				
General government	23,000	23,000	2,732	20,268
Fire	3,578,537	3,460,453	2,921,620	538,833
Capital outlay	351,400	381,403	48,315	333,088
Debt service:				
Principal	78,224	78,224	152,560	(74,336)
Interest and fiscal charges	38,662	38,662	81,213	(42,551)
Total expenditures	<u>4,069,823</u>	<u>3,981,742</u>	<u>3,206,440</u>	<u>775,302</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(2,676,668)</u>	<u>(2,588,587)</u>	<u>(1,421,388)</u>	<u>1,167,199</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	8,171,508	7,596,199	7,455,787	(140,412)
Transfers out	(660,000)	(660,000)	-	660,000
Total other financing sources (uses)	<u>7,511,508</u>	<u>6,936,199</u>	<u>7,455,787</u>	<u>519,588</u>
Net change in fund balances	<u>\$ 4,834,840</u>	<u>\$ 4,347,612</u>	<u>6,034,399</u>	<u>\$ 1,686,787</u>
FUND BALANCE (DEFICIT):				
Beginning of year			(4,259,196)	
End of year			<u>\$ 1,775,203</u>	

City of Patterson
Notes to the Budgetary Comparison Schedule
Budgetary Information
For the Year Ended June 30, 2025

The City maintains budgetary controls in order to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. The City maintains an encumbrance accounting system to provide management with information regarding obligations against appropriations. Budgetary compliance is based on expenditures during the period (U.S. GAAP), rather than expenditures and encumbrances (non-GAAP). Because appropriations lapse at June 30, encumbrances outstanding at June 30, 2025 are disclosed in the notes to the financial statements. Appropriations for fiscal year 2025 will provide authority to complete those transactions.

The City is required by its municipal code to adopt an annual budget on or before June 30 for the ensuing fiscal year. From the effective date of the budget, the amounts become the "annual appropriated budget".

The following procedures are performed by the City in establishing the budgetary data reflected in the financial statements:

1. The Finance Director submits a proposed budget by June 30 of each year to City Council. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayers' comments.
3. The appropriated budget is prepared by fund, department, and division. The government department heads may make transfers of appropriation within a department. Transfers of appropriations between departments requires approval of the City Manager. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.
4. The budget is legally adopted through the passage of a council resolution.
5. The City Council may amend the budget by resolution during the fiscal year. The City Manager may transfer appropriations from one program, activity, or object to another within the same fund. All appropriations lapse at the end of the fiscal year to the extent they have not been expended. Capital project and grant funds are based on a project time frame, rather than a fiscal year "operating" time frame appropriating unused appropriations from year to year until project completion.
6. A budget review is presented to the City Council by the City Manager mid-year and approved additions or changes are legally adopted through Council resolution.
7. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, and the Capital Project Funds.
8. Budgets for the General, Special Revenue, and Capital Project Funds are adopted on a basis consistent with United States generally accepted accounting principles.
9. The City did not adopt a budget for the following fund: CDBG HA Loan Special Revenue Fund.

City of Patterson
Schedule of Proportionate Share of the Net Pension Liability
Last Ten Years
For the Year Ended June 30, 2025

Miscellaneous Plan					
Measurement period, year ended	6/20/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020
Plan's proportion of the net pension liability (asset)	0.1808865%	0.1807375%	0.1712600%	0.1456588%	0.1580126%
Plan's proportionate share of the net pension liability (asset)	\$ 8,748,769	\$ 9,037,628	\$ 8,013,797	\$ 2,765,773	\$ 6,665,091
Plan's covered payroll	\$ 5,184,055	\$ 5,033,063	\$ 4,886,469	\$ 4,744,145	\$ 4,605,966
Plan's proportionate share of the net pension liability as a percentage of covered payroll	168.76%	179.57%	164.00%	58.30%	144.71%
Plan's fiduciary net position	\$ 41,260,996	\$ 34,547,147	\$ 31,389,666	\$ 31,784,954	\$ 24,491,193
Plan's fiduciary net position as a percentage of the total pension liability	82.51%	79.26%	79.66%	92.00%	78.61%
Plan's proportionate share of aggregate employer contributions	\$ 1,706,925	\$ 1,706,925	\$ 1,426,665	\$ 1,291,216	\$ 1,103,312
Measurement period, year ended	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Plan's proportion of the net pension liability (asset)	0.1530113%	0.1496090%	0.1499839%	0.1499839%	0.1557567%
Plan's proportionate share of the net pension liability (asset)	\$ 6,127,339	\$ 5,638,335	\$ 5,912,437	\$ 5,141,345	\$ 4,273,133
Plan's covered payroll	\$ 4,471,812	\$ 4,341,565	\$ 4,215,111	\$ 4,092,341	\$ 3,973,147
Plan's proportionate share of the net pension liability as a percentage of covered payroll	137.02%	129.87%	140.27%	125.63%	107.55%
Plan's fiduciary net position	\$ 22,526,868	\$ 19,926,425	\$ 16,132,739	\$ 13,690,393	\$ 12,687,998
Plan's fiduciary net position as a percentage of the total pension liability	78.62%	77.94%	73.18%	72.70%	74.81%
Plan's proportionate share of aggregate employer contributions	\$ 1,043,720	\$ 821,442	\$ 821,442	\$ 693,115	\$ 748,691

City of Patterson
Schedule of Proportionate Share of the Net Pension Liability (Continued)
Last Ten Years
For the Year Ended June 30, 2025

Safety Plan				
Measurement period, year ended	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Plan's proportion of the net pension liability (asset)	0.058946%	0.058549%	0.056550%	0.050366%
Plan's proportionate share of the net pension liability (asset)	\$ 4,297,667	\$ 4,376,468	\$ 3,885,701	\$ 1,767,602
Plan's covered payroll	\$ 1,495,997	\$ 1,452,424	\$ 1,452,424	\$ 1,410,121
Plan's proportionate share of the net pension liability as a percentage of covered payroll	287.28%	301.32%	267.53%	125.35%
Plan's fiduciary net position	\$ 15,104,281	\$ 12,978,907	\$ 12,016,589	\$ 12,315,218
Plan's fiduciary net position as a percentage of the total pension liability	77.85%	74.78%	75.57%	87.45%
Plan's proportionate share of aggregate employer contributions	\$ 668,931	\$ 668,931	\$ 571,316	\$ 552,488
Measurement period, year ended	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Plan's proportion of the net pension liability (asset)	0.047853%	0.046974%	0.045984%	0.046120%
Plan's proportionate share of the net pension liability (asset)	\$ 2,987,220	\$ 2,756,215	\$ 2,747,657	\$ 2,388,655
Plan's covered payroll	\$ 1,329,174	\$ 1,290,460	\$ 1,252,874	\$ 1,216,383
Plan's proportionate share of the net pension liability as a percentage of covered payroll	224.74%	213.58%	219.31%	196.37%
Plan's fiduciary net position	\$ 9,134,775	\$ 8,394,137	\$ 7,539,289	\$ 6,653,977
Plan's fiduciary net position as a percentage of the total pension liability	75.36%	75.28%	73.29%	73.58%
Plan's proportionate share of aggregate employer contributions	\$ 457,665	\$ 393,732	\$ 337,685	\$ 312,567

City of Patterson
Schedule of Plan Contributions – Pension
Last Ten Years
For the Year Ended June 30, 2025

Miscellaneous Plan

Fiscal Year:	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>
Contractually determined contribution (actuarially determined)	\$ 1,995,635	\$ 1,768,983	\$ 1,706,925	\$ 1,426,665	\$ 1,291,216
Contributions in relation to the actuarially determined contributions	(1,995,635)	(1,768,983)	(1,706,925)	(1,426,665)	(1,291,216)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 5,339,577	\$ 5,184,055	\$ 5,033,063	\$ 4,886,469	\$ 4,744,145
Contributions as a percentage of covered payroll	37.37%	32.93%	28.35%	26.42%	23.26%
Fiscal Year:	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>
Contractually determined contribution (actuarially determined)	\$ 1,103,312	\$ 1,043,720	\$ 900,310	\$ 821,442	\$ 693,115
Contributions in relation to the actuarially determined contributions	(1,103,312)	(1,043,720)	(900,310)	(821,442)	(693,115)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 4,605,966	\$ 4,471,812	\$ 4,341,565	\$ 4,215,111	\$ 4,092,341
Contributions as a percentage of covered payroll	23.95%	23.34%	20.74%	19.49%	16.94%

Notes to Schedule:

The actuarial methods and assumption used to set the actuarially determined contributions for Fiscal Year 2025 were derived from the June 30, 2022 funding valuation report.

Methods and assumptions used to determine contribution rates for the fiscal year ended June 30, 2025:

Actuarial cost method	Entry Age Actuarial Cost Method
Amortization method/period	Level percentage of payroll
Asset valuation method	Fair Market Value
Inflation	2.30%
Salary increases	Varies by entry age and service
Payroll growth	2.80%
Investment rate of return	6.80% net of pension plan investment and administrative expenses.
Retirement age	The probabilities of retirement are based on the 2021 CalPERS Experience Study for the period from 2000 and 2019.
Mortality	The probabilities of mortality are based on the 2021 experience study report. The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries.

City of Patterson
Schedule of Plan Contributions – Pension (Continued)
Last Ten Years
For the Year Ended June 30, 2025

Safety Plan					
Fiscal Year:	2024-25	2023-24	2022-23	2021-22	2020-21
Contractually determined contribution (actuarially determined)	\$ 866,793	\$ 835,739	\$ 668,931	\$ 571,316	\$ 552,488
Contributions in relation to the actuarially determined contributions	(866,793)	(835,739)	(668,931)	(571,316)	(552,488)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,587,103	\$ 1,540,877	\$ 1,495,997	\$ 1,452,424	\$ 1,410,121
Contributions as a percentage of covered payroll	0.00%	56.25%	44.71%	39.34%	39.18%
Fiscal Year:	2019-20	2018-19	2017-18	2016-17	2015-16
Contractually determined contribution (actuarially determined)	\$ 494,902	\$ 457,665	\$ 393,732	\$ 337,685	\$ 312,567
Contributions in relation to the actuarially determined contributions	(494,902)	(457,665)	(393,732)	(337,685)	(312,567)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,369,049	\$ 1,329,174	\$ 1,290,460	\$ 1,252,874	\$ 1,216,383
Contributions as a percentage of covered payroll	36.15%	34.43%	30.51%	26.95%	25.70%

Notes to Schedule:

The actuarial methods and assumption used to set the actuarially determined contributions for Fiscal Year 2025 were derived from the June 30, 2022 funding valuation report.

Methods and assumptions used to determine contribution rates for the fiscal year ended June 30, 2025:

Actuarial cost method	Entry Age Actuarial Cost Method
Amortization method/period	Level percentage of payroll
Asset valuation method	Fair Market Value
Inflation	2.30%
Salary increases	Varies by entry age and service
Payroll growth	2.80%
Investment rate of return	6.80% net of pension plan investment and administrative expenses.
Retirement age	The probabilities of retirement are based on the 2021 CalPERS Experience Study for the period from 2000 and 2019.
Mortality	The probabilities of mortality are based on the 2021 experience study report. The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries.

City of Patterson
Schedule of Changes in Net OPEB Liability and Related Ratios
Last Ten Years
For the Year Ended June 30, 2025

Measurement period, year ending:	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017 ¹
Total OPEB liability								
Service cost	\$ 452,386	\$ 440,278	\$ 1,156,354	\$ 1,088,576	\$ 930,865	\$ 868,965	\$ 951,252	\$ 1,055,000
Interest	513,814	477,237	346,275	341,695	413,592	393,931	394,277	327,000
Changes of benefit terms	-	-	-	-	-	-	(891,666)	-
Differences between expected and actual experience	1,065,559	-	(1,645,289)	-	(1,584,352)	-	(552,203)	-
Changes of assumptions	97,247	-	(6,213,884)	639,497	1,127,249	490,438	102,481	(1,129,000)
Benefit payments, including refunds of member contributions	(316,986)	(212,186)	(203,232)	(164,926)	(177,238)	(163,179)	(179,631)	(175,000)
Change in total OPEB liability	1,812,020	705,329	(6,559,776)	1,904,842	710,116	1,590,155	(175,490)	78,000
Total OPEB liability - beginning	9,048,176	8,342,847	14,902,623	12,997,781	12,287,665	10,697,510	10,873,000	10,795,000
Total OPEB liability - ending (a)	<u>\$10,860,196</u>	<u>\$ 9,048,176</u>	<u>\$ 8,342,847</u>	<u>\$14,902,623</u>	<u>\$12,997,781</u>	<u>\$12,287,665</u>	<u>\$10,697,510</u>	<u>\$10,873,000</u>
OPEB fiduciary net position								
Contributions - employer	\$ 569,584	\$ 464,237	\$ 955,100	\$ 164,926	\$ 177,238	\$ 163,179	\$ 179,631	\$ 175,000
Net investment income	147,354	54,867	(21,455)	-	-	-	-	-
Benefit payments, including refunds of member contributions	(316,986)	(212,186)	(203,232)	(164,926)	(177,238)	(163,179)	(179,631)	(175,000)
Administrative expense	(5,803)	(4,455)	(2,180)	-	-	-	-	-
Change in plan fiduciary net position	394,149	302,463	728,233	-	-	-	-	-
Plan fiduciary net position - beginning	1,030,696	728,233	-	-	-	-	-	-
Plan fiduciary net position - ending (b)	1,424,845	1,030,696	728,233	-	-	-	-	-
Plan net OPEB liability - ending (a) - (b)	<u>\$ 9,435,351</u>	<u>\$ 8,017,480</u>	<u>\$ 7,614,614</u>	<u>\$14,902,623</u>	<u>\$12,997,781</u>	<u>\$12,287,665</u>	<u>\$10,697,510</u>	<u>\$10,873,000</u>
Plan fiduciary net position as a percentage of the total OPEB liability	13.12%	11.39%	8.73%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	\$13,581,283	\$11,827,606	\$ 9,551,738	\$ 8,917,985	\$ 8,559,266	\$ 8,196,189	\$ 7,352,843	\$ 6,620,000
Plan net OPEB liability as a percentage of covered-employee payroll	79.96%	76.50%	87.34%	167.11%	151.86%	149.92%	145.49%	164.24%

Notes to Schedule

¹ Information only presented from the implementation year.

City of Patterson
Schedule of Plan Contributions – OPEB
Last Ten Years
For the Year Ended June 30, 2025

Fiscal Year:	2024-25	2023-24	2022-23	2021-22	2020-21
Contractually determined contribution (actuarially determined)	\$ 1,193,000	\$ 1,029,000	\$ 976,000	\$ 955,100	\$ 164,926
Contributions in relation to the actuarially determined contributions	(442,628)	(569,584)	(976,000)	(955,100)	(164,926)
Contribution deficiency (excess)	\$ 750,372	\$ 459,416	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 14,145,968	\$ 13,581,283	\$ 11,827,606	\$ 9,551,738	\$ 8,917,985
Contributions as a percentage of covered-employee payroll	3.13%	4.19%	8.25%	10.00%	1.85%
Fiscal Year:	2019-20	2018-19	2017-18	2016-17 ¹	
Contractually determined contribution (actuarially determined)	\$ 177,238	\$ 163,179	\$ 179,631	\$ 175,000	
Contributions in relation to the actuarially determined contributions	(177,238)	(163,179)	(179,631)	(175,000)	
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	
Covered-employee payroll	\$ 8,559,266	\$ 8,196,189	\$ 7,352,843	\$ 6,620,000	
Contributions as a percentage of covered-employee payroll	2.07%	1.99%	2.44%	2.64%	

¹ Information only presented from the implementation year.

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for the fiscal year ended June 30, 2025 were as follows:

Methods and assumptions used to determine contribution rates:

The actuarial methods and assumption used to set the actuarially determined contributions for Fiscal Year 2025 are as follows:

Actuarial cost method	Entry Age Normal, Level % of pay
Amortization method/period	Level % of pay / 18-year fixed period for 2024/25
Asset valuation method	Investment gains and losses spread over 5-year rolling period
Discount rate	5.50%
Inflation	2.50%
Salary increases	Varies by entry age and service
Medical trend	Non-Medicare - 6.50% for 2023, decreasing to an ultimate rate of 7.35% in 2076 Medicare (Non-Kaiser) - 6.50% for 2027, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Kaiser) - 5.45% for 2027, decreasing to an ultimate rate of 3.45% in 2076
Mortality	CalPERS 2000-2019 Experience Study
Mortality improvement	Mortality projected fully generational with Scale MP-2021

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SUPPLEMENTARY INFORMATION

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NON-MAJOR GOVERNMENTAL FUNDS

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City of Patterson
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

Special Revenue Funds

	Special Revenue Funds				
	Landscape Maintenance District	Benefit Assessment Districts	CSA #15 Assessment District	CFD 2001-01 Patterson Gardens Public Safety	Beautification Committee
ASSETS					
Cash and investments	\$ 1,923,761	\$ 3,471,642	\$ 18,330	\$ 233,481	\$ 42,974
Receivables:					
Accounts	-	-	-	-	-
Intergovernmental	20,398	5,472	201	7,452	-
Interest	28,199	29,543	97	8,336	360
Notes and loans	-	-	-	-	-
Total assets	\$ 1,972,358	\$ 3,506,657	\$ 18,628	\$ 249,269	\$ 43,334
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ 116,191	\$ 8,595	\$ 254	\$ -	\$ -
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Deposits and other liabilities	-	-	-	-	-
Total liabilities	116,191	8,595	254	-	-
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCES (DEFICIT):					
Restricted	1,856,167	3,498,062	18,374	249,269	43,334
Committed	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances	1,856,167	3,498,062	18,374	249,269	43,334
Total liabilities, deferred inflows of resources and fund balances	\$ 1,972,358	\$ 3,506,657	\$ 18,628	\$ 249,269	\$ 43,334

(Continued)

City of Patterson
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2025

Special Revenue Funds

	CDBG HA Loan Fund	State HCD Rehab Program	Federal CDBG Grant	First Time Home Buyers	Federal HOME Funds
ASSETS					
Cash and investments	\$ -	\$ 239,042	\$ -	\$ 218,722	\$ 220,613
Receivables:					
Accounts	-	-	-	-	-
Intergovernmental	-	-	23,171	-	-
Interest	-	2,004	-	1,912	10,327
Notes and loans	293,489	3,072	-	74,869	188,815
Total assets	\$ 293,489	\$ 244,118	\$ 23,171	\$ 295,503	\$ 419,755
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ -	\$ -	\$ 1,348	\$ -	\$ -
Due to other funds	-	-	24,047	-	-
Unearned revenue	-	-	-	-	-
Deposits and other liabilities	-	-	-	-	-
Total liabilities	-	-	25,395	-	-
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue	293,489	3,072	23,171	74,869	197,076
Total deferred inflows of resources	293,489	3,072	23,171	74,869	197,076
FUND BALANCES (DEFICIT):					
Restricted	-	241,046	-	220,634	222,679
Committed	-	-	-	-	-
Unassigned (deficit)	-	-	(25,395)	-	-
Total fund balances	-	241,046	(25,395)	220,634	222,679
Total liabilities, deferred inflows of resources and fund balances	\$ 293,489	\$ 244,118	\$ 23,171	\$ 295,503	\$ 419,755

(Continued)

City of Patterson
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2025

Special Revenue Funds

	Special Revenue Funds				
	Neighborhood Stabilization Program	Gas Tax	Local Transportation Fund	Local Transportation Fund Non Motorized	Street Project Fund
ASSETS					
Cash and investments	\$ 9,481	\$ 2,425,718	\$ 351,839	\$ 91,694	\$ 3,015,101
Receivables:					
Accounts	-	-	-	-	-
Intergovernmental	-	178,300	-	-	446,497
Interest	277	23,672	1,493	811	18,144
Notes and loans	26,544	-	-	-	-
Total assets	\$ 36,302	\$ 2,627,690	\$ 353,332	\$ 92,505	\$ 3,479,742
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ -	\$ 23,923	\$ -	\$ -	\$ 266,457
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	297,142	-	-
Deposits and other liabilities	-	-	-	-	-
Total liabilities	-	23,923	297,142	-	266,457
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue	26,632	-	-	-	262,793
Total deferred inflows of resources	26,632	-	-	-	262,793
FUND BALANCES (DEFICIT):					
Restricted	9,670	2,603,767	56,190	92,505	2,950,492
Committed	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances	9,670	2,603,767	56,190	92,505	2,950,492
Total liabilities, deferred inflows of resources and fund balances	\$ 36,302	\$ 2,627,690	\$ 353,332	\$ 92,505	\$ 3,479,742

(Continued)

City of Patterson
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2025

Special Revenue Funds

	Measure L Fund	Developer Housing In-Lieu Fee	Police Asset Forfeiture	Westside Drainage Study	CFD 2013-1
ASSETS					
Cash and investments	\$ 5,663,058	\$ 4,512,227	\$ 4,615	\$ 70,438	\$ 1,267,329
Receivables:					
Accounts	-	-	-	-	-
Intergovernmental	480,270	-	-	-	18,582
Interest	47,477	37,829	39	591	11,167
Notes and loans	-	1,008,333	-	-	-
Total assets	\$ 6,190,805	\$ 5,558,389	\$ 4,654	\$ 71,029	\$ 1,297,078
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ 57,953	\$ -	\$ -	\$ -	\$ 1,084
Due to other funds	-	-	-	-	-
Unearned revenue	181,406	-	-	-	-
Deposits and other liabilities	-	-	-	-	-
Total liabilities	239,359	-	-	-	1,084
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue	-	1,008,333	-	-	-
Total deferred inflows of resources	-	1,008,333	-	-	-
FUND BALANCES (DEFICIT):					
Restricted	5,951,446	4,550,056	4,654	-	1,295,994
Committed	-	-	-	71,029	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances	5,951,446	4,550,056	4,654	71,029	1,295,994
Total liabilities, deferred inflows of resources and fund balances	\$ 6,190,805	\$ 5,558,389	\$ 4,654	\$ 71,029	\$ 1,297,078

(Continued)

City of Patterson
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2025

	Special Revenue Funds			Capital Projects Funds	
	CFD 2015-2 Public Safety	CFD 2018-2 VOP Maintenance	CFD 2022 Public Safety	Downtown Revitalization Impact Fee	Community Facility Impact Fee
ASSETS					
Cash and investments	\$ 15,036	\$ 1,379,618	\$ 123,459	\$ 192,454	\$ 2,679,011
Receivables:					
Accounts	-	-	-	-	-
Intergovernmental	-	5,281	935	-	-
Interest	1,703	15,197	1,389	1,613	22,159
Notes and loans	-	-	-	-	-
Total assets	\$ 16,739	\$ 1,400,096	\$ 125,783	\$ 194,067	\$ 2,701,170
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ -	\$ 9,995	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Deposits and other liabilities	-	26,674	-	-	-
Total liabilities	-	36,669	-	-	-
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCES (DEFICIT):					
Restricted	16,739	1,363,427	125,783	194,067	-
Committed	-	-	-	-	2,701,170
Unassigned (deficit)	-	-	-	-	-
Total fund balances	16,739	1,363,427	125,783	194,067	2,701,170
Total liabilities, deferred inflows of resources and fund balances	\$ 16,739	\$ 1,400,096	\$ 125,783	\$ 194,067	\$ 2,701,170

(Continued)

City of Patterson
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2025

Capital Projects Funds

	General Government Impact Fee	Public Safety Impact Fee	Parkland In-Lieu Fee	Street Improvement Impact Fee	Water Impact Fee
ASSETS					
Cash and investments	\$ 710,187	\$ 1,358,546	\$ 65,223	\$ 2,693,533	\$ 7,075,929
Receivables:					
Accounts	-	-	-	-	29,239
Intergovernmental	-	-	-	-	-
Interest	5,964	11,389	547	25,798	59,265
Notes and loans	-	-	-	-	-
Total assets	\$ 716,151	\$ 1,369,935	\$ 65,770	\$ 2,719,331	\$ 7,164,433
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ 19,627	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Deposits and other liabilities	-	-	-	-	-
Total liabilities	19,627	-	-	-	-
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue	-	-	-	-	29,239
Total deferred inflows of resources	-	-	-	-	29,239
FUND BALANCES (DEFICIT):					
Restricted	-	-	-	-	-
Committed	696,524	1,369,935	65,770	2,719,331	7,135,194
Unassigned (deficit)	-	-	-	-	-
Total fund balances	696,524	1,369,935	65,770	2,719,331	7,135,194
Total liabilities, deferred inflows of resources and fund balances	\$ 716,151	\$ 1,369,935	\$ 65,770	\$ 2,719,331	\$ 7,164,433

(Continued)

City of Patterson
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2025

Capital Projects Funds

	Storm Drain Impact Fee	Sewer Impact Fee	Delta Mendota Storm Gate	Aquatic Center Construction	Future Water Acquisition
ASSETS					
Cash and investments	\$ 1,341,762	\$ 10,881	\$ 186,865	\$ 822,452	\$ 164,470
Receivables:					
Accounts	-	8,168	-	-	-
Intergovernmental	-	-	-	-	-
Interest	11,242	2,043	1,567	6,895	1,379
Notes and loans	-	-	-	-	-
Total assets	\$ 1,353,004	\$ 21,092	\$ 188,432	\$ 829,347	\$ 165,849
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ -	\$ 8,168	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Deposits and other liabilities	-	-	-	-	-
Total liabilities	-	8,168	-	-	-
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCES (DEFICIT):					
Restricted	-	-	-	-	-
Committed	1,353,004	12,924	188,432	829,347	165,849
Unassigned (deficit)	-	-	-	-	-
Total fund balances	1,353,004	12,924	188,432	829,347	165,849
Total liabilities, deferred inflows of resources and fund balances	\$ 1,353,004	\$ 21,092	\$ 188,432	\$ 829,347	\$ 165,849

(Continued)

City of Patterson
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2025

	<u>Capital Projects Funds</u>		Total Non-major Governmental Funds
	Heartland Ranch Infrastructure	Downtown Assistance Fee	
ASSETS			
Cash and investments	\$ 49,357	\$ 272,920	\$ 42,921,768
Receivables:			
Accounts	-	-	37,407
Intergovernmental	-	-	1,186,559
Interest	414	2,288	393,130
Notes and loans	-	-	1,595,122
Total assets	\$ 49,771	\$ 275,208	\$ 46,133,986
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES:			
Accounts payable	\$ -	\$ -	\$ 513,595
Due to other funds	-	-	24,047
Unearned revenue	-	-	478,548
Deposits and other liabilities	47,176	-	73,850
Total liabilities	47,176	-	1,090,040
DEFERRED INFLOWS OF RESOURCES:			
Unavailable revenue	-	-	1,918,674
Total deferred inflows of resources	-	-	1,918,674
FUND BALANCES (DEFICIT):			
Restricted	-	-	25,564,355
Committed	2,595	275,208	17,586,312
Unassigned (deficit)	-	-	(25,395)
Total fund balances	2,595	275,208	43,125,272
Total liabilities, deferred inflows of resources and fund balances	\$ 49,771	\$ 275,208	\$ 46,133,986

(Concluded)

City of Patterson
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue				
	Landscape Maintenance District	Benefit Assessment Districts	CSA #15 Assessment District	CFD 2001-01 Patterson Gardens Public Safety	Beautification Committee
REVENUES:					
Licenses, permits, and fees	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	2,253,617	555,428	7,907	595,441	-
Intergovernmental:					
Federal grant and subsidies	-	-	-	-	-
Other governmental	-	-	-	-	-
Investment income	99,246	129,989	331	24,692	1,736
Revenue from Fiduciary Fund	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	2,352,863	685,417	8,238	620,133	1,736
EXPENDITURES:					
Current:					
General government	929,768	-	-	-	-
Fire	-	-	-	7,272	-
Community development and planning	-	-	3,204	-	-
Public works	1,299	132,436	-	-	-
Capital outlay	43,330	-	-	-	-
Total expenditures	974,397	132,436	3,204	7,272	-
REVENUES OVER (UNDER) EXPENDITURES	1,378,466	552,981	5,034	612,861	1,736
OTHER FINANCING SOURCES (USES):					
Transfers in	1,133,865	78,898	6,727	-	-
Transfers out	(2,030,725)	(131,161)	-	(760,856)	-
Total financing sources (uses)	(896,860)	(52,263)	6,727	(760,856)	-
Net change in fund balances	481,606	500,718	11,761	(147,995)	1,736
FUND BALANCES (DEFICIT):					
Beginning of year	1,374,561	2,997,344	6,613	397,264	41,598
End of year	\$ 1,856,167	\$ 3,498,062	\$ 18,374	\$ 249,269	\$ 43,334

(Continued)

City of Patterson
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2025

Special Revenue Funds

	CDBG HA Loan Fund	State HCD Rehab Program	Federal CDBG Grant	First Time Home Buyers	Federal HOME Funds
REVENUES:					
Licenses, permits, and fees	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-
Intergovernmental:					
Federal grant and subsidies	-	-	-	-	-
Other governmental	-	-	-	-	-
Investment income	-	9,656	-	9,759	8,582
Revenue from Fiduciary Fund	-	-	-	-	-
Miscellaneous	-	-	-	2,012	3,868
Total revenues	-	9,656	-	11,771	12,450
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Fire	-	-	-	-	-
Community development and planning	-	-	-	-	-
Public works	-	-	-	-	-
Capital outlay	-	-	25,395	-	-
Total expenditures	-	-	25,395	-	-
REVENUES OVER (UNDER) EXPENDITURES	-	9,656	(25,395)	11,771	12,450
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	193,573	-	-
Transfers out	-	-	-	-	-
Total financing sources (uses)	-	-	193,573	-	-
Net change in fund balances	-	9,656	168,178	11,771	12,450
FUND BALANCES (DEFICIT):					
Beginning of year	-	231,390	(193,573)	208,863	210,229
End of year	\$ -	\$ 241,046	\$ (25,395)	\$ 220,634	\$ 222,679

(Continued)

City of Patterson
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2025

Special Revenue Funds

	Neighborhood Stabilization Program	Gas Tax	Local Transportation Fund	Local Transportation Fund Non Motorized	Street Project Fund
REVENUES:					
Licenses, permits, and fees	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-
Intergovernmental:					
Federal grant and subsidies	-	-	-	-	234,876
Other governmental	-	1,372,049	-	11,353	-
Investment income	369	94,526	7,194	3,909	111,480
Revenue from Fiduciary Fund	-	-	-	-	345,589
Miscellaneous	-	-	-	-	-
Total revenues	369	1,466,575	7,194	15,262	691,945
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Fire	-	-	-	-	-
Community development and planning	-	-	-	-	-
Public works	-	102,589	-	-	10,170
Capital outlay	-	23,480	-	-	1,429,170
Total expenditures	-	126,069	-	-	1,439,340
REVENUES OVER (UNDER) EXPENDITURES	369	1,340,506	7,194	15,262	(747,395)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	192,312	-	505,336
Transfers out	-	(397,948)	(18,586)	(5,089)	-
Total financing sources (uses)	-	(397,948)	173,726	(5,089)	505,336
Net change in fund balances	369	942,558	180,920	10,173	(242,059)
FUND BALANCES (DEFICIT):					
Beginning of year	9,301	1,661,209	(124,730)	82,332	3,192,551
End of year	<u>\$ 9,670</u>	<u>\$ 2,603,767</u>	<u>\$ 56,190</u>	<u>\$ 92,505</u>	<u>\$ 2,950,492</u>

(Continued)

City of Patterson
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2025

Special Revenue Funds

	Measure L Fund	Developer Housing In-Lieu Fee	Police Asset Forfeiture	Westside Drainage Study	CFD 2013-1
REVENUES:					
Licenses, permits, and fees	\$ -	\$ 1,480,609	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	288,646
Intergovernmental:					
Federal grant and subsidies	-	-	-	-	-
Other governmental	2,416,086	-	-	-	-
Investment income	222,246	157,948	187	2,846	47,042
Revenue from Fiduciary Fund	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	2,638,332	1,638,557	187	2,846	335,688
EXPENDITURES:					
Current:					
General government	-	-	-	-	19,365
Fire	-	-	-	-	-
Community development and planning	-	-	-	-	-
Public works	-	-	-	-	2,828
Capital outlay	925,541	-	-	-	-
Total expenditures	925,541	-	-	-	22,193
REVENUES OVER (UNDER) EXPENDITURES	1,712,791	1,638,557	187	2,846	313,495
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(64,640)
Total financing sources (uses)	-	-	-	-	(64,640)
Net change in fund balances	1,712,791	1,638,557	187	2,846	248,855
FUND BALANCES (DEFICIT):					
Beginning of year	4,238,655	2,911,499	4,467	68,183	1,047,139
End of year	\$ 5,951,446	\$ 4,550,056	\$ 4,654	\$ 71,029	\$ 1,295,994

(Continued)

City of Patterson
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			Capital Projects Funds	
	CFD 2015-2 Public Safety	CFD 2018-2 VOP Maintenance	CFD 2022 Public Safety	Downtown Revitalization Impact Fee	Community Facility Impact Fee
REVENUES:					
Licenses, permits, and fees	\$ -	\$ -	\$ -	\$ 84,000	\$ 552,807
Charges for services	105,990	804,342	168,641	-	-
Intergovernmental:					
Federal grant and subsidies	-	-	-	-	-
Other governmental	-	-	-	-	-
Investment income	5,695	52,428	2,196	6,402	97,251
Revenue from Fiduciary Fund	-	-	-	-	35,887
Miscellaneous	-	-	-	-	-
Total revenues	111,685	856,770	170,837	90,402	685,945
EXPENDITURES:					
Current:					
General government	25	17,269	-	-	-
Fire	-	-	-	-	-
Community development and planning	-	-	-	-	-
Public works	-	33,012	2,780	-	-
Capital outlay	-	13,052	-	-	-
Total expenditures	25	63,333	2,780	-	-
REVENUES OVER (UNDER) EXPENDITURES	111,660	793,437	168,057	90,402	685,945
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	(188,047)	(433,107)	(42,274)	-	-
Total financing sources (uses)	(188,047)	(433,107)	(42,274)	-	-
Net change in fund balances	(76,387)	360,330	125,783	90,402	685,945
FUND BALANCES (DEFICIT):					
Beginning of year	93,126	1,003,097	-	103,665	2,015,225
End of year	\$ 16,739	\$ 1,363,427	\$ 125,783	\$ 194,067	\$ 2,701,170

(Continued)

City of Patterson
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2025

Capital Projects Funds

	General Government Impact Fee	Public Safety Impact Fee	Parkland In-Lieu Fee	Street Improvement Impact Fee	Water Impact Fee
REVENUES:					
Licenses, permits, and fees	\$ 233,268	\$ 123,313	\$ -	\$ 1,045,873	\$ 647,258
Charges for services	-	-	-	-	-
Intergovernmental:					
Federal grant and subsidies	-	-	-	-	-
Other governmental	-	-	-	-	-
Investment income	25,735	53,162	2,637	107,734	273,332
Revenue from Fiduciary Fund	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	259,003	176,475	2,637	1,153,607	920,590
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Fire	-	-	-	-	-
Community development and planning	-	-	-	-	-
Public works	-	-	-	-	-
Capital outlay	44,099	-	-	-	-
Total expenditures	44,099	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	214,904	176,475	2,637	1,153,607	920,590
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	(1,152)	-	(63)	(383,713)	-
Total financing sources (uses)	(1,152)	-	(63)	(383,713)	-
Net change in fund balances	213,752	176,475	2,574	769,894	920,590
FUND BALANCES (DEFICIT):					
Beginning of year	482,772	1,193,460	63,196	1,949,437	6,214,604
End of year	\$ 696,524	\$ 1,369,935	\$ 65,770	\$ 2,719,331	\$ 7,135,194

(Continued)

City of Patterson
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2025

Capital Projects Funds

	Storm Drain Impact Fee	Sewer Impact Fee	Delta Mendota Storm Gate	Aquatic Center Construction	Future Water Acquisition
REVENUES:					
Licenses, permits, and fees	\$ 159,037	\$ 149,271	\$ -	\$ 146,985	\$ -
Charges for services	-	-	-	-	-
Intergovernmental:					
Federal grant and subsidies	-	-	-	-	-
Other governmental	-	-	-	-	-
Investment income	54,220	8,403	7,549	30,692	6,648
Revenue from Fiduciary Fund	-	-	-	-	-
Miscellaneous	-	-	-	-	2,127
Total revenues	213,257	157,674	7,549	177,677	8,775
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Fire	-	-	-	-	-
Community development and planning	-	-	-	-	-
Public works	-	-	-	-	-
Capital outlay	92,303	-	-	-	-
Total expenditures	92,303	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	120,954	157,674	7,549	177,677	8,775
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	(63)	(243,724)	-	-	-
Total financing sources (uses)	(63)	(243,724)	-	-	-
Net change in fund balances	120,891	(86,050)	7,549	177,677	8,775
FUND BALANCES (DEFICIT):					
Beginning of year	1,232,113	98,974	180,883	651,670	157,074
End of year	\$ 1,353,004	\$ 12,924	\$ 188,432	\$ 829,347	\$ 165,849

(Continued)

City of Patterson
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	<u>Capital Projects Funds</u>		Total Non-major Governmental Funds
	Heartland Ranch Infrastructure	Downtown Assistance Fee	
REVENUES:			
Licenses, permits, and fees	\$ -	\$ 22,750	\$ 4,645,171
Charges for services	-	-	4,780,012
Intergovernmental:			
Federal grant and subsidies	-	-	234,876
Other governmental	-	-	3,799,488
Investment income	1,994	10,589	1,678,405
Revenue from Fiduciary Fund	-	-	381,476
Miscellaneous	-	-	8,007
Total revenues	<u>1,994</u>	<u>33,339</u>	<u>15,527,435</u>
EXPENDITURES:			
Current:			
General government	-	-	966,427
Fire	-	-	7,272
Community development and planning	-	-	3,204
Public works	-	-	285,114
Capital outlay	-	-	2,596,370
Total expenditures	<u>-</u>	<u>-</u>	<u>3,858,387</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,994</u>	<u>33,339</u>	<u>11,669,048</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	2,110,711
Transfers out	-	-	(4,701,148)
Total financing sources (uses)	<u>-</u>	<u>-</u>	<u>(2,590,437)</u>
Net change in fund balances	1,994	33,339	9,078,611
FUND BALANCES (DEFICIT):			
Beginning of year	601	241,869	34,046,661
End of year	<u>\$ 2,595</u>	<u>\$ 275,208</u>	<u>\$ 43,125,272</u>

(Concluded)

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Patterson Public Financing Authority Debt Service Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Investment income (loss)	\$ 3,545,633	\$ 3,408,748	\$ 3,337,586	\$ (71,162)
Revenue from Fiduciary Fund	1,579,741	1,579,741	1,368,366	(211,375)
Total revenues	<u>5,125,374</u>	<u>4,988,489</u>	<u>4,705,952</u>	<u>(282,537)</u>
EXPENDITURES:				
Current:				
General government	-	-	27,062	(27,062)
Debt service:				
Principal	2,640,559	2,383,775	2,448,775	(65,000)
Interest and fiscal charges	2,979,710	2,979,710	2,740,471	239,239
Total expenditures	<u>5,620,269</u>	<u>5,363,485</u>	<u>5,216,308</u>	<u>147,177</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(494,895)</u>	<u>(374,996)</u>	<u>(510,356)</u>	<u>(135,360)</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(154,842)	(284,353)	(129,511)
Total other financing sources (uses)	<u>-</u>	<u>(154,842)</u>	<u>(284,353)</u>	<u>(129,511)</u>
Net change in fund balances	<u>\$ (494,895)</u>	<u>\$ (529,838)</u>	<u>(794,709)</u>	<u>\$ (264,871)</u>
FUND BALANCE:				
Beginning of year			<u>61,677,567</u>	
End of year			<u>\$ 60,882,858</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Landscape Maintenance District Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Charges for services	\$ 2,258,510	\$ 2,258,510	\$ 2,253,617	\$ (4,893)
Investment income	-	-	99,246	99,246
Total revenues	<u>2,258,510</u>	<u>2,258,510</u>	<u>2,352,863</u>	<u>94,353</u>
EXPENDITURES:				
Current:				
General government	1,215,293	1,215,293	929,768	285,525
Public works	-	-	1,299	(1,299)
Capital outlay	-	-	43,330	(43,330)
Total expenditures	<u>1,215,293</u>	<u>1,215,293</u>	<u>974,397</u>	<u>240,896</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,043,217</u>	<u>1,043,217</u>	<u>1,378,466</u>	<u>335,249</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	1,110,500	1,133,865	1,133,865	-
Transfers out	(1,899,781)	(1,933,502)	(2,030,725)	(97,223)
Total other financing sources (uses)	<u>(789,281)</u>	<u>(799,637)</u>	<u>(896,860)</u>	<u>(97,223)</u>
Net change in fund balances	<u>\$ 253,936</u>	<u>\$ 243,580</u>	481,606	<u>\$ 238,026</u>
FUND BALANCE:				
Beginning of year			<u>1,374,561</u>	
End of year			<u>\$ 1,856,167</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Benefit Assessment Districts Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Charges for services	\$ 556,981	\$ 556,981	\$ 555,428	\$ (1,553)
Investment income	62,587	62,587	129,989	67,402
Total revenues	<u>619,568</u>	<u>619,568</u>	<u>685,417</u>	<u>65,849</u>
EXPENDITURES:				
Current:				
Public works	2,673,875	1,108,295	132,436	975,859
Capital outlay	3,400	3,400	-	3,400
Total expenditures	<u>2,677,275</u>	<u>1,111,695</u>	<u>132,436</u>	<u>979,259</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(2,057,707)</u>	<u>(492,127)</u>	<u>552,981</u>	<u>1,045,108</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	78,887	78,898	78,898	-
Transfers out	(150,362)	(1,880,049)	(131,161)	1,748,888
Total other financing sources (uses)	<u>(71,475)</u>	<u>(1,801,151)</u>	<u>(52,263)</u>	<u>1,748,888</u>
Net change in fund balances	<u>\$ (2,129,182)</u>	<u>\$ (2,293,278)</u>	500,718	<u>\$ 2,793,996</u>
FUND BALANCE:				
Beginning of year			<u>2,997,344</u>	
End of year			<u>\$ 3,498,062</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CSA #15 Assessment District Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Charges for services	\$ 8,522	\$ 8,522	\$ 7,907	\$ (615)
Investment income	11	11	331	320
Total revenues	8,533	8,533	8,238	(295)
EXPENDITURES:				
Current:				
Community development and planning	12,650	12,650	3,204	9,446
Total expenditures	12,650	12,650	3,204	9,446
REVENUES OVER (UNDER)				
EXPENDITURES	(4,117)	(4,117)	5,034	9,151
OTHER FINANCING SOURCES (USES):				
Transfers in	6,727	6,727	6,727	-
Total other financing sources (uses)	6,727	6,727	6,727	-
Net change in fund balances	\$ 2,610	\$ 2,610	11,761	\$ 9,151
FUND BALANCE (DEFICIT):				
Beginning of year			6,613	
End of year			\$ 18,374	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CFD 2001-01 Patterson Gardens Public Safety Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Charges for services	\$ 553,166	\$ 553,166	\$ 595,441	\$ 42,275
Investment income	2,742	2,742	24,692	21,950
Total revenues	<u>555,908</u>	<u>555,908</u>	<u>620,133</u>	<u>64,225</u>
EXPENDITURES:				
Current:				
Fire	7,801	7,801	7,272	529
Total expenditures	<u>7,801</u>	<u>7,801</u>	<u>7,272</u>	<u>529</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>548,107</u>	<u>548,107</u>	<u>612,861</u>	<u>64,754</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(893,646)	(893,980)	(760,856)	133,124
Total other financing sources (uses)	<u>(893,646)</u>	<u>(893,980)</u>	<u>(760,856)</u>	<u>133,124</u>
Net change in fund balances	<u>\$ (345,539)</u>	<u>\$ (345,873)</u>	(147,995)	<u>\$ 197,878</u>
FUND BALANCE:				
Beginning of year			<u>397,264</u>	
End of year			<u>\$ 249,269</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Beautification Committee Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Investment income	\$ 979	\$ 979	\$ 1,736	\$ 757
Total revenues	<u>979</u>	<u>979</u>	<u>1,736</u>	<u>757</u>
EXPENDITURES:				
Current:				
Public works	3,300	3,300	-	3,300
Total expenditures	<u>3,300</u>	<u>3,300</u>	<u>-</u>	<u>3,300</u>
Net change in fund balances	<u>\$ (2,321)</u>	<u>\$ (2,321)</u>	1,736	<u>\$ 4,057</u>
FUND BALANCE:				
Beginning of year			<u>41,598</u>	
End of year			<u>\$ 43,334</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
State HCD Rehab Program Special Revenue Fund
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment income	\$ 5,443	\$ 5,443	\$ 9,656	\$ 4,213
Total revenues	<u>5,443</u>	<u>5,443</u>	<u>9,656</u>	<u>4,213</u>
Net change in fund balances	<u>\$ 5,443</u>	<u>\$ 5,443</u>	9,656	<u>\$ 4,213</u>
FUND BALANCE:				
Beginning of year			<u>231,390</u>	
End of year			<u>\$ 241,046</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Federal CDBG Grant Special Revenue Fund
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES:				
Capital outlay	\$ -	\$ 123,873	\$ 25,395	\$ 98,478
Total expenditures	<u>-</u>	<u>123,873</u>	<u>25,395</u>	<u>98,478</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>-</u>	<u>(123,873)</u>	<u>(25,395)</u>	<u>98,478</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>233,081</u>	<u>255,733</u>	<u>193,573</u>	<u>(62,160)</u>
Total other financing sources (uses)	<u>233,081</u>	<u>255,733</u>	<u>193,573</u>	<u>(62,160)</u>
Net change in fund balances	<u>\$ 233,081</u>	<u>\$ 131,860</u>	<u>168,178</u>	<u>\$ 36,318</u>
FUND BALANCE (DEFICIT):				
Beginning of year			<u>(193,573)</u>	
End of year			<u>\$ (25,395)</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
First Time Home Buyers Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Investment income	\$ 6,082	\$ 6,082	\$ 9,759	\$ 3,677
Miscellaneous	-	-	2,012	2,012
Total revenues	<u>6,082</u>	<u>6,082</u>	<u>11,771</u>	<u>5,689</u>
Net change in fund balances	<u>\$ 6,082</u>	<u>\$ 6,082</u>	11,771	<u>\$ 5,689</u>
FUND BALANCE:				
Beginning of year			<u>208,863</u>	
End of year			<u>\$ 220,634</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Federal HOME Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Investment income	\$ 14,630	\$ 14,630	\$ 8,582	\$ (6,048)
Miscellaneous	-	-	3,868	3,868
Total revenues	<u>14,630</u>	<u>14,630</u>	<u>12,450</u>	<u>(2,180)</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>14,630</u>	<u>14,630</u>	<u>12,450</u>	<u>(2,180)</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(156)	-	156
Total other financing sources (uses)	-	(156)	-	156
Net change in fund balances	<u>\$ 14,630</u>	<u>\$ 14,474</u>	12,450	<u>\$ (2,024)</u>
FUND BALANCE:				
Beginning of year			<u>210,229</u>	
End of year			<u>\$ 222,679</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Neighborhood Stabilization Program Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Investment income	\$ 473	\$ 473	\$ 369	\$ (104)
Total revenues	473	473	369	(104)
Net change in fund balances	\$ 473	\$ 473	369	\$ (104)
FUND BALANCE:				
Beginning of year			9,301	
End of year			\$ 9,670	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Gas Tax Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Intergovernmental:				
Other governmental	\$ 1,292,721	\$ 1,292,721	\$ 1,372,049	\$ 79,328
Investment income	23,458	23,458	94,526	71,068
Total revenues	<u>1,316,179</u>	<u>1,316,179</u>	<u>1,466,575</u>	<u>150,396</u>
EXPENDITURES:				
Current:				
Public works	85,000	119,559	102,589	16,970
Capital outlay	197,000	169,000	23,480	145,520
Total expenditures	<u>282,000</u>	<u>288,559</u>	<u>126,069</u>	<u>162,490</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,034,179</u>	<u>1,027,620</u>	<u>1,340,506</u>	<u>312,886</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(300,000)	(1,720,993)	(397,948)	1,323,045
Total other financing sources (uses)	<u>(300,000)</u>	<u>(1,720,993)</u>	<u>(397,948)</u>	<u>1,323,045</u>
Net change in fund balances	<u>\$ 734,179</u>	<u>\$ (693,373)</u>	942,558	<u>\$ 1,635,931</u>
FUND BALANCE:				
Beginning of year			<u>1,661,209</u>	
End of year			<u>\$ 2,603,767</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Local Transportation Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Investment income	\$ 4,467	\$ 4,467	\$ 7,194	\$ 2,727
Total revenues	<u>4,467</u>	<u>4,467</u>	<u>7,194</u>	<u>2,727</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>4,467</u>	<u>4,467</u>	<u>7,194</u>	<u>2,727</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	101,692	192,312	192,312	-
Transfers out	-	(92,677)	(18,586)	74,091
Total other financing sources (uses)	<u>101,692</u>	<u>99,635</u>	<u>173,726</u>	<u>74,091</u>
Net change in fund balances	<u>\$ 106,159</u>	<u>\$ 104,102</u>	180,920	<u>\$ 76,818</u>
FUND BALANCE (DEFICIT):				
Beginning of year			<u>(124,730)</u>	
End of year			<u>\$ 56,190</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Local Transportation Non-Motorized Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Investment income	\$ 2,209	\$ 2,209	\$ 3,909	\$ 1,700
Miscellaneous	-	-	-	-
Total revenues	<u>2,209</u>	<u>2,209</u>	<u>15,262</u>	<u>13,053</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>2,209</u>	<u>2,209</u>	<u>15,262</u>	<u>13,053</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(186,522)	(5,089)	181,433
Total other financing sources (uses)	<u>-</u>	<u>(186,522)</u>	<u>(5,089)</u>	<u>181,433</u>
Net change in fund balances	<u>\$ 2,209</u>	<u>\$ (184,313)</u>	10,173	<u>\$ 194,486</u>
FUND BALANCE:				
Beginning of year			<u>82,332</u>	
End of year			<u>\$ 92,505</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Street Project Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Intergovernmental:				
Federal grant and subsidies	\$ -	\$ 1,289,191	\$ 234,876	\$ (1,054,315)
Other governmental	-	1,853,503	-	(1,853,503)
Investment income	72,120	72,120	111,480	39,360
Revenue from Fiduciary Fund	-	-	345,589	345,589
Total revenues	<u>72,120</u>	<u>3,214,814</u>	<u>691,945</u>	<u>(2,522,869)</u>
EXPENDITURES:				
Current:				
Public works	-	57,764	10,170	47,594
Capital outlay	567,969	10,158,670	1,429,170	8,729,500
Total expenditures	<u>567,969</u>	<u>10,216,434</u>	<u>1,439,340</u>	<u>8,777,094</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(495,849)</u>	<u>(7,001,620)</u>	<u>(747,395)</u>	<u>6,254,225</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	473,896	5,081,568	505,336	(4,576,232)
Transfers out	-	(5,372)	-	5,372
Total other financing sources (uses)	<u>473,896</u>	<u>5,076,196</u>	<u>505,336</u>	<u>(4,570,860)</u>
Net change in fund balances	<u>\$ (21,953)</u>	<u>\$ (1,925,424)</u>	<u>(242,059)</u>	<u>\$ 1,683,365</u>
FUND BALANCE:				
Beginning of year			<u>3,192,551</u>	
End of year			<u>\$ 2,950,492</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Measure L Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Intergovernmental:				
Other governmental	\$ 1,133,170	\$ 1,133,170	\$ 2,416,086	\$ 1,282,916
Investment income	85,647	85,647	222,246	136,599
Total revenues	<u>1,218,817</u>	<u>1,218,817</u>	<u>2,638,332</u>	<u>1,419,515</u>
EXPENDITURES:				
Capital outlay	764,198	2,317,494	925,541	1,391,953
Total expenditures	<u>764,198</u>	<u>2,317,494</u>	<u>925,541</u>	<u>1,391,953</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>454,619</u>	<u>(1,098,677)</u>	<u>1,712,791</u>	<u>2,811,468</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(473,896)	(714,289)	-	714,289
Total other financing sources (uses)	<u>(473,896)</u>	<u>(714,289)</u>	<u>-</u>	<u>714,289</u>
Net change in fund balances	<u>\$ (19,277)</u>	<u>\$ (1,812,966)</u>	<u>1,712,791</u>	<u>\$ 3,525,757</u>
FUND BALANCE:				
Beginning of year			4,238,655	
End of year			<u>\$ 5,951,446</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Developer Housing In-Lieu Fee Special Revenue Fund
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Licenses, permits, and fees	\$ 1,196,142	\$ 1,196,142	\$ 1,480,609	\$ 284,467
Investment income	31,890	31,890	157,948	126,058
Total revenues	<u>1,228,032</u>	<u>1,228,032</u>	<u>1,638,557</u>	<u>410,525</u>
Net change in fund balances	<u>\$ 1,228,032</u>	<u>\$ 1,228,032</u>	1,638,557	<u>\$ 410,525</u>
FUND BALANCE:				
Beginning of year			<u>2,911,499</u>	
End of year			<u>\$ 4,550,056</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Police Asset Forfeiture Special Revenue Fund
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment income	\$ 105	\$ 105	\$ 187	\$ 82
Total revenues	<u>105</u>	<u>105</u>	<u>187</u>	<u>82</u>
Net change in fund balances	<u>\$ 105</u>	<u>\$ 105</u>	187	<u>\$ 82</u>
FUND BALANCE:				
Beginning of year			<u>4,467</u>	
End of year			<u>\$ 4,654</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Westside Drainage Study Special Revenue Fund
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment income	\$ 1,604	\$ 1,604	\$ 2,846	\$ 1,242
Total revenues	<u>1,604</u>	<u>1,604</u>	<u>2,846</u>	<u>1,242</u>
Net change in fund balances	<u>\$ 1,604</u>	<u>\$ 1,604</u>	2,846	<u>\$ 1,242</u>
FUND BALANCE:				
Beginning of year			<u>68,183</u>	
End of year			<u>\$ 71,029</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CFD 2013-1 Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Charges for services	\$ 219,300	\$ 219,300	\$ 288,646	\$ 69,346
Investment income	18,752	18,752	47,042	28,290
Total revenues	<u>238,052</u>	<u>238,052</u>	<u>335,688</u>	<u>97,636</u>
EXPENDITURES:				
Current:				
General government	36,911	40,211	19,365	20,846
Public works	-	-	2,828	(2,828)
Total expenditures	<u>36,911</u>	<u>40,211</u>	<u>22,193</u>	<u>18,018</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>201,141</u>	<u>197,841</u>	<u>313,495</u>	<u>115,654</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(84,415)	(33,447)	(64,640)	(31,193)
Total other financing sources (uses)	<u>(84,415)</u>	<u>(33,447)</u>	<u>(64,640)</u>	<u>(31,193)</u>
Net change in fund balances	<u>\$ 116,726</u>	<u>\$ 164,394</u>	248,855	<u>\$ 84,461</u>
FUND BALANCE:				
Beginning of year			<u>1,047,139</u>	
End of year			<u>\$ 1,295,994</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CFD 2015-2 Public Safety Special Revenue Fund
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ 102,726	\$ 102,726	\$ 105,990	\$ 3,264
Investment income	1,177	1,177	5,695	4,518
Total revenues	<u>103,903</u>	<u>103,903</u>	<u>111,685</u>	<u>7,782</u>
EXPENDITURES:				
Current:				
General government	(25)	(25)	25	(50)
Total expenditures	<u>(25)</u>	<u>(25)</u>	<u>25</u>	<u>(50)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>103,928</u>	<u>103,928</u>	<u>111,660</u>	<u>7,732</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(195,335)	(195,336)	(188,047)	7,289
Total other financing sources (uses)	<u>(195,335)</u>	<u>(195,336)</u>	<u>(188,047)</u>	<u>7,289</u>
Net change in fund balances	<u>\$ (91,407)</u>	<u>\$ (91,408)</u>	<u>(76,387)</u>	<u>\$ 15,021</u>
FUND BALANCE:				
Beginning of year			<u>93,126</u>	
End of year			<u>\$ 16,739</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CFD 2018-2 VOP Maintenance Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Charges for services	\$ 222,286	\$ 222,286	\$ 804,342	\$ 582,056
Investment income	14,225	14,225	52,428	38,203
Total revenues	<u>236,511</u>	<u>236,511</u>	<u>856,770</u>	<u>620,259</u>
EXPENDITURES:				
Current:				
General government	11,683	11,683	17,269	(5,586)
Public works	2,708	4,293	33,012	(28,719)
Capital outlay	14,000	14,000	13,052	948
Total expenditures	<u>28,391</u>	<u>29,976</u>	<u>63,333</u>	<u>(33,357)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>208,120</u>	<u>206,535</u>	<u>793,437</u>	<u>586,902</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(44,058)	(196,183)	(433,107)	(236,924)
Total other financing sources (uses)	<u>(44,058)</u>	<u>(196,183)</u>	<u>(433,107)</u>	<u>(236,924)</u>
Net change in fund balances	<u>\$ 164,062</u>	<u>\$ 10,352</u>	360,330	<u>\$ 349,978</u>
FUND BALANCE:				
Beginning of year			<u>1,003,097</u>	
End of year			<u>\$ 1,363,427</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CFD 2022 Public Safety Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Charges for services	\$ 84,547	\$ 84,547	\$ 168,641	\$ 84,094
Investment income	-	-	2,196	2,196
Total revenues	<u>84,547</u>	<u>84,547</u>	<u>170,837</u>	<u>86,290</u>
EXPENDITURES:				
Current:				
Public works	-	2,911	2,780	131
Total expenditures	<u>-</u>	<u>2,911</u>	<u>2,780</u>	<u>131</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>84,547</u>	<u>81,636</u>	<u>168,057</u>	<u>86,421</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(84,547)	(84,547)	(42,274)	42,273
Total other financing sources (uses)	<u>(84,547)</u>	<u>(84,547)</u>	<u>(42,274)</u>	<u>42,273</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (2,911)</u>	<u>125,783</u>	<u>\$ 128,694</u>
FUND BALANCE:				
Beginning of year			-	
End of year			<u>\$ 125,783</u>	

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CUSTODIAL FUNDS

City of Patterson
Combining Statement of Fiduciary Net Position
Fiduciary Funds - Custodial Funds
June 30, 2025

	CFD 2001-1 West Patterson Financing Authority	CFD 2005-1 West Patterson Business Park	CFD 2015-1 Arambel-KDN	Heartland Ranch 2013
ASSETS				
Cash and investments	\$ 3,525,505	\$ 83,590	\$ -	\$ 441,562
Restricted cash and investments	-	186,219	-	-
Cash and investments with fiscal agents	228,169	8,953,084	429,721	230,691
Accounts receivable	4,777	7,707	-	-
Intergovernmental receivable	47,092	73,087	-	1,681
Interest receivable	58,200	35,989	-	3,715
Notes receivable	936,509	-	-	-
Total assets	4,800,252	9,339,676	429,721	677,649
LIABILITIES				
Accounts payable	-	3,420	1,154	-
Due to City	-	-	47,530	-
Total liabilities	-	3,420	48,684	-
NET POSITION				
Restricted for:				
Individuals, organizations, and other governments	4,800,252	9,336,256	381,037	677,649
Total net position	\$ 4,800,252	\$ 9,336,256	\$ 381,037	\$ 677,649

City of Patterson
Combining Statement of Fiduciary Net Position (Continued)
Fiduciary Funds - Custodial Funds
June 30, 2025

	CFD 2022-2 West Patterson Baldwin Ranch	CFD 2018-1 VOP Infrastructure	Total
ASSETS			
Cash and investments	\$ 288,064	\$ 933,662	\$ 5,272,383
Restricted cash and investments	-	-	186,219
Cash and investments with fiscal agents	-	9,848,248	19,689,913
Accounts receivable	181	661	13,326
Intergovernmental receivable	1,810	6,290	129,960
Interest receivable	2,424	7,863	108,191
Notes receivable	-	-	936,509
Total assets	292,479	10,796,724	26,336,501
LIABILITIES			
Accounts payable	-	3,330	7,904
Due to City	-	-	47,530
Total liabilities	-	3,330	55,434
NET POSITION			
Restricted for:			
Individuals, organizations, and other governments	292,479	10,793,394	26,281,067
Total net position	\$ 292,479	\$ 10,793,394	\$ 26,281,067

City of Patterson
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Custodial Funds
For the Year Ended June 30, 2025

	CFD 2001-1 West Patterson Financing Authority	CFD 2005-1 West Patterson Business Park	CFD 2015-1 Arambel-KDN	Heartland Ranch 2013
ADDITIONS:				
Special assessments for other governments	\$ 5,038,595	\$ 1,157,338	\$ 304,262	\$ 382,578
Developer fees for other governments	-	-	-	-
Investment income	280,976	493,084	1,140	8,793
Total additions	5,319,571	1,650,422	305,402	391,371
DEDUCTIONS:				
Administration	18,443	15,146	5,553	32,739
Payments on conduit bonds - principal	2,093,122	155,000	60,000	-
Payments on conduit bonds - interest	3,287,147	651,900	237,588	-
Projects payments	-	-	-	-
Contributions to City	2,130,117	2,738,130	-	304,054
Total deductions	7,528,829	3,560,176	303,141	336,793
Changes in net position	(2,209,258)	(1,909,754)	2,261	54,578
NET POSITION:				
Beginning of year	7,009,510	11,246,010	378,776	623,071
End of year	\$ 4,800,252	\$ 9,336,256	\$ 381,037	\$ 677,649

City of Patterson
Combining Statement of Changes in Fiduciary Net Position (Continued)
Fiduciary Funds - Custodial Funds
For the Year Ended June 30, 2025

	CFD 2022-2 West Patterson Baldwin Ranch	CFD 2018-1 VOP Infrastructure	Total
ADDITIONS:			
Special assessments for other governments	\$ 301,777	\$ 888,146	\$ 8,072,696
Developer fees for other governments	-	3,377	3,377
Investment income	5,013	684,095	1,473,101
Total additions	306,790	1,575,618	9,549,174
DEDUCTIONS:			
Administration	14,311	1,212,751	1,298,943
Payments on conduit bonds - principal	-	65,000	2,373,122
Payments on conduit bonds - interest	-	711,094	4,887,729
Projects payments	-	-	-
Contributions to City	-	955	5,173,256
Total deductions	14,311	1,989,800	13,733,050
Changes in net position	292,479	(414,182)	(4,183,876)
NET POSITION:			
Beginning of year	-	11,207,576	30,464,943
End of year	\$ 292,479	\$ 10,793,394	\$ 26,281,067

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STATISTICAL SECTION

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STATISTICAL SECTION

The Statistical Section provides financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to financial statements, and required supplementary information to understand and assess a government's economic condition.

The Statistical Section is required by the Governmental Accounting Standards Board (GASB) to be reported in the following sections:

<u>Contents</u>	<u>Page</u>
Financial Trends Information	164
Helps readers understand how the City's financial position and well-being have changed over time.	
Revenue Capacity Information	174
Helps readers understand and assess the City's ability to generate its own sources of revenue, the most significant local revenue source being sales and use tax.	
Debt Capacity Information	188
Helps readers understand and assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	190
Helps readers understand the socioeconomic environment within which the City's financial activities take place, and provides information to facilitate comparisons of financial statement information over time and among other governments.	
Operating Information	192
Information about the City's operations and resources to help readers use financial information to understand and assess the related services the City provides and the activities it performs.	

City of Patterson
Table 1
Net Position by Classification
Last Ten Fiscal Years

	Fiscal Year				
	2025	2024	2023	2022	2021
Governmental activities:					
Net investment in capital assets	\$ 71,809,745	\$ 67,129,360	\$ 67,681,454	\$ 61,241,920	\$ 59,507,530
Restricted	38,458,402	28,261,493	14,864,418	15,315,965	14,976,923
Unrestricted net position (deficit)	14,900,010	9,752,527	6,606,051	9,993,088	413,664
Total Net Position	\$ 125,168,157	\$ 105,143,380	\$ 89,151,923	\$ 86,550,973	\$ 74,898,117
Business-type activities:					
Net investment in capital assets	\$ 46,633,775	\$ 48,241,694	\$ 49,988,310	\$ 36,458,905	\$ 36,978,338
Restricted	7,817,964	3,219,807	3,137,525	3,133,590	3,133,810
Unrestricted net position (deficit)	898,415	(3,448,538)	(4,650,588)	4,888,385	2,943,625
Total Net Position	\$ 55,350,154	\$ 48,012,963	\$ 48,475,247	\$ 44,480,880	\$ 43,055,773
Primary Government:					
Net investment in capital assets	\$ 118,443,520	\$ 115,371,054	\$ 117,669,764	\$ 97,700,825	\$ 96,485,868
Restricted	46,276,366	31,481,300	18,001,943	18,449,555	18,110,733
Unrestricted net position (deficit)	15,798,425	6,303,989	1,955,463	14,881,473	3,357,289
Total Net Position	\$ 180,518,311	\$ 153,156,343	\$ 137,627,170	\$ 131,031,853	\$ 117,953,890

Note: Some prior year balances may have been restated from previous financial statements to reflect the new GASB implementations or prior period reinstatements

Source: City of Patterson Finance Department

City of Patterson
Table 1
Net Position by Classification (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	2020	2019	2018	2017	2016
Governmental activities:					
Net investment in capital assets	\$ 61,274,713	\$ 60,390,350	\$ 60,721,785	\$ 55,621,936	\$ 55,756,984
Restricted	10,752,749	11,572,138	8,385,204	6,391,176	5,270,127
Unrestricted net position (deficit)	(5,182,490)	(7,892,944)	(4,612,193)	1,816,668	1,909,873
Total Net Position	\$ 66,844,972	\$ 64,069,544	\$ 64,494,796	\$ 63,829,780	\$ 62,936,984
Business-type activities:					
Net investment in capital assets	\$ 37,930,411	\$ 37,746,179	\$ 37,346,159	\$ 38,857,716	\$ 35,232,028
Restricted	983,202	469,817	469,905	-	4,102,582
Unrestricted net position (deficit)	4,536,071	2,567,625	(77,313)	517,319	1,250,675
Total Net Position	\$ 43,449,684	\$ 40,783,621	\$ 37,738,751	\$ 39,375,035	\$ 40,585,285
Primary Government:					
Net investment in capital assets	\$ 99,205,124	\$ 98,136,529	\$ 98,067,944	\$ 94,479,652	\$ 90,989,012
Restricted	11,735,951	12,041,955	8,855,109	6,391,176	9,372,709
Unrestricted net position (deficit)	(646,419)	(5,325,319)	(4,689,506)	2,333,987	3,160,548
Total Net Position	\$ 110,294,656	\$ 104,853,165	\$ 102,233,547	\$ 103,204,815	\$ 103,522,269

Note: Some prior year balances may have been restated from previous financial statements to reflect the new GASB implementations or prior period reinstatements

Source: City of Patterson Finance Department

City of Patterson
Table 2
Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year				
	2025	2024	2023	2022	2021
Expenses					
Governmental activities:					
General government	\$ 11,528,038	\$ 7,749,472	\$ 10,196,494	\$ 3,280,417	\$ 4,196,700
Police	4,923,683	7,117,215	6,739,695	5,909,652	5,859,954
Fire	7,230,454	7,115,407	6,294,195	5,402,965	5,592,559
Community development and planning	2,401,299	2,314,006	2,329,664	1,959,595	1,829,511
Public works	7,419,249	6,537,838	8,127,788	4,270,332	5,414,262
Parks and recreation	4,079,397	4,312,372	3,959,583	2,321,417	2,747,819
Interest and fiscal charges	2,804,188	3,611,271	3,905,165	6,142,450	3,818,561
Total governmental activities	\$ 40,386,308	\$ 38,757,581	\$ 41,552,584	\$ 29,286,828	\$ 29,459,366
Business-type activities:					
Water	\$ 7,123,292	\$ 6,643,380	\$ 7,594,552	\$ 4,019,102	\$ 5,056,402
Sewer	7,964,893	7,518,474	7,506,130	4,709,466	5,532,181
Garbage	4,179,824	4,116,413	3,422,477	3,152,032	2,774,714
Total business-type activities	\$ 19,268,009	\$ 18,278,267	\$ 18,523,159	\$ 11,880,600	\$ 13,363,297
Total expenses	\$ 59,654,317	\$ 57,035,848	\$ 60,075,743	\$ 41,167,428	\$ 42,822,663
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 201,817	\$ 369,569	\$ 338,534	\$ 274,622	\$ 553,126
Police	119,765	163,852	87,704	153,959	177,795
Fire	2,682,969	2,944,815	2,216,509	2,058,970	1,965,540
Community development and planning	3,704,949	2,815,452	780,969	984,408	796,707
Public works	3,671,599	3,189,913	1,323,138	1,399,256	961,761
Parks and recreation	924,284	1,451,244	2,403,693	2,330,698	2,463,997
Operating grants and contributions	8,635,246	5,561,697	3,200,329	5,918,650	3,564,498
Capital grants and contributions	8,926,451	4,449,223	9,699,274	3,494,698	4,333,162
Total governmental activities	\$ 28,867,080	\$ 20,945,765	\$ 20,050,150	\$ 16,615,261	\$ 14,816,586
Business-type activities:					
Water	\$ 8,993,088	\$ 7,671,454	\$ 7,269,812	\$ 6,755,521	\$ 6,336,607
Sewer	6,974,129	6,335,105	5,431,483	4,716,644	4,440,546
Garbage	4,604,826	4,564,116	4,127,989	3,878,211	3,577,780
Operating grants and contributions	-	-	-	33,872	-
Capital grants and contributions	4,267,115	975,414	6,156,519	81,253	-
Total business-type Activities	\$ 24,839,158	\$ 19,546,089	\$ 22,985,803	\$ 15,465,501	\$ 14,354,933
Total program revenues	\$ 53,706,238	\$ 40,491,854	\$ 43,035,953	\$ 32,080,762	\$ 29,171,519
Net (Expense) Program Revenues					
Governmental activities	\$ (11,519,228)	\$ (17,811,816)	\$ (21,502,434)	\$ (12,671,567)	\$ (14,642,780)
Business-type activities	5,571,149	1,267,822	4,462,644	3,584,901	991,636
Total Primary Government	\$ (5,948,079)	\$ (16,543,994)	\$ (17,039,790)	\$ (9,086,666)	\$ (13,651,144)

City of Patterson
Table 2
Changes in Net Position (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	2020	2019	2018	2017	2016
Expenses					
Governmental activities:					
General government	\$ 4,514,103	\$ 3,167,076	\$ 3,328,847	\$ 2,259,261	\$ 2,003,932
Police	5,838,153	6,711,694	6,880,924	4,458,567	4,156,842
Fire	5,367,429	4,937,738	2,699,018	3,532,864	3,594,435
Community development and planning	2,084,354	2,523,052	1,724,146	3,024,928	1,258,725
Public works	4,687,210	4,455,175	4,790,738	2,631,811	4,652,522
Parks and recreation	4,536,510	4,618,872	4,473,167	3,277,134	2,696,555
Interest and fiscal charges	3,942,429	4,360,669	3,847,304	3,955,958	3,935,590
Total governmental activities	\$ 30,970,188	\$ 30,774,276	\$ 27,744,144	\$ 23,140,523	\$ 22,298,601
Business-type activities:					
Water	\$ 5,404,924	\$ 4,561,024	\$ 4,917,985	\$ 4,481,750	\$ 3,567,751
Sewer	5,533,806	5,287,098	5,297,929	4,893,962	4,221,112
Garbage	2,912,990	2,545,016	2,397,523	2,310,200	2,080,840
Total business-type activities	\$ 13,851,720	\$ 12,393,138	\$ 12,613,437	\$ 11,685,912	\$ 9,869,703
Total expenses	\$ 44,821,908	\$ 43,167,414	\$ 40,357,581	\$ 34,826,435	\$ 32,168,304
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 374,895	\$ 653,327	\$ 4,797	\$ 678,608	\$ 108,119
Police	86,776	198,638	300,973	218,337	268,929
Fire	1,741,172	1,620,028	720,761	587,593	413,973
Community development and planning	810,870	530,975	65,114	645,985	390,721
Public works	968,384	920,656	2,362,593	2,161,045	2,000,190
Parks and recreation	1,890,773	1,763,473	1,690,041	1,481,692	1,804,685
Operating grants and contributions	2,040,401	2,064,434	2,767,848	1,590,404	998,122
Capital grants and contributions	3,609,391	2,262,266	1,877,817	1,112,733	342,867
Total governmental activities	\$ 11,522,662	\$ 10,013,797	\$ 9,789,944	\$ 8,476,397	\$ 6,327,606
Business-type activities:					
Water	\$ 5,660,058	\$ 4,764,097	\$ 4,197,555	\$ 3,680,373	\$ 3,389,473
Sewer	4,610,985	4,665,525	4,344,858	4,011,227	3,855,492
Garbage	3,378,155	3,228,053	3,079,843	2,921,089	2,800,845
Operating grants and contributions	-	34,318	68,852	701,283	-
Capital grants and contributions	8,493	-	-	-	(1,582)
Total business-type Activities	\$ 13,657,691	\$ 12,691,993	\$ 11,691,108	\$ 11,313,972	\$ 10,044,228
Total program revenues	\$ 25,180,353	\$ 22,705,790	\$ 21,481,052	\$ 19,790,369	\$ 16,371,834
Net (Expense) Program Revenues					
Governmental activities	\$ (19,447,526)	\$ (20,760,479)	\$ (17,954,200)	\$ (14,664,126)	\$ (15,970,995)
Business-type activities	(194,029)	298,855	(922,329)	(371,940)	174,525
Total Primary Government	\$ (19,641,555)	\$ (20,461,624)	\$ (18,876,529)	\$ (15,036,066)	\$ (15,796,470)

City of Patterson
Table 2
Changes in Net Position (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	2025	2024	2023	2022	2021
General Revenues:					
Governmental activities:					
Taxes:					
Property tax	\$ 8,685,386	\$ 8,141,486	\$ 7,381,341	\$ 6,466,296	\$ 6,196,152
Sales tax	12,590,086	14,549,483	12,842,865	12,317,056	10,029,499
Franchise tax	207,841	241,771	247,538	193,226	222,803
Motor vehicle in lieu*	-	-	-	-	-
Other taxes	230,103	271,762	308,014	277,779	248,158
Use of money and property	-	-	-	-	-
Investment earnings	6,050,686	4,647,090	735,910	(474,168)	3,442,805
Revenue from Fiduciary Fund	2,781,220	2,409,468	4,004,069	-	527,556
Miscellaneous	879,315	818,875	-	6,277,085	379,911
Transfers	1,125,724	2,723,338	617,936	-	1,649,041
Special / Extraordinary item	-	-	2,939,075	-	-
Total governmental activities	\$ 32,550,361	\$ 33,803,273	\$ 29,076,748	\$ 25,057,274	\$ 22,695,925
Business-type activities:					
Investment earnings	\$ 952,560	\$ 797,750	\$ 462,486	\$ 3,208,319	\$ 43,762
Revenue from Fiduciary Fund	2,392,036	135,683	1,472,643	518,052	155,744
Miscellaneous	37,744	59,799	49,137	1,366,103	63,988
Transfers	(1,125,724)	(2,723,338)	(2,939,075)	2,306,094	(1,649,041)
Total business-type activities	\$ 2,256,616	\$ (1,730,106)	\$ (954,809)	\$ 7,398,568	\$ (1,385,547)
Total general revenues	\$ 34,806,977	\$ 32,073,167	\$ 28,121,939	\$ 32,455,842	\$ 21,310,378
Change in Net Position					
Governmental activities	\$ 21,031,133	\$ 15,991,457	\$ 7,574,314	\$ 6,094,327	\$ 8,053,145
Business-type activities:	7,827,765	(462,284)	3,507,835	(2,872,483)	(393,911)
Total	\$ 28,858,898	\$ 15,529,173	\$ 11,082,149	\$ 3,221,844	\$ 7,659,234

*In 2021, the City started grouping the motor vehicle in lieu revenue with property tax.

City of Patterson
Table 2
Changes in Net Position (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	2020	2019	2018	2017	2016
General Revenues:					
Governmental activities:					
Taxes:					
Property tax	\$ 3,621,765	\$ 3,386,596	\$ 3,417,541	\$ 3,414,365	\$ 3,172,489
Sales tax	6,840,520	5,837,364	5,027,535	5,502,627	5,045,260
Franchise tax	211,963	205,047	206,354	274,792	188,834
Motor vehicle in lieu*	2,267,086	2,089,248	1,947,375	1,844,519	1,693,793
Other taxes	162,436	136,047	717,288	137,847	549,654
Use of money and property	-	473,114	-	-	4,530,279
Investment earnings	4,145,959	4,179,507	4,515,819	4,312,058	6,075,652
Revenue from Fiduciary Fund	2,387,683	1,745,012	1,681,843	-	-
Miscellaneous	896,921	1,038,772	203,070	633,427	188,402
Transfers	1,642,806	1,290,335	1,271,753	895,861	1,371,990
Special / Extraordinary item	-	-	-	-	-
Total governmental activities	\$ 22,177,139	\$ 20,381,042	\$ 18,988,578	\$ 17,015,496	\$ 22,816,353
Business-type activities:					
Investment earnings	\$ 205,023	\$ 171,436	\$ 74,144	\$ 31,002	\$ 14,451
Revenue from Fiduciary Fund	1,648,115	3,850,536	500,786	-	-
Miscellaneous	2,649,760	14,378	64,483	26,549	-
Transfers	(1,642,806)	(1,290,335)	(1,271,753)	(895,861)	(1,371,990)
Total business-type activities	\$ 2,860,092	\$ 2,746,015	\$ (632,340)	\$ (838,310)	\$ (1,357,539)
Total general revenues	\$ 25,037,231	\$ 23,127,057	\$ 18,356,238	\$ 16,177,186	\$ 21,458,814
Change in Net Position					
Governmental activities	\$ 2,729,613	\$ (379,437)	\$ 1,034,378	\$ 2,351,370	\$ 6,845,358
Business-type activities:	2,666,063	3,044,870	(1,554,669)	(1,210,250)	(1,183,014)
Total	\$ 5,395,676	\$ 2,665,433	\$ (520,291)	\$ 1,141,120	\$ 5,662,344

*In 2021, the City started grouping the motor vehicle in lieu revenue with property tax.

City of Patterson
Table 3
Fund Balance, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year				
	2025	2024	2023	2022	2021
FUND BALANCES:					
General Fund					
Nonspendable	\$ 300,684	\$ 249,161	\$ 138,149	\$ 138,586	\$ 106,172
Restricted	737,315	624,198	560,761	360,498	360,498
Committed	12,113,995	10,759,106	9,838,576	3,762,470	3,762,470
Assigned	3,377,057	7,449,656	6,236,338	2,896,296	2,896,296
Unassigned	6,600,479	5,184,572	1,389,339	12,651,739	6,589,826
Total General Fund	\$ 23,129,530	\$ 24,266,693	\$ 18,163,163	\$ 19,809,589	\$ 13,715,262
All Other Governmental Funds					
Nonspendable	\$ 233,300	\$ 252,049	\$ 6,596	\$ 138,586	\$ 3,338
Restricted	87,989,116	81,245,044	72,309,934	75,829,140	75,922,386
Committed	17,586,312	14,550,061	10,364,796	13,042,711	7,173,724
Assigned	-	-	-	2,935,856	38,865
Unassigned (deficit)	(25,395)	(4,582,122)	(4,469,077)	8,607,342	(3,567,982)
Total All Other Governmental Funds	\$ 105,783,333	\$ 91,465,032	\$ 78,212,249	\$ 100,553,635	\$ 79,570,331
Total Fund Balance	\$ 128,912,863	\$ 115,731,725	\$ 96,375,412	\$ 120,363,224	\$ 93,285,593

City of Patterson
Table 3
Fund Balance, Governmental Funds (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	2020	2019	2018	2017	2016
FUND BALANCES:					
General Fund					
Nonspendable	\$ 104,997	\$ 84,466	\$ 73,526	\$ 68,630	\$ 78,491
Restricted	344,809	290,150	146,789	144,229	51,773
Committed	3,751,813	3,725,949	3,658,050	3,642,337	3,626,143
Assigned	2,889,800	2,879,593	2,883,371	2,879,809	1,879,546
Unassigned	1,984,909	1,192,981	873,038	1,502,483	1,564,376
Total General Fund	\$ 9,076,328	\$ 8,173,139	\$ 7,634,774	\$ 8,237,488	\$ 7,200,329
All Other Governmental Funds					
Nonspendable	\$ -	\$ -	\$ 2,865	\$ 574	\$ -
Restricted	75,515,298	74,293,766	75,770,466	76,995,568	78,162,371
Committed	4,986,655	4,905,500	4,905,500	6,016,084	5,734,508
Assigned	-	40,109	-	-	38,985
Unassigned (deficit)	(2,935,948)	(2,777,683)	(1,283,973)	(729,053)	(283,235)
Total All Other Governmental Funds	\$ 77,566,005	\$ 76,461,692	\$ 79,394,858	\$ 82,283,173	\$ 83,652,629
Total Fund Balance	\$ 86,642,333	\$ 84,634,831	\$ 87,029,632	\$ 90,520,661	\$ 90,852,958

City of Patterson
Table 4
Changes in Fund Balance of Governmental Funds
Last Ten Fiscal Years

	Fiscal Year				
	2025	2024	2023	2022	2021
Revenues:					
Taxes:					
Property	\$ 8,685,386	\$ 8,141,486	\$ 7,380,341	\$ 6,466,296	\$ 6,196,152
Sales	12,590,086	14,549,483	12,842,865	12,317,056	10,029,499
Franchise	207,841	241,771	247,538	193,226	222,803
Motor vehicle in lieu	-	-	-	-	-
Other	230,103	271,762	308,014	277,779	248,158
License, permits, and fees	6,830,080	7,853,941	2,564,469	3,760,608	3,872,859
Charges for current services	8,265,025	6,896,074	5,780,377	5,165,200	4,651,557
Intergovernmental	7,893,069	5,528,802	4,868,843	7,400,132	5,943,756
Fines, forfeitures and penalties	89,378	236,381	112,090	158,125	339,080
Investment earnings	6,380,884	4,908,897	4,001,071	2,779,382	3,528,985
Revenue from Fiduciary Fund	2,781,220	2,409,468	735,910	518,052	527,556
Miscellaneous revenues	699,915	631,503	714,667	658,984	393,511
Total Revenues	\$ 54,652,987	\$ 51,669,568	\$ 39,556,185	\$ 39,694,840	\$ 35,953,916
Expenditures:					
Current:					
General government	\$ 10,801,502	\$ 7,053,219	\$ 4,416,045	\$ 3,280,417	\$ 3,539,563
Police	4,758,882	7,054,677	6,542,712	5,909,652	5,410,959
Fire	6,723,752	6,615,410	6,037,410	5,402,965	5,289,020
Community development and planning	2,361,840	2,263,392	2,213,335	1,959,595	1,728,594
Public Works	4,859,035	4,355,004	4,920,769	4,270,332	3,899,114
Parks and recreation	3,289,446	3,488,259	3,046,238	2,321,417	1,878,060
Capital outlay	3,717,751	6,189,280	8,309,343	4,513,191	2,964,721
Debt service:					
Principal	3,053,088	59,316,490	2,879,858	2,444,648	2,427,337
Interest and fiscal charges	3,079,104	3,284,656	3,975,707	3,697,802	3,822,329
Total Expenditures	\$ 42,644,400	\$ 99,620,387	\$ 42,341,417	\$ 33,800,019	\$ 30,959,697
Excess (deficiency) of revenue over (under) expenditures	\$ 12,008,587	\$ (47,950,819)	\$ (2,785,232)	\$ 5,894,821	\$ 4,994,219
Other financing sources (uses)					
Proceeds from loan repayments	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds from bond issuance	-	54,370,000	-	59,040	-
Bond premium received	-	6,617,848	-	-	-
Proceeds from leases	-	77,971	464,205	-	-
Inception of finance purchase agreement	-	3,517,975	-	-	-
Inception of subscription agreement	46,827	-	-	-	-
Transfers in	14,336,247	5,225,574	7,693,815	3,469,860	6,985,786
Transfers out	(13,210,523)	(2,502,236)	(4,754,740)	(2,155,679)	(5,336,745)
Total Other Financing Sources	\$ 1,172,551	\$ 67,307,132	\$ 3,403,280	\$ 1,373,221	\$ 1,649,041
Net Change in Fund Balance	\$ 13,181,138	\$ 19,356,313	\$ 618,048	\$ 7,268,042	\$ 6,643,260
Debt Service as a Percentage of Non-capital Expenditure	15.72%	66.99%	20.30%	20.97%	22.32%

Source: City of Patterson Finance Department

City of Patterson
Table 4
Changes in Fund Balance of Governmental Funds (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	2020	2019	2018	2017	2016
Revenues:					
Taxes:					
Property	\$ 3,621,765	\$ 3,386,596	\$ 3,417,541	\$ 3,414,365	\$ 3,172,489
Sales	6,840,520	5,837,364	5,027,535	5,502,627	5,045,260
Franchise	211,963	205,047	206,354	274,792	188,834
Motor vehicle in lieu	2,267,086	2,089,248	1,947,375	1,844,519	1,693,793
Other	162,436	136,047	131,701	137,847	549,654
License, permits, and fees	2,135,391	1,360,937	2,055,853	1,791,391	983,115
Charges for current services	4,446,008	4,369,186	5,519,738	3,849,087	3,763,566
Intergovernmental	6,225,231	3,483,936	2,028,281	1,989,969	1,340,990
Fines, forfeitures and penalties	66,683	181,044	146,100	157,307	239,936
Investment earnings	4,152,528	4,198,697	4,535,040	4,312,058	4,530,279
Revenue from Fiduciary Fund	2,387,683	1,745,012	1,681,843	-	-
Miscellaneous revenues	981,021	1,189,088	355,285	612,457	188,402
Total Revenues	\$ 33,498,315	\$ 28,182,202	\$ 27,052,646	\$ 23,886,419	\$ 21,696,318
Expenditures:					
Current:					
General government	\$ 3,803,016	\$ 2,899,263	\$ 2,656,904	\$ 2,507,830	\$ 2,704,512
Police	5,373,752	5,374,098	6,377,259	4,218,306	4,290,965
Fire	5,057,265	4,696,647	2,437,226	3,574,689	3,274,834
Community development and planning	2,021,174	2,545,955	1,654,039	1,485,366	1,240,042
Public Works	3,323,065	3,267,381	3,707,312	2,874,435	2,691,886
Parks and recreation	3,713,674	4,014,566	3,719,906	2,466,882	1,940,339
Capital outlay	3,417,460	2,776,974	7,237,219	2,080,160	1,432,210
Debt service:					
Principal	2,476,386	2,225,040	2,250,465	2,060,273	1,765,836
Interest and fiscal charges	3,947,827	4,067,414	4,204,098	3,954,933	4,016,686
Total Expenditures	\$ 33,133,619	\$ 31,867,338	\$ 34,244,428	\$ 25,222,874	\$ 23,357,310
Excess (deficiency) of revenue over (under) expenditures	\$ 364,696	\$ (3,685,136)	\$ (7,191,782)	\$ (1,336,455)	\$ (1,660,992)
Other financing sources (uses)					
Proceeds from loan repayments	\$ -	\$ -	\$ -	\$ -	\$ 12,116
Proceeds from bond issuance	-	-	2,429,000	-	-
Bond premium received	-	-	-	-	-
Proceeds from leases	-	-	-	161,990	-
Inception of finance purchase agreement	-	-	-	-	-
Inception of subscription agreement	-	-	-	-	-
Transfers in	3,339,258	3,818,998	4,107,492	3,012,930	4,711,665
Transfers out	(1,696,452)	(2,528,663)	(2,835,739)	(2,117,069)	(3,339,675)
Total Other Financing Sources	\$ 1,642,806	\$ 1,290,335	\$ 3,700,753	\$ 1,057,851	\$ 1,384,106
Net Change in Fund Balance	\$ 2,007,502	\$ (2,394,801)	\$ (3,491,029)	\$ (278,604)	\$ (276,886)
Debt Service as a Percentage of Non-capital Expenditure	21.62%	21.63%	23.90%	25.99%	26.37%

Source: City of Patterson Finance Department

City of Patterson
Table 5
Tax Revenues by Source
Last Ten Fiscal Years

	Fiscal Year				
	2025	2024	2023	2022	2021
Revenues:					
Taxes:					
Property	\$ 8,685,386	\$ 8,141,486	\$ 7,381,341	\$ 6,466,296	\$ 6,196,152
Sales	12,590,086	14,549,483	12,842,865	12,317,056	10,029,499
Franchise	207,841	241,771	247,538	193,226	222,803
Motor vehicle in lieu*	-	-	-	-	-
Other	230,103	271,762	308,014	277,779	248,158
Total Taxes	\$ 21,713,416	\$ 23,204,502	\$ 20,779,758	\$ 19,254,357	\$ 16,696,612

*In 2021, the City started grouping the motor vehicle in lieu revenue with property tax.

Source: City of Patterson Finance Department

City of Patterson
Table 5
Tax Revenues by Source (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	2020	2019	2018	2017	2016
Revenues:					
Taxes:					
Property	\$ 3,621,765	\$ 3,386,596	\$ 3,417,541	\$ 2,931,682	\$ 3,172,489
Sales	6,840,520	5,837,364	5,027,535	5,502,627	5,045,260
Franchise	211,963	205,047	206,534	274,792	188,834
Motor vehicle in lieu	2,267,086	2,089,248	1,947,375	1,844,519	1,693,793
Other	162,436	136,047	131,701	137,847	549,654
Total Taxes	\$ 13,103,770	\$ 11,654,302	\$ 10,730,686	\$ 10,691,467	\$ 10,650,030

*In 2021, the City started grouping the motor vehicle in lieu revenue with property tax.

Source: City of Patterson Finance Department

City of Patterson
Table 6
Water Sold by Customer Type
Last Six Fiscal Years

Type of Customer	Fiscal Year					
	2025	2024	2023	2022	2021	2020
Residential*	\$ 1,098,565	\$ 1,023,340	\$ 1,020,933	\$ 1,065,086	\$ 1,146,893	\$ 1,095,305
Commercial/Industrial*	179,376	168,410	160,824	135,263	132,374	165,164
Irrigation*	509,277	403,161	321,211	411,831	450,848	444,466
Total*	\$ 1,787,218	\$ 1,594,911	\$ 1,502,968	\$ 1,612,180	\$ 1,730,115	\$ 1,704,935

Source: City of Patterson Finance Department

* Amounts in Cubic Feet

City of Patterson
Table 7
Water and Wastewater Utility Rates
Last Ten Fiscal Years

Fiscal Year	Water		Wastewater
	Monthly Base Rate	Additional Per 100cf**	Monthly Base Rate
2025	\$ 17.81	\$ 4.05	\$ 63.06
2024	17.46	3.97	59.49
2023	17.12	3.89	49.94
2022	16.79	3.86	49.94
2021	15.12	3.48	49.94
2020	13.62	3.14	49.94
2019	12.27	2.82	49.94
2018	11.06	2.54	44.44
2017	11.06	2.54	44.44
2016	11.04	2.76	41.92

100 cf = 100 cubic feet (748 gallons)

Rates are based on 3/4" meter, which is the standard household meter size.

**The Utility charges an excess use rate above normal demand.

FY2023 and FY2024 Water rates were corrected this year.

Source: City of Patterson Finance Department

City of Patterson
Table 8
City-Wide Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

	Fiscal Year				
	2015-16	2016-17	2017-18	2018-19	2019-20
Residential Property	\$ 1,067,738,189	\$ 1,125,435,937	\$ 1,221,805,158	\$ 1,336,735,402	\$ 1,420,672,172
Commercial Property	106,365,150	134,692,261	141,903,335	162,332,795	175,943,468
Industrial Property	278,228,208	461,416,004	460,796,304	464,865,277	470,160,844
Other Property	187,566,714	62,594,490	66,537,768	73,659,817	141,632,148
Unsecured Property	81,491,675	87,592,650	84,553,479	82,368,182	87,689,106
Less: Tax-Exempt Property	35,591,679	36,416,220	38,086,325	38,436,037	42,869,663
Taxable Assessed Value	<u>\$ 1,685,798,257</u>	<u>\$ 1,835,315,122</u>	<u>\$ 1,937,329,719</u>	<u>\$ 2,081,525,436</u>	<u>\$ 2,253,228,075</u>
Total Direct Tax Rate (1)	1.097113	1.095707	1.104825	1.106684	1.141246
Estimated Actual Taxable Value (2)	\$ 2,474,212,386	\$ 2,515,245,600	\$ 2,880,528,379	\$ 3,191,213,893	\$ 3,457,556,850
Factor of Taxable Assessed Value (2)	1.467680	1.370471	1.486855	1.533113	1.534490

Source: County Assessor data, MuniServices, LLC / Neumo

(1) Total Direct Tax Rate is represented by TRA 5-001

(2) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices.

Based on these calculations a factor was extrapolated and applied to current assessed values.

City of Patterson
Table 8
City-Wide Assessed Value and Estimated Actual Value of Taxable Property (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	2020-21	2021-22	2022-23	2023-24	2024-25
Residential Property	\$ 1,472,464,677	\$ 1,572,562,406	\$ 1,727,967,560	\$ 1,902,837,372	\$ 2,029,982,173
Commercial Property	201,385,521	213,310,784	236,429,368	245,997,504	271,715,398
Industrial Property	537,164,362	535,210,557	541,200,991	558,911,277	574,517,395
Other Property	113,983,444	126,040,766	150,812,186	223,032,283	291,132,202
Unsecured Property	83,230,002	82,516,633	82,171,485	97,076,853	94,938,906
Less: Tax-Exempt Property	44,893,026	57,029,494	57,996,914	64,414,026	67,841,543
Taxable Assessed Value	\$ 2,363,334,980	\$ 2,472,611,652	\$ 2,680,584,676	\$ 2,963,441,263	\$ 3,194,444,531
Total Direct Tax Rate (1)	1.136632	1.131314	1.125102	1.164085	1.167741
Estimated Actual Taxable Value (2)	\$ 2,968,433,744	\$ 4,764,749,852	\$ 4,558,931,744	\$ 6,494,406,767	\$ 9,372,666,365
Factor of Taxable Assessed Value (2)	1.256036	1.927011	1.700723	2.191509	2.934052

Source: County Assessor data, MuniServices, LLC / Neumo

(1) Total Direct Tax Rate is represented by TRA 5-001

(2) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices.

Based on these calculations a factor was extrapolated and applied to current assessed values.

City of Patterson
Table 9
Taxable Property by Use Code, City-Wide
Last Nine Fiscal Years

Category	Fiscal Year			
	2016-17	2017-18	2018-19	2019-20
Residential	\$ 1,125,435,937	\$ 1,221,805,158	\$ 1,336,735,402	\$ 1,420,672,172
Industrial	461,416,004	460,796,304	464,865,277	470,160,844
Commercial	134,692,261	141,903,335	162,332,795	175,943,468
Vacant	41,941,904	49,709,923	59,900,775	111,593,169
Agriculture	5,164,703	1,245,101	1,096,217	9,299,298
Unknown	14,009,788	14,548,636	11,793,401	14,729,866
Professional	-	-	-	-
Rural	1,337,947	712,923	727,181	5,866,493
Unitary	51,905	52,942	54,000	55,079
Miscellaneous	88,243	88,243	88,243	88,243
Institution	-	-	-	-
Gross Secured Value	\$ 1,784,138,692	\$ 1,890,862,565	\$ 2,037,593,291	\$ 2,208,408,632
Unsecured	\$ 87,592,650	\$ 84,553,479	\$ 82,368,182	\$ 87,689,106
Exemptions	36,416,220	38,086,325	38,436,037	42,869,663
Net Taxable Value	\$ 1,835,315,122	\$ 1,937,329,719	\$ 2,081,525,436	\$ 2,253,228,075

Source: County Assessor data, MuniServices, LLC / Neumo

City of Patterson
Table 9
Taxable Property by Use Code, City-Wide (Continued)
Last Nine Fiscal Years

Category	Fiscal Year				
	2020-21	2021-22	2022-23	2023-24	2024-25
Residential	\$ 1,472,464,677	\$ 1,572,562,406	\$ 1,727,967,560	\$ 1,902,837,372	\$ 2,029,982,173
Industrial	537,164,362	535,210,557	541,200,991	558,911,277	574,517,395
Commercial	201,385,521	213,310,784	236,429,368	245,997,504	271,715,398
Vacant	79,088,199	91,050,322	116,283,431	186,921,093	252,581,362
Agriculture	18,838,976	19,138,532	12,713,957	13,300,143	10,762,920
Unknown	14,082,823	13,859,051	19,784,066	20,801,687	22,125,868
Professional	-	-	-	-	3,527,827
Rural	1,818,114	1,836,948	1,873,685	1,911,156	2,030,436
Unitary	56,180	56,761	57,895	39,152	43,557
Miscellaneous	99,152	99,152	99,152	59,052	60,232
Institution	-	-	-	-	-
Gross Secured Value	\$ 2,324,998,004	\$ 2,447,124,513	\$ 2,656,410,105	\$ 2,930,778,436	\$ 3,167,347,168
Unsecured	\$ 83,230,002	\$ 82,516,633	\$ 82,171,485	\$ 97,076,853	\$ 94,938,906
Exemptions	44,893,026	57,029,494	57,996,914	64,414,026	67,841,543
Net Taxable Value	\$ 2,363,334,980	\$ 2,472,611,652	\$ 2,680,584,676	\$ 2,963,441,263	\$ 3,194,444,531

Source: County Assessor data, MuniServices, LLC / Neumo

City of Patterson
Table 10
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

	Fiscal Year									
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Basic City and County Levy:										
City of Patterson	0.188770	0.188770	0.188770	0.188770	0.188770	0.188770	0.188770	0.188770	0.188770	0.188770
All Others:										
County General Fund	0.241442	0.241442	0.241442	0.241442	0.241442	0.241442	0.241442	0.241442	0.241442	0.241442
Co Supt of Schools	0.003947	0.003947	0.003947	0.003947	0.003947	0.003947	0.003947	0.003947	0.003947	0.003947
County Fire Service	0.005658	0.005658	0.005658	0.005658	0.005658	0.005658	0.005658	0.005658	0.005658	0.005658
Patterson Cemetery	0.007696	0.007696	0.007696	0.007696	0.007696	0.007696	0.007696	0.007696	0.007696	0.007696
Patterson Hospital District	0.034410	0.034410	0.034410	0.034410	0.034410	0.034410	0.034410	0.034410	0.034410	0.034410
Turlock Mosquito Abatement	0.011318	0.011318	0.011318	0.011318	0.011318	0.011318	0.011318	0.011318	0.011318	0.011318
Patterson Unified School District	0.386426	0.386426	0.386426	0.386426	0.386426	0.386426	0.386426	0.386426	0.386426	0.386426
Yosemite Community College	0.070620	0.070620	0.070620	0.070620	0.070620	0.070620	0.070620	0.070620	0.070620	0.070620
County School Service Fund	0.020908	0.020908	0.020908	0.020908	0.020908	0.020908	0.020908	0.020908	0.020908	0.020908
Schools-equalization aid	0.018355	0.018355	0.018355	0.018355	0.018355	0.018355	0.018355	0.018355	0.018355	0.018355
Schools-tuition	0.010450	0.010450	0.010450	0.010450	0.010450	0.010450	0.010450	0.010450	0.010450	0.010450
TOTAL	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Override Assessments										
Patterson U - 1996	0.010596	0.010415	0.009953	0.009910	0.008517	0.007773	0.009910	0.000000	0.000000	0.000000
Patterson U - 01A	0.043932	0.043952	0.042364	0.042913	0.037489	0.034404	0.042913	0.030812	0.024990	0.023072
Patterson U - 01B	0.007974	0.007850	0.000000	0.000000	0.009804	0.007718	0.000000	0.007859	0.007317	0.007107
Patterson U - 2008A	0.007691	0.010456	0.010179	0.011078	0.009759	0.009435	0.011078	0.009993	0.009547	0.009575
Patterson U - 2016 GO Ref	0.000000	0.000000	0.018261	0.016809	0.005718	0.006936	0.016809	0.006695	0.006199	0.005845
Patterson U - 2018A	0.000000	0.000000	0.000000	0.000000	0.046179	0.047588	0.000000	0.046326	0.042528	0.040194
Patterson 2022 GOB Series A	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.050396	0.055704
YCCD 2005 A	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
YCCD 2007 C	0.011618	0.009190	0.007585	0.009093	0.008839	0.008883	0.009093	0.009875	0.010324	0.010354
YCCD 2010 D	0.000467	0.000459	0.000359	0.000410	0.000405	0.000425	0.000410	0.000000	0.000000	0.000000
YCCD 2012 Ref	0.008285	0.008500	0.008753	0.007962	0.007286	0.006554	0.007962	0.000000	0.000000	0.000000
YCCD 2015 Ref	0.006550	0.004885	0.007371	0.008509	0.007250	0.006916	0.008509	0.000000	0.000489	0.000000
Yosemite 2020 GOB Series A	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Yosemite 2020 GOB Series B	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.006848	0.006385	0.006804
Yosemite 2022 GOB Refunding	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.006694	0.005910	0.009086
TOTAL	0.097113	0.095707	0.104825	0.106684	0.141246	0.136632	0.106684	0.125102	0.164085	0.167741
TOTAL TAX RATE	1.097113	1.095707	1.104825	1.106684	1.141246	1.136632	1.106684	1.125102	1.164085	1.167741

Source: County Assessor data, MuniServices, LLC / Neumo

TRA 5-001 is represented for this report

*In 1978, California voters enacted Proposition 13 which held property taxes to 1% of the assessed value. Taxing entity's do not impose mileage rates but instead receive a share of the total 1% tax.

City of Patterson
Table 11
Principal Property Tax Payers
Last Fiscal Year and Nine Years Ago

Taxpayer	2024-25		2015-16	
	Taxable Value (\$)	Percent of Total City Taxable Value (%)	Taxable Value (\$)	Percent of Total City Taxable Value (%)
WR Griffin Patterson LLC	\$ 114,008,359	3.57%	\$ 43,746,431	2.59%
W W Grainger Inc	99,800,058	3.12%	95,450,426	5.66%
Bit Holdings Seventy-Seven Inc	85,883,355	2.69%		
Longs Drug Stores California Inc	66,897,710	2.09%	59,485,160	3.53%
Westcore Alpha Patterson LLC	62,706,964	1.96%		
SBN V AG I LLC	50,084,123	1.57%		
Kohl's Department Stores Inc	41,320,720	1.29%	41,564,600	2.47%
Baldwin Ranch Development LLC	35,501,611	1.11%		
LBA RV-Company XVII LP	32,975,143	1.03%		
Amazon.Com Services Inc	26,320,680	0.82%		
Wal-Mart Real Estate Business Trust	24,063,514	0.75%	25,249,872	1.50%
1151 Commerce LLC	17,958,630	0.56%		
Ramos John J & Brenda J	15,794,705	0.49%	8,714,984	0.52%
Sierra Pacific Refrig Serv Ltd	15,480,213	0.48%	13,248,285	0.79%
Eagle Valley Investments	14,823,956	0.46%		
Lennar Homes Of California LLC	14,174,573	0.44%		
Rogers Road LLC	13,999,032	0.44%		
Restoration Hardware Inc	12,931,120	0.40%		
Pilot Travel Centers LLC	12,598,602	0.39%		
Gill Hospitality LLC	10,602,237	0.33%		
Buzz Oates LLC	10,010,566	0.31%		
OT SM Owner C LLC	9,879,500	0.31%		
Sai Shiva LLC	9,742,058	0.30%		
US Real Estate Ltd. Partnership			65,127,942	3.86%
Golden State FC LLC			56,936,600	3.38%
Traina Pacific LLC			8,837,512	0.52%
Patterson Marketplace LLC			6,959,112	0.41%
Save Mart Supermarkets			5,070,344	0.30%
Arambel Jeffery E			4,910,656	0.29%
Ormond Peter M			4,407,670	0.26%
Gea Mechanical Equipment Us In			4,386,987	0.26%
Snider Paul H			4,071,645	0.24%
Proto			3,921,000	0.23%
Beth Christensen			3,863,780	0.23%
Patterson Plaza Assoc LLC			3,359,437	0.20%
525 Baldwin LLC			2,974,500	0.18%
Westside Property Mgmt			2,915,949	0.17%
Vop North LLC			2,737,145	0.16%
Total Top 25 Taxpayers	835,813,846	26.16%	511,986,459	30.37%
Total Taxable Value	3,194,444,531	100.00%	1,685,798,257	100.00%

Source: County Assessor data, MuniServices, LLC / Neumo

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City of Patterson
Table 12
Principal Sales Tax Producers
Last Fiscal Year and Nine Years Ago

2024-25		2015-16	
Taxpayer	Business Type	Taxpayer	Business Type
76	Service Stations	76	Service Stations
Alpine Truss	Light Industrial/Printers	AGI Farms	Food Service Equip/Supplies
Amazon Com Services	Fulfillment Centers	Chevron	Service Stations
Amazon MFA	Fulfillment Centers	Chevron Patterson	Service Stations
Arco AM PM	Service Stations	Del Don Chemical	Garden/Agricultural Supplies
Cali Kosher	Cannabis	Denny's	Casual Dining
Chevron	Service Stations	Jack in the Box	Quick-Service Restaurants
Chevron	Service Stations	JM Equipment	Warehse/Farm/Const. Equip.
Del Don Fertilizer Company	Garden/Agricultural Supplies	Kwik Serv Gas	Service Stations
Flying J Travel Plaza	Service Stations	Lowry Cardlock Fuel	Petroleum Prod/Equipment
Jack in the Box	Quick-Service Restaurants	McAuley Ford	New Motor Vehicle Dealers
JM Equipment	Warehse/Farm/Const. Equip.	McDonalds	Quick-Service Restaurants
Kwik Serv Gas	Service Stations	Phillin Station	Service Stations
Loves Travel Stop	Service Stations	Premier Packaging	Light Industrial Printers
Lowry Cardlock Fuel	Petroleum Prod/Equipment	Restoration Hardware	Fulfillment Centers
McAuley Ford	New Motor Vehicle Dealers	San Joaquin Equipment	Warehse/Farm/Const. Equip.
McDonalds	Quick-Service Restaurants	Save Mart Supermarket	Grocery Stores
O'Reilly Auto Parts	Automotive Supply Stores	Taco Bell	Quick-Service Restaurants
San Joaquin Equipment	Warehse/Farm/Const. Equip.	Thompson Chevrolet Buick	New Motor Vehicle Dealers
Save Mart Supermarket	Grocery Stores	True Value Hardware	Building Materials
Thompson Chevrolet Buick	New Motor Vehicle Dealers	Valero	Service Stations
Valero	Service Stations	WW Grainger	Electrical Equipment
WW Grainger	Electrical Equipment	Walgreens	Drug Stores
Walmart Supercenter	Discount Dept Stores	Walmart Supercenter	Discount Department Stores

Source: HdL Companies

City of Patterson
Table 13
Historical Sales Tax Amounts by Benchmark Year
Last Ten Fiscal Years

CATEGORY NAME	2016	2017	2018	2019	2020
All Other Outlets	\$ 592,368	\$ 597,886	\$ 567,498	\$ 536,620	\$ 934,427
Apparel Stores	597	774	526	1,116	894
Auto Dealers & Auto	104,804	123,336	123,204	111,997	113,273
Bldg. Matrl. & Farm	62,643	60,911	32,749	69,889	94,280
Drug Stores	8,922	9,318	4,655	23,628	17,646
Eating & Drinking Pl	58,015	56,766	56,023	74,473	51,621
Food Stores	16,884	14,235	13,203	13,447	11,203
Home Furnishings & A	9,228	12,564	10,601	9,814	12,462
General Merchandise	79,659	80,118	83,482	84,760	86,678
Other Retail Stores	3,345	3,495	5,543	4,237	-2,373
Packaged Liquor Store	997	8,353	4,945	2,877	6,607
Service Station	63,428	142,584	174,114	202,665	188,080
TOTAL	\$ 1,000,890	\$ 1,110,340	\$ 1,076,543	\$ 1,135,523	\$ 1,514,798

Source: HdL Companies

* HdL combined business type Packaged Liquor Stores with Convenience Stores in 2016 thus causing a spike in 2017 and forward.

City of Patterson
Table 13
Historical Sales Tax Amounts by Benchmark Year (Continued)
Last Ten Fiscal Years

CATEGORY NAME	2021		2022		2023		2024		2025	
All Other Outlets	\$	1,802,510	\$	1,556,150	\$	1,623,385	\$	1,508,510	\$	1,671,418
Apparel Stores		30		222		379		397		444
Auto Dealers & Auto		171,906		153,886		169,261		162,815		140,979
Bldg. Matrl. & Farm		145,119		112,958		92,400		76,710		85,594
Drug Stores		35,512		33,705		27,710		20,072		21,830
Eating & Drinking Pl		84,011		89,794		93,097		97,938		100,094
Food Stores		18,345		19,660		18,691		21,002		20,003
Home Furnishings & A		11,105		11,550		11,693		112,743		10,338
General Merchandise		98,236		93,077		91,890		96,776		92,160
Other Retail Stores		5,287		5,704		5,281		5,317		6,147
Packaged Liquor Store		7,165		6,372		6,126		6,837		6,519
Service Station		292,674		345,035		405,712		378,539		347,543
TOTAL	\$	2,671,900	\$	2,428,113	\$	2,545,625	\$	2,487,656	\$	2,503,069

Source: HdL Companies

* HdL combined business type Packaged Liquor Stores with Convenience Stores in 2016 thus causing a spike in 2017 and forward.

City of Patterson
Table 14
Ratio of Outstanding Debt By Type
Last Ten Fiscal Years

Governmental Activities							
Fiscal Year	Lease Revenue Bonds	Revenue Bonds	Settlement Payable	Finance Purchase Obligations	Lease Liability	Subscription-Based IT Arrangements	Total
2016	\$ -	\$ 75,999,122	\$ 676,000	\$ -	\$ -	\$ -	\$ 76,675,122
2017	-	74,197,073	364,000	128,967	128,967	-	74,819,007
2018	2,429,000	70,840,652	364,000	97,979	97,979	-	73,829,610
2019	2,303,118	68,801,769	364,000	66,170	66,170	-	71,601,227
2020	2,172,830	66,516,789	364,000	33,518	33,518	-	69,120,655
2021	2,037,982	64,286,264	364,000	-	-	-	66,688,246
2022	1,898,414	61,856,080	364,000	72,094	72,094	-	64,262,682
2023	1,753,961	59,316,898	1,697,355	420,639	420,639	57,903	63,667,395
2024	1,604,451	61,672,041	1,697,355	3,883,948	3,883,948	4,519	72,746,262
2025	1,449,708	59,002,671	1,697,355	3,212,855	237,700	35,169	65,635,458

Business-Type Activities					
Fiscal Year	Loans Payable	Public Offering Revenue Bonds	Private Placement Revenue Bonds	Settlement Payable	Total
2016	\$ 4,926,020	\$ 11,585,000	\$ -	\$ -	\$ 16,511,020
2017	4,538,540	11,300,000	-	-	15,838,540
2018	4,134,079	9,865,000	2,658,300	-	16,657,379
2019	3,889,225	8,565,000	2,630,800	-	15,085,025
2020	3,627,227	17,609,352	2,602,300	-	23,838,879
2021	3,040,868	17,176,312	2,572,900	-	22,790,080
2022	3,046,581	16,728,271	2,542,500	-	22,317,352
2023	3,388,219	16,265,229	2,511,000	1,123,211	23,287,659
2024	5,754,982	15,787,188	2,478,400	1,123,211	25,143,781
2025	7,433,258	15,384,146	2,349,700	1,123,211	26,290,315

Fiscal Year	Total Primary Government	Percentage of Personal Income	Per Capita
2016	\$ 93,186,142	21.37%	\$ 4,125
2017	90,657,547	19.70%	3,983
2018	90,486,989	17.95%	3,860
2019	86,686,252	16.07%	3,645
2020	92,959,534	17.07%	4,027
2021	89,478,326	15.08%	3,840
2022	86,580,034	13.10%	3,550
2023	86,955,054	13.10%	3,556
2024	97,890,043	11.17%	3,949
2025	91,925,773	9.32%	3,554

See Demographic and Economic Statistics for personal income and population data. Additional information can be found in Note 8 to the basic financial statements. Revenue Bond Information for FY2023 has been corrected compared to past filings. In prior filings, Leases and Subscriptions were reported together. In FY2024, these amounts have been separated.

City of Patterson
Table 15
Direct and Overlapping Governmental Activities Debt

Total 2024-25 Assessed Valuation: \$3,213,011,331

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	Total Debt 6/30/2025	% Applicable (1)	City's Share of Debt 6/30/2025
Yosemite Community College District	\$ 229,290,111.0	3.425%	\$ 7,853,186
Patterson Joint Unified School District	57,733,238	72.986%	42,137,181
City of Patterson Community Facilities District No. 2005-1	15,535,000	100.000%	15,535,000
City of Patterson Community Facilities District No. 2015-1	4,500,000	100.000%	4,500,000
City of Patterson Community Facilities District No. 2018-1	15,225,000	100.000%	15,225,000
City of Patterson PFA Revenue Bonds (Plus Bond Premium)	59,002,671	100.000%	59,002,671
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT	\$ 381,286,020		\$ 144,253,038
 <u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Stanislaus County Certificates of Participation	\$ 3,450,000	4.613%	\$ 159,149
Patterson Joint Unified School District General Fund Obligations	9,600,000	72.986%	7,006,656
City of Patterson Lease Revenue Bonds	1,449,708	100.000%	1,449,708
Finance Purchase Agreements	3,212,855	100.000%	3,212,855
Lease Liability	249,348	100.000%	237,700
Subscription Liability	35,169	100.000%	35,169
Settlement Liability	1,697,355	100.000%	1,697,355
Turlock Mosquito and Vector Control District Pension Obligation Bonds	1,137,375	11.225%	127,670
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT	\$ 20,831,810		\$ 13,926,262
 TOTAL DIRECT DEBT			 \$ 65,635,458
TOTAL OVERLAPPING DEBT			\$ 92,543,842
 COMBINED TOTAL DEBT			 \$ 158,179,300

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

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

Ratios to 2024-25 Assessed Valuation:

Direct Debt (\$59,002,671)	1.84%
Total Direct and Overlapping Tax and Assessment Debt	4.49%
Total Direct Debt (\$65,635,458)	2.04%
Combined Total Debt	4.92%

Source: Avenu Insights & Analytics & City of Patterson Finance Department

City of Patterson
Table 16
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	City Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Median Age (4)	**Public School Enrollment	County Unemployment Rate (%) (3)	City Unemployment Rate (%) (3)	County Population (1)
2015-16	22,590	\$ 436,077,360	\$ 19,304	30.5	6,031	9.5%	9.0%	540,214
2016-17	22,730	459,580,598	20,219	30.5	6,083	8.5%	8.1%	548,057
2017-18	23,414	503,526,733	21,505	30.6	6,103	7.1%	7.2%	555,624
2018-19	23,764	539,051,882	22,684	30.8	6,077	5.6%	5.5%	558,972
2019-20	23,074	544,361,808	23,592	31.3	6,179	16.1%	14.9%	557,709
2020-21	23,304	593,436,826	25,465	31.1	6,012	10.7%	10.0%	555,968
2021-22	24,370	660,385,084	27,098	31.5	6,214	4.5%	4.6%	549,466
2022-23	24,317	768,597,389	31,607	39.0	6,177	6.4%	5.4%	545,939
2023-24	24,790	876,598,446	35,361	30.4	6,138	6.2%	5.3%	548,744
2024-25	25,868	986,235,866	38,126	30.9	6,070	6.6%	8.5%	555,765

Source: MuniServices, LLC / Neumo, U.S. Census Bureau.

- 1.) Population Projections are provided by the California Department of Finance Projections.
 - 2.) Income Data is provided by the U.S. Census Bureau.
 - 3.) Unemployment Data is provided by the EDD's Bureau of Labor Statistics Department.
 - 4.) Median Age reflects the U.S. Census data estimation table.
- ** Student Enrollment reflects the total number of students enrolled in Patterson Joint Unified.

City of Patterson
Table 17
Principal Employers
Last Fiscal Year and Seven Years Ago

Business Name	2024-25		2017-18	
	Number of Employees	Percent of Total Employment (%)	Number of Employees	Percent of Total Employment (%)
Patterson Joint Unified School District	927	7.73%	617	6.78%
CVS Caremark Distribution Center	535	4.46%	466	5.12%
Amazon Fulfillment Center	525	4.38%	1000	10.99%
Grainger Distribution Center	457	3.81%	346	3.80%
Walmart Supercenter	307	2.56%	241	2.65%
City of Patterson*	260	2.17%	225	2.47%
Traina Foods	161	1.34%		
King's Roofing	139	1.16%	100	1.10%
Restoration Hardware Distribution Center	102	0.85%	122	1.34%
Advanced Linen Service	99	0.83%		
Save Mart			73	0.80%
Brake Parts Inc (BPI) Distribution Center			56	0.62%
Total Top 10 Employers	3,512	29.27%	3,246	35.67%
Total City Labor Force (1)	12,000		9,100	

Source: MuniServices, LLC / Neumo

Source: FY2017-18, City of Patterson -- ACFR Publication Report

(1) Total City Labor Force provided by EDD Labor Force Data.

Notes:

Results based on direct correspondence with

*Includes full and part time.

>> Kohls Distribution Center has declined to participate in the Employers list. <<

City of Patterson
Table 18
Full-Time Equivalent City Government Employees
By Function/Program/Department
Last Eight Fiscal Years

	<u>Number</u> <u>Authorized</u> <u>17-18</u>	<u>Number</u> <u>Authorized</u> <u>18-19</u>	<u>Number</u> <u>Authorized</u> <u>19-20</u>	<u>Number</u> <u>Authorized</u> <u>20-21</u>	<u>Number</u> <u>Authorized</u> <u>21-22</u>	<u>Number</u> <u>Authorized</u> <u>22-23</u>	<u>Number</u> <u>Authorized</u> <u>23-24</u>	<u>Number</u> <u>Authorized</u> <u>24-25</u>
Administration:								
City Manager	1	1	1	1	1	1	1	1
Assistant City Manager	0	0	0	0	0	0	0	1
Program Manager	0	0	0	0	0	1	1	1
Public Information Officer	0	0	0	0	0	0	1	1
Human Resources Director	1	1	1	1	1	1	1	1
City Clerk	1	1	1	1	1	1	1	1
HR Analyst	1	1	1	1	1	2	2	2
HR Technician	0	0	0	0	0	0	1	1
Executive Administrative Assistant Confidential	1	1	1	1	1	1	1	1
Deputy City Clerk	0	0	1	1	1	1	1	1
Administrative Assistant	1	1	0	0	0	0	0	0
IT Manager	0	0	1	1	1	1	1	1
IT Technician II	0	0	1	1	1	1	1	1
Senior Code Enforcement Officer	0	0	0	0	0	0	1	1
Code Enforcement Officer II	1	1	1	1	1	2	0	0
Code Enforcement Officer I	1	1	1	1	1	1	1	1
Graffiti Abatement Technician	0	0	0	0	0	0	1	1
	8	8	10	10	10	13	15	16
Finance:								
Finance Director	1	1	1	1	1	1	1	1
Accounting Manager		0	0	0	0	1	1	1
Revenue & Utility Billing Manager	1	1	1	1	1	1	1	1
Supervising Accountant	1	1	1	1	1	1	1	1
Accountant	0	1	1	2	2	2	2	2
Accounting Technician	1	1	1	1	1	1	1	1
Account Clerk, Senior	3	3	3	3	4	4	5	5
Account Clerk	2	3	3	2	1	2	1	1
	9	11	11	11	11	13	13	13
Recreation & Community Services:								
Recreation & Community Services Director	1	1	1	1	1	1	1	1
Recreation & Community Services Manager	1	1	1	1	1	1	1	1
Recreation & Community Services Supervisor	0	1	4	4	4	4	5	5
Recreation Coordinator I	3	1	0	0	0	0	1	1
Recreation Coordinator II	1	3	0	0	0	0	2	2
Account Clerk	2	2	2	2	2	2	0	0
Administrative Assistant I							2	2
Administrative Assistant II		0	0	0	1	1	1	1
Facilities & Maintenance Supervisor	1	1	1	1	0	0	0	0
Facilities Superintendent		0	0	0	1	1	1	1
Maintenance Worker I	1	1	1	0	0	1	1	1
Maintenance Worker II	0	0	0	1	1	1	0	0
Maintenance Worker III	1	1	1	1	1	1	2	2
	11	12	11	11	12	13	17	17
Fire:								
Chief	1	1	1	1	1	1	1	1
Division Chief	2	2	2	2	3	3	3	3
Fire Captain - Paramedic	2	2	2	2	2	3	3	2
Fire Captain	3	4	4	4	4	4	3	4
Fire Engineer - Paramedic	1	1	1	1	1	1	3	3
Fire Engineer	4	5	5	5	5	5	3	3
Fire Fighters - Paramedic	6	6	6	6	6	9	3	3
Fire Fighters	0	0	0	0	0	0	3	4
Fire Marshall	1	0	0	0	0	0	1	1
Fire Prevention Specialist	0	1	1	1	1	1	1	1
Administrative Manager	1	1	1	1	1	1	1	1
Administrative Assistant II	1	1	1	1	1	1	1	1
	22	24	24	24	25	29	26	27

City of Patterson
Table 18
Full-Time Equivalent City Government Employees (Continued)
By Function/Program/Department
Last Eight Fiscal Years

	<u>Number</u> <u>Authorized</u> <u>17-18</u>	<u>Number</u> <u>Authorized</u> <u>18-19</u>	<u>Number</u> <u>Authorized</u> <u>19-20</u>	<u>Number</u> <u>Authorized</u> <u>20-21</u>	<u>Number</u> <u>Authorized</u> <u>21-22</u>	<u>Number</u> <u>Authorized</u> <u>22-23</u>	<u>Number</u> <u>Authorized</u> <u>23-24</u>	<u>Number</u> <u>Authorized</u> <u>24-25</u>
Community Development:								
Community Development Director	1	1	1	1	1	1	1	1
Planner	1	1	1	1	1	1	1	1
Associate Planner	1	1	1	1	1	1	1	1
Planning Technician II	2	2	2	2	2	2	2	2
	5	5	5	5	5	5	5	5
Building & Permits:								
Permit Technician I	0	0	0	2	2	2	2	2
Permit Technician II	1	1	1	1	1	1	1	1
	1	1	1	3	3	3	3	3
Engineering								
Director of Engineering	1	1	1	1	1	1	1	1
Deputy Director of Engineering	0	0	0	0	0	0	0	1
Associate Engineer	0	1	1	1	1	1	1	1
Assistant Engineer	2	1	1	1	1	1	1	1
Management Analyst	0	0	0	0	0	0	1	1
Secretary I	1	1	1	1	1	1	1	1
	4	4	4	4	4	4	5	6
Capital Projects:								
Capital Project Manager	1	1	1	1	1	1	1	0
Public Works:								
Director of Public Works	1	1	1	1	1	1	1	1
Deputy Director of Public Works Ops & Maint	1	1	1	1	1	2	2	2
Deputy Director of Public Works Compliance & Ad	0	0	0	0	0	0	1	1
Sr. Administrative Manager	1	1	1	1	1	1	0	0
Public Works Inspector I	1	1	0	0	0	0	0	0
Public Works Inspector II	0	0	1	1	1	2	2	2
Public Works Inspector III	1	1	1	1	1	1	1	1
Management Analyst	3	3	3	3	3	3	2	3
Water Resource Program Manager	0	0	0	0	0	0	1	1
Administrative Assistant I	0	0	0	0	0	0	1	1
Administrative Assistant II	2	2	2	2	2	2	1	1
Environmental Compliance Specialist	0	0	0	0	1	3	3	3
Maintenance Worker I	0	1	1	1	1	1	0	0
	10	11	11	11	12	16	15	16
Equipment Mechanic:								
Mechanic - Crew Leader	1	1	1	1	1	1	1	1
Mechanic I	0	0	0	0	0	0	0	0
Mechanic II	1	1	1	1	1	2	2	2
	2	2	2	2	2	3	3	3
Building Maintenance:								
Maintenance Worker I	0	1	1	2	2	2	2	2
Maintenance Worker II	2	1	1	0	1	0	0	0
	2	1	1	0	1	2	2	2
Parks:								
Parks Supervisor	1	1	1	1	1	1	2	2
Maintenance Worker III	6	4	5	4	4	4	4	4
Maintenance Worker II	1	3	3	3	4	4	4	4
Maintenance Worker I	2	3	1	2	1	3	4	4
	10	11	10	10	10	12	14	14
Streets:								
Public Works Supervisor - Streets	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Maintenance Worker III					1	1	1	1
Maintenance Worker II	1	1	2	2	1	1	1	1
Maintenance Worker I	1	1	0	1	1	2	3	2
	2.5	2.5	2.5	3.5	3.5	4.5	5.5	4.5

City of Patterson
Table 18
Full-Time Equivalent City Government Employees (Continued)
By Function/Program/Department
Last Eight Fiscal Years

	<u>Number</u> <u>Authorized</u> <u>17-18</u>	<u>Number</u> <u>Authorized</u> <u>18-19</u>	<u>Number</u> <u>Authorized</u> <u>19-20</u>	<u>Number</u> <u>Authorized</u> <u>20-21</u>	<u>Number</u> <u>Authorized</u> <u>21-22</u>	<u>Number</u> <u>Authorized</u> <u>22-23</u>	<u>Number</u> <u>Authorized</u> <u>23-24</u>	<u>Number</u> <u>Authorized</u> <u>24-25</u>
Urban Forestry:								
Public Works Supervisor - Tree	1	1	1	1	1	1	1	1
Maintenance Worker III	1	1	1	0	0	0	0	0
Maintenance Worker II	1	1	1	1	4	5	3	5
Maintenance Worker I	2	2	2	3	0	0	6	5
	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>6</u>	<u>10</u>	<u>11</u>
Water:								
Public Works Supervisor - Water	1	1	1	1	1	1	1	1
Water Operator III	3	4	4	4	3	3	2	2
Water Operator II	0	0	1	1	0	0	0	0
Water Operator I	1	1	0	0	0	0	0	0
Water Operator in Training	0	0	0	0	0	0	2	2
Maintenance Worker III					1	1	0	0
Maintenance Worker II					1	1	2	2
	<u>5</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>7</u>	<u>7</u>
Sewer:								
Wastewater Manager	1	1	1	1	1	1	1	1
Chief Waste Water Operator	1	1	1	1	1	1	1	1
Wastewater Operator III	1	2	1	2	1	1	1	1
Wastewater Operator II	2	1	2	1	1	2	1	1
Wastewater Operator I	1	1	0	1	0	0	2	2
Wasterwater Operator in Training					2	2	0	0
Maintenance Worker I	0	0	1	0	1	3	1	1
	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>7</u>	<u>10</u>	<u>7</u>	<u>7</u>
Collection:								
Public Works Supervisor - Collections	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Maintenance Worker III	1	3	2	3	4	4	4	3
Maintenance Worker II	2	0	1	0	0	0	0	2
Maintenance Worker I	0	0	1	1	0	0	0	0
	<u>3.5</u>	<u>3.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>5.5</u>
Electrical & Instrumentation								
Electrical & Instrumentation Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Electrician Technician II	1.0	1.0	1.0	1.0	2.0	1.0	2.0	2.0
Electrician Technician I								1.0
	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>3.0</u>	<u>2.0</u>	<u>3.0</u>	<u>4.0</u>
Total Allocated Positions	<u>109</u>	<u>116</u>	<u>117</u>	<u>119</u>	<u>125</u>	<u>147</u>	<u>156</u>	<u>161</u>

Incentives Available: Specified by MOU

Source: City of Patterson Finance Department