



CITY OF PATTERSON, CALIFORNIA



ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2022



CITY OF PATTERSON

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

CITY OF PATTERSON, CALIFORNIA

Prepared and Issued by
Finance Department

City of Patterson
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For the Year Ended June 30, 2022
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City of Patterson

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

May 3, 2023

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 ("City") Annual Comprehensive Financial Report ("ACFR") for the year ended June 30, 2022. The information in this ACFR is prepared in accordance with Generally Accepted Accounting Principles ("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 121 City employees and serves approximately 23,300 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 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's departments.

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

General Government includes staff and activities associated with the City Council, City Manager, City Clerk, City Attorney, Human Resources, Risk Management, Finance, 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, and Planning.

Engineering includes Building, Capital Projects, and Engineering.

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

Parks and Recreation includes Community Services, Senior Center and Programs, Youth Programs, and Crossing Guards.

ECONOMIC CONDITION AND OUTLOOK

The City continues to see strong economic growth over the last several years. As the economy resumes after the COVID-19 Pandemic, the City of Patterson remains focused on several interested new businesses that have visited our business Parks over the last year. 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. The City is still fortunate to have a more diverse revenue structure which can continue to benefit from Measure L; the ½ cents transaction and use tax over 25 years, SB1 revenue, new businesses such as the Loves Travel Center, Valero Gas Station, Grocery Outlet, Popeyes Chicken, and other interested business.

The City’s water, sewer, and garbage 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.

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.

Several new businesses coming to Patterson this coming year include one new industrial Warehouse (1,000,000 sf), a 120,000 sf furniture manufacturing company, Dutch Bros Coffee, Old Water Office Restaurant, just to name a few. A new Javi’s restaurant was also approved for a location in the Historic downtown core and is currently remodeling their location. A new truck maintenance facility was recently added to the Loves Travel Center located in the business park. The 700,000 sf building in the Keystone Business Park is completed and awaiting new tenants. Self-Help Enterprise is planning to start build out of the remainder of the Self Help homes. The Villages of Patterson Project have installed streets and underground facilities and have built numerous homes. To date approximately 400 homes have been sold. Patterson Ranch has built approximately 250 affordable homes that fit into the middle-income affordable category.

The City received ARPA Funding in the amount of \$5.3 million total in FY 2022 to help City fund some of the operation and maintenance costs related to COVID-19 prevention and public safety related costs. It is also being used for various community incentives, such as, the RAD Card Program, which provides for 1:1 matching of funds up to \$100. Other uses included employee premium pay, Homeless Shelter assistance, IT upgrades, cyber security, and aid to non-profit organizations.

The American Rescue Plan Act will be contributing to our General Fund. The City expects to see \$5.3 million over a two-year period that will be used to help stimulate our economy and provide much needed economic stimulus and programming to assist businesses and our volunteer organizations.

In response to the COVID-19 pandemic, the current year budget includes \$1.3 million in departmental budget reductions in non-essential areas such as consulting services, software upgrades, and non-critical maintenance, and the staffing hours and head count. In addition, a temporary hiring freeze had been implemented. Furthermore, staff will continue providing services at current staffing levels, with addition of two new positions, including a Program Manager, and an additional Code Enforcement Officer.

The City is fortunate to see our sales tax remains strong in FY 2022. the major contributing factor for our strong revenues is due to ongoing on-line sales, agricultural products sales, and a diverse business portfolio. The City is looking forward to lifting previous cost cutting measures and hiring freeze to run operations as normal.

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 2021-2022 budget process:

- Continued progression of our Strategic Plan.
- Increase in project revenues through grants, Measure L, and SB1 for street maintenance, and infrastructure projects.
- Leverage technology to improve efficiency and service delivery.
- Continued application processes for grant opportunities to fund our Public Safety Center, the Sperry/I-5 Interchange expansion project, and the Centennial Park Community Center.
- Continue review and analysis of development and redevelopment activities including production of our Downtown revitalization Committee and Master plan and final design of our Wayfinding strategies.

Some of the specific projects underway in Fiscal Year 2021-2022 included the following:

- I-5 Interchange PS&E design and construction
- Patterson Public Safety Center
- Salado Creek Bike Trail Project

- Sperry Avenue Overlay
- Kinshire Street Rehabilitation - Design & construction Phase II
- WQCF Administration Building
- WWTP Phase-3A Expansion
- Rogers Road Bridge Replacement
- New Potable Well #14

New Commercial Development includes:

- Loves Travel Center
- Chipotle Restaurant
- Grocery Outlet
- Old Water Office Restaurant
- Dutch Bros. Coffee
- Oshi Teri Restaurant
- Popeye's Restaurant

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 300 homes over the next 5 years.
- The Zacharias Annexation is in its final stages of approvals 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,



Ken Irwin
City Manager



CITY OF PATTERSON
Annual Comprehensive Financial Report
FISCAL YEAR
2021 - 2022
City Council

MAYOR
Dennis McCord

COUNCIL MEMBERS
Shivaugn Alves, District A
Alfred Parham, District B
Dominic Farinha, District C
Cynthia Homen, District D

Executive Staff

Kenneth Irwin, City Manager

Aracely Alegre, City Clerk

Joshua Clayton, Chief of Police

Jeffery Gregory, Chief of Fire

Marie R, Guillory-Jones , Director of Human Resource

Michael Willett, Director of Public Works

Fernando Ulloa, Director of Engineering, Building & Capital Projects

Saadiah Ryan, Director of Finance

Juliene Flanders, Recreation & Community Services Director

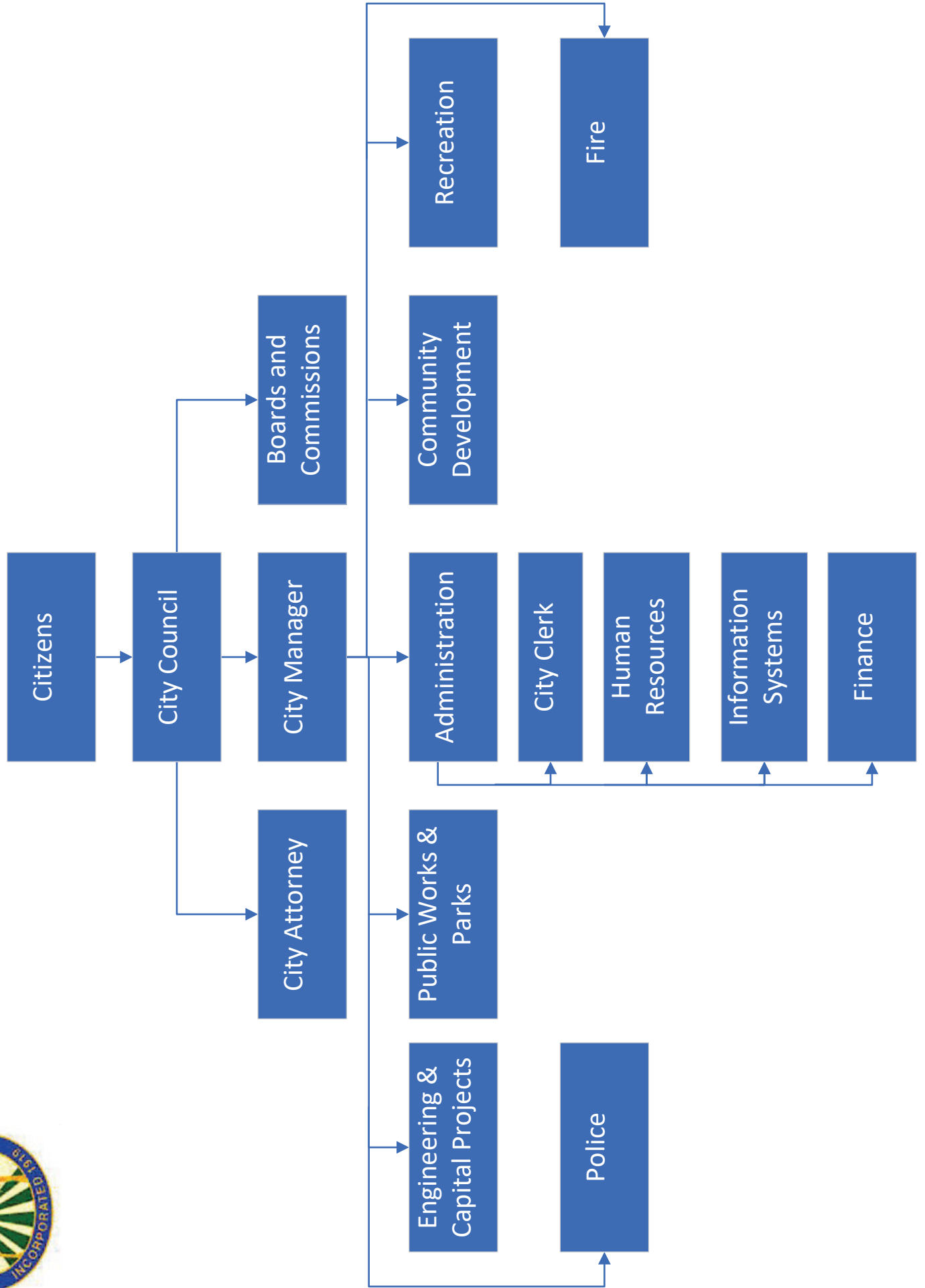
Joel Andrews, Interim Community Development Director

Nubia Goldstein, City Attorney

Douglas L. White, 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, 2021

Christopher P. Morill

Executive Director/CEO

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INDEPENDENT AUDITORS' 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, 2022, 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, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits 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 Auditors' 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 audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

Implementation of New GASB Pronouncements

As discussed in Note 1 to the basic financial statements, the City implemented Governmental Accounting Standards Board ("GASB") Statement No. 87, *Leases* during the year. 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.

Auditors' 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 auditors' 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 Schedule of Plan Contributions, and the Schedule of Changes in Net OPEB Liability and Related Ratios, 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 auditors' 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 3, 2023, 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.



Walnut Creek, California
May 3, 2023

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City of Patterson
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

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, 2022. 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 follow this discussion.

Financial Highlights

- **Changes in Net Position:** The government's total net position increased by \$10,231,850 from the prior year. Governmental activities increased by \$8,320,211 and business-type activities increased by \$1,911,639 at the end of fiscal year June 30, 2022. The increase in total net position is primarily related to an increase in Tax revenue by 15.32% and a 4.84% increase in charges for services.
- **Long Term Debt:** The City of Patterson's total debt decreased by \$3,447,480 from debt service payments, including bond calls due to property owner prepayments.
- **Governmental Activities:** As of June 30, 2022, the City's governmental activities reported an ending net position of \$83,218,328, an increase of \$8,320,211 primarily due to increased taxes and other revenues.
- **Business-Type Activities:** As of June 30, 2022, the City's total ending net position of \$44,967,412, and increase of \$1,911,639 primarily due to an increase in Water operating and Sewer operating revenue by 6% due to an annual rate increase of 6% that took effect in January of 2022. Garbage revenues increased by 8% as well.
- **General Fund:** As of June 30, 2022, committed, assigned and unassigned fund balances of the general fund were \$17,799,703. Of these funds \$13,215,465 is committed or assigned for specific purposes in accordance with City policies and budgetary guidelines. The remaining balance 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 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 similar to 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, 2022

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-eight government 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, 2022

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 – 96 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 97 – 106 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 110 – 146 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 \$117,953,890 at the close of the most recent fiscal year.

	Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 107,313,278	\$ 99,614,197	\$ 27,494,167	\$ 26,550,394	\$ 134,807,445	\$ 126,164,591
Capital assets, not being depreciated	14,368,338	13,203,658	12,821,664	10,939,954	27,190,002	24,143,612
Capital assets, being depreciated, net	48,844,090	48,341,854	34,194,903	36,548,941	83,038,993	84,890,795
Total Assets	170,525,706	161,159,709	74,510,734	74,039,289	245,036,440	235,198,998
Deferred Outflow of Resources	4,046,216	2,968,951	2,285,454	2,162,688	6,331,670	5,131,639
Long-term liabilities outstanding	74,714,140	78,861,283	27,544,850	30,407,404	102,258,990	109,268,687
Other liabilities	12,609,607	8,674,105	2,315,097	1,851,325	14,924,704	10,525,430
Total Liabilities	87,323,747	87,535,388	29,859,947	32,258,729	117,183,694	119,794,117
Deferred Inflow of Resources	4,029,847	1,695,155	1,968,829	887,475	5,998,676	2,582,630
Net Positions:						
Net Investment in Capital Assets	61,241,920	59,507,530	36,458,905	36,978,338	97,700,825	96,485,868
Restricted	13,416,337	14,976,923	3,133,590	3,133,810	16,549,927	18,110,733
Unrestricted	8,560,071	413,664	5,374,917	2,943,625	13,934,988	3,357,289
Net Position	\$ 83,218,328	\$ 74,898,117	\$ 44,967,412	\$ 43,055,773	\$ 128,185,740	\$ 117,953,890

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 \$97,700,825 or 76.22% 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, 2022

A portion of the City of Patterson's net position totaling \$16,549,927 or 12.91 percent, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$13,934,988 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 the government as a whole, as well as for its separate governmental and business-type activities. At year-end, 81.08 percent of the City of Patterson's business-type activities' net assets were invested in capital assets.

	Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program revenues						
Charges for services	\$ 6,952,335	\$ 6,918,926	\$ 15,350,376	\$ 14,354,933	\$ 22,302,711	\$ 21,273,859
Operating grants and contributions	3,023,697	3,564,498	7,449	-	3,031,146	3,564,498
Capital grants and contributions	3,640,327	4,333,162	81,253	-	3,721,580	4,333,162
Total program revenues	<u>13,616,359</u>	<u>14,816,586</u>	<u>15,439,078</u>	<u>14,354,933</u>	<u>29,055,437</u>	<u>29,171,519</u>
General revenues						
Taxes	19,254,942	16,696,612	-	-	19,254,942	16,696,612
Investment earnings	3,338,840	3,442,805	37,233	43,762	3,376,073	3,486,567
Revenue from Fiduciary Fund	518,052	527,556	-	155,744	518,052	683,300
Capital Contribution	-	-	-	-	-	-
Miscellaneous	559,771	379,911	28,412	63,988	588,183	443,899
Total general revenues	<u>23,671,605</u>	<u>21,046,884</u>	<u>65,645</u>	<u>263,494</u>	<u>23,737,250</u>	<u>21,310,378</u>
TOTAL REVENUES	<u>37,287,964</u>	<u>35,863,470</u>	<u>15,504,723</u>	<u>14,618,427</u>	<u>52,792,687</u>	<u>50,481,897</u>
EXPENSES						
General government	4,069,331	4,196,700	-	-	4,069,331	4,196,700
Police	5,530,819	5,859,954	-	-	5,530,819	5,859,954
Fire	5,548,522	5,592,559	-	-	5,548,522	5,592,559
Community development and planning	1,912,358	1,829,511	-	-	1,912,358	1,829,511
Public works	5,942,981	5,414,262	-	-	5,942,981	5,414,262
Parks and recreation	2,951,483	2,747,819	-	-	2,951,483	2,747,819
Interest and fiscal charges	4,090,033	3,818,561	-	-	4,090,033	3,818,561
Water	-	-	4,518,276	5,056,402	4,518,276	5,056,402
Sewer	-	-	4,859,832	5,532,181	4,859,832	5,532,181
Garbage	-	-	3,137,202	2,774,714	3,137,202	2,774,714
TOTAL EXPENSES	<u>30,045,527</u>	<u>29,459,366</u>	<u>12,515,310</u>	<u>13,363,297</u>	<u>42,560,837</u>	<u>42,822,663</u>
CHANGES IN NET POSITION BEFORE TRANSFERS	7,242,437	6,404,104	2,989,413	1,255,130	10,231,850	7,659,234
Transfers	1,077,774	1,649,041	(1,077,774)	(1,649,041)	-	-
CHANGES IN NET POSITION	<u>8,320,211</u>	<u>8,053,145</u>	<u>1,911,639</u>	<u>(393,911)</u>	<u>10,231,850</u>	<u>7,659,234</u>
Net position at beginning of year	74,898,117	66,844,972	43,055,773	43,449,684	117,953,890	110,294,656
Prior period adjustments						
Net position at beginning of year, as restated	<u>74,898,117</u>	<u>66,844,972</u>	<u>43,055,773</u>	<u>43,449,684</u>	<u>117,953,890</u>	<u>110,294,656</u>
Net position at end of year	<u>\$ 83,218,328</u>	<u>\$ 74,898,117</u>	<u>\$ 44,967,412</u>	<u>\$ 43,055,773</u>	<u>\$ 128,185,740</u>	<u>\$ 117,953,890</u>

Additional information on the change in net position can be found on page 18 – 19 of this report.

City of Patterson
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

Governmental activities. Overall, governmental revenues increased by \$1,424,494 or 3.97 percent from the prior year. Key elements of the change are as follows:

- Total taxes increased by \$2.5 million or 15.32% due to an increase in property taxes by \$270,144, and sales tax by \$2.28 million. The number of residential and commercial developments completed in FY2022 have increased and triggered the increase in property tax. Sales tax increased significantly in the business and industry sector, due to a change in reporting of sales tax by one of the top sales tax producers.
- Charges for services increased incrementally by \$33,409 due to a slight rise in fees collected for the use of the Community/Senior Center and Aquatic Center.
- Operating grants and contributions decreased by \$540,801 primarily due to a one-time funding received in the prior year.
- Capital grants and contributions decreased by \$692,835 primarily due to a one-time funding received in the prior year.

Overall, expenses in the governmental activities increased by \$586,161 or 1.99 percent 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 \$886,296 or 6.06 percent from the prior year. Key elements of the change are as follows:

Water operating revenue increased by \$382,306, and expenses decreased by \$526,543 in fiscal year 2022, resulting in operating income of \$2.7 million. Revenue increased due to the implementation of the new water rates in FY 2022. The Water Fund's net position was \$25,133,335. Of this amount, \$18,822,865 was invested in net investment in capital assets, \$3,066,323 was restricted for debt service and capital projects, and \$3,244,147 was unrestricted.

Sewer operating revenue increased by \$277,494 and expenses decreased by \$677,381 in fiscal year 2022. The increase in operating revenue is related to the 6% sewer rate increase in FY 2022. As of June 30, 2022, the Sewer fund's net position was \$18,372,655. Of this amount, \$17,615,960 was invested in net investment in capital assets, \$67,267 was restricted for debt service and capital projects, and \$689,428 was unrestricted.

Garbage operating revenue increased by \$300,067 in fiscal year 2022. The increase was due to an increase in garbage rates of 6% and an increase in the number of customers. Garbage expenses increased by \$362,488 due to increase in customers and the implementation of an additional service required under Senate Bill 1383, which requires every jurisdiction to provide organic waste collection services to all residents and businesses. As of June 30, 2022, the Garbage Fund's net position was \$1,461,422. Of this amount \$20,080 was invested in net investment in capital assets and \$1,441,342 was unrestricted.

City of Patterson
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

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 \$97,341,173, an increase of \$4,055,580 in comparison with the prior year. The increase in fund balance for the Major Governmental Funds was primarily due to an increase in Sales Tax of \$2.2 million and Property Taxes of \$270,144 reported in the General Fund. In addition, the fund balance in the Non-Major Governmental Funds grew by \$1.9 million resulting from Impact Fees received in FY 2022. The city's governmental funds ending fund balances of \$23,152,892 or 23.79 percent 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 \$74,188,281 is either non-spendable or restricted for purposes imposed by creditors, grantors, contributors, laws, or regulations of other governments or through enabling legislation.

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 amounted to \$5,374,917, an increase of \$2,431,292 from the prior year. This balance will be used to fund water, sewer and garbage operations and planned capital improvements. Other factors concerning the finance of these funds have already been addressed in the discussion of the City of Patterson's business-type activities.

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, committed, assigned and unassigned fund balance of the general fund was \$17,799,703, while total fund balance was \$18,425,835. The general fund's ending fund balance increased by \$4,710,573 in comparison with 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 83.97 percent 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 \$1.9 million or 8% and expenditures (including transfers out) increased by \$1.9 million or 10% over the prior year. Tax related revenue increased by \$2,557,701 due to increases in property tax as City residential and commercial real estate construction completed in FY 2022 an influx of residents moved to Patterson. The population grew from 23,304 at the end of FY 2021 to 24,370 in FY 2022. Sales tax increased significantly due to one of the sales tax producers reporting change, as well as the addition of new commercial businesses that opened in FY 2022. Intergovernmental grants experienced an overall decrease of \$782,373 due to one-time funding received in FY 2021 such as grants from San Joaquin Valley Air Pollution Control, CARES Act funding and the Urban Greening grant.
- The overall increase in expenditures was attributed to increased capital outlay expenditures, and the relief of FY 2022 cost cutting measures at various division salaries and benefits observing hiring freeze, as well as the reprisal of Recreation program previously closed due to the pandemic.

City of Patterson
Management’s Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

General Fund Budgetary Highlights

For the fiscal year ended June 30, 2022, the General Fund’s revenue final amended budget increased over the original budget by \$5,456,235 and actual revenue decreased by \$956,142 from the final amended budget. The final amended expenditure budget increased by \$1.9 million over the original budget and the actual expenditures were \$4 million lower than the final amended budget. The related activities are summarized as follows:

- The revenue final budget was \$5 million higher than the original budget due to an increase in projected sales tax revenues for FY 2022 of \$6 million less the net of other minor increases and decreases in budget projections in revenues.
- The actual revenue was lower than the final budget due to actual sales tax revenue not fully meeting the projected amount.
- The expenditure final budget was higher than the original budget by \$1.9 million due to mid-year budget increases due to total Salary and Benefit expenditures budget adjustment upward of \$1,268,461 to cover the approved Professional Management-Mid Management Employees Association (PMMEA) Salary Schedule increase of 5% per City Council in Dec 2021, as well as the approved Part-Time Classification Salary Schedule per City Council in July 2021. In addition, budget adjustments included the pool resurfacing project approved by the City Council on Oct 2021, a 10% down payment quint ladder truck for Fire Station One, personal protective equipment and new command vehicle totaling \$176,400. Also, the Administration department new hire salary and benefits of \$122,957 for a Program Manager and an HR Analyst. Recreation department adjustment of \$68,450 for staffing conversion of PT to FT for Maintenance Worker I and fence/gate for vehicle storage. Lastly, the Public Works department adjustment of \$64,000 for Palm Trees Trimming project.
- General fund actual expenditure is lower than final budget by \$4 million primarily due to unspent ARPA funds at the end of FY 2022 in the amount of \$1.2 million. The Fire actual expenditure was lower than the final budget due to delays in purchasing a vehicle and other improvements and equipment expenses in the amount of \$543,269. Also, Police expenditures were less than budgeted by \$358,311 due to a delay in the COPS grant and School Resource Officer Expenditures. In addition, Recreation programs that were postponed during the pandemic had lower than expected expenditures in FY 2022. Lastly, the Public Works actual expenditures were lower than final budget expenditure by \$120,355 primarily due to a delay in hiring budgeted staff in FY 2022.

Capital Asset and Long-Term Liabilities Administration

Capital assets. The City of Patterson’s net investment in capital assets for its governmental and business-type activities as of June 30, 2022, amounts to \$110,161,819 an increase of \$1.1 million or 1 percent 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)			
	Governmental Activities		Business-Type Activities	
	2022	2021	2022	2021
Land	\$ 5,271,125	\$ 5,271,125	\$ 6,196,329	\$ 6,196,329
Construction in progress	9,097,213	7,932,533	6,625,335	4,743,625
Building	16,069,046	16,668,753	-	-
Improvements	6,664,129	7,033,692	-	-
Infrastructure	25,191,264	23,743,745	32,800,737	35,083,425
Equipments	852,475	895,664	1,394,166	1,465,516
Total	\$ 63,145,252	\$ 61,545,512	\$ 47,016,567	\$ 47,488,895

Additional information on the City of Patterson’s capital assets can be found in Note 6 to the basic financial statements.

City of Patterson
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

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 \$3.3 million, a decrease attributable to the repayment under normal scheduled debt service and changes in compensated absences throughout the course of the year. Sewer Revenue bonds and loans payable of \$5.7 million are to be paid out of sewer revenues. 2019 Water Revenue bond \$16.5 million are to be paid out of the water revenues.

	<u>2022</u>	<u>2021</u>
Governmental activities		
Compensated absences	\$ 597,244	\$ 512,606
PPFA 2013 Heartland Ranch Revenue Bonds	1,848,375	2,292,005
PPFA 2013 Series A revenue bonds	54,747,705	56,419,259
PPFA 2013 Series B revenue bonds	5,425,000	5,575,000
2018 Lease Revenue bonds	1,898,414	2,037,982
Capital leases	-	-
Settlement payable	364,000	364,000
Total governmental activities	<u>64,880,738</u>	<u>67,200,852</u>
Business-type activities		
Water		
Compensated absences	120,270	123,062
2019A Water revenue bond	9,571,988	9,656,513
2019B Water revenue refunding bond	6,981,283	7,259,799
Total for water fund	<u>16,673,541</u>	<u>17,039,374</u>
Sewer		
Compensated absences	132,336	112,107
State revolving fund loan	404,644	449,629
2009 sewer bonds	175,000	260,000
2017 Sewer Refunding Revenue Bond	2,542,500	2,572,900
Bank of america loan	1,294,515	1,350,053
CEC loan	1,347,422	1,646,186
Total for sewer fund	<u>5,896,417</u>	<u>6,390,875</u>
Garbage		
Compensated absences	30,224	29,192
Total for garbage fund	<u>30,224</u>	<u>29,192</u>
Total business-type activities	<u>\$ 22,600,182</u>	<u>\$ 23,459,441</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, 2022

Economic Condition, Outlook, and Activity

The city has enjoyed strong economic growth over the last several years. Although the economy has some uncertainty due to the COVID-19 Pandemic, the City of Patterson remains focused on several interested new businesses that have visited our business parks over the last year. We are also directing the American Rescue Plan funds in ways that will significantly help our City budget, bring in several new part time positions, and unfreeze positions in all departments. 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. The City is still fortunate to have a more diverse revenue structure which can continue to benefit from Measure L; the ½ cents transaction and use tax over 25 years, SB1 revenue, new businesses such as the La Quinta Hotel, Grocery Outlet, Dutch Brothers Coffee, Popeye's restaurant and Sun Valley restaurant.

The City's water, sewer, and garbage rates are still providing for stable enterprise funding, which, in turn, provides a high level of infrastructure maintenance and services for our Patterson residents.

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

Self-Help Enterprise will pull 10 units for the Self-Help Apartments. Villages of Patterson will also follow suit with potential 50 units at Clayton Shire, 52 units for Cromwell Shire, 30 units for the VOP triplexes, 50 units for the Sycamore Ranch and Baldwin Ranch North with 100 units.

Next Year's Budget

The following factors were taken into consideration during the preparation of the City's budget for the fiscal year 2022-2022.

- The third year of the pandemic has shown signs of recovery in the economy, as of March 2022, Stanislaus County and San Joaquin County reported an 5.7% unemployment rate, which by comparison of last year's 9.9% is vast improvement.
- The expected increase in commercial and residential developments will contribute to increases in major revenue sources such as building permits, property tax and sales tax.
- The availability of both Federal/State grants and State Revolving Fund Loan (SRF).
- The American Rescue Plan Act in the amount of \$5.2 million will be allocated to the City Patterson. Wise spending will help the city to respond, rebuild and recover from the pandemic. Focusing on economic recovery, stabilizing the government, and uplifting our communities.
- State legislation mandating a steady increase toward a minimum wage increase to \$15 per hour by 2022 point to further increases in weekly wages. If signed into law, the minimum wage would increase to \$16 per hour in 2023 and \$17 per hour in 2024.
- The accumulation of Measure L revenue provides the funding source for the street capital projects that are being carefully orchestrated 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-19B Water Meter replacement project changing out 6,500 meters and 1,000 meter boxes and 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.

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, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 35,518,133	\$ 13,855,284	\$ 49,373,417
Restricted cash and investments	2,198,867	406,225	2,605,092
Accounts receivable	1,910,516	2,033,326	3,943,842
Intergovernmental receivable	3,906,802	9,300	3,916,102
Interest receivable	12,801	6,361	19,162
Lease receivable - current	19,628	23,966	43,594
Due from Fiduciary Funds	68,656	-	68,656
Prepaid items	142,258	13,853	156,111
Total current assets	43,777,661	16,348,315	60,125,976
Noncurrent assets:			
Cash and investments with fiscal agents	1,112,191	11,102,439	12,214,630
Investments held in trust	60,552,790	-	60,552,790
Lease receivable - noncurrent	193,317	43,413	236,730
Notes and loans receivable	1,677,319	-	1,677,319
Capital assets:			
Non-depreciable	14,368,338	12,821,664	27,190,002
Depreciable and amortizable, net	48,844,090	34,194,903	83,038,993
Capital assets, net	63,212,428	47,016,567	110,228,995
Total noncurrent assets	126,748,045	58,162,419	184,910,464
Total assets	170,525,706	74,510,734	245,036,440
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refunding	-	318,293	318,293
OPEB-related deferred outflows of resources	1,903,780	962,821	2,866,601
Pension-related deferred outflows of resources	2,142,436	1,004,340	3,146,776
Total deferred outflows of resources	4,046,216	2,285,454	6,331,670

City of Patterson
Statement of Net Position (Continued)
June 30, 2022

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
LIABILITIES			
Current liabilities:			
Accounts payable	2,119,038	1,052,056	3,171,094
Accrued liabilities	137,424	9,769	147,193
Accrued interest payable	1,156,042	69,238	1,225,280
Unearned revenue	3,371,203	27,162	3,398,365
Deposits payable	2,311,479	106,271	2,417,750
Compensated absences - due within one year	597,244	282,830	880,074
Long-term debt - due within one year	2,917,177	767,771	3,684,948
Total current liabilities	12,609,607	2,315,097	14,924,704
Noncurrent liabilities:			
Long-term debt - due in more than one year	61,273,411	21,549,581	82,822,992
Net OPEB liability	10,237,730	4,664,893	14,902,623
Aggregate net pension liability	3,202,999	1,330,376	4,533,375
Total noncurrent liabilities	74,714,140	27,544,850	102,258,990
Total liabilities	87,323,747	29,859,947	117,183,694
DEFERRED INFLOWS OF RESOURCES			
Lease-related deferred inflows of resources	212,944	67,379	280,323
OPEB-related deferred inflows of resources	1,443,433	740,102	2,183,535
Pension-related deferred inflows of resources	2,373,470	1,161,348	3,534,818
Total deferred inflows of resources	4,029,847	1,968,829	5,998,676
NET POSITION			
Net investment in capital assets	61,241,920	36,458,905	97,700,825
Restricted for:			
Special programs	13,416,337	-	13,416,337
Capital projects	-	2,620,013	2,620,013
Debt service	-	513,577	513,577
Total restricted	13,416,337	3,133,590	16,549,927
Unrestricted	8,560,071	5,374,917	13,934,988
Total net position	\$ 83,218,328	\$ 44,967,412	\$ 128,185,740

City of Patterson
Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 4,069,331	\$ 278,552	\$ 998,645	\$ -
Police	5,530,819	153,959	176,583	-
Fire	5,548,522	2,058,970	645,727	-
Community development and planning	1,912,358	730,653	-	-
Public works	5,942,981	1,399,503	1,202,742	3,630,236
Parks and recreation	2,951,483	2,330,698	-	10,091
Interest and fiscal charges	4,090,033	-	-	-
Total governmental activities	<u>30,045,527</u>	<u>6,952,335</u>	<u>3,023,697</u>	<u>3,640,327</u>
Business-type Activities:				
Water	4,518,276	6,755,521	-	81,253
Sewer	4,859,832	4,716,644	-	-
Garbage	3,137,202	3,878,211	7,449	-
Total business-type activities	<u>12,515,310</u>	<u>15,350,376</u>	<u>7,449</u>	<u>81,253</u>
Total primary government	<u>\$ 42,560,837</u>	<u>\$ 22,302,711</u>	<u>\$ 3,031,146</u>	<u>\$ 3,721,580</u>

City of Patterson
Statement of Activities (Continued)
For the Year Ended June 30, 2022

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
Governmental Activities:			
General government	\$ (2,792,134)	\$ -	\$ (2,792,134)
Police	(5,200,277)	-	(5,200,277)
Fire	(2,843,825)	-	(2,843,825)
Community development and planning	(1,181,705)	-	(1,181,705)
Public Works	289,500	-	289,500
Parks and recreation	(610,694)	-	(610,694)
Interest and fiscal charges	(4,090,033)	-	(4,090,033)
Total governmental activities	(16,429,168)	-	(16,429,168)
Business-type Activities:			
Water	-	2,318,498	2,318,498
Sewer	-	(143,188)	(143,188)
Garbage	-	748,458	748,458
Total business-type activities	-	2,923,768	2,923,768
Total primary government	(16,429,168)	2,923,768	(13,505,400)
General revenues and transfers:			
General revenues:			
Taxes:			
Property taxes	6,466,881	-	6,466,881
Sales taxes	12,317,056	-	12,317,056
Franchise taxes	193,226	-	193,226
Other taxes	277,779	-	277,779
Total taxes	19,254,942	-	19,254,942
Investment earnings	3,338,840	37,233	3,376,073
Revenue from Fiduciary Fund	518,052	-	518,052
Miscellaneous	559,771	28,412	588,183
Transfers	1,077,774	(1,077,774)	-
Total general revenues and transfers	24,749,379	(1,012,129)	23,737,250
Changes in net position	8,320,211	1,911,639	10,231,850
Net Position:			
Beginning of year	74,898,117	43,055,773	117,953,890
End of year	\$ 83,218,328	\$ 44,967,412	\$ 128,185,740

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FUND FINANCIAL STATEMENTS

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

	Major Funds		
	General Fund	CFD 2003-1 Public Safety/ Fire Protection Services Fund	Patterson Public Financing Authority
ASSETS			
Cash and investments	\$ 12,292,862	\$ -	\$ 317,283
Restricted cash and investments	2,198,867	-	-
Cash and investments with fiscal agents	-	-	1,112,191
Investments held in trust	-	-	60,552,790
Receivables:			
Accounts	1,910,516	-	-
Intergovernmental	2,728,640	70,166	-
Interest	1,894	-	220
Notes and loans	16,632	-	-
Lease	201,976	-	-
Due from other funds	5,137,886	-	-
Due from Fiduciary Funds	68,656	-	-
Prepaid items	138,586	3,672	-
Total assets	\$ 24,696,515	\$ 73,838	\$ 61,982,484
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES:			
Accounts payable	\$ 1,606,987	\$ 39,756	\$ -
Accrued liabilities	118,766	18,658	-
Due to other funds	-	3,607,440	1,320,163
Unearned revenue	2,088,690	-	-
Deposit and other liabilities	2,237,629	-	-
Total liabilities	6,052,072	3,665,854	1,320,163
DEFERRED INFLOWS OF RESOURCES:			
Lease-related deferred inflows of resources	201,976	-	-
Unavailable revenue	16,632	-	-
Total deferred inflows of resources	218,608	-	-
FUND BALANCES:			
Nonspendable	138,586	-	-
Restricted	487,546	-	60,662,321
Committed	8,116,966	-	-
Assigned	5,098,499	-	-
Unassigned (deficit)	4,584,238	(3,592,016)	-
Total fund balances (deficit)	18,425,835	(3,592,016)	60,662,321
Total liabilities, deferred inflows of resource, and fund balances	\$ 24,696,515	\$ 73,838	\$ 61,982,484

**City of Patterson
Balance Sheet (Continued)
Governmental Funds
June 30, 2022**

	Other Governmental Funds	Total Governmental Funds
ASSETS		
Cash and investments	\$ 22,907,988	\$ 35,518,133
Restricted cash and investments	-	2,198,867
Cash and investments with fiscal agents	-	1,112,191
Investments held in trust	-	60,552,790
Receivables:		
Accounts	-	1,910,516
Intergovernmental	1,107,996	3,906,802
Interest	10,687	12,801
Notes and loans	1,660,687	1,677,319
Lease	10,969	212,945
Due from other funds	-	5,137,886
Due from Fiduciary Funds	-	68,656
Prepaid items	-	142,258
Total assets	\$ 25,698,327	\$ 112,451,164
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES:		
Accounts payable	\$ 472,295	\$ 2,119,038
Accrued liabilities	-	137,424
Due to other funds	210,283	5,137,886
Unearned revenue	1,282,513	3,371,203
Deposit and other liabilities	73,850	2,311,479
Total liabilities	2,038,941	13,077,030
DEFERRED INFLOWS OF RESOURCES:		
Lease-related deferred inflows of resources	10,968	212,944
Unavailable revenue	1,803,385	1,820,017
Total deferred inflows of resources	1,814,353	2,032,961
FUND BALANCES:		
Nonspendable	-	138,586
Restricted	12,899,828	74,049,695
Committed	9,280,241	17,397,207
Assigned	39,560	5,138,059
Unassigned (deficit)	(374,596)	617,626
Total fund balances (deficit)	21,845,033	97,341,173
Total liabilities, deferred inflows of resource, and fund balances	\$ 25,698,327	\$ 112,451,164

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

Total fund balances of governmental funds	\$ 97,341,173
 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.	63,212,428
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	2,142,436
Pension-related deferred inflows of resources	(2,373,470)
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	1,903,780
OPEB-related deferred inflows of resources	(1,443,433)
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.	(1,156,042)
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.	1,820,017
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	(64,190,588)
Compensated absences	(597,244)
Net OPEB liability	(10,237,730)
Aggregated net pension liability	(3,202,999)
Net position of governmental activities	\$ 83,218,328

City of Patterson
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

	Major Funds		
	General Fund	CFD 2003-1 Public Safety/ Fire Protection Services Fund	Patterson Public Financing Authority
REVENUES:			
Taxes:			
Property	\$ 6,466,296	\$ -	\$ -
Sales	12,317,056	-	-
Franchise	193,226	-	-
Other	277,779	-	-
Licenses, permits, and fees	1,603,135	-	-
Charges for services	480,220	1,306,377	-
Intergovernmental:			
Federal grant and subsidies	774,110	-	-
Other governmental	745,053	-	-
Fines, forfeitures and penalties	158,125	-	-
Investment income (loss)	(478,098)	-	3,771,959
Revenue from Fiduciary Fund	-	-	518,052
Miscellaneous	533,721	59,726	-
Total revenues	23,070,623	1,366,103	4,290,011
EXPENDITURES:			
Current:			
General government	3,529,790	-	-
Police	5,909,652	-	-
Fire	2,899,328	2,355,923	-
Community development and planning	1,935,975	-	-
Public works	3,447,137	-	-
Park and recreation	2,293,417	-	-
Capital outlay	959,887	37,010	-
Debt service:			
Principal	151,018	-	2,458,630
Interest and fiscal charges	70,458	-	4,025,984
Total expenditures	21,196,662	2,392,933	6,484,614
REVENUES OVER (UNDER) EXPENDITURES	1,873,961	(1,026,830)	(2,194,603)
OTHER FINANCING SOURCES (USES):			
Inception of lease payable	59,040	-	-
Transfers in	2,934,782	598,200	-
Transfers out	(157,210)	-	(192,350)
Total financing sources (uses)	2,836,612	598,200	(192,350)
Net change in fund balances	4,710,573	(428,630)	(2,386,953)
FUND BALANCES (DEFICIT):			
Beginning of year	13,715,262	(3,163,386)	63,049,274
End of year	<u>\$ 18,425,835</u>	<u>\$ (3,592,016)</u>	<u>\$ 60,662,321</u>

See accompanying Notes to the Basic Financial Statements.

City of Patterson
Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended June 30, 2022

	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:		
Taxes:		
Property	\$ -	\$ 6,466,296
Sales	-	12,317,056
Franchise	-	193,226
Other	-	277,779
Licenses, permits, and fees	2,157,473	3,760,608
Charges for services	3,382,555	5,169,152
Intergovernmental:		
Federal grant and subsidies	39,810	813,920
Other governmental	3,144,126	3,889,179
Fines, forfeitures and penalties	-	158,125
Investment income (loss)	44,984	3,338,845
Revenue from Fiduciary Fund	-	518,052
Miscellaneous	77,462	670,909
Total revenues	<u>8,846,410</u>	<u>37,573,147</u>
EXPENDITURES:		
Current:		
General government	42,454	3,572,244
Police	-	5,909,652
Fire	6,514	5,261,765
Community development and planning	3,095	1,939,070
Public works	780,581	4,227,718
Park and recreation	-	2,293,417
Capital outlay	3,747,528	4,744,425
Debt service:		
Principal	-	2,609,648
Interest and fiscal charges	-	4,096,442
Total expenditures	<u>4,580,172</u>	<u>34,654,381</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>4,266,238</u>	<u>2,918,766</u>
OTHER FINANCING SOURCES (USES):		
Inception of lease payable	-	59,040
Transfers in	873,246	4,406,228
Transfers out	(2,978,894)	(3,328,454)
Total financing sources (uses)	<u>(2,105,648)</u>	<u>1,136,814</u>
Net change in fund balances	2,160,590	4,055,580
FUND BALANCES (DEFICIT):		
Beginning of year	19,684,443	93,285,593
End of year	<u>\$ 21,845,033</u>	<u>\$ 97,341,173</u>

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, 2022

Net change in fund balances - total governmental funds	\$ 4,055,580
 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. (\$231,234 of the governmental fund capital outlay balance were for repairs and maintenance expenditures).	4,513,191
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.	(2,870,779)
Issuance of long-term liabilities provides current financial resources to governmental funds, but the issuance increased long-term liabilities in the Government-Wide Statement of Net Position.	
Lease payable	(59,040)
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	2,609,648
Amortization of bond discount	(28,446)
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.	34,855
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.	(84,638)
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.	(285,183)
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	280,253
Changes in net pension liabilities	2,738,416
Changes in pension related deferred inflows of resources	(2,330,784)
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	797,012
Changes in net OPEB liabilities	(1,258,910)
Changes in OPEB related deferred inflows of resources	209,036
Change in net position of governmental activities	\$ 8,320,211

PROPRIETARY FUND FINANCIAL STATEMENTS

City of Patterson
Statement of Net Position
Proprietary Funds
June 30, 2022

ASSETS	Major Funds			Total
	Water	Sewer	Garbage	
Current assets:				
Cash and investments	\$ 8,798,128	\$ 3,087,300	\$ 1,969,856	\$ 13,855,284
Restricted cash and investments	-	406,225	-	406,225
Accounts receivable	863,108	656,081	514,137	2,033,326
Intergovernmental receivable	829	-	8,471	9,300
Interest receivable	4,320	1,121	920	6,361
Lease receivable - current	-	23,966	-	23,966
Prepaid items	5,591	6,458	1,804	13,853
Total current assets	9,671,976	4,181,151	2,495,188	16,348,315
Noncurrent assets:				
Cash and investments with fiscal agents	11,035,172	67,267	-	11,102,439
Lease receivable - noncurrent	-	43,413	-	43,413
Capital assets:				
Non-depreciable	8,523,094	4,298,570	-	12,821,664
Depreciable, net	15,666,761	18,508,062	20,080	34,194,903
Capital assets, net	24,189,855	22,806,632	20,080	47,016,567
Total noncurrent assets	35,225,027	22,917,312	20,080	58,162,419
Total assets	44,897,003	27,098,463	2,515,268	74,510,734
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on refunding	151,109	167,184	-	318,293
OPEB-related deferred outflows of resources	397,138	449,676	116,007	962,821
Pension-related deferred outflows of resources	396,742	335,677	271,921	1,004,340
Total deferred outflows of resources	944,989	952,537	387,928	2,285,454
LIABILITIES				
Current liabilities:				
Accounts payable	508,983	368,009	175,064	1,052,056
Accrued liabilities	2,781	4,301	2,687	9,769
Deposits payable	106,271	-	-	106,271
Unearned revenue	-	739	26,423	27,162
Accrued interest	46,862	22,376	-	69,238
Compensated absences - due within one year	120,271	132,335	30,224	282,830
Long-term liabilities - due within one year	330,000	437,771	-	767,771
Total current liabilities	1,115,168	965,531	234,398	2,315,097
Noncurrent liabilities:				
Long-term liabilities - due in more than one year	16,223,271	5,326,310	-	21,549,581
Net OPEB liability	2,076,297	2,136,706	451,890	4,664,893
Aggregate net pension liability	525,535	444,647	360,194	1,330,376
Total noncurrent liabilities	18,825,103	7,907,663	812,084	27,544,850
Total liabilities	19,940,271	8,873,194	1,046,482	29,859,947
DEFERRED INFLOWS OF RESOURCES				
Lease-related deferred inflows of resources	-	67,379	-	67,379
OPEB-related deferred inflows of resources	309,621	349,619	80,862	740,102
Pension-related deferred inflows of resources	458,765	388,153	314,430	1,161,348
Total deferred inflows of resources	768,386	805,151	395,292	1,968,829
NET POSITION				
Net investment in capital assets	18,822,865	17,615,960	20,080	36,458,905
Restricted:				
Capital projects	2,620,013	-	-	2,620,013
Debt service	446,310	67,267	-	513,577
Total restricted	3,066,323	67,267	-	3,133,590
Unrestricted	3,244,147	689,428	1,441,342	5,374,917
Total net position	\$ 25,133,335	\$ 18,372,655	\$ 1,461,422	\$ 44,967,412

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, 2022

	Major Funds			Total
	Water	Sewer	Garbage	
OPERATING REVENUES:				
Charges for services	\$ 6,705,927	\$ 4,670,038	\$ 3,819,669	\$ 15,195,634
Fees, fines, and penalties	49,594	46,606	58,542	154,742
Miscellaneous	5,544	22,868	-	28,412
Total operating revenues	6,761,065	4,739,512	3,878,211	15,378,788
OPERATING EXPENSES:				
Salaries and benefits	1,770,337	1,659,717	696,365	4,126,419
Contractual and professional services	184,665	394,491	2,153,798	2,732,954
Supplies and operating costs	1,056,552	739,939	274,260	2,070,751
Depreciation	976,020	1,877,479	12,779	2,866,278
Total operating expenses	3,987,574	4,671,626	3,137,202	11,796,402
OPERATING INCOME (LOSS)	2,773,491	67,886	741,009	3,582,386
NONOPERATING REVENUES (EXPENSES):				
Intergovernmental :				
Federal grants and subsidies	81,253	-	7,449	88,702
Investment income	27,068	6,603	3,562	37,233
Interest expense	(530,702)	(188,206)	-	(718,908)
Total nonoperating revenues (expenses)	(422,381)	(181,603)	11,011	(592,973)
INCOME (LOSS) BEFORE TRANSFERS	2,351,110	(113,717)	752,020	2,989,413
TRANSFERS				
Transfers in	-	233,298	-	233,298
Transfers out	(508,829)	(188,663)	(613,580)	(1,311,072)
Total Transfers	(508,829)	44,635	(613,580)	(1,077,774)
CHANGES IN NET POSITION	1,842,281	(69,082)	138,440	1,911,639
NET POSITION:				
Beginning of year	23,291,054	18,441,737	1,322,982	43,055,773
End of year	<u>\$ 25,133,335</u>	<u>\$ 18,372,655</u>	<u>\$ 1,461,422</u>	<u>\$ 44,967,412</u>

City of Patterson
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

	Major Funds			Total
	Water	Sewer	Garbage	
Cash Flows from Operating Activities:				
Cash received from customers	\$ 6,749,827	\$ 4,673,891	\$ 3,861,843	\$ 15,285,561
Cash paid to suppliers	(1,106,606)	(905,498)	(2,321,688)	(4,333,792)
Cash paid to employees	(2,237,066)	(2,371,311)	(669,272)	(5,277,649)
Other	5,544	22,868	-	28,412
Net cash provided by operating activities	3,411,699	1,419,950	870,883	5,702,532
Cash Flows from Noncapital Financing Activities:				
Transfers in	-	233,298	-	233,298
Transfers out	(508,829)	(188,663)	(613,580)	(1,311,072)
Net cash provided by (used in) noncapital financing activities	(508,829)	44,635	(613,580)	(1,077,774)
Cash Flows from Capital and Related Financing Activities:				
Capital grants	81,253	-	7,449	88,702
Acquisition and construction of capital assets	(1,833,910)	(560,040)	-	(2,393,950)
Principal paid on revenue bonds and loan	(315,000)	(514,687)	-	(829,687)
Interest paid on capital debt	(574,294)	(170,930)	-	(745,224)
Net cash provided by (used in) capital and related financing activities	(2,641,951)	(1,245,657)	7,449	(3,880,159)
Cash Flows from Investing Activities:				
Interest	24,526	5,392	3,037	32,955
Net cash provided by investing activities	24,526	5,392	3,037	32,955
Net increase (decrease) in cash and cash equivalents	285,445	224,320	267,789	777,554
Cash and Cash Equivalents:				
Beginning of year	19,547,855	3,336,472	1,702,067	24,586,394
End of year	<u>\$ 19,833,300</u>	<u>\$ 3,560,792</u>	<u>\$ 1,969,856</u>	<u>\$ 25,363,948</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position:				
Cash and investment	\$ 8,798,128	\$ 3,087,300	\$ 1,969,856	\$ 13,855,284
Restricted cash and investments	-	406,225	-	406,225
Cash and investments with fiscal agent	11,035,172	67,267	-	11,102,439
Total cash and investment	<u>\$ 19,833,300</u>	<u>\$ 3,560,792</u>	<u>\$ 1,969,856</u>	<u>\$ 25,363,948</u>

City of Patterson
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2022

	Major Funds			Total
	Water	Sewer	Garbage	
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities				
Operating income (loss)	\$ 2,773,491	\$ 67,886	\$ 741,009	\$ 3,582,386
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	976,020	1,877,479	12,779	2,866,278
Change in assets and liabilities:				
Accounts receivable	(6,836)	(43,493)	(34,320)	(84,649)
Intergovernmental receivable	(829)	-	(8,471)	(9,300)
Lease receivable	-	13,996	-	13,996
Prepaid items	115	(904)	(564)	(1,353)
OPEB-related deferred outflows of resources	(167,150)	(191,592)	(50,194)	(408,936)
Pension-related deferred outflows of resources	107,403	254,814	(92,261)	269,956
Accounts payable	134,496	229,836	106,934	471,266
Accrued liabilities	(1,175)	2,595	627	2,047
Deposits payable	1,971	-	-	1,971
Unearned revenue	-	739	26,423	27,162
Compensated absences	(2,791)	20,228	1,032	18,469
Net OPEB liability	264,020	302,628	79,284	645,932
Aggregate net pension liability	(1,066,089)	(1,419,579)	(207,005)	(2,692,673)
Lease-related deferred inflows of resources	-	(13,995)	-	(13,995)
OPEB-related deferred inflows of resources	(43,840)	(50,250)	220,404	126,314
Pension-related deferred inflows of resources	442,893	369,562	75,206	887,661
Total adjustments	638,208	1,352,064	129,874	2,120,146
Net cash provided by (used in) operating activities	\$ 3,411,699	\$ 1,419,950	\$ 870,883	\$ 5,702,532

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FIDUCIARY FUNDS FINANCIAL STATEMENTS

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City of Patterson
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	Custodial Funds
ASSETS	
Cash and investments	\$ 10,475,111
Restricted cash and investments	288,125
Cash and investments with fiscal agents	16,379,880
Accounts receivable	70,038
Intergovernmental receivable	190,311
Interest receivable	4,603
Notes receivable	993,418
Total assets	28,401,486
LIABILITIES	
Due to City	68,656
Total liabilities	68,656
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	28,332,830
Total net position	\$ 28,332,830

City of Patterson
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2022

	Custodial Funds
ADDITIONS:	
Special assessments for other governments	\$ 8,381,837
Investment income	79,213
Proceeds from issuance of bonds	12,431,810
Total additions	20,892,860
DEDUCTIONS:	
Administration	170,238
Payments on conduit bonds - principal	1,919,880
Payments on conduit bonds - interest	4,946,198
Projects payments	190,000
Contributions to City	518,052
Total deductions	7,744,368
Change in net position	13,148,492
NET POSITION:	
Beginning of year	15,184,338
End of period	\$ 28,332,830

NOTES TO THE BASIC FINANCIAL STATEMENTS

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City of Patterson
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For the Year Ended June 30, 2022

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

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.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

A. Financial Reporting Entity (Continued)

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.

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.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

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.

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
- 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.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Governmental Fund Financial Statements (Continued)

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.

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 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.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Proprietary Fund Financial Statements (Continued)

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.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements consist of a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The City has one type of fiduciary fund, custodial funds. 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. 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.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

C. Cash and Investments (Continued)

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.

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.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

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.

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.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

F. Leases (Continued)

Lessor (Continued)

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.

G. 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	20 years
Storm drains	75 years

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.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

H. 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.

I. Compensated Absences

Government-Wide Financial Statements

City employees have vested interest in varying levels of vacation and sick leave based on their length of employment and bargaining unit they belong to. Vacation leave is payable to employees at the time a vacation is taken or upon termination of employment. Sick leave is payable only when an employee is unable to work due to personal or family illness. 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. 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. The amount of compensated absences is 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.

The amount of accrued sick pay is not due upon termination and therefore is not recorded as a liability for the City.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

J. 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, 2020
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

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.

K. Other Postemployment Benefits (“OPEB”)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's 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, 2020
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

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.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

L. 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.

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.

M. 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, 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.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

N. 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.

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.

O. 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.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

P. Implementation of New GASB Pronouncements for the Year Ended June 30, 2022

GASB Statement No. 87

In June 2017, GASB issued Statement No. 87, *Leases* (GASB Statement No. 87), to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It also establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Implementation of this Statement had a significant effect on the City's financial statements for the year ended June 30, 2022.

GASB Statement No. 89

In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Application of this statement did not have a material effect on the City's financial statements for the fiscal year ending June 30, 2022.

GASB Statement No. 92

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Application of this statement did not have a material effect on the City's financial statements for the fiscal year ending June 30, 2022.

GASB Statement No. 93

In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. Application of this statement did not have a material effect on the City's financial statements for the fiscal year ending June 30, 2022.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

P. Implementation of New GASB Pronouncements for the Year Ended June 30, 2022 (Continued)

GASB Statement No. 97

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Application of this statement did not have a material effect on the City’s financial statements for the fiscal year ending June 30, 2022.

Q. 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. 91

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Application of this statement is effective for the City’s fiscal year ending June 30, 2023.

GASB Statement No. 94

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Application of this statement is effective for the City’s fiscal year ending June 30, 2023.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

Q. Upcoming Government Accounting Standards Implementations (Continued)

GASB Statement No. 96

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. Application of this statement is effective for the City’s fiscal year ending June 30, 2023.

GASB Statement No. 99

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Application of this statement is effective for the Authority’s fiscal year ending June 30, 2023.

GASB Statement No. 100

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Application of this statement is effective for the Authority’s fiscal year ending June 30, 2024.

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. Application of this statement is effective for the Authority’s fiscal year ending June 30, 2025.

Note 2 – Cash and Investments

The following is a summary of pooled cash and investments and restricted cash and investments at June 30, 2022:

	Primary Government		Fiduciary Funds	Total
	Governmental Activities	Business-type Activities		
Cash and investments	\$ 35,518,133	\$ 13,855,284	\$ 10,475,111	\$ 59,848,528
Restricted cash and investments	2,198,867	406,225	288,125	2,893,217
Cash and investments with fiscal agents	1,112,191	11,102,439	16,379,880	28,594,510
Investments held in trust	60,552,790	-	-	60,552,790
Total cash and investments	\$ 99,381,981	\$ 25,363,948	\$ 27,143,116	\$ 151,889,045

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Cash and Investments (Continued)

Cash, cash equivalents, and investments, consisted of the following at June 30, 2022:

Cash and cash equivalents:	
Cash on hand	\$ 1,245
Deposits with financial institutions	42,884,332
Total cash and cash equivalents	<u>42,885,577</u>
Investments:	
Local obligation bonds	60,552,790
Money market mutual funds	30,607,079
Central San Joaquin Valley Risk Authority (CSJVRMA)	3,818,970
Local Agency Investment Fund (LAIF)	14,024,629
Total investments	<u>109,003,468</u>
Total cash and investments	<u>\$ 151,889,045</u>

A. Cash Deposits

The carrying amounts of the City’s demand deposits were \$42,884,332 at June 30, 2022. Bank balances were \$43,857,159 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, 2022

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, 2022

Note 2 – Cash and Investments (Continued)

C. 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. The City’s investments in LAIF at June 30, 2022 included a portion of pool funds invested in Structure Notes and Asset-Backed Securities:

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

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

As of June 30, 2022, the City had \$14,024,629 invested in LAIF, which had invested 1.88% of the pool investment funds in Structured Notes and Asset-Back Securities. 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 fair value is not readily available. The City valued its investments in LAIF as of June 30, 2022, by multiplying its account balance with LAIF times a fair value factor determined by LAIF. This fair value factor was determined by dividing all LAIF participants’ total aggregate amortized cost by total aggregate fair value. The fair value of the City’s position in the pool is the same as the value of the pool shares. The credit quality rating of LAIF is unrated as of June 30, 2022.

D. 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, 2022, this account was valued at \$3,818,970. The City received an average yield of 0.21% for the fiscal year ended June 30, 2022 on this investment. The City’s investment in CSJVRMA is reported at amortized cost.

E. 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, 2022:

	Fair Value	Maturity			
		12 Months or Less	1-5 Years	6-10 Years	Thereafter
Investments:					
Local obligation bonds	\$ 60,552,790	\$ 423,164	\$ 1,321,847	\$ -	\$ 58,807,779
Money market mutual funds	30,607,079	30,607,079	-	-	-
Central San Joaquin Valley Risk Authority (CSJVRMA)	3,818,970	3,818,970	-	-	-
Local Agency Investment Fund (LAIF)	14,024,629	14,024,629	-	-	-
Total investments	\$ 109,003,468	\$ 48,873,842	\$ 1,321,847	\$ -	\$ 58,807,779

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Cash and Investments (Continued)

E. Risk Disclosures (Continued)

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 Legal Rating	Credit Rating	
			S&P	Moody's
Investments:				
Local obligation bonds	\$ 60,552,790	N/A	Not rated	Not rated
Money market mutual funds	30,607,079	N/A	AAAm	Aaa-mf
Central San Joaquin Valley Risk Authority (CSJVRMA)	3,818,970	N/A	Not rated	Not rated
Local Agency Investment Fund (LAIF)	14,024,629	N/A	Not rated	Not rated
Total investments	\$ 109,003,468			

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, 2022:

Issuer	Investment Type	Amount
West Patterson Financing Authority	Local obligation bonds	\$ 60,552,790

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.

F. Fair Value Measurement

The City's investments at June 30, 2022, categorized within the fair value hierarchy as described in Notre 1C are as follows:

Investments measured by fair value level:	June 30, 2021	Level 1	Level 2	Level 3
Central San Joaquin Valley Risk Authority (CSJVRMA)	3,818,970	-	3,818,970	-
Total investments by fair value level	3,818,970	\$ -	\$ 3,818,970	\$ -
Investments not subject to the fair value hierarchy:				
Local obligation bonds	\$ 60,552,790			
Local Agency Investment Funds (LAIF)	14,024,629			
Money market mutual funds	30,607,079			
Total investments not subject to the fair value hierarchy	105,184,498			
Total investments	\$ 109,003,468			

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Cash and Investments (Continued)

F. Fair Value Measurement (Continued)

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. 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.

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, 2022, the City recognized \$17,825 in lease revenue and \$4,176 in interest revenue.

A summary of changes in lease receivable for the fiscal year ended June 30, 2022 is as follows:

	Balance			Balance June 30, 2022	Classification	
	July 1, 2021, as restated	Additions	Deletions		Due within One Year	Due in More Than One Year
Leases receivable	\$ 230,770	\$ -	\$ (17,825)	\$ 212,945	\$ 19,628	\$ 193,317
Total	\$ 230,770	\$ -	\$ (17,825)	\$ 212,945	\$ 19,628	\$ 193,317

As of June 30, 2022, the required payments for these leases, including interest, are:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 19,628	\$ 3,825	\$ 23,453
2024	19,999	3,453	23,452
2025	18,756	3,079	21,835
2026	16,407	2,757	19,164
2027	17,037	2,447	19,484
2028-2032	121,118	6,806	127,924
Total	\$ 212,945	\$ 22,367	\$ 235,312

As of June 30, 2022, the amounts reported as deferred inflows of resources will be recognized as lease revenue as follows:

Year Ending June 30,	Amortization Schedule
2023	\$ 19,628
2024	19,999
2025	18,756
2026	16,407
2027	17,037
2028-2032	121,117
Total	\$ 212,944

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

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, 2022, the City recognized \$22,869 in lease revenue and \$1,417 in interest revenue.

A summary of changes in lease receivable for the fiscal year ended June 30, 2022 is as follows:

	Balance			Balance June 30, 2022	Classification	
	July 1, 2021, as restated	Additions	Deletions		Due within One Year	Due in More Than One Year
Leases receivable	\$ 81,375	\$ 8,873	\$ (22,869)	\$ 67,379	\$ 23,966	\$ 43,413
Total	\$ 81,375	\$ 8,873	\$ (22,869)	\$ 67,379	\$ 23,966	\$ 43,413

As of June 30, 2022, the required payments for these leases, including interest, are:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 23,966	\$ 1,058	\$ 25,024
2024	24,420	605	25,025
2025	16,091	162	16,253
2026	1,735	40	1,775
2027	1,167	7	1,174
Total	\$ 67,379	\$ 1,872	\$ 69,251

As of June 30, 2022, the amounts reported as deferred inflows of resources will be recognized as lease revenue as follows:

Year Ending June 30,	Amortization Schedule
2023	\$ 23,966
2024	24,420
2025	16,091
2026	1,735
2027	1,167
Total	\$ 67,379

Note 4 – Loan 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 2022.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 4 – Loan and Notes Receivable (Continued)

A. Governmental Activities (Continued)

Summary of changes in loans and notes receivable for the year ended June 30, 2022 is as follows:

	Loans and Notes Receivable Balance			Deletions	Loans and Notes Receivable Balance		Unavailable Revenue Balance
	July 1, 2021	Additions	June 30, 2022		June 30, 2022		
	Housing Authority of the County of Stanislaus	\$ 290,000	\$ -		\$ -	\$ 290,000	
Greater Valley Housing Development Corporation	900,000	-	-	900,000	900,000		
Housing Rehabilitation and Affordable Housing	553,313	-	(65,994)	487,319	487,319		
Total loans and notes receivable	\$ 1,743,313	\$ -	\$ (65,994)	\$ 1,677,319	\$ 1,677,319		

Housing Authority of the County of Stanislaus

The City has a 30-year note receivable with the Housing Authority of the County of Stanislaus in the amount of \$290,000. The note does not bear interest and principal payments are deferred for 30 years. The balance of this note has been offset by deferred inflows of resources in the amount of \$290,000 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, 2022 was \$487,319. The balance of these loans have been offset by deferred inflows of resources in the amount of \$487,319 in the financial statements.

B. Fiduciary Fund

Notes receivable as of June 30, 2022, was as follows:

	Balance	Additions	Deletions	Balance
	July 1, 2021			June 30, 2022
Darron Silva Promissory Note	\$ 1,010,595	\$ -	\$ (17,177)	\$ 993,418
Total notes receivable	\$ 1,010,595	\$ -	\$ (17,177)	\$ 993,418

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 4 – Loan 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. 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, 2024. The balance of the note receivable at June 30, 2022 was \$993,418.

Note 5 – Interfund Transactions

A. Due From and To Other Funds

Due from and to other funds as of June 30, 2022, was as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	CFD 2003-1 Public Safety/Fire Protection Services Special Revenue Fund	\$ 3,607,440	Overdrawn Cash
General Fund	Patterson Public Financing Authority Debt Service Fund	1,320,163	Overdrawn Cash
General Fund	Federal CDBG Grant Special Revenue Fund	210,283	Overdrawn Cash
	Total	\$ 5,137,886	

B. Transfers In and Out

Transfers in and out for the year ended June 30, 2022, was as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	CFD 2013-1 Special Revenue Fund	\$ 32,173	Indirect overhead
General Fund	CFD 2015-2 Special Revenue Fund	40,217	Indirect overhead
General Fund	Gas Tax Special Revenue Fund	300,000	Capital projects
General Fund	Landscape Maintenance District Special Revenue Fund	1,064,989	Indirect overhead
General Fund	Benefit Assessment District Special Revenue Fund	20,792	Indirect overhead
General Fund	Patterson Public Financing Authority Debt Service Fund	192,350	Capital projects
General Fund	Water Enterprise Fund	555,512	Indirect overhead
General Fund	Sewer Enterprise Fund	194,972	Indirect overhead
General Fund	Garbage Enterprise Fund	533,777	Indirect overhead
	Subtotal	2,934,782	
CFD 2003-1 Public Safety/Fire Protection Services Fund	General Fund	13,200	Assessments
CFD 2003-1 Public Safety/Fire Protection Services Fund	CFD 2015-2 Special Revenue Fund	85,000	Assessments
CFD 2003-1 Public Safety/Fire Protection Services Fund	Patterson Garden Fire Suppression Assessment Special Revenue Fund	500,000	Assessments
	Subtotal	598,200	

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 5 – Interfund Transactions (Continued)

B. Transfers In and Out (Continued)

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>	<u>Purpose</u>
Street Project Capital Projects Fund	General Fund	40,855	Capital projects
Street Project Capital Projects Fund	Garbage Enterprise Fund	79,803	Capital projects
Street Project Capital Projects Fund	Benefit Assessment District Special Revenue Fund	12,246	Capital projects
Street Project Capital Projects Fund	Gas Tax Special Revenue Fund	694,938	Capital projects
Street Project Capital Projects Fund	Street Improvement Impact Fee	77	Capital projects
	Subtotal	<u>827,919</u>	
Sewer Enterprise Fund	General Fund	57,828	Debt service
Sewer Enterprise Fund	Benefit Assessment District Special Revenue Fund	121,848	Debt service
Sewer Enterprise Fund	Water Enterprise Fund	53,622	Indirect overhead
	Subtotal	<u>233,298</u>	
Parkland In-Lieu Fee Capital Projects Fund	General Fund	45,327	Capital projects
	Total	<u>\$ 4,639,526</u>	

Note 6 – Due from Fiduciary Funds

Due from fiduciary funds as of June 30, 2022, 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	\$ 68,656	Overdrawn Cash
	Total	<u>\$ 68,656</u>	

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 7 – Capital Assets

A. Governmental Activities

Summary of changes in capital assets for governmental activities for the year ended June 30, 2022 is as follows:

	Balance July 1, 2021, as restated	Additions	Deletions	Adjustments/ Transfers	Balance June 30, 2022
Capital assets, not being depreciated					
Land	\$ 5,271,125	\$ -	\$ -	\$ -	\$ 5,271,125
Construction in progress	7,932,533	3,835,016	-	(2,670,336)	9,097,213
Total capital assets, not being depreciated	13,203,658	3,835,016	-	(2,670,336)	14,368,338
Capital assets, being depreciated					
Building	23,972,872	-	-	-	23,972,872
Improvements	16,057,655	393,275	-	9,867	16,460,797
Infrastructure	32,188,249	-	-	2,652,881	34,841,130
Equipment	6,760,902	225,860	(41,446)	7,588	6,952,904
Subtotal	78,979,678	619,135	(41,446)	2,670,336	82,227,703
Less: accumulated depreciation					
Building	(7,304,119)	(599,707)	-	-	(7,903,826)
Improvements	(9,023,963)	(772,705)	-	-	(9,796,668)
Infrastructure	(8,444,504)	(1,205,362)	-	-	(9,649,866)
Equipment	(5,865,238)	(276,637)	41,446	-	(6,100,429)
Subtotal	(30,637,824)	(2,854,411)	41,446	-	(33,450,789)
Total capital assets, being depreciated, net	48,341,854	(2,235,276)	-	2,670,336	48,776,914
Leased assets, being amortized					
Building	24,504	59,040	-	-	83,544
Subtotal	24,504	59,040	-	-	83,544
Less: accumulated amortization					
Building	-	(16,368)	-	-	(16,368)
Subtotal	-	(16,368)	-	-	(16,368)
Total leased assets, being amortized, net	24,504	42,672	-	-	67,176
Total capital assets, net	\$ 61,570,016	\$ 1,642,412	\$ -	\$ -	\$ 63,212,428

Governmental activities depreciation and amortization expenses for capital assets for the year ended June 30, 2022 are as follows:

General government	\$ 465,565
Fire	275,928
Public works	1,453,986
Park and recreation	675,300
Total depreciation/amortization	\$ 2,870,779

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

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, 2022 is as follows:

	Balance July 1, 2021	Additions	Deletions	Adjustments/ Transfers	Balance June 30, 2022
Capital assets, not being depreciated					
Land	\$ 6,196,329	\$ -	\$ -	\$ -	\$ 6,196,329
Construction in progress	4,743,625	2,028,290	-	(146,580)	6,625,335
Total capital assets, not being depreciated	10,939,954	2,028,290	-	(146,580)	12,821,664
Capital assets, being depreciated					
Infrastructure	67,149,267	6,714	-	146,580	67,302,561
Equipment	5,769,701	358,946	-	-	6,128,647
Subtotal	72,918,968	365,660	-	146,580	73,431,208
Less: accumulated depreciation					
Infrastructure	(32,065,842)	(2,435,982)	-	-	(34,501,824)
Equipment	(4,304,185)	(430,296)	-	-	(4,734,481)
Subtotal	(36,370,027)	(2,866,278)	-	-	(39,236,305)
Total capital assets, being depreciated, net	36,548,941	(2,500,618)	-	146,580	34,194,903
Total capital assets, net	\$ 47,488,895	\$ (472,328)	\$ -	\$ -	\$ 47,016,567

Business-type activities depreciation expenses for capital assets for the year ended June 30, 2022 are as follows:

Water	\$ 976,020
Sewer	1,877,479
Garbage	12,779
Total depreciation	\$ 2,866,278

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, 2022 is as follows:

	Original Issuance	Balance July 1, 2021, as restated	Additions	Deletions	Balance June 30, 2022	Due Within One Year	Due In More Than One Year
Private Placement:							
PPFA 2013 Heartland Ranch Revenue Bonds	\$ 4,963,568	\$ 2,292,005	\$ -	\$ (443,630)	\$ 1,848,375	\$ 462,628	\$ 1,385,747
PPFA 2013 Series A Revenue Bonds	67,190,000	57,045,000	-	(1,850,000)	55,195,000	1,765,000	53,430,000
Less: Bond Discount	(853,389)	(625,741)	-	28,446	(597,295)	-	(597,295)
PPFA 2013 Series B Revenue Bonds	6,465,000	5,575,000	-	(165,000)	5,410,000	165,000	5,245,000
2018 Lease Revenue Bonds	2,429,000	2,037,982	-	(139,568)	1,898,414	144,453	1,753,961
Lease payable	83,544	24,504	59,040	(11,450)	72,094	16,096	55,998
Settlement payable	1,300,000	364,000	-	-	364,000	364,000	-
Total long-term debt	\$ 81,577,723	\$ 66,712,750	\$ 59,040	\$ (2,581,202)	\$ 64,190,588	\$ 2,917,177	\$ 61,273,411

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

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, 2022, the outstanding balance of the 2013 Heartland Ranch Revenue bonds was \$1,848,375.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 462,628	\$ 60,316	\$ 522,944
2024	470,959	42,905	513,864
2025	273,775	29,016	302,791
2026	284,557	18,603	303,160
2027	174,771	10,036	184,807
2028	181,685	3,388	185,073
Total	<u>\$ 1,848,375</u>	<u>\$ 164,264</u>	<u>\$ 2,012,639</u>

2013 PPFA Series A Bonds

On August 14, 2013, the Patterson Public Financing Authority issued \$67,190,000 of special tax refunding bonds (Senior Series 2013A) to purchase, in part, the 2013-A1, 2013-A2, and 2013-B special tax bonds issued by the West Patterson Financing Authority. Interest on the bonds is payable semi-annually on March 1 and September 1 of each year through September 1, 2039, beginning on March 1, 2014. The interest rate on the bond is 3.00 percent. Principal payments are due annually beginning on September 1, 2014. 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, 2022, the outstanding balance of the 2013 PPFA Series A bonds was \$55,345,000.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 1,765,000	\$ 3,020,750	\$ 4,785,750
2024	1,860,000	2,927,800	4,787,800
2025	2,025,000	2,825,819	4,850,819
2026	2,195,000	2,715,044	4,910,044
2027	2,345,000	2,595,869	4,940,869
2028-2032	13,750,000	10,935,100	24,685,100
2033-2037	17,310,000	6,603,013	23,913,013
2038-2040	13,945,000	1,245,019	15,190,019
Total	<u>\$ 55,195,000</u>	<u>\$ 32,868,414</u>	<u>\$ 88,063,414</u>

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 8 – Long-Term Debt (Continued)

A. Governmental Activities (Continued)

2013 PPFA Series B Bonds

On August 14, 2013, the Patterson Public Financing Authority issued \$6,465,000 of special tax refunding bonds (Subordinate Series 2013B) to purchase, in part, the 2013-A1, 2013-A2, and 2013-B special tax bonds Issued by the West Patterson Financing Authority. Interest on the bonds is payable semi-annually on March 1 and September 1 of each year through September 1, 2039, beginning on March 1, 2014. The interest rate on the bonds is 5.875 percent. Principal payments are due annually beginning on September 1, 2014. 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, 2022, the outstanding balance of the 2013 PPFA Series B bonds was \$5,425,000.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 165,000	\$ 312,991	\$ 477,991
2024	175,000	303,003	478,003
2025	190,000	292,281	482,281
2026	210,000	280,531	490,531
2027	225,000	267,753	492,753
2028-2032	1,340,000	1,117,425	2,457,425
2033-2037	1,720,000	670,338	2,390,338
2038-2040	1,385,000	125,872	1,510,872
Total	<u>\$ 5,410,000</u>	<u>\$ 3,370,194</u>	<u>\$ 8,780,194</u>

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, 2022, the outstanding balance of the 2018 Lease Revenue Bonds was \$1,898,414.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 144,453	\$ 209,086	\$ 353,539
2023	149,510	209,087	358,597
2024	154,743	209,087	363,830
2025	160,158	209,085	369,243
2026	165,764	209,086	374,850
2027-2031	920,018	125,411	1,045,429
2032-2034	203,768	5,318	209,086
Total	<u>\$ 1,898,414</u>	<u>\$ 1,176,160</u>	<u>\$ 3,074,574</u>

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

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 1.85%.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 16,096	\$ 1,214	\$ 17,310
2024	25,356	829	26,185
2025	11,331	477	11,808
2026	11,545	263	11,808
2027	7,766	45	7,811
Total	\$ 72,094	\$ 2,828	\$ 74,922

Settlement Payable

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. 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, 2022, the remaining balance of the settlement payable was \$364,000.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 8 – Long-Term Debt (Continued)

B. Business-Type Activities

Summary of changes in long-term liabilities for the business-type activities for the year ended June 30, 2022 is as follows:

	Original Issuance	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year	Due In More Than One Year
Water Fund:							
Public Offering:							
2019A Water Revenue Bonds	\$ 9,215,000	\$ 9,100,000	\$ -	\$ (65,000)	\$ 9,035,000	\$ 70,000	\$ 8,965,000
Add: Bond Premium	-	556,513	-	(19,525)	536,988	-	536,988
2019B Water Revenue Refunding Bonds	7,015,000	6,440,000	-	(250,000)	6,190,000	260,000	5,930,000
Add: Bond Premium	-	819,799	-	(28,516)	791,283	-	791,283
Total water fund	16,230,000	16,916,312	-	(363,041)	16,553,271	330,000	16,223,271
Sewer Fund:							
Public Offering:							
2009 Sewer Revenue Bonds	3,195,000	260,000	-	(85,000)	175,000	85,000	90,000
Private Placement:							
2017 Sewer Refunding Revenue Bonds	2,712,200	2,572,900	-	(30,400)	2,542,500	31,500	2,511,000
Direct Borrowing:							
State Revolving Fund loan	774,790	449,629	-	(44,985)	404,644	46,155	358,489
Banc of America loan	951,540	1,350,053	-	(55,538)	1,294,515	73,458	1,221,057
CEC loan	2,876,172	1,646,186	-	(298,764)	1,347,422	201,658	1,145,764
Total sewer fund	10,509,702	6,278,768	-	(514,687)	5,764,081	437,771	5,326,310
Total business-type activities	\$ 26,739,702	\$ 23,195,080	\$ -	\$ (877,728)	\$ 22,317,352	\$ 767,771	\$ 21,549,581

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, 2022, the outstanding balance of the 2019A Water Revenue Bonds was \$9,035,000.

The annual debt service requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 70,000	\$ 314,744	\$ 384,744
2024	70,000	312,644	382,644
2025	75,000	310,544	385,544
2026	70,000	307,544	377,544
2027	75,000	304,744	379,744
2028-2032	425,000	1,475,519	1,900,519
2033-2037	525,000	1,383,319	1,908,319
2038-2042	2,195,000	1,228,025	3,423,025
2043-2047	3,825,000	629,700	4,454,700
2048-2050	1,705,000	77,100	1,782,100
Total	\$ 9,035,000	\$ 6,343,883	\$ 15,378,883

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 8 – Long-Term Debt (Continued)

B. Business-Type Activities (Continued)

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, 2022, the outstanding balance of the 2019B Sewer Refunding Revenue Bonds was \$6,190,000.

The annual debt service requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 260,000	\$ 247,600	\$ 507,600
2024	270,000	237,200	507,200
2025	280,000	226,400	506,400
2026	295,000	215,200	510,200
2027	305,000	197,300	502,300
2028-2032	1,725,000	789,500	2,514,500
2033-2037	2,090,000	408,600	2,498,600
2038-2041	965,000	38,900	1,003,900
Total	<u>\$ 6,190,000</u>	<u>\$ 2,360,700</u>	<u>\$ 8,550,700</u>

2009 Sewer Revenue Bonds

In May 2009, the Patterson Financing Authority authorized the issuance of \$3,195,000 of revenue bonds (Series 2009) to (i) finance, together with other available moneys, certain wastewater system improvements, (ii) fund a reserve for the bonds, and (iii) to pay the cost of issuance of the bonds. The bonds were issued at a discount of \$9,180 and issuance costs totaled \$219,345. Principal is payable on June 1 of each year through June 2024. Interest is payable semi-annually, on each June 1 and December 1. Interest rates range from 1.55 percent to 5.50 percent. The bonds are secured by a pledge and lien on the net revenues of the City's municipal wastewater enterprise. During fiscal year 2017-18 the bonds were partially refunded by the issuance of the 2017 Sewer Revenue Bonds. At June 30, 2022, the outstanding balance of the 2009 Sewer Revenue Bonds was \$175,000.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 8 – Long-Term Debt (Continued)

B. Business-Type Activities (Continued)

2009 Sewer Revenue Bonds (Continued)

The annual debt service requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 85,000	\$ 8,313	\$ 93,313
2024	90,000	4,275	94,275
Total	<u>\$ 175,000</u>	<u>\$ 12,588</u>	<u>\$ 187,588</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.

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. The 2009 Bond that were not part of the refinancing continue to be paid as regularly scheduled until they are paid off on June 1, 2024. At June 30, 2022, the outstanding balance of the 2017 Sewer Refunding Revenue Bonds was \$2,542,500.

The annual debt service requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 31,500	\$ 86,445	\$ 117,945
2024	32,600	85,374	117,974
2025	128,700	84,266	212,966
2026	132,800	79,890	212,690
2027	136,800	75,375	212,175
2028-2032	768,200	302,875	1,071,075
2033-2037	905,000	163,608	1,068,608
2038-2039	406,900	20,944	427,844
Total	<u>\$ 2,542,500</u>	<u>\$ 898,777</u>	<u>\$ 3,441,277</u>

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 8 – Long-Term Debt (Continued)

B. Business-Type Activities (Continued)

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 the current fiscal year. The loan amount is based on the amount of draws by the City for reimbursable costs. The loan does not bear interest; however the City bears a grant charge of 2.6 percent. The loan matures in October 2029. At June 30, 2022, the outstanding balance of the State Revolving Fund Loan was \$404,644.

The annual debt service requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 46,155	\$ 10,521	\$ 56,676
2024	47,355	9,321	56,676
2025	48,586	8,089	56,675
2026	49,849	6,826	56,675
2026	51,145	5,530	56,675
2028-2030	161,554	8,473	170,027
Total	<u>\$ 404,644</u>	<u>\$ 48,760</u>	<u>\$ 453,404</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, 2022, the outstanding balance of the Banc of America Public Capital Loan was \$1,294,515.

The annual debt service requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 73,458	\$ 44,160	\$ 117,618
2024	92,790	41,452	134,242
2025	113,620	38,063	151,683
2026	136,041	33,940	169,981
2027	160,803	29,020	189,823
2028-2029	717,803	29,357	747,160
Total	<u>\$ 1,294,515</u>	<u>\$ 215,992</u>	<u>\$ 1,510,507</u>

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

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, 2022, the outstanding balance of the CEC loan was \$1,347,422.

The annual debt service requirements are as follows:

Year Ending			
June 30	Principal	Interest	Total
2023	\$ 201,658	\$ 12,973	\$ 214,631
2024	203,651	10,980	214,631
2025	205,721	8,910	214,631
2026	207,783	6,847	214,630
2027	209,866	4,764	214,630
2028-2029	318,743	3,202	321,945
Total	\$ 1,347,422	\$ 47,676	\$ 1,395,098

Note 9 – Compensated Absences

A. Governmental Activities

For the governmental activities, compensated absences are generally liquidated by the General Fund.

Summary of changes in compensated absences for the year ended June 30, 2022 is as follows:

	Balance	Additions	Deletions	Balance	Classification	
					July 1, 2021	June 30, 2022
					One Year	Than One Year
Governmental Activities	\$ 512,606	\$ 470,607	\$ (385,969)	\$ 597,244	\$ 597,244	\$ -

B. Business-Type Activities

Summary of changes in compensated absences for the year ended June 30, 2022 is as follows:

	Balance	Additions	Deletions	Balance	Classification	
					July 1, 2021	June 30, 2022
					One Year	Than One Year
Business-Type Activities:						
Water Fund	\$ 123,062	\$ 104,752	\$ (107,544)	\$ 120,270	\$ 120,270	\$ -
Sewer Fund	112,107	111,030	(90,801)	132,336	132,336	-
Garbage Fund	29,192	29,541	(28,509)	30,224	30,224	-
Total business-type activities	\$ 264,361	\$ 245,323	\$ (226,854)	\$ 282,830	\$ 282,830	\$ -

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

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, 2022 was as follows:

Heartland Ranch Authority Bonds	\$ 1,745,012
Community Facilities District No. 2013-A1 Special Tax Bonds	30,434,898
Community Facilities District No. 2013-A2 Special Tax Bonds	24,776,208
Community Facilities District No. 2013-B Special Tax Bonds	3,596,672
Community Facilities District No. 2005-1 Business Park Special Tax Bonds	9,165,000
Community Facilities District No. 2015-1 Special Tax Bonds	4,650,000
Community Facilities District No. 2018-1 Special Tax Bonds, Series 2021	9,265,000
Community Facilities District No. 2005-1 Special Tax Bonds, Series 2021	4,685,000
Total	\$ 88,317,790

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 11 – Fund Balances

At June 30, 2022, 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	\$ 138,586	\$ -	\$ -	\$ -	\$ 138,586
Total nonspendable	138,586	-	-	-	138,586
Restricted:					
Debt service	390,809	-	60,662,321	-	61,053,130
Assessment Districts	-	-	-	3,546,681	3,546,681
Grants	96,737	-	-	603,911	700,648
Streets and roads	-	-	-	3,343,962	3,343,962
Measure L	-	-	-	3,462,267	3,462,267
Developer housing in-lieu	-	-	-	1,055,582	1,055,582
Community Facilities Districts	-	-	-	585,693	585,693
Impact fee	-	-	-	301,732	301,732
Total restricted	487,546	-	60,662,321	12,899,828	74,049,695
Committed:					
Contingencies	8,116,966	-	-	-	8,116,966
Capital projects	-	-	-	9,280,241	9,280,241
Total committed	8,116,966	-	-	9,280,241	17,397,207
Assigned:					
General government operations	999,214	-	-	39,560	1,038,774
Fund deficits	3,592,016	-	-	-	3,592,016
Encumbrances	86,995	-	-	-	86,995
OPEB	71,713	-	-	-	71,713
Capital projects	348,561	-	-	-	348,561
Total assigned	5,098,499	-	-	39,560	5,138,059
Unassigned (deficit)	4,584,238	(3,592,016)	-	(374,596)	617,626
Total	\$ 18,425,835	\$ (3,592,016)	\$ 60,662,321	\$ 21,845,033	\$ 97,341,173

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, 2022

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, 2022, is as follows:

Total Assets	\$ 150,837,823
Total Liabilities	\$ 118,663,929
Net Position	\$ 32,173,894
Operating Revenues	\$ 66,885,024
Operating Expenses	\$ 47,584,363
Nonoperating Revenues (Expenses)	\$ (7,973,544)
Change in Net Position	\$ 11,327,117

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 \$10,000)	1,000,000,000
Worker's Compensation (\$200,000)	Statutory Limit
Boiler and Machinery (\$1,000 to \$10,000)	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, 2022, the City contributed \$1,604,661 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, 2022

Note 13 – Pension Plans

A. Summary

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
Deferred outflows of resources:			
Pension contribution after measurement date:			
Miscellaneous	\$ 740,419	\$ 686,246	\$ 1,426,665
Safety	571,316	-	571,316
Difference between expected and actual experience:			
Miscellaneous	160,965	149,187	310,152
Safety	301,993	-	301,993
Adjustments due to differences in proportions			
Miscellaneous	152,413	141,261	293,674
Safety	185,501	-	185,501
Differences between City's contributions and proportionate share of contributions			
Miscellaneous	29,829	27,646	57,475
Total deferred outflows of resources	<u>\$ 2,142,436</u>	<u>\$ 1,004,340</u>	<u>\$ 3,146,776</u>
Net pension liabilities:			
Miscellaneous	\$ 1,435,397	\$ 1,330,376	\$ 2,765,773
Safety	1,767,602	-	1,767,602
Total net pension liabilities	<u>\$ 3,202,999</u>	<u>\$ 1,330,376</u>	<u>\$ 4,533,375</u>
Deferred inflows of Resources:			
Difference in projected and actual earnings on pension investments:			
Miscellaneous	\$ 1,253,026	\$ 1,161,348	\$ 2,414,374
Safety	1,052,063	-	1,052,063
Differences between City's contributions and proportionate share of contributions			
Safety	68,381	-	68,381
Total deferred inflows of resources	<u>\$ 2,373,470</u>	<u>\$ 1,161,348</u>	<u>\$ 3,534,818</u>
Pension expenses:			
Miscellaneous	\$ (40,256)	\$ (61,297)	\$ (101,553)
Safety	110,160	-	110,160
Total pension expenses	<u>\$ 69,904</u>	<u>\$ (61,297)</u>	<u>\$ 8,607</u>

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 13 – Pension Plans (Continued)

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.

Employees Covered by Benefit Terms

At June 30, 2021, measurement date, the following employees were covered by the benefit terms:

	<u>Miscellaneous</u>	<u>Miscellaneous PEPRA</u>	<u>Safety</u>	<u>Safety PEPRA</u>
Active employees	45	58	14	6
Transferred and terminated employees	50	26	6	3
Retired employees and beneficiaries	46	-	37	-
Total	<u>141</u>	<u>84</u>	<u>57</u>	<u>9</u>

Benefit 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:

	<u>Miscellaneous</u>	<u>Miscellaneous PEPRA</u>	<u>Safety</u>	<u>Safety PEPRA</u>
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	50-57
Monthly benefits, as a % of eligible compensation	2.7%	2.0%	3.0%	2.0% to 2.7%
Required employee contribution rate	8.000%	6.750%	9.000%	13.000%
Required employer contribution rate	13.350%	7.590%	22.480%	13.130%

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 13 – Pension Plans (Continued)

B. General Information about Pension Plans (Continued)

Contributions

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

	Miscellaneous	Safety	Total
Contributions - employer	\$ 1,426,665	\$ 571,316	\$ 1,997,981

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:

	Plan Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Miscellaneous			
Balance at: 6/30/20 (Valuation date)	\$ 31,156,284	\$ 24,491,193	\$ 6,665,091
Balance at: 6/30/21 (Measurement date)	34,550,727	31,784,954	2,765,773
Net changes during 2020-2021	3,394,443	7,293,761	(3,899,318)
Safety			
Balance at: 6/30/20 (Valuation date)	\$ 13,000,896	\$ 9,701,523	\$ 3,299,373
Balance at: 6/30/21 (Measurement date)	14,082,820	12,315,218	1,767,602
Net changes during 2020-2021	1,081,924	2,613,695	(1,531,771)

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, 2021, 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, 2020 rolled forward to June 30, 2021 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, 2021 and 2020 were as follows:

	Miscellaneous	Safety	Total
Proportion - June 30, 2020	0.15801%	0.04952%	0.20754%
Proportion - June 30, 2021	0.14566%	0.05037%	0.19603%
Change - Increase/(Decrease)	-0.01235%	0.00084%	-0.01151%

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

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)

For the year ended June 30, 2022, the City recognized pension expense/credit of \$(101,553) and \$110,160, for the Miscellaneous and Safety plans, respectively. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Miscellaneous Plan		
	Deferred outflows of resources	Deferred inflows of resources
Contribution made after the measurement date	\$ 1,426,665	\$ -
Difference between expected and actual experience	310,152	-
Net difference between projected and actual earnings on pension plan investments	-	2,414,374
Employer contributions in excess/(under) proportionate share of contributions	57,475	-
Adjustments due to difference in proportions	293,674	-
Total	<u>\$ 2,087,966</u>	<u>\$ 2,414,374</u>

Safety Plan		
	Deferred outflows of resources	Deferred inflows of resources
Contribution made after the measurement date	\$ 571,316	\$ -
Difference between expected and actual experience	301,993	-
Net difference between projected and actual earnings on pension plan investments	-	1,052,063
Employer contributions in excess/(under) proportionate share of contributions	-	68,381
Adjustments due to difference in proportions	185,501	-
Total	<u>\$ 1,058,810</u>	<u>\$ 1,120,444</u>

Aggregate Total		
	Deferred outflows of resources	Deferred inflows of resources
Contribution made after the measurement date	\$ 1,997,981	\$ -
Difference between expected and actual experience	612,145	-
Net difference between projected and actual earnings on pension plan investments	-	3,466,437
Employer contributions in excess/(under) proportionate share of contributions	57,475	68,381
Adjustments due to difference in proportions	479,175	-
Total	<u>\$ 3,146,776</u>	<u>\$ 3,534,818</u>

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

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)

For the Miscellaneous Plan and Safety Plan, \$1,426,665 and \$571,316, 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, 2023. 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
2023	\$ (258,414)	\$ (41,776)	\$ (300,190)
2024	(349,419)	(105,492)	(454,911)
2025	(478,032)	(196,169)	(674,201)
2026	(667,208)	(289,513)	(956,721)
2027	-	-	-
Thereafter	-	-	-
Total	<u>\$ (1,753,073)</u>	<u>\$ (632,950)</u>	<u>\$ (2,386,023)</u>

Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.65%
Mortality Rate Table	Derived using CalPERS’ Membership Data for all Funds. The mortality table used was developed based on CalPERS’ specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter.

All other actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS’ website under Forms and Publications.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 13 – Pension Plans (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. 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 7.15% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15% 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.

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.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1 - 10¹</u>	<u>Real Return Years 11 +²</u>
Global equity	50.00%	4.80%	5.98%
Global fixed income	28.00%	1.00%	2.62%
Inflation sensitive assets	0.00%	7.00%	1.81%
Private equity	8.00%	6.30%	7.23%
Real assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%

¹ An expected inflation of 2.00% was used for this period.

² An expected inflation of 2.92% was used for this period.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 13 – Pension Plans (Continued)

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

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

The following presents the City’s proportionate share of the net 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%
	(6.15%)	Rate (7.15%)	(8.15%)
Miscellaneous	\$ 7,327,537	\$ 2,765,773	\$ (1,005,372)
Safety	3,663,271	1,767,602	210,544
Total	\$ 10,990,808	\$ 4,533,375	\$ (794,828)

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, 2022, the City had no outstanding amounts owed to the pension plan for contributions for the year ended June 30, 2022.

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	\$ 634,305	\$ 320,795	\$ 955,100
Changes in assumptions	1,269,475	642,026	1,911,501
Total deferred outflows of resources	\$ 1,903,780	\$ 962,821	\$ 2,866,601
Net OPEB liability:			
Net OPEB liability	\$ 10,237,730	\$ 4,664,893	\$ 14,902,623
Total OPEB liability	\$ 10,237,730	\$ 4,664,893	\$ 14,902,623
Deferred inflows of Resources:			
Difference between expected and actual experience	\$ 1,070,599	\$ 548,936	\$ 1,619,535
Change in assumption	372,834	191,166	564,000
Total deferred inflows of resources	\$ 1,443,433	\$ 740,102	\$ 2,183,535
Net OPEB Expense	\$ 884,294	\$ 453,410	\$ 1,337,704

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 14 – Other Postemployment Benefits (Continued)

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 single-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.

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, 2020, the valuation date:

Active employees	122
Transferred and terminated employees	11
Retired employees and beneficiaries	13
Total	146

Contributions

The obligation of the City to contribute to the plan is established and may be amended by the City Council. The City Council has established a policy of funding the actuarially determined contribution (ADC) on a pay as you go basis. For the fiscal year ended June 30, 2020, the valuation date, the City’s average contribution rate was 2.12% of covered-employee payroll. Employees are not required to contribute to the plan.

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

Net OPEB Liability

The City’s net OPEB liability was measured as of June 30, 2021. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. The net OPEB liability at June 30, 2022 was \$14,902,623.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 14 – Other Postemployment Benefits (Continued)

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

Actuarial Assumptions

The net OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions:

Discount Rate	2.17%
Inflation	2.75%
Aggregate payroll increases	3.00%
Expected long-term investment rate of return	n/a
Mortality, Termination, and Disability	CalPERS 1997-2015 Experience Study
Mortality Improvement Scale	Modified projected fully generational with Scale MP-2019
Healthcare Trend Rate - Non-Medicare	An annual healthcare cost trend rate of 7.25% initially reduced by decrements to an ultimate of 4.0% in 2076.
Healthcare Trend Rate - Medicare	An annual healthcare cost trend rate of 6.3% initially reduced by decrements to an ultimate of 4.0% in 2076.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2019 through June 30, 2020.

Discount Rate

The discount rate used to measure the net OPEB liability was 2.17% 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

	Net OPEB Liability
Balance at June 30, 2020 (Valuation Date)	\$ 12,997,781
Changes Recognized for the Measurement Period:	
Service Cost	1,088,576
Interest on the total OPEB liability	341,695
Difference between expected and actual experience	-
Changes of assumptions	639,497
Benefit payments	(164,926)
Net Changes during July 1, 2020 to June 30, 2021	1,904,842
Balance at June 30, 2021 (Measurement Date)	\$ 14,902,623

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

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 (1.17 percent) or 1-percentage-point higher (3.17 percent) than the current discount rate:

Plan's Net OPEB Liability		
Discount Rate - 1% (1.17%)	Current Discount Rate (2.17%)	Discount Rate + 1% (3.17%)
\$ 17,682,764	\$ 14,902,623	\$ 12,726,015

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%
\$ 12,677,028	\$ 14,902,623	\$ 18,129,563

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

For the fiscal year ended June 30, 2022, the City recognized OPEB expense of \$1,337,704. At June 30, 2022, 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	\$ -	\$ 1,619,535
Changes of assumptions	1,911,501	564,000
Employer contributions made subsequent to the measurement date	955,100	-
Total	\$ 2,866,601	\$ 2,183,535

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 10.7 years, which was determined as of June 30, 2020, 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, 2022

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, \$955,100 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	Deferred Outflows/ (Inflows) of Resources
2023	\$ (94,208)
2024	(94,208)
2025	(94,208)
2026	(94,208)
2027	(93,208)
Thereafter	198,006
	\$ (272,034)

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, 2022, the following funds had a fund balances (deficit) or unrestricted net position (deficit):

Fund	Fund Type	Deficit
CFD 2003-1 Public Safety/Fire Protection Services Fund	Special Revenue	\$ 3,592,016
Federal CDBG Grant Fund	Special Revenue	260,921
Local Transportation Fund	Special Revenue	112,553
Heartland Ranch Infrastructure Fund	Capital Projects	1,122

The City plans to eliminate the deficits through the reduction in future expenditures and/or the use of new funding sources.

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 16 – Other Required Disclosures (Continued)

B. Expenditures Exceeding Appropriations

For the year ended June 30, 2022, expenditures exceeded appropriations in the following funds/functions:

<u>Fund</u>	<u>Function</u>	<u>Excess Expenditures</u>
General Fund	Debt service: Principal	11,450
General Fund	Debt service: Interest and fiscal charges	940
CFD 2001-01 Patterson Gardens		
Public Safety Special Revenue Fund	Fire	44
Local Transportation Special Revenue Fund	Public works	114
Gas Tax Special Revenue Fund	Public works	11,245
CFD 2018-2 VOP Maintenance Special Revenue Fund	General government	4,647
CFD 2018-2 VOP Maintenance Special Revenue Fund	General government	2,930

Note 17 – 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 18 – Net Position

A. Net Investment in Capital Assets

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

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Net investment in capital assets:		
Capital assets, nondepreciable	\$ 14,368,338	\$ 12,821,664
Capital assets, depreciable/amortizable, net	48,844,090	34,194,903
Unspent bond proceeds - Restricted cash and investment	-	406,225
Unspent bond proceeds - Cash with fiscal agent	-	11,035,172
Deferred amount on refunding	-	318,293
Long-term debt:		
Leases Payable	(72,094)	-
2018 Lease Revenue Bonds	(1,898,414)	-
2019A Water Revenue Bonds	-	(9,571,988)
2019B Water Revenue Refunding Bonds	-	(6,981,283)
2009 Sewer Revenue Bonds	-	(175,000)
2017 Sewer Refunding Revenue Bonds	-	(2,542,500)
State Revolving Fund loan	-	(404,644)
Banc of America loan	-	(1,294,515)
CEC loan	-	(1,347,422)
Total net investment in capital assets	<u>\$ 61,241,920</u>	<u>\$ 36,458,905</u>

City of Patterson
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 18 – Net Position (Continued)

B. Restricted Net Position

Restricted Net Position at June 30 consisted of the following:

	Governmental Activities	Business-Type Activities
Restricted net position:		
Restricted amount on fund statements	\$ 74,049,695	\$ 3,133,590
Unavailable revenue	1,820,017	3,133,590
Long-term debt offset by investments held by trust:		
PPFA 2013 Heartland Ranch Revenue Bonds	(1,848,375)	-
PPFA 2013 Series A Revenue Bonds	(55,195,000)	-
PPFA 2013 Series B Revenue Bonds	(5,410,000)	-
Total restricted net position	\$ 13,416,337	\$ 6,267,180

Note 19 – 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.

REQUIRED SUPPLEMENTARY INFORMATION

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City of Patterson
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Favorable
				(Unfavorable)
REVENUES :				
Taxes:				
Property	\$ 2,859,783	\$ 2,859,783	\$ 6,466,296	\$ 3,606,513
Sales	7,185,136	14,074,209	12,317,056	(1,757,153)
Franchise	233,159	233,159	193,226	(39,933)
Other	176,768	176,768	277,779	101,011
Licenses, permits, and fees	2,387,621	1,447,826	1,603,135	155,309
Charges for services	323,732	424,061	480,220	56,159
Intergovernmental:				
Federal grant and subsidies	2,065,096	2,760,851	774,110	(1,986,741)
Other governmental	2,906,434	1,449,937	745,053	(704,884)
Fines, forfeitures and penalties	132,000	151,210	158,125	6,915
Interest	28,277	36,775	(478,098)	(514,873)
Miscellaneous	272,524	412,186	533,721	121,535
Total revenues	<u>18,570,530</u>	<u>24,026,765</u>	<u>23,070,623</u>	<u>(956,142)</u>
EXPENDITURES :				
Current:				
General government	4,562,173	4,752,504	3,529,790	1,222,714
Police	6,226,529	6,231,528	5,909,652	321,876
Fire	2,942,736	3,464,951	2,899,328	565,623
Community development and planning	1,762,875	2,120,971	1,935,975	184,996
Public works	3,529,011	3,910,298	3,447,137	463,161
Park and recreation	2,553,854	2,835,555	2,293,417	542,138
Capital outlay	1,528,980	1,755,773	959,887	795,886
Debt service:				
Principal	139,568	139,568	151,018	(11,450)
Interest and fiscal charges	69,518	69,518	70,458	(940)
Total expenditures	<u>23,315,244</u>	<u>25,280,666</u>	<u>21,196,662</u>	<u>4,084,004</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(4,744,714)</u>	<u>(1,253,901)</u>	<u>1,873,961</u>	<u>3,127,862</u>
OTHER FINANCING SOURCES (USES):				
Inception of lease payable	-	-	59,040	59,040
Transfers in	4,415,184	3,805,537	2,934,782	(870,755)
Transfers out	(2,277,840)	(431,959)	(157,210)	274,749
Total other financing sources (uses)	<u>2,137,344</u>	<u>3,373,578</u>	<u>2,836,612</u>	<u>(536,966)</u>
Net change in fund balances	<u>\$ (2,607,370)</u>	<u>\$ 2,119,677</u>	<u>4,710,573</u>	<u>\$ 2,590,896</u>
FUND BALANCE:				
Beginning of year			<u>13,715,262</u>	
End of year			<u>\$ 18,425,835</u>	

City of Patterson
Budgetary Comparison Schedule
CFD 2003-1 Public Safety/Fire Protection Special Revenue Fund
For the Year Ended June 30, 2022

	<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	\$ 1,125,370	\$ 1,125,370	\$ 1,306,377	\$ 181,007
Miscellaneous	30,000	59,726	59,726	-
Total revenues	<u>1,155,370</u>	<u>1,185,096</u>	<u>1,366,103</u>	<u>181,007</u>
EXPENDITURES:				
Current:				
Fire	2,497,047	2,818,753	2,355,923	462,830
Capital outlay	33,300	86,500	37,010	49,490
Total expenditures	<u>2,530,347</u>	<u>2,905,253</u>	<u>2,392,933</u>	<u>512,320</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(1,374,977)</u>	<u>(1,720,157)</u>	<u>(1,026,830)</u>	<u>693,327</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	585,000	598,200	598,200	-
Transfers out	(449,469)	-	-	-
Total other financing sources (uses)	<u>135,531</u>	<u>598,200</u>	<u>598,200</u>	<u>-</u>
Net change in fund balances	<u>\$ (1,239,446)</u>	<u>\$ (1,121,957)</u>	<u>(428,630)</u>	<u>\$ 693,327</u>
FUND BALANCE (DEFICIT):				
Beginning of year			<u>(3,163,386)</u>	
End of year			<u>\$ (3,592,016)</u>	

City of Patterson
Notes to the Budgetary Comparison Schedule
Budgetary Information
For the Year Ended June 30, 2022

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, 2022 are disclosed in the notes to the financial statements. Appropriations for fiscal year 2022 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 preliminary budget by June 30 of each year to City Council. This allows the City to continue normal operations until the final budget is adopted in September. 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 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 funds: CDBG HA Loan Special Revenue Fund and Police Asset Forfeiture Special Revenue Fund.

City of Patterson
Schedule of Proportionate Share of the Net Pension Liability
Last Ten Years
For the Year Ended June 30, 2022

Miscellaneous Plan								
Measurement period, year ended	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014 ¹
Plan's proportion of the net pension liability	0.1456588%	0.1580126%	0.1530113%	0.1496090%	0.1499839%	0.1499839%	0.1557567%	0.1455000%
Plan's proportionate share of the net pension liability	\$ 2,765,773	\$ 6,665,091	\$ 6,127,339	\$ 5,638,335	\$ 5,912,437	\$ 5,141,345	\$ 4,273,133	\$ 3,638,246
Plan's covered-employee payroll	\$ 4,605,966	\$ 4,605,966	\$ 4,471,812	\$ 4,341,565	\$ 4,215,111	\$ 4,092,341	\$ 3,973,147	\$ 3,857,424
Plan's proportionate share of the net pension liability as a percentage of covered-employee payroll	60.05%	144.71%	137.02%	129.87%	140.27%	125.63%	107.55%	94.32%
Plan's fiduciary net position	\$ 31,784,954	\$ 24,491,193	\$ 22,526,868	\$ 19,926,425	\$ 16,132,739	\$ 13,690,393	\$ 12,687,998	\$ 12,287,961
Plan's fiduciary net position as a percentage of the total pension liability	92.00%	78.61%	78.62%	77.94%	73.18%	72.70%	74.81%	77.16%
Plan's proportionate share of aggregate employer contributions	\$ 1,291,216	\$ 1,103,312	\$ 1,043,720	\$ 900,310	\$ 821,442	\$ 693,115	\$ 748,691	\$ 691,154

¹ Information only presented from the implementation year

City of Patterson
Schedule of Proportionate Share of the Net Pension Liability (Continued)
Last Ten Years
For the Year Ended June 30, 2022

Safety Plan								
Measurement period, year ended	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u> ¹
Plan's proportion of the net pension liability	0.050366%	0.049523%	0.047853%	0.046974%	0.045984%	0.046120%	0.046242%	0.026700%
Plan's proportionate share of the net pension liability	\$ 1,767,602	\$ 3,299,373	\$ 2,987,220	\$ 2,756,215	\$ 2,747,657	\$ 2,388,655	\$ 1,905,383	\$ 1,661,368
Plan's covered-employee payroll	\$ 1,369,049	\$ 1,369,049	\$ 1,329,174	\$ 1,290,460	\$ 1,252,874	\$ 1,216,383	\$ 1,177,974	\$ 1,094,057
Plan's proportionate share of the net pension liability as a percentage of covered-employee payroll	129.11%	241.00%	224.74%	213.58%	219.99%	196.37%	161.75%	151.85%
Plan's fiduciary net position	\$ 12,315,218	\$ 9,701,523	\$ 9,134,775	\$ 8,394,137	\$ 7,539,289	\$ 6,653,977	\$ 6,545,084	\$ 6,325,433
Plan's fiduciary net position as a percentage of the total pension liability	87.45%	74.62%	75.36%	75.28%	73.23%	73.58%	77.45%	79.20%
Plan's proportionate share of aggregate employer contributions	\$ 552,488	\$ 494,902	\$ 457,665	\$ 393,732	\$ 337,685	\$ 312,567	\$ 364,763	\$ 312,579

¹ Information only presented from the implementation year

City of Patterson
Schedule of Plan Contributions
Last Ten Years
For the Year Ended June 30, 2022

Miscellaneous Plan									
Fiscal Year:	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14¹
Contractually determined contribution (actuarially determined)	\$ 1,426,665	\$ 1,291,216	\$ 1,103,312	\$ 1,043,720	\$ 900,310	\$ 821,442	\$ 693,115	\$ 748,691	\$ 691,154
Contributions in relation to the actuarially determined contributions	(1,426,665)	(1,291,216)	(1,103,312)	(1,043,720)	(900,310)	(821,442)	(693,115)	(748,691)	(691,154)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 4,744,145	\$ 4,744,145	\$ 4,605,966	\$ 4,471,812	\$ 4,341,565	\$ 4,215,111	\$ 4,092,341	\$ 3,973,147	\$ 3,857,424
Contributions as a percentage of covered payroll	30.07%	27.22%	23.95%	23.34%	20.74%	19.49%	16.94%	18.84%	17.92%

Notes to Schedule

Methods and assumptions used to determine contribution rates:

The actuarial methods and assumption used to set the actuarially determined contributions for Fiscal Year 2022 were derived from the June 30, 2019 funding valuation report.

Actuarial cost method	Entry Age Normal
Amortization method/period	For details, see June 30, 2019 Funding Valuation Report
Asset valuation method	Actuarial Value of Assets. For details, see June 30, 2019 Funding Valuation Report.
Inflation	2.50%
Salary increases	Varies by entry age and service
Payroll growth	2.750%
Investment rate of return	7.00% net of pension plan investment and administrative expenses.
Retirement age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 and 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

¹ Information only presented from the implementation year

City of Patterson
Schedule of Plan Contributions (Continued)
Last Ten Years
For the Year Ended June 30, 2022

Safety Plan									
Fiscal Year:	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14¹
Contractually determined contribution (actuarially determined)	\$ 571,316	\$ 552,488	\$ 494,902	\$ 457,665	\$ 393,732	\$ 337,685	\$ 312,567	\$ 364,763	\$ 312,579
Contributions in relation to the actuarially determined contributions	(571,316)	(552,488)	(494,902)	(457,665)	(393,732)	(337,685)	(312,567)	(364,763)	(312,579)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$1,410,121	\$1,410,121	\$1,369,049	\$1,329,174	\$1,290,460	\$1,252,874	\$1,216,383	\$1,177,974	\$1,094,057
Contributions as a percentage of covered payroll	40.52%	39.18%	36.15%	34.43%	30.51%	26.95%	25.70%	30.97%	28.57%

Notes to Schedule

Methods and assumptions used to determine contribution rates:

The actuarial methods and assumption used to set the actuarially determined contributions for Fiscal Year 2022 were derived from the June 30, 2019 funding valuation report.

Actuarial cost method	Entry Age Normal
Amortization method/period	For details, see June 30, 2019 Funding Valuation Report
Asset valuation method	Actuarial Value of Assets. For details, see June 30, 2019 Funding Valuation Report.
Inflation	2.50%
Salary increases	Varies by entry age and service
Payroll growth	2.750%
Investment rate of return	7.00% net of pension plan investment and administrative expenses.
Retirement age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 and 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

¹ Information only presented from the implementation year

City of Patterson
Schedule of Changes in Net OPEB Liability and Related Ratios
Last Ten Years
For the Year Ended June 30, 2022

Measurement period, year ending:	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017¹</u>
Total OPEB liability					
Service cost	\$ 1,088,576	\$ 930,865	\$ 868,965	\$ 951,252	\$ 1,055,000
Interest	341,695	413,592	393,931	394,277	327,000
Changes of benefit terms	-	-	-	(891,666)	-
Differences between expected and actual experience	-	(1,584,352)	-	(552,203)	-
Changes of assumptions	639,497	1,127,249	490,438	102,481	(1,129,000)
Benefit payments, including refunds of member contributions	(164,926)	(177,238)	(163,179)	(179,631)	(175,000)
Change in total OPEB liability	<u>1,904,842</u>	<u>710,116</u>	<u>1,590,155</u>	<u>(175,490)</u>	<u>78,000</u>
Total OPEB liability - beginning	<u>12,997,781</u>	<u>12,287,665</u>	<u>10,697,510</u>	<u>10,873,000</u>	<u>10,795,000</u>
Total OPEB liability - ending (a)	<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	\$ 164,926	\$ 177,238	\$ 163,179	\$ 179,631	\$ 175,000
Net investment income	-	-	-	-	-
Benefit payments, including refunds of member contributions	(164,926)	(177,238)	(163,179)	(179,631)	(175,000)
Administrative expense	-	-	-	-	-
Change in plan fiduciary net position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - ending (b)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan net OPEB liability - ending (a) - (b)	<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	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	\$ 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	167.11%	151.86%	149.92%	145.49%	164.24%

Notes to Schedule

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

¹ Information only presented from the implementation year

SUPPLEMENTARY INFORMATION

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NON-MAJOR GOVERNMENTAL FUNDS

City of Patterson
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2022

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	\$ 885,786	\$ 2,449,007	\$ 238	\$ 246,983	\$ 39,543
Receivables:					
Intergovernmental	28,587	8,062	307	4,906	-
Interest	855	1,138	-	163	17
Notes and loans	-	-	-	-	-
Lease	-	-	-	-	-
Total assets	\$ 915,228	\$ 2,458,207	\$ 545	\$ 252,052	\$ 39,560
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ 68,131	\$ 10,959	\$ 261	\$ -	\$ -
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Deposits and other liabilities	-	-	-	-	-
Total liabilities	68,131	10,959	261	-	-
DEFERRED INFLOWS OF RESOURCES:					
Lease-related deferred inflows of resources	-	-	-	-	-
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCES (DEFICIT):					
Restricted	847,097	2,447,248	284	252,052	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	39,560
Unassigned (deficit)	-	-	-	-	-
Total fund balances	847,097	2,447,248	284	252,052	39,560
Total liabilities, deferred inflows of resources and fund balances	\$ 915,228	\$ 2,458,207	\$ 545	\$ 252,052	\$ 39,560

(Continued)

City of Patterson
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2022

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	\$ -	\$ 222,949	\$ -	\$ 193,784	\$ 192,080
Receivables:					
Intergovernmental	-	-	-	-	2,500
Interest	-	98	-	85	84
Notes and loans	293,489	8,776	-	81,620	207,345
Lease	-	-	-	-	-
Total assets	\$ 293,489	\$ 231,823	\$ -	\$ 275,489	\$ 402,009
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	210,283	-	-
Unearned revenue	-	-	50,638	-	14,125
Deposits and other liabilities	-	-	-	-	-
Total liabilities	-	-	260,921	-	14,125
DEFERRED INFLOWS OF RESOURCES:					
Lease-related deferred inflows of resources	-	-	-	-	-
Unavailable revenue	293,489	8,776	-	81,620	207,345
Total deferred inflows of resources	293,489	8,776	-	81,620	207,345
FUND BALANCES (DEFICIT):					
Restricted	-	223,047	-	193,869	180,539
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned (deficit)	-	-	(260,921)	-	-
Total fund balances	-	223,047	(260,921)	193,869	180,539
Total liabilities, deferred inflows of resources and fund balances	\$ 293,489	\$ 231,823	\$ -	\$ 275,489	\$ 402,009

(Continued)

City of Patterson
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2022

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	\$ 6,453	\$ 255,121	\$ 184,039	\$ 125,711	\$ 2,719,406
Receivables:					
Intergovernmental	-	138,736	585	-	301,377
Interest	3	150	79	55	1,189
Notes and loans	27,957	-	-	-	-
Lease	-	-	-	-	-
Total assets	\$ 34,413	\$ 394,007	\$ 184,703	\$ 125,766	\$ 3,021,972
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ -	\$ -	\$ 114	\$ -	\$ 42,757
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	297,142	12,328	-
Deposits and other liabilities	-	-	-	-	-
Total liabilities	-	-	297,256	12,328	42,757
DEFERRED INFLOWS OF RESOURCES:					
Lease-related deferred inflows of resources	-	-	-	-	-
Unavailable revenue	27,957	11,245	-	-	131,453
Total deferred inflows of resources	27,957	11,245	-	-	131,453
FUND BALANCES (DEFICIT):					
Restricted	6,456	382,762	-	113,438	2,847,762
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned (deficit)	-	-	(112,553)	-	-
Total fund balances	6,456	382,762	(112,553)	113,438	2,847,762
Total liabilities, deferred inflows of resources and fund balances	\$ 34,413	\$ 394,007	\$ 184,703	\$ 125,766	\$ 3,021,972

(Continued)

City of Patterson
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2022

Special Revenue Funds

	Measure L Fund	Developer Housing In-Lieu Fee	Police Asset Forfeiture	Westside Drainage Study	CFD 2013-1
ASSETS					
Cash and investments	\$ 4,390,765	\$ 1,055,120	\$ 4,304	\$ 65,696	\$ 582,135
Receivables:					
Intergovernmental	323,396	-	-	-	-
Interest	1,911	462	2	29	269
Notes and loans	-	1,041,500	-	-	-
Lease	-	-	-	-	-
Total assets	\$ 4,716,072	\$ 2,097,082	\$ 4,306	\$ 65,725	\$ 582,404
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ 345,525	\$ -	\$ -	\$ -	\$ 1,017
Due to other funds	-	-	-	-	-
Unearned revenue	908,280	-	-	-	-
Deposits and other liabilities	-	-	-	-	-
Total liabilities	1,253,805	-	-	-	1,017
DEFERRED INFLOWS OF RESOURCES:					
Lease-related deferred inflows of resources	-	-	-	-	-
Unavailable revenue	-	1,041,500	-	-	-
Total deferred inflows of resources	-	1,041,500	-	-	-
FUND BALANCES (DEFICIT):					
Restricted	3,462,267	1,055,582	4,306	-	581,387
Committed	-	-	-	65,725	-
Assigned	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances	3,462,267	1,055,582	4,306	65,725	581,387
Total liabilities, deferred inflows of resources and fund balances	\$ 4,716,072	\$ 2,097,082	\$ 4,306	\$ 65,725	\$ 582,404

(Continued)

City of Patterson
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2022

	Special Revenue Funds		Capital Projects Funds		
	CFD 2015-2 Public Safety	CFD 2018-2 VOP Maintenance	Community Facility Impact Fee	General Government Impact Fee	Public Safety Impact Fee
ASSETS					
Cash and investments	\$ 54,693	\$ 237,433	\$ 973,370	\$ 430,961	\$ 617,086
Receivables:					
Intergovernmental	-	37,640	-	-	-
Interest	33	122	426	189	270
Notes and loans	-	-	-	-	-
Lease	-	-	-	-	-
Total assets	\$ 54,726	\$ 275,195	\$ 973,796	\$ 431,150	\$ 617,356
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ -	\$ 1,515	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Deposits and other liabilities	-	26,674	-	-	-
Total liabilities	-	28,189	-	-	-
DEFERRED INFLOWS OF RESOURCES:					
Lease-related deferred inflows of resources	-	-	-	-	-
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCES (DEFICIT):					
Restricted	54,726	247,006	-	-	-
Committed	-	-	973,796	431,150	617,356
Assigned	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances	54,726	247,006	973,796	431,150	617,356
Total liabilities, deferred inflows of resources and fund balances	\$ 54,726	\$ 275,195	\$ 973,796	\$ 431,150	\$ 617,356

(Continued)

City of Patterson
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2022

Capital Projects Funds

	Parkland In-Lieu Fee	Street Improvement Impact Fee	Water Impact Fee	Storm Drain Impact Fee	Sewer Impact Fee
ASSETS					
Cash and investments	\$ 59,931	\$ 789,113	\$ 3,951,491	\$ 1,263,695	\$ 15,494
Receivables:					
Intergovernmental	-	-	190,014	-	70,814
Interest	22	346	1,736	554	8
Notes and loans	-	-	-	-	-
Lease	-	-	-	-	-
Total assets	\$ 59,953	\$ 789,459	\$ 4,143,241	\$ 1,264,249	\$ 86,316
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ 2,016	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Deposits and other liabilities	-	-	-	-	-
Total liabilities	2,016	-	-	-	-
DEFERRED INFLOWS OF RESOURCES:					
Lease-related deferred inflows of resources	-	-	-	-	-
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCES (DEFICIT):					
Restricted	-	-	-	-	-
Committed	57,937	789,459	4,143,241	1,264,249	86,316
Assigned	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances	57,937	789,459	4,143,241	1,264,249	86,316
Total liabilities, deferred inflows of resources and fund balances	\$ 59,953	\$ 789,459	\$ 4,143,241	\$ 1,264,249	\$ 86,316

(Continued)

City of Patterson
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2022

Capital Projects Funds

	Delta Mendota Storm Gate	Aquatic Center Construction	Future Water Acquisition	Heartland Ranch Infrastructure	Downtown Assistance Fee
ASSETS					
Cash and investments	\$ 174,285	\$ 370,286	\$ 142,845	\$ 46,034	\$ 162,151
Receivables:					
Intergovernmental	-	-	1,072	-	-
Interest	76	162	63	20	71
Notes and loans	-	-	-	-	-
Lease	-	-	10,969	-	-
Total assets	\$ 174,361	\$ 370,448	\$ 154,949	\$ 46,054	\$ 162,222
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Deposits and other liabilities	-	-	-	47,176	-
Total liabilities	-	-	-	47,176	-
DEFERRED INFLOWS OF RESOURCES:					
Lease-related deferred inflows of resources	-	-	10,968	-	-
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	10,968	-	-
FUND BALANCES (DEFICIT):					
Restricted	-	-	-	-	-
Committed	174,361	370,448	143,981	-	162,222
Assigned	-	-	-	-	-
Unassigned (deficit)	-	-	-	(1,122)	-
Total fund balances	174,361	370,448	143,981	(1,122)	162,222
Total liabilities, deferred inflows of resources and fund balances	\$ 174,361	\$ 370,448	\$ 154,949	\$ 46,054	\$ 162,222

(Continued)

City of Patterson
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2022

	Total Non-major Governmental Funds
ASSETS	
Cash and investments	\$ 22,907,988
Receivables:	
Intergovernmental	1,107,996
Interest	10,687
Notes and loans	1,660,687
Lease	10,969
Total assets	\$ 25,698,327
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	
LIABILITIES:	
Accounts payable	\$ 472,295
Due to other funds	210,283
Unearned revenue	1,282,513
Deposits and other liabilities	73,850
Total liabilities	2,038,941
 DEFERRED INFLOWS OF RESOURCES:	
Lease-related deferred inflows of resources	10,968
Unavailable revenue	1,803,385
Total deferred inflows of resources	1,814,353
 FUND BALANCES (DEFICIT):	
Restricted	12,899,828
Committed	9,280,241
Assigned	39,560
Unassigned (deficit)	(374,596)
Total fund balances	21,845,033
 Total liabilities, deferred inflows of resources and fund balances	 \$ 25,698,327

(Concluded)

City of Patterson
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2022

	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	1,747,091	499,419	8,499	536,341	-
Intergovernmental:					
Federal grant and subsidies	-	-	-	-	-
Other governmental	-	-	-	-	-
Investment income(loss)	2,247	4,346	-	372	75
Miscellaneous	-	-	-	-	620
Total revenues	1,749,338	503,765	8,499	536,713	695
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Fire	-	-	-	6,514	-
Community development and planning	-	-	3,095	-	-
Public works	588,726	134,145	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	588,726	134,145	3,095	6,514	-
REVENUES OVER (UNDER) EXPENDITURES	1,160,612	369,620	5,404	530,199	695
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	(1,064,989)	(154,886)	-	(500,000)	-
Total financing sources (uses)	(1,064,989)	(154,886)	-	(500,000)	-
Net change in fund balances	95,623	214,734	5,404	30,199	695
FUND BALANCES (DEFICIT):					
Beginning of year	751,474	2,232,514	(5,120)	221,853	38,865
End of year	\$ 847,097	\$ 2,447,248	\$ 284	\$ 252,052	\$ 39,560

(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, 2022

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	-	-	20,885	-	-
Other governmental	-	-	-	-	-
Investment income(loss)	-	457	-	850	2,075
Miscellaneous	-	65,397	-	768	4,374
Total revenues	-	65,854	20,885	1,618	6,449
EXPENDITURES:					
Current:					
General government	-	-	221	-	14,177
Fire	-	-	-	-	-
Community development and planning	-	-	-	-	-
Public works	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	-	-	221	-	14,177
REVENUES OVER (UNDER) EXPENDITURES	-	65,854	20,664	1,618	(7,728)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total financing sources (uses)	-	-	-	-	-
Net change in fund balances	-	65,854	20,664	1,618	(7,728)
FUND BALANCES (DEFICIT):					
Beginning of year	-	157,193	(281,585)	192,251	188,267
End of year	\$ -	\$ 223,047	\$ (260,921)	\$ 193,869	\$ 180,539

(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, 2022

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	-	-	-	-	18,925
Other governmental	-	965,329	-	40,365	295,016
Investment income(loss)	509	781	319	222	5,913
Miscellaneous	603	-	585	-	-
Total revenues	1,112	966,110	904	40,587	319,854
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Fire	-	-	-	-	-
Community development and planning	-	-	-	-	-
Public works	-	11,245	114	-	41,251
Capital outlay	-	-	-	-	1,232,936
Total expenditures	-	11,245	114	-	1,274,187
REVENUES OVER (UNDER) EXPENDITURES	1,112	954,865	790	40,587	(954,333)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	827,919
Transfers out	-	(994,938)	-	-	-
Total financing sources (uses)	-	(994,938)	-	-	827,919
Net change in fund balances	1,112	(40,073)	790	40,587	(126,414)
FUND BALANCES (DEFICIT):					
Beginning of year	5,344	422,835	(113,343)	72,851	2,974,176
End of year	\$ 6,456	\$ 382,762	\$ (112,553)	\$ 113,438	\$ 2,847,762

(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, 2022

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	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	208,890
Intergovernmental:					
Federal grant and subsidies	-	-	-	-	-
Other governmental	1,822,391	-	-	-	-
Investment income(loss)	7,040	2,015	8	126	944
Miscellaneous	-	-	-	-	-
Total revenues	1,829,431	2,015	8	126	209,834
EXPENDITURES:					
Current:					
General government	-	-	-	-	17,584
Fire	-	-	-	-	-
Community development and planning	-	-	-	-	-
Public works	-	-	-	-	-
Capital outlay	2,410,579	-	-	-	-
Total expenditures	2,410,579	-	-	-	17,584
REVENUES OVER (UNDER) EXPENDITURES	(581,148)	2,015	8	126	192,250
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(32,173)
Total financing sources (uses)	-	-	-	-	(32,173)
Net change in fund balances	(581,148)	2,015	8	126	160,077
FUND BALANCES (DEFICIT):					
Beginning of year	4,043,415	1,053,567	4,298	65,599	421,310
End of year	\$ 3,462,267	\$ 1,055,582	\$ 4,306	\$ 65,725	\$ 581,387

(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, 2022

	<u>Special Revenue Funds</u>			<u>Capital Projects Funds</u>	
	<u>CFD 2015-2 Public Safety</u>	<u>CFD 2018-2 VOP Maintenance</u>	<u>Community Facility Impact Fee</u>	<u>General Government Impact Fee</u>	<u>Public Safety Impact Fee</u>
REVENUES:					
Licenses, permits, and fees	\$ -	\$ -	\$ 406,026	\$ 67,492	\$ 23,484
Charges for services	93,901	216,318	-	-	-
Intergovernmental:					
Federal grant and subsidies	-	-	-	-	-
Other governmental	-	-	-	-	21,025
Investment income(loss)	194	344	1,608	826	1,166
Miscellaneous	-	-	-	-	-
Total revenues	<u>94,095</u>	<u>216,662</u>	<u>407,634</u>	<u>68,318</u>	<u>45,675</u>
EXPENDITURES:					
Current:					
General government	25	10,447	-	-	-
Fire	-	-	-	-	-
Community development and planning	-	-	-	-	-
Public works	-	5,100	-	-	-
Capital outlay	-	-	-	55,362	-
Total expenditures	<u>25</u>	<u>15,547</u>	<u>-</u>	<u>55,362</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>94,070</u>	<u>201,115</u>	<u>407,634</u>	<u>12,956</u>	<u>45,675</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	(85,000)	(40,217)	-	-	-
Total financing sources (uses)	<u>(85,000)</u>	<u>(40,217)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	9,070	160,898	407,634	12,956	45,675
FUND BALANCES (DEFICIT):					
Beginning of year	45,656	86,108	566,162	418,194	571,681
End of year	<u>\$ 54,726</u>	<u>\$ 247,006</u>	<u>\$ 973,796</u>	<u>\$ 431,150</u>	<u>\$ 617,356</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, 2022

Capital Projects Funds

	Parkland In-Lieu Fee	Street Improvement Impact Fee	Water Impact Fee	Storm Drain Impact Fee	Sewer Impact Fee
REVENUES:					
Licenses, permits, and fees	\$ 479	\$ 9,428	\$ 1,363,188	\$ 35,095	\$ 92,516
Charges for services	-	72,096	-	-	-
Intergovernmental:					
Federal grant and subsidies	-	-	-	-	-
Other governmental	-	-	-	-	-
Investment income(loss)	118	1,228	6,924	2,399	20
Miscellaneous	-	-	-	-	-
Total revenues	597	82,752	1,370,112	37,494	92,536
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Fire	-	-	-	-	-
Community development and planning	-	-	-	-	-
Public works	-	-	-	-	-
Capital outlay	45,327	-	284	3,040	-
Total expenditures	45,327	-	284	3,040	-
REVENUES OVER (UNDER) EXPENDITURES	(44,730)	82,752	1,369,828	34,454	92,536
OTHER FINANCING SOURCES (USES):					
Transfers in	45,327	-	-	-	-
Transfers out	-	(77)	(100,305)	-	(6,309)
Total financing sources (uses)	45,327	(77)	(100,305)	-	(6,309)
Net change in fund balances	597	82,675	1,269,523	34,454	86,227
FUND BALANCES (DEFICIT):					
Beginning of year	57,340	706,784	2,873,718	1,229,795	89
End of year	\$ 57,937	\$ 789,459	\$ 4,143,241	\$ 1,264,249	\$ 86,316

(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, 2022

Capital Projects Funds

	Delta Mendota Storm Gate	Aquatic Center Construction	Future Water Acquisition	Heartland Ranch Infrastructure	Downtown Assistance Fee
REVENUES:					
Licenses, permits, and fees	\$ -	\$ 105,165	\$ -	\$ -	\$ 54,600
Charges for services	-	-	-	-	-
Intergovernmental:					
Federal grant and subsidies	-	-	-	-	-
Other governmental	-	-	-	-	-
Investment income(loss)	334	643	517	88	276
Miscellaneous	-	-	5,115	-	-
Total revenues	334	105,808	5,632	88	54,876
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Fire	-	-	-	-	-
Community development and planning	-	-	-	-	-
Public works	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	-	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	334	105,808	5,632	88	54,876
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total financing sources (uses)	-	-	-	-	-
Net change in fund balances	334	105,808	5,632	88	54,876
FUND BALANCES (DEFICIT):					
Beginning of year	174,027	264,640	138,349	(1,210)	107,346
End of year	\$ 174,361	\$ 370,448	\$ 143,981	\$ (1,122)	\$ 162,222

(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, 2022

	Total Non-major Governmental Funds
REVENUES:	
Licenses, permits, and fees	\$ 2,157,473
Charges for services	3,382,555
Intergovernmental:	
Federal grant and subsidies	39,810
Other governmental	3,144,126
Investment income(loss)	44,984
Miscellaneous	77,462
Total revenues	8,846,410
EXPENDITURES:	
Current:	
General government	42,454
Fire	6,514
Community development and planning	3,095
Public works	780,581
Capital outlay	3,747,528
Total expenditures	4,580,172
REVENUES OVER (UNDER) EXPENDITURES	4,266,238
OTHER FINANCING SOURCES (USES):	
Transfers in	873,246
Transfers out	(2,978,894)
Total financing sources (uses)	(2,105,648)
Net change in fund balances	2,160,590
FUND BALANCES (DEFICIT):	
Beginning of year	19,684,443
End of year	\$ 21,845,033

(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, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment income (loss)	\$ 3,662,675	\$ 4,127,179	\$ 3,771,959	\$ (355,220)
Revenue from Fiduciary Fund	520,848	520,848	518,052	(2,796)
Total revenues	<u>4,183,523</u>	<u>4,648,027</u>	<u>4,290,011</u>	<u>(358,016)</u>
EXPENDITURES:				
Debt service:				
Principal	2,642,270	3,090,910	2,458,630	632,280
Interest and fiscal charges	4,128,742	4,128,742	4,025,984	102,758
Total expenditures	<u>6,771,012</u>	<u>7,219,652</u>	<u>6,484,614</u>	<u>735,038</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(2,587,489)</u>	<u>(2,571,625)</u>	<u>(2,194,603)</u>	<u>377,022</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	(192,350)	(192,350)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(192,350)</u>	<u>(192,350)</u>
Net change in fund balances	<u>\$ (2,587,489)</u>	<u>\$ (2,571,625)</u>	<u>(2,386,953)</u>	<u>\$ 184,672</u>
FUND BALANCE:				
Beginning of year			<u>63,049,274</u>	
End of year			<u>\$ 60,662,321</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, 2022

	<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	\$ 1,799,971	\$ 1,799,971	\$ 1,747,091	\$ (52,880)
Investment income (loss)	12,247	12,247	2,247	(10,000)
Total revenues	<u>1,812,218</u>	<u>1,812,218</u>	<u>1,749,338</u>	<u>(62,880)</u>
EXPENDITURES:				
Current:				
Public works	1,853,040	1,870,579	588,726	1,281,853
Total expenditures	<u>1,853,040</u>	<u>1,870,579</u>	<u>588,726</u>	<u>1,281,853</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(40,822)</u>	<u>(58,361)</u>	<u>1,160,612</u>	<u>1,218,973</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(98,202)	(47,854)	(1,064,989)	(1,017,135)
Total other financing sources (uses)	<u>(98,202)</u>	<u>(47,854)</u>	<u>(1,064,989)</u>	<u>(1,017,135)</u>
Net change in fund balances	<u>\$ (139,024)</u>	<u>\$ (106,215)</u>	95,623	<u>\$ 201,838</u>
FUND BALANCE:				
Beginning of year			<u>751,474</u>	
End of year			<u>\$ 847,097</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, 2022

	<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	\$ 495,541	\$ 495,541	\$ 499,419	\$ 3,878
Investment income (loss)	26,191	26,191	4,346	(21,845)
Total revenues	<u>521,732</u>	<u>521,732</u>	<u>503,765</u>	<u>(17,967)</u>
EXPENDITURES:				
Current:				
Public works	541,210	541,210	134,145	407,065
Total expenditures	<u>541,210</u>	<u>541,210</u>	<u>134,145</u>	<u>407,065</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(19,478)</u>	<u>(19,478)</u>	<u>369,620</u>	<u>389,098</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(931,972)	(153,640)	(154,886)	(1,246)
Total other financing sources (uses)	<u>(931,972)</u>	<u>(153,640)</u>	<u>(154,886)</u>	<u>(1,246)</u>
Net change in fund balances	<u>\$ (951,450)</u>	<u>\$ (173,118)</u>	214,734	<u>\$ 387,852</u>
FUND BALANCE:				
Beginning of year			<u>2,232,514</u>	
End of year			<u>\$ 2,447,248</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, 2022

	<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	\$ 8,758	\$ 8,758	\$ 8,499	\$ (259)
Investment income (loss)	210	210	-	(210)
Total revenues	<u>8,968</u>	<u>8,968</u>	<u>8,499</u>	<u>(469)</u>
EXPENDITURES:				
Current:				
Community development and planning	<u>13,636</u>	<u>13,636</u>	<u>3,095</u>	<u>10,541</u>
Total expenditures	<u>13,636</u>	<u>13,636</u>	<u>3,095</u>	<u>10,541</u>
Net change in fund balances	<u>\$ (4,668)</u>	<u>\$ (4,668)</u>	5,404	<u>\$ 10,072</u>
FUND BALANCE (DEFICIT):				
Beginning of year			<u>(5,120)</u>	
End of year			<u>\$ 284</u>	

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, 2022

	<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	\$ 526,383	\$ 526,383	\$ 536,341	\$ 9,958
Investment income (loss)	2,506	2,506	372	(2,134)
Total revenues	<u>528,889</u>	<u>528,889</u>	<u>536,713</u>	<u>7,824</u>
EXPENDITURES:				
Current:				
Fire	6,470	6,470	6,514	(44)
Total expenditures	<u>6,470</u>	<u>6,470</u>	<u>6,514</u>	<u>(44)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>522,419</u>	<u>522,419</u>	<u>530,199</u>	<u>7,780</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(500,000)	(500,000)	(500,000)	-
Total other financing sources (uses)	<u>(500,000)</u>	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ 22,419</u>	<u>\$ 22,419</u>	30,199	<u>\$ 7,780</u>
FUND BALANCE:				
Beginning of year			<u>221,853</u>	
End of year			<u>\$ 252,052</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, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes:				
Investment income (loss)	\$ 470	\$ 470	\$ 75	\$ (395)
Miscellaneous	-	-	620	620
Total revenues	<u>470</u>	<u>470</u>	<u>695</u>	<u>225</u>
EXPENDITURES:				
Current:				
Public works	<u>300</u>	<u>300</u>	<u>-</u>	<u>300</u>
Total expenditures	<u>300</u>	<u>300</u>	<u>-</u>	<u>300</u>
Net change in fund balances	<u>\$ 170</u>	<u>\$ 170</u>	695	<u>\$ 525</u>
FUND BALANCE:				
Beginning of year			<u>38,865</u>	
End of year			<u>\$ 39,560</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, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment income (loss)	\$ 2,616	\$ 2,616	\$ 457	\$ (2,159)
Miscellaneous	688	688	65,397	64,709
Total revenues	<u>\$ 3,304</u>	<u>\$ 3,304</u>	65,854	<u>\$ 62,550</u>
FUND BALANCE:				
Beginning of year			<u>157,193</u>	
End of year			<u>\$ 223,047</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, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental:				
Federal grant and subsidies	\$ 327,389	\$ 177,389	\$ 20,885	\$ (156,504)
Total revenues	<u>327,389</u>	<u>177,389</u>	<u>20,885</u>	<u>(156,504)</u>
EXPENDITURES:				
Current:				
General government	14,389	14,389	221	14,168
Capital outlay	<u>313,000</u>	<u>163,000</u>	<u>-</u>	<u>163,000</u>
Total expenditures	<u>327,389</u>	<u>177,389</u>	<u>221</u>	<u>177,168</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	20,664	<u>\$ 20,664</u>
FUND BALANCE (DEFICIT):				
Beginning of year			<u>(281,585)</u>	
End of year			<u>\$ (260,921)</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, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Investment income (loss)	\$ 3,064	\$ 3,064	\$ 850	\$ (2,214)
Miscellaneous	3,656	3,656	768	(2,888)
Total revenues	\$ 6,720	\$ 6,720	1,618	\$ (5,102)
 FUND BALANCE:				
Beginning of year			192,251	
End of year			\$ 193,869	

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, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental:				
Federal grant and subsidies	\$ -	\$ -	\$ -	\$ -
Investment income (loss)	3,198	3,198	2,075	(1,123)
Miscellaneous	1,772	1,772	4,374	2,602
Total revenues	<u>4,970</u>	<u>4,970</u>	<u>6,449</u>	<u>1,479</u>
EXPENDITURES:				
Current:				
General government	-	-	14,177	(14,177)
Total expenditures	<u>-</u>	<u>-</u>	<u>14,177</u>	<u>(14,177)</u>
Net change in fund balances	<u>\$ 4,970</u>	<u>\$ 4,970</u>	<u>(7,728)</u>	<u>\$ (12,698)</u>
FUND BALANCE:				
Beginning of year			<u>188,267</u>	
End of year			<u>\$ 180,539</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, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Investment income (loss)	\$ 498	\$ 498	\$ 509	\$ 11
Miscellaneous	501	501	603	102
	<u>999</u>	<u>999</u>	<u>1,112</u>	<u>113</u>
Total revenues	<u>\$ 999</u>	<u>\$ 999</u>	<u>1,112</u>	<u>\$ 113</u>
 FUND BALANCE:				
Beginning of year			<u>5,344</u>	
End of year			<u>\$ 6,456</u>	

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, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental:				
Other governmental	\$ 1,073,704	\$ 1,073,704	\$ 965,329	\$ (108,375)
Investment income (loss)	1,949	1,949	781	(1,168)
Total revenues	<u>1,075,653</u>	<u>1,075,653</u>	<u>966,110</u>	<u>(109,543)</u>
EXPENDITURES:				
Current:				
Public works	-	-	11,245	(11,245)
Total expenditures	<u>-</u>	<u>-</u>	<u>11,245</u>	<u>(11,245)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,075,653</u>	<u>1,075,653</u>	<u>954,865</u>	<u>(120,788)</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(1,535,567)</u>	<u>(1,343,567)</u>	<u>(994,938)</u>	<u>348,629</u>
Total other financing sources (uses)	<u>(1,535,567)</u>	<u>(1,343,567)</u>	<u>(994,938)</u>	<u>348,629</u>
Net change in fund balances	<u>\$ (459,914)</u>	<u>\$ (267,914)</u>	<u>(40,073)</u>	<u>\$ 227,841</u>
FUND BALANCE:				
Beginning of year			<u>422,835</u>	
End of year			<u>\$ 382,762</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, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental:				
Other governmental	\$ 55,072	\$ 55,072	\$ -	\$ (55,072)
Investment income (loss)	3,459	3,459	319	(3,140)
Miscellaneous	-	-	585	585
Total revenues	<u>58,531</u>	<u>58,531</u>	<u>904</u>	<u>(57,627)</u>
EXPENDITURES:				
Current:				
Public works	-	-	114	(114)
Total expenditures	<u>-</u>	<u>-</u>	<u>114</u>	<u>(114)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>58,531</u>	<u>58,531</u>	<u>790</u>	<u>(57,741)</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(55,072)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(55,072)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ 3,459</u>	<u>\$ 58,531</u>	<u>790</u>	<u>\$ (57,741)</u>
FUND BALANCE (DEFICIT):				
Beginning of year			<u>(113,343)</u>	
End of year			<u>\$ (112,553)</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, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental:				
Other governmental	\$ -	\$ 40,365	\$ 40,365	\$ -
Investment income (loss)	716	716	222	(494)
Total revenues	<u>716</u>	<u>41,081</u>	<u>40,587</u>	<u>(494)</u>
EXPENDITURES:				
Capital outlay	-	10,000	-	10,000
Total expenditures	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Net change in fund balances	<u>\$ 716</u>	<u>\$ 31,081</u>	40,587	<u>\$ 9,506</u>
FUND BALANCE:				
Beginning of year			<u>72,851</u>	
End of year			<u>\$ 113,438</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, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental:				
Federal grant and subsidies	\$ 150,627	\$ 150,627	\$ 18,925	\$ (131,702)
Other governmental	341,543	394,033	295,016	(99,017)
Investment income (loss)	4,366	4,366	5,913	1,547
Total revenues	<u>496,536</u>	<u>549,026</u>	<u>319,854</u>	<u>(229,172)</u>
EXPENDITURES:				
Current:				
Public works	63,000	63,000	41,251	21,749
Capital outlay	5,945,800	2,286,572	1,232,936	1,053,636
Total expenditures	<u>6,008,800</u>	<u>2,349,572</u>	<u>1,274,187</u>	<u>1,075,385</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(5,512,264)</u>	<u>(1,800,546)</u>	<u>(954,333)</u>	<u>846,213</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	5,397,344	1,773,394	827,919	(945,475)
Total other financing sources (uses)	<u>5,397,344</u>	<u>1,773,394</u>	<u>827,919</u>	<u>(945,475)</u>
Net change in fund balances	<u>\$ (114,920)</u>	<u>\$ (27,152)</u>	<u>(126,414)</u>	<u>\$ (99,262)</u>
FUND BALANCE:				
Beginning of year			<u>2,974,176</u>	
End of year			<u>\$ 2,847,762</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, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental:				
Other governmental	\$ 1,124,762	\$ 2,033,042	\$ 1,822,391	\$ (210,651)
Investment income (loss)	39,440	39,440	7,040	(32,400)
Total revenues	<u>1,164,202</u>	<u>2,072,482</u>	<u>1,829,431</u>	<u>(243,051)</u>
EXPENDITURES:				
Capital outlay	<u>1,729,759</u>	<u>2,655,845</u>	<u>2,410,579</u>	<u>245,266</u>
Total expenditures	<u>1,729,759</u>	<u>2,655,845</u>	<u>2,410,579</u>	<u>245,266</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(565,557)</u>	<u>(583,363)</u>	<u>(581,148)</u>	<u>2,215</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(257,333)</u>	<u>(145,665)</u>	<u>-</u>	<u>145,665</u>
Total other financing sources (uses)	<u>(257,333)</u>	<u>(145,665)</u>	<u>-</u>	<u>145,665</u>
Net change in fund balances	<u>\$ (822,890)</u>	<u>\$ (729,028)</u>	<u>(581,148)</u>	<u>\$ 147,880</u>
FUND BALANCE:				
Beginning of year			<u>4,043,415</u>	
End of year			<u>\$ 3,462,267</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, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Licenses, permits, and fees	\$ 2,256,614	\$ -	\$ -	\$ -
Investment income (loss)	12,114	12,114	2,015	(10,099)
Total revenues	\$ 2,268,728	\$ 12,114	2,015	\$ (10,099)
 FUND BALANCE:				
Beginning of year			1,053,567	
End of year			\$ 1,055,582	

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, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Investment income (loss)	\$ 1,718	\$ 1,718	\$ 8	\$ (1,710)
Total revenues	\$ 1,718	\$ 1,718	8	\$ (1,710)
 FUND BALANCE:				
Beginning of year			4,298	
End of year			\$ 4,306	

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, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Investment income (loss)	\$ 757	\$ 757	\$ 126	\$ (631)
Total revenues	\$ 757	\$ 757	126	\$ (631)
 FUND BALANCE:				
Beginning of year			65,599	
End of year			\$ 65,725	

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, 2022

	<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	\$ 199,875	\$ 199,875	\$ 208,890	\$ 9,015
Investment income (loss)	4,175	4,175	944	(3,231)
Total revenues	<u>204,050</u>	<u>204,050</u>	<u>209,834</u>	<u>5,784</u>
EXPENDITURES:				
Current:				
General government	37,386	45,024	17,584	27,440
Total expenditures	<u>37,386</u>	<u>45,024</u>	<u>17,584</u>	<u>27,440</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>166,664</u>	<u>159,026</u>	<u>192,250</u>	<u>33,224</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(161,486)	(128,673)	(32,173)	96,500
Total other financing sources (uses)	<u>(161,486)</u>	<u>(128,673)</u>	<u>(32,173)</u>	<u>96,500</u>
Net change in fund balances	<u>\$ 5,178</u>	<u>\$ 30,353</u>	160,077	<u>\$ 129,724</u>
FUND BALANCE:				
Beginning of year			<u>421,310</u>	
End of year			<u>\$ 581,387</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, 2022

	<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	\$ 93,200	\$ 93,200	\$ 93,901	\$ 701
Investment income (loss)	638	638	194	(444)
Total revenues	<u>93,838</u>	<u>93,838</u>	<u>94,095</u>	<u>257</u>
EXPENDITURES:				
Current:				
General government	25	25	25	-
Total expenditures	<u>25</u>	<u>25</u>	<u>25</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>93,813</u>	<u>93,813</u>	<u>94,070</u>	<u>257</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(85,000)	(85,000)	(85,000)	-
Total other financing sources (uses)	<u>(85,000)</u>	<u>(85,000)</u>	<u>(85,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ 8,813</u>	<u>\$ 8,813</u>	9,070	<u>\$ 257</u>
FUND BALANCE:				
Beginning of year			<u>45,656</u>	
End of year			<u>\$ 54,726</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, 2022

	<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	\$ 28,217	\$ 87,697	\$ 216,318	\$ 128,621
Investment income (loss)	292	292	344	52
Total revenues	<u>28,509</u>	<u>87,989</u>	<u>216,662</u>	<u>128,673</u>
EXPENDITURES:				
Current:				
General government	-	5,800	10,447	(4,647)
Public works	2,170	2,170	5,100	(2,930)
Total expenditures	<u>2,170</u>	<u>7,970</u>	<u>15,547</u>	<u>(7,577)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>26,339</u>	<u>80,019</u>	<u>201,115</u>	<u>121,096</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(134,310)	(58,717)	(40,217)	18,500
Total other financing sources (uses)	<u>(134,310)</u>	<u>(58,717)</u>	<u>(40,217)</u>	<u>18,500</u>
Net change in fund balances	<u>\$ (107,971)</u>	<u>\$ 21,302</u>	<u>160,898</u>	<u>\$ 139,596</u>
FUND BALANCE:				
Beginning of year			<u>86,108</u>	
End of year			<u>\$ 247,006</u>	

City of Patterson
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Community Facility Impact Fee Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Licenses, permits, and fees	\$ 2,612,475	\$ 1,114,935	\$ 406,026	\$ (708,909)
Investment income (loss)	599	599	1,608	1,009
	Total revenues	\$ 1,115,534	407,634	\$ (707,900)
 FUND BALANCE:				
Beginning of year			566,162	
End of year			\$ 973,796	

CUSTODIAL FUNDS

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City of Patterson
Combining Statement of Fiduciary Net Position
Fiduciary Funds - Custodial Funds
June 30, 2022

	CFD 2001-1 West Patterson Financing Authority	CFD 2005-1 West Patterson Business Park	CFD 2015-1 Arambel-KDN	Heartland Ranch 2013	CFD 2018-1 VOP Infrastructure	Total
ASSETS						
Cash and investments	\$ 5,614,968	\$ 3,310,498	\$ -	\$ 444,717	\$ 1,104,928	\$ 10,475,111
Restricted cash and investments	-	288,075	50	-	-	288,125
Cash and investments with fiscal agents	3,160,342	7,909,126	429,721	230,691	4,650,000	16,379,880
Accounts receivable	-	-	-	-	70,038	70,038
Intergovernmental receivable	51,962	107,452	-	6,960	23,937	190,311
Interest receivable	2,429	1,495	-	195	484	4,603
Notes receivable	993,418	-	-	-	-	993,418
Total assets	9,823,119	11,616,646	429,771	682,563	5,849,387	28,401,486
LIABILITIES						
Due to City	-	-	68,656	-	-	68,656
Total liabilities	-	-	68,656	-	-	68,656
NET POSITION						
Restricted for:						
Individuals, organizations, and other governments, as restated	9,823,119	11,616,646	361,115	682,563	5,849,387	28,332,830
Total Net Position	\$ 9,823,119	\$ 11,616,646	\$ 361,115	\$ 682,563	\$ 5,849,387	\$ 28,332,830

City of Patterson
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Custodial Funds
For the Year Ended June 30, 2022

	<u>CFD 2001-1</u> <u>West Patterson</u> <u>Financing</u> <u>Authority</u>	<u>CFD 2005-1</u> <u>West</u> <u>Patterson</u> <u>Business Park</u>	<u>CFD 2015-1</u> <u>Arambel-KDN</u>	<u>Heartland</u> <u>Ranch 2013</u>	<u>CFD 2018-1</u> <u>VOP</u> <u>Infrastructure</u>	<u>Total</u>
ADDITIONS:						
Special assessments for other governments	\$ 5,623,105	\$ 788,166	\$ 283,659	\$ 627,966	\$ 1,058,941	\$ 8,381,837
Investment income	63,853	10,260	385	450	4,265	79,213
Proceeds from issuance of bonds	-	7,480,312	-	-	4,951,498	12,431,810
Total additions	<u>5,686,958</u>	<u>8,278,738</u>	<u>284,044</u>	<u>628,416</u>	<u>6,014,704</u>	<u>20,892,860</u>
DEDUCTIONS:						
Administration	569	70,953	6,126	34,721	57,869	170,238
Payments on conduit bonds - principal	1,784,880	100,000	35,000	-	-	1,919,880
Payments on conduit bonds - interest	3,650,749	726,964	244,463	-	324,022	4,946,198
Projects payments	-	-	-	-	190,000	190,000
Contributions to City	-	-	-	518,052	-	518,052
Total deductions	<u>5,436,198</u>	<u>897,917</u>	<u>285,589</u>	<u>552,773</u>	<u>571,891</u>	<u>7,744,368</u>
Changes in net position	250,760	7,380,821	(1,545)	75,643	5,442,813	13,148,492
NET POSITION:						
Beginning of year	<u>9,572,359</u>	<u>4,235,825</u>	<u>362,660</u>	<u>606,920</u>	<u>406,574</u>	<u>15,184,338</u>
End of year	<u>\$ 9,823,119</u>	<u>\$ 11,616,646</u>	<u>\$ 361,115</u>	<u>\$ 682,563</u>	<u>\$ 5,849,387</u>	<u>\$ 28,332,830</u>

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	156
Helps readers understand how the City's financial position and well-being have changed over time.	
Revenue Capacity Information	166
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.	
Demographic and Economic Information	181
Help 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	183
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				
	2022	2021	2020	2019	2018
Governmental activities:					
Investment in capital assets	\$ 61,241,920	\$ 59,507,530	\$ 61,274,713	\$ 60,390,350	\$ 60,721,785
Restricted	13,416,337	14,976,923	10,752,749	11,572,138	8,385,204
Unrestricted net position (deficit)	8,560,071	413,664	(5,182,490)	(7,892,944)	(4,612,193)
Total Net Position	\$ 83,218,328	\$ 74,898,117	\$ 66,844,972	\$ 64,069,544	\$ 64,494,796
Business-type activities:					
Investment in capital assets	\$ 36,458,905	\$ 36,978,338	\$ 37,930,411	\$ 37,746,179	\$ 37,346,159
Restricted	3,133,590	3,133,810	983,202	469,817	469,905
Unrestricted net position (deficit)	5,374,917	2,943,625	4,536,071	2,567,625	(77,313)
Total Net Position	\$ 44,967,412	\$ 43,055,773	\$ 43,449,684	\$ 40,783,621	\$ 37,738,751
Primary Government:					
Investment in capital assets	\$ 97,700,825	\$ 96,485,868	\$ 99,205,124	\$ 98,136,529	\$ 98,067,944
Restricted	16,549,927	18,110,733	11,735,951	12,041,955	8,855,109
Unrestricted net position (deficit)	13,934,988	3,357,289	(646,419)	(5,325,319)	(4,689,506)
Total Net Position	\$ 128,185,740	\$ 117,953,890	\$ 110,294,656	\$ 104,853,165	\$ 102,233,547

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				
	2017	2016	2015	2014	2013
Governmental activities:					
Investment in capital assets	\$ 55,621,936	\$ 55,756,984	\$ 50,237,700	\$ 47,460,440	\$ 46,822,970
Restricted	6,391,176	5,270,127	4,867,200	4,866,877	4,983,481
Unrestricted net position (deficit)	1,816,668	1,909,873	987,000	7,418,444	11,140,880
Total Net Position	\$ 63,829,780	\$ 62,936,984	\$ 56,091,900	\$ 59,745,761	\$ 62,947,331
Business-type activities:					
Investment in capital assets	\$ 38,857,716	\$ 35,232,028	\$ 34,725,800	\$ 34,941,039	\$ 36,814,164
Restricted	-	4,102,582	5,303,228	5,437,345	5,772,477
Unrestricted net position (deficit)	517,319	1,250,675	1,737,680	4,704,599	3,395,687
Total Net Position	\$ 39,375,035	\$ 40,585,285	\$ 41,766,708	\$ 45,082,983	\$ 45,982,328
Primary Government:					
Investment in capital assets	\$ 94,479,652	\$ 90,989,012	\$ 84,963,500	\$ 82,401,479	\$ 83,637,134
Restricted	6,391,176	9,372,709	10,170,428	10,304,222	10,755,958
Unrestricted net position (deficit)	2,333,987	3,160,548	2,724,680	12,123,043	14,536,567
Total Net Position	\$ 103,204,815	\$ 103,522,269	\$ 97,858,608	\$ 104,828,744	\$ 108,929,659

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				
	2022	2021	2020	2019	2018
Expenses					
Governmental activities:					
General government	\$ 4,069,331	\$ 4,196,700	\$ 4,514,103	\$ 3,167,076	\$ 3,328,847
Police	5,530,819	5,859,954	5,838,153	6,711,694	6,880,924
Fire	5,548,522	5,592,559	5,367,429	4,937,738	2,699,018
Community development and planning	1,912,358	1,829,511	2,084,354	2,523,052	1,724,146
Public works	5,942,981	5,414,262	4,687,210	4,455,175	4,790,738
Parks and recreation	2,951,483	2,747,819	4,536,510	4,618,872	4,473,167
Interest and fiscal charges	4,090,033	3,818,561	3,942,429	4,360,669	3,847,304
Total governmental activities	\$ 30,045,527	\$ 29,459,366	\$ 30,970,188	\$ 30,774,276	\$ 27,744,144
Business-type activities:					
Water	\$ 4,518,276	\$ 5,056,402	\$ 5,404,924	\$ 4,561,024	\$ 4,917,985
Sewer	4,859,832	5,532,181	5,533,806	5,287,098	5,297,929
Garbage	3,137,202	2,774,714	2,912,990	2,545,016	2,397,523
Total business-type activities	\$ 12,515,310	\$ 13,363,297	\$ 13,851,720	\$ 12,393,138	\$ 12,613,437
Total expenses	\$ 42,560,837	\$ 42,822,663	\$ 44,821,908	\$ 43,167,414	\$ 40,357,581
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 278,552	\$ 553,126	\$ 374,895	\$ 653,327	\$ 4,797
Police	153,959	177,795	86,776	198,638	300,973
Fire	2,058,970	1,965,540	1,741,172	1,620,028	720,761
Community development and planning	730,653	796,707	810,870	530,975	65,114
Public works	1,399,503	961,761	968,384	920,656	2,362,593
Parks and recreation	2,330,698	2,463,997	1,890,773	1,763,473	1,690,041
Operating grants and contributions	3,023,697	3,564,498	2,040,401	2,064,434	2,767,848
Capital grants and contributions	3,640,327	4,333,162	3,609,391	2,262,266	1,877,817
Total governmental activities	\$ 13,616,359	\$ 14,816,586	\$ 11,522,662	\$ 10,013,797	\$ 9,789,944
Business-type activities:					
Water	\$ 6,755,521	\$ 6,336,607	\$ 5,660,058	\$ 4,764,097	\$ 4,197,555
Sewer	4,716,644	4,440,546	4,610,985	4,665,525	4,344,858
Garbage	3,878,211	3,577,780	3,378,155	3,228,053	3,079,843
Operating grants and contributions	7,449	-	-	34,318	68,852
Capital grants and contributions	81,253	-	8,493	-	-
Total business-type Activities	\$ 15,439,078	\$ 14,354,933	\$ 13,657,691	\$ 12,691,993	\$ 11,691,108
Total program revenues	\$ 29,055,437	\$ 29,171,519	\$ 25,180,353	\$ 22,705,790	\$ 21,481,052
Net (Expense) Program Revenues					
Governmental activities	\$ (16,429,168)	\$ (14,642,780)	\$ (19,447,526)	\$ (20,760,479)	\$ (17,954,200)
Business-type activities	2,923,768	991,636	(194,029)	298,855	(922,329)
Total Primary Government	\$ (13,505,400)	\$ (13,651,144)	\$ (19,641,555)	\$ (20,461,624)	\$ (18,876,529)

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

	Fiscal Year				
	2017	2016	2015	2014	2013
Expenses					
Governmental activities:					
General government	\$ 2,259,261	\$ 2,003,932	\$ 2,650,997	\$ 3,945,285	\$ 2,807,815
Police	4,458,567	4,156,842	3,298,276	3,987,323	3,821,033
Fire	3,532,864	3,594,435	3,381,961	3,339,030	2,809,442
Community development and planning	3,024,928	1,258,725	1,213,617	1,460,591	1,136,097
Public works	2,631,811	4,652,522	4,043,774	4,412,453	3,835,002
Parks and recreation	3,277,134	2,696,555	2,558,315	2,463,941	2,223,206
Interest and fiscal charges	3,955,958	3,935,590	4,118,232	80,122	60,882
Total governmental activities	\$ 23,140,523	\$ 22,298,601	\$ 21,265,172	\$ 19,688,745	\$ 16,693,477
Business-type activities:					
Water	\$ 4,481,750	\$ 3,567,751	\$ 3,734,709	\$ 3,474,567	\$ 3,363,991
Sewer	4,893,962	4,221,112	4,091,034	3,867,142	3,406,173
Garbage	2,310,200	2,080,840	2,069,439	1,971,695	2,003,563
Total business-type activities	\$ 11,685,912	\$ 9,869,703	\$ 9,895,182	\$ 9,313,404	\$ 8,773,727
Total expenses	\$ 34,826,435	\$ 32,168,304	\$ 31,160,354	\$ 29,002,149	\$ 25,467,204
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 678,608	\$ 108,119	\$ 166,427	\$ 38,738	\$ 92,657
Police	218,337	268,929	392,009	217,030	244,926
Fire	587,593	413,973	681,690	376,520	505,790
Community development and planning	645,985	390,721	885,242	385,554	676,548
Public works	2,161,045	2,000,190	2,296,599	1,802,849	1,716,066
Parks and recreation	1,481,692	1,804,685	1,780,112	1,628,009	1,557,024
Operating grants and contributions	1,590,404	998,122	1,318,671	1,236,474	1,173,683
Capital grants and contributions	1,112,733	342,867	556,120	861,536	2,061,872
Total governmental activities	\$ 8,476,397	\$ 6,327,606	\$ 8,076,870	\$ 6,546,710	\$ 8,028,566
Business-type activities:					
Water	\$ 3,680,373	\$ 3,389,473	\$ 3,972,456	\$ 4,156,756	\$ 4,039,314
Sewer	4,011,227	3,855,492	3,406,079	3,275,496	3,004,341
Garbage	2,921,089	2,800,845	2,667,681	2,475,705	2,274,016
Operating grants and contributions	701,283	-	-	-	-
Capital grants and contributions	-	(1,582)	-	-	-
Total business-type Activities	\$ 11,313,972	\$ 10,044,228	\$ 10,046,216	\$ 9,907,957	\$ 9,317,671
Total program revenues	\$ 19,790,369	\$ 16,371,834	\$ 18,123,086	\$ 16,454,667	\$ 17,346,237
Net (Expense) Program Revenues					
Governmental activities	\$ (14,664,126)	\$ (15,970,995)	\$ (13,188,302)	\$ (13,142,035)	\$ (8,664,911)
Business-type activities	(371,940)	174,525	151,034	594,553	543,944
Total Primary Government	\$ (15,036,066)	\$ (15,796,470)	\$ (13,037,268)	\$ (12,547,482)	\$ (8,120,967)

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

	Fiscal Year				
	2022	2021	2020	2019	2018
General Revenues:					
Governmental activities:					
Taxes:					
Property tax	\$ 6,466,881	\$ 6,196,152	\$ 3,621,765	\$ 3,386,596	\$ 3,417,541
Sales tax	12,317,056	10,029,499	6,840,520	5,837,364	5,027,535
Franchise tax	193,226	222,803	211,963	205,047	206,354
Motor vehicle in lieu	-	-	2,267,086	2,089,248	1,947,375
Other taxes	277,779	248,158	162,436	136,047	717,288
Use of money and property	-	-	-	473,114	-
Revenue from Fiduciary Fund	518,052	527,556	2,387,683	1,745,012	1,681,843
Investment earnings	3,338,840	3,442,805	4,145,959	4,179,507	4,515,819
Other revenue	559,771	379,911	896,921	1,038,772	203,070
Transfers	1,077,774	1,649,041	1,642,806	1,290,335	1,271,753
Special / Extraordinary item	-	-	-	-	-
Total governmental activities	\$ 24,749,379	\$ 22,695,925	\$ 22,177,139	\$ 20,381,042	\$ 18,988,578
Business-type activities:					
Investment earnings	37233	\$ 43,762	\$ 205,023	\$ 171,436	\$ 74,144
Revenue from Fiduciary Fund	-	155,744	1,648,115	3,850,536	500,786
Other revenue	28,412	63,988	2,649,760	14,378	64,483
Transfers	(1,077,774)	(1,649,041)	(1,642,806)	(1,290,335)	(1,271,753)
Total business-type activities	\$ (1,012,129)	\$ (1,385,547)	\$ 2,860,092	\$ 2,746,015	\$ (632,340)
Total general revenues	\$ 23,737,250	\$ 21,310,378	\$ 25,037,231	\$ 23,127,057	\$ 18,356,238
Change in Net Position					
Governmental activities	\$ 8,320,211	\$ 8,053,145	\$ 2,729,613	\$ (379,437)	\$ 1,034,378
Business-type activities:	1,911,639	(393,911)	2,666,063	3,044,870	(1,554,669)
Total	\$ 10,231,850	\$ 7,659,234	\$ 5,395,676	\$ 2,665,433	\$ (520,291)

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

	Fiscal Year				
	2017	2016	2015	2014	2013
General Revenues:					
Governmental activities:					
Taxes:					
Property tax	\$ 3,414,365	\$ 3,172,489	\$ 2,657,306	\$ 2,068,125	\$ 2,103,703
Sales tax	5,502,627	5,045,260	3,732,177	3,394,908	2,358,667
Franchise tax	274,792	188,834	179,313	174,558	161,946
Motor vehicle in lieu	1,844,519	1,693,793	1,596,755	1,288,025	1,238,447
Other taxes	137,847	549,654	719,718	769,476	595,982
Use of money and property	-	4,530,279	4,491,782	117,176	205,181
Revenue from Fiduciary Fund	-	-	-	-	-
Investment earnings	4,312,058	6,075,652	-	809,908	-
Other revenue	633,427	188,402	159,416	-	-
Transfers	895,861	1,371,990	2,117,754	201,549	307,230
Special / Extraordinary item	-	-	-	1,083,500	2,253,123
Total governmental activities	\$ 17,015,496	\$ 22,816,353	\$ 15,654,221	\$ 9,907,225	\$ 9,224,279
Business-type activities:					
Use of money and property	\$ 31,002	\$ 14,451	\$ 13,985	\$ 34,679	\$ 34,301
Revenue from Fiduciary Fund	-	-	-	-	-
Other revenue	26,549	-	-	-	-
Transfers	(895,861)	(1,371,990)	(2,117,754)	(1,083,500)	(2,253,123)
Total business-type activities	\$ (838,310)	\$ (1,357,539)	\$ (2,103,769)	\$ (1,048,821)	\$ (2,218,822)
Total general revenues	\$ 16,177,186	\$ 21,458,814	\$ 13,550,452	\$ 8,858,404	\$ 7,005,457
Change in Net Position					
Governmental activities	\$ 2,351,370	\$ 6,845,358	\$ 2,465,919	\$ (3,234,810)	\$ 559,368
Business-type activities:	(1,210,250)	(1,183,014)	(1,952,735)	(454,268)	(1,674,878)
Total	\$ 1,141,120	\$ 5,662,344	\$ 513,184	\$ (3,689,078)	\$ (1,115,510)

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

	Fiscal Year				
	2022	2021	2020	2019	2018
FUND BALANCES:					
General Fund					
Nonspendable	\$ 138,586	\$ 106,172	\$ 104,997	\$ 84,466	\$ 73,526
Restricted	487,546	360,498	344,809	290,150	146,789
Committed	8,116,966	3,762,470	3,751,813	3,725,949	3,658,050
Assigned	5,098,499	2,896,296	2,889,800	2,879,593	2,883,371
Unassigned	4,584,238	6,589,826	1,984,909	1,192,981	873,038
Total General Fund	\$ 18,425,835	\$ 13,715,262	\$ 9,076,328	\$ 8,173,139	7,634,774
All Other Governmental Funds					
Nonspendable	\$ -	\$ 3,338	\$ -	\$ -	\$ 2,865
Restricted	73,562,149	75,922,386	75,515,298	74,293,766	75,770,466
Committed	9,280,241	7,173,724	4,986,655	4,905,500	4,905,500
Assigned	39,560	38,865	-	40,109	-
Unassigned (deficit)	(3,966,612)	(3,567,982)	(2,935,948)	(2,777,683)	(1,283,973)
Total All Other Governmental Funds	\$ 78,915,338	\$ 79,570,331	\$ 77,566,005	\$ 76,461,692	\$ 79,394,858
Total Fund Balance	\$ 97,341,173	\$ 93,285,593	\$ 86,642,333	\$ 84,634,831	\$ 87,029,632

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

	Fiscal Year				
	2017	2016	2015	2014	2013
FUND BALANCES:					
General Fund					
Nonspendable	\$ 68,630	\$ 78,491	\$ -	\$ 850	\$ 850
Restricted	144,229	51,773	40,508	81,663	209,823
Committed	3,642,337	3,626,143	3,605,039	3,605,039	3,594,200
Assigned	2,879,809	1,879,546	2,051,675	2,246,696	3,555,248
Unassigned	1,502,483	1,564,376	568,385	283,289	-
Total General Fund	8,237,488	7,200,329	6,265,607	6,217,537	7,360,121
All Other Governmental Funds					
Nonspendable	\$ 574	\$ -	\$ -	\$ -	\$ -
Restricted	76,995,568	78,162,371	78,664,140	2,935,022	3,445,665
Committed	6,016,084	5,734,508	6,335,270	5,833,844	6,516,526
Assigned	-	38,985	105	-	-
Unassigned (deficit)	(729,053)	(283,235)	(135,283)	(152,677)	(25,708)
Total All Other Governmental Funds	\$ 82,283,173	\$ 83,652,629	\$ 84,864,232	\$ 8,616,189	\$ 9,936,483
Total Fund Balance	\$ 90,520,661	\$ 90,852,958	\$ 91,129,839	\$ 14,833,726	\$ 17,296,604

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

	Fiscal Year				
	2022	2021	2020	2019	2018
Revenues:					
Taxes:					
Property	\$ 6,466,296	\$ 6,196,152	\$ 3,621,765	\$ 3,386,596	\$ 3,417,541
Sales	12,317,056	10,029,499	6,840,520	5,837,364	5,027,535
Franchise	193,226	222,803	211,963	205,047	206,354
Motor vehicle in lieu	-	-	2,267,086	2,089,248	1,947,375
Other	277,779	248,158	162,436	136,047	131,701
License, permits, and fees	3,760,608	3,872,859	2,135,391	1,360,937	2,055,853
Charges for current services	5,169,152	4,651,557	4,446,008	4,369,186	5,519,738
Intergovernmental	4,703,099	5,943,756	6,225,231	3,483,936	2,028,281
Fines, forfeitures and penalties	158,125	339,080	66,683	181,044	146,100
Investment earnings	3,338,845	3,528,985	4,152,528	4,198,697	4,535,040
Revenue from Fiduciary Fund	518,052	527,556	2,387,683	1,745,012	1,681,843
Miscellaneous revenues	670,909	393,511	981,021	1,189,088	355,285
Total Revenues	\$ 37,573,147	\$ 35,953,916	\$ 33,498,315	\$ 28,182,202	27,052,646
Expenditures:					
Current:					
General government	\$ 3,572,244	\$ 3,539,563	\$ 3,803,016	\$ 2,899,263	\$ 2,656,904
Police	5,909,652	5,410,959	5,373,752	5,374,098	6,377,259
Fire	5,261,765	5,289,020	5,057,265	4,696,647	2,437,226
Community development and planning	1,939,070	1,728,594	2,021,174	2,545,955	1,654,039
Public Works	4,227,718	3,899,114	3,323,065	3,267,381	3,707,312
Parks and recreation	2,293,417	1,878,060	3,713,674	4,014,566	3,719,906
Capital outlay	4,744,425	2,964,721	3,417,460	2,776,974	7,237,219
Debt service:					
Principal	2,609,648	2,427,337	2,476,386	2,225,040	2,250,465
Interest and fiscal charges	4,096,442	3,822,329	3,947,827	4,067,414	4,204,098
Total Expenditures	\$ 34,654,381	\$ 30,959,697	\$ 33,133,619	\$ 31,867,338	\$ 34,244,428
Excess (deficiency) of revenue over (under) expenditures	\$ 2,918,766	\$ 4,994,219	\$ 364,696	\$ (3,685,136)	\$ (7,191,782)
Other financing sources (uses)					
Proceeds from capital leases	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds from loan repayments	-	-	-	-	-
Inception of lease payable	59,040	-	-	-	2,429,000
Transfers in	-	6,985,786	3,339,258	3,818,998	4,107,492
Transfers out	4,406,228	(5,336,745)	(1,696,452)	(2,528,663)	(2,835,739)
Total Other Financing Sources	\$ 1,136,814	\$ 1,649,041	\$ 1,642,806	\$ 1,290,335	\$ 3,700,753
Net Change in Fund Balance	\$ 4,055,580	\$ 6,643,260	\$ 2,007,502	\$ (2,394,801)	\$ (3,491,029)
Debt Service as a Percentage of Non-capital Expenditure	22.60%	22.32%	21.62%	21.63%	23.90%

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				
	2017	2016	2015	2014	2013
Revenues:					
Taxes:					
Property	\$ 3,414,365	\$ 3,172,489	\$ 2,657,306	\$ 2,068,125	\$ 2,103,703
Sales	5,502,627	5,045,260	3,732,177	3,394,908	2,358,667
Franchise	274,792	188,834	179,313	174,558	161,946
Motor vehicle in lieu	1,844,519	1,693,793	1,596,755	1,288,025	1,238,447
Other	137,847	549,654	719,718	769,476	595,982
License, permits, and fees	1,791,391	983,115	2,016,921	557,204	1,165,199
Charges for current services	3,849,087	3,763,566	4,021,749	3,680,478	3,497,197
Intergovernmental	1,989,969	1,340,990	1,844,850	2,138,010	1,437,603
Fines, forfeitures and penalties	157,307	239,936	193,350	211,018	130,614
Investment earnings	4,312,058	4,530,279	4,577,761	117,176	205,181
Revenue from Fiduciary Fund	-	-	-	-	-
Miscellaneous revenues	612,457	188,402	1,565,122	416,362	307,229
Total Revenues	23,886,419	21,696,318	23,105,022	14,815,340	13,201,768
Expenditures:					
Current:					
General government	\$ 2,507,830	\$ 2,704,512	\$ 2,744,062	\$ 2,602,651	\$ 2,260,009
Police	4,218,306	4,290,965	4,039,064	3,916,598	3,800,959
Fire	3,574,689	3,274,834	3,069,601	2,822,442	2,500,294
Community development and planning	1,485,366	1,240,042	1,374,632	1,254,394	973,757
Public Works	2,874,435	2,691,886	2,746,358	3,114,271	2,736,664
Parks and recreation	2,466,882	1,940,339	1,841,033	1,741,109	1,555,750
Capital outlay	2,080,160	1,432,210	1,873,381	3,344,428	2,464,827
Debt service:					
Principal	2,060,273	1,765,836	3,105,901	286,833	282,583
Interest and fiscal charges	3,954,933	4,016,686	4,123,116	80,122	60,882
Total Expenditures	\$ 25,222,874	\$ 23,357,310	\$ 24,917,148	\$ 19,162,848	\$ 16,635,725
Excess (deficiency) of revenue over (under) expenditures	\$ (1,336,455)	\$ (1,660,992)	\$ (1,812,126)	\$ (4,347,508)	\$ (3,433,957)
Other financing sources (uses)					
Proceeds from capital leases	\$ 161,990	\$ -	\$ -	\$ -	\$ -
Proceeds from loan repayments	-	12,116	760	717,421	208,962
Proceeds from issuance of bonds	-	-	-	-	-
Transfers in	3,012,930	4,711,665	4,655,106	3,295,570	2,435,589
Transfers out	(2,117,069)	(3,339,675)	(3,223,826)	(2,212,070)	(1,779,196)
Total Other Financing Sources	\$ 1,057,851	\$ 1,384,106	\$ 1,432,040	\$ 1,800,921	\$ 865,355
Net Change in Fund Balance	\$ (278,604)	\$ (276,886)	\$ (380,086)	\$ (2,546,587)	\$ (2,185,827)
Debt Service as a Percentage of Non-capital Expenditure	25.99%	26.37%	31.37%	2.32%	2.42%

Source: City of Patterson Finance Department

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

	Fiscal Year				
	2022	2021	2020	2019	2018
Revenues:					
Taxes:					
Property	\$ 6,466,296	\$ 6,196,152	\$ 3,621,765	\$ 3,386,596	\$ 3,417,541
Sales	12,317,056	10,029,499	6,840,520	5,837,364	5,027,535
Franchise	193,226	222,803	211,963	205,047	206,534
Motor vehicle in lieu	-	-	2,267,086	2,089,248	1,947,375
Other	277,779	248,158	162,436	136,047	131,701
Total Revenues	\$ 19,254,357	\$ 16,696,612	\$ 13,103,770	\$ 11,654,302	\$ 10,730,686

Source: City of Patterson Finance Department

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

	Fiscal Year				
	2017	2016	2015	2014	2013
Revenues:					
Taxes:					
Property	\$ 2,931,682	\$ 3,172,489	\$ 2,657,306	\$ 2,068,125	\$ 2,103,703
Sales	5,502,627	5,045,260	3,732,177	3,394,908	2,358,667
Franchise	274,792	188,834	179,313	174,558	161,946
Motor vehicle in lieu	1,844,519	1,693,793	1,596,755	1,288,025	1,238,447
Other	137,847	549,654	719,718	769,476	595,982
Total Revenues	\$ 10,691,467	\$ 10,650,030	\$ 8,885,269	\$ 7,695,092	\$ 6,458,745

Source: City of Patterson Finance Department

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

Type of Customer	Fiscal Year				
	2022	2021	2020	2019	2018
Residential	1,065,086 cf	1,146,893 cf	1,095,305 cf	1,018,052 cf	1,049,166 cf
Commercial/Industrial	135,263	132,374	165,164	151,297	123,676
Irrigation	411,831	450,848	444,466	334,844	287,977
Total	1,612,180 cf	1,730,115 cf	1,704,935 cf	1,504,193 cf	1,460,819 cf

Source: City of Patterson Finance Department

City of Patterson
Table 6b
Water and Wastewater Utility Rates
Last Ten Fiscal Years

Fiscal Year	Water		Wastewater	
	Monthly Base Rate	Additional Per 100cf**	Monthly Base Rate	
2022	\$ 16.79	\$ 3.86	\$ 52.94	
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	
2015	\$ 11.04	\$ 2.76	\$ 39.55	
2014	\$ 10.62	\$ 2.65	\$ 37.31	
2013	\$ 10.21	\$ 2.55	\$ 35.20	

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.

Source: City of Patterson Finance Department

City of Patterson
Table 6
City-Wide Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

	Fiscal Year				
	2012-13	2013-14	2014-15	2015-16*	2016-17
Residential Property	\$ -	\$ -	\$ -	\$ 1,067,738,189	\$ 1,125,435,937
Commercial Property	-	-	-	106,365,150	134,692,261
Industrial Property	-	-	-	278,228,208	461,416,004
Other Property	1,174,200,272	1,243,040,268	1,490,319,496	187,566,714	62,594,490
Unsecured Property	22,827,604	22,211,957	69,354,774	81,491,675	87,592,650
Less: Tax-Exempt Property	19,583,220	18,900,554	18,375,785	35,591,679	36,416,220
Taxable Assessed Value	\$ 1,177,444,656	\$ 1,246,351,671	\$ 1,541,298,485	\$ 1,685,798,257	\$ 1,835,315,122
Total Direct Tax Rate (1)	1.132936	1.126574	1.092819	1.097113	1.095707
Estimated Actual Taxable Value (2)	\$ 1,177,444,656	\$ 1,246,351,671	\$ 1,541,298,485	\$ 2,474,212,386	\$ 2,515,245,600
Factor of Taxable Assessed Value (2)	1.000000	1.000000	1.000000	1.467680	1.370471

Source: County Assessor data, MuniServices, LLC / Avenue Insights & Analytics

2015-16 is the city's first ACFR publication, therefore prior year data availability is limited.

(-) indicates data not available

*Other property includes state unitary \$99,152.

(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 6
City-Wide Assessed Value and Estimated Actual Value of Taxable Property (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	2017-18	2018-19	2019-20	2020-21	2021-22
Residential Property	\$ 1,221,805,158	\$ 1,336,735,402	\$ 1,420,672,172	\$ 1,472,464,677	\$ 1,572,562,406
Commercial Property	141,903,335	162,332,795	175,943,468	201,385,521	213,310,784
Industrial Property	460,796,304	464,865,277	470,160,844	537,164,362	535,210,557
Other Property	66,537,768	73,659,817	141,632,148	113,983,444	126,040,766
Unsecured Property	84,553,479	82,368,182	87,689,106	83,230,002	82,516,633
Less: Tax-Exempt Property	38,086,325	38,436,037	42,869,663	44,893,026	57,029,494
Taxable Assessed Value	<u>\$ 1,937,329,719</u>	<u>\$ 2,081,525,436</u>	<u>\$ 2,253,228,075</u>	<u>\$ 2,363,334,980</u>	<u>\$ 2,472,611,652</u>
Total Direct Tax Rate (1)	1.104825	1.106684	1.141246	1.136632	1.131314
Estimated Actual Taxable Value (2)	\$ 2,880,528,379	\$ 3,191,213,893	\$ 3,457,556,850	\$ 2,968,433,744	\$ 4,764,749,852
Factor of Taxable Assessed Value (2)	1.486855	1.533113	1.534490	1.256036	1.927011

Source: County Assessor data, MuniServices, LLC / Avenue Insights & Analytics
2015-16 is the city's first ACFR publication, therefore prior year data availability is limited.

(-) indicates data not available

*Other property includes state unitary \$99,152.

(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 7
Taxable Property by Use Code, City-Wide
Last Seven Fiscal Years

Category	Fiscal Year						
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Residential	\$ 1,067,738,189	\$ 1,125,435,937	\$ 1,221,805,158	\$ 1,336,735,402	\$ 1,420,672,172	\$ 1,472,464,677	\$ 1,572,562,406
Industrial	278,228,208	461,416,004	460,796,304	464,865,277	470,160,844	537,164,362	535,210,557
Commercial	106,365,150	134,692,261	141,903,335	162,332,795	175,943,468	201,385,521	213,310,784
Vacant	34,897,566	41,941,904	49,709,923	59,900,775	111,593,169	79,088,199	91,050,322
Agriculture	13,022,637	14,009,788	14,548,636	11,793,401	14,729,866	14,082,823	13,859,051
Unknown	138,855,433	5,164,703	1,245,101	1,096,217	9,299,298	18,838,976	19,138,532
Rural	739,952	1,337,947	712,923	727,181	5,866,493	1,818,114	1,836,948
Unitary	476,983	88,243	88,243	88,243	88,243	99,152	99,152
Miscellaneous	51,126	51,905	52,942	54,000	55,079	56,180	56,761
Institution	-	-	-	-	-	-	-
Gross Secured Value	\$ 1,640,375,244	\$ 1,784,138,692	\$ 1,890,862,565	\$ 2,037,593,291	\$ 2,208,408,632	\$ 2,324,998,004	\$ 2,447,124,513
Unsecured	\$ 81,014,692	\$ 87,592,650	\$ 84,553,479	\$ 82,368,182	\$ 87,689,106	\$ 83,230,002	\$ 82,516,633
Exemptions	35,591,649	36,416,220	38,086,325	38,436,037	42,869,663	44,893,026	57,029,494
Net Taxable Value	\$ 1,685,798,287	\$ 1,835,315,122	\$ 1,937,329,719	\$ 2,081,525,436	\$ 2,253,228,075	\$ 2,363,334,980	\$ 2,472,611,652

Source: County Assessor data, MuniServices, LLC / Avenue Insights & Analytics
2015-16 is the city's first ACFR publication, therefore prior year data availability is limited.

City of Patterson
Table 8
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

	Fiscal Year									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
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	0.018016	0.016664	0.011640	0.010596	0.010415	0.009953	0.009910	0.008517	0.007773	0.000000
Patterson U - 01A	0.074108	0.069589	0.045680	0.043932	0.043952	0.042364	0.042913	0.037489	0.034404	0.033223
Patterson U - 01B	0.012052	0.011402	0.008691	0.007974	0.007850	0.000000	0.000000	0.009804	0.007718	0.008268
Patterson U - 2008A	0.000000	0.001938	0.004985	0.007691	0.010456	0.010179	0.011078	0.009759	0.009435	0.010281
Patterson U - 2016 GO Ref	0.000000	0.000000	0.000000	0.000000	0.000000	0.018261	0.016809	0.005718	0.006936	0.006980
Patterson U - 2018A	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.046179	0.047588	0.048556
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	0.020892	0.019024	0.015663	0.011618	0.009190	0.007585	0.009093	0.008839	0.008883	0.009653
YCCD 2010 D	0.000399	0.000390	0.000334	0.000467	0.000459	0.000359	0.000410	0.000405	0.000425	0.000000
YCCD 2012 Ref	0.007469	0.007567	0.005826	0.008285	0.008500	0.008753	0.007962	0.007286	0.006554	0.003172
YCCD 2015 Ref	0.000000	0.000000	0.000000	0.006550	0.004885	0.007371	0.008509	0.007250	0.006916	0.006985
Yosemite 2020 GOB Series A	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000860
Yosemite 2020 GOB Series B	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.003336
TOTAL	0.132936	0.126574	0.092819	0.097113	0.095707	0.104825	0.106684	0.141246	0.136632	0.131314
TOTAL TAX RATE	1.132936	1.126574	1.092819	1.097113	1.095707	1.104825	1.106684	1.141246	1.136632	1.131314

Source: County Assessor data, MuniServices, LLC / Avenu Insights & Analytics

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.

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City of Patterson
Table 9
Principal Property Tax Payers
Last Fiscal Year and Nine Years Ago

Taxpayer	2021-22		2012-13	
	Taxable Value (\$)	Percent of Total City Taxable Value (%)	Taxable Value (\$)	Percent of Total City Taxable Value (%)
WR Griffin Patterson LLC	107,432,626	4.34%		
W W Grainger Inc	88,678,850	3.59%	97,371,169	8.27%
Bit Holdings Seventy-Seven Inc	80,929,809	3.27%		0.00%
Longs Drug Stores California Inc	64,913,379	2.63%	51,364,230	4.36%
Westcore Alpha Patterson LLC	58,740,309	2.38%		0.00%
Kohls Department Stores Inc	40,418,680	1.63%	43,840,640	3.73%
LBA RV-Company XVII LP	37,404,134	1.51%		0.00%
Amazoncom Services Inc	31,259,450	1.26%		0.00%
Wal Mart Real Estate Business Trust	25,402,181	1.03%	7,444,980	0.63%
Sierra Pacific Refrig Serv LTD	14,286,720	0.58%	11,352,538	0.96%
Advantax	14,187,120	0.57%		0.00%
Ramos John J & Brenda J	13,617,385	0.55%	7,578,243	0.64%
Pilot Travel Centers LLC	12,116,917	0.49%		0.00%
Buzz Oates LLC	10,537,272	0.43%	2,499,000	0.21%
Gill Hospitality LLC	8,879,985	0.36%		0.00%
Sai Shiva LLC	8,771,491	0.35%		0.00%
KB Home Sacramento Inc	8,563,377	0.35%		0.00%
Vop 21 LLC	7,931,810	0.32%		0.00%
Patterson Marketplace LLC	7,726,860	0.31%	6,574,965	0.56%
Save Mart Portfolio Owner Fund V Ca LLC	7,538,900	0.30%		0.00%
Traina Pacific LLC	7,341,055	0.30%		0.00%
Three D Patterson LLC	6,959,720	0.28%	5,040,000	0.43%
Eagle Valley Investments	6,416,883	0.26%		0.00%
Boersma Properties LLC	6,008,641	0.24%	5,178,072	0.44%
Patterson Ranch Development LLC	5,969,513	0.24%		0.00%
Patterson Industrial Center LLC			32,124,978	2.73%
Patterson Vegetable Company LLC			17,393,081	1.48%
Gea Mechanical Equipment Us In			5,940,900	0.50%
Save Mart Supermarkets			4,996,834	0.42%
Ormond Peter M			4,217,454	0.36%
Snider Paul H			3,895,930	0.33%
Proto LLC			3,668,000	0.31%
Karen Judd			3,463,760	0.29%
Westside Property Management			3,425,224	0.29%
Patterson Plaza Associates LLC			3,280,097	0.28%
Keystone Flex II Associates LLC			3,116,063	0.26%
Hensley Investment Co LLC			2,496,670	0.21%
Teg Investments			2,423,372	0.21%
Patterson Hotel Associates			2,287,790	0.19%
Johnson Patricia A			2,185,962	0.19%
Total Top 25 Taxpayers	682,033,067	27.58%	333,159,952	28.31%
Total Taxable Value	2,472,611,652	100.00%	1,176,794,780	100.00%

Source: County Assessor data, MuniServices, LLC / Avenue Insights & Analytics

City of Patterson
Table 10
Principal Sales Tax Producers
Last Fiscal Year and Nine Years Ago

2021-22	
Taxpayer	Business Type
76 Service Stations	Service Stations
76 Service Stations	Service Stations
Amazon Com Services	Fulfillment Centers
Amazon MFA	Fulfillment Centers
Arco AM PM	Service Stations
Cali Kosher	Cannabis Related
Chevron	Service Stations
Del Don Fertilizer Company	Garden/Agricultural Supplies
Flying J Travel Plaza	Service Stations
Grab N Go Patterson	Service Stations
G's Food Mart	Service Stations
JM Equipment	Warehse/Farm/Const. Equip.
Kwik Serv Gas	Service Stations
Lowry Cardlock Fuel	Petroleum Prod/Equipment
McAuley Ford	New Motor Vehicle Dealers
McDonalds	Quick-Service Restaurants
Patterson Lumber Company	Building Materials
Patterson Mobil	Service Stations
Peoples Remedy Patterson	Cannabis Related
Phillin Station	Service Stations
San Joaquin Equipment	Warehse/Farm/Const. Equip.
Save Mart Supermarket	Grocery Stores
Thompson Chevrolet Buick	New Motor Vehicle Dealers
WW Grainger	Electrical Equipment
Walmart Supercenter	Discount Dept Stores

Source: HdL Companies

City of Patterson
Table 10
Principal Sales Tax Producers (Continued)
Last Fiscal Year and Nine Years Ago

2012-13	
Taxpayer	Business Type
76 Service Stations	Service Stations
76 Service Stations	Service Stations
AutoZone	Automotive Supply Stores
Chevron Patterson	Service Stations
CVS Pharmacy	Drug Stores
Del Don Chemical	Garden/Agricultural Supplies
Denny's	Casual Dining
Designed Mobile Systems	Trailers/RVs
G's Food Mart	Service Stations
Jack in the Box	Quick-Service Restaurants
JM Equipment	Warehse/Farm/Const. Equip.
Kwik Serv Gas	Service Stations
Lowry Cardlock Fuel	Petroleum Prod/Equipment
McAuley Ford	New Motor Vehicle Dealers
McDonalds	Quick-Service Restaurants
Quick & Save	Service Stations
San Joaquin Equipment	Warehse/Farm/Const. Equip.
Save Mart Supermarket	Grocery Stores
Taco Bell	Quick-Service Restaurants
Thompson Chevrolet Buick	New Motor Vehicel Dealers
True Value Hardware	Building Materials
Vulcraft Divison	Heavy Industrial
W W Grainger	Electrical Equipment
Walgreens	Drug Stores
Walmart Supercenter	Discount Dept Stores

Source: HdL Companies

City of Patterson
Table 11
Historical Sales Tax Amounts by Benchmark Year
Last Ten Fiscal Years

CATEGORY NAME	2013 Q1	2014 Q1	2015 Q1	2016 Q1	2017 Q1
All Other Outlets	\$ 254,533	\$ 339,350	\$ 389,253	\$ 592,368	\$ 597,886
Apparel Stores	357	233	799	597	774
Auto Dealers & Auto	71,100	89,599	107,648	104,804	123,336
Bldg. Matrl. & Farm	60,320	59,860	102,671	62,643	60,911
Drug Stores	10,176	9,079	9,002	8,922	9,318
Eating & Drinking Pl	44,396	51,559	53,868	58,015	56,766
Food Stores	15,938	14,677	18,922	16,884	14,235
Home Furnishings & A	3,255	4,366	5,519	9,228	12,564
General Merchandise	77,738	91,259	72,612	79,659	80,118
Other Retail Stores	1,392	1,655	3,149	3,345	3,495
Packaged Liquor Stor	467	1,209	689	997	8,353
Service Station	79,145	80,038	73,795	63,428	142,584
TOTAL	\$ 618,817	\$ 742,884	\$ 837,927	\$ 1,000,890	\$ 1,110,340

Source: HdL Companies

* HdL combined business type Packaged Liquor Stores with Convenience Stores in 4Q16 thus causing a spike in 1Q17 and forward.

City of Patterson
Table 11
Historical Sales Tax Amounts by Benchmark Year (Continued)
Last Ten Fiscal Years

CATEGORY NAME	2018 Q1	2019 Q1	2020 Q1	2021 Q1	2022 Q1
All Other Outlets	\$ 567,498	\$ 536,620	\$ 934,427	\$ 1,802,510	\$ 1,556,150
Apparel Stores	526	1,116	894	30	222
Auto Dealers & Auto	123,204	111,997	113,273	171,906	153,886
Bldg. Matrl. & Farm	32,749	69,889	94,280	145,119	112,958
Drug Stores	4,655	23,628	17,646	35,512	33,705
Eating & Drinking Pl	56,023	74,473	51,621	84,011	89,794
Food Stores	13,203	13,447	11,203	18,345	19,660
Home Furnishings & A	10,601	9,814	12,462	11,105	11,550
General Merchandise	83,482	84,760	86,678	98,236	93,077
Other Retail Stores	5,543	4,237	-2,373	5,287	5,704
Packaged Liquor Store	4,945 *	2,877	6,607	7,165	6,372
Service Station	174,114	202,665	188,080	292,674	345,035
TOTAL	\$ 1,076,543	\$ 1,135,523	\$ 1,514,798	\$ 2,671,900	\$ 2,428,113

Source: HdL Companies

* HdL combined business type Packaged Liquor Stores with Convenience Stores in 4Q16 thus causing a spike in 1Q17 and forward.

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City of Patterson
Table 12
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income		**Public School Enrollment	County	City	County	
			(2)	Median Age (4)		Unemployment Rate (%) (3)	Unemployment Rate (%) (3)	Population (1)	
2012-13	20,846	\$ 390,591,502	\$	18,737	30.1	5,888	11.7%	16.1%	524,124
2013-14	20,922	\$ 398,375,802	\$	19,041	30.4	6,023	13.0%	17.8%	526,042
2014-15	21,094	\$ 402,136,016	\$	19,064	30.5	6,024	9.8%	9.3%	532,297
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

Source: MuniServices, LLC / Avenu Insights & Analytics, U.S. Census Bureau, 2015 American Community Survey.

(-) indicates data not available

The California Department of Finance demographics estimates now incorporate 2010 Census counts as the benchmark.

- 1.) Population Projections are provided by the California Department of Finance Projections.
- 2.) Income Data is provided by the U.S. Census Bureau, 2015 American Community Survey.
- 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 13
Principal Employers
Last Fiscal Year and Six Years Ago

Business Name	2021-22		2015-16	
	Number of Employees	Percent of Total Employment (%)	Number of Employees	Percent of Total Employment (%)
Patterson Joint Unified School District	759	7.44%	617	6.78%
Amazon Fulfillment Center	702	6.88%	1,000	10.99%
CVS Caremark Distribution Center	521	5.11%	466	5.12%
Grainger Distribution Center	433	4.25%	346	3.80%
Walmart Supercenter	296	2.90%	241	2.65%
City of Patterson*	248	2.43%	225	2.47%
Traina Foods	201	1.97%		
King's Roofing	139	1.36%	100	1.10%
Restoration Hardware Distribution Center	137	1.34%	122	1.34%
Advanced Linen Service	85	0.83%		0.00%
Save Mart			73	0.80%
Brake Parts Inc (BPI) Distribution Center			56	0.62%
Total Top 10 Employers	3,521	34.52%	3,246	35.67%
Total City Labor Force (1)	10,200		9,100	

Source: MuniServices, LLC / Avenu Insights & Analytics

2015-16 is the city's first ACFR publication, therefore prior year data availability is limited.

Results based on direct correspondence with city's local businesses.

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

*Includes full and part time

City of Patterson
Table 14
Direct and Overlapping Governmental Activities Debt

2021-22 Assessed Valuation: \$2,490,736,043

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</u>	Total Debt <u>6/30/2022</u>	% Applicable (1)	City's Share of Debt <u>6/30/22</u>
Yosemite Community College District	\$ 263,621,373	3.192%	\$ 8,414,794
Patterson Joint Unified School District	54,697,155	70.400	38,506,797
City of Patterson Community Facilities District No. 2005-1	15,965,000	100.000	15,965,000
City of Patterson Community Facilities District No. 2015-1	4,650,000	100.000	4,650,000
City of Patterson PFA Revenue Bonds (Less Bond Discount)	62,042,634	100.000	62,042,634
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 129,579,225
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT</u>			
Stanislaus County Certificates of Participation	\$ 16,225,000	4.316%	\$700,271
Stanislaus County Office of Education Certificates of Participation	1,155,000	4.316	\$49,850
Patterson Joint Unified School District General Fund Obligations	10,665,000	70.400	\$7,508,160
City of Patterson Lease Revenue Bonds	1,898,414	100.000	\$1,898,414
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$10,156,695
TOTAL DIRECT DEBT			\$ 63,941,048
TOTAL OVERLAPPING DEBT			\$ 75,794,872
COMBINED TOTAL DEBT			\$ 139,735,920 (2)

(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 capital lease obligations.

Ratios to 2020-21 Assessed Valuation:

Direct Debt (\$62,042,634)	2.49%
Total Direct and Overlapping Tax and Assessment Debt	5.20%
Total Direct Debt (\$63,941,048)	2.57%
Combined Total Debt	5.61%

Source: Avenu Insights & Analytics

City of Patterson
Table 15
Full-Time Equivalent City Government Employees
By Function/Program/Department
Last Five Fiscal Years

	Number Authorized	Number Authorized	Number Authorized	Number Authorized	Number Authorized
	17-18	18-19	19-20	20-21	21-22
Administration					
City Manager	1	1	1	1	1
Human Resources Director	1	1	1	1	1
City Clerk	1	1	1	1	1
HR Analyst	1	1	1	1	1
Executive Administrative Assistant Confidential	1	1	1	1	1
Secretary - Confidential	0	0	0	0	0
Deputy City Clerk	0	0	1	1	1
Administrative Assistant	1	1	0	0	0
IT Manager	0	0	1	1	1
IT Technician II	0	0	1	1	1
	6	6	8	8	8
Finance					
Finance Director	1	1	1	1	1
Supervising Accountant	1	1	1	1	1
Revenue & Utility Billing Manager	1	1	1	1	1
Accountant	0	1	1	2	2
Accounting Technician	1	1	1	1	1
Account Clerk, Senior	3	3	3	3	4
Account Clerk	2	3	3	2	1
	9	11	11	11	11
Recreation & Community Services					
Recreation & Community Services Director	1	1	1	1	1
Recreation & Community Services Manager	1	1	1	1	1
Recreation & Community Services Supervisor	0	1	4	4	4
Recreation Coordinator II	1	3	0	0	0
Recreation Coordinator I	3	1	0	0	0
Account Clerk	2	2	2	2	2
Administrative Assistant II					1
Facilities & Maintenance Supervisor	1	1	1	1	0
Facilities Superintendent					1
Maintenance Worker III	1	1	1	1	1
Maintenance Worker II	0	0	0	1	1
Maintenance Worker I	1	1	1	0	0
	11	12	11	11	12
Fire					
Chief	1	1	1	1	1
Division Chief	2	2	2	2	3
Fire Captain - Paramedic	2	2	2	2	2
Fire Captain	3	4	4	4	4
Fire Engineer - Paramedic	1	1	1	1	1
Fire Engineer	4	5	5	5	5
Fire Fighters - Paramedic	6	6	6	6	6
Fire Fighters	0	0	0	0	0
Fire Marshall	1	0	0	0	0
Fire Prevention Specialist	0	1	1	1	1
Administrative Manager	1	1	1	1	1
Secretary II	1	1	1	1	1
	22	24	24	24	25

City of Patterson
Table 15
Full-Time Equivalent City Government Employees (Continued)
By Function/Program/Department
Last Five Fiscal Years

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

City of Patterson
Table 15
Full-Time Equivalent City Government Employees (Continued)
By Function/Program/Department
Last Five Fiscal Years

	Number Authorized	Number Authorized	Number Authorized	Number Authorized	Number Authorized
	17-18	18-19	19-20	20-21	21-22
Urban Forestry					
Public Works Supervisor - Tree	1	1	1	1	1
Maintenance Worker III	1	1	1	0	0
Maintenance Worker II	1	1	1	1	4
Maintenance Worker I	2	2	2	3	0
	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>
Water					
Public Works Supervisor - Water	1	1	1	1	1
Water Operator III	3	4	4	4	3
Water Operator II	0	0	1	1	0
Water Operator I	1	1	0	0	0
Maintenance Worker III					1
Maintenance Worker II					1
Electrical & Instrumentation Manager	0.5	0.5	0.5	0.5	0.5
Electrician - Crew Leader	0	0	0	0	0
Electrician Technician II	0.5	0.5	0.5	0.5	1
	<u>6</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7.5</u>
Sewer					
Wastewater Manager	1	1	1	1	1
Chief Waste Water Operator	1	1	1	1	1
Wastewater Operator III	1	2	1	2	1
Wastewater Operator II	2	1	2	1	1
Wastewater Operator I	1	1	0	1	0
Wasterwater Operator in Training					2
Electrical & Instrumentation Manager	0.5	0.5	0	0.5	0.5
Electrician - Crew Leader	0	0	0	0	0
Electrician Technician II	0.5	0.5	0	0.5	1
Maintenance Worker I	0	0	1	0	1
	<u>7</u>	<u>7</u>	<u>6</u>	<u>7</u>	<u>8.5</u>
Collection					
Public Works Supervisor - Collections	0.5	0.5	0.5	0.5	0.5
Maintenance Worker III	1	3	2	3	4
Maintenance Worker II	2	0	1	0	0
Maintenance Worker I	0	0	1	1	0
	<u>3.5</u>	<u>3.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>
Total Allocated Positions	<u><u>109</u></u>	<u><u>117</u></u>	<u><u>117</u></u>	<u><u>121</u></u>	<u><u>127</u></u>

Incentives Available: Specified by MOU

Certificate Pay - 1% to 4% Educational Incentives up to 3%

Pay for Performance - Not Available

Source: City of Patterson Finance Department

City of Patterson
Table 16
Ratio of Outstanding Debt By Type
Last Ten Fiscal Years

Governmental Activities						
Fiscal Year	Loans Payable	Lease Revenue Bonds	Revenue Bonds	Settlement Payable	Finance Purchase Obligations and Leases	Total
2013	\$1,794,453	\$ -	\$ -	\$ -	\$ 90,673	\$ 1,885,126
2014	2,291,826	-	-	1,300,000	23,888	3,615,714
2015	-	-	76,200,410	988,000	-	77,188,410
2016	-	-	75,999,122	676,000	-	76,675,122
2017	-	-	74,197,073	364,000	128,967	74,690,040
2018	-	2,429,000	70,840,652	364,000	97,979	73,731,631
2019	-	2,303,118	68,801,769	364,000	66,170	71,535,057
2020	-	217,283	66,516,789	364,000	33,518	69,087,137
2021	-	2,037,982	59,286,264	364,000	-	61,688,246
2022	-	1,898,414	56,596,080	364,000	72,094	58,930,588

Business-Type Activities								
Fiscal Year	Loans Payable	Public Offering Revenue Bonds	Private Placement Revenue Bonds	Finance Purchase Obligations and Leases	Total	Total Primary Government	Percentage of Personal Income	Per Capita
2013	\$1,270,807	\$ 12,480,000	\$ -	\$ 70,134	\$ 13,820,941	\$ 15,706,067	4.22%	\$ 764
2014	4,939,647	12,205,000	-	35,452	17,180,099	20,795,813	5.32%	998
2015	5,297,539	11,860,000	-	-	17,157,539	94,345,949	23.46%	4,473
2016	4,926,020	11,585,000	-	-	16,511,020	93,186,142	21.37%	4,125
2017	4,538,540	11,300,000	-	-	15,838,540	90,528,580	19.70%	3,983
2018	4,134,079	9,865,000	2,658,300	-	16,657,379	90,389,010	17.95%	3,860
2019	3,889,225	8,565,000	2,630,800	-	15,085,025	86,620,082	16.07%	3,645
2020	3,627,227	17,609,352	2,602,300	-	23,838,879	92,926,016	17.07%	4,027
2021	3,040,868	17,176,312	2,572,900	-	22,790,080	84,478,326	14.24%	3,625
2022	3,046,581	16,728,271	2,542,500	-	22,317,352	81,247,940	12.30%	3,334

See Demographic and Economic Statistics for personal income and population data. Additional information can be found in Note 8 to the basic financial statements.

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