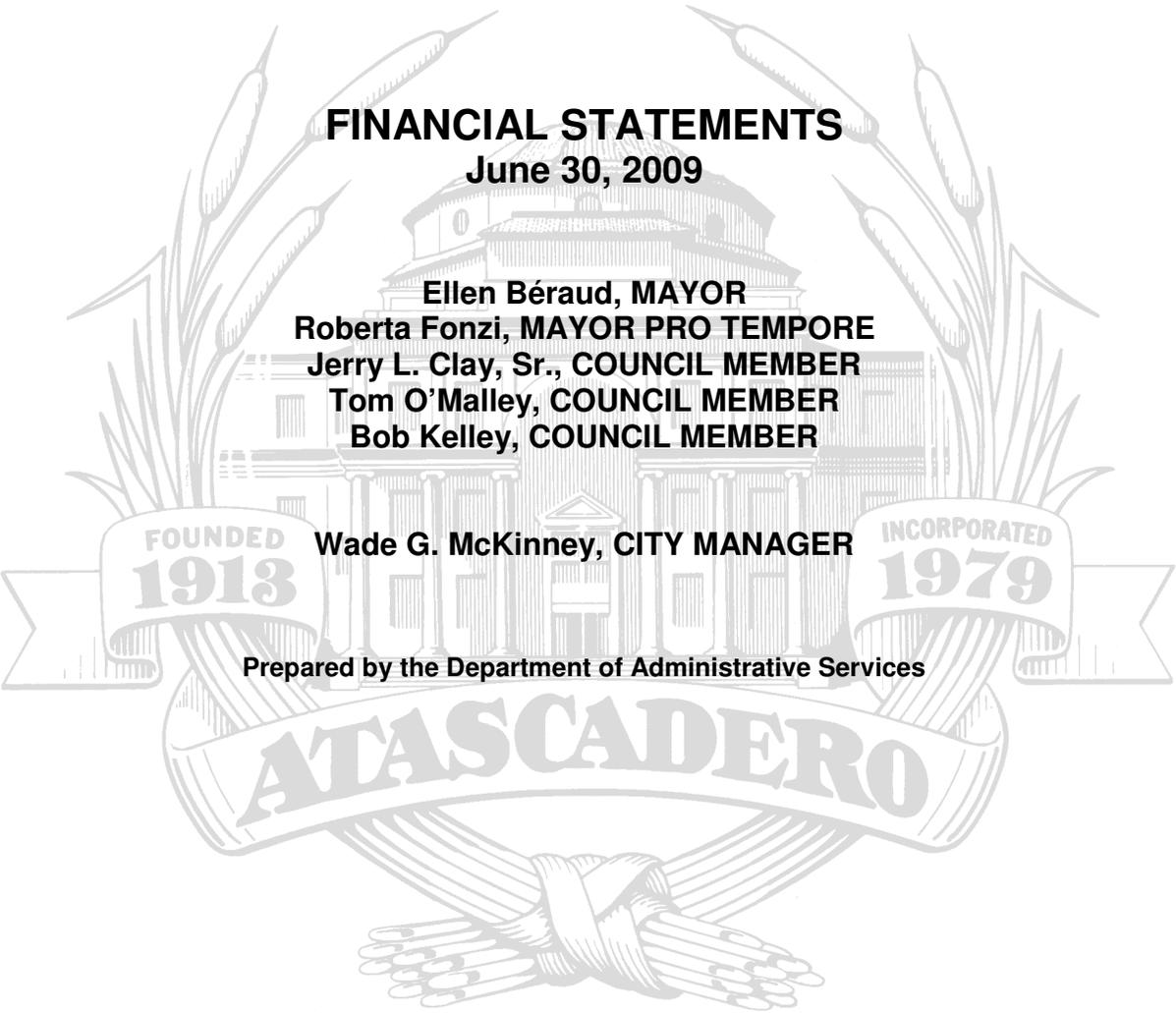


CITY OF ATASCADERO

FINANCIAL STATEMENTS

June 30, 2009



FINANCIAL STATEMENTS

June 30, 2009

Ellen Béraud, MAYOR

Roberta Fonzi, MAYOR PRO TEMPORE

Jerry L. Clay, Sr., COUNCIL MEMBER

Tom O'Malley, COUNCIL MEMBER

Bob Kelley, COUNCIL MEMBER

Wade G. McKinney, CITY MANAGER

**FOUNDED
1913**

**INCORPORATED
1979**

Prepared by the Department of Administrative Services

ATASCADERO

CITY OF ATASCADERO
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MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

RONALD A LEVY, CPA
CRIAG A HARTZHEIM, CPA
HADLEY Y HUI, CPA

802 EAST MAIN
SANTA MARIA, CA 93454
TEL: 805.925.2579
FAX: 805.925.2147
www.mlhcpas.com

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and City Council
Atascadero, California

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Atascadero, as of and for the fiscal year ended June 30, 2009, which collectively comprise the City's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Atascadero as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in note 1 of the notes to basic financial statements effective July 1, 2008, the City of Atascadero adopted Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employees for Postemployment Benefits Other than Pensions*, GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, and GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statement on Auditing Standards*.

The Management's Discussion and Analysis on pages 3 through 12, and the required supplementary information on pages 57 through 79, are not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of this information, but we did not audit this information and we express no opinion on it.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the City of Atascadero's basic financial statements. The combining fund and individual financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements, and in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 18, 2009, on our consideration of the City of Atascadero's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting or on compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The introductory section and statistical section listed in the table of contents were not audited by us, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion thereon.

MOSS, LEVY & HARTZHEIM LLP

A handwritten signature in cursive script that reads "Moss, Levy & Hartzheim LLP".

December 18, 2009



MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2009

INTRODUCTION

This discussion and analysis of the City of Atascadero's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2009. For the most complete picture of the City, please read this document in conjunction with the City's basic financial statements, the accompanying notes to the basic financial statements, and the basic financial statements of the City's component unit. The City's financial statements and separate financial statements prepared by the Community Redevelopment Agency of Atascadero are available at City Hall offices.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$154.8 million. Of this amount, \$21.4 million may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$2.9 million. This was mainly due to the City's commitment to investment in capital assets. The City not only received over \$3.5 million in capital contributions and grants during fiscal year 2008/2009, but it also continued to invest a significant amount of current resources into capital assets.
- Capital projects expenditures were down \$4.15 million from the previous year and were \$29 million less than budgeted.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$33.7 million, a decrease of \$1.6 million from the prior fiscal year.
- Approximately 72% of the governmental fund balances, or \$24.2 million, is considered unreserved and is available for spending in the future. Of the \$24.2 million, however, \$11.6 million is designated for budgeted capital projects or other specific purposes.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$6,852,754, or 37% of total general fund expenditures. This is down \$1.3 million from last fiscal year.
- The City's total debt decreased by about \$111,000 during the current fiscal year, which was due to scheduled debt service payments, an increase in compensated absences, and other post employment benefits.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

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

The *Statement of Activities* presents information showing how the government's net assets 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 the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

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

As required by accounting principles generally accepted in the United States of America, these financial statements present the City (the primary government) and its component unit, for which the government is considered to be financially accountable (the Community Redevelopment Agency of Atascadero). The City has no component units that require discrete presentation in accordance with GASB Statement No. 14, as amended by GASB Statement No. 39.

Fund Financial Statements

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

OVERVIEW OF THE FINANCIAL STATEMENTS *(continued)*

Governmental Funds

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

Because the focus of governmental 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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

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

Proprietary Funds

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Atascadero, assets exceeded liabilities by about \$154.8 million at the close of the most recent fiscal year.

	2008-2009 Governmental Activities	2008-2009 Business-Type Activities	2008-2009 Total	2007-2008 Governmental Activities	2007-2008 Business- Type Activities	2007-2008 Total
Current and other assets	\$ 43,865,204	\$ 10,502,655	\$ 54,367,859	\$ 45,174,651	\$ 9,966,709	\$ 55,141,360
Capital assets	103,674,131	15,234,755	118,908,886	99,728,126	15,642,248	115,370,374
Total assets	<u>147,539,335</u>	<u>25,737,410</u>	<u>173,276,745</u>	<u>144,902,777</u>	<u>25,608,957</u>	<u>170,511,734</u>
Current liabilities	3,439,448	372,999	3,812,447	3,492,698	325,957	3,818,655
Noncurrent liabilities	14,654,093	12,533	14,666,626	14,765,364	13,200	14,778,564
Total liabilities	<u>18,093,541</u>	<u>385,532</u>	<u>18,479,073</u>	<u>18,258,062</u>	<u>339,157</u>	<u>18,597,219</u>
Net assets:						
Invested in capital assets, net of related debt	95,362,536	15,234,755	110,597,291	95,276,987	15,642,248	110,919,235
Restricted	22,800,770	-	22,800,770	26,414,052	-	26,414,052
Unrestricted	11,282,488	10,117,123	21,399,611	4,953,676	9,627,552	14,581,228
Total net assets	<u>\$ 129,445,794</u>	<u>\$ 25,351,878</u>	<u>\$ 154,797,672</u>	<u>\$ 126,644,715</u>	<u>\$ 25,269,800</u>	<u>\$ 151,914,515</u>

The largest portion of the City's net assets (71%) reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional 15% of the City's net assets represent resources subject to external restrictions on how they may be used. The remaining 14% (\$21,399,611) is considered unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors. There was an increase of \$6.8 million in unrestricted net assets from fiscal year 2007-2008 to 2008-2009.

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(continued)*

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

The City's net assets increased by \$2.9 million during the current fiscal year. Information about changes in net assets is summarized below:

SUMMARY OF CHANGES IN NET ASSETS
 For the Fiscal Years Ended June 30, 2009 and 2008

	2008-2009 Governmental Activities	2008-2009 Business-Type Activities	2008-2009 Total	2007-2008 Governmental Activities	2007-2008 Business-Type Activities	2007-2008 Total
Revenues:						
Program Revenues						
Charges for services	\$ 2,796,481	\$ 1,946,460	\$ 4,742,941	\$ 2,848,269	\$ 1,877,326	\$ 4,725,595
Operating grants and contributions	1,132,638	485,755	1,618,393	1,826,678	439,951	2,266,629
Capital grants and contributions	3,519,713	4,919	3,524,632	6,035,427	457,071	6,492,498
General Revenues:						
Secured and unsecured property taxes	11,767,626	-	11,767,626	11,419,751	-	11,419,751
Sales and use taxes	3,019,523	-	3,019,523	3,547,696	-	3,547,696
Other taxes	1,788,724	-	1,788,724	1,671,490	-	1,671,490
Motor vehicle in lieu	97,153	-	97,153	123,310	-	123,310
Block grants	139,619	-	139,619	788,332	-	788,332
Investment Income	1,042,762	319,374	1,362,136	1,638,407	471,984	2,110,391
Gain on disposal of capital assets	-	-	-	(119,640)	(5,450)	(125,090)
Total Revenues	<u>\$ 25,304,239</u>	<u>\$ 2,756,508</u>	<u>\$ 28,060,747</u>	<u>\$ 29,779,720</u>	<u>\$ 3,240,882</u>	<u>\$ 33,020,602</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(continued)*

SUMMARY OF CHANGES IN NET ASSETS

For the Fiscal Years Ended June 30, 2009 and 2008

	2008-2009	2008-2009	2008-2009	2007-2008	2007-2008	2007-2008
	Governmental	Business-Type	Total	Governmental	Business-Type	Total
	Activities	Activities	Total	Activities	Activities	Total
Program Expenses						
General Government	\$ 2,889,181	\$ -	\$ 2,889,181	\$ 2,833,332	\$ -	\$ 2,833,332
Public Safety	10,452,476	-	10,452,476	10,046,690	-	10,046,690
Community Development	2,511,550	-	2,511,550	2,682,037	-	2,682,037
Community, Recreation & Zoo Services	2,183,717	-	2,183,717	2,224,691	-	2,224,691
Parks & Open Space	814,613	-	814,613	735,322	-	735,322
Public Works	3,010,482	-	3,010,482	2,895,652	-	2,895,652
Sewer	-	2,068,971	2,068,971	-	2,067,075	2,067,075
Transit	-	605,459	605,459	-	612,425	612,425
Interest on long-term debt	641,141	-	641,141	663,065	-	663,065
Total Expenses	<u>22,503,160</u>	<u>2,674,430</u>	<u>25,177,590</u>	<u>22,080,789</u>	<u>2,679,500</u>	<u>24,760,289</u>
Increase in net assets	2,801,079	82,078	2,883,157	7,698,931	561,382	8,260,313
Net assets- beginning	126,644,715	25,269,800	151,914,515	118,945,784	24,708,418	143,654,202
Net assets- ending	<u>\$ 129,445,794</u>	<u>\$ 25,351,878</u>	<u>\$ 154,797,672</u>	<u>\$ 126,644,715</u>	<u>\$ 25,269,800</u>	<u>\$ 151,914,515</u>

Governmental activities increased the City's net assets by \$2,801,079, while business-type activities increased the City's net assets by \$82,078.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental Funds

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

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

As of June 30, 2009, the City's governmental funds reported combined ending fund balances of \$33,709,627. Approximately 28% (\$9,495,979) of this total amount is reserved to indicate that it is not available for new spending because it has already been committed either to liquidate contracts or purchase orders of the prior period or to pay debt service (\$2,259,514). The remaining 72% (\$24,213,648) constitutes unreserved fund balances, which is available for spending at the government's discretion. Of that amount, \$11,625,058 has already been designated for a variety of specific future uses.

General Fund – The General Fund is the chief operating fund of the City. At June 30, 2009, the total fund balance was \$8,233,348, and the unreserved fund balance was 83% (\$6,852,754) of the total. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. The unreserved fund balance represents 37% of the total General Fund expenditures, down from 43% in fiscal year 2007-2008. The total general fund balance represents 45% of fund expenditures, down from 53% the prior year. The General Fund balance decreased \$1,653,784 during the year.

Redevelopment Agency Fund – The Redevelopment Agency fund is the primary fund for the Community Redevelopment Agency of Atascadero. At June 30, 2009, the total fund balance was \$7,613,601, and the unreserved fund balance was 99% (\$7,555,730). All of the unreserved amount is designated for capital commitments.

In Lieu Low Income Housing Fund – The In Lieu Low Income Housing Fund accounts for notes issued to the City when a developer sells an inclusionary housing unit and fees that are paid by developers in lieu of building inclusionary (affordable) housing. At June 30, 2009, the total fund balance was \$4,695,789, and the unreserved fund balance was 10% (\$464,072). Ninety percent of the fund balance is reserved for notes receivable (\$4,231,717).

Fire Aerial Vehicle Impact Fees Fund – The Fire Aerial Vehicle Impact Fees Fund accounts for assessments imposed on commercial and multi-family residential developments. The assessments may only be used to purchase a fire aerial vehicle. In fiscal year 2007-2008, the City used this fund to purchase such a vehicle, using revenues that will be levied and collected in the future. At June 30, 2009, the total fund balance was a -\$824,792. The amount was borrowed from the General Fund.

Historic City Hall Rehabilitation Fund – The Historic City Hall Rehabilitation Fund accounts for all of the costs related to the restoration of the Historic City Hall rotunda building after it was severely damaged in the San Simeon Earthquake on December 23, 2003. At June 30, 2009, the total fund balance was -\$1,097,817. This entire amount is unreserved.

Other Governmental Funds – These are nonmajor funds of the City and are presented in the basic financial statements in the aggregate and in detail in the supplementary section of this report. At June 30, 2009, these funds had an aggregate fund balance of \$15,089,498. Of this total, 25% (\$3,825,797) is reserved for payment of debt service, prepaid items, capital projects or encumbrances from the prior fiscal year. The remaining balance of \$11,263,701 is available for spending. More information about these nonmajor funds can be found in the combining and individual fund financial statements and schedules.

Proprietary Funds

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

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

DEBT ADMINISTRATION

Debt, considered a liability of governmental activities, decreased in FY 2008-2009 by \$111,271. Normal amortization reduced debt by \$341,000, compensated absences increased it by \$86,491, and Other Post Employment Benefits increased it by another \$143,238.

Debt of the business-type activities decreased by \$667 in FY 2008-2009 due to a decrease in compensated absences.

CASH MANAGEMENT

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

CAPITAL ASSETS

The capital assets of the City are those assets that are used in the performance of the City's functions, including infrastructure assets. At June 30, 2009, net capital assets of the governmental activities totaled \$103,674,131 and the net capital assets of the business-type activities totaled \$15,234,755. Depreciation on capital assets is recognized in the Government-wide Financial Statements. The City has elected to depreciate its infrastructure assets. In order to depreciate the infrastructure assets, an estimated useful life for each type of asset was determined using engineering standards, industry standards, as well as discussions with City staff regarding the City's maintenance program for each asset type. This allowed the estimated useful life of each asset type to be tailored to include the unique attributes of the City of Atascadero.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS (continued)

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

	2008-2009 Governmental Activities	2008-2009 Business-Type Activities	2008-2009 Total	2007-2008 Governmental Activities	2007-2008 Business-Type Activities	2007-2008 Total
Non-Depreciable:						
Land	\$ 40,913,773	\$ 442,044	\$ 41,355,817	\$ 41,003,131	\$ 442,044	\$ 41,445,175
Construction in progress	4,855,918	358,076	5,213,994	10,724,740	266,046	10,990,786
Depreciable:						
Vehicles and equipment	8,333,666	756,514	9,090,180	6,785,615	770,514	7,556,129
Structures and improvements	20,670,688	23,608,690	44,279,378	10,936,511	23,728,212	34,664,723
Infrastructure	55,118,136	-	55,118,136	53,853,447	-	53,853,447
Accumulated Depreciation	(26,218,050)	(9,930,569)	(36,148,619)	(23,575,318)	(9,564,568)	(33,139,886)
Invested in capital assets, net of related debt	<u>\$ 103,674,131</u>	<u>\$ 15,234,755</u>	<u>\$ 118,908,886</u>	<u>\$ 99,728,126</u>	<u>\$ 15,642,248</u>	<u>\$ 115,370,374</u>

GENERAL FUND BUDGETARY HIGHLIGHTS

A detailed budgetary comparison schedule for the fiscal year ended June 30, 2009, is presented in the required supplementary information to the basic financial statements. The final budget amounts (which are the focus of this discussion) are different from those presented in the 2008-2009 budget document. This is due to changes that occurred between the time that the budget was prepared and fiscal year-end final budget approvals.

The following summarizes the original and final budget compared with actual results for 2008-2009.

General Fund	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues	\$ 18,130,130	\$ 18,276,710	\$ 16,860,567	\$ (1,416,143)
Expenditures	20,266,480	20,413,060	18,359,859	(2,053,201)
Other Sources (Uses)	(552,330)	(430,260)	(154,492)	275,768
Fund Balance, beginning	9,887,132	9,887,132	9,887,132	-
Fund Balance, ending	<u>\$ 7,198,452</u>	<u>\$ 7,320,522</u>	<u>\$ 8,233,348</u>	<u>\$ 912,826</u>

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

Overall, compared to the original budget, the final budget had a net positive effect on ending fund balance of \$122,070. This change reflects minor adjustments and an increase in the transfer of funds from the Community Facilities District Fund to the General Fund.

ECONOMIC FACTORS AND NEXT FISCAL YEAR'S BUDGET

The severe and lengthy economic slump, the state budgetary crisis and unavoidable future cost increases made budgeting for fiscal year 2009-2010 a challenge. Expenses have been cut in those areas that least affect the community and contributions to certain reserve funds have been suspended. Layoffs and staffing position freezes have further reduced the costs of ongoing employee services. Even with those cuts, the budget for fiscal year 2009-2010 will again be using fund balance reserves to maintain operations. The City has been actively preparing for these tough times. Ten years ago, the Council adopted a financial strategic plan that provides for downswings in revenues by putting aside reserves in good times and then using those reserves during down periods. Council continues to support this strategy, and it has proven very useful to the City. It has allowed for stable operations and long-term financial sustainability during this time of economic turmoil.

Even during these challenging economic times, the City Council has demonstrated its commitment to fiscal health and responsible stewardship of the City's resources by maintaining existing service levels to the community wherever possible, and funding the highest priority projects.

The key elements in the preparation of the budget for the fiscal year 2009-2010 were:

- Focusing on those projects identified as high priority by the community and the Council
- Economic Development
- Enhancement of Public Safety
- Continued maintenance of the City's fiscal health
- Maintaining existing General Fund expenditure base
- Using reserves to continue scheduled replacement of vehicles and equipment

CONTACTING THE CITY'S FINANCIAL MANAGEMENT TEAM

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Atascadero, Administrative Services Department, 6907 El Camino Real, Atascadero, CA 93422.

BASIC FINANCIAL STATEMENTS

CITY OF ATASCADERO
STATEMENT OF NET ASSETS
June 30, 2009

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 33,287,607	\$ 10,061,037	\$ 43,348,644
Restricted cash and investments:			
Cash with fiscal agents	1,082,507	-	1,082,507
Certificates of deposit	133,723	-	133,723
Receivables:			
Federal distributions due	1,030,992	211,230	1,242,222
Due from State of California	2,003,939	1,810	2,005,749
Due from County of San Luis Obispo	864,612	84,958	949,570
Accrued interest	157,087	48,230	205,317
Other receivables	211,569	72,973	284,542
Interfund balances	(22,417)	22,417	-
Prepaid expenses	10,068	-	10,068
Notes receivable	4,231,717	-	4,231,717
Deferred charges	272,650	-	272,650
Deposits in excess of estimated claims liability	601,150	-	601,150
Capital assets:			
Non-depreciable:			
Land	40,913,773	442,044	41,355,817
Construction in progress	4,855,918	358,076	5,213,994
Depreciable:			
Equipment	8,333,666	756,514	9,090,180
Structures and improvements	20,670,688	23,608,690	44,279,378
Infrastructure	55,118,136	-	55,118,136
Accumulated depreciation	(26,218,050)	(9,930,569)	(36,148,619)
Total assets	<u>147,539,335</u>	<u>25,737,410</u>	<u>173,276,745</u>

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

CITY OF ATASCADERO

STATEMENT OF NET ASSETS (continued)

June 30, 2009

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Accounts payable	\$ 1,707,593	\$ 236,119	\$ 1,943,712
Accrued salaries and compensated absences	495,656	16,562	512,218
Accrued interest payable	204,961	-	204,961
Other payables	10,538	2,029	12,567
Deposits payable	358,115	-	358,115
Deferred revenue	662,585	118,289	780,874
Noncurrent liabilities:			
Due within one year	405,000	-	405,000
Due in more than one year	14,249,093	12,533	14,261,626
Total liabilities	<u>18,093,541</u>	<u>385,532</u>	<u>18,479,073</u>
NET ASSETS			
Invested in capital assets, net of related debt	95,362,536	15,234,755	110,597,291
Restricted for:			
Restricted for parks and recreation	2,205,119	-	2,205,119
Restricted for streets, roads and drainage	4,229,573	-	4,229,573
Restricted for redevelopment & housing	14,434,957	-	14,434,957
Restricted for debt service	1,931,121	-	1,931,121
Unrestricted	<u>11,282,488</u>	<u>10,117,123</u>	<u>21,399,611</u>
Total net assets	<u>\$ 129,445,794</u>	<u>\$ 25,351,878</u>	<u>\$ 154,797,672</u>

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

CITY OF ATASCADERO
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2009

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Net Governmental Activities	Net Business-type Activities	Total
Governmental activities:							
General government	\$ 2,889,181	\$ 24,596	\$ 273,148	\$ 1,073,255	\$ (1,518,182)	\$ -	\$ (1,518,182)
Public safety	10,452,476	1,352,631	153,852	68,211	(8,877,782)	-	(8,877,782)
Community development	2,511,550	746,685	103,653	134,776	(1,526,436)	-	(1,526,436)
Community, recreation & zoo services	2,183,717	551,068	83,975	570,324	(978,350)	-	(978,350)
Parks & open space	814,613	24,998	2,329	212,393	(574,893)	-	(574,893)
Public works	3,010,482	96,503	515,681	1,460,754	(937,544)	-	(937,544)
Interest on long-term debt	641,141	-	-	-	(641,141)	-	(641,141)
Total governmental activities	<u>22,503,160</u>	<u>2,796,481</u>	<u>1,132,638</u>	<u>3,519,713</u>	<u>(15,054,328)</u>	<u>-</u>	<u>(15,054,328)</u>
Business-type activities:							
Sewer	2,068,971	1,834,419	-	-	-	(234,552)	(234,552)
Transit	605,459	112,041	485,755	4,919	-	(2,744)	(2,744)
Total business-type activities	<u>2,674,430</u>	<u>1,946,460</u>	<u>485,755</u>	<u>4,919</u>	<u>-</u>	<u>(237,296)</u>	<u>(237,296)</u>
Total government	<u>\$ 25,177,590</u>	<u>\$ 4,742,941</u>	<u>\$ 1,618,393</u>	<u>\$ 3,524,632</u>	<u>(15,054,328)</u>	<u>(237,296)</u>	<u>(15,291,624)</u>
General revenues							
Taxes:							
Secured and unsecured property taxes					11,767,626	-	11,767,626
Sales tax and payments in lieu of sales tax					3,019,523	-	3,019,523
Transient lodging tax					418,631	-	418,631
Franchise taxes					1,091,095	-	1,091,095
Business license tax					153,110	-	153,110
Property transfer tax					76,661	-	76,661
Other taxes					49,227	-	49,227
Motor vehicle in lieu					97,153	-	97,153
Block grants					139,619	-	139,619
Investment income					1,042,762	319,374	1,362,136
Total general revenues					<u>17,855,407</u>	<u>319,374</u>	<u>18,174,781</u>
Change in net assets					2,801,079	82,078	2,883,157
Net assets at beginning of fiscal year					126,644,715	25,269,800	151,914,515
Net assets at end of fiscal year					<u>\$ 129,445,794</u>	<u>\$ 25,351,878</u>	<u>\$ 154,797,672</u>

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

CITY OF ATASCADERO
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2009

	General Fund	Redevelopment Agency Fund	In Lieu Low Income Housing Fund	Fire Aerial Vehicle Impact Fees Fund	Historic City Hall Rehabilitation Fund	Other NonMajor Governmental Funds	Totals
ASSETS							
Cash and investments	\$ 5,214,965	\$ 7,223,655	\$ 462,032	\$ -	\$ -	\$ 15,022,229	\$ 27,922,881
Restricted cash and investments:							
Cash and investments with fiscal agent	-	-	-	-	-	1,082,507	1,082,507
Certificates of deposit	133,723	-	-	-	-	-	133,723
Receivables:							
Federal distributions due	58,608	-	-	-	48,605	379,560	486,773
Due from State of California	457,605	-	-	-	1,049,363	315,527	1,822,495
Due from County of San Luis Obispo	394,218	17,870	-	-	-	452,524	864,612
Accrued interest	26,023	33,391	2,184	-	-	70,473	132,071
Other receivables	201,976	6,271	-	-	-	3,322	211,569
Due from other funds	1,715,096	1,817,126	-	-	-	-	3,532,222
Prepaid expenditures	5,419	-	-	-	-	730	6,149
Notes receivable	-	-	4,231,717	-	-	-	4,231,717
Interfund advances receivable	1,375,175	-	-	-	-	-	1,375,175
Total assets	<u>\$ 9,582,808</u>	<u>\$ 9,098,313</u>	<u>\$ 4,695,933</u>	<u>\$ -</u>	<u>\$ 1,097,968</u>	<u>\$ 17,326,872</u>	<u>\$ 41,801,894</u>

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

CITY OF ATASCADERO
GOVERNMENTAL FUNDS
BALANCE SHEET (continued)
June 30, 2009

	General Fund	Redevelopment Agency Fund	In Lieu Low Income Housing Fund	Fire Aerial Vehicle Impact Fees Fund	Historic City Hall Rehabilitation Fund	Other NonMajor Governmental Funds	Totals
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 395,155	\$ 90,187	\$ 144	\$ -	\$ 473,756	\$ 695,229	\$ 1,654,471
Accrued salaries and benefits	443,408	19,350	-	-	-	13,986	476,744
Due to other funds	-	-	-	824,792	1,722,029	922,102	3,468,923
Deferred revenue	142,244	-	-	-	-	520,341	662,585
Deposits	358,115	-	-	-	-	-	358,115
Interfund advances payable	-	1,375,175	-	-	-	85,716	1,460,891
Other payables	10,538	-	-	-	-	-	10,538
Total liabilities	<u>1,349,460</u>	<u>1,484,712</u>	<u>144</u>	<u>824,792</u>	<u>2,195,785</u>	<u>2,237,374</u>	<u>8,092,267</u>
Fund Balances:							
Reserved for encumbrances	-	57,871	-	-	-	1,461,866	1,519,737
Reserved for debt service	-	-	-	-	-	2,259,514	2,259,514
Reserved for advances to other funds	1,375,175	-	-	-	-	-	1,375,175
Reserved for bike paths	-	-	-	-	-	103,687	103,687
Reserved for prepaids	5,419	-	-	-	-	730	6,149
Reserved for notes receivable	-	-	4,231,717	-	-	-	4,231,717
Unreserved:							
Designated							
Designated for capital commitments	-	7,555,730	-	-	-	4,013,701	11,569,431
Designated for library	55,627	-	-	-	-	-	55,627
General Fund- undesignated	6,797,127	-	-	-	-	-	6,797,127
Special revenue funds- undesignated	-	-	464,072	(824,792)	-	7,372,390	7,011,670
Capital projects funds- undesignated	-	-	-	-	(1,097,817)	1,042	(1,096,775)
Debt service funds- undesignated	-	-	-	-	-	(123,432)	(123,432)
Total fund equity	<u>8,233,348</u>	<u>7,613,601</u>	<u>4,695,789</u>	<u>(824,792)</u>	<u>(1,097,817)</u>	<u>15,089,498</u>	<u>33,709,627</u>
Total liabilities and fund equity	<u>\$ 9,582,808</u>	<u>\$ 9,098,313</u>	<u>\$ 4,695,933</u>	<u>\$ -</u>	<u>\$ 1,097,968</u>	<u>\$ 17,326,872</u>	<u>\$ 41,801,894</u>

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

CITY OF ATASCADERO

RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
June 30, 2009

Total fund balances - governmental funds			\$	33,709,627
In governmental funds, only current assets are reported. In the statement of net assets, all assets are reported, including capital assets and accumulated depreciation.				
	Capital assets at historical cost		\$	104,194,213
	Accumulated depreciation			(19,516,883)
		Net		<u>84,677,330</u>
Long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds. Long-term assets consist of deposits in excess of estimated claims and judgments.				
				601,150
In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred.				
				(204,961)
Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net assets, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:				
	Bonds payable			13,210,000
	Compensated absences payable			1,266,744
	Other Post Employment Benefits			<u>143,238</u>
				(14,619,982)
In governmental funds, bond issuance costs are expensed when the bonds are issued. In the government-wide statement of activities, the costs are recorded as an asset and amortized over the life of the bond.				
				272,650
Internal service funds are used by management to charge the costs of various City activities to individual governmental and enterprise funds. The unrestricted net assets of the internal service funds are included in the Governmental Activities in the Statement of Net Assets.				
				<u>25,009,980</u>
		Total net assets, governmental activities	\$	<u>129,445,794</u>

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

CITY OF ATASCADERO
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2009

	General Fund	Redevelopment Agency Fund	In Lieu Low Income Housing Fund	Fire Aerial Vehicle Impact Fees Fund	Historic City Hall Rehabilitation Fund	Other NonMajor Governmental Funds	Totals
Revenues:							
Secured and unsecured property taxes	\$ 7,654,487	\$ 1,604,156	\$ -	\$ -	\$ -	\$ 2,508,983	\$ 11,767,626
Taxes based on sales and use	3,019,523	-	-	-	-	-	3,019,523
Franchise tax	1,091,095	-	-	-	-	-	1,091,095
Other taxes	648,402	-	-	-	-	-	648,402
Licenses and permits	206,490	-	134,776	6,416	-	653,546	1,001,228
Intergovernmental revenues:							
Motor vehicle in lieu	97,153	-	-	-	-	-	97,153
Other governmental revenues	71,423	-	-	-	-	661,683	733,106
Grants	65,078	-	-	-	1,073,255	1,166,841	2,305,174
Charges for services:							
Public safety	1,182,906	-	-	-	-	-	1,182,906
Development	599,957	-	-	-	-	-	599,957
Recreation, parks, pavilion and zoo	569,707	-	-	-	-	-	569,707
Other services	62,380	-	-	-	-	-	62,380
Fines and forfeitures	137,375	-	-	-	-	-	137,375
Use of money and property	311,177	626,467	15,453	(22,446)	-	443,877	1,374,528
Other revenues	1,143,414	30	-	-	-	38,256	1,181,700
Total revenues	16,860,567	2,230,653	150,229	(16,030)	1,073,255	5,473,186	25,771,860

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

CITY OF ATASCADERO
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (continued)
For the Fiscal Year Ended June 30, 2009

	General Fund	Redevelopment Agency Fund	In Lieu Low Income Housing Fund	Fire Aerial Vehicle Impact Fees Fund	Historic City Hall Rehabilitation Fund	Other NonMajor Governmental Funds	Totals
Expenditures:							
Current:							
General government	\$ 2,962,243	\$ -	\$ -	\$ -	\$ 77,271	\$ 17,827	\$ 3,057,341
Public safety	10,143,503	-	-	-	-	61,410	10,204,913
Community development	1,538,793	738,362	19,596	-	19,069	73,291	2,389,111
Community, recreation, and zoo services	2,106,617	-	-	-	8,510	3,593	2,118,720
Parks and open space	662,519	-	-	-	-	66,546	729,065
Public works	915,102	-	-	-	7,121	1,308,769	2,230,992
Capital outlay	31,082	350,324	-	332	2,100,798	3,204,620	5,687,156
Debt service:							
Principal	-	-	-	-	-	341,000	341,000
Interest	-	117,852	-	-	-	634,488	752,340
Total expenditures	<u>18,359,859</u>	<u>1,206,538</u>	<u>19,596</u>	<u>332</u>	<u>2,212,769</u>	<u>5,711,544</u>	<u>27,510,638</u>
Excess of revenues over (under) expenditures	<u>(1,499,292)</u>	<u>1,024,115</u>	<u>130,633</u>	<u>(16,362)</u>	<u>(1,139,514)</u>	<u>(238,358)</u>	<u>(1,738,778)</u>
Other Financing Sources (Uses):							
Transfers in	302,952	-	-	-	47,110	2,040,497	2,390,559
Transfers out	(457,444)	(19,164)	-	-	-	(1,913,951)	(2,390,559)
Proceeds from sales of capital assets	-	142,398	-	-	-	-	142,398
Total other financing sources and uses	<u>(154,492)</u>	<u>123,234</u>	<u>-</u>	<u>-</u>	<u>47,110</u>	<u>126,546</u>	<u>142,398</u>
Net changes in fund balances	(1,653,784)	1,147,349	130,633	(16,362)	(1,092,404)	(111,812)	(1,596,380)
Fund balances - June 30, 2008	<u>9,887,132</u>	<u>6,466,252</u>	<u>4,565,156</u>	<u>(808,430)</u>	<u>(5,413)</u>	<u>15,201,310</u>	<u>35,306,007</u>
Fund balances - June 30, 2009	<u>\$ 8,233,348</u>	<u>\$ 7,613,601</u>	<u>\$ 4,695,789</u>	<u>\$ (824,792)</u>	<u>\$ (1,097,817)</u>	<u>\$ 15,089,498</u>	<u>\$ 33,709,627</u>

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

CITY OF ATASCADERO**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2009**

Total net change in fund balances - governmental funds	\$ (1,596,380)
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which additions to capital outlay of \$5,687,156 is greater than depreciation expense \$(1,342,671) in the period.	4,344,485
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins and donations) is to increase net assets.	338,659
In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities.	341,000
In governmental funds, the issuance costs associated with long-term debt are reported as expenses in the year debt is issued. In the government-wide statements, the issuance costs are recorded as assets and are amortized over the life of the related debt.	(10,790)
In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period was:	4,137
In the statement of activities, compensated absences are measured by the amounts earned during the fiscal year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts paid). This fiscal year, leave earned exceeded the amounts used by \$78,423.	(78,423)
In the statement of activities, some claims and judgment expenses do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(146,099)
In the statement of activities, the long-term liability for Other Post Employment Benefits is recognized. This does not require the use of current financial resources and is not reported in governmental funds.	(143,238)
Internal service funds are used by management to charge the costs of various City activities to individual governmental and enterprise funds. The change in the unrestricted net assets of the internal service funds is included in the Governmental Activities in the Statement of Activities. This amount is the net of the change in net assets \$2,230,767 less the contributions of cash and fixed assets from other governmental funds (\$2,483,039).	<u>(252,272)</u>
Changes in net assets of governmental activities	<u>\$ 2,801,079</u>

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

CITY OF ATASCADERO
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
June 30, 2009

	<u>Enterprise Funds</u>			<u>Internal Service Funds</u>
	<u>Wastewater Fund</u>	<u>Transit Fund</u>	<u>Totals</u>	
ASSETS				
Current Assets:				
Cash and investments	\$ 10,061,037	\$ -	\$ 10,061,037	\$ 5,364,726
Receivables:				
Federal distributions due	5,429	205,801	211,230	544,219
Due from State of California	1,810	-	1,810	181,444
Due from County of San Luis Obispo	80,036	4,922	84,958	-
Accrued interest	48,230	-	48,230	25,016
Other receivables	35,956	37,017	72,973	-
Due from other funds	69,088	-	69,088	-
Prepaid expenses	-	-	-	3,919
Interfund advances receivable	85,716	-	85,716	-
Total current assets	<u>10,387,302</u>	<u>247,740</u>	<u>10,635,042</u>	<u>6,119,324</u>
Capital Assets:				
Non-depreciable:				
Land	442,044	-	442,044	-
Construction in progress	180,977	177,099	358,076	2,618,263
Depreciable:				
Vehicles and equipment	346,901	409,613	756,514	8,245,499
Structure and improvements	23,482,279	126,411	23,608,690	14,834,206
Accumulated depreciation	<u>(9,565,567)</u>	<u>(365,002)</u>	<u>(9,930,569)</u>	<u>(6,701,167)</u>
Net capital assets	<u>14,886,634</u>	<u>348,121</u>	<u>15,234,755</u>	<u>18,996,801</u>
Total assets	<u>25,273,936</u>	<u>595,861</u>	<u>25,869,797</u>	<u>25,116,125</u>

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

CITY OF ATASCADERO
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS (continued)
June 30, 2009

	Enterprise Funds			Internal Service Funds
	Wastewater Fund	Transit Fund	Totals	
LIABILITIES				
Current Liabilities:				
Accounts payable	\$ 135,363	\$ 100,756	\$ 236,119	\$ 53,122
Accrued salaries and benefits	15,345	1,217	16,562	18,912
Deferred revenue	-	118,289	118,289	-
Due to other funds	-	132,387	132,387	-
Other payables	1,980	49	2,029	-
Noncurrent Liabilities:				
Compensated absences	12,533	-	12,533	34,111
Total liabilities	<u>165,221</u>	<u>352,698</u>	<u>517,919</u>	<u>106,145</u>
NET ASSETS				
Invested in capital assets	14,886,634	348,121	15,234,755	18,996,801
Unrestricted	<u>10,222,081</u>	<u>(104,958)</u>	<u>10,117,123</u>	<u>6,013,179</u>
Total net assets	<u>\$ 25,108,715</u>	<u>\$ 243,163</u>	<u>\$ 25,351,878</u>	<u>\$ 25,009,980</u>

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

CITY OF ATASCADERO
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
For the Fiscal Year Ended June 30, 2009

	<u>Enterprise Funds</u>			<u>Internal Service Funds</u>
	<u>Wastewater Fund</u>	<u>Transit Fund</u>	<u>Totals</u>	
Operating Revenues:				
Service fees	\$ 1,794,644	\$ 112,041	\$ 1,906,685	\$ 2,104,366
Installation, extension and connection fees	37,521	-	37,521	-
Other	2,254	-	2,254	41
Total operating revenues	<u>1,834,419</u>	<u>112,041</u>	<u>1,946,460</u>	<u>2,104,407</u>
Operating Expenses:				
Salaries and benefits	373,979	40,371	414,350	625,528
Office expense	414	1,525	1,939	670
Advertising	-	2,765	2,765	-
Computer maintenance and replacement	19,820	12,590	32,410	6,590
Insurance	26,249	12,653	38,902	23,231
Occupancy and rental costs	12,562	2,670	15,232	420,316
Utilities	227,147	-	227,147	47,208
Communications	7,149	1,569	8,718	10,204
Operating supplies	94,704	335	95,039	41,908
Vehicle and equipment operating costs	143,753	119,506	263,259	14,836
Contract services	122,561	248,870	371,431	90,161
Professional development	3,432	1,188	4,620	12,459
Recruitment	-	-	-	63
Franchise fees	35,000	-	35,000	-
Administrative charges	246,680	119,560	366,240	101,650
Special projects:				
Minor equipment	5,454	-	5,454	2,946
Other technology studies and projects	-	-	-	42,325
HVAC units	-	-	-	2,200
Parking lot repairs	-	-	-	43,587
Sewer system management plan	12,233	-	12,233	-
Effluent Monitoring	18,703	-	18,703	-
Collection system video taping	5,280	-	5,280	-
Sewer line trench settlement repairs	5,562	-	5,562	-

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

CITY OF ATASCADERO

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS (continued)

For the Fiscal Year Ended June 30, 2009

	<u>Enterprise Funds</u>			<u>Internal Service Funds</u>
	<u>Wastewater Fund</u>	<u>Transit Fund</u>	<u>Totals</u>	
Operating Expenses (continued):				
Special projects (continued):				
Manhole repairs	\$ 33,845	\$ -	\$ 33,845	\$ -
Pump station abandonment	63,890	-	63,890	-
Depreciation	605,112	41,857	646,969	1,422,675
Total operating expenses	<u>2,063,529</u>	<u>605,459</u>	<u>2,668,988</u>	<u>2,908,557</u>
Operating income (loss)	<u>(229,110)</u>	<u>(493,418)</u>	<u>(722,528)</u>	<u>(804,150)</u>
Non-Operating Revenues:				
Transportation Development Act Funds - Operations	-	291,755	291,755	-
Section 5307 Revenues - Operations	-	194,000	194,000	-
FEMA Earthquake Repair Grant	-	-	-	280,197
OES Earthquake Repair Grant	-	-	-	93,399
Interest income	325,303	(5,929)	319,374	170,482
Gain / (loss) on sale of capital assets	<u>(5,442)</u>	<u>-</u>	<u>(5,442)</u>	<u>7,800</u>
Total non-operating revenues	<u>319,861</u>	<u>479,826</u>	<u>799,687</u>	<u>551,878</u>
Change in net assets prior to capital contributions	<u>90,751</u>	<u>(13,592)</u>	<u>77,159</u>	<u>(252,272)</u>
Capital Contributions:				
Capital contributions from other funds	-	-	-	2,483,039
Section 5307 Revenues - Capital	<u>-</u>	<u>4,919</u>	<u>4,919</u>	<u>-</u>
Total capital contributions	<u>-</u>	<u>4,919</u>	<u>4,919</u>	<u>2,483,039</u>
Change in net assets	90,751	(8,673)	82,078	2,230,767
Total net assets, June 30, 2008	<u>25,017,964</u>	<u>251,836</u>	<u>25,269,800</u>	<u>22,779,213</u>
Total net assets, June 30, 2009	<u>\$ 25,108,715</u>	<u>\$ 243,163</u>	<u>\$ 25,351,878</u>	<u>\$ 25,009,980</u>

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

CITY OF ATASCADERO
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2009

	Enterprise Funds			Internal Service Funds
	Wastewater Fund	Transit Fund	Totals	
Cash Flows From Operating Activities:				
Receipts from customers	\$ 1,739,416	\$ 86,510	\$ 1,825,926	\$ 16,400
Internal activity - payments from other funds	(3,897)	-	(3,897)	2,087,966
Payments to suppliers of goods and services	(1,074,597)	(486,640)	(1,561,237)	(866,657)
Payments for employee services	(368,148)	(40,232)	(408,380)	(613,385)
Pass-through payments	1,976	-	1,976	-
Net cash provided (used) by operating activities	<u>294,750</u>	<u>(440,362)</u>	<u>(145,612)</u>	<u>624,324</u>
Cash Flows From Non-Capital Financing Activities:				
Receipts from intergovernmental agencies	-	711,576	711,576	-
Loans / repayment to other funds	-	(170,938)	(170,938)	-
Net cash provided (used) by non-capital related financing activities	<u>-</u>	<u>540,638</u>	<u>540,638</u>	<u>-</u>
Cash Flows From Capital and Related Financing Activities:				
Acquisition of fixed assets	(146,350)	(99,266)	(245,616)	(685,536)
Capital grant proceeds	-	4,919	4,919	336,236
Proceeds from sale of assets	698	-	698	7,800
Net cash provided (used) by capital and related financing activities	<u>(145,652)</u>	<u>(94,347)</u>	<u>(239,999)</u>	<u>(341,500)</u>

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

CITY OF ATASCADERO
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS (continued)
For the Fiscal Year Ended June 30, 2009

	Enterprise Funds			Internal Service Funds
	Wastewater Fund	Transit Fund	Totals	
Cash Flows From Investing Activities:				
Interest income	\$ 353,181	\$ (5,929)	\$ 347,252	\$ 183,856
Principal received on interfund advances	39,285	-	39,285	-
Net cash provided (used) by investing activities	392,466	(5,929)	386,537	183,856
Net increase (decrease) in cash and cash equivalents	541,564	-	541,564	466,680
Cash and cash equivalents - June 30, 2008	9,519,473	-	9,519,473	4,898,046
Cash and cash equivalents - June 30, 2009	<u>\$ 10,061,037</u>	<u>\$ -</u>	<u>\$ 10,061,037</u>	<u>\$ 5,364,726</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (229,110)	\$ (493,418)	\$ (722,528)	\$ (804,150)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	605,112	41,857	646,969	1,422,675
Change in assets and liabilities:				
Receivables, net	(95,003)	(25,580)	(120,583)	-
Prepaid expenses	308	2,930	3,238	(1,167)
Due to other funds	(3,897)	-	(3,897)	-
Accounts payable	9,533	33,661	43,194	(5,177)
Accrued salaries and benefits	6,498	139	6,637	4,075
Other payables	1,976	49	2,025	-
Compensated absences	(667)	-	(667)	8,068
Net cash provided (used) by operating activities	<u>\$ 294,750</u>	<u>\$ (440,362)</u>	<u>\$ (145,612)</u>	<u>\$ 624,324</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The accompanying basic financial statements present the financial activity of the City, which is the primary government, along with the financial activities of its component unit, which is an entity for which the City is financially accountable. Although they are separate legal entities, blended component units are in substance part of the City's operations and are reported as an integral part of the City's basic financial statements. The City's component unit, which is described below, is a blended component unit of the City.

The City Council serves in a separate session as the governing body of the Community Redevelopment Agency of Atascadero, although this Agency is a legal entity apart from the City.

The Community Redevelopment Agency of Atascadero is included as a component unit in the accompanying financial statements. The financial activities of the foregoing entity has been aggregated and merged (termed "blended") with those of the City in the accompanying financial statements, as it meets the criteria for inclusion as set forth in the Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 39.

The Community Redevelopment Agency of Atascadero was established in 1999, by the City Council, to eliminate blight within the defined project areas by encouraging and assisting planned development of low-income housing and commercial projects. Separate financial statements are prepared by the Community Redevelopment Agency of Atascadero and are available at City Hall offices.

B. Basis of Presentation

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

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

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

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (continued)

Government-Wide and Fund Financial Statements (continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

C. Major Funds

GASB Statement No. 34 defines major funds and requires that the City's major governmental funds are identified and presented separately in the fund financial statements. All other funds, called nonmajor funds, are combined and reported in a single column, regardless of their fund-type.

Major funds are defined as funds that have either assets, liabilities, revenues, or expenditures/expenses equal to ten percent of their fund-type total. The General Fund is always a major fund. The City may also select other funds it believes should be presented as major funds.

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

General Fund

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

Redevelopment Agency Fund

This fund accounts for the operating activities of the Redevelopment Agency. The Agency's primary purpose is to eliminate blighted areas by encouraging the development of residential, commercial, industrial, recreational, and public facilities.

In Lieu Low Income Housing Fund

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

Fire Aerial Vehicle Impact Fees Fund

This fund accounts for the aerial fire truck impact fees that are imposed on commercial and multi-family residential developments. A platform aerial truck was purchased in fiscal year 2007-2008.

Historic City Hall Rehabilitation

This fund accounts for the rehabilitation of the historic City Hall building.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Major Funds (continued)

The City reported the following major proprietary funds:

Wastewater Fund

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

Transit Fund

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

D. Internal Service Funds

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

E. Basis of Accounting

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

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Basis of Accounting (continued)

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

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

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

F. Compensated Absences

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

G. Property Taxes

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Property Taxes (continued)

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

H. Capital Assets Additions and Retirements

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

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

The City's collection of zoo animals is not capitalized. The collection of animals is held for public education purposes, is well cared for and there is a City commitment to continue the collection. Although selling an animal is rare, when the City does receive proceeds for the sale of an animal, these proceeds are restricted for animal acquisition.

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

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

I. Estimates

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Cash and Cash Equivalents

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

K. Performance Bonds

The City receives performance bonds from developers to ensure compliance and completion of projects that affect the City's infrastructure. These commitments may be in the form of cash, certificates of deposit in the City's name, letters of credit, or surety bonds. Upon receipt, these deposits are recorded both as an asset and a liability. For purposes of simplifying the balance sheet, the performance bonds asset account in the amount of \$23,994,388 was netted against the liability account of \$23,935,569 in fiscal year 2009. The net balance in the deposits liability account at June 30, 2009 was \$58,819.

L. Short-Term Debt

The City has no short-term debt.

M. Long-Term Contracts

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

N. New Accounting Pronouncements

Governmental Accounting Standards Board Statement No. 45

For the fiscal year ended June 30, 2009, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 45, "Accounting and Financial Reporting by Employees for Postemployment Benefits Other than Plan Pensions". The Statement is effective for periods beginning after December 15, 2007 for a Phase II government. This Statement establishes standards for measurement, recognition, and display of other postemployment benefits (OPEB) expenses/expenditures and related liabilities (assets), note disclosures, and if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers. Implementation of the GASB Statement No. 45 did have an impact on the City's financial statements for the fiscal year ended June 30, 2009, the affect of which is discussed in Note 8.

Governmental Accounting Standards Board Statement No. 49

For the fiscal year ended June 30, 2009, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations". The Statement is effective for periods beginning after December 15, 2007. The Statement addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and clean ups. The scope of the document excludes pollution prevention or control obligations with respect to current operations, and future pollution remediation activities that are required upon retirement of an asset, such as landfill closure and postclosure care and nuclear power plant decommissioning. Implementation of the GASB Statement No. 49 did not have an impact on the City's financial statements for the fiscal year ended June 30, 2009.

CITY OF ATASCADERO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. New Accounting Pronouncements (continued)

Governmental Accounting Standards Board Statement No. 52

For the fiscal year ended June 30, 2009, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 52, "Land and Other Real Estate Held as Investments by Endowments". The Statement is effective for periods beginning after June 15, 2008. This Statement establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments also are required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value. Implementation of the GASB Statement No. 52 did not have an impact on the City's financial statements for the fiscal year ended June 30, 2009.

Government Accounting Standards Board Statement No. 55

For the fiscal year ended June 30, 2009, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments". The Statement is effective as of April 2, 2009. The objective of this Statement is to incorporate the hierarchy of Generally Accepted Accounting Principles (GAAP) for state and local governments into the Governmental Accounting Standards Board's authoritative literature. The "GAAP hierarchy" consists of the sources of accounting principles used in the *preparation* of financial statements of state and local governmental entities that are presented in conformity with GAAP, and the framework for selecting those principles. Implementation of the GASB Statement No. 55 did not have an impact on the City's financial statements for the fiscal year ended June 30, 2009.

Governmental Accounting Standards Board Statement No. 56

For the fiscal year ended June 30, 2009, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 56, "Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statement on Auditing Standards". The Statement is effective as of April 16, 2009. The objective of this Statement is to incorporate into the Governmental Accounting Standards Board's (GASB) authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants' Statement on Auditing Standards. This Statement addresses three issues not included in the authority's literature that established *accounting* principles – related party transactions, going concern considerations, and subsequent events. The presentation of principles used in the preparation of financial statements is more appropriately included in accounting and financial reporting standards rather than in the auditing literature. Implementation of the GASB Statement No. 56 did not have an impact on the City's financial statements for the fiscal year ended June 30, 2009.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

CITY OF ATASCADERO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2009

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

A. Budgetary Information (continued)

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

B. Deficit Fund Balances

Deficit fund balances in the following funds exist due to expenditures incurred prior to the receipt of the reimbursing revenues:

General Government Facilities Fees Fund	\$ (332,735)
Fire Aerial Vehicle Impact Fees Fund	\$ (824,792)
Historic City Hall Rehabilitation Fund	\$ (1,097,817)

A deficit fund balance in the following fund exists due to the accounting treatment of interfund advances:

Assessment District #9 Debt Service Fund	\$ (33,740)
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Deficit fund balances in the following funds exist due to the accounting treatment of interfund advances and a history of expenditures exceeding revenues:

Assessment District #7 Debt Service Fund	\$ (82,493)
Assessment District #10 Debt Service Fund	\$ (7,199)

C. Excess of Expenditures over Appropriations

Nonmajor governmental funds:

Low/Moderate Income Housing Redevelopment Fund	\$ 42
--	-------

For the above fund, employee services exceeded projected costs.

Excess
Expenditures

Assessment District #9 Debt Service Fund	\$ 13
2005 Redevelopment Bond Debt Service Fund	\$ 100
1993 Camino Real Improvement Bonds Fund	\$ 33

For the above funds, management costs exceeded projected costs.

NOTE 3 – CASH AND INVESTMENTS

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

Cash and investments at June 30, 2009 consisted of the following:

Pooled Cash and Investments	
Cash and cash equivalents	\$ 247,805
Investments	8,195,390
Local Agency Investment Fund (State Pool)	35,039,172
Total Pooled Cash and Investments	<u>43,482,367</u>
Funds with Fiscal Agents:	
United States Treasury Money Fund	84,308
Treasury Obligations Fund	998,199
Total Funds with Fiscal Agents	<u>1,082,507</u>
Total Cash and Investments	<u><u>\$ 44,564,874</u></u>

NOTE 3 – CASH AND INVESTMENTS (continued)

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

	Governmental Activities	Business-Type Activities	Total
Cash and investments	\$ 33,287,607	\$ 10,061,037	\$ 43,348,644
Cash and investments held by fiscal agents	1,082,507	-	1,082,507
Restricted certificates of deposit	133,723	-	133,723
Total Cash and Investments	<u>\$ 34,503,837</u>	<u>\$ 10,061,037</u>	<u>\$ 44,564,874</u>

A. Deposits with Financial Institutions

For custodial credit risk associated with deposits, the City follows the California Government Code, which requires California financial institutions to secure the City's deposits by pledging government securities as collateral. The fair value of the pledged securities must equal 110% of the City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes equal to 150% of the City's deposits.

At fiscal year end, the City's bank account balance was \$393,684. Of the total deposit balance, \$250,000 was insured by federal depository insurance and \$143,684 was 110% collateralized in accordance with California Government Code requirements by securities held by the pledging financial institution's trust department, but not in the City's name. Certificates of Deposit totaling \$7,226,926 are fully insured.

B. State Investment Pool

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

LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. Separate financial statements for LAIF can be obtained by writing Local Agency Investment Fund, Post Office Box 942809, 915 Capitol Mall C-15, Sacramento, CA 94209-0001.

C. Authorized Investments

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

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

NOTE 3 – CASH AND INVESTMENTS (continued)

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

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

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

E. Investments

Investments for the City are summarized below:

Investments	<u>Fair Value</u>	<u>Percent of Portfolio</u>
Government Securities	\$ 968,464	2%
Certificates of Deposit	7,226,926	17%
Local Agency Investment Fund (State Pool)	35,039,172	81%
Total Investments Managed by City	<u>\$ 43,234,562</u>	<u>100%</u>
Investments Held by Fiscal Agents		
United States Treasury Money Fund	\$ 1,082,507	100%
Total Investments Held by Fiscal Agents	<u>\$ 1,082,507</u>	<u>100%</u>

NOTE 3 – CASH AND INVESTMENTS (continued)

E. Investments (continued)

	<u>Fair Value</u>	<u>On Demand</u>	<u>Within One Month</u>	<u>One Month to One Year</u>	<u>One to Five Years</u>	<u>Six to Ten Years</u>
Investments						
Government Securities	\$ 968,464	\$ -	\$ -	\$ 520,940	\$ 447,524	\$ -
Certificates of Deposit	7,226,926	1	98,000	1,440,343	5,554,859	133,723 *
Local Agency Investment Fund (State Pool)	35,039,172	35,039,172	-	-	-	-
Total Investments Managed by City	<u>\$ 43,234,562</u>	<u>\$ 35,039,173</u>	<u>\$ 98,000</u>	<u>\$ 1,961,283</u>	<u>\$ 6,002,383</u>	<u>\$ 133,723</u>
Percentage of Portfolio	100%	81%	0%	5%	14%	0%

* Certificates of deposit with a local bank, serving as collateral for the Local Road Improvement Loan Program, approved by Council June 14, 2005.

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

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

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

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

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

NOTE 3 – CASH AND INVESTMENTS (continued)

E. Investments (continued)

	Fair Value	Rating as of June 30, 2009	
		AAA	Not Rated
Investments			
Government Securities	\$ 968,464	\$ 968,464	\$ -
Certificates of Deposit	7,226,926	-	7,226,926
Local Agency Investment Fund (State Pool)	35,039,172	-	35,039,172
Total Investments Managed by City	<u>\$ 43,234,562</u>	<u>\$ 968,464</u>	<u>\$ 42,266,098</u>

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

Concentration Credit Risk. The City's Investment Policy provides guidelines (by type of investment vehicle that limits either the dollar amount, the percent of the portfolio or the maturity term) for diversifying the investment portfolio so that potential losses on individual securities will be minimized. The City's Investment Policy outlines the following criteria related to portfolio diversification:

- No more than forty percent (40%) of the City's portfolio shall be invested in U.S. government obligations, U.S. government agency obligations, and U.S. government instrumentality obligations, which have a liquid market with a readily determinable market value.
- Up to forty percent (40%) of the City's portfolio may be invested in bankers' acceptances that are defined as bills of exchange or time drafts, drawn on and accepted by a commercial bank, which are eligible for purchase by the Federal Reserve System, although no more than thirty percent (30%) of the portfolio may be invested in bankers' acceptances with any one commercial bank. Additionally, the maturity periods cannot exceed 180 days.
- A maximum of twenty-five percent (25%) of the City's portfolio may be invested in highest tier (e.g., A-1, P-1, F-1 or D-1 or higher) commercial paper as rated by Moody's or Standard and Poor's rating service. Issuing corporations must be organized and operating in the United States, have \$500 million total assets, and have at least an "A" rating (by Moody's or Standard and Poor's) on debt other than commercial paper. The maturity period cannot exceed 270 days. Purchases of eligible commercial paper may not exceed 10% of the outstanding paper of an issuing corporation.
- There is no limit as to the amount of the investment portfolio that may be deposited in certificates of deposit or passbook savings accounts. The minimum requirements for certificate of deposit investments shall be:
 - Investments and accrued interest shall never exceed the FDIC insurance limit in any one institution.
 - Qualified institutions must have a minimum equity ratio of 6% and a minimum capitalization of \$10,000,000.

CITY OF ATASCADERO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2009

NOTE 3 – CASH AND INVESTMENTS (continued)

E. Investments (continued)

- Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec 80a-1 et seq.) shall not exceed twenty percent (20%) of the agency's surplus money that may be invested pursuant to the City's Investment Policy.

F. Funds with Fiscal Agents

The City had \$1,082,507 in cash and investments as of June 30, 2009, held by fiscal agents pledged for the payment or security of certain bonds. Investments held by fiscal agents consist of \$84,186 held by the trustee for the 1993 Camino Real Improvement Bonds, \$122 for the 1992 Street Improvement Bonds, and \$998,199 for the 2005 Redevelopment Agency Tax Allocation Bonds. The California Government Code provides that these monies, in the absence of specific statutory provisions governing the issuance of bonds, certificates, or leases, may be invested in accordance with the ordinance, resolutions, or indentures specifying the types of investments its fiscal agents may make.

NOTE 4 – CAPITAL ASSETS

A. Capital Assets Additions and Retirements

Capital assets activity in the Governmental Activities for the fiscal year ended June 30, 2009, was as follows:

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers Between Assets</u>	<u>Balance June 30, 2009</u>
Governmental Activities					
Non-Depreciable Capital Assets					
Land	\$ 41,003,131	\$ -	\$ (89,358)	\$ -	\$ 40,913,773
Construction in progress	10,759,617	5,747,920	(71,983)	(11,579,636)	4,855,918
Total non-depreciable capital assets	<u>51,762,748</u>	<u>5,747,920</u>	<u>(161,341)</u>	<u>(11,579,636)</u>	<u>45,769,691</u>
Depreciable Capital Assets					
Vehicles and equipment	6,785,615	440,253	(41,212)	1,149,010	8,333,666
Structures and improvements	10,936,511	592,999	(2,831)	9,144,009	20,670,688
Infrastructure	53,818,570	91,519	(78,570)	1,286,617	55,118,136
Total depreciable capital assets	71,540,696	1,124,771	(122,613)	11,579,636	84,122,490
Less Accumulated Depreciation	<u>(23,575,318)</u>	<u>(2,765,345)</u>	<u>122,613</u>	<u>-</u>	<u>(26,218,050)</u>
Net depreciable capital assets	<u>47,965,378</u>	<u>(1,640,574)</u>	<u>-</u>	<u>11,579,636</u>	<u>57,904,440</u>
Net governmental capital assets	<u>\$ 99,728,126</u>	<u>\$ 4,107,346</u>	<u>\$ (161,341)</u>	<u>\$ -</u>	<u>\$ 103,674,131</u>

NOTE 4 – CAPITAL ASSETS (continued)

A. Capital Assets Additions and Retirements (continued)

Capital assets activity in the Business-Type Activities for the fiscal year ended June 30, 2009, was as follows:

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers Between Assets</u>	<u>Balance June 30, 2009</u>
Business-Type Activities					
Non-Depreciable Capital Assets					
Land	\$ 442,044	\$ -	\$ -	\$ -	\$ 442,044
Construction in progress	266,046	203,493	-	(111,463)	358,076
Total non-depreciable capital assets	<u>708,090</u>	<u>203,493</u>	<u>-</u>	<u>(111,463)</u>	<u>800,120</u>
Depreciable Capital Assets					
Vehicles and equipment	770,514	-	(14,000)	-	756,514
Structures and improvements	23,728,212	42,123	(273,108)	111,463	23,608,690
Total depreciable capital assets	24,498,726	42,123	(287,108)	111,463	24,365,204
Less Accumulated Depreciation	(9,564,568)	(646,969)	280,968	-	(9,930,569)
Net depreciable capital assets	<u>14,934,158</u>	<u>(604,846)</u>	<u>(6,140)</u>	<u>111,463</u>	<u>14,434,635</u>
Net business-type capital assets	<u>\$ 15,642,248</u>	<u>\$ (401,353)</u>	<u>\$ (6,140)</u>	<u>\$ -</u>	<u>\$ 15,234,755</u>

NOTE 4 – CAPITAL ASSETS (continued)

B. Depreciation Allocations

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

Governmental Activities:

General government	\$ 439,577
Public safety	477,866
Community development	193,969
Community, recreation & zoo services	231,777
Parks & open space	94,976
Public works	1,327,180
Total Depreciation Expense- Governmental Activities	<u><u>\$ 2,765,345</u></u>

Business-Type Activities:

Sewer	\$ 605,112
Transit	41,857
Total Depreciation- Business-Type Activities	<u><u>\$ 646,969</u></u>

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES, ADVANCES, AND TRANSFERS

Due to/due from other funds consist of short-term interfund loans made for the purposes of cash flows. They are expected to be repaid by the borrowing fund within one year. The composition of due to/due from balances at June 30, 2009, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Fire Aerial Vehicle Impact Fees Fund	\$ 824,792
General Fund	Nonmajor Governmental Funds	757,917
General Fund	Transit Fund	132,387
Redevelopment Agency Fund	Historic City Hall Rehabilitation Fund	1,722,029
Redevelopment Agency Fund	Nonmajor Governmental Funds	95,097
Wastewater Fund	Nonmajor Governmental Funds	69,088
Total		<u><u>\$ 3,601,310</u></u>

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES, ADVANCES, AND TRANSFERS (continued)

Interfund advances consist of formal long-term interfund loans between funds. Interfund advances from the General Fund are short-term loans to the Redevelopment Agency, and the interfund advances from the Wastewater Fund are for sewer improvement projects. Each interfund advance has an underlying loan agreement and specific loan re-payment schedule that exceeds one year. The composition of interfund advances balances at June 30, 2009, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Redevelopment Agency Fund	\$ 1,375,175
Wastewater Fund	Nonmajor Governmental Funds	85,716
Total		<u>\$ 1,460,891</u>

Interfund transfers were made as follows:

\$ 302,952	Transfer from the Community Facilities District Fund to the General Fund for Public Safety and Parks Services
621	Transfer from the General Fund to the Community Development Block Grant Fund to clear the negative fund balance
387,360	Transfer from the General Fund to the Gas Tax Fund for general street operations
5,052	Transfer from the AB2928 Fund to the Gas Tax Fund for Viejo Camino Project
4,748	Transfer from the Local Transportation Fund to the Circulation System Fees Fund for a portion of the Lewis Avenue Bridge
4,748	Transfer from the Capital Projects Fund to the Circulation System Fees Fund for a portion of the Lewis Avenue Bridge
9,496	Transfer from the 2005 Redevelopment Bond Project Fund to the Circulation System Fees Fund for a portion of the Lewis Avenue Bridge Project
6,200	Transfer from the Open Space Acquisition Fees Fund to the Parkland Facilities Fees Fund for the Stadium Park Easement
1,301,115	Transfer from the 2005 Redevelopment Bond Project Fund to the Capital Projects Fund for the Downtown Streetscape Project, Phase II
95,000	Transfer from the General Government Facilities Fees Fund to the Capital Projects Fund for the new Corporate Yard
27,946	Transfer from the General Fund to the Historic City Hall Rehabilitation Fund for rehabilitation administrative expenditures
19,164	Transfer from the Redevelopment Agency Fund to the Historic City Hall Rehabilitation Fund for rehabilitation administration expenditures
4,927	Transfer from the 2005 Redevelopment Bond Project Fund to the Youth Center Construction Fund for construction of the community center
8,592	Transfer from the Parkland Facilities Fees Fund to the Youth Center Construction Fund for construction of the community center
52,956	Transfer from the Public Facilities Impact Fees Fund to the Youth Center Construction Fund for construction of the community center
41,517	Transfer from the General Fund to the 1997 C.O.P. Refunding Fund for portion of Pavilion debt service
70,260	Transfer from the Police Impact Fee Fund to the 1997 C.O.P. Refunding Fund for debt service on the Police station
47,905	Transfer from the Public Facilities Impact Fees Fund to the 1997 C.O.P. Refunding Fund for a portion of the Pavilion debt service
<u>\$ 2,390,559</u>	

NOTE 6 – LONG-TERM DEBT

A. Compensated Absences

City employees accumulate earned but unused vacation and sick pay benefits which can be converted to cash at termination of employment. In the statement of activities, the expenditure is allocated to each function based on usage. The vested benefits payable in accordance with various collective bargaining agreements at June 30, 2009, total \$1,300,855 for governmental activities and \$12,533 for business-type activities.

B. 1999 Camino Real Limited Obligation Refunding Improvement Bonds

On February 17, 1999, the City issued \$1,590,000 of Limited Obligation Refunding Bonds in order to refund the 1993 Camino Real Improvement Bonds. The City is required to make principal payments in amounts that range from \$40,000 to \$160,000 annually on September 2 of each year to 2013. Interest payments are due semi-annually on each March 2 and September 2. The interest payments made through maturity are based on an interest rate of between 4.40% and 5.75%. The City is contingently liable on the bonds, as defined by Statement No. 6 of the Governmental Accounting Standards Board.

Fiscal Year Ending June 30,	1999 Camino Real Limited Obligation Refunding Improvement Bonds	
	Principal	Interest
2010	\$ 130,000	\$ 37,077
2011	135,000	29,722
2012	145,000	21,846
2013	150,000	13,475
2014	160,000	4,600
	<u>\$ 720,000</u>	<u>\$ 106,720</u>

NOTE 6 – LONG-TERM DEBT (continued)

C. 2005 Redevelopment Agency Tax Allocation Bonds

The Atascadero Community Redevelopment Agency issued \$12,490,000 in Tax Allocation bonds for improvements to the downtown core. These bonds will mature between fiscal years 2010 and 2035, at interest rates ranging from 3.00% to 5.00%. The Bonds will be repaid with the Agency's Tax Increment Revenues.

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

Fiscal Year Ending June 30,	2005 Redevelopment Agency Tax Increment Bonds	
	Principal	Interest
2010	\$ 275,000	\$ 569,917
2011	285,000	561,161
2012	295,000	551,368
2013	305,000	541,020
2014	315,000	529,929
2015	325,000	517,523
2016	340,000	504,223
2017	355,000	490,323
2018-2022	1,995,000	2,203,542
2023-2027	2,505,000	1,682,745
2028-2032	3,180,000	990,256
2033-2035	2,315,000	177,375
	<u>\$ 12,490,000</u>	<u>\$ 9,319,382</u>

CITY OF ATASCADERO
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2009

NOTE 6 – LONG-TERM DEBT (continued)

D. Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2009, was as follows:

	Balance June 30, 2008	Additions	Payments	Balance June 30, 2009	Due Within One Year
Governmental Activities:					
Bonds Payable:					
1992 Street Assessment Bonds	\$ 65,000	\$ -	\$ (65,000)	\$ -	\$ -
Camino Real 1999 Limited Obligation Refunding Improvement Bonds	845,000	-	(125,000)	720,000	130,000
2005 Redevelopment Bonds	12,490,000	-	-	12,490,000	275,000
Capital Lease	151,000	-	(151,000)	-	-
Compensated Absences	1,214,364	86,491	-	1,300,855	-
Other Post Employment Benefits	-	143,238	-	143,238	-
Total Governmental Activities	<u>\$ 14,765,364</u>	<u>\$ 229,729</u>	<u>\$ (341,000)</u>	<u>\$ 14,654,093</u>	<u>\$ 405,000</u>
Business-type Activities:					
Compensated Absences	\$ 13,200	\$ -	\$ (667)	\$ 12,533	\$ -
Total Business-type Activity	<u>\$ 13,200</u>	<u>\$ -</u>	<u>\$ (667)</u>	<u>\$ 12,533</u>	<u>\$ -</u>

NOTE 7 - EMPLOYEE RETIREMENT BENEFITS

A. Public Employees' Retirement System (PERS)

Plan Description

The City of Atascadero's defined benefit pension plan, Public Employees' Retirement System (PERS), provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The City of Atascadero contributes to a risk pool under PERS which is part of the Public Agency portion of the California Public Employees' Retirement System, (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions, as well as other requirements, is established by State statutes with the Public Employees' Retirement Law. The City selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance (other local methods). CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, Post Office Box 942701, Sacramento, CA 94229-2701.

NOTE 7 - EMPLOYEE RETIREMENT BENEFITS (continued)

A. Public Employees' Retirement System (PERS) (continued)

Funding Policy

Active plan members in the PERS are required to contribute 8% for miscellaneous members or 9% for safety members of their annual covered salary. The City makes 5.85% of the contributions required of miscellaneous City employees and 100% of the contributions required of safety employees on their behalf and for their account. The City of Atascadero is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate for the fiscal year 2008-2009 was 12.826% for miscellaneous employees and 25.869% for safety employees. The contribution requirements of the plan members are established by State statute, and the employer contribution rate is established and may be amended by CalPERS. The City's contributions to CalPERS for the fiscal year ending June 30, 2009, 2008, and 2007 were \$1,696,714, \$1,680,239, and \$1,388,590, respectively and equal 100% of the required contributions for each year.

B. Defined Contribution Plan

The City offers a defined contribution plan, Nationwide Retirement Solutions, for those employees that are excluded from CalPERS membership due to part-time or elected status. The plan is approved as an FICA substitute. Members contribute 5% and the City contributes 2.5%. Total employee contributions for the year were \$17,508, and total contributions from the City were \$8,754. Nationwide Retirement Solutions is the public employee plan subsidiary of Nationwide Financial Services, Inc. (NYSE: NFS).

NOTE 8 – OTHER POST EMPLOYMENT BENEFITS

A. Other Post Employment Benefits

Plan Description

In addition to the PERS pension benefits described above, the City provides post-retirement health benefits for Executive Management (City Council, City Manager, and Department Heads). The City agreed to reimburse the retiree for retiree and/or retiree's dependent health (medical/dental/vision) insurance premiums, disability insurance, long-term health care or life insurance premiums up to a maximum of \$200 per month. The benefit is available upon retirement from PERS or other similar retirement program after age 50, and the employee must have served for eight years with the City. The benefit extends between the date of retirement and age 65. Currently, there is one person receiving benefits and thirteen other people that may become eligible for benefits under this program.

Funding Policy

The City accounts for this benefit on a pay-as-you-go basis. Postemployment expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. No funds are set aside to pay for benefits and administrative costs. These expenditures are paid as they come due. In fiscal year ended, June 30, 2009, the City's total contributions were \$2,400.

NOTE 8 – OTHER POST EMPLOYMENT BENEFITS (continued)

A. Other Post Employment Benefits (continued)

Annual OPEB Cost and Net OPEB Obligation.

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The City has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB Statement 45 for employers in plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the City's annual OPEB cost for the current year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation for the postemployment healthcare benefits:

Annual required contribution	\$ 20,130
Interest on net OPEB obligation	604
Adjustment to annual required contribution	<u>-</u>
Annual OPEB cost (expense)	20,734
Contributions made	<u>(2,400)</u>
Increase (decrease in net OPEB obligation)	18,334
Net OPEB obligation, beginning of year	<u>124,904</u>
Net OPEB obligation, end of year	<u><u>\$ 143,238</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 were as follows:

<u>For Year Ended June 30</u>	<u>Annual OPEB Cost</u>	<u>% of Annual OPEB Const Contributed</u>	<u>Net OPEB Obligation</u>
2009	\$ 18,334	13.1%	\$ 143,238

NOTE 8 – OTHER POST EMPLOYMENT BENEFITS (continued)

A. Other Post Employment Benefits (continued)

Funded Status and Funding Progress.

As of June 30, 2009, the actuarial accrued liability for benefits was \$143,238, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$1,110,962, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 12.9 percent.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents information about the actuarial value of plan assets and the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions.

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

The following simplifying assumptions were made:

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

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

Turnover – Non-group-specific age-based turnover data from GASB Statement 45 were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for development of an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

Based on the historical and expected returns of the City's short-term investment portfolio, a discount rate of 3.0 percent was used. In addition, a simplified version of the projected unit credit and level cost method was used. The remaining amortization period at June 30, 2009, was thirty years.

NOTE 9 – REVENUE LIMITATIONS IMPOSED BY CALIFORNIA PROPOSITION 218

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

NOTE 10 - RISK MANAGEMENT

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

City of Atascadero is a member of the CALIFORNIA JOINT POWERS INSURANCE AUTHORITY (Authority). The Authority is composed of 122 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other coverages. The Authority's pool began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a 9-member Executive Committee.

Separate financial statements for the Authority can be obtained by writing California JPIA, Administrative Services Director, 8081 Moody Street, La Palma, CA 90623.

B. Self-Insurance Programs of the Authority

General Liability

Each member government pays a primary deposit to cover estimated losses for a fiscal year (claims year). After the close of a fiscal year, outstanding claims are valued. A retrospective deposit computation is then made for each open claims year. Claims are pooled separately between police and non-police. Costs are allocated to members by the following methods within each of the four layers of coverage: (1) the first \$30,000 of each occurrence is charged directly to the member's primary deposit; (2) costs from \$30,000 to \$750,000 and the loss development reserves associated with losses up to \$750,000 are pooled based on the member's share of losses under \$30,000; (3) losses from \$750,000 to \$2,000,000 and the associated loss development reserves are pooled based on payroll; (4a) costs of covered claims from \$2,000,000 to \$50,000,000 are paid under reinsurance and excess insurance policies (4b) subject to a \$3,000,000 annual aggregate deductible (4c) and a quota-sharing agreement whereby the Authority is financially responsible for 40% of losses occurring within the \$2,000,000 to \$10,000,000 layer. The costs associated with 4a-c are estimated using actuarial models and pre-funded as part of the primary and retrospective deposits.

The overall policy limit for each member including all layers of coverage is \$50,000,000 per occurrence. Costs of covered claims for subsidence losses are paid by excess insurance with the following sub-limits per member: \$25,000,000 per occurrence with a \$15,000,000 annual aggregate.

Workers' Compensation

City of Atascadero also participates in the workers' compensation pool administered by the Authority. Each member pays a primary deposit to cover estimated losses for a fiscal year (claims year). After the close of a fiscal year, outstanding claims are valued. A retrospective deposit computation is then made for each open claims year. Claims are pooled separately between public safety and non-public safety. Costs are allocated to members by the following methods within each of the four layers of coverage: (1) the first \$50,000 of each loss is charged directly to the member's primary deposit; (2) losses from \$50,000 to \$100,000 and the loss development reserve associated with losses up to \$100,000 are pooled based on the member's share of losses under \$50,000; (3) losses from \$100,000 to \$2,000,000 and the loss development reserves associated with those losses are pooled based on payroll; (4) losses from \$2,000,000 up to statutory limits are paid under an excess insurance policy. Protection is provided per statutory liability under California Workers' Compensation law.

Employer's Liability losses are pooled among members to \$2,000,000, coverage from \$2,000,000 to \$4,000,000 is purchased as part of an excess insurance policy, and losses from \$4,000,000 to \$10,000,000 are pooled among members.

CITY OF ATASCADERO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2009

NOTE 10 - RISK MANAGEMENT (continued)

C. Purchased Insurance

Environmental Insurance

City of Atascadero participates in the pollution legal liability and remediation legal liability insurance which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by City of Atascadero. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has a limit of \$50,000,000 for the 3-year period from July 1, 2008 through July 1, 2011. Each member of the Authority has a \$10,000,000 sub-limit during the 3-year term of the policy.

Property Insurance

City of Atascadero participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Atascadero property is currently insured according to a schedule of covered property submitted by City of Atascadero to the Authority. City of Atascadero property currently has all-risk property insurance protection in the amount of \$39,672,745. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$1,000 deductible. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

Crime Insurance

City of Atascadero purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority. Premiums are paid annually and are not subject to retroactive adjustments.

Special Event Tenant User Liability Insurance

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

D. Adequacy of Protection

During the past three fiscal (claims) years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

E. Unemployment

The City is fully self-insured for unemployment claims.

F. Self Insurance

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

NOTE 10 - RISK MANAGEMENT (continued)

F. Self Insurance (continued)

Self-insurance activity as of and for the year ended June 30, 2009 is

	Workers'
	Compensation
Interest earnings and other income	\$ 27,247
Claims expense	173,345
Estimated liability for reported claims and settlement expenses	914,316
Assets on deposit	<u>1,515,466</u>
Assets in excess of (less than) liabilities	<u><u>\$ 601,150</u></u>

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

	Workers'
	Compensation
Deposits (unpaid claims liability) June 30, 2007	\$ (561,544)
Claim payments and related expenditures	(131,423)
(Increase) in estimated claims liability June 30, 2008	(115,000)
Deposits and interest earnings	16,431
Transfer between funds	<u>1,538,784</u>
Deposits (unpaid claims liability) June 30, 2008	747,248
Claim payments and related expenditures	(173,345)
(Increase) in estimated claims liability June 30, 2009	27,247
Deposits and interest earnings	<u>27,247</u>
Deposits (unpaid claims liability) June 30, 2009	<u><u>\$ 601,150</u></u>

CITY OF ATASCADERO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2009

NOTE 11 - CONTINGENCIES AND COMMITMENTS

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

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

The City leases office space at 6907 El Camino Real in Atascadero. The term of the lease began June 1, 2005 and continued through June 1, 2009, and now runs month to month. The rate is \$31,133 per month. The City may terminate the lease at any time with 30 days notice.

NOTE 11 - CONTINGENCIES AND COMMITMENTS (continued)

Construction and other significant commitments as of June 30, 2009, including encumbrances outstanding at year-end, are as follows:

Supplemental Law Enforcement Services Fund	\$ 3,151
Redevelopment Agency Fund	5,796,475
Low / Moderate Income Housing Fund	1,290
Business Improvement Association Fund	8,340
Tree Plant Fund	22,460
Gas Tax Fund	169,680
AB 2928 Traffic Congestion Relief Fund	112,090
Local Transportation Fund	818,003
Circulation System Fees Fund	305,613
Storm Drainage Facilities Fees Fund	606,900
Amapoa/Tecorida Drainage Impact Fees Fund	90,428
Open Space Acquisition Fund	98,800
Parkland Facilities Fees Fund	98,800
Capital Projects Fund	952,647
2005 Redevelopment Bond Project Fund	2,184,632
Youth Center Construction Fund	2,733
Wastewater Fund	1,940,110
Transit Fund	37,530
Building Maintenance and Replacement Fund	30,630
Vehicle and Equipment Replacement Fund	188,790
Technology Fund	175,800
Total encumbrances and commitments	<u>\$ 13,644,902</u>

NOTE 12 – NET ASSETS AND FUND BALANCES

GASB Statement No. 34 adds the concept of Net Assets, which is measured on the full accrual basis, to the concept of Fund Balance, which is measured on the modified accrual basis.

A. Net Assets

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

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

Restricted describes the portion of Net Assets which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include fees received for use on capital projects, debt service requirements, and redevelopment funds restricted to low and moderate income purposes. Restricted Net Assets includes \$21,311,037 restricted by enabling legislation.

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

B. Fund Balances, Reserves, and Designations

In the fund financial statements, fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and receivables less its liabilities. Governmental Funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Reserves:

Prepaid items – These reserves represent expenditures for the next fiscal year made prior to the end of the current fiscal year.

Encumbrance – These reserves represent the portion of purchase orders awarded for which the goods or services had not yet been received as of June 30, 2009.

Debt Service – Funds which legally may only be used for debt service are reserved within the appropriate fund.

Advances to Other Funds – These reserves represent long-term loans to other funds.

Bikepath – Transportation Development Act funds obtained through Section 99233.3 of the government Code made available for improvement projects benefitting pedestrian and bicycle facilities.

Notes Receivable – Long-term notes held on deed-restricted units as part of the City's Inclusionary Housing Program.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Secured and unsecured property taxes	\$ 7,651,290	\$ 7,651,290	\$ 7,654,487	\$ 3,197
Taxes based on sales and use	3,404,200	3,404,200	3,019,523	(384,677)
Franchise tax	918,700	918,700	1,091,095	172,395
Other taxes	952,770	952,770	648,402	(304,368)
Licenses and permits	531,570	531,570	206,490	(325,080)
Intergovernmental revenues:				
Motor vehicle in-lieu and related payments	195,160	195,160	97,153	(98,007)
Other governmental revenues	111,440	111,440	71,423	(40,017)
Grants	34,250	126,090	65,078	(61,012)
Charges for services:				
Public safety	1,102,870	1,147,870	1,182,906	35,036
Development	750,480	750,480	599,957	(150,523)
Recreation, parks, pavilion and zoo	668,250	669,250	569,707	(99,543)
Other services	84,260	84,260	62,380	(21,880)
Fines and forfeitures	137,000	137,000	137,375	375
Use of money and property	419,030	419,030	311,177	(107,853)
Other revenues	1,168,860	1,177,600	1,143,414	(34,186)
Total revenues	18,130,130	18,276,710	16,860,567	(1,416,143)
Expenditures:				
Employee services	14,055,010	14,035,540	13,169,188	866,352
Operating supplies & services	6,008,750	6,001,170	4,895,085	1,106,085
Special purchases, projects and community funding	182,720	344,820	264,504	80,316
Capital outlay	20,000	31,530	31,082	448
Total expenditures	20,266,480	20,413,060	18,359,859	2,053,201
Excess of revenues over (under) expenditures	(2,136,350)	(2,136,350)	(1,499,292)	637,058

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Other Financing Sources (Uses):				
Transfers in	\$ 181,370	\$ 303,440	\$ 302,952	\$ (488)
Transfers out	<u>(733,700)</u>	<u>(733,700)</u>	<u>(457,444)</u>	<u>276,256</u>
Total other financing sources and uses	<u>(552,330)</u>	<u>(430,260)</u>	<u>(154,492)</u>	<u>275,768</u>
Net changes in fund balance	<u>\$ (2,688,680)</u>	<u>\$ (2,566,610)</u>	<u>(1,653,784)</u>	<u>\$ 912,826</u>
Fund balances - June 30, 2008			<u>9,887,132</u>	
Fund balances - June 30, 2009			<u>\$ 8,233,348</u>	

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes:				
Secured property tax	\$ 5,121,610	\$ 5,121,610	\$ 4,988,248	\$ (133,362)
Property tax in lieu of VLF	2,331,360	2,331,360	2,287,715	(43,645)
Unsecured property taxes	134,120	134,120	143,569	9,449
Supplemental property taxes	63,500	63,500	240,293	176,793
Prior year secured and unsecured	-	-	(5,338)	(5,338)
Property tax penalties and interest	700	700	-	(700)
Taxes based on sales:				
Sales and use taxes	2,628,060	2,628,060	2,209,701	(418,359)
Sales tax in-lieu payments	776,140	776,140	809,822	33,682
Transient occupancy tax	696,090	696,090	418,631	(277,459)
Franchise taxes:				
Cable television franchise fees	242,190	242,190	237,745	(4,445)
Electricity franchise fees	209,880	209,880	215,530	5,650
Garbage disposal franchise fees	207,750	207,750	368,940	161,190
Landfill franchise fees	16,000	16,000	13,701	(2,299)
Recycling franchise fees	15,560	15,560	6,037	(9,523)
Gas franchise fees	195,300	195,300	214,142	18,842
Wastewater franchise fees	32,020	32,020	35,000	2,980
Business licenses	182,800	182,800	153,110	(29,690)
Property transfer tax	73,880	73,880	76,661	2,781
Total Taxes	12,926,960	12,926,960	12,413,507	(513,453)
Licenses and Permits:				
Construction permits	443,570	443,570	156,097	(287,473)
Grading and drainage permits	10,080	10,080	15,065	4,985
Encroachment permits	23,000	23,000	19,746	(3,254)
Tree application fees	24,920	24,920	13,463	(11,457)
Planning Inspections	-	-	2,119	2,119
Developer reimbursements	30,000	30,000	-	(30,000)
Total Licenses and Permits	531,570	531,570	206,490	(325,080)

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues (continued):				
Intergovernmental Revenues:				
Motor vehicle in-lieu (VLF)	\$ 195,160	\$ 195,160	\$ 97,153	\$ (98,007)
Homeowners' tax relief	53,190	53,190	49,227	(3,963)
State mandated costs	30,100	30,100	1,179	(28,921)
P.O.S.T. reimbursement	28,150	28,150	21,017	(7,133)
Grants:				
JAG police grant - small	-	11,220	-	(11,220)
JAG police grant - large	-	46,100	-	(46,100)
Bulletproof Vest grant	5,000	5,000	845	(4,155)
OTS mini grant 2009 DUI	-	22,110	12,345	(9,765)
ABC police grant 2008-2009	29,250	29,250	27,576	(1,674)
FEMA earthquake funding	-	-	5,184	5,184
FEMA earthquake administration	-	-	833	833
OES earthquake funding	-	-	1,728	1,728
OES earthquake administration	-	-	4,169	4,169
Avoid the 14 Grant	-	12,410	12,398	(12)
Total Intergovernmental Revenues	340,850	432,690	233,654	(199,036)
Charges for Services:				
Public safety:				
First response charges	102,630	102,630	103,158	528
Weed abatement services	37,500	82,500	147,406	64,906
Mutual aid	900,000	900,000	887,899	(12,101)
Police false alarms	7,000	7,000	4,935	(2,065)
Fingerprints	21,640	21,640	16,875	(4,765)
Vehicle release fees	20,500	20,500	13,500	(7,000)
Booking fees	500	500	109	(391)
Other public safety services	13,100	13,100	9,024	(4,076)

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues (continued):				
Charges for Services (continued):				
Development:				
Zoning fees	\$ 86,250	\$ 86,250	\$ 8,064	\$ (78,186)
Subdivision fees- Planning	56,050	56,050	8,455	(47,595)
Subdivision fees- Public Works	21,510	21,510	8,000	(13,510)
General and specific plans	18,600	18,600	8,440	(10,160)
EIR and annexations fees	-	-	68,145	68,145
Assessment district formations	-	-	6,509	6,509
Appeals	4,360	4,360	2,120	(2,240)
Planning review	15,750	15,750	51,808	36,058
Building plan check fees	450,430	450,430	357,411	(93,019)
Public Works plan check fees	84,420	84,420	61,637	(22,783)
Fire plan check & inspection fees	12,190	12,190	30,326	18,136
Other development fees	920	920	(10,958)	(11,878)
Recreation:				
Advertising	16,180	16,180	2,040	(14,140)
Aquatics	22,120	22,120	5,285	(16,835)
Adult sports	62,150	62,150	36,687	(25,463)
Youth sports	80,920	80,920	42,835	(38,085)
Classes	65,860	65,860	59,148	(6,712)
Special events	37,220	37,220	38,450	1,230
Teen Center membership	-	-	5,504	5,504
Administrative:				
Copy and mailing fees	16,000	16,000	6,359	(9,641)
Document imaging fee	24,760	24,760	19,591	(5,169)
Business license application fees	27,000	27,000	20,610	(6,390)
Business license renewal fees	16,300	16,300	15,502	(798)
Other administrative charges	200	200	318	118
Pavilion rentals and concessions	161,550	162,550	143,136	(19,414)
Other facility rentals	5,360	5,360	11,316	5,956
Park charges	20,340	20,340	24,998	4,658
Zoo	196,550	196,550	200,308	3,758
Total Charges for Services	2,605,860	2,651,860	2,414,950	(236,910)

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues (continued):				
Fines and Forfeitures:				
Motor vehicle fines	\$ 75,000	\$ 75,000	\$ 85,847	\$ 10,847
Traffic school fines	15,000	15,000	18,528	3,528
Misdemeanor and other minor fines	14,700	14,700	18,630	3,930
Parking fines	9,300	9,300	5,094	(4,206)
Fire and code enforcement fines	15,000	15,000	500	(14,500)
Business license penalties	7,500	7,500	8,156	656
Other penalties	500	500	620	120
Total Fines and Forfeitures	<u>137,000</u>	<u>137,000</u>	<u>137,375</u>	<u>375</u>
Use of Money and Property:				
Interest	<u>419,030</u>	<u>419,030</u>	<u>311,177</u>	<u>(107,853)</u>
Total Use of Money and Property	<u>419,030</u>	<u>419,030</u>	<u>311,177</u>	<u>(107,853)</u>
Other Revenues:				
Interfund administrative charges	1,056,610	1,056,610	1,020,251	(36,359)
Workers' comp reimbursement	-	-	16,559	16,559
Donations	62,250	62,250	53,279	(8,971)
Dove Creek commercial agreement	40,000	40,000	40,000	-
Other revenues	<u>10,000</u>	<u>18,740</u>	<u>13,325</u>	<u>(5,415)</u>
Total Other Revenues	<u>1,168,860</u>	<u>1,177,600</u>	<u>1,143,414</u>	<u>(34,186)</u>
Total Revenues	<u>18,130,130</u>	<u>18,276,710</u>	<u>16,860,567</u>	<u>(1,416,143)</u>

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
City Council:				
Salaries and benefits	\$ 19,400	\$ 19,400	\$ 19,112	\$ 288
Office expense	800	800	713	87
Advertising	750	750	700	50
Computer maintenance and replacement	9,370	9,370	9,370	-
Occupancy	232,870	232,870	232,870	-
Communications	500	500	338	162
Operating supplies	3,850	3,980	3,977	3
Vehicle & equipment operating costs	1,000	870	529	341
Contract services	6,000	2,260	-	2,260
Professional development	46,100	36,590	14,127	22,463
Community outreach	100,000	100,000	57,052	42,948
Chamber of Commerce	61,470	60,010	51,147	8,863
Tourism	69,610	69,610	41,658	27,952
Business Development	15,000	17,000	17,000	-
LAFCO Contribution	15,000	20,200	20,198	2
Special projects & community funding:				
Community events	600	600	530	70
Creek maintenance projects	-	1,000	999	1
Public Trust Project	2,880	5,390	5,386	4
Campaign Finance Reform Project	-	4,000	3,996	4
Economic Development Strategy	30,960	30,960	18,131	12,829
Natural Resources Brochure	7,500	7,500	-	7,500
Human Resources Grants	20,000	20,000	20,000	-
Total City Council	643,660	643,660	517,833	125,827
City Clerk:				
Salaries and benefits	2,920	2,920	2,897	23
Office expense	1,000	1,000	729	271
Advertising	23,000	20,850	11,979	8,871
Computer maintenance and replacement	500	500	-	500
Contract services	12,460	12,460	6,531	5,929
Professional development	3,750	3,750	3,437	313
Municipal election	16,000	18,150	18,142	8
Total City Clerk	59,630	59,630	43,715	15,915

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
City Treasurer:				
Salaries and benefits	\$ 8,700	\$ 8,700	\$ 8,258	\$ 442
Occupancy	2,300	2,300	2,300	-
Contract services	3,740	3,740	3,592	148
Professional development	960	960	78	882
Total City Treasurer	15,700	15,700	14,228	1,472
City Attorney:				
Office expense	480	480	1	479
Communications	150	150	61	89
Contract services	425,350	425,350	224,319	201,031
Total City Attorney	425,980	425,980	224,381	201,599
City Manager:				
Salaries and benefits	837,290	875,570	877,553	(1,983)
Office expense	8,450	8,990	8,990	-
Advertising	-	630	624	6
Computer maintenance and replacement	42,800	45,510	45,502	8
Insurance	24,210	24,620	24,617	3
Occupancy	63,090	63,090	63,090	-
Communications	4,300	4,540	4,532	8
Operating supplies	16,750	5,840	3,924	1,916
Vehicle & equipment operating costs	9,500	9,500	9,201	299
Contract services	36,200	10,670	10,188	482
Professional development	29,250	30,630	30,624	6
Citywide training	23,000	23,000	3,788	19,212
Recruitment	500	500	358	142
Employee development	9,000	9,000	1,519	7,481
Contingency	100,000	59,900	-	59,900
Capital outlay:				
Software	-	8,580	8,575	5
Laserfiche Server	-	2,950	2,949	1
Total City Manager	1,204,340	1,183,520	1,096,034	87,486

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Administrative Services:				
Salaries and benefits	\$ 682,950	\$ 682,950	\$ 674,834	\$ 8,116
Office expense	20,900	14,020	14,013	7
Computer maintenance and replacement	88,610	84,160	84,160	-
Insurance	22,720	21,570	21,561	9
Occupancy	46,860	46,860	46,860	-
Communications	850	750	743	7
Operating supplies	50	440	431	9
Vehicle & equipment operating costs	3,650	3,600	3,600	-
Contract services	189,970	224,460	224,457	3
Professional development	5,320	2,150	2,147	3
Recruitment	1,260	-	-	-
Contingency	5,000	-	-	-
Total Administrative Services	1,068,140	1,080,960	1,072,806	8,154
Police:				
Salaries and benefits	4,955,890	4,863,270	4,640,261	223,009
Office expense	20,820	20,010	15,172	4,838
Computer maintenance and replacement	223,620	223,620	216,339	7,281
Insurance	125,600	127,230	127,223	7
Occupancy	91,410	83,910	79,020	4,890
Utilities	35,590	43,090	42,039	1,051
Communications	48,150	48,150	47,471	679
Operating supplies	27,560	22,110	22,771	(661)
Vehicle & equipment operating costs	263,840	263,840	247,457	16,383
Contract services	198,620	198,620	191,411	7,209
Professional development	16,790	16,460	10,938	5,522
Recruitment	11,430	23,740	23,738	2
Contingency	10,000	6,710	-	6,710
Special purchases, projects & studies:				
Refrigerator	-	510	506	4
Claims Settlement Costs	-	80,640	80,640	-
	6,029,320	6,021,910	5,744,986	276,924

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final
	Original	Final		Budget Positive (Negative)
Expenditures (continued):				
Police Grants:				
Salaries and benefits	\$ 23,750	\$ 63,960	\$ 48,284	\$ 15,676
Office expense	-	10	9	1
Computer maintenance and replacement	-	310	-	310
Operating supplies	7,810	51,880	4,034	47,846
Contract services	370	2,740	2,735	5
Professional development	39,910	44,690	23,975	20,715
Special purchases:				
Video surveillance equipment	-	2,500	2,500	-
Police building radio antenna	-	5,000	-	5,000
Personal protective vests	10,000	10,000	1,689	8,311
	<u>81,840</u>	<u>181,090</u>	<u>83,226</u>	<u>97,864</u>
Total Police	<u>6,111,160</u>	<u>6,203,000</u>	<u>5,828,212</u>	<u>374,788</u>
Fire:				
Salaries and benefits	2,988,850	2,988,850	2,874,876	113,974
Office expense	7,070	7,070	5,539	1,531
Advertising	250	250	-	250
Computer maintenance and replacement	133,250	132,110	132,101	9
Insurance	92,710	92,180	92,177	3
Occupancy	50,150	51,560	51,558	2
Utilities	16,080	21,550	21,549	1
Communications	16,450	13,380	12,753	627
Operating supplies	41,590	32,690	32,682	8
Vehicle and equipment operating costs	230,370	241,950	241,947	3
Contract services	4,780	10,560	10,553	7
Professional development	25,350	23,600	23,592	8
Recruitment	2,340	1,130	641	489
Contingency	10,000	460	-	460
Special purchases, projects & studies:				
Other Office Furniture	-	450	445	5
Washing Machine	-	840	840	-
Technical Rescue Team Equipment	680	1,290	1,284	6
Joint Dispatch Study	-	8,000	4,000	4,000
Truck Academy	6,900	6,900	1,057	5,843
	<u>3,626,820</u>	<u>3,634,820</u>	<u>3,507,594</u>	<u>127,226</u>

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Weed Abatement, Mutual Aid and Other Fire Programs:				
Salaries and benefits	\$ 650,020	\$ 668,500	\$ 690,787	\$ (22,287)
Office expense	6,230	6,240	2,206	4,034
Advertising	1,070	1,070	320	750
Computer maintenance and replacement	3,850	3,850	3,850	-
Communications	-	-	-	-
Operating supplies	16,110	34,170	32,823	1,347
Vehicle & equipment operating costs	20,520	4,630	3,536	1,094
Contract services	44,720	71,620	71,224	396
Professional development	-	1,180	1,179	1
Special purchases, projects & studies:				
Replace Radio Equipment	5,950	5,950	1,772	4,178
	<u>748,470</u>	<u>797,210</u>	<u>807,697</u>	<u>(10,487)</u>
Total Fire	<u>4,375,290</u>	<u>4,432,030</u>	<u>4,315,291</u>	<u>116,739</u>
Community Development:				
Salaries and benefits	1,197,690	1,197,690	1,045,188	152,502
Office expense	22,050	19,510	18,985	525
Advertising	3,680	8,690	8,690	-
Computer maintenance and replacement	150,520	150,520	148,311	2,209
Insurance	35,420	35,950	35,945	5
Occupancy	91,180	91,180	91,180	-
Communications	6,400	3,400	2,923	477
Operating supplies	4,300	4,300	736	3,564
Vehicle operations	21,020	21,020	18,706	2,314
Contract services	324,050	284,050	101,592	182,458
Professional development	16,150	21,850	21,649	201
Recruitment	1,100	400	259	141
Contingency	5,000	-	-	-

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Community Development (continued):				
Special purchases, projects & studies:				
2009 Housing Element Update	\$ -	\$ 40,000	\$ 12,470	\$ 27,530
Factory Outlet Assessment	43,200	43,200	30,982	12,218
Total Community Development	1,921,760	1,921,760	1,537,616	384,144
Community Services Administration:				
Salaries and benefits	358,250	364,610	355,469	9,141
Office expense	10,990	4,480	4,458	22
Advertising	150	150	150	-
Computer maintenance and replacement	18,770	18,770	18,770	-
Insurance	7,970	8,100	8,090	10
Occupancy	37,300	37,300	37,300	-
Communications	880	1,460	1,396	64
Operating supplies	750	460	337	123
Vehicle and equipment operating costs	4,200	4,410	4,244	166
Contract services	770	770	50	720
Professional development	5,600	5,160	5,003	157
Recruitment	3,350	3,310	64	3,246
Contingency	5,000	5,000	-	5,000
Total Community Services Administration	453,980	453,980	435,331	18,649
Recreation:				
Salaries and benefits	331,610	337,800	252,205	85,595
Office expense	6,700	6,380	2,280	4,100
Advertising	28,700	23,740	10,530	13,210
Computer maintenance and replacement	18,610	18,610	18,610	-
Insurance	13,580	15,900	15,886	14
Occupancy	60,960	62,220	53,279	8,941
Utilities	7,150	7,070	3,930	3,140
Communications	990	1,130	544	586
Operating supplies	39,590	39,650	21,178	18,472
Vehicle and equipment operating costs	2,770	2,850	2,847	3
Contract services	136,170	131,620	81,034	50,586
Professional development	3,300	2,920	880	2,040
Recruitment	500	740	736	4
Total Recreation	650,630	650,630	463,939	186,691

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Community Center:				
Salaries and benefits	\$ 121,070	\$ 127,410	\$ 124,746	\$ 2,664
Office expense	4,750	4,710	1,592	3,118
Advertising	300	640	634	6
Computer maintenance and replacement	10,180	11,330	11,325	5
Insurance	13,470	13,470	12,643	827
Occupancy	101,070	101,070	101,070	-
Utilities	64,500	64,500	42,506	21,994
Communications	4,810	4,810	1,779	3,031
Operating supplies	77,350	77,350	12,832	64,518
Vehicle and equipment operations	8,230	8,230	3,767	4,463
Contract services	81,800	74,010	9,268	64,742
Professional development	4,300	4,300	282	4,018
Recruitment	1,580	1,580	-	1,580
Total Community Center	493,410	493,410	322,444	170,966
Pavilion:				
Salaries and benefits	144,690	144,940	121,989	22,951
Office expense	1,540	750	748	2
Advertising	4,130	5,400	5,396	4
Computer maintenance and replacement	8,870	8,870	8,870	-
Insurance	6,770	6,770	6,655	115
Occupancy	50,690	50,690	50,690	-
Utilities	22,040	22,310	22,306	4
Communications	1,980	1,710	1,576	134
Operating supplies	10,360	8,840	8,518	322
Vehicle and equipment operating costs	420	420	325	95
Contract services	25,880	20,910	20,490	420
Professional development	2,100	2,060	1,812	248
Recruitment	100	480	473	7

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Pavilion (continued):				
Special purchases, projects & studies:				
Acoustic Tiles	\$ 4,600	\$ 4,600	\$ 4,600	\$ -
Refrigerator	-	1,520	1,511	9
Minor Flooring Projects	-	9,900	9,900	-
Total Pavilion	284,170	290,170	265,859	24,311
Zoo:				
Salaries and benefits	553,110	553,110	434,517	118,593
Office expense	1,440	1,820	1,819	1
Advertising	5,500	3,960	723	3,237
Computer maintenance and replacement	23,400	23,400	23,400	-
Insurance	15,600	15,680	15,679	1
Occupancy	26,450	26,640	26,635	5
Utilities	25,600	25,600	24,254	1,346
Communications	1,220	1,220	571	649
Operating supplies	84,390	83,350	58,376	24,974
Vehicle and equipment operating costs	8,080	8,080	5,469	2,611
Contract services	15,260	16,120	16,119	1
Professional development	9,520	9,530	9,527	3
Recruitment	380	1,180	1,173	7
Special purchases, projects & studies:				
Animal acquisition	-	260	257	3
Total Zoo	769,950	769,950	618,519	151,431

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Public Works Administration:				
Salaries and benefits	\$ 591,730	\$ 564,130	\$ 431,052	\$ 133,078
Office expense	7,190	5,870	5,326	544
Advertising	-	300	294	6
Computer maintenance and replacement	87,480	87,480	86,942	538
Insurance	15,980	16,240	16,239	1
Occupancy charges	33,460	33,460	33,460	-
Communications	2,860	2,860	1,561	1,299
Operating supplies	320	1,080	1,079	1
Vehicle operations	11,200	8,110	5,201	2,909
Contract services	37,300	54,850	54,843	7
Professional development	4,540	3,330	3,091	239
Recruitment	600	1,810	1,807	3
Contingency	5,000	330	-	330
Special purchases, projects & studies:				
NPDES, Phase II	29,500	33,860	35,830	(1,970)
Capital outlay:				
Inspection Vehicle	20,000	20,000	19,558	442
Total Public Works Administration	<u>847,160</u>	<u>833,710</u>	<u>696,283</u>	<u>137,427</u>
Public Works Operations:				
Salaries and benefits	167,240	182,380	182,353	27
Office expense	3,980	4,830	4,830	-
Computer maintenance and replacement	6,590	6,590	6,590	-
Insurance	5,440	4,770	4,762	8
Occupancy charges	26,270	26,560	26,559	1
Utilities	1,400	1,370	1,367	3
Communications	1,400	1,470	1,463	7
Operating supplies	1,320	2,540	2,539	1
Vehicle & equipment operating costs	5,540	5,200	5,199	1
Professional development	3,360	2,280	2,275	5
Contingency	2,000	-	-	-
Total Public Works Operations	<u>224,540</u>	<u>237,990</u>	<u>237,937</u>	<u>53</u>

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Parks:				
Salaries and benefits	\$ 419,850	\$ 389,350	\$ 384,807	\$ 4,543
Computer maintenance and replacement	2,800	2,800	2,800	-
Insurance	12,330	12,520	12,513	7
Occupancy	17,110	17,110	17,110	-
Utilities	92,000	120,650	120,649	1
Communications	2,550	3,050	3,043	7
Operating supplies	49,960	40,280	42,088	(1,808)
Vehicle and equipment operations	30,040	30,710	30,703	7
Contract services	16,930	27,680	27,673	7
Professional development	3,460	2,740	2,731	9
Recruitment	-	140	135	5
Special purchases, projects & studies:				
Memorial trees	500	500	-	500
Lake water quality	19,450	19,450	18,267	1,183
Total Parks	666,980	666,980	662,519	4,461
Non-Departmental:				
Vehicle and equipment operations	50,000	50,000	-	50,000
Special purchases, projects & studies:				
Earthquake Recovery- Relocation	-	-	6,912	(6,912)
Total Non-Departmental	50,000	50,000	6,912	43,088
Total expenditures	20,266,480	20,413,060	18,359,859	2,053,201
Excess of revenues over (under) expenditures	(2,136,350)	(2,136,350)	(1,499,292)	637,058

CITY OF ATASCADERO

GENERAL FUND

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

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Other Financing Sources (Uses):				
Transfer from Community Facilities District Fund	\$ 181,370	\$ 303,440	\$ 302,952	\$ (488)
Transfer to CDBG Fund	-	-	(621)	(621)
Transfer to Gas Tax Fund for streets maintenance	(387,360)	(387,360)	(387,360)	-
Transfer to Las Lomas Landscape & Lighting District for open space maintenance	(7,540)	(7,540)	-	7,540
Transfer to Capital Projects Fund for streets projects	(250,000)	(250,000)	-	250,000
Transfer to Historic City Hall Rehabilitation Fund for project administrative expenses	(47,280)	(47,280)	(27,946)	19,334
Transfer to C.O.P. Fund for Pavilion debt service	(41,520)	(41,520)	(41,517)	3
Total other financing sources (uses)	<u>(552,330)</u>	<u>(430,260)</u>	<u>(154,492)</u>	<u>275,768</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ (2,688,680)</u>	<u>\$ (2,566,610)</u>	(1,653,784)	<u>\$ 912,826</u>
Fund balance, June 30, 2008			<u>9,887,132</u>	
Fund balance, June 30, 2009			<u>\$ 8,233,348</u>	

CITY OF ATASCADERO
REDEVELOPMENT AGENCY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Redevelopment increment- current secured rolls	\$ 1,797,980	\$ 1,797,980	\$ 1,548,384	\$ (249,596)
Redevelopment increment- supplemental rolls	134,840	134,840	55,772	(79,068)
Interest income	257,310	257,310	252,871	(4,439)
Rental income	373,600	373,600	373,596	(4)
Other revenues	-	-	30	30
Total revenues	<u>2,563,730</u>	<u>2,563,730</u>	<u>2,230,653</u>	<u>(333,077)</u>
Expenditures				
Employee services	91,620	91,620	107,279	(15,659)
Office expense	3,810	3,010	829	2,181
Advertising	3,800	1,300	750	550
Computer maintenance & replacement	5,010	5,010	5,010	-
Insurance	16,320	16,150	16,133	17
Occupancy	5,490	5,490	5,490	-
Utilities	-	520	517	3
Communications	440	440	166	274
Operating supplies	7,200	6,210	3,986	2,224
Vehicle & equipment operations	500	500	190	310
Contract services	185,200	167,940	169,766	(1,826)
Professional development	12,350	12,350	5,003	7,347
Tourism	14,360	14,370	14,364	6
Administration	218,430	218,430	218,430	-
Special projects & community funding:				
Main Street program	59,160	59,160	59,160	-
Main Street- special events match	25,000	25,000	22,131	2,869
Graffiti removal program	15,000	15,000	1,881	13,119
Creek Improvement Projects	-	-	5,057	(5,057)
Economic Development Strategy	76,780	76,780	76,600	180
Colony Square Economic Assistance	17,760	17,760	4,430	13,330
Downtown Emergency Assistance Program	-	3,850	3,850	-
Downtown Business Promotion Program	-	17,340	17,340	-
Historic Consultant - Printery	32,010	32,010	-	32,010
Police Station Frontage Enhancement Project	15,000	15,000	-	15,000

CITY OF ATASCADERO
REDEVELOPMENT AGENCY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (continued)
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Capital outlay:				
Purchase of Chamber Building	\$ -	\$ 11,230	\$ 10,430	\$ 800
Alvord Field Enhancement	142,830	185,430	198,969	(13,539)
Lake Park Sign & Frontage Improvements	270,000	192,400	-	192,400
Shoreline Wall & Walkway	353,050	353,050	-	353,050
Lake Park Great Lawn Project	-	35,000	34,973	27
Zoo Restroom Project	261,050	261,050	89,132	171,918
Zoo Entrance Improvement Project	495,250	495,250	-	495,250
Zoo Wall & Signage Project	269,560	269,560	16,820	252,740
Acquisition of Fire Station #1 Property	2,000,000	2,000,000	-	2,000,000
Creek Master Plan Improvements	300,000	300,000	-	300,000
Parking Improvements	500,000	500,000	-	500,000
Interest	122,500	122,500	117,852	4,648
Total expenditures	5,519,480	5,530,710	1,206,538	4,324,172
Excess of revenues over (under) expenditures	(2,955,750)	(2,966,980)	1,024,115	3,991,095
Other Financing Sources (Uses):				
Proceeds from sales of fixed assets	-	-	142,398	142,398
Transfer to Historic City Hall Rehabilitation Fund for the City Hall Rehabilitation Project	(8,504,400)	(8,504,400)	-	8,504,400
Transfer to Historic City Hall Rehabilitation Fund for the City Hall FEMA Administration	(23,300)	(23,300)	(19,164)	4,136
Transfer to Capital Projects Fund for Downtown Streetscape II Project	(397,500)	(397,500)	-	397,500
Transfer to Capital Projects Fund for Underground Utility Project	(160,000)	(160,000)	-	160,000
Total other financing sources (uses)	(9,085,200)	(9,085,200)	123,234	9,208,434
Excess of revenues and other sources over (under) expenditures and other uses	\$ (12,040,950)	\$ (12,052,180)	1,147,349	\$ 13,199,529
Fund balance, June 30, 2008			6,466,252	
Fund balance, June 30, 2009			\$ 7,613,601	

CITY OF ATASCADERO

IN LIEU LOW INCOME HOUSING FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Affordable Housing Loan Program	\$ -	\$ -	\$ 146,472	\$ 146,472
Low/Moderate Housing In Lieu Fees	181,560	181,560	(11,696)	(193,256)
Interest income	31,990	31,990	15,453	(16,537)
Total revenues	<u>213,550</u>	<u>213,550</u>	<u>150,229</u>	<u>(63,321)</u>
Expenditures:				
Legal services	31,020	31,020	9,596	21,424
Special projects and purchases:				
PSHHC Housing Education Program	-	2,020	-	2,020
Revision of Inclusionary Documents	-	10,000	10,000	-
Development of inclusionary density bonus program	30,000	30,000	-	30,000
Total expenditures	<u>61,020</u>	<u>73,040</u>	<u>19,596</u>	<u>53,444</u>
Excess of revenues over (under) expenditures	<u>\$ 152,530</u>	<u>\$ 140,510</u>	<u>130,633</u>	<u>\$ (9,877)</u>
Fund balance, June 30, 2008			<u>4,565,156</u>	
Fund balance, June 30, 2009			<u>\$ 4,695,789</u>	

CITY OF ATASCADERO

FIRE AERIAL VEHICLE IMPACT FEES FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 51,030	\$ 51,030	\$ 6,416	\$ (44,614)
Interest income (expense)	(41,160)	(41,160)	(22,446)	18,714
Total revenues	9,870	9,870	(16,030)	(25,900)
Expenditures:				
Capital outlay:				
Ladder Truck	61,500	61,500	332	61,168
Total expenditures	61,500	61,500	332	61,168
Excess of revenues over (under) expenditures	\$ (51,630)	\$ (51,630)	(16,362)	\$ 35,268
Fund balance, June 30, 2008			(808,430)	
Fund balance, June 30, 2009			\$ (824,792)	

CITY OF ATASCADERO

SCHEDULE OF FUNDING PROGRESS FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

For the Fiscal Year Ended June 30, 2009

The following table provides required supplementary information regarding the City's postemployment healthcare benefits.

SCHEDULE OF FUNDING PROGRESS

<u>Valuation Date</u>	<u>Actuarial Asset Value</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded Liability (Excess Assets)</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a % of Covered Payroll</u>
6/30/2009	\$ -	\$ 143,238	\$ 143,238	0.0%	\$ 1,110,962	12.9%

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

CITY OF ATASCADERO
HISTORIC CITY HALL REHABILITATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
California Cultural Historical Endowment Grant	\$ 1,995,590	\$ 1,995,590	\$ 1,032,687	\$ (962,903)
OES- Earthquake Funds	2,660,000	2,660,000	10,142	(2,649,858)
FEMA- Earthquake Funds	7,980,000	7,980,000	30,426	(7,949,574)
Total revenues	<u>12,635,590</u>	<u>12,635,590</u>	<u>1,073,255</u>	<u>(11,562,335)</u>
Expenditures:				
Special projects:				
FEMA Administration	70,580	70,580	105,482	(34,902)
Programming of City Hall	16,180	16,180	6,489	9,691
Capital outlay:				
Historic City Hall - Earthquake Repairs	10,640,000	10,640,000	2,100,798	8,539,202
Historic City Hall - Rehabilitation	<u>10,499,720</u>	<u>10,499,720</u>	-	<u>10,499,720</u>
Total expenditures	<u>21,226,480</u>	<u>21,226,480</u>	<u>2,212,769</u>	<u>19,013,711</u>
Excess of revenues over (under) expenditures	<u>(8,590,890)</u>	<u>(8,590,890)</u>	<u>(1,139,514)</u>	<u>7,451,376</u>
Other Financing Sources:				
Transfer from the General Fund for FEMA Administration	47,280	47,280	27,946	(19,334)
Transfer from the Redevelopment Fund for FEMA Administration	23,300	23,300	19,164	(4,136)
Transfer from the Redevelopment Agency Fund for the rehabilitation of City Hall	<u>8,504,400</u>	<u>8,504,400</u>	-	<u>(8,504,400)</u>
Total other financing sources	<u>8,574,980</u>	<u>8,574,980</u>	<u>47,110</u>	<u>(8,527,870)</u>
Excess of revenues and other sources over (under) expenditures	<u>\$ (15,910)</u>	<u>\$ (15,910)</u>	<u>(1,092,404)</u>	<u>\$ (1,076,494)</u>
Fund balance, June 30, 2008			<u>(5,413)</u>	
Fund balance, June 30, 2009			<u>\$ (1,097,817)</u>	

CITY OF ATASCADERO
NONMAJOR GOVERNMENTAL FUNDS OVERVIEW
SPECIAL REVENUE FUNDS

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

Supplemental Law Enforcement Services Fund

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

Low / Moderate Income Housing Redevelopment Fund

The Community Redevelopment Agency of Atascadero Low / Moderate Income Housing Fund is established to promote low and moderate income housing in the City of Atascadero.

Business Improvement Association Fund

The City established a Downtown Parking & Business Improvement Area (BIA) in 1986, for the purpose of acquisition, construction, and/or maintenance of parking facilities, decoration of public places, promotion of public events, and the general promotion of business activities in the downtown area. An annual assessment is placed on all businesses in the downtown area, and this fund accounts for the revenues and expenses associated with these BIA monies.

Community Development Block Grant Fund

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

Tree Plant Fund

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

Gas Tax Fund

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

AB2928 Traffic Congestion Relief Fund

This fund accounts for Assembly Bill 2928 Traffic Congestion Relief Funds. It is allocated based on population and may only be used for street or road maintenance and reconstruction. It requires a modest General Fund expenditure on streets in order for the City to qualify for this annual allocation.

Local Transportation Fund

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

Street Assessment Fund

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

CITY OF ATASCADERO

NONMAJOR GOVERNMENTAL FUNDS OVERVIEW (continued)

SPECIAL REVENUE FUNDS (continued)

General Government Facilities Fees Fund

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

Circulation System Fees Fund

Because a developed parcel will generate a statistically predictable amount of trips, depending upon the specific land use of the development, it can be said that all new development contributes to traffic impacts which have significant and widespread cumulative impacts on the City's existing road system. Therefore, the City charges a *Circulation System Fee* in order to fund the creation of more lane miles or more efficient lane miles with which to accommodate the additional trips created by new development. These fees are deposited into this fund and then used for the construction of the new/increased/improved roadway and bridge facilities as listed in the *Atascadero Master Facilities Plan* updated February 2006.

Storm Drainage Facilities Fees Fund

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

Amapoa/Tecorida Drainage Impact Fees Fund

This fund accounts for Amapoa/Tecorida Drainage Fees collected on all development in the Amapoa/Tecorida area of the City, and were collected in addition to other fees for necessary drainage improvement. In May 2003, the Council voted to rescind this fee and adopt one citywide drainage fee. All remaining funds are being spent on drainage improvements in the Amapoa/Tecorida area.

Law Enforcement Facilities Fees Fund

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

Fire Facilities Fees Fund

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

CITY OF ATASCADERO

NONMAJOR GOVERNMENTAL FUNDS OVERVIEW (continued)

SPECIAL REVENUE FUNDS (continued)

Open Space Acquisition Fees Fund

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

Parkland Facilities Fees Fund

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

Public Facilities Fees Fund

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

Library Expansion Facilities Fees Fund

The County Public Library System currently owns a 7,000 square foot library facility within the City limits. While the City is not the library service provider, the City's residents and businesses have an interest in maintaining the library service levels, and additional development within the City will increase the demand square foot size of the library and the volume item collection. Because the need for additional volumes and the need for an expanded library is directly related to new construction, a *Library Facilities Fee* is charged on all new development. These fees are deposited into this fund and then will be used for the expansion of the amount of library facility space and the expansion of the library collection as listed in the *Atascadero Master Facilities Plan* updated February 2006. These monies will be accumulated for several years, as necessary for expansion of the existing library facility.

Community Facilities District Fund

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

Apple Valley Street & Storm Drain Assessment District Fund

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

Apple Valley Landscape & Lighting Assessment District Fund

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

CITY OF ATASCADERO

NONMAJOR GOVERNMENTAL FUNDS OVERVIEW (continued)

SPECIAL REVENUE FUNDS (continued) & CAPITAL PROJECTS FUNDS

Las Lomas Street & Storm Drain Assessment District Fund

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

Las Lomas Landscape & Lighting Assessment District Fund

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

De Anza Street & Storm Drain Assessment District Fund

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

De Anza Landscape & Lighting Assessment District Fund

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

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

Capital Projects Fund

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

2005 Redevelopment Bond Project Fund

This fund is used to account for the expenditures of the 2005 Redevelopment Bond proceeds and the related interest on these proceeds. The Community Redevelopment Agency of Atascadero issued bonds in November of 2004 in order to complete a list of projects to revitalize the downtown area. These projects are a key component of the revised Downtown Revitalization Plan. Implementing the plan will improve pedestrian, vehicle and bicycle traffic; provide adequate parking; establish the revitalized Sunken Gardens as the central hub for the area; and promote downtown's economic vitality.

Assessment District #8 Construction Fund

This fund contains the balance of monies remaining from a past wastewater construction project.

Youth Center Construction Fund

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

CITY OF ATASCADERO

NONMAJOR GOVERNMENTAL FUNDS OVERVIEW (continued)

DEBT SERVICE FUNDS

The City has established the debt service funds to account for the payment and accumulation of resources related to long-term debt principal and interest for the following debt issues:

Assessment District #3 Debt Service Fund

This fund is used to account for fees assessed in Assessment District #3, and the related debt service payments.

Assessment District #4 Debt Service Fund

This fund is used to account for fees assessed in Assessment District #4, and the related debt service payments. This assessment district was established in 1986 in order to construct sewer improvements in the area known as Separado/Cayucos.

Assessment District #5 Debt Service Fund

This fund is used to account for fees assessed in Assessment District #5, and the related debt service payments. This assessment district was established in 1988 in order to construct improvements in the area known as Chandler Ranch.

Assessment District #7 Debt Service Fund

Assessment District #7 was formed to bring sewer services to an area referred to as East Santa Rosa Road, pursuant to a regional Water Quality Control Board issued Cease and Desist Order prohibiting septic systems in the area. Rather than issue bonds to construct the necessary sewer improvements, the assessment district received a loan from the City's Wastewater Fund. The proceeds from this loan were used to construct a sewer main extension and the related necessary sewer improvements needed to comply with the Cease and Desist Order.

Assessment District #9 Debt Service Fund

Assessment District #9 was formed to bring sewer services to an area referred to as North San Gabriel Road, pursuant to a regional Water Quality Control Board issued Cease and Desist Order prohibiting septic systems in the area. Rather than issue bonds to construct the necessary sewer improvements, the assessment district received a loan from the City's Wastewater Fund. The proceeds from this loan were used to construct a sewer main extension and the related necessary sewer improvements needed to comply with the Cease and Desist Order.

Assessment District #10 Debt Service Fund

Assessment District #10 was formed to bring sewer services to an area referred to as West Santa Rosa Road, pursuant to a regional Water Quality Control Board issued Cease and Desist Order prohibiting septic systems in the area. Rather than issue bonds to construct the necessary sewer improvements, the assessment district received a loan from the City's Wastewater Fund. The proceeds from this loan were used to construct a sewer main extension and the related necessary sewer improvements needed to comply with the Cease and Desist Order.

2005 Redevelopment Bond Debt Service Fund

The City issued \$12,490,000 in Tax Allocation bonds for improvements to the City's downtown core. The bonds will mature between fiscal years 2010 and 2035, at interest rates ranging from 3.00% to 5.00%. The Bonds will be repaid with the Agency's Tax Increment Revenues.

1997 C.O.P. Refunding Fund

In 1989, the City issued \$2,000,000 in Certificates of Participation in order to purchase property for the Lake Park and to help fund construction of Police Headquarters and the Lake Park Pavilion. The original certificates were issued at 6.3% to 7.8%. On September 3, 1997, the City refinanced this issue by executing a private placement lease. The lease was issued for a total principal amount of \$1,374,000 and carries a 5.75% interest rate.

CITY OF ATASCADERO

NONMAJOR GOVERNMENTAL FUNDS OVERVIEW (continued)

DEBT SERVICE FUNDS (continued)

1992 Street Assessment Improvement Fund

This fund is used to account for fees assessed in the 1992 Street Improvement Assessment District and the related debt service payments. This assessment district was formed in 1992 in order to construct street improvements in two non-contiguous sections of the City: the Las Encinas area and the 3F Meadows area. In accordance with the original bond agreement, the District called \$180,000 in aggregate principal bonds on September 2, 1995.

1993 Camino Real Improvement Bonds Fund

The Assessment District was formed to construct and dedicate off-site improvements and utility services to serve the development now known as Mission Oaks Annex. On July 8, 1993, the City issued \$2,100,000 in 1915/1913 Act assessment bonds at interest rates of 4.5% to 7.25%. Proceeds from these assessment bonds were used to construct street improvements, sewer lines, water mains, electrical and telephone utility extensions, street lighting, traffic signalization, landscaping, and storm drains in and around the area known as Mission Oaks Annex. On February 13, 1999, the City defeased the outstanding bonds and issued new lower interest bonds.

CITY OF ATASCADERO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2009

	Special Revenue Funds						
	Supplemental Law Enforcement Services Fund	Low/ Moderate Income Housing Redevelopment Fund	Business Improvement Association Fund	Community Development Block Grant Fund	Tree Plant Fund	Gas Tax Fund	AB2928 Traffic Congestion Relief Fund
ASSETS							
Cash and investments	\$ 46,348	\$ 3,933,800	\$ 9,099	\$ -	\$ 571,224	\$ 581,719	\$ 172,036
Restricted cash and investments:							
Cash with fiscal agent	-	-	-	-	-	-	-
Receivables:							
Federal distributions due	-	-	-	71,205	-	-	-
Due from State of California	44,728	-	-	-	-	42,677	57,308
Due from County of San Luis Obispo	-	6,272	-	-	-	-	-
Accrued interest	241	18,596	43	-	2,697	2,188	842
Other receivables	-	-	-	363	-	2,575	-
Prepaid expenditures	-	-	-	-	-	730	-
Total assets	\$ 91,317	\$ 3,958,668	\$ 9,142	\$ 71,568	\$ 573,921	\$ 629,889	\$ 230,186
LIABILITIES AND FUND BALANCES							
Accounts payable	\$ 6,228	\$ 51	\$ -	\$ 70,588	\$ 10,325	\$ 98,483	\$ 118,096
Accrued salaries and benefits	562	1,852	-	-	-	11,559	-
Due to other funds	-	-	-	980	-	-	-
Deferred revenue	81,376	-	-	-	-	-	-
Interfund advances payable	-	-	-	-	-	-	-
Total liabilities	88,166	1,903	-	71,568	10,325	110,042	118,096
Fund Balances:							
Reserved for encumbrances	3,151	-	-	-	5,898	-	12,813
Reserved for debt service	-	-	-	-	-	-	-
Reserved for bike paths	-	-	-	-	-	-	-
Reserved for prepaids	-	-	-	-	-	730	-
Unreserved:							
Designated for capital commitments	-	1,290	8,340	-	16,562	169,680	99,277
Undesignated	-	3,955,475	802	-	541,136	349,437	-
Total fund balances	3,151	3,956,765	9,142	-	563,596	519,847	112,090
Total liabilities and fund balances	\$ 91,317	\$ 3,958,668	\$ 9,142	\$ 71,568	\$ 573,921	\$ 629,889	\$ 230,186

CITY OF ATASCADERO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
June 30, 2009

	Special Revenue Funds						
	Local Transportation Fund	Street Assessment Fund	General Government Facilities Fees Fund	Circulation System Fees Fund	Storm Drainage Facilities Fees Fund	Amapoa / Tecorida Drainage Impact Fees Fund	Law Enforcement Facilities Fees Fund
ASSETS							
Cash and investments	\$ 754,182	\$ 49,519	\$ -	\$ 767,137	\$ 760,024	\$ 90,003	\$ 17,202
Restricted cash and investments:							
Cash with fiscal agent	-	-	-	-	-	-	-
Receivables:							
Federal distributions due	-	-	-	-	-	-	-
Due from State of California	-	-	-	-	-	-	-
Due from County of San Luis Obispo	357,251	110	-	1,119	-	-	-
Accrued interest	3,256	234	-	3,431	3,580	425	292
Other receivables	-	-	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-	-	-
Total assets	<u>\$ 1,114,689</u>	<u>\$ 49,863</u>	<u>\$ -</u>	<u>\$ 771,687</u>	<u>\$ 763,604</u>	<u>\$ 90,428</u>	<u>\$ 17,494</u>
LIABILITIES AND FUND BALANCES							
Accounts payable	\$ 174,262	\$ -	\$ 184	\$ 19,332	\$ 549	\$ -	\$ 1,007
Accrued salaries and benefits	-	-	-	-	13	-	-
Due to other funds	-	-	332,551	-	-	-	-
Deferred revenue	18,737	-	-	367,993	-	-	-
Interfund advances payable	-	-	-	-	-	-	-
Total liabilities	<u>192,999</u>	<u>-</u>	<u>332,735</u>	<u>387,325</u>	<u>562</u>	<u>-</u>	<u>1,007</u>
Fund Balances:							
Reserved for encumbrances	237,393	-	-	599	14,265	-	-
Reserved for debt service	-	-	-	-	-	-	-
Reserved for bike paths	103,687	-	-	-	-	-	-
Reserved for prepaids	-	-	-	-	-	-	-
Unreserved:							
Designated for capital commitments	580,610	-	-	305,014	592,635	90,428	-
Undesignated	-	49,863	(332,735)	78,749	156,142	-	16,487
Total fund balances	<u>921,690</u>	<u>49,863</u>	<u>(332,735)</u>	<u>384,362</u>	<u>763,042</u>	<u>90,428</u>	<u>16,487</u>
Total liabilities and fund balances	<u>\$ 1,114,689</u>	<u>\$ 49,863</u>	<u>\$ -</u>	<u>\$ 771,687</u>	<u>\$ 763,604</u>	<u>\$ 90,428</u>	<u>\$ 17,494</u>

CITY OF ATASCADERO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
June 30, 2009

	Special Revenue Funds						
	Fire Facilities Fees Fund	Open Space Acquisition Fees Fund	Parkland Facilities Fees Fund	Public Facilities Fees Fund	Library Expansion Facilities Fees Fund	Community Facilities District Fund	Apple Valley Street & Storm Drain Assessment District Fund
ASSETS							
Cash and investments	\$ 675,535	\$ 435,296	\$ 239,146	\$ 98,084	\$ 180,549	\$ -	\$ 137,536
Restricted cash and investments:							
Cash with fiscal agent	-	-	-	-	-	-	-
Receivables:							
Federal distributions due	-	-	-	-	-	-	-
Due from State of California	-	-	-	-	-	-	-
Due from County of San Luis Obispo	-	-	-	-	-	38,455	2,253
Accrued interest	3,172	2,049	1,091	598	845	53	651
Other receivables	384	-	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-	-	-
Total assets	\$ 679,091	\$ 437,345	\$ 240,237	\$ 98,682	\$ 181,394	\$ 38,508	\$ 140,440
LIABILITIES AND FUND BALANCES							
Accounts payable	\$ 1,584	\$ 394	\$ 1,330	\$ -	\$ 552	\$ -	\$ 1,070
Accrued salaries and benefits	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	38,508	-
Deferred revenue	-	-	-	-	-	-	-
Interfund advances payable	-	-	-	-	-	-	-
Total liabilities	1,584	394	1,330	-	552	38,508	1,070
Fund Balances:							
Reserved for encumbrances	-	-	-	-	-	-	-
Reserved for debt service	-	-	-	-	-	-	-
Reserved for bike paths	-	-	-	-	-	-	-
Reserved for prepaids	-	-	-	-	-	-	-
Unreserved:							
Designated for capital commitments	-	98,800	98,800	-	-	-	-
Undesignated	677,507	338,151	140,107	98,682	180,842	-	139,370
Total fund balances	677,507	436,951	238,907	98,682	180,842	-	139,370
Total liabilities and fund balances	\$ 679,091	\$ 437,345	\$ 240,237	\$ 98,682	\$ 181,394	\$ 38,508	\$ 140,440

CITY OF ATASCADERO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
June 30, 2009

	Special Revenue Funds					Capital Projects Funds	
	Apple Valley Landscape & Lighting Assessment District Fund	Las Lomas Street & Storm Drain Assessment District Fund	Las Lomas Landscape & Lighting Assessment District Fund	De Anza Street & Storm Drain Assessment District Fund	De Anza Landscape & Lighting Assessment District Fund	Capital Projects Fund	2005 Redevelopment Bond Project Fund
ASSETS							
Cash and investments	\$ 263,434	\$ 154,672	\$ 305,429	\$ 131,901	\$ 125,402	\$ 1,045,311	\$ 2,276,489
Restricted cash and investments:							
Cash with fiscal agent	-	-	-	-	-	-	-
Receivables:							
Federal distributions due	-	-	-	-	-	4,530	-
Due from State of California	-	-	-	-	-	69,539	-
Due from County of San Luis Obispo	6,205	4,928	18,874	5,504	4,236	4,737	-
Accrued interest	1,277	728	1,485	626	598	4,871	10,915
Other receivables	-	-	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-	-	-
Total assets	<u>\$ 270,916</u>	<u>\$ 160,328</u>	<u>\$ 325,788</u>	<u>\$ 138,031</u>	<u>\$ 130,236</u>	<u>\$ 1,128,988</u>	<u>\$ 2,287,404</u>
LIABILITIES AND FUND BALANCES							
Accounts payable	\$ 4,981	\$ 1,078	\$ 7,771	\$ 1,047	\$ 3,047	\$ 173,270	\$ -
Accrued salaries and benefits	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	95,097
Deferred revenue	25,000	-	-	-	-	3,071	7,675
Interfund advances payable	-	-	-	-	-	-	-
Total liabilities	<u>29,981</u>	<u>1,078</u>	<u>7,771</u>	<u>1,047</u>	<u>3,047</u>	<u>176,341</u>	<u>102,772</u>
Fund Balances:							
Reserved for encumbrances	-	-	-	-	-	952,647	235,100
Reserved for debt service	-	-	-	-	-	-	-
Reserved for bike paths	-	-	-	-	-	-	-
Reserved for prepaids	-	-	-	-	-	-	-
Unreserved:							
Designated for capital commitments	-	-	-	-	-	-	1,949,532
Undesignated	240,935	159,250	318,017	136,984	127,189	-	-
Total fund balances	<u>240,935</u>	<u>159,250</u>	<u>318,017</u>	<u>136,984</u>	<u>127,189</u>	<u>952,647</u>	<u>2,184,632</u>
Total liabilities and fund balances	<u>\$ 270,916</u>	<u>\$ 160,328</u>	<u>\$ 325,788</u>	<u>\$ 138,031</u>	<u>\$ 130,236</u>	<u>\$ 1,128,988</u>	<u>\$ 2,287,404</u>

CITY OF ATASCADERO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
June 30, 2009

	<u>Capital Projects Funds</u>		<u>Debt Service Funds</u>				
	<u>Assessment District #8 Construction Fund</u>	<u>Youth Center Construction Fund</u>	<u>Assessment District #3 Debt Service Fund</u>	<u>Assessment District #4 Debt Service Fund</u>	<u>Assessment District #5 Debt Service Fund</u>	<u>Assessment District #7 Debt Service Fund</u>	<u>Assessment District #9 Debt Service Fund</u>
ASSETS							
Cash and investments	\$ 1,037	\$ -	\$ 749	\$ 47,725	\$ 4,274	\$ -	\$ 28,843
Restricted cash and investments:							
Cash with fiscal agent	-	-	-	-	-	-	-
Receivables:							
Federal distributions due	-	303,825	-	-	-	-	-
Due from State of California	-	101,275	-	-	-	-	-
Due from County of San Luis Obispo	-	-	-	-	-	947	1,435
Accrued interest	5	-	3	226	20	-	135
Other receivables	-	-	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-	-	-
Total assets	<u>\$ 1,042</u>	<u>\$ 405,100</u>	<u>\$ 752</u>	<u>\$ 47,951</u>	<u>\$ 4,294</u>	<u>\$ 947</u>	<u>\$ 30,413</u>
LIABILITIES AND FUND BALANCES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued salaries and benefits	-	-	-	-	-	-	-
Due to other funds	-	385,878	-	-	-	68,725	-
Deferred revenue	-	16,489	-	-	-	-	-
Interfund advances payable	-	-	-	-	-	14,715	64,153
Total liabilities	<u>-</u>	<u>402,367</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,440</u>	<u>64,153</u>
Fund Balances:							
Reserved for encumbrances	-	-	-	-	-	-	-
Reserved for debt service	-	-	752	47,951	4,294	-	-
Reserved for bike paths	-	-	-	-	-	-	-
Reserved for prepaids	-	-	-	-	-	-	-
Unreserved:							
Designated for capital commitments	-	2,733	-	-	-	-	-
Undesignated	1,042	-	-	-	-	(82,493)	(33,740)
Total fund balances	<u>1,042</u>	<u>2,733</u>	<u>752</u>	<u>47,951</u>	<u>4,294</u>	<u>(82,493)</u>	<u>(33,740)</u>
Total liabilities and fund balances	<u>\$ 1,042</u>	<u>\$ 405,100</u>	<u>\$ 752</u>	<u>\$ 47,951</u>	<u>\$ 4,294</u>	<u>\$ 947</u>	<u>\$ 30,413</u>

CITY OF ATASCADERO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
June 30, 2009

Debt Service Funds						
	Assessment District #10 Debt Service Fund	2005 Redevelopment Bond Debt Service Fund	1997 C.O.P. Refunding Fund	1992 Street Assessment Improvement Fund	1993 Camino Real Improvement Bonds Fund	TOTALS
ASSETS						
Cash and investments	\$ -	\$ 565,973	\$ -	\$ 169,728	\$ 382,823	\$ 15,022,229
Restricted cash and investments:						
Cash with fiscal agent	-	998,200	-	122	84,185	1,082,507
Receivables:						
Federal distributions due	-	-	-	-	-	379,560
Due from State of California	-	-	-	-	-	315,527
Due from County of San Luis Obispo	-	198	-	-	-	452,524
Accrued interest	12	2,676	-	802	1,810	70,473
Other receivables	-	-	-	-	-	3,322
Prepaid expenditures	-	-	-	-	-	730
Total assets	<u>\$ 12</u>	<u>\$ 1,567,047</u>	<u>\$ -</u>	<u>\$ 170,652</u>	<u>\$ 468,818</u>	<u>\$ 17,326,872</u>
LIABILITIES AND FUND BALANCES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 695,229
Accrued salaries and benefits	-	-	-	-	-	13,986
Due to other funds	363	-	-	-	-	922,102
Deferred revenue	-	-	-	-	-	520,341
Interfund advances payable	6,848	-	-	-	-	85,716
Total liabilities	<u>7,211</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,237,374</u>
Fund Balances:						
Reserved for encumbrances	-	-	-	-	-	1,461,866
Reserved for debt service	-	1,567,047	-	170,652	468,818	2,259,514
Reserved for bike paths	-	-	-	-	-	103,687
Reserved for prepaids	-	-	-	-	-	730
Unreserved:						
Designated for capital commitments	-	-	-	-	-	4,013,701
Undesignated	(7,199)	-	-	-	-	7,250,000
Total fund balances	<u>(7,199)</u>	<u>1,567,047</u>	<u>-</u>	<u>170,652</u>	<u>468,818</u>	<u>15,089,498</u>
Total liabilities and fund balances	<u>\$ 12</u>	<u>\$ 1,567,047</u>	<u>\$ -</u>	<u>\$ 170,652</u>	<u>\$ 468,818</u>	<u>\$ 17,326,872</u>

CITY OF ATASCADERO

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For Fiscal Year Ended June 30, 2009

	Special Revenue Funds						
	Supplemental Law Enforcement Services Fund	Low/ Moderate Income Housing Redevelopment Fund	Business Improvement Association Fund	Community Development Block Grant Fund	Tree Plant Fund	Gas Tax Fund	AB2928 Traffic Congestion Relief Fund
Revenues:							
Taxes and assessments	\$ -	\$ 845,205	\$ 8,015	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	11,450	-	-
Intergovernmental revenues	56,655	-	-	139,619	-	486,868	241,600
Use of money and property	1,156	113,380	302	-	18,941	15,323	2,227
Other revenues	-	-	-	-	-	26,866	-
Total revenues	57,811	958,585	8,317	139,619	30,391	529,057	243,827
Expenditures:							
Salaries and benefits	13,352	8,123	-	-	-	351,714	-
Supplies and services	21,574	-	10,500	17,827	687	535,426	-
Special projects and studies	21,729	14,109	-	122,121	54,469	24,015	-
Capital outlay	-	-	-	6	-	4,317	126,685
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total expenditures	56,655	22,232	10,500	139,954	55,156	915,472	126,685
Excess of revenues over (under) expenditures	1,156	936,353	(2,183)	(335)	(24,765)	(386,415)	117,142
Other Financing Sources (Uses):							
Transfers in	-	-	-	621	-	392,412	-
Transfers out	-	-	-	-	-	-	(5,052)
Total other financing sources (uses)	-	-	-	621	-	392,412	(5,052)
Excess of revenues and other sources over (under) expenditures and other uses	1,156	936,353	(2,183)	286	(24,765)	5,997	112,090
Fund balance, June 30, 2008	1,995	3,020,412	11,325	(286)	588,361	513,850	-
Fund balance, June 30, 2009	\$ 3,151	\$ 3,956,765	\$ 9,142	\$ -	\$ 563,596	\$ 519,847	\$ 112,090

CITY OF ATASCADERO

NONMAJOR GOVERNMENTAL FUNDS

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

For Fiscal Year Ended June 30, 2009

	Special Revenue Funds						
	Local Transportation Fund	Street Assessment Fund	General Government Facilities Fees Fund	Circulation System Fees Fund	Storm Drainage Facilities Fees Fund	Amapoa/ Tecorida Drainage Impact Fees Fund	Law Enforcement Facilities Fees Fund
Revenues:							
Taxes and assessments	\$ -	\$ 2,080	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	20,381	274,797	43,757	-	26,353
Intergovernmental revenues	899,045	-	-	-	-	-	-
Use of money and property	20,639	1,566	(8,434)	18,203	24,065	2,904	1,965
Other revenues	-	-	-	-	-	-	-
Total revenues	<u>919,684</u>	<u>3,646</u>	<u>11,947</u>	<u>293,000</u>	<u>67,822</u>	<u>2,904</u>	<u>28,318</u>
Expenditures:							
Salaries and benefits	-	-	-	-	-	-	-
Supplies and services	-	-	-	-	-	-	-
Special projects and studies	138,712	-	-	20,796	6,902	-	-
Capital outlay	1,018,643	-	-	27,302	445	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total expenditures	<u>1,157,355</u>	<u>-</u>	<u>-</u>	<u>48,098</u>	<u>7,347</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>(237,671)</u>	<u>3,646</u>	<u>11,947</u>	<u>244,902</u>	<u>60,475</u>	<u>2,904</u>	<u>28,318</u>
Other Financing Sources (Uses):							
Transfers in	-	-	-	18,992	-	-	-
Transfers out	(4,748)	-	(95,000)	-	-	-	(70,260)
Total other financing sources (uses)	<u>(4,748)</u>	<u>-</u>	<u>(95,000)</u>	<u>18,992</u>	<u>-</u>	<u>-</u>	<u>(70,260)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>(242,419)</u>	<u>3,646</u>	<u>(83,053)</u>	<u>263,894</u>	<u>60,475</u>	<u>2,904</u>	<u>(41,942)</u>
Fund balance, June 30, 2008	<u>1,164,109</u>	<u>46,217</u>	<u>(249,682)</u>	<u>120,468</u>	<u>702,567</u>	<u>87,524</u>	<u>58,429</u>
Fund balance, June 30, 2009	<u>\$ 921,690</u>	<u>\$ 49,863</u>	<u>\$ (332,735)</u>	<u>\$ 384,362</u>	<u>\$ 763,042</u>	<u>\$ 90,428</u>	<u>\$ 16,487</u>

CITY OF ATASCADERO

NONMAJOR GOVERNMENTAL FUNDS

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

For Fiscal Year Ended June 30, 2009

	Special Revenue Funds						
	Fire Facilities Fees Fund	Open Space Acquisition Fees Fund	Parkland Facilities Fees Fund	Public Facilities Fees Fund	Library Expansion Facilities Fees Fund	Community Facilities District Fund	Apple Valley Street & Storm Drain Assessment District Fund
Revenues:							
Taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 262,954	\$ 35,749
Licenses and permits	35,442	42,715	139,717	41,100	17,834	-	-
Intergovernmental revenues	-	-	-	-	-	-	-
Use of money and property	31,965	13,708	5,548	4,891	5,601	(79)	3,930
Other revenues	-	-	-	-	-	-	-
Total revenues	<u>67,407</u>	<u>56,423</u>	<u>145,265</u>	<u>45,991</u>	<u>23,435</u>	<u>262,875</u>	<u>39,679</u>
Expenditures:							
Salaries and benefits	-	-	-	-	-	-	-
Supplies and services	-	-	-	-	-	4,755	3,808
Special projects and studies	-	-	-	-	-	-	-
Capital outlay	-	-	12,400	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>12,400</u>	<u>-</u>	<u>-</u>	<u>4,755</u>	<u>3,808</u>
Excess of revenues over (under) expenditures	<u>67,407</u>	<u>56,423</u>	<u>132,865</u>	<u>45,991</u>	<u>23,435</u>	<u>258,120</u>	<u>35,871</u>
Other Financing Sources (Uses):							
Transfers in	-	-	6,200	-	-	-	-
Transfers out	-	(6,200)	(8,592)	(100,861)	-	(302,952)	-
Total other financing sources (uses)	<u>-</u>	<u>(6,200)</u>	<u>(2,392)</u>	<u>(100,861)</u>	<u>-</u>	<u>(302,952)</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	67,407	50,223	130,473	(54,870)	23,435	(44,832)	35,871
Fund balance, June 30, 2008	<u>610,100</u>	<u>386,728</u>	<u>108,434</u>	<u>153,552</u>	<u>157,407</u>	<u>44,832</u>	<u>103,499</u>
Fund balance, June 30, 2009	<u>\$ 677,507</u>	<u>\$ 436,951</u>	<u>\$ 238,907</u>	<u>\$ 98,682</u>	<u>\$ 180,842</u>	<u>\$ -</u>	<u>\$ 139,370</u>

CITY OF ATASCADERO

NONMAJOR GOVERNMENTAL FUNDS

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

For Fiscal Year Ended June 30, 2009

	Special Revenue Funds					Capital Projects Funds	
	Apple Valley Landscape & Lighting Assessment District Fund	Las Lomas Street & Storm Drain Assessment District Fund	Las Lomas Landscape & Lighting Assessment District Fund	De Anza Street & Storm Drain Assessment District Fund	De Anza Landscape & Lighting Assessment District Fund	Capital Projects Fund	2005 Redevelopment Bond Project Fund
Revenues:							
Taxes and assessments	\$ 49,879	\$ 40,458	\$ 156,519	\$ 35,294	\$ 30,284	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	4,737	-
Use of money and property	8,065	4,404	8,262	3,801	3,815	36,242	62,226
Other revenues	-	-	-	-	-	-	-
Total revenues	<u>57,944</u>	<u>44,862</u>	<u>164,781</u>	<u>39,095</u>	<u>34,099</u>	<u>40,979</u>	<u>62,226</u>
Expenditures:							
Salaries and benefits	-	-	-	-	-	-	-
Supplies and services	49,382	3,435	44,149	3,381	17,493	-	-
Special projects and studies	-	-	-	-	-	4,737	16,542
Capital outlay	-	-	-	-	-	1,873,758	9,697
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total expenditures	<u>49,382</u>	<u>3,435</u>	<u>44,149</u>	<u>3,381</u>	<u>17,493</u>	<u>1,878,495</u>	<u>26,239</u>
Excess of revenues over (under) expenditures	<u>8,562</u>	<u>41,427</u>	<u>120,632</u>	<u>35,714</u>	<u>16,606</u>	<u>(1,837,516)</u>	<u>35,987</u>
Other Financing Sources (Uses):							
Transfers in	-	-	-	-	-	1,396,115	-
Transfers out	-	-	-	-	-	(4,748)	(1,315,538)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,391,367</u>	<u>(1,315,538)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>8,562</u>	<u>41,427</u>	<u>120,632</u>	<u>35,714</u>	<u>16,606</u>	<u>(446,149)</u>	<u>(1,279,551)</u>
Fund balance, June 30, 2008	<u>232,373</u>	<u>117,823</u>	<u>197,385</u>	<u>101,270</u>	<u>110,583</u>	<u>1,398,796</u>	<u>3,464,183</u>
Fund balance, June 30, 2009	<u>\$ 240,935</u>	<u>\$ 159,250</u>	<u>\$ 318,017</u>	<u>\$ 136,984</u>	<u>\$ 127,189</u>	<u>\$ 952,647</u>	<u>\$ 2,184,632</u>

CITY OF ATASCADERO

NONMAJOR GOVERNMENTAL FUNDS

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

For Fiscal Year Ended June 30, 2009

	<u>Capital Projects Funds</u>		<u>Debt Service Funds</u>				
	<u>Assessment District #8 Construction Fund</u>	<u>Youth Center Construction Fund</u>	<u>Assessment District #3 Debt Service Fund</u>	<u>Assessment District #4 Debt Service Fund</u>	<u>Assessment District #5 Debt Service Fund</u>	<u>Assessment District #7 Debt Service Fund</u>	<u>Assessment District #9 Debt Service Fund</u>
Revenues:							
Taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,571	\$ 26,711
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	-	-
Use of money and property	33	-	24	1,540	137	(1,755)	655
Other revenues	-	11,390	-	-	-	-	-
Total revenues	<u>33</u>	<u>11,390</u>	<u>24</u>	<u>1,540</u>	<u>137</u>	<u>13,816</u>	<u>27,366</u>
Expenditures:							
Salaries and benefits	-	-	-	-	-	-	-
Supplies and services	-	-	-	-	-	555	731
Special projects and studies	-	11,390	-	-	-	-	-
Capital outlay	-	131,367	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	1,471	3,742
Total expenditures	<u>-</u>	<u>142,757</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,026</u>	<u>4,473</u>
Excess of revenues over (under) expenditures	<u>33</u>	<u>(131,367)</u>	<u>24</u>	<u>1,540</u>	<u>137</u>	<u>11,790</u>	<u>22,893</u>
Other Financing Sources (Uses):							
Transfers in	-	66,475	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>66,475</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>33</u>	<u>(64,892)</u>	<u>24</u>	<u>1,540</u>	<u>137</u>	<u>11,790</u>	<u>22,893</u>
Fund balance, June 30, 2008	<u>1,009</u>	<u>67,625</u>	<u>728</u>	<u>46,411</u>	<u>4,157</u>	<u>(94,283)</u>	<u>(56,633)</u>
Fund balance, June 30, 2009	<u>\$ 1,042</u>	<u>\$ 2,733</u>	<u>\$ 752</u>	<u>\$ 47,951</u>	<u>\$ 4,294</u>	<u>\$ (82,493)</u>	<u>\$ (33,740)</u>

CITY OF ATASCADERO

NONMAJOR GOVERNMENTAL FUNDS

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

For Fiscal Year Ended June 30, 2009

	Debt Service Funds					
	Assessment District #10 Debt Service Fund	2005 Redevelopment Bond Debt Service Fund	1997 C.O.P. Refunding Fund	1992 Street Assessment Improvement Fund	1993 Camino Real Improvement Bonds Fund	TOTALS
Revenues:						
Taxes and assessments	\$ 3,632	\$ 823,302	\$ -	\$ -	\$ 173,330	\$ 2,508,983
Licenses and permits	-	-	-	-	-	653,546
Intergovernmental revenues	-	-	-	-	-	1,828,524
Use of money and property	32	22,322	-	5,728	10,545	443,877
Other revenues	-	-	-	-	-	38,256
Total revenues	<u>3,664</u>	<u>845,624</u>	<u>-</u>	<u>5,728</u>	<u>183,875</u>	<u>5,473,186</u>
Expenditures:						
Salaries and benefits	-	-	-	-	-	373,189
Supplies and services	-	2,428	-	4,159	2,435	722,725
Special projects and studies	-	-	-	-	-	435,522
Capital outlay	-	-	-	-	-	3,204,620
Debt service:						
Principal	-	-	151,000	65,000	125,000	341,000
Interest	508	574,042	8,682	2,015	44,028	634,488
Total expenditures	<u>508</u>	<u>576,470</u>	<u>159,682</u>	<u>71,174</u>	<u>171,463</u>	<u>5,711,544</u>
Excess of revenues over (under) expenditures	<u>3,156</u>	<u>269,154</u>	<u>(159,682)</u>	<u>(65,446)</u>	<u>12,412</u>	<u>(238,358)</u>
Other Financing Sources (Uses):						
Operating transfers in	-	-	159,682	-	-	2,040,497
Operating transfers out	-	-	-	-	-	(1,913,951)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>159,682</u>	<u>-</u>	<u>-</u>	<u>126,546</u>
Excess of revenues and other sources over (under) expenditures and other uses	3,156	269,154	-	(65,446)	12,412	(111,812)
Fund balance, June 30, 2008	<u>(10,355)</u>	<u>1,297,893</u>	<u>-</u>	<u>236,098</u>	<u>456,406</u>	<u>15,201,310</u>
Fund balance, June 30, 2009	<u>\$ (7,199)</u>	<u>\$ 1,567,047</u>	<u>\$ -</u>	<u>\$ 170,652</u>	<u>\$ 468,818</u>	<u>\$ 15,089,498</u>

CITY OF ATASCADERO

SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
S.L.E.S.F. Grant	\$ 38,030	\$ 138,030	\$ 56,655	\$ (81,375)
Interest income	2,000	2,000	1,156	(844)
Total revenues	40,030	140,030	57,811	(82,219)
Expenditures:				
Employee services	32,930	44,610	13,352	31,258
Computer maintenance & replacement	-	7,690	7,686	4
Operating supplies	5,010	25,320	13,888	11,432
Special projects and purchases:				
Bicycles	590	-	-	-
Automatic external defibrillator	-	30,000	14,994	15,006
Dispatch center technology upgrades	-	10,000	-	10,000
Radar equipment	-	10,000	4,334	5,666
Surveillance Equipment	-	12,410	2,401	10,009
Capital outlay:				
New computers	1,500	-	-	-
Total expenditures	40,030	140,030	56,655	83,375
Excess of revenues over (under) expenditures	\$ -	\$ -	1,156	\$ 1,156
Fund balance, June 30, 2008			1,995	
Fund balance, June 30, 2009			\$ 3,151	

CITY OF ATASCADERO

LOW/MODERATE INCOME HOUSING REDEVELOPMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Current secured increment	\$ 942,750	\$ 942,750	\$ 825,887	\$ (116,863)
Supplemental tax increment	107,320	107,320	19,318	(88,002)
Interest income	157,560	157,560	113,380	(44,180)
Total revenues	<u>1,207,630</u>	<u>1,207,630</u>	<u>958,585</u>	<u>(249,045)</u>
Expenditures:				
Employee services	6,590	6,590	8,123	(1,533)
Special projects and purchases:				
SLO County Housing Trust Fund	7,000	7,000	7,000	-
Development of housing assistance program	8,600	8,600	7,109	1,491
Total expenditures	<u>22,190</u>	<u>22,190</u>	<u>22,232</u>	<u>(42)</u>
Excess of revenues over (under) expenditures	<u>\$ 1,185,440</u>	<u>\$ 1,185,440</u>	936,353	<u>\$ (249,087)</u>
Fund balance, June 30, 2008			<u>3,020,412</u>	
Fund balance, June 30, 2009			<u>\$ 3,956,765</u>	

CITY OF ATASCADERO

BUSINESS IMPROVEMENT ASSOCIATION FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and assessments	\$ 10,000	\$ 10,000	\$ 8,015	\$ (1,985)
Interest income	300	300	302	2
Total revenues	<u>10,300</u>	<u>10,300</u>	<u>8,317</u>	<u>(1,983)</u>
Expenditures:				
Contract services- Main Street Program	10,500	10,500	10,500	-
Total expenditures	<u>10,500</u>	<u>10,500</u>	<u>10,500</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>\$ (200)</u>	<u>\$ (200)</u>	<u>(2,183)</u>	<u>\$ (1,983)</u>
Fund balance, June 30, 2008			<u>11,325</u>	
Fund balance, June 30, 2009			<u>\$ 9,142</u>	

CITY OF ATASCADERO

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Community Development Block Grant	\$ 297,390	\$ 311,740	\$ 139,619	\$ (172,121)
Total revenues	297,390	311,740	139,619	(172,121)
Expenditures:				
Administration	17,830	17,830	17,827	3
Special projects and studies:				
Senior Volunteer Services	1,000	-	-	-
Operation School Bell - Assistance League	1,000	1,000	1,000	-
El Camino Homeless Organization	15,000	15,000	15,000	-
North County Women's Shelter Projects	8,800	8,800	8,032	768
Loaves & Fishes Groceries	7,000	7,000	7,000	-
Youth Scholarships	3,590	3,590	3,593	(3)
CASA - Advocacy for Teens	1,000	1,000	999	1
Escuela del Rio Training Facility	6,110	6,110	6,100	10
People's Self Help Housing Remodel	15,320	15,320	-	15,320
Good Samaritan Center	50,000	-	-	-
Code Enforcement	23,290	-	-	-
Sidewalk Improvement Project III	18,720	-	-	-
Sidewalk Improvement Project IV	117,270	189,610	80,397	109,213
Sidewalk Improvement Project V	-	46,470	-	46,470
Capital outlay:				
Lake Park Restroom Access Project	11,460	10	6	4
Total expenditures	297,390	311,740	139,954	171,786
Excess of revenues over (under) expenditures	-	-	(335)	(335)
Other Financing Sources (Uses):				
Transfer from the General Fund for the Sidewalk Phase III Project	-	-	621	621
Total other financing sources (uses)	-	-	621	621
Excess of revenues and other sources over (under) expenditures and other uses	\$ -	\$ -	286	\$ 286
Fund balance, June 30, 2008			(286)	
Fund balance, June 30, 2009			\$ -	

CITY OF ATASCADERO

TREE PLANT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Permits and fees	\$ 20,000	\$ 20,000	\$ 11,450	\$ (8,550)
Tree inspection reimbursement fee	1,500	1,500	-	(1,500)
Interest income	9,280	9,280	18,941	9,661
Total revenues	<u>30,780</u>	<u>30,780</u>	<u>30,391</u>	<u>(389)</u>
Expenditures:				
Office supplies	-	690	687	3
Operating supplies	20,000	19,310	-	19,310
Special projects and studies:				
Native Tree Re-Planting Project	118,340	118,340	54,469	63,871
Capital outlay:				
Native Tree Atlas	10,000	10,000	-	10,000
Property acquisition	200,000	200,000	-	200,000
Total expenditures	<u>348,340</u>	<u>348,340</u>	<u>55,156</u>	<u>293,184</u>
Excess of revenues over (under) expenditures	<u>\$ (317,560)</u>	<u>\$ (317,560)</u>	<u>(24,765)</u>	<u>\$ 292,795</u>
Fund balance, June 30, 2008			<u>588,361</u>	
Fund balance, June 30, 2009			<u>\$ 563,596</u>	

CITY OF ATASCADERO

GAS TAX FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
State gasoline tax	\$ 536,700	\$ 536,700	\$ 486,868	\$ (49,832)
Interest income	8,000	8,000	15,323	7,323
Other revenues	-	23,860	26,866	3,006
Total revenues	544,700	568,560	529,057	(39,503)
Expenditures:				
Salaries and benefits	375,410	375,410	351,714	23,696
Advertising	-	280	278	2
Computer maintenance & replacement	6,190	6,190	6,190	-
Insurance	21,040	21,300	21,294	6
Utilities	68,000	68,000	60,480	7,520
Communications	3,050	3,050	2,714	336
Operating supplies and equipment	97,900	101,840	86,767	15,073
Vehicle and equipment operations	62,610	62,610	61,735	875
Contract services	142,850	142,850	132,362	10,488
Professional development	800	1,840	1,766	74
Recruitment	700	700	-	700
Administrative charges	161,840	161,840	161,840	-
Special projects:				
Via Avenue Bridge Repairs	-	24,020	24,015	5
Capital outlay:				
Sand Hopper	-	4,320	4,317	3
San Andres Road Rehabilitation	321,370	370	-	370
Total expenditures	1,261,760	974,620	915,472	59,148
Excess of revenues over (under) expenditures	(717,060)	(406,060)	(386,415)	19,645
Other Financing Sources (Uses):				
Transfer from General Fund for street maintenance	387,360	387,360	387,360	-
Transfer from AB2928 Fund for streets projects	-	10,000	5,052	(4,948)
Total other financing sources (uses)	387,360	397,360	392,412	(4,948)
Excess of revenues and other sources over (under) expenditures and other uses	\$ (329,700)	\$ (8,700)	5,997	\$ 14,697
Fund balance, June 30, 2008			513,850	
Fund balance, June 30, 2009			\$ 519,847	

CITY OF ATASCADERO

AB2928 TRAFFIC CONGESTION RELIEF FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
AB2928- Traffic Congestion Relief	\$ 284,040	\$ 284,040	\$ 241,600	\$ (42,440)
Interest income	6,980	6,980	2,227	(4,753)
Total revenues	291,020	291,020	243,827	(47,193)
Expenditures:				
Special projects:				
Minor street overlay projects	105,520	95,520	-	95,520
Capital projects:				
Sinaloa Cross Gutter project	35,000	35,000	523	34,477
El Verano Overlay Project	150,500	150,500	122,658	27,842
Lakeview Road Resurfacing Project	-	-	1,140	(1,140)
San Luis Surface Treatment	-	-	1,651	(1,651)
San Ramon Overlay	-	-	523	(523)
San Fernando Rd Overlay Project	-	-	190	(190)
Total expenditures	291,020	281,020	126,685	154,335
Excess of revenues over (under) expenditures	-	10,000	117,142	107,142
Other Financing Sources (Uses):				
Transfer to Gas Tax Fund for asphalt	-	(10,000)	(5,052)	4,948
Total other financing sources (uses)	-	(10,000)	(5,052)	4,948
Excess of revenues and other sources over (under) expenditures and other uses	\$ -	\$ -	112,090	\$ 112,090
Fund balance, June 30, 2008			-	
Fund balance, June 30, 2009			\$ 112,090	

CITY OF ATASCADERO

LOCAL TRANSPORTATION FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Local Transportation Tax - Article 3 Bike Paths	\$ 23,070	\$ 23,070	\$ 18,511	\$ (4,559)
Local Transportation Tax - Article 8 Streets	614,330	614,330	419,862	(194,468)
Proposition 1B Funding- 06/07 Road Rehabilitation Project	406,860	406,860	406,859	(1)
Safe Routes to School Grant - San Gabriel Project	426,000	426,000	51,251	(374,749)
School Contribution - San Gabriel Routes to School	21,300	21,300	2,562	(18,738)
Interest income	32,510	32,510	20,639	(11,871)
Total revenues	<u>1,524,070</u>	<u>1,524,070</u>	<u>919,684</u>	<u>(604,386)</u>
Expenditures:				
Special projects:				
Balboa Road Emergency Access Project	1,960	25,020	25,652	(632)
Five Year Road Maintenance Project	457,750	332,950	113,060	219,890
Capital outlay:				
Traffic Way Rehabilitation Project	178,750	178,750	-	178,750
06/07 Road Rehabilitation Project (San Jacinto & Traffic Way)	864,120	864,120	856,106	8,014
San Andres Road Rehabilitation Project	-	321,000	17,207	303,793
Atascadero Avenue Rehabilitation Project	49,500	49,500	10,977	38,523
Plata / La Linea Paving Project	-	75,800	64,217	11,583
Solano Paving Project	-	49,000	980	48,020
East Front Overlay	-	-	760	(760)
San Gabriel Routes to School Project	468,600	468,600	56,376	412,224
Old Morro Road Slope Repair	-	-	12,020	(12,020)
Total expenditures	<u>2,020,680</u>	<u>2,364,740</u>	<u>1,157,355</u>	<u>1,207,385</u>
Excess of revenues over (under) expenditures	<u>(496,610)</u>	<u>(840,670)</u>	<u>(237,671)</u>	<u>602,999</u>
Other Financing Sources (Uses):				
Transfer to Circulation System Fees Fund for a portion of the Lewis Avenue Bridge Project	<u>(61,400)</u>	<u>(61,400)</u>	<u>(4,748)</u>	<u>56,652</u>
Total other financing sources (uses)	<u>(61,400)</u>	<u>(61,400)</u>	<u>(4,748)</u>	<u>56,652</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ (558,010)</u>	<u>\$ (902,070)</u>	<u>(242,419)</u>	<u>\$ 659,651</u>
Fund balance, June 30, 2008			<u>1,164,109</u>	
Fund balance, June 30, 2009			<u>\$ 921,690</u>	

CITY OF ATASCADERO
STREET ASSESSMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and special assessments	\$ 2,050	\$ 2,050	\$ 2,080	\$ 30
Interest income	1,260	1,260	1,566	306
Total revenues	<u>3,310</u>	<u>3,310</u>	<u>3,646</u>	<u>336</u>
Expenditures:				
Special projects:				
Sonora / Pinal road repairs	-	-	-	-
Maleza road repairs	4,530	4,530	-	4,530
San Fernando Road repairs	9,100	9,100	-	9,100
Aguila road repairs	8,860	8,860	-	8,860
Pinal / Escarpa road repairs	6,530	6,530	-	6,530
Cayucos road repairs	8,400	8,400	-	8,400
Total expenditures	<u>37,420</u>	<u>37,420</u>	<u>-</u>	<u>37,420</u>
Excess of revenues over (under) expenditures	<u>\$ (34,110)</u>	<u>\$ (34,110)</u>	<u>3,646</u>	<u>\$ 37,756</u>
Fund balance, June 30, 2008			<u>46,217</u>	
Fund balance, June 30, 2009			<u>\$ 49,863</u>	

CITY OF ATASCADERO
GENERAL GOVERNMENT FACILITIES FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 59,800	\$ 59,800	\$ 20,381	\$ (39,419)
Interest income (expense)	(11,100)	(11,100)	(8,434)	2,666
Total revenues	48,700	48,700	11,947	(36,753)
Excess of revenues over (under) expenditures	48,700	48,700	11,947	(36,753)
Other Financing Sources (Uses):				
Transfer to the Capital Project Fund for the New Corporate Yard Project	(95,000)	(95,000)	(95,000)	-
Total other financing sources (uses)	(95,000)	(95,000)	(95,000)	-
Excess of revenues and other sources over (under) expenditures and other uses	\$ (46,300)	\$ (46,300)	(83,053)	\$ (36,753)
Fund balance, June 30, 2008			(249,682)	
Fund balance, June 30, 2009			\$ (332,735)	

CITY OF ATASCADERO
CIRCULATION SYSTEM FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 507,170	\$ 507,170	\$ 274,797	\$ (232,373)
Interest income	(11,820)	(11,820)	18,203	30,023
Total revenues	495,350	495,350	293,000	(202,350)
Expenditures:				
Special projects and studies:				
Minor interchange improvements	271,880	271,880	20,796	251,084
North El Camino Real Plan Line	10,000	10,000	-	10,000
Capital outlay:				
Lewis Avenue Bridge Project	320,840	320,840	27,302	293,538
Total expenditures	602,720	602,720	48,098	554,622
Excess of revenues over (under) expenditures	(107,370)	(107,370)	244,902	352,272
Other Financing Sources (Uses):				
Transfer from 2005 Redevelopment Bond Project Fund for the Lewis Avenue Bridge Project	122,810	122,810	9,496	(113,314)
Transfer from Capital Projects Fund for the Lewis Avenue Bridge Project	61,400	61,400	4,748	(56,652)
Transfer from Local Transportation Fund for the Lewis Avenue Bridge Project	61,400	61,400	4,748	(56,652)
Total other financing sources (uses)	245,610	245,610	18,992	(226,618)
Excess of revenues and other sources over (under) expenditures and other uses	\$ 138,240	\$ 138,240	263,894	\$ 125,654
Fund balance, June 30, 2008			120,468	
Fund balance, June 30, 2009			\$ 384,362	

CITY OF ATASCADERO

STORM DRAINAGE FACILITIES FEES FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 95,030	\$ 95,030	\$ 43,757	\$ (51,273)
Interest income	11,480	11,480	24,065	12,585
Total revenues	106,510	106,510	67,822	(38,688)
Expenditures:				
Special projects				
Drainage System Atlas	30,010	30,010	6,902	23,108
Capital projects:				
2006 Marchant Avenue Drainage	325,530	325,530	-	325,530
San Jacinto @ Traffic Way Drainage Project	141,050	141,050	445	140,605
Total expenditures	496,590	496,590	7,347	489,243
Excess of revenues over (under) expenditures	(390,080)	(390,080)	60,475	450,555
Other Financing Sources (Uses):				
Transfer from Amapoa Tecorida Drainage Impact Fee Fund for the 06/07 Drainage Improvement Project	83,470	83,470	-	(83,470)
Total other financing sources (uses)	83,470	83,470	-	(83,470)
Excess of revenues and other sources over (under) expenditures and other uses	\$ (306,610)	\$ (306,610)	60,475	\$ 367,085
Fund balance, June 30, 2008			702,567	
Fund balance, June 30, 2009			\$ 763,042	

CITY OF ATASCADERO

AMAPOA/TECORIDA DRAINAGE IMPACT FEES FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Interest income	\$ -	\$ -	\$ 2,904	\$ 2,904
Total revenues	-	-	2,904	2,904
Excess of revenues over (under) expenditures	-	-	2,904	2,904
Other Financing Sources (Uses):				
Transfer to the Storm Drainage Facilities Fees Fund for the 2006 Marchant Avenue Drainage Project	(83,470)	(83,470)	-	83,470
Total other financing sources (uses)	(83,470)	(83,470)	-	83,470
Excess of revenues and other sources over (under) expenditures and other uses	\$ (83,470)	\$ (83,470)	2,904	\$ 86,374
Fund balance, June 30, 2008			87,524	
Fund balance, June 30, 2009			\$ 90,428	

CITY OF ATASCADERO

LAW ENFORCEMENT FACILITIES FEES FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 64,270	\$ 64,270	\$ 26,353	\$ (37,917)
Interest income	2,830	2,830	1,965	(865)
Total revenues	67,100	67,100	28,318	(38,782)
Excess of revenues over (under) expenditures	67,100	67,100	28,318	(38,782)
Other Financing Sources (Uses):				
Transfer to COP Fund for debt service on police station	(70,260)	(70,260)	(70,260)	-
Total other financing sources (uses)	(70,260)	(70,260)	(70,260)	-
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ (3,160)</u>	<u>\$ (3,160)</u>	(41,942)	<u>\$ (38,782)</u>
Fund balance, June 30, 2008			58,429	
Fund balance, June 30, 2009			<u>\$ 16,487</u>	

CITY OF ATASCADERO
FIRE FACILITIES FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 103,200	\$ 103,200	\$ 35,442	\$ (67,758)
Rental income	10,800	10,800	10,800	-
Interest income	20,990	20,990	21,165	175
Total revenues	<u>134,990</u>	<u>134,990</u>	<u>67,407</u>	<u>(67,583)</u>
Expenditures:				
Special projects				
Study for Relocation of Fire Station #1	65,000	65,000	-	65,000
Capital projects:				
Station #2 Living Quarters Addition	<u>364,640</u>	<u>364,640</u>	<u>-</u>	<u>364,640</u>
Total expenditures	<u>429,640</u>	<u>429,640</u>	<u>-</u>	<u>429,640</u>
Excess of revenues over (under) expenditures	<u>\$ (294,650)</u>	<u>\$ (294,650)</u>	67,407	<u>\$ 362,057</u>
Fund balance, June 30, 2008			<u>610,100</u>	
Fund balance, June 30, 2009			<u>\$ 677,507</u>	

CITY OF ATASCADERO

OPEN SPACE ACQUISITION FEES FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 145,790	\$ 145,790	\$ 42,715	\$ (103,075)
Interest income	15,550	15,550	13,708	(1,842)
Total revenues	161,340	161,340	56,423	(104,917)
Excess of revenues over (under) expenditures	161,340	161,340	56,423	(104,917)
Other Financing Sources (Uses):				
Transfer to the Park Impact Fund for Stadium Park	-	(105,000)	(6,200)	98,800
Total other financing sources (uses)	-	(105,000)	(6,200)	98,800
Excess of revenues and other sources over (under) expenditures and other uses	\$ 161,340	\$ 56,340	50,223	\$ (6,117)
Fund balance, June 30, 2008			386,728	
Fund balance, June 30, 2009			\$ 436,951	

CITY OF ATASCADERO

PARKLAND FACILITIES FEES FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 478,950	\$ 478,950	\$ 139,717	\$ (339,233)
Interest income	4,380	4,380	5,548	1,168
Total revenues	483,330	483,330	145,265	(338,065)
Expenditures:				
Capital outlay:				
Stadium Park Easement	2,500	212,500	12,400	200,100
Total expenditures	2,500	212,500	12,400	200,100
Excess of revenues over (under) expenditures	480,830	270,830	132,865	(137,965)
Other Financing Sources (Uses):				
Transfer from the Park Impact Fund for Stadium Park	-	105,000	6,200	(98,800)
Transfer to the Youth Center Construction Fund	(92,530)	(92,530)	(8,592)	83,938
Total other financing sources (uses)	(92,530)	12,470	(2,392)	(14,862)
Excess of revenues and other sources over (under) expenditures and other uses	\$ 388,300	\$ 283,300	130,473	\$ (152,827)
Fund balance, June 30, 2008			108,434	
Fund balance, June 30, 2009			\$ 238,907	

CITY OF ATASCADERO
PUBLIC FACILITIES FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 135,020	\$ 135,020	\$ 41,100	\$ (93,920)
Interest income	10,720	10,720	4,891	(5,829)
Total revenues	145,740	145,740	45,991	(99,749)
Excess of revenues over expenditures	145,740	145,740	45,991	(99,749)
Other Financing Sources (Uses):				
Transfer to 1997 C.O.P. Refunding Fund for debt service on the pavilion	(47,910)	(47,910)	(47,905)	5
Transfer to Youth Center Construction Fund	(56,080)	(56,080)	(52,956)	3,124
Total other financing sources (uses)	(103,990)	(103,990)	(100,861)	3,129
Excess of revenues and other sources over (under) expenditures and other uses	\$ 41,750	\$ 41,750	(54,870)	\$ (96,620)
Fund balance, June 30, 2008			153,552	
Fund balance, June 30, 2009			\$ 98,682	

CITY OF ATASCADERO

LIBRARY EXPANSION FACILITIES FEES FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 53,920	\$ 53,920	\$ 17,834	\$ (36,086)
Interest income	10,330	10,330	5,601	(4,729)
Total revenues	<u>64,250</u>	<u>64,250</u>	<u>23,435</u>	<u>(40,815)</u>
Excess of revenues over expenditures	<u>\$ 64,250</u>	<u>\$ 64,250</u>	23,435	<u>\$ (40,815)</u>
Fund balance, June 30, 2008			<u>157,407</u>	
Fund balance, June 30, 2009			<u>\$ 180,842</u>	

CITY OF ATASCADERO
COMMUNITY FACILITIES DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and assessments	\$ 149,320	\$ 264,190	\$ 262,954	\$ (1,236)
Interest income	920	920	(79)	(999)
Total revenues	<u>150,240</u>	<u>265,110</u>	<u>262,875</u>	<u>(2,235)</u>
Expenditures:				
Contract services	<u>3,820</u>	<u>4,760</u>	<u>4,755</u>	<u>5</u>
Total expenditures	<u>3,820</u>	<u>4,760</u>	<u>4,755</u>	<u>5</u>
Excess of revenues over (under) expenditures	<u>146,420</u>	<u>260,350</u>	<u>258,120</u>	<u>(2,230)</u>
Other Financing Sources (Uses):				
Transfer to the General Fund for police, fire and parks services	<u>(177,550)</u>	<u>(303,440)</u>	<u>(302,952)</u>	<u>488</u>
Total other financing sources (uses)	<u>(177,550)</u>	<u>(303,440)</u>	<u>(302,952)</u>	<u>488</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ (31,130)</u>	<u>\$ (43,090)</u>	<u>(44,832)</u>	<u>\$ (1,742)</u>
Fund balance, June 30, 2008			<u>44,832</u>	
Fund balance, June 30, 2009			<u>\$ -</u>	

CITY OF ATASCADEROAPPLE VALLEY STREET & STORM DRAIN ASSESSMENT DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and assessments	\$ 35,890	\$ 35,890	\$ 35,749	\$ (141)
Interest income	870	870	3,930	3,060
Total revenues	<u>36,760</u>	<u>36,760</u>	<u>39,679</u>	<u>2,919</u>
Expenditures:				
Advertising	-	320	320	-
Contract services	9,530	9,210	2,743	6,467
Administration	<u>2,860</u>	<u>2,860</u>	<u>745</u>	<u>2,115</u>
Total expenditures	<u>12,390</u>	<u>12,390</u>	<u>3,808</u>	<u>8,582</u>
Excess of revenues over expenditures	<u>\$ 24,370</u>	<u>\$ 24,370</u>	35,871	<u>\$ 11,501</u>
Fund balance, June 30, 2008			<u>103,499</u>	
Fund balance, June 30, 2009			<u>\$ 139,370</u>	

CITY OF ATASCADEROAPPLE VALLEY LANDSCAPE & LIGHTING ASSESSMENT DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and assessments	\$ 38,070	\$ 38,070	\$ 49,879	\$ 11,809
Contribution from developer	25,000	25,000	-	(25,000)
Interest income	1,460	1,460	8,065	6,605
Total revenues	<u>64,530</u>	<u>64,530</u>	<u>57,944</u>	<u>(6,586)</u>
Expenditures:				
Advertising	-	440	435	5
Utilities	20,540	20,540	4,971	15,569
Operating supplies	1,700	1,700	-	1,700
Contract services	71,460	71,020	43,131	27,889
Administration	7,200	7,200	845	6,355
Special projects:				
Lighting project	10,000	10,000	-	10,000
Total expenditures	<u>110,900</u>	<u>110,900</u>	<u>49,382</u>	<u>61,518</u>
Excess of revenues over (under) expenditures	<u>\$ (46,370)</u>	<u>\$ (46,370)</u>	<u>8,562</u>	<u>\$ 54,932</u>
Fund balance, June 30, 2008			<u>232,373</u>	
Fund balance, June 30, 2009			<u>\$ 240,935</u>	

CITY OF ATASCADEROLAS LOMAS STREET & STORM DRAIN ASSESSMENT DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and assessments	\$ 39,630	\$ 39,630	\$ 40,458	\$ 828
Interest income	1,100	1,100	4,404	3,304
Total revenues	<u>40,730</u>	<u>40,730</u>	<u>44,862</u>	<u>4,132</u>
Expenditures:				
Advertising	-	320	320	-
Contract services	43,630	43,310	2,441	40,869
Administration	10,020	10,020	674	9,346
Total expenditures	<u>53,650</u>	<u>53,650</u>	<u>3,435</u>	<u>50,215</u>
Excess of revenues over (under) expenditures	<u>\$ (12,920)</u>	<u>\$ (12,920)</u>	41,427	<u>\$ 54,347</u>
Fund balance, June 30, 2008			<u>117,823</u>	
Fund balance, June 30, 2009			<u>\$ 159,250</u>	

CITY OF ATASCADERO

LAS LOMAS LANDSCAPE & LIGHTING ASSESSMENT DISTRICT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and assessments	\$ 287,560	\$ 287,560	\$ 156,519	\$ (131,041)
Interest income	1,860	1,860	8,262	6,402
Total revenues	<u>289,420</u>	<u>289,420</u>	<u>164,781</u>	<u>(124,639)</u>
Expenditures:				
Advertising	-	420	420	-
Utilities	48,530	48,530	1,145	47,385
Operating supplies	4,730	4,730	138	4,592
Contract services	208,400	207,980	41,405	166,575
Administration	3,970	3,970	1,041	2,929
Total expenditures	<u>265,630</u>	<u>265,630</u>	<u>44,149</u>	<u>221,481</u>
Excess of revenues over (under) expenditures	<u>23,790</u>	<u>23,790</u>	<u>120,632</u>	<u>96,842</u>
Other Financing Sources (Uses):				
Transfer from the General Fund for open space maintenance	<u>7,540</u>	<u>7,540</u>	-	<u>(7,540)</u>
Total other financing sources (uses)	<u>7,540</u>	<u>7,540</u>	-	<u>(7,540)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ 31,330</u>	<u>\$ 31,330</u>	<u>120,632</u>	<u>\$ 89,302</u>
Fund balance, June 30, 2008			<u>197,385</u>	
Fund balance, June 30, 2009			<u>\$ 318,017</u>	

CITY OF ATASCADERO

DE ANZA STREET & STORM DRAIN ASSESSMENT DISTRICT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and assessments	\$ 34,420	\$ 34,420	\$ 35,294	\$ 874
Interest income	810	810	3,801	2,991
Total revenues	<u>35,230</u>	<u>35,230</u>	<u>39,095</u>	<u>3,865</u>
Expenditures:				
Advertising	-	330	330	-
Contract services	8,650	8,320	2,283	6,037
Administration	2,110	2,110	768	1,342
Total expenditures	<u>10,760</u>	<u>10,760</u>	<u>3,381</u>	<u>7,379</u>
Excess of revenues over expenditures	<u>\$ 24,470</u>	<u>\$ 24,470</u>	35,714	<u>\$ 11,244</u>
Fund balance, June 30, 2008			<u>101,270</u>	
Fund balance, June 30, 2009			<u>\$ 136,984</u>	

CITY OF ATASCADERO

DE ANZA LANDSCAPE & LIGHTING ASSESSMENT DISTRICT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and assessments	\$ 27,680	\$ 27,680	\$ 30,284	\$ 2,604
Interest income	540	540	3,815	3,275
Total revenues	<u>28,220</u>	<u>28,220</u>	<u>34,099</u>	<u>5,879</u>
Expenditures:				
Advertising	-	380	380	-
Utilities	3,920	3,920	-	3,920
Operating supplies	1,370	1,370	-	1,370
Contract services	58,550	58,170	15,500	42,670
Administration	4,800	4,800	1,613	3,187
Total expenditures	<u>68,640</u>	<u>68,640</u>	<u>17,493</u>	<u>51,147</u>
Excess of revenues over (under) expenditures	<u>(40,420)</u>	<u>(40,420)</u>	<u>16,606</u>	<u>57,026</u>
Other Financing Sources (Uses):				
Transfer from the General Fund for open space maintenance	<u>2,500</u>	<u>2,500</u>	-	<u>(2,500)</u>
Total other financing sources (uses)	<u>2,500</u>	<u>2,500</u>	-	<u>(2,500)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ (37,920)</u>	<u>\$ (37,920)</u>	<u>16,606</u>	<u>\$ 54,526</u>
Fund balance, June 30, 2008			<u>110,583</u>	
Fund balance, June 30, 2009			<u>\$ 127,189</u>	

CITY OF ATASCADERO
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
STIP Funds- Rosario NB Auxilary Land Study	\$ 120,000	\$ 120,000	\$ -	\$ (120,000)
STIP Funds- Downtown Streetscape II	375,000	375,000	-	(375,000)
SLOCOG Grant- Curbaril Park & Ride	50,000	50,000	4,737	(45,263)
State River Parkways Grant- Creek Trail Project	418,560	418,560	-	(418,560)
Interest income	54,710	54,710	36,242	(18,468)
Donations- LINK Pedestrian Tunnel	3,080	3,080	-	(3,080)
PG & E Underground Utility Contribution	1,500,000	1,500,000	-	(1,500,000)
Total revenues	<u>2,521,350</u>	<u>2,521,350</u>	<u>40,979</u>	<u>(2,480,371)</u>
Expenditures:				
Special projects:				
Curbaril Park and Ride Improvements	50,000	50,000	4,737	45,263
Rosario NB Auxilary Lane Study	120,000	120,000	-	120,000
Downtown Underground Utility Project	1,660,000	1,660,000	-	1,660,000
Capital outlay:				
Downtown Streetscape Improvements II	2,964,720	2,964,720	1,301,115	1,663,605
Santa Rosa Road Rehabilitation	65,000	65,000	33,171	31,829
Paloma Creek Park Playground Equipment	211,800	211,800	215,140	(3,340)
Lake Park Parking Lot Renovations	118,890	115,450	107,963	7,487
Santa Rosa Pedestrian Bridge	55,560	59,000	57,377	1,623
Atascadero Creek Trail Enhancement Project	418,560	418,560	-	418,560
New Corporate Yard	132,870	132,870	158,992	(26,122)
Total expenditures	<u>5,797,400</u>	<u>5,797,400</u>	<u>1,878,495</u>	<u>3,918,905</u>
Excess of revenues over (under) expenditures	<u>(3,276,050)</u>	<u>(3,276,050)</u>	<u>(1,837,516)</u>	<u>1,438,534</u>

CITY OF ATASCADERO
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (continued)
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Other Financing Sources:				
Transfer from the General Fund for Street Projects	\$ 250,000	\$ 250,000	\$ -	\$ (250,000)
Transfer from the RDA Fund for the Downtown Streetscape II Project	397,500	397,500	-	(397,500)
Transfer from the 2005 RDA Bond Project Fund for the Downtown Streetscape II Project	2,189,140	2,189,140	1,301,115	(888,025)
Transfer from the RDA Fund for the Underground Utility Project	160,000	160,000	-	(160,000)
Transfer from the Government Facilities Fee Fund for the New Corporate Yard Project	95,000	95,000	95,000	-
Transfer to Circulation Impact Fee Fund for the Lewis Avenue Bridge Project	(61,400)	(61,400)	(4,748)	56,652
Total other financing sources	3,030,240	3,030,240	1,391,367	(1,638,873)
Excess of revenues and other sources over (under) expenditures	\$ (245,810)	\$ (245,810)	(446,149)	\$ (200,339)
Fund balance, June 30, 2008			1,398,796	
Fund balance, June 30, 2009			\$ 952,647	

CITY OF ATASCADERO

2005 REDEVELOPMENT BOND PROJECT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Interest income	\$ 64,190	\$ 64,190	\$ 62,226	\$ (1,964)
Total revenues	64,190	64,190	62,226	(1,964)
Expenditures:				
Special projects & community funding:				
Creek Master Plan	96,890	96,890	-	96,890
Downtown Lighting Projects	93,640	93,640	16,542	77,098
Capital outlay:				
Maiden Statue Restoration Project	287,090	287,090	213	286,877
Wayfinding	609,730	609,730	8,212	601,518
Creek Bank Stabilization Project	-	-	1,272	(1,272)
Total expenditures	1,087,350	1,087,350	26,239	1,061,111
Excess of revenues over (under) expenditures	(1,023,160)	(1,023,160)	35,987	1,059,147
Other Financing Sources:				
Transfer to Circulation System Fee Fund for the Lewis Avenue Bridge Project	(122,810)	(122,810)	(9,496)	113,314
Transfer to the Youth Center Construction Fund for the new Youth Center	(4,930)	(4,930)	(4,927)	3
Transfer to the Capital Projects Fund for Downtown Streetscape Improvements, Phase II	(2,189,140)	(2,189,140)	(1,301,115)	888,025
Total other financing sources (uses)	(2,316,880)	(2,316,880)	(1,315,538)	1,001,342
Excess of revenues and other sources over (under) expenditures and other uses	\$ (3,340,040)	\$ (3,340,040)	(1,279,551)	\$ 2,060,489
Fund balance, June 30, 2008			3,464,183	
Fund balance, June 30, 2009			\$ 2,184,632	

CITY OF ATASCADERO

ASSESSMENT DISTRICT #8 CONSTRUCTION FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Interest income	\$ -	\$ -	\$ 33	\$ 33
Total revenues	-	-	33	33
Excess of revenues over expenditures	\$ -	\$ -	33	\$ 33
Fund balance, June 30, 2008			1,009	
Fund balance, June 30, 2009			\$ 1,042	

CITY OF ATASCADERO

YOUTH CENTER CONSTRUCTION FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Donations	\$ 26,320	\$ 26,320	\$ 11,390	\$ (14,930)
Total revenues	26,320	26,320	11,390	(14,930)
Expenditures:				
Special projects:				
Minor furniture and equipment	26,330	26,330	11,390	14,940
Capital outlay:				
Youth / Community Center	221,160	221,160	131,367	89,793
Total expenditures	247,490	247,490	142,757	104,733
Excess of revenues over (under) expenditures	(221,170)	(221,170)	(131,367)	89,803
Other Financing Sources:				
Transfer from the 2005 Redevelopment Bond Project Fund	4,930	4,930	4,927	(3)
Transfer from the Parkland Facilities Fees Fund	92,530	92,530	8,592	(83,938)
Transfer from the Public Facilities Fees Fund	56,080	56,080	52,956	(3,124)
Total other financing sources	153,540	153,540	66,475	(87,065)
Excess of revenues and other sources over (under) expenditures	\$ (67,630)	\$ (67,630)	(64,892)	\$ 2,738
Fund balance, June 30, 2008			67,625	
Fund balance, June 30, 2009			\$ 2,733	

CITY OF ATASCADERO

ASSESSMENT DISTRICT #3 DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Interest income	\$ 50	\$ 50	\$ 24	\$ (26)
Total revenues	50	50	24	(26)
Excess of revenues over expenditures	<u>\$ 50</u>	<u>\$ 50</u>	24	<u>\$ (26)</u>
Fund balance, June 30, 2008			<u>728</u>	
Fund balance, June 30, 2009			<u>\$ 752</u>	

CITY OF ATASCADERO

ASSESSMENT DISTRICT #4 DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Interest income	\$ 400	\$ 400	\$ 1,540	\$ 1,140
Total revenues	400	400	1,540	1,140
Expenditures:				
Services	7,030	7,030	-	7,030
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	7,030	7,030	-	7,030
Excess of revenues over (under) expenditures	\$ (6,630)	\$ (6,630)	1,540	\$ 8,170
Fund balance, June 30, 2008			46,411	
Fund balance, June 30, 2009			\$ 47,951	

CITY OF ATASCADERO

ASSESSMENT DISTRICT #5 DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Interest income	\$ -	\$ -	\$ 137	\$ 137
Total revenues	-	-	137	137
Excess of revenues over expenditures	\$ -	\$ -	137	\$ 137
Fund balance, June 30, 2008			4,157	
Fund balance, June 30, 2009			\$ 4,294	

CITY OF ATASCADERO

ASSESSMENT DISTRICT #7 DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and assessments	\$ 14,800	\$ 14,800	\$ 15,571	\$ 771
Interest income (expense)	(1,970)	(1,970)	(1,755)	215
Total revenues	<u>12,830</u>	<u>12,830</u>	<u>13,816</u>	<u>986</u>
Expenditures:				
Services	580	580	555	25
Interest	<u>1,480</u>	<u>1,480</u>	<u>1,471</u>	<u>9</u>
Total expenditures	<u>2,060</u>	<u>2,060</u>	<u>2,026</u>	<u>34</u>
Excess of revenues over (under) expenditures	<u>\$ 10,770</u>	<u>\$ 10,770</u>	11,790	<u>\$ 1,020</u>
Fund balance, June 30, 2008			<u>(94,283)</u>	
Fund balance, June 30, 2009			<u>\$ (82,493)</u>	

CITY OF ATASCADERO

ASSESSMENT DISTRICT #9 DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and assessments	\$ 27,000	\$ 27,000	\$ 26,711	\$ (289)
Interest income	560	560	655	95
Total revenues	<u>27,560</u>	<u>27,560</u>	<u>27,366</u>	<u>(194)</u>
Expenditures:				
Services	710	710	731	(21)
Interest	<u>3,750</u>	<u>3,750</u>	<u>3,742</u>	<u>8</u>
Total expenditures	<u>4,460</u>	<u>4,460</u>	<u>4,473</u>	<u>(13)</u>
Excess of revenues over expenditures	<u>\$ 23,100</u>	<u>\$ 23,100</u>	22,893	<u>\$ (207)</u>
Fund balance, June 30, 2008			<u>(56,633)</u>	
Fund balance, June 30, 2009			<u>\$ (33,740)</u>	

CITY OF ATASCADERO

ASSESSMENT DISTRICT #10 DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and assessments	\$ 3,630	\$ 3,630	\$ 3,632	\$ 2
Interest income	30	30	32	2
Total revenues	<u>3,660</u>	<u>3,660</u>	<u>3,664</u>	<u>4</u>
Expenditures:				
Interest	510	510	508	2
Total expenditures	<u>510</u>	<u>510</u>	<u>508</u>	<u>2</u>
Excess of revenues over (under) expenditures	<u>\$ 3,150</u>	<u>\$ 3,150</u>	3,156	<u>\$ 6</u>
Fund balance, June 30, 2008			(10,355)	
Fund balance, June 30, 2009			<u>\$ (7,199)</u>	

CITY OF ATASCADERO

2005 REDEVELOPMENT BOND DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Current secured increment	\$ 569,300	\$ 569,300	\$ 823,302	\$ 254,002
Interest income	49,140	49,140	22,322	(26,818)
Total revenues	<u>618,440</u>	<u>618,440</u>	<u>845,624</u>	<u>227,184</u>
Expenditures:				
Services	2,320	2,320	2,428	(108)
Interest	<u>574,050</u>	<u>574,050</u>	<u>574,042</u>	<u>8</u>
Total expenditures	<u>576,370</u>	<u>576,370</u>	<u>576,470</u>	<u>(100)</u>
Excess of revenues over (under) expenditures	<u>\$ 42,070</u>	<u>\$ 42,070</u>	269,154	<u>\$ 227,084</u>
Fund balance, June 30, 2008			<u>1,297,893</u>	
Fund balance, June 30, 2009			<u>\$ 1,567,047</u>	

CITY OF ATASCADERO
1997 C.O.P. REFUNDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Principal	\$ 151,000	\$ 151,000	\$ 151,000	\$ -
Interest	8,690	8,690	8,682	8
Total expenditures	159,690	159,690	159,682	8
Excess of revenues over (under) expenditures	(159,690)	(159,690)	(159,682)	8
Other Financing Sources:				
Transfer from General Fund for pavilion debt service	41,520	41,520	41,517	(3)
Transfer from Public Facilities Fees Fund for pavilion debt service	47,910	47,910	47,905	(5)
Transfer from Law Enforcement Facilities Fees Fund for police station debt service	70,260	70,260	70,260	-
Total other financing sources	159,690	159,690	159,682	(8)
Excess of revenues and other sources over expenditures	\$ -	\$ -	-	\$ -
Fund balance, June 30, 2008			-	
Fund balance, June 30, 2009			\$ -	

CITY OF ATASCADERO

1992 STREET ASSESSMENT IMPROVEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Interest income	\$ 3,400	\$ 3,400	\$ 5,728	\$ 2,328
Total revenues	3,400	3,400	5,728	2,328
Expenditures:				
Services	5,700	5,700	4,159	1,541
Principal	65,000	65,000	65,000	-
Interest	2,020	2,020	2,015	5
Total expenditures	72,720	72,720	71,174	1,546
Excess of revenues over expenditures	\$ (69,320)	\$ (69,320)	(65,446)	\$ 3,874
Fund balance, June 30, 2008			236,098	
Fund balance, June 30, 2009			\$ 170,652	

CITY OF ATASCADERO

1993 CAMINO REAL IMPROVEMENT BONDS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2009

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes and assessments	\$ 175,600	\$ 175,600	\$ 173,330	\$ (2,270)
Interest income	9,500	9,500	10,545	1,045
Total revenues	<u>185,100</u>	<u>185,100</u>	<u>183,875</u>	<u>(1,225)</u>
Expenditures:				
Services	2,400	2,400	2,435	(35)
Principal	125,000	125,000	125,000	-
Interest	44,030	44,030	44,028	2
Total expenditures	<u>171,430</u>	<u>171,430</u>	<u>171,463</u>	<u>(33)</u>
Excess of revenues over expenditures	<u>\$ 13,670</u>	<u>\$ 13,670</u>	12,412	<u>\$ (1,258)</u>
Fund balance, June 30, 2008			<u>456,406</u>	
Fund balance, June 30, 2009			<u>\$ 468,818</u>	

CITY OF ATASCADERO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
June 30, 2009

	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
ASSETS				
Current Assets:				
Cash and investments	\$ 1,059,062	\$ 2,156,162	\$ 2,149,502	\$ 5,364,726
Receivables:				
Federal distributions due	1,109	3,850	539,260	544,219
Due from State of California	406	1,284	179,754	181,444
Accrued interest	4,894	10,101	10,021	25,016
Prepaid expenses	3,919	-	-	3,919
Total current assets	<u>1,069,390</u>	<u>2,171,397</u>	<u>2,878,537</u>	<u>6,119,324</u>
Capital Assets:				
Non-depreciable:				
Construction in progress	-	-	2,618,263	2,618,263
Depreciable:				
Vehicles	-	3,614,871	-	3,614,871
Equipment	1,992,508	2,620,406	17,714	4,630,628
Structure and improvements	-	-	14,834,206	14,834,206
Accumulated depreciation	<u>(1,470,862)</u>	<u>(2,519,703)</u>	<u>(2,710,602)</u>	<u>(6,701,167)</u>
Net capital assets	<u>521,646</u>	<u>3,715,574</u>	<u>14,759,581</u>	<u>18,996,801</u>
Total assets	<u>1,591,036</u>	<u>5,886,971</u>	<u>17,638,118</u>	<u>25,116,125</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	25,515	30	27,577	53,122
Accrued salaries and benefits	13,133	-	5,779	18,912
Noncurrent Liabilities:				
Compensated absences	<u>18,243</u>	<u>-</u>	<u>15,868</u>	<u>34,111</u>
Total liabilities	<u>56,891</u>	<u>30</u>	<u>49,224</u>	<u>106,145</u>
NET ASSETS				
Invested in capital assets	521,646	3,715,574	14,759,581	18,996,801
Unrestricted	<u>1,012,499</u>	<u>2,171,367</u>	<u>2,829,313</u>	<u>6,013,179</u>
Total net assets	<u>\$ 1,534,145</u>	<u>\$ 5,886,941</u>	<u>\$ 17,588,894</u>	<u>\$ 25,009,980</u>

CITY OF ATASCADERO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
For the Fiscal Year Ended June 30, 2009

	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
Operating Revenues:				
Charges for services	\$ 809,740	\$ 319,900	\$ 958,326	\$ 2,087,966
Charges for classes	16,400	-	-	16,400
Other	41	-	-	41
	<u>826,181</u>	<u>319,900</u>	<u>958,326</u>	<u>2,104,407</u>
Operating Expenses:				
Salaries and benefits	436,526	-	189,002	625,528
Office expense	670	-	-	670
Computer maintenance, software and replacement	-	-	6,590	6,590
Insurance	-	-	23,231	23,231
Occupancy and rental costs	46,720	-	373,596	420,316
Utilities	-	-	47,208	47,208
Communications	6,839	-	3,365	10,204
Operating supplies and services	15,582	-	26,326	41,908
Vehicle and equipment operating costs	5,969	-	8,867	14,836
Contract services	49,747	-	40,414	90,161
Professional development	8,528	-	3,931	12,459
Recruitment	63	-	-	63
Administrative charges	32,110	-	69,540	101,650
Special projects:				
Safe	1,990	-	-	1,990
Software	956	-	-	956
Speaking Services	16,405	-	-	16,405
Network Segmentation Study	25,920	-	-	25,920
HVAC Units	-	-	2,200	2,200
Parking Lot Repairs	-	-	43,587	43,587
Depreciation	249,971	469,532	703,172	1,422,675
	<u>897,996</u>	<u>469,532</u>	<u>1,541,029</u>	<u>2,908,557</u>
Total operating expenses	<u>897,996</u>	<u>469,532</u>	<u>1,541,029</u>	<u>2,908,557</u>
Operating income (loss)	<u>(71,815)</u>	<u>(149,632)</u>	<u>(582,703)</u>	<u>(804,150)</u>

CITY OF ATASCADERO

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS (continued)

For the Fiscal Year Ended June 30, 2009

	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
Non-Operating Revenues (Expenses):				
FEMA Earthquake Repair Grant	\$ -	\$ -	\$ 280,197	\$ 280,197
OES Earthquake Repair Grant	-	-	93,399	93,399
Interest income	31,583	71,159	67,740	170,482
Gain on sale of assets	1,399	6,401	-	7,800
Total non-operating revenues (expenses)	<u>32,982</u>	<u>77,560</u>	<u>441,336</u>	<u>551,878</u>
Change in net assets prior to capital contributions	<u>(38,833)</u>	<u>(72,072)</u>	<u>(141,367)</u>	<u>(252,272)</u>
Capital Contributions:				
Capital contributions from other funds	<u>11,523</u>	<u>24,206</u>	<u>2,447,310</u>	<u>2,483,039</u>
Total capital contributions	<u>11,523</u>	<u>24,206</u>	<u>2,447,310</u>	<u>2,483,039</u>
Change in net assets	(27,310)	(47,866)	2,305,943	2,230,767
Total net assets, June 30, 2008	<u>1,561,455</u>	<u>5,934,807</u>	<u>15,282,951</u>	<u>22,779,213</u>
Total net assets, June 30, 2009	<u>\$ 1,534,145</u>	<u>\$ 5,886,941</u>	<u>\$ 17,588,894</u>	<u>\$ 25,009,980</u>

CITY OF ATASCADERO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2009

	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
Cash Flows From Operating Activities:				
Internal activity - payments from other funds	\$ 809,740	\$ 319,900	\$ 958,326	\$ 2,087,966
Payments from outside customers	16,400	-	-	16,400
Payments to suppliers of goods and services	(197,607)	(20,262)	(648,788)	(866,657)
Payments for employee services	(428,217)	-	(185,168)	(613,385)
Net cash provided (used) by operating activities	<u>200,316</u>	<u>299,638</u>	<u>124,370</u>	<u>624,324</u>
Cash Flows From Capital and Related Financing Activities:				
Acquisition of capital assets	(32,106)	(607,111)	(46,319)	(685,536)
Capital grant proceeds	-	-	336,236	336,236
Proceeds from sale of capital assets	1,399	6,401	-	7,800
Net cash provided (used) by capital and related financing activities	<u>(30,707)</u>	<u>(600,710)</u>	<u>289,917</u>	<u>(341,500)</u>
Cash Flows From Investing Activities:				
Interest income	33,421	79,663	70,772	183,856
Net cash provided (used) by investing activities	<u>33,421</u>	<u>79,663</u>	<u>70,772</u>	<u>183,856</u>
Net increase in cash and cash equivalents	203,030	(221,409)	485,059	466,680
Cash and cash equivalents - June 30, 2008	856,032	2,377,571	1,664,443	4,898,046
Cash and cash equivalents - June 30, 2009	<u>\$ 1,059,062</u>	<u>\$ 2,156,162</u>	<u>\$ 2,149,502</u>	<u>\$ 5,364,726</u>

CITY OF ATASCADERO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS (continued)
For the Fiscal Year Ended June 30, 2009

	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	\$ (71,815)	\$ (149,632)	\$ (582,703)	\$ (804,150)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	249,971	469,532	703,172	1,422,675
Change in assets and liabilities:				
Prepaid expenses	(3,919)	-	2,752	(1,167)
Accounts payable	17,770	(20,262)	(2,685)	(5,177)
Accrued salaries and benefits	2,674	-	1,401	4,075
Compensated absences	5,635	-	2,433	8,068
Net cash provided (used) by operating activities	<u>\$ 200,316</u>	<u>\$ 299,638</u>	<u>\$ 124,370</u>	<u>\$ 624,324</u>