

CITY OF ANGELS
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

CITY OF ANGELS

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Angels, California

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information and the fiduciary fund of the City of Angels, California, as of and for the year ended June 30, 2021, and the notes to the financial statements which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

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

Opinion

In our opinion, the basic 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, the aggregate remaining funds and the fiduciary fund of the City of Angels as of June 30, 2021, and the changes in financial position, of those activities and funds and, where applicable, the results of its cash flows for the fiscal year then ended in conformity with U.S. generally accepted accounting principles.

Other Matters

Required Supplementary Information

The City of Angels has not presented the Management Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Other Matters (Continued)

The required supplementary information (RSI) other than MD&A, as listed in the table of contents on page 36 as the budgetary comparison schedule-General Fund, page 38 as the Schedule of the Plan's Proportionate Share of the Net Pension Liability, page 39 as the Schedule of City Pension Contributions and page 40 as the City's Other Postemployment Benefits (OPEB) Plan Schedule of Changes in the City's Net OPEB Liability and Related Ratios, is presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied by us in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves and other additional procedures in accordance with accounting standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Larry Bain, CPA,
An Accounting Corporation
June 3, 2022

CITY OF ANGELS

**STATEMENT OF NET POSITION
JUNE 30, 2021**

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 3,715,567	\$ 11,955,354	\$ 15,670,921
Accounts receivables	206,130	489,829	695,959
Due from other governments	593,925		593,925
Taxes receivable	399,421		399,421
Interest receivable	257,685		257,685
Prepaid expenses	21,560	20,154	41,714
Total current assets	5,194,288	12,465,337	17,659,625
Non Current Assets			
Internal balances	(34,406)	34,406	-
Restricted cash and investments	2,289,240		2,289,240
Loans receivable	946,590	8,852	955,442
Capital assets:			
Land	867,475	116,515	983,990
Construction in Progress	3,356,356	360,161	3,716,517
Buildings and improvements	899,779	22,675,045	23,574,824
Site improvements		4,697,111	4,697,111
Equipment and vehicles	2,440,589	1,475,357	3,915,946
Infrastructure	3,932,472		3,932,472
Less: accumulated depreciation	(4,435,384)	(13,973,124)	(18,408,508)
Total capital assets	7,061,287	15,351,065	22,412,352
Total non current assets	10,262,711	15,394,323	25,657,034
Total assets	15,456,999	27,859,660	43,316,659
Deferred Outflows of Resources			
Deferred outflows-pensions	1,096,682	576,340	1,673,022
Deferred outflows-OPEB	506,714	204,137	710,851
Total deferred outflows of resources	1,603,396	780,477	2,383,873
Liabilities			
Current Liabilities:			
Accounts payable	300,404	262,430	562,834
Accrued expense	5,003		5,003
Deposit liability	18,720	54,770	73,490
Accrued wages	44,412	26,873	71,285
Unearned revenue	373,533		373,533
Accrued interest payable	1,082	29,003	30,085
Due within one year	30,076	323,155	353,231
Total current liabilities	773,230	696,231	1,469,461
Noncurrent Liabilities			
Due in more than one year	104,622	3,208,356	3,312,978
OPEB liability	3,364,992	2,173,545	5,538,537
Net pension liability	4,037,317	2,507,896	6,545,213
Total liabilities due in more than one year	7,506,931	7,889,797	15,396,728
Total Liabilities	8,280,161	8,586,028	16,866,189
Deferred Inflows of Resources			
Deferred inflows-pensions	143,453	209,682	353,135
Deferred inflows-OPEB	98,406	39,611	138,017
Total deferred inflows	241,859	249,293	491,152
Net Position			
Net investment in capital assets	7,043,373	11,941,477	18,984,850
Restricted	2,245,330		2,245,330
Unrestricted	(750,328)	7,863,339	7,113,011
Total net position	\$ 8,538,375	\$ 19,804,816	\$ 28,343,191

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

CITY OF ANGELS

**STATEMENT OF ACTIVITIES
JUNE 30, 2021**

Functions/programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Capital Grants and Contributions	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 876,431	\$ 405,417	\$ -	\$ 64,646	\$ (406,368)	\$ -	\$ (406,368)
Public safety	2,940,529	10,627	57,994	766,606	(2,105,302)		(2,105,302)
Public works	1,260,838	71,555	2,207,472	179,439	1,197,628		1,197,628
Community services/recreation	579,286	10,896	5,633	225,222	(337,535)		(337,535)
Interest on long-term debt	1,207				(1,207)		(1,207)
Total governmental activities	5,658,291	498,495	2,271,099	1,235,913	(1,652,784)		(1,652,784)
Business-type Activities:							
Water	1,712,595	1,652,951				(59,644)	(59,644)
Sewer	2,264,189	2,806,425				542,236	542,236
Interest on long-term debt	100,219					(100,219)	(100,219)
Total business-type activities	4,077,003	4,459,376				382,373	382,373
Total government	\$ 9,735,294	\$ 4,957,871	\$ 2,271,099	\$ 1,235,913	(1,652,784)	382,373	(1,270,411)
General Revenues:							
Taxes:							
Property taxes					666,970		666,970
Sales and use tax					1,964,533		1,964,533
Transient occupancy tax					1,228,486		1,228,486
Franchise tax					174,539		174,539
Motor vehicle in lieu tax					305,040		305,040
Other taxes					38,016		38,016
Business license and permits					153,033		153,033
Rents					80,023		80,023
Other income					10,985		10,985
Investment income					16,565	54,535	71,100
Total general revenues					4,638,190	54,535	4,692,725
Change in net position					2,985,406	436,908	3,422,314
Net position - beginning					5,552,969	19,367,908	24,920,877
Net position - ending					\$ 8,538,375	\$ 19,804,816	\$ 28,343,191

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

CITY OF ANGELS

**GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2021**

	General	Major Capital Projects Fund	Other Nonmajor Funds	Total Governmental Funds
<u>Assets</u>				
Cash and investments	\$ 3,715,567	\$ -	\$ -	\$ 3,715,567
Restricted cash and investments	24,918	44,260	2,220,062	2,289,240
Receivables				
Accounts	53,736		152,394	206,130
Due from other governments	412,506	162,809	18,610	593,925
Taxes	399,421			399,421
Interest	10,439		247,246	257,685
Prepaid expense	21,560			21,560
Due from other funds	168,004			168,004
Loans/notes receivable	36,107		910,483	946,590
Total assets	<u>\$ 4,842,258</u>	<u>\$ 207,069</u>	<u>\$ 3,548,795</u>	<u>\$ 8,598,122</u>
<u>Liabilities</u>				
Accounts payable	\$ 161,743	\$ 105,983	\$ 32,678	\$ 300,404
Accrued expenses	5,003			5,003
Deposit liability	18,720			18,720
Accrued wages	42,769		1,643	44,412
Unearned revenue		78,129	295,404	373,533
Due to other funds			168,004	168,004
Advance from other funds			34,406	34,406
Total liabilities	<u>228,235</u>	<u>184,112</u>	<u>532,135</u>	<u>944,482</u>
<u>Deferred Inflows of Resources</u>				
Deferred revenue-unavailable	<u>36,107</u>	<u>22,705</u>	<u>274,246</u>	<u>333,058</u>
Total deferred inflows of resources	<u>36,107</u>	<u>22,705</u>	<u>274,246</u>	<u>333,058</u>
<u>Fund Balances</u>				
Restricted	25,268		2,220,062	2,245,330
Nonspendable	21,560		910,483	932,043
Assigned for general fund	490,888			490,888
Unassigned	4,040,200	252	(388,131)	3,652,321
Total fund balances	<u>4,577,916</u>	<u>252</u>	<u>2,742,414</u>	<u>7,320,582</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,842,258</u>	<u>\$ 207,069</u>	<u>\$ 3,548,795</u>	<u>\$ 8,598,122</u>

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

CITY OF ANGELS

**RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2021**

Fund balances of governmental funds	\$ 7,320,582
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets, net of accumulated depreciation, are not current financial resources and are not included in the governmental funds.	7,061,287
Certain revenues received after 180 days from the end of the fiscal year are recorded as deferred revenue in the funds and as revenues in the government wide statement.	333,058
Certain amounts have been recorded as OPEB and pension liability, deferred outflows and deferred inflows of resources that are not due and payable and not reported in the funds.	(6,040,772)
Some liabilities, including long-term debt, compensated absences and accrued interest are not due and payable in the current period and therefore are not reported in the funds.	<u>(135,780)</u>
Net position of governmental activities	\$ <u><u>8,538,375</u></u>

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

CITY OF ANGELS

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	General	Major Capital Projects Fund	Other Nonmajor Funds	Total Governmental Funds
Revenues				
Taxes	\$ 3,667,366	\$ -	\$ 410,649	\$ 4,078,016
Licenses and permits	327,572			327,572
Intergovernmental	848,628	2,241,677	588,843	3,679,150
Fines, forfeitures and penalties	10,627			10,627
Charges for current services	107,602		380,266	487,868
Use of money and property	89,808		6,778	96,586
Other	18,328		44,499	62,827
Total revenues	5,069,931	2,241,677	1,431,035	8,742,644
Expenditures				
Current:				
General government	328,277			328,277
Public ways and facilities/ transportation	349,847		735,926	1,085,773
Public safety	2,517,009	6,935	12,696	2,536,640
Community development	223,086		348,137	571,222
Capital Outlay	77,473	2,230,095	8,778	2,316,346
Debt service				
Principal	6,049			6,049
Interest	1,207			1,207
Total expenditures	3,502,948	2,237,030	1,105,537	6,845,514
Excess (deficit) of revenues over expenditures	1,566,983	4,647	325,499	1,897,130
Other Financing Sources (Uses)				
Operating transfers in	400,403	65,997	-	466,400
Operating transfers out			(466,400)	(466,400)
Total other financing sources (uses)	400,403	65,997	(466,399)	-
Excess (deficit) of revenues and other financing sources over expenditures and other financing uses	1,967,386	70,644	(140,902)	1,897,128
Fund balances, beginning of fiscal year	2,610,530	(70,392)	2,883,316	5,423,454
Fund balances, end of fiscal year	\$ 4,577,916	\$ 252	\$ 2,742,414	\$ 7,320,582

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

CITY OF ANGELS

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE
STATEMENT OF ACTIVITIES-GOVERNMENTAL ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Net change in fund balances - total governmental funds	\$ 1,897,128
Amounts reported for governmental activities in the statement of activities differs from the amounts reported in the statement of revenues, expenditures and changes in fund balances because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity is reconciled as follows:	
Cost of assets capitalized	2,316,346
Depreciation expense	(392,263)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	6,049
Certain revenues received after ninety days from the end of the fiscal year are recorded as deferred revenue in the funds and as revenues in the government wide statement.	(98,944)
Changes in pension expense and OPEB benefits reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in governmental funds.	(723,959)
Changes in compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in governmental funds.	<u>(18,951)</u>
Change in net position of governmental activities	<u><u>\$ 2,985,406</u></u>

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

CITY OF ANGELS

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Water	Sewer	Totals
Current Assets:			
Cash and investments	\$ 7,559,137	\$ 4,396,217	\$ 11,955,354
Receivables			
Accounts (net of \$112,584 allowance)		296,434	296,434
Accounts (net of \$59,412 allowance)	193,395		193,395
Loan receivable		8,852	8,852
Prepaid expense		20,154	20,154
Total current assets	<u>7,752,532</u>	<u>4,721,657</u>	<u>12,474,189</u>
Noncurrent Assets:			
Advances to other funds	526,366		526,366
Capital assets:			
Nondepreciable capital assets:			
Land	68,965	47,550	116,515
Construction in progress	293,230	66,931	360,161
Depreciable capital assets			
Building	2,220,336	20,454,709	22,675,045
Site improvements	1,454,446	3,242,665	4,697,111
Equipment	772,136	703,221	1,475,357
Less accumulated depreciation	<u>(3,258,833)</u>	<u>(10,714,291)</u>	<u>(13,973,124)</u>
Total capital assets (net of accumulated depreciation)	<u>1,550,280</u>	<u>13,800,785</u>	<u>15,351,065</u>
Total noncurrent assets	<u>2,076,646</u>	<u>13,800,785</u>	<u>15,877,431</u>
Total assets	<u>9,829,178</u>	<u>18,522,442</u>	<u>28,351,620</u>
Deferred Outflows of Resources			
Deferred outflows-pensions	291,173	285,167	576,340
Deferred outflows-OPEB	116,159	87,978	204,137
Total deferred outflows of resources	<u>407,332</u>	<u>373,145</u>	<u>780,477</u>
Liabilities			
Current Liabilities:			
Accounts payable	95,041	167,389	262,430
Accrued payroll	15,636	11,237	26,873
Customer deposits	21,908	32,862	54,770
Current portion - notes payable	37,234	259,359	296,593
Current portion compensated absence	11,103	15,459	26,562
Interest payable		29,003	29,003
Total current liabilities	<u>180,922</u>	<u>515,309</u>	<u>696,231</u>
Noncurrent Liabilities:			
Advances from other funds		491,960	491,960
Compensated absences	53,229	42,132	95,361
Net pension liability	1,269,295	1,238,601	2,507,896
Net OPEB liability	1,126,065	1,047,480	2,173,545
Long-term debt	111,702	3,001,293	3,112,995
Total noncurrent liabilities	<u>2,560,291</u>	<u>5,821,466</u>	<u>8,381,757</u>
Total liabilities	<u>2,741,213</u>	<u>6,336,775</u>	<u>9,077,988</u>
Deferred Inflows of Resources			
Deferred inflows-pensions	106,489	103,193	209,682
Deferred inflows-OPEB	22,552	17,059	39,611
Total deferred inflows of resources	<u>129,041</u>	<u>120,252</u>	<u>249,293</u>
Net Position:			
Net investment in capital assets	1,401,344	10,540,133	11,941,477
Unreserved	5,964,912	1,898,427	7,863,339
Total net position	<u>\$ 7,366,256</u>	<u>\$ 12,438,560</u>	<u>\$ 19,804,816</u>

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

CITY OF ANGELS

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
Operating Revenues			
Charges for services	\$ 1,611,128	\$ 2,759,951	\$ 4,371,079
Connection fees	36,245	46,385	82,630
Other income	<u>5,578</u>	<u>89</u>	<u>5,667</u>
Total operating revenues	<u>1,652,951</u>	<u>2,806,425</u>	<u>4,459,376</u>
Operating Expenses			
Salaries and benefits	1,130,679	851,381	1,982,060
Services and supplies	466,143	822,715	1,288,858
Depreciation expense	<u>115,773</u>	<u>590,093</u>	<u>705,866</u>
Total operating expenses	<u>1,712,595</u>	<u>2,264,189</u>	<u>3,976,784</u>
Operating income (loss)	<u>(59,644)</u>	<u>542,236</u>	<u>482,592</u>
Non-Operating Revenues (Expenses)			
Interest income	38,718	15,817	54,535
Debt service fee		-	-
Interest expense		<u>(100,219)</u>	<u>(100,219)</u>
Total non-operating revenues (expenses)	<u>38,718</u>	<u>(84,402)</u>	<u>(45,684)</u>
Net income (loss)	<u>(20,926)</u>	<u>457,834</u>	<u>436,908</u>
Net position, beginning of fiscal year	<u>7,387,182</u>	<u>11,980,726</u>	<u>19,367,908</u>
Net position, end of fiscal year	<u><u>\$ 7,366,256</u></u>	<u><u>\$ 12,438,560</u></u>	<u><u>\$ 19,804,816</u></u>

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

CITY OF ANGELS

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
JUNE 30, 2021**

	Water	Sewer	Totals
Cash Flows from Operating Activities			
Cash received from customers	\$ 1,618,020	\$ 2,749,246	\$ 4,367,266
Cash payments to suppliers	(432,743)	(886,524)	(1,319,267)
Cash payments to employees	(856,331)	(612,816)	(1,469,147)
Net cash provided by (used for) operating activities	<u>328,946</u>	<u>1,249,906</u>	<u>1,578,852</u>
Cash Flows from Non-Capital Financing Activities			
Payments (to)/from other funds	76,699	(60,000)	16,699
Reduction in loan receivable		43,148	43,148
Net cash provided (used) by non-capital financing activities	<u>76,699</u>	<u>(16,852)</u>	<u>59,847</u>
Cash Flows from Capital and Related Financing Activities			
Purchase of fixed assets	(129,585)		(129,585)
Debt service fee			-
Reductions of debt	(74,468)	(251,722)	(326,190)
Interest expense		(99,513)	(99,513)
Net cash provided by (used for) capital and related financing activities	<u>(204,053)</u>	<u>(351,235)</u>	<u>(555,288)</u>
Cash Flows from Investing Activities:			
Interest income	38,721	15,819	54,540
Net cash provided by investing activities	<u>38,721</u>	<u>15,819</u>	<u>54,540</u>
Net increase (decrease) in cash and cash equivalents	240,313	897,638	1,137,951
Cash and cash equivalents, beginning of fiscal year	7,318,824	3,498,579	10,817,403
Cash and cash equivalents, end of fiscal year	<u>\$ 7,559,137</u>	<u>\$ 4,396,217</u>	<u>\$ 11,955,354</u>
Reconciliation of Cash and Cash Equivalents:			
Cash and investments	\$ 7,559,137	\$ 4,396,217	\$ 11,955,354
Total cash and cash equivalents	<u>\$ 7,559,137</u>	<u>\$ 4,396,217</u>	<u>\$ 11,955,354</u>
Reconciliation of Operating Income to Net Cash			
Provided by (used for) operating activities	\$ (59,644)	\$ 542,236	\$ 482,592
Adjustments to Operating Income:			
Depreciation	115,773	590,093	705,866
(Increase) decrease in accounts receivable	(34,930)	(57,179)	(92,109)
(Increase) decrease in prepaid expense		(12,430)	(12,430)
Increase (decrease) in accounts payable	33,400	(51,379)	(17,979)
Increase (decrease) in accrued payroll	272	(1,835)	(1,563)
Increase (decrease) from net pension liability	166,004	160,385	326,389
Increase (decrease) from OPEB activity	98,676	74,641	173,317
Increase (decrease) in compensated absences	9,395	5,374	14,769
Net cash provided by (used for) operating activities	<u>\$ 328,946</u>	<u>\$ 1,249,906</u>	<u>\$ 1,578,852</u>

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

CITY OF ANGEL

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021**

	Custodial Funds		Totals
	Greenhorn Creek Assessment District	LAFCO Trust Fund	
<u>Assets</u>			
Cash and investments	\$ 1,058,119	\$ 233,231	\$ 1,291,350
Due from others	342,159		342,159
	1,400,278	233,231	1,633,509
<u>Liabilities</u>			
Due to others	3,500	\$ 8,557	\$ 12,057
	3,500	8,557	12,057
<u>Net Position</u>			
Restricted			
Restricted for Greenhorn Creek	1,396,778		1,396,778
Held in trust for LAFCO		224,674	224,674
	1,396,778	224,674	1,621,452
	\$ 1,396,778	\$ 224,674	\$ 1,621,452

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

CITY OF ANGEL

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021**

<u>Assets</u>	Custodial Funds		<u>Totals</u>
	Greenhorn Creek Assessment District	LAFCO Trust Fund	
Additions:			
Contributions	\$ 760,033	\$ 94,809	\$ 854,842
Total contributions	760,033	94,809	854,842
Deductions			
Administrative costs	(28,447)	(71,231)	(99,678)
Debt service			
Principal	(675,000)		(675,000)
Interest	(30,660)		(30,660)
Total deductions	(734,107)	(71,231)	(805,338)
Change in net position	25,926	23,578	49,504
Net position beginning of year-restated	1,370,852	201,096	1,571,948
Net position end of year	\$ 1,396,778	\$ 224,674	\$ 1,621,452

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

City of Angels
Notes to Financial Statements
June 30, 2021

Note 1: Summary of Significant Accounting Policies

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

A. Reporting Entity

The City was incorporated in 1912, as a municipal corporation operating under the general laws of the State of California. The City operates under a Council-Manager form of government and provides services including general government, public works, public safety, water, sewer, building inspections, public improvements, planning and zoning, and parks and recreation. Control or dependence is determined on the basis of budget adoption, selection of governing authority and designation of management, outstanding debt secured by revenues or general obligations of the City and ability to significantly influence operations.

The financial reporting entity, as defined by the GASB, consists of the primary government, the City, organizations for which the primary government is financially accountable, and any other organization for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

B. Basis of Accounting

The government-wide, proprietary and agency fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned or, for property tax revenues, in the period for which levied. Expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenue from sales tax is recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or as a reservation of fund balance. The City considers property taxes available if they are collected within ninety days after year-end.

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt, as well as compensated absences and claims and judgments are recorded only when payment is due. General capital acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financial sources.

When applicable, the City reports deferred revenue on its combined balance sheet. Deferred revenue arises when a potential revenue source does not meet both the measurable and available criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has legal claim to them, as when grant monies are received prior to the occurrences of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has legal claim to the resources, deferred revenue is removed from the combined balance sheet and revenue is recognized.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

City of Angels
Notes to Financial Statements
June 30, 2021

Note 1: Summary of Significant Accounting Policies

C. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the City) and its blended component units. These statements include the financial activities of the overall government, except for fiduciary activities. These statements distinguish between the governmental and business-type activities of the City. 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 charged to external parties.

The statement of activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function. Program revenues include 1) charges paid by the recipient of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

When both restricted and unrestricted net position are available, unrestricted resources are used only after the restricted resources are depleted.

Fund Financial Statements

The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in separate columns. All remaining governmental and enterprise funds are separately aggregated and reported as non-major funds.

The City reports the following major governmental funds:

General Fund - This fund accounts for all the financial resources not required to be accounted for in another fund. This fund consists primarily of general government type activities.

Major Capital Projects Fund - This fund accounts for the financial resources accumulated for the acquisition and construction of capital projects.

The City reports the following major enterprise funds.

Water and Sewer Funds - account for the operation of the City's water and sewer utilities. Activities of these funds include administration, operation and maintenance of the water and sewer systems and billing and collection activities. The Funds also accumulate resources for, and payment of long-term debt principal and interest. All costs are financed through charges made to utility customers with rates reviewed regularly and adjusted if necessary to ensure the integrity of the Funds.

The City reports the following additional fund types:

Fiduciary Funds – The Fiduciary Funds accounts for assets held by the City as an agent for Greenhorn Creek assessment District and in trust for the Local Agency Formation Commission (LAFCO)

City of Angels
Notes to Financial Statements
June 30, 2021

Note 1: Summary of Significant Accounting Policies

D. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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.

E. Cash Equivalents

For the purpose of the statement of cash flows, the City considers cash and cash equivalents as short term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

Restricted cash and unrestricted pooled cash and investments held by the City are considered cash equivalents for purposes of the combined statement of cash flow's because the City's cash management pool and funds invested by the City possess the characteristics of demand deposit accounts.

F. Accounts Receivable

Accounts receivable are recorded for services, provided to individuals or non-governmental entities that are billed but unpaid. Proprietary Fund receivables are shown net of allowance for uncollectible accounts.

G. Fixed Assets

Capital assets, recorded at historical cost or estimated historical cost if actual historical cost is not available, are reported in governmental activities column of the government-wide financial statements. Contributed fixed assets are valued at their estimated fair market value. Capital assets include land, buildings and building improvements and equipment. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Depreciation is recorded in the government-wide financial statements on the straight-line basis over the useful life of the assets as follows:

<u>Assets</u>	<u>Useful Life</u>
Building and improvements	20-40 years
Plant System	20-60 years
Equipment and machinery	5-10 years
Infrastructure	40 years

City of Angels
Notes to Financial Statements
June 30, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

H. Property Tax

Calaveras County is responsible for assessing, collecting and distributing property taxes in accordance with enabling legislation. Revenue received is based on an allocation factor calculated by the County under the provisions of Proposition 13 plus a percentage of the increase in market value in specific areas. The City's property tax is levied each July 1 on the assessed values as of the prior January 1 for all real and personal property located in the City. Property sold after the assessment date (January 1) is reassessed and the amount of property tax levied is prorated.

Secured property taxes are due in two equal installments; the first is due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10. Unsecured property tax is levied on July 1 and due on July 31 and becomes delinquent on August 31.

Based on a policy by the County called the Teeter Plan, 100% of the allocated taxes are transmitted by the County to the City, eliminating the need for an allowance for uncollectable. The County, in return, receives all penalties and interest on the related delinquent taxes.

I. Balance Sheet Classifications

Certain resources are classified as restricted assets as their use is restricted for specific purposes by bond agreements, lease agreements, trust agreements, grant agreements, City Charter provisions, or other requirements. Governmental fund types' restricted assets are for future payments of other post-retirement employment benefits. Proprietary fund types' restricted assets are for grant/bond reserve requirements and future payments of other post-employment benefits.

J. Pensions

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

K. Compensated Absences

City employees are granted vacation in varying amounts based on classification and length of service. Upon termination or retirement, the City is to pay 100% of the vacation time accrued.

Governmental Funds – Governmental Funds record expenditures for compensated absences as they are taken by employees. A year-end accrual for compensated absences has not been made in the Governmental Funds as of June 30, 2021, because the City does not believe any of the available year-end resources will be required to fund the year-end compensated absences liability.

Proprietary Funds – Proprietary funds accrue a liability for unused compensated absences earned through year-end. An expense is recognized for the increase in liability from the prior year.

City of Angels
Notes to Financial Statements
June 30, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

L. Intergovernmental Revenues

Federal and state governments reimburse the City for costs incurred on certain fixed asset construction projects under capital grant agreements. Amounts claimed under such grants are credited to intergovernmental revenues if the project is being administered by a Capital Projects Fund. Additionally, the City receives reimbursement from federal and state governments for other programs, such as housing and rehabilitation. These reimbursements are recorded in the fund administering the program as intergovernmental revenues with the related program costs included in expenditures.

The respective grant agreements generally require the City to maintain accounting records and substantiating evidence to determine if all costs incurred and claimed are proper and that the City is in compliance with other terms of the grant agreements. These records are subject to audit by the appropriate government agency. Any amounts disallowed will reduce future claims or be directly recovered from the City.

M. Net Position

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position are categorized as invested in capital assets (net of related debt), restricted, and unrestricted.

- Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- Restricted net position – Consists of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements and other special revenue fund purposes.
- Unrestricted net position – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

N. Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2021, fund balances for governmental funds are made up of the following:

- Nonspendable fund balance - includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.
- Restricted fund balance - includes amounts that can be spent for specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- Committed fund balance - includes amounts that can only be used for the specific purposes determined by a formal action of the City’s highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City taking the same formal action that imposed the constraint originally (for example: resolution and ordinance).

City of Angels
Notes to Financial Statements
June 30, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

N. Fund Balances (Continued)

- Assigned fund balance - comprises amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by (1) the City Council or (b) a body (for example: a budget or finance committee) or official to which the City Council has delegated the authority to assign amounts to be used for specific purposes.
- Unassigned fund balance - is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, that fund would report a negative unassigned fund balance.

Note 2: Cash and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and investments. Unless otherwise dictated by legal or contractual requirements, income earned or losses arising from the investment of pooled cash are allocated on a quarterly basis to the participating funds and component units based on their proportionate shares of the average quarterly cash balance.

The City maintains “restricted cash and investments”.

Cash and investments at June 30, 2021, consisted of the following:

Cash and investments	\$ 15,670,921
Restricted cash and investments	<u>2,289,240</u>
Cash and investments, statement of net position	17,960,161
Cash and investments, agency funds	<u>1,291,350</u>
Total cash and investments	<u><u>\$ 19,251,511</u></u>
Deposits with financial institutions	\$ 3,824,057
Imprest cash	350
Investments with fiscal agent	1,340,150
Local agency investment fund	<u>14,086,954</u>
Total cash and investments	<u><u>\$ 19,251,511</u></u>

A. Investments Authorized by the California Government Code and the Entity’s Investment Policy

The table below identifies the **investment types** that are authorized for the City of Angels by the California Government Code (or the City’s investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City’s investment policy, where more restrictive) that address **interest rate risk, credit risk and concentration of credit risk**. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City investment policy.

City of Angels
Notes to Financial Statements
June 30, 2021

Note 2: Cash and Investments (Continued)

A. Investments Authorized by the California Government Code and the Entity’s Investment Policy (Continued)

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Percentage of Portfolio</u>	<u>Investment in One Issuer</u>
Investment pools authorized under CA Statutes governed by Government Code	N/A	None	\$40 million
U.S. Treasury Obligations	5 years	None	None
Bank Savings Accounts	N/A	25%	None
Federal Agencies	5 years	75%	None
Commercial Paper	180 days	20%	None
Negotiable Certificates of Deposit	180 days	20%	None
Re-Purchase Agreements	180 days	20%	None
Corporate Debt	5 years	25%	None

B. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of all investments. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the City’s investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investment maturity:

<u>Investment Type</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Interest Rate Range</u>	<u>Maturity Range</u>	<u>Weighted Average Maturity</u>
Held By Trustee:					
Money Market/Mutual Funds*	\$ 1,340,150	\$ 1,340,150	.01% to .04%	On Demand	On Demand
State Investment Pool*	14,086,954	14,086,954	0.26%	On Demand	On Demand
Totals	<u>\$ 15,427,104</u>	<u>\$ 15,427,104</u>			

*Not subject to categorization

C. Concentrations of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. There are no investments to one issuer exceeding those limits.

D. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposit or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment of collateral securities that are in the possession of another party. The California Government Code and the City’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits; The California Government Code requires that a financial institution secured deposits made by state or local governmental units by pledging

City of Angels
Notes to Financial Statements
June 30, 2021

Note 2: Cash and Investments (Continued)

D. Custodial Credit Risk (Continued)

securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the City's deposits by pledging first deed mortgage notes having a value of 150% of the secured public deposits.

At June 30, 2021, the City's deposits balance was \$4,061,790 and the carrying amount was \$3,824,057. The difference between the bank balance and the carrying amount was due to outstanding checks and deposits in transit. Of the bank balance \$250,000 was covered by the Federal Depository Insurance or by collateral held in the pledging bank's trust department in the City's name and \$5,230,263 was collateralized with pledged securities.

E. Investment in State Investment Pool

LAIF is included in the State's Pooled Money Investment Account. The total amount invested by all public agencies in the State's Pooled Money Investment Account approximates \$193.32 billion. Of the \$193.32 billion managed by the State Treasurer, 100% is invested in non-derivative financial products and 2.31% is invested in structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by state statute.

Investments are accounted for in accordance with the provisions of GASB Statement No. 31, which requires governmental entities to report certain investments at fair value in the balance sheet and recognize the corresponding change in fair value of investments in the year in which the change occurred. The City reports its investments at fair value based on quoted market information obtained from fiscal agents or other sources if the change is material to the financial statements.

City of Angels
Notes to Financial Statements
June 30, 2021

Note 3: Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance July 1, 2020	Additions	Retirements/ Adjustments	Balance June 30, 2021
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 867,475	\$ -	\$ -	\$ 867,475
Construction in progress	1,126,261	2,230,095		3,356,356
Capital assets, being depreciated:				
Buildings and improvements	899,779			899,779
Equipment and vehicles	2,354,338	86,251		2,440,589
Infrastructure	3,932,472			3,932,472
Total capital assets, being depreciated	7,186,589	86,251		7,272,840
Less accumulated depreciation for:				
Buildings and improvements	(594,147)	(13,922)		(608,069)
Equipment and vehicles	(1,444,766)	(207,751)		(1,652,517)
Infrastructure	(2,004,208)	(170,590)		(2,174,798)
Total accumulated depreciation	(4,043,121)	(392,263)		(4,435,384)
Total capital assets, being depreciated, net	3,143,468	(306,012)		2,837,456
Governmental activities capital assets, net	<u>\$ 5,137,204</u>	<u>\$ 1,924,083</u>	<u>\$ -</u>	<u>\$ 7,061,287</u>
Business-Type Activities				
Capital assets, not being depreciated:				
Land	\$ 116,515	\$ -	\$ -	\$ 116,515
Construction in progress	275,558	84,604		360,162
Capital assets, being depreciated:				
Buildings and improvements	22,675,045			22,675,045
Equipment	1,430,376	44,980		1,475,356
Site improvements	4,697,111			4,697,111
Total capital assets, being depreciated	28,802,533	44,980		28,847,512
Less accumulated depreciation	(13,267,258)	(705,866)		(13,973,124)
Total capital assets, being depreciated, net	15,535,275	(660,886)		14,874,388
Business-type activities capital assets, net	<u>\$ 15,927,348</u>	<u>\$ (576,282)</u>	<u>\$ -</u>	<u>\$ 15,351,065</u>

Depreciation expense was charged to functions/programs of the City as follows:

Governmental Type Activities

General government	\$ 18,108
Public safety	197,470
Streets and roads	176,685
Total governmental type activities	<u>\$ 392,263</u>

Business-Type Activities

Water	\$ 115,773
Sewer	590,093
Total business-type activities	<u>\$ 705,866</u>

City of Angels
Notes to Financial Statements
June 30, 2021

Note 4: Note/Loans Receivable

Loans receivable in the amount of \$910,483 consisted of mortgage loans for housing and property rehabilitation and construction.

The City entered into a promissory note receivable in the amount of \$49,644 effective September 1, 2017 and payable in 36 monthly installments of \$500. After the initial 36 monthly payments interest of 3.25% will start accruing on the remaining balance of \$41,644 which will be payable in 60 payments of \$752.92 due on the first of each month. The following is the schedule of payments due for the period of the promissory note:

Fiscal Year Ending	Principal	Interest	Total
June 30,			
2022	\$ 7,968	\$ 1,067	\$ 9,035
2023	8,230	805	9,035
2024	8,502	533	9,035
2025	8,782	253	9,035
2026	2,625	20	2,645
Total	\$ 36,107	\$ 2,680	\$ 38,787

Note 5: Long-term Liabilities

A summary of the changes in the City's long-term liabilities reported in the governmental activities column of the government-wide financial statements for the year ended June 30, 2021:

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021	Due Within One Year
Compensated absences	\$ 97,835	\$ 65,817	\$ (46,868)	\$ 116,784	\$ 23,434
CalPERS pension liability	3,562,497	474,820		4,037,317	-
OPEB liability	3,063,886	301,106		3,364,992	-
Vehicle capital leases	23,963		(6,049)	17,914	6,642
Total	\$ 6,748,181	\$ 841,743	\$ (52,917)	\$ 7,537,007	\$ 30,076

Long-term debt payable at June 30, 2021 was comprised of the following individual issue:

Lease Payable

Vehicle Capital Leases- In November 2018, the City entered into an agreement with Municipal Management, Inc. to lease purchase one police vehicle in the amount of \$31,512. The City will make 60 monthly payments of \$604.69 each with interest at 5.70% In March 2016, the City entered into an agreement with Municipal Asset Management, Inc. to finance to purchase of a Fire Truck in the amount of \$64,522. The City will make 60 monthly payments of \$1,219.10 each with interest at 5.059%. The following table represents all vehicle leases:

Fiscal Year Ended	
June 30,	
2022	\$ 7,256
2023	7,256
2024	4,838
Total minimum lease payments	19,350
Less: Amount representing interest	(1,436)
Present value of minimum lease payments	\$ 17,914

City of Angels
Notes to Financial Statements
June 30, 2021

Note 5: Long-term Liabilities (Continued)

Business-Type Activities:

A summary of the changes in the City's long-term business-type liabilities reported in the proprietary funds statement of net position and the business-type activities column of the government-wide financial statements for the year ended June 30, 2021:

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021	Due Within One Year
Compensated absences	\$ 107,152	\$ 67,894	\$ (53,123)	\$ 121,923	\$ 26,562
CalPERS pension liability	2,092,923	414,972		2,507,895	-
OPEB liability	2,052,342	121,202		2,173,544	-
Dept. of Water Resources note payable	223,404		(74,468)	148,936	37,234
Dept. of Water Resources revolving loan	165,147		(14,278)	150,869	14,420
Loan payable	3,347,227		(237,444)	3,109,783	244,939
Total	<u>\$ 7,988,195</u>	<u>\$ 604,068</u>	<u>\$ (379,313)</u>	<u>\$ 8,212,950</u>	<u>\$ 323,155</u>

State of California Department of Water Resources

State of California Department of Water Resources-The State of California Department of Water Resources granted a loan to the Water Fund of the City for construction of water facilities in the amount of \$1,685,595. Of this amount, \$1,489,361 was drawn down from the State. The note calls for semiannual payments of \$37,234 including interest at 0% until July 2023 as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2022	\$ 37,234	\$ -	\$ 37,234
2023	74,468		74,468
2024	37,234		37,234
Totals	<u>\$ 148,936</u>	<u>\$ -</u>	<u>\$ 148,936</u>

2017 Refinancing Loan Agreement

On May 4, 2017 the City borrowed \$4,043,725 to refund the United States Department of Agriculture Rural Development Loan. The semi-annual payments are due on September 1 and March 1 each year and the loan matures on March 1, 2032. The loan calls for annual payments between \$326,027 and \$331,102 and carries a 2.73% interest rate as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2022	\$ 244,939	\$ 83,226	\$ 328,165
2023	252,427	76,487	328,914
2024	259,907	69,545	329,452
2025	267,379	62,399	329,778
2026	274,841	55,048	329,889
2027-2031	1,485,831	157,866	1,643,697
2032	324,459	6,643	331,102
Totals	<u>\$3,109,783</u>	<u>\$ 511,215</u>	<u>\$ 3,620,998</u>

City of Angels
Notes to Financial Statements
June 30, 2021

Note 5: Long-term Liabilities (Continued)

State of California Department of Water Resources Revolving Loan

State of California Department of Water Resource-The City entered into a revolving loan agreement with the State of California Department of Water Resources in March 2011. The agreement provides for a loan of up to \$3,372,800 for sewer system upgrades. Upon project completion \$3,086,400 of this loan was forgiven through the receipt of a federal grant in the same amount. The final loan of \$286,400 bears interest at 1% per annum with repayment beginning September 1, 2011 over a twenty year period. The note calls for annual payments of \$15,959 including interest at 1% until September 2030 as follows:

Fiscal Year Ended	Principal	Interest	Total
<u>June 30,</u>			
2022	\$ 14,420	\$ 1,509	\$ 15,929
2023	14,565	1,364	15,929
2024	14,710	1,219	15,929
2025	14,857	1,072	15,929
2026	15,006	923	15,929
2027-2031	77,311	2,334	79,645
Totals	<u>\$ 150,869</u>	<u>\$ 8,421</u>	<u>\$ 159,290</u>

Note 6: Special Assessment Districts (AD) Bonds

The City acts as an agent on behalf of the Greenhorn Creek Assessment District. The City is not liable for the debt repayment but is merely acting as the property owner’s agent in handling the debt service transactions by collecting assessments and forwarding them to the bondholders. The debt was refinanced in 2006 through the issuance of \$9,200,000 in new debt. Interest is payable semi-annually at rates ranging from 4.19% to 5% with principal payments through 2021. The bond transactions are accounted for in an Agency Fund. The outstanding principal at June 30, 2021 was \$655,000.

Note 7: Defined Benefit Pension Cost-Sharing Employer Plan

A. General Information about the Pension Plans

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

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire between ages 45 and 57, dependent upon the individual plan criteria, with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

City of Angels
Notes to Financial Statements
June 30, 2021

Note 7: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

The Plans' provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Miscellaneous Plan Tier 1	Safety Police Plan Tier 1	Safety Fire Plan Tier 1
	Prior to	Prior to	On or after
	January 1, 2013	January 1, 2013	January 1, 2013
Hire date			
Benefit formula	2.70% @ 55	3.00% @ 50	2.00% @ 55
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-55	45-50	50-55
Monthly benefits , as a % of eligible compensation	2.20% to 2.70%	2.50% to 3.00%	1.50% to 2.00%
Required employee contribution rates	8.00%	9.00%	7.00%
Required employer contribution rates	14.19%	22.44%	14.81%
	PEPRA Miscellaneous Plan	PEPRA Safety Police Plan	PEPRA Safety Fire Plan
	On or after	On or after	On or after
	January 1, 2013	January 1, 2013	January 1, 2013
Hire date			
Benefit formula	2.00% @ 62	2.70% @ 57	2.70% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	57-62	52-57	52-57
Monthly benefits , as a % of eligible compensation	1.00% to 2.00%	2.20% to 2.70%	2.20% to 2.70%
Required employee contribution rates	6.75%	13.00%	10.00%
Required employer contribution rates	7.73%	13.04%	11.11%

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2021, the contributions recognized as part of pension expense for each Plan were as follows:

Contributions-employer	\$	695,763
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B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2021, the City reported net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	Proportionate share of
	Net pension liability
Miscellaneous Plan	\$ 3,852,417
Safety Police Plan	\$ 2,692,795

City of Angels
Notes to Financial Statements
June 30, 2021

Note 7: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

The City's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2020, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The City's proportionate share of the net pension liability as of June 30, 2020 and 2021 was as follows:

	<u>Miscellaneous Plans</u>	<u>Safety Plans</u>
Proportion - June 30, 2020	0.08248%	0.03769%
Proportion - June 30, 2021	0.09133%	0.04042%
Change - Increase (Decrease)	0.00885%	0.00273%

For the year ended June 30, 2021, the City recognized pension expense of 1,315,537. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 407,339	\$ -
Changes of assumptions		(36,447)
Net difference between projected and actual earnings on pension plan investments	172,968	
Changes in proportion	396,952	
Changes in proportionate share of contributions		(316,688)
City contributions subsequent to the measurement date	695,763	
Total	<u>\$ 1,673,022</u>	<u>\$ (353,135)</u>

\$695,763 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Measurement Period Ended June 30:</u>	
2022	\$ (121,123)
2023	(238,918)
2024	(179,860)
2025	(84,223)

City of Angels
Notes to Financial Statements
June 30, 2021

Note 7: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

Actuarial Assumptions – The total pension liabilities in the June 30, 2019 actuarial valuation report was determined using the following actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	3.00%
Projected Salary Increase	3.3% - 14.2% (1)
Investment Rate of Return	7.15%

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to a single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1-10 (1)</u>	<u>Real Return Years 11+ (2)</u>
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28%	1.00%	2.62%
Inflation Assets	0%	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Estate	13%	3.75%	4.93%
Liquidity	1%	0.00%	-0.92%

(1) An expected inflation of 2.00% used for this period

(2) An expected inflation of 2.92% used for this period

City of Angels
Notes to Financial Statements
June 30, 2021

Note 7: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

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

	Discount Rate -1% (6.15%)	Current Discount Rate Rate (7.15%)	Discount Rate +1% (8.15%)
Miscellaneous Plans	\$ 6,151,996	\$ 3,852,417	\$ 1,952,346
Safety Plans	\$ 4,053,090	\$ 2,692,795	\$ 1,576,547

Note 8: Post-Retirement Health Care Benefits

Plan Description. City of Angel’s Camp (City) Post-Retirement Healthcare Plan is a single-employer defined benefit healthcare plan administered by CalPERS. CalPERS provides medical insurance benefits only to eligible retirees and their eligible dependents. The City approved post-retirement health insurance benefits for all of its employees based on employees under the Public Employees’ Medical and Hospital Care Act (PEMHCA).

The City Council passed a resolution to establish health benefit vesting requirements for future retirees under public employees’ medical and hospital care act. For full time employees, if additional conditions are satisfied, the City contributes greater amounts, instead of the minimum employer contributions (MEC) whereas a) if an employee retired prior to July 1, 2009 and met eligibility requirements in effect at that time, the City contributes 50% of PERS select premium for the retiree and spouse for their lifetime, or b) an employee who is hired full time by the City of Angels Camp for 5 years or longer prior to July 1, 2009 or 10 years or longer after July 1, 2009 and who has met other vesting requirements, shall receive up to a maximum 50% of the health benefit for the retiree lifetime only. The total City expense on the pay as you go basis for postretirement health benefits in the 2020-21 fiscal year was \$47,546. As of July 1, 2020, the most recent actuarial, 15 retired employees were receiving postretirement health benefits.

Funding Policy. The contribution requirement of plan members is established by the City Council. As of June 30, 2021 the City Council did not establish a funding policy. The 2020-21 fiscal year actuarial determined contribution was calculated on amortized funding over a 30 year period using entry age normal cost. For the fiscal year ending June 30, 2021 the City contributed \$0 towards the unfunded actuarial accrued liability (UAAL). The City did not approve an irrevocable trust to fund the OPEB liability as of June 30, 2021. The City made the net contribution for fiscal year end June 30, 2021 directly to health insurance providers totalling \$47,546. All retiree plan members receiving this benefit contributed 50% of the total premiums, and in addition, the City contributes the PEMHCA minimum of \$143 in 2021.

Annual OPEB Cost and Net OPEB Obligation. The City’s annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 75. 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.

City of Angels
Notes to Financial Statements
June 30, 2021

Note 8: Post-Retirement Health Care Benefits (Continued)

Employees Covered By Benefit Terms

At the OPEB liability measurement date of June 30, 2018, the following employees were covered by the benefit terms:

Retirees currently receiving benefit payments	15
Active employees	40
Total	<u>55</u>

Contributions

The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the actuarially determined contribution of the employer (ADC), an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ADC 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 City chose a 30 year period to amortize the Net OPEB Liability as a level percent of pay.

The contribution requirement of plan members is established by the City Council. The 2020-21 fiscal year contribution was based on the actuarially determined contribution using entry age actuarial cost with normal costs calculated as a level percentage of payroll, as required by GASB 75. For the fiscal year ending June 30, 2021 reporting date, the City contributed \$0 towards the unfunded actuarial liability (UAL). The City paid the retiree premiums for fiscal year end June 30, 2021 directly to health insurance providers totalling \$47,546. Plan members receiving benefits contributed 50% or more of the total premiums.

Net OPEB Liability: At June 30, 2021 the City reported a net OPEB liability of \$5,538,536. The net OPEB liability was measured from July 1, 2020 to June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation with a valuation date of July 1, 2020.

Actuarial Assumptions

The net OPEB liabilities in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	July 1, 2020
Measurement Date	June 30, 2020 to June 30, 2021
Actuarial Assumptions:	
Discount Rate	1.92%
Healthcare trend rates	4.00% to 5.00%
Salary increase	3.00%
Age adjustment factor	3.00%
Investment Rate of Return	1.92%

City of Angels
Notes to Financial Statements
June 30, 2021

Note 8: Post-Retirement Health Care Benefits (Continued)

Changes in the Net OPEB Liability

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position (i.e. fair value of Plan assets), and the net OPEB liability during the measurement period ending on June 30, 2021.

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(c)
Balances at 6/30/2020	\$ 5,162,167	\$ -	\$ 5,162,167
Changes for the year:			
Service cost	411,801		411,801
Interest	122,211		122,211
Changes in assumptions or other inputs	81,974		81,974
Difference between expected and actual experience	(157,186)		(157,186)
Contribution-employer			-
Net investment income			-
Benefit payments	(82,431)		(82,431)
Administrative expense			-
Net changes	376,369	-	376,369
Balances at 6/30/2021	\$ 5,538,536	\$ -	\$ 5,538,536

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

The following presents the City's share of the net OPEB liability if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease 0.92%	Discount Rate 1.92%	1% Increase 2.92%
Net OPEB liability (asset)	\$ 6,610,916	\$ 5,538,536	\$ 4,699,602

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

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

	1% Decrease 3% to 4%	Discount Rate 4% to 5%	1% Increase 5% to 6%
Net OPEB liability (asset)	\$ 4,550,980	\$ 5,538,536	\$ 6,857,311

City of Angels
Notes to Financial Statements
June 30, 2021

Note 8: Post-Retirement Health Care Benefits (Continued)

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

For the fiscal year ended June 30, 2021, the City recognized OPEB expense of \$563,914. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, and actuarial assumptions or methods. At June 30, 2021, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (138,017)
Changes in assumptions	710,851	
Net difference between projected and actual earnings on retirement plan investments		
District contributions subsequent to measurement date		
Totals	\$ 710,851	\$ (138,017)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2022	\$ 124,081	\$ (19,169)
2023	124,081	(19,169)
2024	124,081	(19,169)
2025	124,081	(19,169)
2026	124,081	(19,169)
2027	78,451	(19,169)
2028	9,997	(19,169)
2029	1,998	(3,834)
Total	\$ 710,851	\$ (138,017)

Note 9: Deferred Inflows of Resources

Deferred inflows of resources in governmental funds arise when potential revenue does not meet the “available” criteria for recognition in the current period. Deferred inflows of resources (deferred revenue in accrual based statements) also arises when resources are received by the City before it has a legal claim to them (i.e., when grant monies are received prior to the incurrence of qualifying expenditures).

Note 10: Related Party Transaction

On September 10, 2020 the City entered into an agreement to lease City property to a citizen, who then became a member of the City Council in November 2020. The term of the lease is for 3 years with an option for two 1 year extensions. The amount of rent collected during the 2020/21 fiscal year was \$5,448.

Note 11: Interfund Transactions

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

City of Angels
Notes to Financial Statements
June 30, 2021

Note 11: Interfund Transactions (Continued)

Receivables and Payables

Balances representing lending/borrowing transactions between funds outstanding at the fiscal year end are reported as either “due from/due to other funds” (amounts due within one year), “advances to/from other funds” (non-current portions of interfund lending/borrowing transactions), or “loans to/from other funds” (long-term lending/borrowing transactions evidenced by loan agreements). Advances and loans to other funds are offset by a fund balance reserve in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

Interfund transactions for the fiscal year ended June 30, 2021 are summarized as follows:

Fund Type	Due From Other Funds	Due To Other Funds	Advances To Other Funds	Advances From Other Funds	Operating Transfers In	Operating Transfers Out
General	\$ 168,004	\$ -	\$ -	\$ -	\$ 400,403	\$ -
Special Revenue		168,004				424,358
Capital Project				34,406	65,997	42,042
Water			526,366			
Sewer				491,960		
Total	<u>\$ 168,004</u>	<u>\$ 168,004</u>	<u>\$ 526,366</u>	<u>\$ 526,366</u>	<u>\$ 466,400</u>	<u>\$ 466,400</u>

Note 12: Joint Venture-Utica Power Authority

The City of Angels entered into a joint exercise of powers agreement with Union Public Utility District (UPUD) for the purpose of purchasing and operating the Utica/Angels Hydro Electric Projects. Each of the member entities shall be responsible for paying one-half (1/2) of all UPA Project costs and liabilities, including annual operation, maintenance and replacement costs of the Project, and all costs of maintaining the Projects in compliance with requirements of the FERC or other regulatory authorities. The agreement establishes a separate and distinct entity, the Utica Power Authority (UPA). The UPA is not a component unit of the City.

Note 13: Risk Management

The City participates with other public entities in a joint venture under a joint powers agreement which establishes the Central San Joaquin Valley Risk Management Authority (CSJVRMA). The relationship between the City and CSJVRMA is such that CSJVRMA is not a component unit of the City for financial reporting purposes.

The City is covered for the first \$1,000,000 of each general liability claim and \$500,000 of each worker’s compensation claim through the CSJVRMA. The City has the right to receive dividends and the obligation to pay assessments based on a formula which among other expenses, charges the City’s account for liability losses under \$50,000 and workers’ compensation losses under \$50,000. The CSJVRMA purchases excess reinsurance from \$1,000,000 to \$15,000,000. The CSJVRMA participates in an excess pool which provides workers’ compensation coverage from \$500,000 to \$1,500,000 and purchases excess reinsurance above \$1,500,000 to the statutory limit.

The CSJVRMA is a consortium of 55 cities in San Joaquin Valley, California. It was established under the provisions of California Government Code Section 6500, et. seq. The CSJVRMA is governed by a Board of Directors, which meets three to four times each year, consisting of one member appointed by each member city. The day-to-day business is handled by a management group employed by the CSJVRMA. The financial statements of CSJVRMA can be obtained at 1831 K Street, Sacramento, CA 95814.

The latest audited financial information and the most current information available for CSJVRMA for fiscal year ended June 30, 2021 is available at “csjvrma.org”.

City of Angels
Notes to Financial Statements
June 30, 2021

Note 14: Stewardship, Compliance and Accountability

A. Deficit Fund Balances/Net Position

At June 30, 2021, the TOT Roads Special Revenue Fund had a deficit fund balance of \$75,447, and the SB 2 Housing Grant Special Revenue Fund had a deficit fund balance of \$36,670. These deficits are expected to be cured with future revenues over expenditures and/or by transfers from the general fund.

B. Restatement

The City adopted the provisions of the Governmental Accounting Standard Board (GASB) Statement No. 84, Fiduciary Activities, which became effective during the year ended June 30, 2021. The intention of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

The implementation of the Statement required the City to record prior period adjustments. As a result, the beginning net positions of Custodial Funds were restated and increased by \$1,370,852.

C. Over Expended Budget

As of June 30, 2021 the budgets for four (4) general fund departments were over expended by \$231,004.

Note 15: Revenue Limitations Imposed by California Proposition 218

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

Note 16: Gann Limit

Total Subject Revenue 2020-21	\$ 4,250,597
Amount of limit for 2020-21	<u>4,365,668</u>
Amount (under)/over limit	<u><u>\$ (115,071)</u></u>

Note 17: Commitments and Contingencies

Contingent Liabilities

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

On September 6, 2011 the City received a Notice of Violation ("NOV") from the Central Regional Water Quality Control Board (the Board) regarding violations associated with spills of wastewater at the spray field. The NOV indicated that the violations were subject to a penalty of \$125,000, but the Board staff could recommend removing the penalty if the violations are cured and the City successfully contests the complaint. The City has implemented new procedures to avoid future similar violations. A liability has been recognized in the wastewater fund for \$125,000 at June 30, 2021.

In the normal course of business, the City is subject to various lawsuits. Defense of lawsuits is typically handled by the City's insurance carrier and losses, if any, are expected to be covered by insurance.

City of Angels
Notes to Financial Statements
June 30, 2021

Note 17: Commitments and Contingencies (Continued)

COVID 19

In December 2019, a novel strain of coronavirus has spread around the world resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and business results of City of Angels could potentially be adversely affected by this global pandemic. The extent to which the coronavirus may impact business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus. The District has not included any contingencies in the financial statements specific to this issue.

Commitments

At June 30, 2021, the City had ongoing professional service contracts.

During the 2020/21 fiscal year the City entered into an agreement with the Calaveras Visitors Bureau (Bureau) whereby the Bureau leases the museum property from the City for \$1 per year. The City in turn agreed to pay the Bureau \$50,000 per year to operate the Museum. The Bureau has agreed to use all revenues generated from the performance of the services solely for performing the services, maintaining the museum, or making improvements to the museum. The term of the lease is from July 15, 2020 to July 15, 2025.

Note 18: Subsequent Events

Subsequent events were evaluated through June 3, 2022, the date the financial statements were available for distribution.

CITY OF ANGELS

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
June 30, 2021**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Taxes				
Property - secured/unsecured	\$ 630,000	\$ 630,000	\$ 666,970	\$ 36,970
Sales	799,000	799,000	1,276,362	477,362
Transaction and usage tax	431,000	431,000	688,171	257,171
Transient occupancy	373,000	373,000	997,848	624,848
Real property transfer	20,000	20,000	38,016	18,016
Total taxes	<u>2,253,000</u>	<u>2,253,000</u>	<u>3,667,366</u>	<u>1,414,366</u>
Licenses and Permits				
Business licenses	33,000	33,000	37,768	4,768
Building permits	94,500	94,500	115,265	20,765
Franchise fees	192,000	192,000	174,539	(17,461)
Total licenses and permits	<u>319,500</u>	<u>319,500</u>	<u>327,572</u>	<u>8,072</u>
Intergovernmental				
Motor vehicle in lieu	300,000	300,000	305,040	5,040
Reimbursement - highway sweeping	4,600	4,600		(4,600)
Reimbursement - public safety	131,500	131,500	489,696	358,196
County grant			300	300
Cares act	50,907	50,907	50,907	
Peace officers training	5,000	5,000	2,686	(2,314)
Total intergovernmental	<u>492,007</u>	<u>492,007</u>	<u>848,628</u>	<u>356,621</u>
Fines, Forfeitures and Penalties				
Parking citations public safety reimbursements	20,600	20,600	10,627	(9,973)
Total fines, forfeitures and penalties	<u>20,600</u>	<u>20,600</u>	<u>10,627</u>	<u>(9,973)</u>
Charges for Current Services				
Plan checking	102,500	102,500	71,555	(30,945)
Water sales				
Developer fees	10,000	10,000	1,987	(8,013)
Administrative fees	23,600	23,600	23,163	(437)
Museum			10,896	10,896
Total charges for current services	<u>136,100</u>	<u>136,100</u>	<u>107,602</u>	<u>(28,498)</u>
Use of Money and Property				
Interest and investment income	45,000	45,000	9,785	(35,215)
Rent	79,290	79,290	80,023	733
Total use of money and property	<u>124,290</u>	<u>124,290</u>	<u>89,808</u>	<u>(34,483)</u>
Other				
Insurance refund and legal recovery	6,000	6,000	7,337	1,337
Miscellaneous - all others	2,000	2,000	10,992	8,992
Total other	<u>8,000</u>	<u>8,000</u>	<u>18,328</u>	<u>10,329</u>
Total revenues	<u>\$ 3,353,497</u>	<u>\$ 3,353,497</u>	<u>\$ 5,069,931</u>	<u>\$ 1,716,434</u>

CITY OF ANGELS

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND (CONTINUED)**

June 30, 2021

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Total revenues (continued)	\$ 3,353,497	\$ 3,353,497	\$ 5,069,931	\$ 1,716,434
Expenditures				
General Government				
City council	23,454	23,454	8,298	15,156
City attorney	74,200	74,200	72,481	1,719
Finance and administration	240,620	247,120	247,498	(378)
Total general government	<u>338,274</u>	<u>344,774</u>	<u>328,277</u>	<u>16,497</u>
Public Ways and Facilities/Transportation				
Engineering	28,312	28,312	6,887	21,425
Building and planning	340,481	349,448	296,499	52,949
Street sweeping/maintenance	3,715	3,715	3,176	539
Public works	79,450	79,450	43,284	36,166
Total public ways and facilities/transportation	<u>451,959</u>	<u>460,926</u>	<u>349,847</u>	<u>111,078</u>
Public Safety				
Fire	896,569	896,569	1,083,507	(186,938)
Police	1,655,727	1,655,727	1,433,501	222,225
Total public safety	<u>2,552,295</u>	<u>2,552,295</u>	<u>2,517,009</u>	<u>35,287</u>
Community Development				
Museum			15,994	(15,994)
Visitors bureau	50,000	50,000	15,241	34,759
Community support	109,500	109,500	108,918	582
Parks	53,739	55,239	82,933	(27,694)
Total community development	<u>213,239</u>	<u>214,739</u>	<u>223,086</u>	<u>(8,347)</u>
Debt Service				
Principal	5,688	5,688	6,049	(361)
Interest	1,568	1,568	1,207	361
Total debt service	<u>7,256</u>	<u>7,256</u>	<u>7,256</u>	<u>0</u>
Capital Outlay				
Structures and improvements	1,500	1,500		1,500
Equipment	124,008	108,541	77,473	31,068
Total capital outlay	<u>125,508</u>	<u>110,041</u>	<u>77,473</u>	<u>32,568</u>
Total expenditures	<u>3,688,531</u>	<u>3,690,030</u>	<u>3,502,947</u>	<u>187,083</u>
Excess (deficit) of revenues over expenditures before other financing sources (uses)	<u>(335,034)</u>	<u>(336,533)</u>	1,566,984	1,903,517
Other Financing Sources (Uses)				
Sale of assets				
Operating transfers in	479,131	479,131	400,403	(78,728)
Total other financing sources (uses)	<u>479,131</u>	<u>479,131</u>	<u>400,403</u>	<u>(78,728)</u>
Net change in fund balances	<u>\$ 144,097</u>	<u>\$ 142,598</u>	1,967,388	\$ 1,824,789
Fund balance, beginning of fiscal year			2,610,530	
Fund balance, end of fiscal year			<u>\$ 4,577,918</u>	

CITY OF ANGELS

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PLAN'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY
June 30, 2021**

<u>Reporting Date</u>	<u>City's proportion of the net pension liability (asset)</u>	<u>City's proportionate share of the net pension liability (asset)</u>	<u>City's covered employee payroll</u>	<u>City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
<u>CalPERS-Miscellaneous Plans</u>					
6/30/2015	0.07682%	\$1,898,683	\$1,384,358	137.15%	79.41%
6/30/2016	0.08448%	\$2,317,646	\$1,706,505	135.81%	76.07%
6/30/2017	0.08029%	\$2,789,317	\$1,708,084	163.30%	75.94%
6/30/2018	0.08197%	\$3,231,285	\$1,517,642	212.91%	72.11%
6/30/2019	0.07998%	\$3,014,197	\$1,365,455	220.75%	75.04%
6/30/2020	0.08248%	\$3,302,784	\$1,148,102	287.67%	74.10%
6/30/2021	0.09133%	\$3,852,417	\$1,100,364	350.10%	72.63%
<u>CalPERS-Safety Plans</u>					
6/30/2015	0.04088%	\$1,533,540	\$654,449	234.33%	71.70%
6/30/2016	0.03951%	\$1,628,110	\$705,201	230.87%	75.06%
6/30/2017	0.03806%	\$1,971,194	\$804,721	244.95%	74.60%
6/30/2018	0.03721%	\$2,223,383	\$873,005	254.68%	70.01%
6/30/2019	0.03698%	\$2,169,645	\$810,991	267.53%	70.37%
6/30/2020	0.03769%	\$2,352,635	\$911,212	258.19%	69.78%
6/30/2021	0.04042%	\$2,692,795	\$962,855	279.67%	69.98%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, only information for those years for which information is available is presented.

CITY OF ANGELS

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY PENSION CONTRIBUTIONS
June 30, 2021**

<u>Reporting Date</u>	<u>Contractually required contribution</u>	<u>Contributions in relation to the contractually required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>City's covered employee payroll</u>	<u>Contribution as a percentage of covered employee payroll</u>
<u>CalPERS-Miscellaneous Plans</u>					
6/30/2015	\$301,836	(\$301,836)	\$0	\$1,384,358	21.80%
6/30/2016	\$339,319	(\$339,319)	\$0	\$1,706,505	19.88%
6/30/2017	\$364,769	(\$364,769)	\$0	\$1,708,084	21.36%
6/30/2018	\$368,568	(\$368,568)	\$0	\$1,517,642	24.29%
6/30/2019	\$371,970	(\$371,970)	\$0	\$1,365,455	27.24%
6/30/2020	\$319,125	(\$319,125)	\$0	\$1,148,102	27.80%
6/30/2021	\$346,073	(\$346,073)	\$0	\$1,100,364	31.45%
<u>CalPERS-Safety Plans</u>					
6/30/2015	\$227,418	(\$227,418)	\$0	\$654,449	34.75%
6/30/2016	\$223,426	(\$223,426)	\$0	\$705,201	31.68%
6/30/2017	\$245,124	(\$245,124)	\$0	\$804,721	30.46%
6/30/2018	\$251,548	(\$251,548)	\$0	\$873,005	28.81%
6/30/2019	\$272,348	(\$272,348)	\$0	\$810,991	33.58%
6/30/2020	\$314,983	(\$314,983)	\$0	\$911,212	34.57%
6/30/2021	\$349,690	(\$349,690)	\$0	\$962,855	36.32%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, only information for those years for which information is available is presented.

CITY OF ANGELS

**REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN SCHEDULE OF
CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS
JUNE 30, 2021**

Total OPEB Liability	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>
Service cost	\$ 411,801	\$ 298,211	\$ 289,525	\$ 289,525
Interest	122,211	153,023	127,292	113,643
Changes in benefit terms				
Differences between expected and actual experience	(157,186)			
Changes of assumptions	81,974	867,042		
Change in fiduciary net position	-	-		
Benefit payments**	<u>(82,431)</u>	<u>(31,950)</u>		<u>(63,938)</u>
Net change in total OPEB liability	376,369	1,286,326	416,817	339,230
Total OPEB liability-beginning (a).	<u>5,162,167</u>	<u>3,875,841</u>	<u>3,459,024</u>	<u>3,119,794</u>
Total OPEB liability-ending (b)	<u><u>\$ 5,538,536</u></u>	<u><u>\$ 5,162,167</u></u>	<u><u>\$3,875,841</u></u>	<u><u>\$3,459,024</u></u>
Plan Fiduciary Net Position				
Contributions-employer **	\$ -	\$ 32,544	\$ 27,798	\$ 68,694
Net investment income		625	490	563
Benefit payments		(31,950)	(29,196)	(63,938)
Adjust for redesignation of trust	<u>(45,939)</u>			
Net change in plan fiduciary net position	(45,939)	1,219	(908)	5,319
Plan fiduciary net position-beginning (c)	<u>45,939</u>	<u>44,720</u>	<u>45,628</u>	<u>40,309</u>
Plan fiduciary net position-ending (d)	<u><u>\$ -</u></u>	<u><u>\$ 45,939</u></u>	<u><u>\$ 44,720</u></u>	<u><u>\$ 45,628</u></u>
Net OPEB liability-beginning (a)-(c)	\$ 5,116,228	\$ 3,831,121	\$3,413,396	\$3,079,485
Net OPEB liability-ending (b)-(d)	\$ 5,538,536	\$ 5,116,228	\$3,831,121	\$3,413,396
Plan fiduciary net position as a percentage of the total OPEB liability	0%	1%	1%	1%
Covered-employee payroll	\$ 2,379,363	\$ 2,059,314	\$2,176,446	\$2,390,647
District's net OPEB liability as a percentage of covered-employee payroll	233%	248%	176%	143%
Measurement date	6/30/2021	6/30/2020	6/30/2018	6/30/2018

* Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

**Amount includes implicit subsidy associated with benefits paid.

CITY OF ANGELS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2021

Budgets and Budgetary Accounting

As required by the laws of the State of California, the City prepares and legally adopts a final balanced operating budget. Public hearings were conducted on the proposed final budget to review all appropriations and the sources of financing. Because the final budget must be balanced, any shortfall in revenue requires an equal reduction in financing requirements.

Budgets for the general, special revenue, debt service and capital project funds are adopted on the modified accrual basis of accounting. The budgets for the general and special revenue funds are the only legally adopted budgets. Budgets for the debt service, capital project funds and proprietary funds are used for management and control purposes only.

At the fund level, actual expenditures cannot exceed budgeted appropriations. In order to accommodate operational changes that may result during the course of a budget year, management can modify in line items of a budget, not to exceed 20% of said line item, with the limitation that the overall departmental budget shall not be exceeded without Council approval.

The budgetary data presented in the accompanying financial statements includes all revisions approved by the City Council.

CITY OF ANGELS

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021**

	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	<u>Total</u>
<u>Assets</u>			
Restricted cash and investments	\$ 939,248	\$ 1,280,814	\$ 2,220,062
Receivables	152,394		152,394
Interest receivable	247,246		247,246
Due from other governments	18,610		18,610
Loans receivable	910,483		910,483
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 2,267,981</u>	<u>\$ 1,280,814</u>	<u>\$ 3,548,795</u>
 <u>Liabilities and Fund Balances</u>			
Liabilities			
Accounts payable	\$ 21,304	\$ 11,374	\$ 32,678
Accrued wages	1,643		1,643
Unearned revenue	10,055	285,349	295,404
Due to other funds	168,004		168,004
Advance from other funds	34,406		34,406
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>235,412</u>	<u>296,723</u>	<u>532,135</u>
 Deferred Inflows of Resources			
Unavailable revenue	<u>274,246</u>		<u>274,246</u>
	<u> </u>	<u> </u>	<u> </u>
Total deferred inflows of resources	<u>274,246</u>		<u>274,246</u>
 Fund Balances			
Restricted	959,957	984,091	1,944,048
Nonspendable	910,483		910,483
Unassigned	(112,117)		(112,117)
	<u> </u>	<u> </u>	<u> </u>
Total fund balance	<u>1,758,323</u>	<u>984,091</u>	<u>2,742,414</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,267,981</u>	<u>\$ 1,280,814</u>	<u>\$ 3,548,795</u>

CITY OF ANGELS

**Combining Statement of Revenues, Expenditure and
Changes in Fund Balances
Nonmajor Governmental Funds
June 30, 2021**

	Special Revenue Funds	Capital Project Funds	Total
Revenues			
Taxes and assessments	\$ 410,649	\$ -	\$ 410,649
Intergovernmental	535,392	53,451	588,843
Use of money and property	2,893	3,885	6,778
Developer contributions		44,499	44,499
Charges for services	380,266		380,266
	<u>1,329,200</u>	<u>101,835</u>	<u>1,431,035</u>
Expenditures			
Current:			
Public ways and facilities/ transportation	630,926	105,000	735,926
Public safety		12,696	12,696
Community development	338,367	9,770	348,137
Capital outlay		8,778	8,778
	<u>969,293</u>	<u>136,244</u>	<u>1,105,537</u>
Excess (deficit) of revenues over expenditures	<u>359,907</u>	<u>(34,409)</u>	<u>325,498</u>
Other Financing Sources (Uses)			
Operating transfers in			
Operating transfers out	(424,358)	(42,042)	(466,400)
	<u>(424,358)</u>	<u>(42,042)</u>	<u>(466,400)</u>
Total other financing sources (uses)	<u>(424,358)</u>	<u>(42,042)</u>	<u>(466,400)</u>
Net change in fund balances	<u>(64,451)</u>	<u>(76,451)</u>	<u>(140,902)</u>
Fund balances, beginning of fiscal year	<u>1,822,774</u>	<u>1,060,542</u>	<u>2,883,316</u>
Fund balances, end of fiscal year	<u>\$ 1,758,323</u>	<u>\$ 984,091</u>	<u>\$ 2,742,414</u>

CITY OF ANGELS

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2021**

	Gas Tax	Local Transportation	Utica Power Authority	L&L District	Public Safety	TOT Emergency Service	TOT Roads	TOT Tourism	CDBG Housing	SB 2 Housing Grant	Tobacco Grant	FEMA	Totals
<u>Assets</u>													
Restricted cash and investments	\$288,294	\$ 36,356	\$ 328,522	\$ 87,007	\$ 52,041	\$ 7,043	\$ -	\$ 9,826	\$ 116,370	\$ -	\$ -	\$ 13,789	\$ 939,248
Receivables	13,929		42,521						27,000		68,944		152,394
Interest receivable									247,246				247,246
Due from other governments				9,092	9,518								18,610
Loans receivable									910,483				910,483
Total assets	\$302,223	\$ 36,356	\$ 371,043	\$ 96,099	\$ 61,559	\$ 7,043	\$ -	\$ 9,826	\$1,301,099	\$ -	\$ 68,944	\$ 13,789	\$2,267,981
<u>Liabilities Deferred Inflows and Fund Balances</u>													
<u>Liabilities</u>													
Accounts payable	\$ 1,080	\$ -	\$ -	\$ 8,244	\$ -	\$ -	\$ 1,781	\$ -	\$ -	\$ 10,200	\$ -	\$ -	\$ 21,304
Accrued wages	566						1,077						1,643
Unearned revenue					10,055								10,055
Due to other funds							72,590			26,470	68,944		168,004
Advance from other fund				34,406									34,406
Total liabilities	1,646			42,650	10,055		75,447			36,670	68,944		235,412
<u>Deferred Inflows of Resources</u>													
Unavailable revenue									274,246				274,246
Total deferred inflows of resources									274,246				274,246
<u>Fund Balances</u>													
Restricted	300,577	36,356	371,043	53,449	51,504	7,043		9,826	116,370			13,789	959,957
Nonspendable for loans									910,483				910,483
Unassigned							(75,447)			(36,670)			(112,117)
Total fund balance	300,577	36,356	371,043	53,449	51,504	7,043	(75,447)	9,826	1,026,853	(36,670)		13,789	1,758,323
Total liabilities deferred inflows and fund balances	\$302,223	\$ 36,356	\$ 371,043	\$ 96,099	\$ 61,559	\$ 7,043	\$ -	\$ 9,826	\$1,301,099	\$ -	\$ 68,944	\$ 13,789	\$2,267,981

CITY OF ANGELS

**Combining Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Special Revenue Funds
June 30, 2021**

	Gas Tax	Local Transportation	Utica Power Authority	L&L District	Public Safety	TOT Emergency Service	TOT Roads	TOT Tourism	CDBG Housing	SB 2 Housing Grant	Tobacco Grant	FEMA	Totals
Revenues													
Taxes and assessments	\$ -	\$ -	\$ -	\$ 180,012	\$ -	\$ 76,881	\$ 76,878	\$ 76,878	\$ -	\$ -	\$ -	\$ -	\$ 410,649
Intergovernmental	179,439	41,454			141,724					46,758	112,278	13,739	535,392
Use of money and property	1,087	180	426	309	186		24		564	67		50	2,893
Charges for services			380,266										380,266
Total revenues	180,526	41,634	380,692	180,321	141,910	76,881	76,878	76,902	564	46,825	112,278	13,789	1,329,200
Expenditures													
Public ways and facilities/ transportation	83,437		415,000				132,489						630,926
Public safety													
Community development				141,700			73,378		42,456	80,833			338,367
Capital outlay													-
Total expenditures	83,437		415,000	141,700			132,489	73,378	42,456	80,833			969,293
Excess (deficit) of revenues													
Over Expenditures	97,089	41,634	(34,308)	38,621	141,910	76,881	(55,611)	3,524	(41,892)	(34,008)	112,278	13,789	359,907
Other Financing Sources (Uses)													
Operating transfers in								-					
Operating transfers out	(65,997)	(30,000)			(132,205)	(76,878)		(7,000)			(112,278)	-	(424,358)
Total other financing sources (uses)	(65,997)	(30,000)			(132,205)	(76,878)		(7,000)			(112,278)		(424,358)
Net change in fund balances	31,092	11,634	(34,308)	38,621	9,705	3	(55,611)	(3,476)	(41,892)	(34,008)		13,789	(64,451)
Fund balances, beginning of fiscal year	269,485	24,722	405,351	14,828	41,799	7,040	(19,836)	13,302	1,068,745	(2,662)			1,822,774
Fund balances, end of fiscal year	\$ 300,577	\$ 36,356	\$371,043	\$ 53,449	\$ 51,504	\$ 7,043	\$ (75,447)	\$ 9,826	\$1,026,853	\$ (36,670)	\$ -	\$ 13,789	\$ 1,758,323

CITY OF ANGELS

**Combining Balance Sheet
Nonmajor Capital Project Funds
June 30, 2021**

	<u>Park Impact Fees</u>	<u>Police Impact Fees</u>	<u>Transportation Impact Fees</u>	<u>Fire Impact Fees</u>	<u>Parking Impact Fees</u>	<u>USDA Grant</u>	<u>Totals</u>
<u>Assets</u>							
Restricted cash and investments	\$ 11,332	\$ 38,832	\$ 917,522	\$ 298,791	\$ 14,337	\$ -	\$ 1,280,814
Total assets	<u>\$ 11,332</u>	<u>\$ 38,832</u>	<u>\$ 917,522</u>	<u>\$ 298,791</u>	<u>\$ 14,337</u>	<u>\$ -</u>	<u>\$ 1,280,814</u>
<u>Liabilities</u>							
Accounts payable	\$ 4,551	\$ -	\$ -	\$ 6,823	\$ -	\$ -	\$ 11,374
Unearned revenue				285,349			285,349
Total liabilities	<u>4,551</u>			<u>292,172</u>			<u>296,723</u>
<u>Fund Balances</u>							
Restricted	6,781	38,832	917,522	6,619	14,337		984,091
Total fund balance	<u>6,781</u>	<u>38,832</u>	<u>917,522</u>	<u>6,619</u>	<u>14,337</u>		<u>984,091</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 11,332</u>	<u>\$ 38,832</u>	<u>\$ 917,522</u>	<u>\$ 298,791</u>	<u>\$ 14,337</u>	<u>\$ -</u>	<u>\$ 1,280,814</u>

CITY OF ANGELS
Combining Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Capital Project Funds
June 30, 2021

	<u>Park Impact Fees</u>	<u>Police Impact Fees</u>	<u>Transportation Impact Fees</u>	<u>Fire Impact Fees</u>	<u>Parking Impact Fees</u>	<u>USDA Grant</u>	<u>Totals</u>
Revenues							
Intergovernmental	\$ -	\$ -	\$ -	\$ 14,651	\$ -	\$ 38,800	\$ 53,451
Developer contributions	5,633	1,462	34,623	2,781			44,499
Use of money and property	45	141	3,602	45	52		3,885
Total revenues	<u>5,678</u>	<u>1,603</u>	<u>38,225</u>	<u>17,477</u>	<u>52</u>	<u>38,800</u>	<u>101,835</u>
Expenditures							
Public ways and facilities/ transportation			105,000				105,000
Public safety				12,696			12,696
Community development	9,770						9,770
Capital outlay				8,778			8,778
Total expenditures	<u>9,770</u>		<u>105,000</u>	<u>21,474</u>			<u>136,244</u>
Excess (deficit) of revenues over expenditures	<u>(4,092)</u>	<u>1,603</u>	<u>(66,775)</u>	<u>(3,997)</u>	<u>52</u>	<u>38,800</u>	<u>(34,409)</u>
Other Financing Sources (Uses)							
Operating transfers in							
Operating transfers out		(1,454)		(1,788)		(38,800)	(42,042)
Total other financing sources (uses)		<u>(1,454)</u>		<u>(1,788)</u>		<u>(38,800)</u>	<u>(42,042)</u>
Net change in fund balances	<u>(4,092)</u>	<u>149</u>	<u>(66,775)</u>	<u>(5,785)</u>	<u>52</u>		<u>(76,451)</u>
Fund balances, beginning of fiscal year	<u>10,873</u>	<u>38,683</u>	<u>984,297</u>	<u>12,404</u>	<u>14,285</u>		<u>1,060,542</u>
Fund balances, end of fiscal year	<u>\$ 6,781</u>	<u>\$ 38,832</u>	<u>\$ 917,522</u>	<u>\$ 6,619</u>	<u>\$ 14,337</u>	<u>\$ -</u>	<u>\$ 984,091</u>