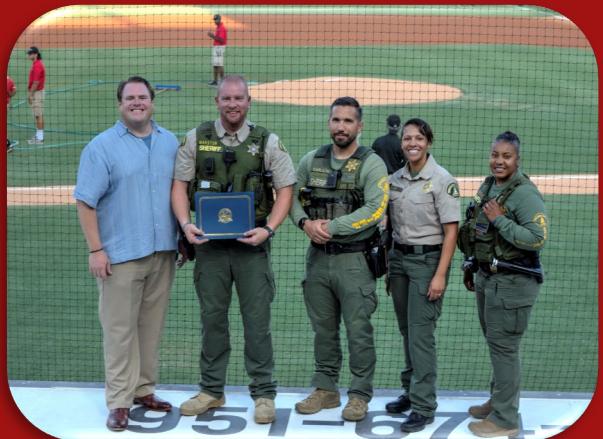
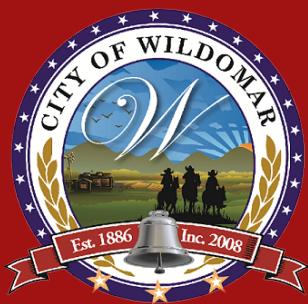


# *City of Wildomar, CA*

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

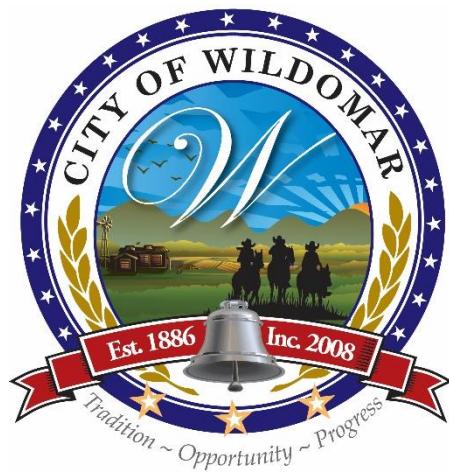




**CITY OF WILDOMAR, CALIFORNIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**For the Year Ended June 30, 2021**

**Prepared By:**

**The City of Wildomar  
Finance Department**



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**City of Wildomar**  
**Comprehensive Annual Financial Report**  
Year Ended June 30, 2021

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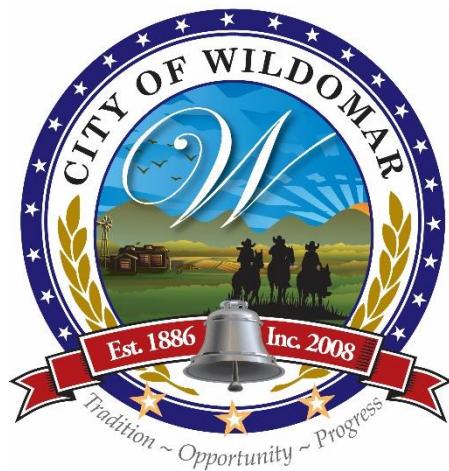
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**City of Wildomar**  
**Comprehensive Annual Financial Report**  
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## **INTRODUCTORY SECTION**



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Ben J. Benoit, Mayor, Dist. 1  
Joseph Morabito, Mayor Pro Tem, Dist. 3  
Bridgette Moore, Council Member, Dist. 4  
Dustin Nigg, Council Member, Dist. 2  
Marsha Swanson, Council Member, Dist. 5



23873 Clinton Keith Rd, Ste 201  
Wildomar, CA 92595  
951/677-7751 Phone  
951/698-1463 Fax  
[www.CityofWildomar.org](http://www.CityofWildomar.org)

## Letter of Transmittal

January 28, 2022

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Wildomar:

On behalf of the Management Team and City Staff, we are privileged to submit the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2021. The information found in this report is provided by the Administrative Services Department to the City Council and the public to assist those interested in the City's fiscal condition.

State law and the City's Municipal Code require that an annual financial report be prepared. The submitted report fulfills that obligation. This report consists of management representations concerning the finances of the City of Wildomar in its thirteenth year of incorporation. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report.

To provide a reasonable basis for making these representations, the management of the City of Wildomar continues to establish a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Wildomar's financial statements in conformity with generally accepted accounting principles (GAAP) and with the financial reporting requirements prescribed by the Governmental Accounting Standards Board (GASB). Because the cost of internal controls should not outweigh their benefits, the City of Wildomar's comprehensive framework of internal controls is designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Wildomar's financial statements have been audited by Teaman, Ramirez & Smith, Inc., a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Wildomar, for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditor's report is presented as the first component of the financial section of this report. GAAP requires that management provide a narrative of introductions, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A).

This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Wildomar's MD&A can be found immediately following the report of the independent auditors, in the financial section of this report.

## **Profile of the Government**

The area of Wildomar, located in southwestern Riverside County, incorporated as a City on July 1, 2008. The city is approximately 70 miles north of San Diego and 60 miles southeast of Los Angeles. The City boundaries encompass 24 square miles, providing a "Community Ranch" lifestyle for its 37,013 residents.

The City Council consists of 5 Council Members, elected by district on a non-partisan basis and annually select amongst them, a Mayor and Mayor Pro Tem. Bi-annual elections are held in November of even numbered years. The terms of office are 4 years but are overlapping so that the City is provided with a continuity of knowledge in the City's business and legislative matters.

The Council is responsible for enacting ordinances, resolutions, and regulations governing the City as well as the appointment of the City Manager, City Attorney, and members of various statutory and advisory boards. As Chief Administrative Officer, the City Manager has the responsibility of administering programs in accordance with policies established by the City Council and within the guidelines of the annual budget adopted by the Council.

The Wildomar Cemetery District (District) was consolidated into the City of Wildomar as a subsidiary district on November 9, 2011. As a result, the structure of the District is a separate legal entity and the City Council of the City of Wildomar oversees the operations of the District acting as the Board of Trustees.

This report includes all funds of the City. It includes all governmental organizations and activities for which the City of Wildomar's City Council is financially accountable. The City provides the full range of municipal services normally associated with a municipality including general administration, police and fire protection, the construction and maintenance of streets, and related infrastructure, recreational activities and economic development.

The Wildomar Cemetery District is a component unit of the City of Wildomar. The operations of the District are discretely presented in the financial statements. A component unit financial statement may be obtained from the City.

## **The Budget Process**

The City Council adopted a Biennial budget for Fiscal Years 2019/20 and 2020/21 at a Public Hearing held on June 26, 2019. Since that adoption date, several changes have occurred through the FY 2020/21 Quarterly Budget Reviews.

The biennial budget serves as the foundation for the City of Wildomar's financial planning and control. The development of the budget is completed as two separate projects: the development of the governmental activities program budget, and the development of the capital improvement program focusing on longer term capital projects.

All departments of the City of Wildomar are required to submit requests for appropriation for all governmental activities to the City Manager by the end of April. The City Manager and the Administrative Services Department use these requests as the starting point for developing a proposed budget for the governmental activities.

A budget workshop is held in March to receive input from the public. The City Manager presents the proposed budget for all governmental activities to the City Council at a special Council meeting in May for review and input. The City Council is required to hold a public hearing on the proposed budget which is generally held at their June meeting. The governmental activities budget is generally adopted at the Council meeting in June.

## **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Wildomar operates.

## **Local Economy**

The City of Wildomar, in its thirteenth year of incorporation, is experiencing consistent, stable growth. The City's median age is 34 with a per capita personal income of \$27,332, which is a 7.9% increase over fiscal year 2019-20. The increase comes despite the effects of the pandemic both locally and regionally.

Property valuations increased 4.4% over fiscal year 2019-20 and the City received the continued benefits of both property and retail sales taxes of Wildomar Square Shopping Center, which opened in March 2018. The city received its fourth annual installment of SB 130 Funds, which was signed by Governor Brown on May 12, 2017, in-lieu of the Motor Vehicle License Fee payments, which were taken by the State in 2012, in accordance with SB 89 (2011).

The charts below and on the next page illustrate the trends for the last ten years in taxable property net assessed value, property tax revenue and sales tax revenue.

Chart 1.

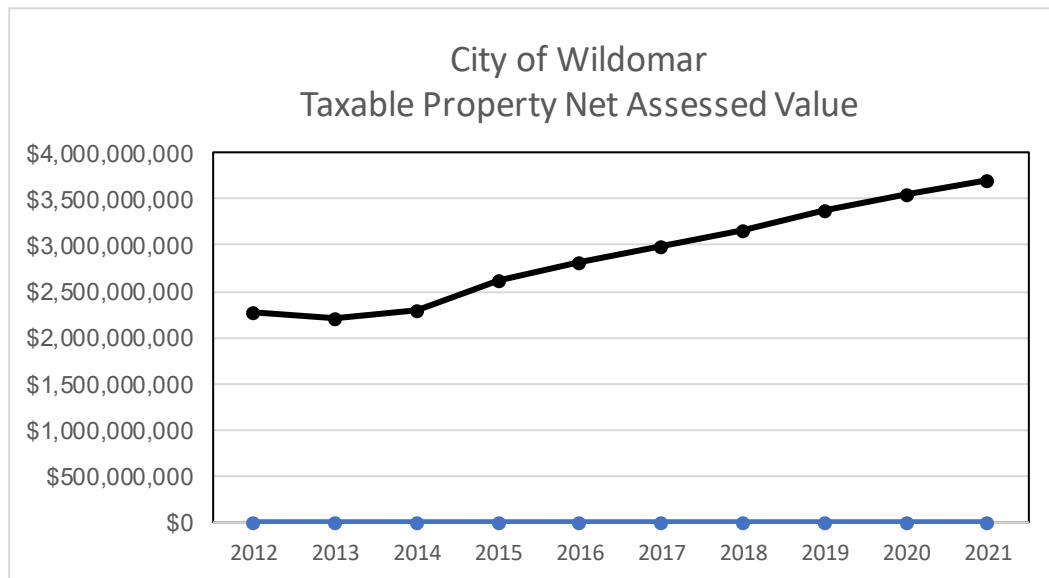


Chart 2.

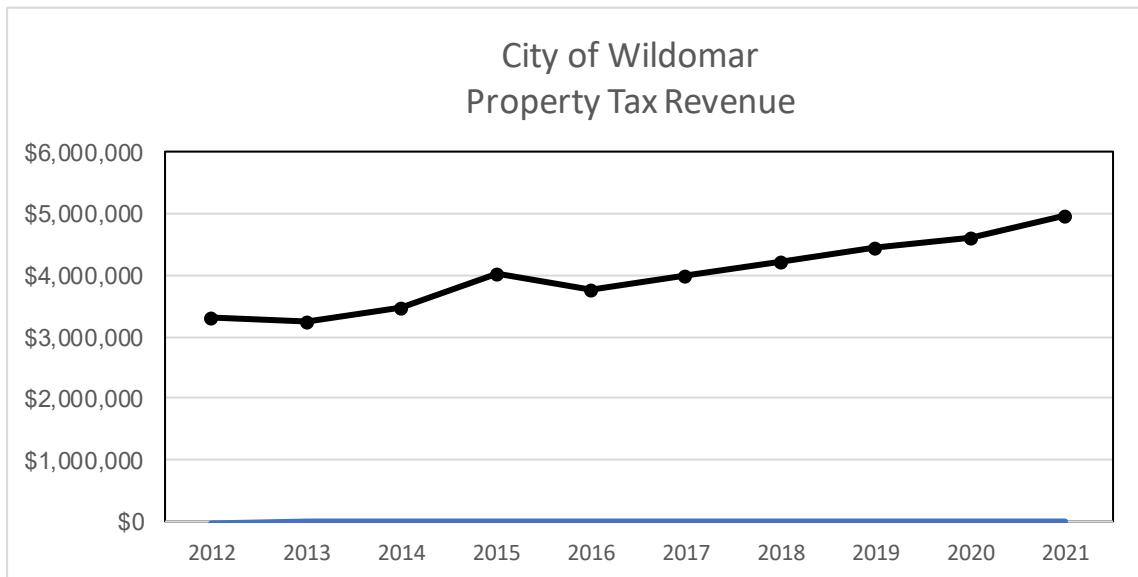
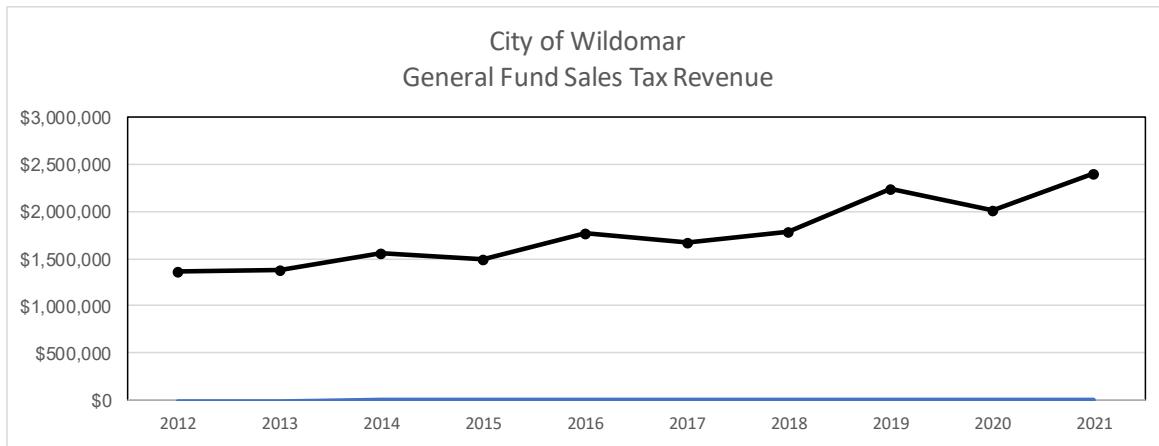


Chart 3.



## Coronavirus (COVID-19) Pandemic

In March 2020, the State of California and Riverside County issued “Safer at Home” orders to address the growing spread of the Coronavirus Disease 2019 (COVID-19) virus. This order applied to everyone in non-essential job classifications. It was anticipated that some of the local revenue streams, particularly sales tax, would be negatively impacted by this order.

On March 27, 2020, the City Manager, acting in his capacity as the City’s Director of Emergency Services, issued Director of Emergency Services Order No. E-2020-01 (“Order”), Wildomar Municipal Code (“WMC”) section 2.32.060 and Section 4 of Resolution No. 2020-19 declaring a local emergency due to the COVID-19 pandemic authorize the Director of Emergency Services to issue rules and regulations on matters reasonably related to the protection of life and property as affected by the emergency. These regulations were confirmed by the City Council at its April 8, 2020 City Council meeting. The Order suspended the enforcement of certain provisions of the WMC and reduced or suspended certain fee requirements. Fees reduced or suspended specially were as follows:

- Reduces business registration fees by 50%, waives impact fees for accessory dwelling units, and waives application processing fees for the General Plan Initiation Process (GPIPs) and Pre-Application Reviews (PARs).
- Waives the Business Registration requirement for annual stormwater inspections except for those “Priority Development Projects” where annual inspections are required.

As a proactive measure, the City staff prepared a series of cost savings measures to be prepared for the impact of potential declines in sales tax, and the overall effect that the pandemic could have on the local economy.

In addition to the potential declines in local revenues, the City saw a significant rise in its unemployment rates. In February 2020, prior to the pandemic, the City of Wildomar's unemployment rate was 3.8%. Two months later, at the height of the pandemic, the City's unemployment rate was 15.2%. Many of the job losses were in sectors that have been the hardest hit by the pandemic, retail, restaurant, and hospitality. As the restrictions were eased and businesses were able to at least partially re-open, the unemployment rate began to decrease, hitting 14.1% in June 2020, which was a dramatic increase of 427.3% from the 3.3% rate it was in June 2019. In June 2021 the unemployment rate 6.9%. In November 2021, which are the latest figures available from the Economic Development Department, showed the City's unemployment rate at 5.0%.

In July 2020 the City was notified that it would be receiving \$459,103 in CARES Act Funding from the Federal Government via the State of California. The funds were able to be used for direct costs from March 1<sup>st</sup> to December 30th, covering the City's responsibilities affected by the pandemic. As of June 30th, the City had spent \$247,000 of the funding, with the remaining funds spent by December 30, 2020.

In June 2021 the City was notified that it would be receiving \$8,905,968 in American Rescue Plan Act (ARPA) funding. The payments are to be received in two parts. The first payment of \$4,452,984 was received in July 2021, with the second payment of the same amount anticipated to be received in July 2022. Eligible expenses began in March 2021, with all funding needing to be encumbered by December 2024, and all spending completed by December 2026.

The funding is to be spent as allowed by the U.S. Treasury's Final Rule issued in January 2022, including the ability to select a \$10 million standard revenue loss amount. The funding may also be spent on public health and economic impacts, premium pay for essential workers, and water, sewer, and broadband infrastructure. At the time of this report City staff was researching the best ways to appropriate the funds with recommendations going to the City Council at their March 2022 meeting.

## Financial Reserves

This year's budget for FY 2020-21 was year two of the City's fourth two-year budget program. At fiscal year end, the General Fund revenues of \$14,877,760 and transfers in of \$301,362 exceeded expenditures of \$12,734,329 and transfers out of \$0, for a net change in fund balance of \$1,566,507. This resulted in an ending fund balance of \$2,444,793, which is 19.2% of general fund expenditures. The higher fund balance was due to increased sales tax revenues, increased license and permit activity, and lower fire service expenditures allocate to the General Fund due to the creation of enhanced Medic Squad services.

General Fund actual revenues were a net \$0.4 million more than the adjusted budget. The primary sources for the revenue received being more than budget are from a combination of the following:

- Taxes were \$0.3 million higher than budget due to the final amounts received for fiscal year 2020-21 being higher than anticipated.

- Licenses, Permits and Development Related Project Reimbursements were \$0.1 million higher than budget, primarily due to an increase in activity at the end of the fiscal year.

General Fund actual expenditures were a net \$1.1 million less than the adjusted budget. The primary sources for the net expenditure reduction are as follows:

- Public Safety was \$1.1 million less than budgeted due to changes in general service levels and increased enhanced services covered by Measure AA funding.
- City Manager's Office was \$0.1 million lower than budget due to hours spent specifically working on the pandemic.
- Administrative Services were \$0.1 million higher than budgeted due to higher personnel and contractual services costs.

## **Long-term financial planning and initiatives**

On November 6, 2018, the voters of Wildomar approved Measure AA, a local sales tax. Effective on April 1, 2019, Measure AA establishes a 1.0% transactions tax on the gross receipts of any retailer from the sale of tangible property sold within the city limits. In addition, an excise tax of 1.0% is imposed on the storage, use or other consumption within the city limits of Wildomar of tangible personal property purchased from any retailer. The revenue from this tax in the first full year was \$3.0 million, and \$4.3 million in its second full year. It is anticipated that the third year's revenue will be approximately \$3.5 million. The revenues are used to fund improvements for public safety services, roads, homeless outreach, and other enhanced services to improve the quality of life in Wildomar.

The City of Wildomar City Council approved on May 28, 2020, an Ordinance of the City Council of the City of Wildomar, California, to permit cannabis businesses to operate in the City, and adding Chapters 5.76 and 17.315 to the Wildomar Municipal Code pertaining to cannabis business regulations. The ordinance became effective in July 2020. The cannabis businesses will provide sales tax revenue as well as regulatory revenue fees and public benefit fees to the City. Currently there are two cannabis businesses have begun operating in the City, with at least once additional cannabis business anticipate to begin operations before the end of the 2021-22 fiscal year.

The City will continue to focus its emphasis on controlled and fiscally balanced growth. The City believes that with the appropriate policies in place, as approved and revisited each quarter as part of the budget program, the City's long term financial goals will be met. The City has taken many steps to control expenditure growth and these steps will continue to be reviewed.

## Relevant financial policies

The City has a set of financial policies that it abides by and is continually enhancing and adding relevant policies as it develops its formal financial systems. Initially following incorporation, the City adopted all Riverside County's policies/codes. As the City develops its own unique needs, it will continue to create and tailor these former County policies to directly address the City's goals.

## Current Year Initiatives

In April 2017, the City adopted the following Vision Statement:

*"The City of Wildomar will be a Safe and Active Community with Responsible Growth and Quality Infrastructure While Keeping a Hometown Feel."*

In fiscal year 2021-22, the City will look to continue to meet the goals of the Vision Statement through the following initiatives:

- Continue to provide quality service and information to the residents and businesses in the City of Wildomar as we navigate through the effects of the COVID-19 pandemic.
- Utilize our Measure AA revenue to continue to keep residents and businesses safe through our enhanced law enforcement services, Fire Medic Squad, street repairs, and homelessness services.
- To encourage responsible growth and development through various new and revised planning ordinances.
- Pursue economic development through working with our consultants to bring new businesses to the City.
- Continue to work on capital road projects, including Bundy Canyon Road and Clinton Keith Widening Project, which will provide greater access to the center of the City.
- Maintain City infrastructure and road improvements.
- Provide sustained funding to address homelessness in Wildomar
- Ensure that new Cannabis establishments in the City provide safe reliable services to our community.

## Concluding remarks

The City, in its thirteenth year of operation, has achieved a great deal in transitioning from the County support services and establishing its own culture and approach to local governance.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wildomar for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020. To receive a Certificate of Achievement, the City must publish an easily readable and efficiently organized ACFR that satisfies both generally accepted accounting principles and applicable legal requirements. We believe the City's current ACFR meets the program requirements of the Certificate of Achievement, and we are submitting it to the GFOA to determine its eligibility for the award.

In closing, I'd like to state that the preparation of this report would not have been possible without the efficient and dedicated service of the entire city staff. I would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Recognition is also extended to Teaman, Ramirez and Smith Inc.'s audit management team, for their dedication and expertise, which contributed significantly to the report quality and adherence to professional accounting standards. Credit also must be given to the Mayor and City Council for their support for striving to have the highest standards of professionalism in the management of the City of Wildomar's finances.

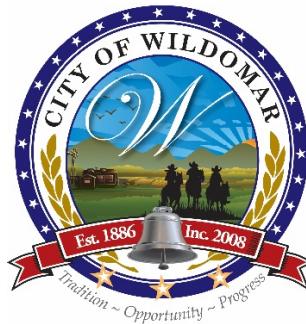
Sincerely,



Gary Nordquist  
City Manager



Robert Howell  
Administrative Services Director



## FISCAL YEAR 2020-2021 STAFF DIRECTORY

### CITY COUNCIL & CEMETERY DISTRICT TRUSTEES

Mayor/Chair – District 2  
Mayor Pro Tem/Vice Chair – District 1  
Council Member/Trustee – District 4  
Council Member/Trustee – District 3  
Council Member/Trustee – District 5

*Dustin Nigg*  
*Ben J. Benoit*  
*Bridgette Moore*  
*Joseph Morabito*  
*Marsha Swanson*

### EXECUTIVE MANAGEMENT

City Manager/General Manager  
Assistant City Manager  
City Attorney  
City Clerk  
Administrative Services Director/City Treasurer  
Public Works Director/City Engineer  
Planning Director  
Economic Development Director  
Chief of Police  
Fire Chief  
Parks, Community Services, & Cemetery District Manager

*Gary Nordquist*  
*Dan York*  
*Thomas Jex*  
*Janet Morales*  
*Robert Howell*  
*Dan York*  
*Matt Bassi*  
*Kimberly Davidson*  
*Andrew Elia*  
*Ty Davis*  
*Daniel Torres*

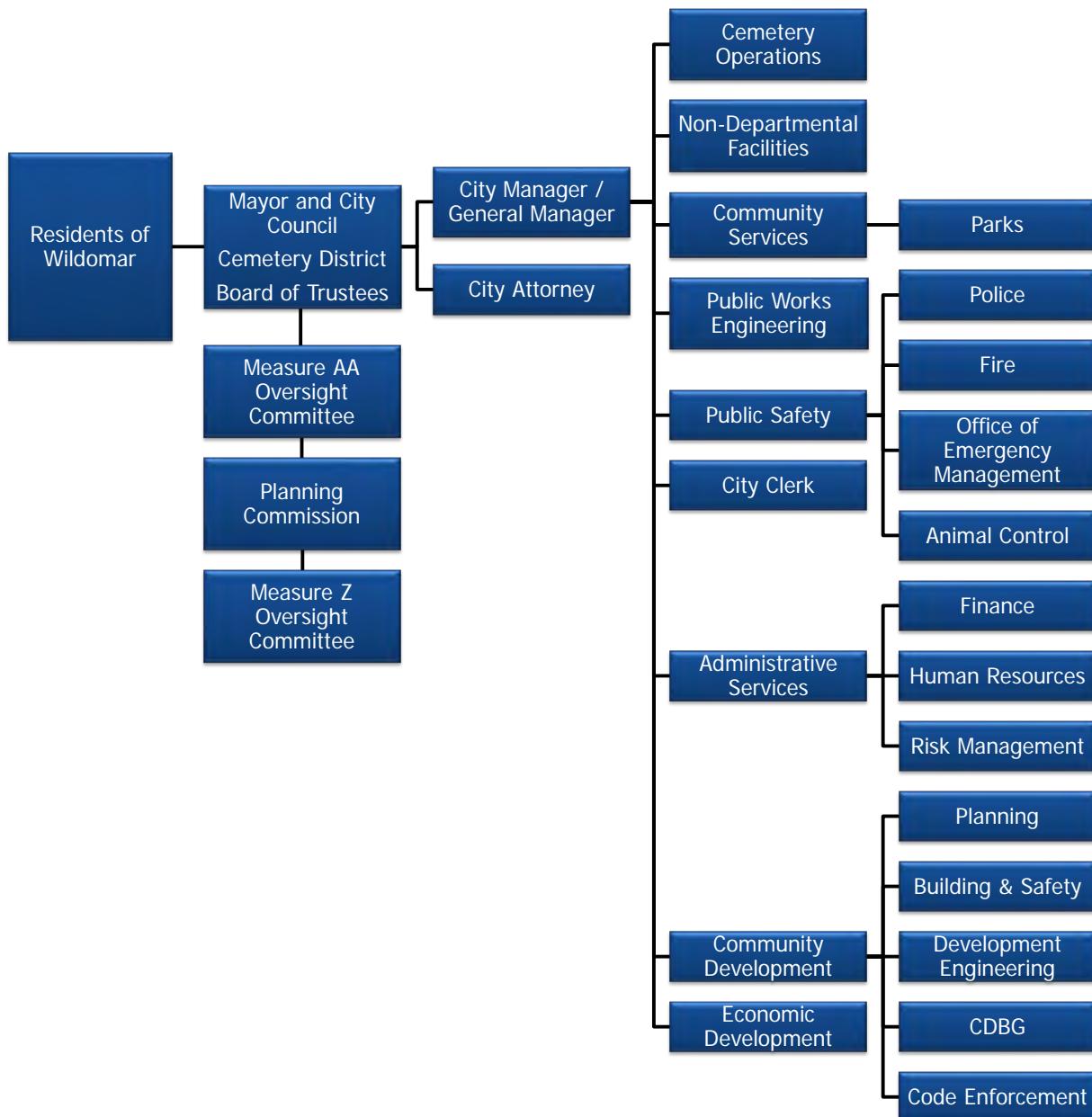
### CITY OF WILDOMAR CAFR TEAM

Administrative Services Director  
Project Consultant  
Administrative Analyst II  
Accounting Specialist

*Robert Howell*  
*James Riley*  
*Adam Jantz*  
*Nicholas Neidiffer*

## City of Wildomar - Organization Chart

The Organization chart presents the departments of the City, which are comprised of both City employed staff and contract staff. The staffing levels in each department above represent the City's positions. The remaining staff are contracted with various agencies or through municipal service firms.





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Wildomar  
California**

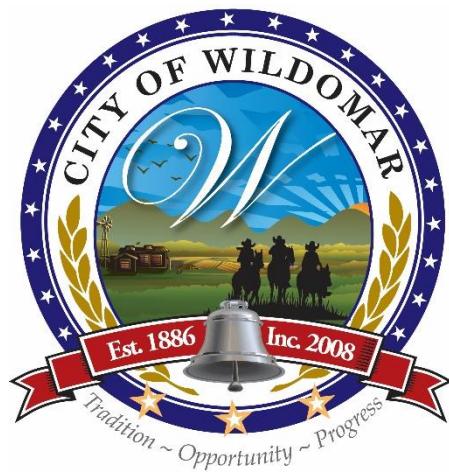
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Monill*

Executive Director/CEO

## **FINANCIAL SECTION**



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## INDEPENDENT AUDITORS' REPORT

City Council  
City of Wildomar  
Wildomar, California

### Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wildomar, California (the "City") as of and for the year ended June 30, 2021, and the related 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 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.

#### *Auditor's 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves 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 presentation of the financial statements.

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

#### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wildomar, California, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Teaman Ramirez & Smith, Inc.*

Riverside, California  
January 28, 2022

## MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2021

As management of the City of Wildomar, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for its thirteenth fiscal year of operation, which ended on June 30, 2021. We encourage the reader to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i through ix of this report, and with the City's financial statements which follow this discussion.

### THE FINANCIAL HIGHLIGHTS

When revenues exceed expenses, the result is an increase in net position. When expenses exceed revenues, the result is a decrease in net position. You can think of this relationship between revenues and expenses as the City's operating results. You can think of the City's net position, as measured in the Statement of Net Position, as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position, as measured in the Statement of Activities, are one indicator of whether its financial health is improving or deteriorating. However, the City's goal is to provide services that improve the quality of life for our residents, not to generate profits as companies do.

- The assets and deferred outflows of resources of the City of Wildomar exceeded its liabilities and deferred inflows of resources as of June 30, 2021, by \$51.8 million (net position).
- The City of Wildomar's asset and deferred outflows of resources increased by \$11.0 million in fiscal year 2020-21 over its liabilities and deferred inflows of resources. The increase is primarily attributed to the following asset, liability, and deferred inflow changes:
  - Assets - An increase of \$4.9 million in cash and investments mostly due from increases in the City's General and Measure AA sales tax revenues.
  - Assets – An increase of \$0.4 million in Grant Receivables related to capital projects that were completed in fiscal year 2019-20.
  - Assets – An increase of \$0.5 million in Due from Other Governments related to the increase of taxes received in the 60-day period following the fiscal year.

- Assets – An increase of \$6.5 million in Capital Assets related to construction of capital projects and Right-of-Way purchases.
- Liabilities – An increase of \$0.5 million in Accounts Payable related to the timing of invoices submitted and the increase in capital projects being worked on.
- Liabilities – Other payables increased by \$0.9 million related to additional deposits made for developer projects and unearned revenue.
- Liabilities – An increase of \$0.1 million in Noncurrent Liabilities related to additional pension and Other Post-Employment Benefits (OPEB).
- The City of Wildomar's total net position increased by \$11.0 million. The changes in net position are as follows:
  - The Net Investment in Capital Assets increased by \$6.5 million due to projects being completed in the fiscal year.
  - The Restricted Net Position increased by \$1.5 million related to projects in Community Developments, Public Works, and Capital Projects.
  - The Unrestricted Net Position increased by \$3.0 million.
- The revenues in the Statement of Activities increased a net \$10.0 million. The increases are as follows:
  - A net increase in general revenues of \$2.2 million, related to the additional \$1.6 million received in General and Measure AA sales tax revenues sales taxes, an additional \$0.3 million in property taxes, and an additional \$0.1 million in SB130 Vehicle License Replacement fees.
  - Program revenues increased \$7.8 million due to the increase in capital projects by Public Works in FY 2020-21.
- The expenses in the Statement of Activities increased a net \$2.0 million. This is related to the following:
  - An increase of \$3.2 million due to an increase in Public Works Capital Projects in fiscal year 2020-21.
  - An increase of \$0.1 million in community development activities due to increased developer project work in fiscal year 2020-21.
  - A decrease of \$0.2 million in general government activities due to lower overall general governmental expenses.

- A decrease in public safety of \$1.1 million due to increased cost efficiencies from fire and police restructuring their general service hours and having more targeted law enforcement services based on the City's needs.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Wildomar's basic financial statements. These basic financial statements are comprised of three components:

- 1) Government-wide financial statements,
- 2) Fund financial statements, and
- 3) Notes to the financial statements.

This report also contains required supplementary information and supplementary information in addition to the basic financial statements themselves.

### Government-wide financial statements

As previously discussed, government-wide financial statements detail all capital assets, including infrastructure, depreciation, and long-term debt. Specifically, these statements are designed to provide an expansive overview of the City's finances. Given its scope, and in an effort to adequately present this data in a comprehensible format, the government-wide financial statements are divided into two subcategories, the Statement of Net Position and the Statement of Activities. These statements reasonably provide long and short-term information regarding the City's financial condition.

The City's statements provide a manageable yet comprehensive view of the City's economic position, appropriately accounting for all revenue and expenses during the specified fiscal year. To accomplish this, government-wide financial statements are reported utilizing the flow of economic resources (cost of services) measurement focus and the accrual method of accounting. Using the flow of economic resources measurement focus allows the City to provide financial transparency insofar as all assets and liabilities are listed on the Statement of Net Position. The added use of the accrual basis of accounting allows the City a 'real-time' advantage as revenues are recognized when earned and expenses are recognized when incurred.

*The Statement of Net Position* outlines the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. While fluctuations are expected, over time increases or decreases in the City's

net position could be used to gauge the City's financial standing in order to ascertain whether it is improving or deteriorating.

The *Statement of Activities* demonstrates how the City's net position evolves during the current fiscal year. Specifically, this statement provides comparative analysis between direct expenses and program revenues for each functional activity of the City. In this format, net position changes are recorded in real time when triggered by underlying events without respect to the timing of the related cash flows. Because of this, it is expected that revenue and expenses for some items (such as uncollected taxes and earned but unused vacation leave) will result in recorded cash flows in future fiscal periods.

Combined, the *Statements* reveal functions of the City that can be divided into two categories:

- 1) Governmental activities, and
- 2) Business-type activities.

Governmental activities are chiefly supported by:

- a) Taxes derived from such sources as sales tax, property tax, and franchise tax, and:
- b) Intergovernmental revenues such as motor vehicle in-lieu fees.

Governmental activities of the City are inclusive of general government, public safety, public works, community development, economic development, and culture and recreation. As mentioned earlier, tax revenue principally funds these activities. Consequently, a good portion of the City's basic services is reported in this category.

The City does not have any business-type activities.

The government-wide financial statements include the City (Primary Government) and the Wildomar Cemetery District, which is a legally separate, discretely presented component unit. Financial information for the Wildomar Cemetery District is reported separately from the financial information presented for the City. The government-wide financial statements can be found in the Table of Contents under Basic Financial Statements.

## Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Wildomar, like other state and local governments, uses fund accounting to ensure and

demonstrate compliance with finance-related legal requirements. Specifically, these Fund Financial Statements cover segregated groupings of related accounts whose funds have been designated for specific activities or purpose. They provide a detailed accounting of revenue and expenditures, assets, liabilities, deferred inflows of resources, and remaining fund balances for each fund. This helps to ensure and demonstrate finance related legal compliance.

Fund financial statements differ from activity reports due to the way capital outlay, depreciation, long-term debt, compensated absences, unavailable revenues, and intergovernmental receivables are reported. The impact of these differences is laid out in the notes accompanying the financial statements.

Funds required by State law (i.e., Highway Users Tax) are part of the fund financial statements. Likewise, other funds (i.e., Developer Impact Fees, and Grants) established to provide the City with tighter fiscal controls and accountability are itemized on these statements.

### ***Governmental funds***

*Governmental funds* are reported in essentially the same way as governmental activities in the government-wide financial statements with an exception---governmental fund financial statements focus on near-term inflows and outflows of spendable resources and balances of spendable resources. This means governmental fund financial statements identify current sources and uses of money within the immediate fiscal year. Benefits derived include a detailed *short-term* view of the City's general government operations and the basic services it provides, which assist in determining whether there are sufficient financial resources available to meet the City's current needs.

Since the scope of the governmental funds is different than that of the government-wide financial statements, it is beneficial to comparatively examine information presented for the governmental funds with information presented for governmental activities in the government-wide financial statements.

The reader gains a clearer picture of the long-term impacts current financial decisions might yield. When examined together, the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances provide the reader with a different snapshot that identifies variances between the two different methodologies of accounting for governmental activities and governmental funds.

The City of Wildomar maintains 60 individual governmental funds. Information is summarized in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund,

Special Revenue Funds and Other Governmental Funds (Assessment Districts, Debt Service and Capital Reinvestment). Data from the 60 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the major and non-major governmental funds is provided in the form of *combining statements* later in this report.

*Proprietary funds* record revenues when they are earned and record expenses at the time liabilities are incurred. Proprietary funds can be divided into two fund types: enterprise funds and internal service funds. Enterprise funds display financial activities operating in a similar fashion to a business enterprise. Specifically, these funds account for services for which the City charges a user fee. Enterprise funds are documented in the business-type activities section of the governmental-wide financial statements. They account for operations that provide services primarily to customers outside the financial reporting entity (the City). The City of Wildomar does not have any Proprietary Funds to report.

*Internal service funds* are generally used to accumulate and allocate costs internally among the City's various functions. These funds might include general benefits and insurance, duplicating and printing, office maintenance, architectural services, and information technology, to name a few. Given these services largely benefit governmental activities rather than business-type functions, City services that might ordinarily be reported in this area have been included with governmental activities in the government-wide financial statements. The City of Wildomar does not have any Internal Service Funds to report.

The City of Wildomar adopts a bi-annual appropriated budget for its general fund, with a revision made for the second year of the budget if necessary. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 22 through 27 of this report.

## **Notes to the Basic Financial Statements**

The Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Basic Financial Statements can be found in the Table of Contents under the heading Notes to Financial Statements.

## Required Supplementary Information and Supplementary Information

In addition to the basic financial statements and included within the notes, this report also presents Required Supplementary Information and Supplementary Information.

Required supplementary information includes budgetary comparison schedules for the major governmental funds to demonstrate compliance with the annual budget as adopted and amended, miscellaneous pension plan information, schedule of funding process relating to OPEB and notes to required supplementary information. Required Supplementary Information can be found following the Notes to the Basic Financial Statements.

Supplementary Information includes combining statements referred to earlier in connection with non-major governmental funds and includes budgetary comparison schedules for the non-major governmental funds to demonstrate compliance with the annual budget as adopted and amended. Supplementary Information can be found following the Required Supplementary Information.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Wildomar, assets and deferred outflows of resources of the City of Wildomar exceeded its liabilities and deferred inflows of resources as of June 30, 2021, by \$51.8 million (net position). Infrastructure assets of the governmental activities are included within this report. The general capital assets (e.g., land, buildings, machinery, infrastructure, and equipment) of the governmental activities of the City of Wildomar are the largest portion of the City's net position (76%).

During the fiscal year ended June 30, 2021, net position was \$51.8 million of which \$37.6 million is invested in capital assets such as land, equipment, buildings, and infrastructure. Of the remaining total, \$9.1 million is restricted to specifically stipulated spending agreements originated by law, contract, or other agreements and \$5.0 million is unrestricted. Of note is the fact that the City has only \$1.5 million in outstanding debt related to the lease-purchase of the city's streetlights from Southern California Edison.

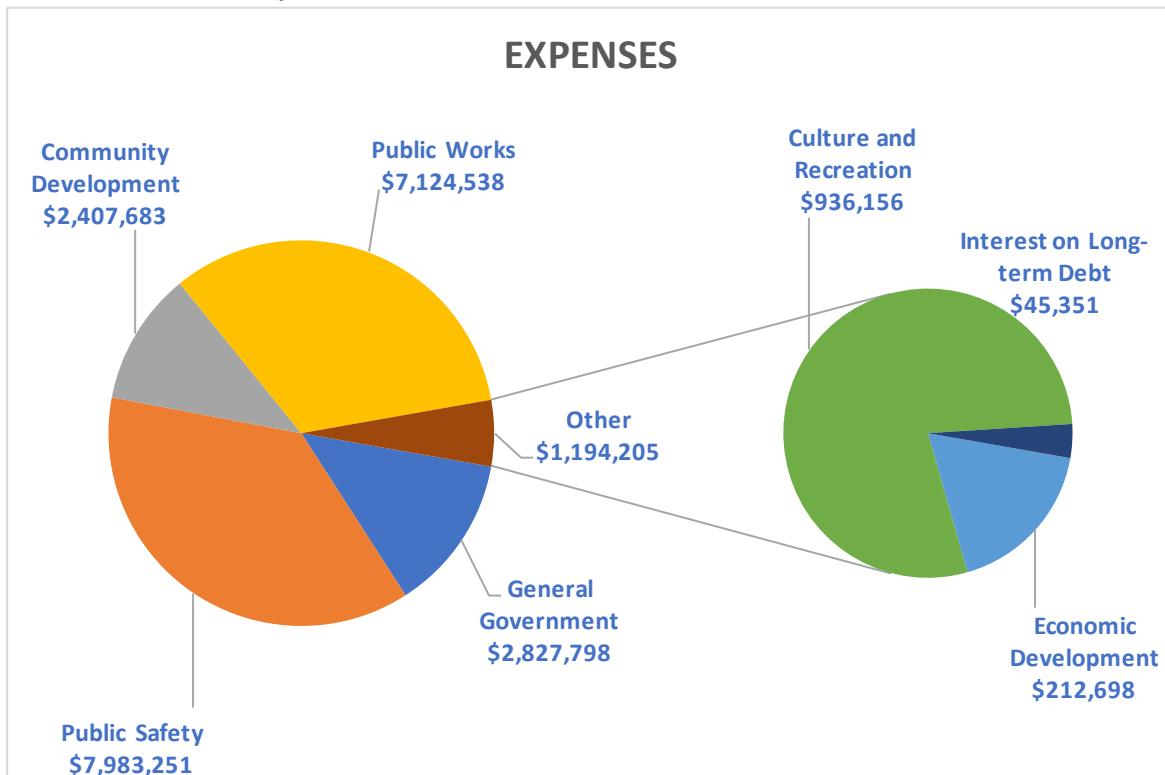
**Table 1 Statement of Net Position - Primary Government**

<b>City of Wildomar</b> <b>Statement of Net Position - Summary</b> <b>For the Years Ended June 30,</b>		
<u><b>Governmental Activities</b></u>		
	<u><b>2021</b></u>	<u><b>2020</b></u>
<b>Assets:</b>		
Current and other assets	\$ 22,518,045	\$ 16,649,364
Capital assets	<u>39,183,859</u>	<u>32,698,689</u>
<b>Total Assets</b>	<b><u>61,701,904</u></b>	<b><u>49,348,053</u></b>
<b>Deferred Outflows of Resources</b>		
Deferred pension-related items	<u>384,090</u>	<u>340,323</u>
<b>Total deferred outflows of resources</b>	<b><u>384,090</u></b>	<b><u>340,323</u></b>
<b>Liabilities:</b>		
Other Liabilities	7,753,058	6,408,669
Long-term liabilities	<u>2,319,323</u>	<u>2,247,446</u>
<b>Total Liabilities</b>	<b><u>10,072,381</u></b>	<b><u>8,656,115</u></b>
<b>Deferred inflows of resources:</b>		
Deferred pension-related items	1,914	3,660
Deferred OPEB-related items	<u>241,530</u>	<u>271,721</u>
<b>Total Deferred Inflows of Resources</b>	<b><u>243,444</u></b>	<b><u>275,381</u></b>
<b>Net Position:</b>		
Net Investment in Capital Assets	37,642,188	31,157,018
Restricted	9,113,333	7,579,845
Unrestricted	<u>5,014,648</u>	<u>2,020,017</u>
<b>Total Net Position</b>	<b><u>\$ 51,770,169</u></b>	<b><u>\$ 40,756,880</u></b>

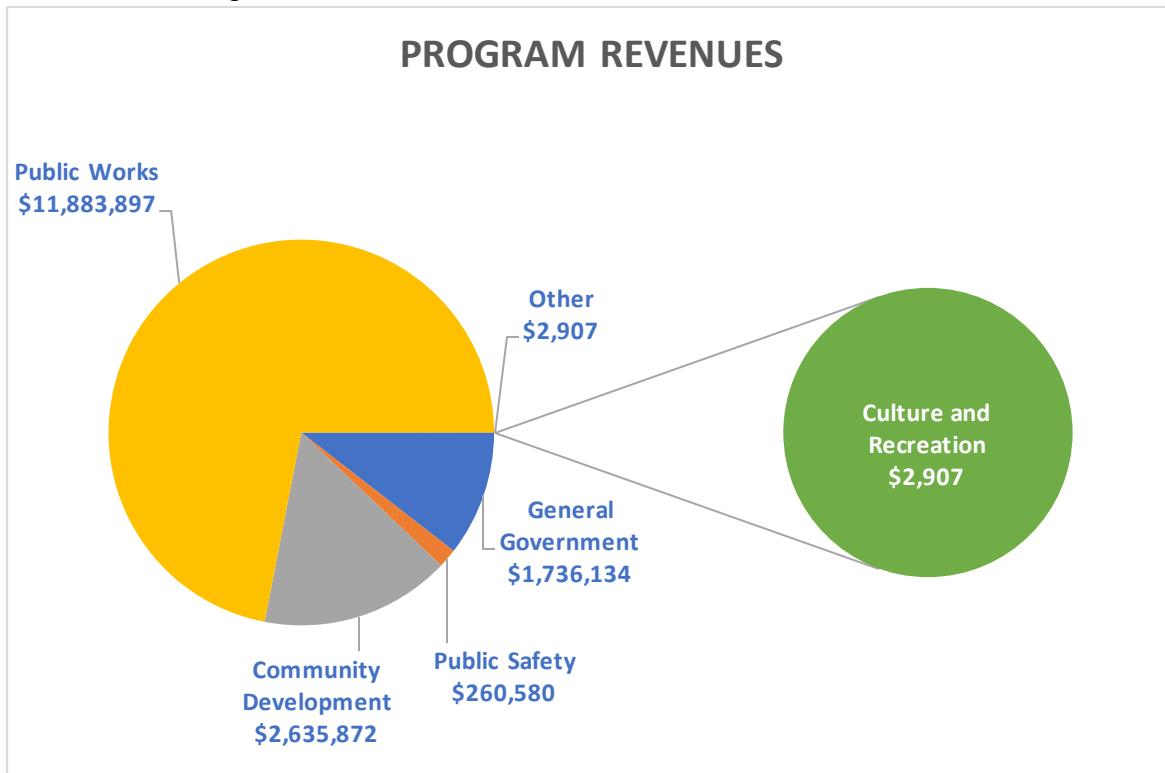
**Table 2 Statement of Activities - Primary Government**

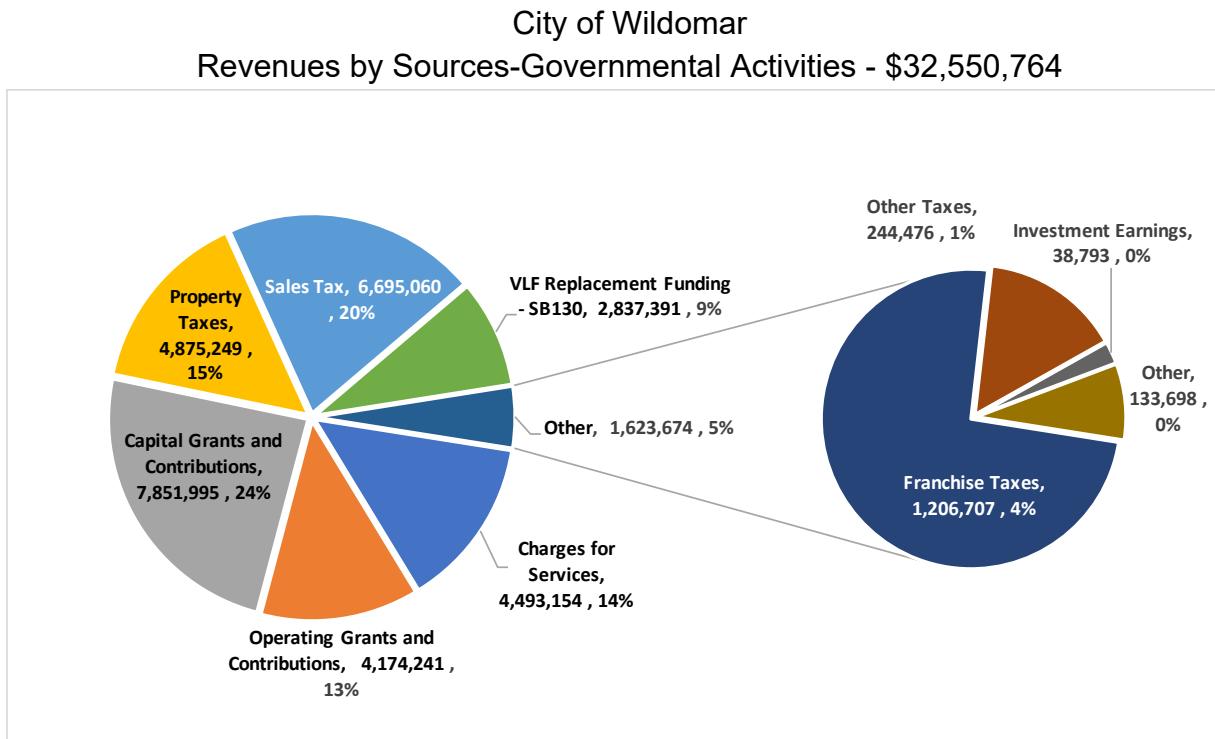
<b>City of Wildomar</b> <b>Statement of Activities</b> <b>For the Years Ended June 30,</b>			
<b><u>Governmental Activities</u></b>			
	<b>2021</b>	<b>2020</b>	
<b>Revenues:</b>			
<b>Program Revenues</b>			
Charges for Services	\$ 4,493,154	\$ 3,460,880	
Operating Grants and Contributions	4,174,241	3,426,597	
Capital Grants and Contributions	7,851,995	1,812,906	
<b>General Revenues</b>			
Property Taxes	4,875,249	4,608,569	
Sales Tax	6,695,060	5,054,702	
Other Taxes	4,288,574	3,964,193	
Use of Money and Property	38,793	109,658	
Other Revenues	133,698	68,075	
<b>Total Revenues</b>	<b><u>32,550,764</u></b>	<b><u>22,505,580</u></b>	
<b>Expenses:</b>			
General Government	2,827,798	3,061,012	
Public Safety	7,983,251	9,104,994	
Community Development	2,407,683	2,270,421	
Economic Development	212,698	166,124	
Culture and Recreation	936,156	908,428	
Public Works	7,124,538	3,953,145	
Interest on Long-term Interest	45,351	118,152	
<b>Total Expenses</b>	<b><u>21,537,475</u></b>	<b><u>19,582,276</u></b>	
<b>Increase (decrease) in Net Position</b>	<b>11,013,289</b>	<b>2,923,304</b>	
Beginning Net Position	40,756,880	37,833,576	
Restatement of Net Position	-	-	
<b>Ending Net Position</b>	<b><u>\$ 51,770,169</u></b>	<b><u>\$ 40,756,880</u></b>	

**City of Wildomar**  
**Expenses-Governmental Activities – \$21,537,475**



**City of Wildomar**  
**Program Revenues-Governmental Activities - \$16,519,390**





## Financial Analysis of Governmental Funds

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

### Governmental Funds

As stated, governmental fund financial statements identify current sources and uses of money. Benefits derived include a detailed *short-term* view of the City's general government operations and the basic services it provides, which assists in determining whether there are sufficient financial resources available to meet the City's current needs.

The financial position of the City's governmental funds has increased when compared to the previous fiscal year. The total ending fund balance for the City's governmental funds was \$13.9 million which represented a \$4.1 million or a 41.5% increase from the prior fiscal year balance.

The General Fund is the primarily funding source for the City. At fiscal year end, the unassigned fund balance of the general fund was \$2.4 million or 19.2% of the City's general fund expenditures of \$12.7 million. This is an increase of \$1.6 million in the general fund ending fund balance. Although revenues for intergovernmental, charges for services, fines and forfeitures, use of money, and miscellaneous revenues were up \$1.5 million, property taxes, sales taxes, and licenses and permits were down \$0.1 million for

net change in revenues of \$1.4 million. Expenditures in public safety decreased by \$1.1 million, general government increased by \$0.1 million, community development increased by \$0.1 million, and economic development, culture & recreation, public works, and capital outlay had a combined increase of \$0.1 million for a net decrease in expenditures of \$0.7 million. The transfers into the General Fund decreased by \$69,000 completes the offset of the decreased expenditures.

Other major factors in fund balance changes were as follows:

### **Development Impact Fee Funds**

These funds are used to record the capital expenditures of various improvements needed to meet the increased demands associated with new development, primarily residential. Capital facility expansions are pre-determined and are constructed when the collected fees fully fund the improvement. During fiscal year 2020-21, fund balance increased to \$6.5 million related to revenues of \$1.3 million offset by \$0.2 million in capital improvements & cost allocation and \$0.1 million in transfers out.

### **Measure AA Fund**

These funds are raised by the 1.0% transactions tax approved by the voter of Wildomar on November 6, 2018. The tax is on gross receipts of any retailer from the sale of tangible property sold within the city limits. It is also imposed on the storage, use or other consumption within the city limits of Wildomar of tangible personal property purchased from any retailer. The tax became effective on April 1, 2019, and generated a fund balance at June 30, 2019 and 2020 of \$0.6 million and \$1.9 respectfully. During fiscal year 2020-21, Measure AA's second full year, revenues of \$4.3 million were generated, offset by expenditures of \$2.9 million, increasing the fund balance by \$1.4 million to end the fiscal year at \$3.3 million.

### **Grant Funds**

These funds are typically applied for through various Federal, State, Regional, and Local agencies and are awarded based on the criteria established by the agency funding the grant. All funds are to be used in accordance with the rules and regulations established for each grant. In fiscal year 2020-21 the City of Wildomar received major grant funds for the CARES Act and for its Bundy Canyon Road Capital Improvement Project. The City also received smaller grants that covered a variety of areas. In total, during fiscal year 2020-21 the City received grant funds of \$1.7 million offset by \$2.2 million in grant expenditures, decreasing the fund balance by \$0.5 million to -\$0.9 million. The fund balance is in the negative due to the timing of the reimbursement requests for the Bundy Canyon Road Capital Improvement Project.

## General Fund Financial Highlights

General Fund original vs. final budget significant changes were as follows:

Revenues:

- Taxes increased \$0.6 million primarily related to increased Measure AA revenues.
- Licenses and Permits decreased \$0.1 million due to the final building permit activity and private development fees amounts being lower than projected.

Expenditures:

- City Manager's Office decreased less of \$0.1 million due to direct work on the COVID-19 pandemic that were paid by CARES Act funding.
- City Attorney's Office decreased \$0.2 million due to the legal services for various issues being charged to specific cost centers.
- Administrative Services increased by \$0.2 million due to staff promotions and additional positions in the department
- Non-departmental increased nearly \$0.2 million due to increases in contractual & professional services for the City and additional software & hardware needs
- Police and Fire services decreased a combined \$0.2 million due to increased cost efficiencies from restructuring their general service hours and having more targeted law enforcement services based on the City's needs.
- Community Development combined increased by more than \$0.5 million due to overall increased activity during fiscal year 2020-21.

General Fund actual revenues were a net \$261,000 more than the final budget.

The primary sources for the revenue received being more than budgeted are as follows:

- Taxes received were \$280,000 more than the final budget, primarily due to increase sales taxes received.
- License and Permits were \$87,000 more due to increased activity at the end of the fiscal year.
- Intergovernmental, Charges for Services, and Fines & Forfeitures received were a combined \$13,000 lower than budgeted due to lower than anticipated reimbursements from other governments.
- Use of Money & Property and Miscellaneous revenues were \$70,000 more than budgeted related to lower interest rates and an increase in miscellaneous items received.

- Transfers In were \$163,000 less than budgeted due to lower allocated costs to the other funds.

General Fund actual expenditures were a net \$1.1 million less than the final budget. The primary source for the net expenditure decrease is as follows:

- Police and Fire Services were a combined \$1.1 million under budget due to increased cost efficiencies from restructuring their general service hours and having more targeted law enforcement services based on the City's needs.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital Assets**

The City's investment in capital assets (Table 3) for its governmental activities as of June 30, 2021, is \$39.2 million (net of accumulated depreciation). This investment in capital assets includes land, structures and improvements, furniture and equipment, infrastructure, and construction in progress. For more information, please refer to Note 5 in the Notes to Financial Statements. The Capital Assets of the City are those assets which are used in the performance of the City's functions including infrastructure assets. Depreciation on capital assets is recognized in the Government-wide financial statements.

Additional detail information is provided on Capital Assets in the Notes to Financial Statements, Note 1.d.

In accordance with GASB Statement No. 34, the City has reported all general infrastructure assets.

**Table 3 Summary of Changes in Capital Assets**

<b>City of Wildomar</b> <b>Summary of Changes in Capital Assets</b> <b>For the Year Ended June 30, 2021</b>				
	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
<b>Governmental Activities:</b>				
<b>Capital Assets, not being depreciated:</b>				
Land	\$ 3,032,101	\$ -	\$ -	\$ 3,032,101
Construction in Progressss	4,603,426	2,912,994	(839,996)	6,676,424
Right-of-Way	3,792,492	167,537	-	3,960,029
<b>Total Capital Assets, Not Being Depreciated</b>	<b>11,428,019</b>	<b>3,080,531</b>	<b>(839,996)</b>	<b>13,668,554</b>
<b>Capital Assets, being depreciated</b>				
Buildings and Improvements	7,545,145	-	-	7,545,145
Furniture. Fixtures and Equipment	213,887	27,493	-	241,380
Streetlights	1,440,417	465,000	-	1,905,417
Traffic Signals	251,824	-	-	251,824
Infrastructure	50,268,262	6,028,210	-	56,296,472
<b>Total Capital Assets, Being Depreciated</b>	<b>59,719,535</b>	<b>6,520,703</b>	<b>-</b>	<b>66,240,238</b>
<b>Less Accumulated Depreciation for:</b>				
Buildings and Improvements	(2,996,276)	(259,403)	-	(3,255,679)
Furniture. Fixtures and Equipment	(140,390)	(99,989)	-	(240,379)
Streetlights	(89,253)	(37,908)	-	(127,161)
Traffic Signals	(90,890)	(12,592)	-	(103,482)
Infrastructure	(35,132,056)	(1,866,176)	-	(36,998,232)
<b>Total Accumulated Depreciation</b>	<b>(38,448,865)</b>	<b>(2,276,068)</b>	<b>-</b>	<b>(40,724,933)</b>
Total Capital Assets, being Depreciated, Net	21,270,670	4,244,635	-	25,515,305
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 32,698,689</b>	<b>\$ 7,325,166</b>	<b>\$ (839,996)</b>	<b>\$ 39,183,859</b>

## Long-term Debt

At year end, the City had \$1,654,231 in outstanding long-term debt for Governmental Activities. This debt is related to a lease-purchase for streetlights and for compensated absences. For more information, please refer to Note 6 in the Notes to the Financial Statements. Additional detailed information is provided on long-term debt in Note 1d of the Notes to the Financial Statements.

**Table 4 Summary of Changes in Long-Term Liabilities**

<b>City of Wildomar</b> <b>Summary of Changes in Long-term Liabilities</b> <b>For the Years Ended June 30, 2021</b>					
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Within One Year</u>
<b>Governmental Activities:</b>					
Compensated Absences	\$ 158,279	\$ 71,119	\$ (39,570)	\$ 189,828	\$ 107,802
Direct Borrowing:					
Loan Payable	<u>1,541,671</u>	<u>-</u>	<u>(77,268)</u>	<u>1,464,403</u>	<u>81,330</u>
<b>Total Long-term Liabilities</b>	<b><u>\$ 1,699,950</u></b>	<b><u>\$ 71,119</u></b>	<b><u>\$ (116,838)</u></b>	<b><u>\$ 1,654,231</u></b>	<b><u>\$ 189,132</u></b>

## ECONOMIC FACTORS AND OUTLOOK FOR FUTURE YEARS

Key budget assumptions for forecasting General Fund revenues include for fiscal year 2021-22 and beyond are the following:

- The continual effects locally of the COVID-19 Pandemic and how it affects the City's sales taxes and other revenues and expenses in the near and long-term.
- Residential property values are increasing, which will be reflected in higher property taxes.
- The addition of Cannabis businesses to the local revenues.
- A review of certain areas of the City's fee schedule, such as Fire fees, to be completed in fiscal year 2021-22, which will possibly bring increased revenues to the City once implemented.

On November 6, 2018, voters approved Measure AA. Effective on April 1, 2019, Measure AA established a 1.0% transactions tax on the gross receipts of any retailer from the sale of tangible property sold within the city limits. In addition, an excise tax of 1.0% is imposed on the storage, use or other consumption within the city limits of Wildomar of tangible personal property (i.e., vehicles) purchased from any retailer within California. The revenue from this tax in the second full year was \$4.3 million, and it is anticipated that the third year's revenue will be approximately \$3.5 million. The revenues are used to fund improvements for public safety services, roads and homeless outreach.

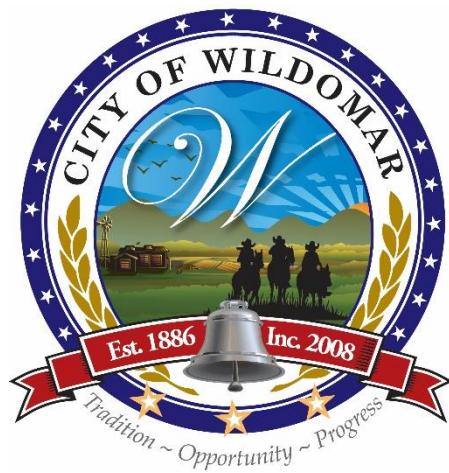
The Adopted Operating Budget for Fiscal Year 2021-22 is structurally balanced, addresses some of the City Council's priorities, and attempts to balance achievement of community needs and accomplishment of the Council's goals and objectives.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City of Wildomar's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

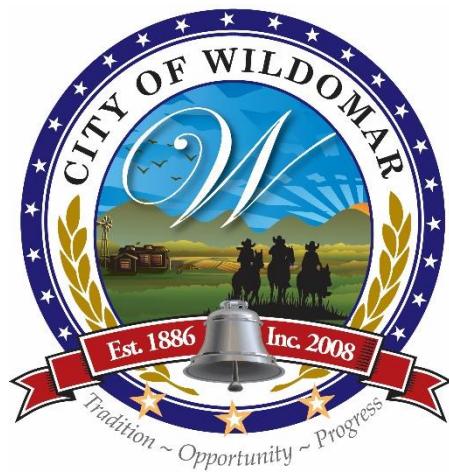
City of Wildomar  
Attention: Administrative Services Director  
23873 Clinton Keith Road, Suite 201  
Wildomar, California 92595

General information relating to the City of Wildomar, California, can be found at the City's website, [www.cityofwildomar.org](http://www.cityofwildomar.org).



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## **BASIC FINANCIAL STATEMENTS**

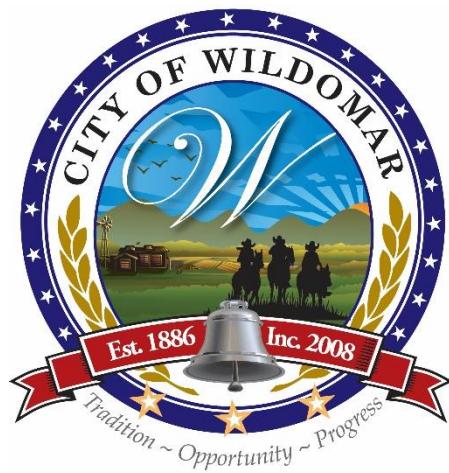


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**City of Wildomar**  
**Statement of Net Position**  
June 30, 2021

	Primary Government	Component Unit
	Governmental Activities	Wildomar Cemetery District
<b>ASSETS</b>		
Cash and Investments	\$ 17,763,646	\$ 1,342,720
Restricted Cash and Investments	162,232	281,809
Receivables:		
Accounts	158,168	-
Developer	788,760	-
Grants	1,430,113	-
Accrued Interest	2,991	-
Due from Other Governments	2,212,135	24,619
Inventories	-	4,393
Capital Assets, Not Being Depreciated	13,668,554	963,390
Capital Assets, Net of Depreciation	25,515,305	18,162
	<hr/>	<hr/>
Total Assets	61,701,904	2,635,093
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension Related Items	327,767	42,190
OPEB Related Items	56,323	-
	<hr/>	<hr/>
Total Deferred Outflows of Resources	384,090	42,190
<b>LIABILITIES</b>		
Accounts Payable	3,518,910	11,073
Accrued Liabilities	147,837	31,469
Unearned Revenue	778,342	-
Deposits Payable	3,086,505	129,220
Due to Other Governments	86,343	-
Accrued Interest Payable	6,334	-
Noncurrent Liabilities:		
Due Within One Year	189,132	3,103
Due in More Than One Year		
Other Long-term Liabilities	1,465,099	9,308
Net Pension Liability	268,295	209,178
Net OPEB Liability	525,584	-
	<hr/>	<hr/>
Total Liabilities	10,072,381	393,351
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension Related Items	1,914	15,321
OPEB Related Items	241,530	-
	<hr/>	<hr/>
Total Deferred Inflows of Resources	243,444	15,321
<b>NET POSITION</b>		
Net Investment in Capital Assets	37,642,188	981,552
Restricted:		
Community Development Projects	6,487,516	-
Parks and Recreation	226,671	-
Public Works	490,110	-
Capital Projects	1,758,079	-
Debt Service	150,957	-
Cemetery Trust - Nonexpendable	-	281,809
Unrestricted	5,014,648	1,005,250
	<hr/>	<hr/>
Total Net Position	\$ 51,770,169	\$ 2,268,611

The accompanying notes are an integral part of this statement.



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**City of Wildomar**  
**Statement of Activities**  
For the Year Ended June 30, 2021

					Net (Expenses) Revenues and Changes in Net Position	
	Program Revenues				Primary Government	Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Wildomar Cemetery District
Governmental Activities:						
General Government	\$ 2,827,798	\$ 1,375,137	\$ 360,997	\$ -	\$ (1,091,664)	
Public Safety	7,983,251	103,853	156,727	-	(7,722,671)	
Community Development	2,407,683	2,162,593	473,279	-	228,189	
Economic Development	212,698	-	-	-	(212,698)	
Culture and Recreation	936,156	2,907	-	-	(933,249)	
Public Works	7,124,538	848,664	3,183,238	7,851,995	4,759,359	
Interest on Long-term Debt	45,351	-	-	-	(45,351)	
Total Governmental Activities	<u>\$ 21,537,475</u>	<u>\$ 4,493,154</u>	<u>\$ 4,174,241</u>	<u>\$ 7,851,995</u>	<u>(5,018,085)</u>	
Component Unit:						
Wildomar Cemetery District	\$ 704,693	\$ 72,740	\$ -	\$ -		\$ (631,953)
Total Component Unit	<u>\$ 704,693</u>	<u>\$ 72,740</u>	<u>\$ -</u>	<u>\$ -</u>		<u>(631,953)</u>
General Revenues:						
Taxes:						
Property Tax, Levied for General Purpose					4,875,249	597,345
Sales Tax					6,695,060	-
Franchise Taxes					1,206,707	-
VLF Replacement Funding - SB130					2,837,391	-
Other Taxes					244,476	-
Investment Earnings					38,793	6,030
Other					133,698	2,445
Total General Revenues					<u>16,031,374</u>	<u>605,820</u>
Change in Net Position					11,013,289	(26,133)
Net Position - Beginning of Year					<u>40,756,880</u>	<u>2,294,744</u>
Net Position - End of Year					<u>\$ 51,770,169</u>	<u>\$ 2,268,611</u>

The accompanying notes are an integral part of this statement.

**City of Wildomar**  
**Balance Sheet**  
**Governmental Funds**  
June 30, 2021

	Special Revenue		
	Development		
	General	Impact Fees	Measure AA
<b>ASSETS</b>			
Pooled Cash and Investments	\$ 9,268,792	\$ 6,497,563	\$ -
Restricted Cash and Investments	-	-	-
Receivables:			
Accounts	148,700	-	-
Developer	788,760	-	-
Grants	-	-	-
Accrued Interest	2,988	-	-
Due from Other Governments	807,696	-	977,603
Due from Other Funds	<u>40,620</u>	<u>1,714,627</u>	<u>2,837,459</u>
Total Assets	<u><u>\$ 11,057,556</u></u>	<u><u>\$ 8,212,190</u></u>	<u><u>\$ 3,815,062</u></u>
<b>LIABILITIES</b>			
Accounts Payable	\$ 2,196,258	\$ 131,591	\$ 539,622
Accrued Liabilities	120,336	-	-
Unearned Revenues	122,866	655,476	-
Deposits Payable	3,086,505	-	-
Due to Other Governments	86,343	-	-
Due to Other Funds	<u>3,000,455</u>	<u>937,607</u>	<u>-</u>
Total Liabilities	<u><u>8,612,763</u></u>	<u><u>1,724,674</u></u>	<u><u>539,622</u></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenues - Intergovernmental	-	-	-
Total Deferred Inflows of Resources	-	-	-
<b>FUND BALANCES</b>			
Restricted for:			
Community Development Projects	-	6,487,516	-
Culture and Recreation	-	-	-
Public Works	-	-	-
Capital Projects	-	-	-
Debt Service	-	-	-
Committed	-	-	3,275,440
Unassigned	<u>2,444,793</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u><u>2,444,793</u></u>	<u><u>6,487,516</u></u>	<u><u>3,275,440</u></u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>\$ 11,057,556</u></u>	<u><u>\$ 8,212,190</u></u>	<u><u>\$ 3,815,062</u></u>

The accompanying notes are an integral part of this statement.

<u>Special Revenue</u>	<u>Other</u>	<u>Total</u>
<u>Grants</u>	<u>Governmental</u>	<u>Governmental</u>
	<u>Funds</u>	<u>Funds</u>
\$ 39,080	\$ 1,958,211	\$ 17,763,646
-	162,232	162,232
9,468	-	158,168
-	-	788,760
1,370,950	59,163	1,430,113
-	3	2,991
-	426,836	2,212,135
10,309	1,303,404	5,906,419
<u>\$ 1,429,807</u>	<u>\$ 3,909,849</u>	<u>\$ 28,424,464</u>
 \$ 440,140	 \$ 211,299	 \$ 3,518,910
-	27,501	147,837
-	-	778,342
-	-	3,086,505
-	-	86,343
906,188	1,062,169	5,906,419
<u>1,346,328</u>	<u>1,300,969</u>	<u>13,524,356</u>
 1,028,571	 16,308	 1,044,879
 1,028,571	 16,308	 1,044,879
 -	 -	 6,487,516
-	226,671	226,671
-	490,110	490,110
-	1,758,079	1,758,079
-	150,957	150,957
-	-	3,275,440
(945,092)	(33,245)	1,466,456
<u>(945,092)</u>	<u>2,592,572</u>	<u>13,855,229</u>
 <u>\$ 1,429,807</u>	 <u>\$ 3,909,849</u>	 <u>\$ 28,424,464</u>

The accompanying notes are an integral part of this statement.

**City of Wildomar**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Position**  
June 30, 2021

Fund Balances of Governmental Funds \$ 13,855,229

Amounts reported for governmental activities in the Statement of Net Position are different because:

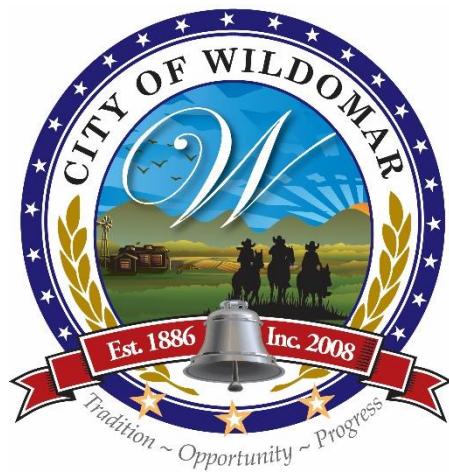
Capital assets net of depreciation have not been included as financial resources in government fund activity.	39,183,859
Accrued interest is not due and payable in the current period and, therefore, is not reported in the governmental funds.	(6,334)
Long-term liabilities and compensated absences that have not been included in the governmental fund activity.	
Compensated Absences	(189,828)
Loan Payable	(1,464,403)
Net Pension Liability	(268,295)
Net OPEB Liability	(525,584)

Deferred outflows and inflows of resources related to pensions and OPEB that are required to be recognized over a defined closed period.

Pension Related Deferred Outflows of Resources	327,767
Pension Related Deferred Inflows of Resources	(1,914)
OPEB Related Deferred Outflows of Resources	56,323
OPEB Related Deferred Inflows of Resources	(241,530)

Revenues reported as unavailable revenue in the governmental funds are recognized in the statement of activities. 1,044,879

Net Position of Governmental Activities \$ 51,770,169



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**City of Wildomar**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
For the Year Ended June 30, 2021

	General	Special Revenue	
		Development Impact Fees	Measure AA
<b>REVENUES</b>			
Taxes	\$ 8,684,121	\$ -	\$ 4,299,827
Licenses and Permits	2,185,629	-	-
Intergovernmental	2,873,161	-	-
Charges for Services	17,786	-	-
Fines and Forfeitures	84,020	-	-
Use of Money and Property	21,002	8,908	2,761
Developer Participation	-	1,333,216	-
Miscellaneous	<u>133,755</u>	-	-
Total Revenues	<u>13,999,474</u>	<u>1,342,124</u>	<u>4,302,588</u>
<b>EXPENDITURES</b>			
Current:			
General Government	2,591,479	8,908	5,261
Public Safety	7,155,497	-	2,070,555
Community Development	2,293,275	-	-
Economic Development	208,732	-	-
Culture and Recreation	53,761	19,990	199,837
Public Works	431,260	81,456	495,104
Capital Outlay	325	107,169	167,969
Debt Service:			
Principal Retirement	-	-	-
Interest Expense	-	-	-
Total Expenditures	<u>12,734,329</u>	<u>217,523</u>	<u>2,938,726</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,265,145</u>	<u>1,124,601</u>	<u>1,363,862</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	301,362	-	-
Transfers Out	-	(66,127)	-
Total Other Financing Sources (Uses)	<u>301,362</u>	<u>(66,127)</u>	<u>-</u>
Net Change in Fund Balances	1,566,507	1,058,474	1,363,862
Fund Balances - Beginning of Year	<u>878,286</u>	<u>5,429,042</u>	<u>1,911,578</u>
Fund Balances - End of Year	<u>\$ 2,444,793</u>	<u>\$ 6,487,516</u>	<u>\$ 3,275,440</u>

The accompanying notes are an integral part of this statement.

<u>Special Revenue</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Grants</u>		
\$ -	\$ -	\$ 12,983,948
		2,185,629
1,707,540	4,081,839	8,662,540
-	176,159	193,945
-	-	84,020
55	6,071	38,797
-	-	1,333,216
-	-	133,755
<u>1,707,595</u>	<u>4,264,069</u>	<u>25,615,850</u>
105,135	3,649	2,714,432
53,046	102,757	9,381,855
114,408	-	2,407,683
3,966	-	212,698
34,881	397,775	706,244
350,244	2,607,191	3,965,255
1,525,466	209,598	2,010,527
-	77,268	77,268
-	<u>79,023</u>	<u>79,023</u>
<u>2,187,146</u>	<u>3,477,261</u>	<u>21,554,985</u>
<u>(479,551)</u>	<u>786,808</u>	<u>4,060,865</u>
-	-	301,362
(1,783)	(233,452)	(301,362)
<u>(1,783)</u>	<u>(233,452)</u>	<u>-</u>
(481,334)	553,356	4,060,865
(463,758)	2,039,216	9,794,364
<u>\$ (945,092)</u>	<u>\$ 2,592,572</u>	<u>\$ 13,855,229</u>

The accompanying notes are an integral part of this statement.

**City of Wildomar**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances**  
**of Governmental Funds to the Statement of Activities**  
For the Year Ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds \$ 4,060,865

Amounts reported for governmental activities in the statement of activities are different 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. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlay	2,268,028
Depreciation	(2,276,068)

Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not current financial resources. 6,493,210

The issuance of long-term debt provides current financial resources to governmental funds. Repayment of long-term debt is an expenditure in governmental funds, but repayment reduces long-term liabilities in the statement of net position.

Principal Paid on Loan Payable	77,268
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Some expenses reported in statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Net Change in Accrued Interest Payable	33,672
Net Change in Compensated Absences	(31,549)
Net Change in Net Pension Liability	(58,968)
Net Change in Net OPEB Liability	(70,577)
Net Change in Pension Deferred Outflows and Inflows of Resources	18,974
Net Change in OPEB Deferred Outflows and Inflows of Resources	56,730

Revenues reported as unavailable revenue in the governmental funds are recognized in the statement of activities. 441,704

Change in Net Position of Governmental Activities \$ 11,013,289

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**I.) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a. Description of the Reporting Entity**

The City of Wildomar, California (City) was incorporated on July 1, 2008, under the laws of the State of California and enjoys all the rights and privileges pertaining to “General Law” cities. The City is governed by an elected five-member board. As required by generally accepted accounting principles, these financial statements present the City (the primary government) and its component units.

**Component Units**

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. An agency, institution or authority, may be included as a component unit in the primary government's financial statements. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. A discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. There is one discretely presented component unit in these financial statements. There are no blended component units presented in the financial statements. The governing body of the component unit are comprised of the City Council acting as the governing board and the services they provide directly to citizens or other parties outside the government. The discretely presented component unit presented has a June 30 year end. The following is reported as a discretely presented component unit.

Wildomar Cemetery District - The Wildomar Cemetery District was absorbed into the City on November 9, 2011 and was consolidated into the City as a subsidiary district. Its purpose is to provide cemetery services to residents of the City of Wildomar. The operations of the District are discretely presented in the financial statements as the structure of the District is a separate legal entity and the City Council would oversee the operations of the District acting as the Board of Directors. A component unit financial statement may be obtained from the City of Wildomar.

**b. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

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

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. All general tax receipts and fee revenue not allocated by law, Council policy or contractual agreement to other funds are accounted for in the General Fund. General Fund expenditures include operations traditionally associated with activities, which are not required to be accounted for or paid by another fund.

The *Development Impact Fees Fund* accounts for new development impact fees that are collected on the City's behalf and can only be used to pay for capital expenditures and cannot be used for operating costs.

The *Measure AA Fund* accounts for revenues and expenditures for the enhancement of police and fire services, road maintenance, and homelessness solutions within the City.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued**

The *Grants Fund* accounts for revenues and expenditures of miscellaneous grants not accounted for in a separate fund.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements except for the effect of interfund services provided and used.

Accounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all unrestricted taxes.

**d. Assets, Deferred Outflows/Inflows of Resources, Liabilities, and Net Position or Equity**

***Cash and Investments***

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For financial statement presentation purposes, cash and cash equivalents are shown as both restricted and unrestricted cash and investments in the governmental funds.

Investments are reported at fair value. The City's policy is to hold investments until maturity or until market values equal or exceed cost. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

***Receivables and Payables***

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**d. Assets, Deferred Outflows/Inflows of Resources, Liabilities, and Net Position or Equity - Continued**

*Prepaid Items and Deposits*

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs in both government-wide and fund financial statements. The City accounts for prepaid costs using the consumption method and is equally offset by a nonspendable fund balance in the fund-level statement, which indicates that it does not constitute “available spendable resources.”

*Capital Assets*

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of three years. Such assets are recorded at the historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

In accordance with GASB Statement No. 34, the City has reported all general infrastructure assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset’s lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, equipment, and infrastructure are depreciated using the straight-line, half-year convention method over the following estimated useful lives:

Assets	Years
Building and Improvements	10 to 30 years
Equipment and Furniture	3 to 20 years
Vehicles	5 to 10 years
Infrastructure	10 to 50 years
Software	5 to 10 years

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**d. Assets, Deferred Outflows/Inflows of Resources, Liabilities, and Net Position or Equity - Continued**

***Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (expenses/expenditure) until then. The City reports deferred outflows of resources for pension and OPEB which relate to contributions after the measurement date and other amounts, which are amortized by an actuarial determined period.

In addition to liabilities, the statement of net position and the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (revenue) until that time. The City has two types of items, one of which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the government funds balance sheet. The governmental funds report unavailable revenues from grant revenue sources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, the City reports deferred inflows of resources for pension and OPEB on the statement of net position and are amortized by an actuarial determined period.

***Compensated Absences***

The dollar value at June 30<sup>th</sup> of all vacation and sick leave hours is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Staff and management are unrepresented and have a compensation plan. The City Manager is governed by an employment agreement which includes the compensation rate and specified rules governing vacation and sick leave. All employees are provided with vacation and sick leave when taken, with a cash-out of unused/accrued leave upon termination. Maximum accrual limits for each category:

Vacation Leave	320 hours
Sick Leave	320 hours

Vacation pay is payable to employees at the time a vacation is taken or upon termination of employment. Unless otherwise governed by an employee agreement, staff may convert in May and November a maximum of 40 vacation hours into compensation.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**d. Assets, Deferred Outflows/Inflows of Resources, Liabilities, and Net Position or Equity - Continued**

***Compensated Absences - Continued***

Sick leave is payable when an employee is unable to work because of illness. Employees with continuous employment of five years or more may receive a payment of 50% of their unused sick leave when they separate without cause or retire at the then rate of compensation.

The liability for compensated absences will be paid in future years from the Gas Tax, Measure A, Measure Z, Cemetery District, and General Funds.

***Long-term Obligations***

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses in the year incurred.

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

***Net Pension Liability***

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the California Public Employees' Retirement System (CalPERS) Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

The liability for net pension will be paid in future years from the General Fund and Cemetery District.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**d. Assets, Deferred Outflows/Inflows of Resources, Liabilities, and Net Position or Equity - Continued**

***Net Pension Liability - Continued***

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date (VD): June 30, 2019

Measurement Date (MD): June 30, 2020

Measurement Period (MP): July 1, 2019 to June 30, 2020

***Other Post Employment Benefits (OPEB)***

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

The liability for other post employment benefits will be paid in future years from the General Fund.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date: June 30, 2020

Measurement Date: June 30, 2021

Measurement Period: July 1, 2020 to June 30, 2021

***Unearned Revenues***

In the government-wide financial statements and the fund financial statements, unearned revenues represent cash advances by various grantors that have not been spent; therefore no revenue has been recognized.

***Fund Equity***

In the fund financial statements, government funds report the following fund balance classification:

Nonspendable include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**d. Assets, Deferred Outflows/Inflows of Resources, Liabilities, and Net Position or Equity - Continued**

***Fund Equity - Continued***

Restricted include amounts that are constrained on the use of resources by either, (a) external creditors, grantors, contributions, or laws or regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

Committed include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority, the City Council, by an adoption of an ordinance. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a ordinance.

Assigned include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The City Manager is authorized to assign amounts to a specific purpose, which was established by the governing body in Resolution No. 2011-20 approved on June 21, 2011.

Unassigned are either residual positive net resources of the General Fund in excess of what can properly be classified in one of the other categories, or negative balances in all other funds.

***Net Position Flow Assumptions***

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

***Fund Balance Flow Assumption***

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**d. Assets, Deferred Outflows/Inflows of Resources, Liabilities, and Net Position or Equity - Continued**

***Property Taxes***

Property tax revenue is recognized on the modified accrual basis, that is, in the fiscal year for which the taxes have been levied providing they become available. Available means then due or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The County of Riverside collects property taxes for the City. Tax liens attach annually as of 12:01 A.M. on the first day in January preceding, the fiscal year for which the taxes are levied. The tax levy covers the fiscal period July 1<sup>st</sup> to June 30<sup>th</sup>. All secured personal property taxes and one-half of the taxes on real property are due November 1<sup>st</sup>, the second installment is due February 1<sup>st</sup>. All taxes are delinquent, if unpaid, on December 10<sup>th</sup> and April 10<sup>th</sup> respectively. Unsecured personal property taxes become due on the first of March each year and are delinquent, if unpaid, on August 31<sup>st</sup>.

***Functional Classifications***

Expenditures of the governmental funds are classified by function. Functional classifications are defined as follows:

- General Government includes legislative activities, City Clerk, City Attorney, City Manager as well as management or supportive services across more than one functional area.
- Public Safety includes those activities which involve police protection, fire protection and animal control services.
- Community Development includes those activities which involve planning, building and safety and code enforcement.
- Economic Development includes activities to attract, retain and expand businesses, marketing, local job development, and collaboration between the City and businesses.
- Culture and Recreation includes activities which provide recreation, cultural and educational services.
- Public Works includes all maintenance, engineering and capital improvements which relate to streets and other public facilities.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**e. Implementation of New Governmental Accounting Standards Board (GASB) Pronouncements**

Governmental Accounting Standard Board Statement No. 84

In January of 2017, GASB issued Statement No. 84, Fiduciary Activities. This statement was issued to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes. This statement establishes the criteria for identifying fiduciary activities which should be reported in a fiduciary fund in the basic financial statements. The fiduciary funds that should be reported, if applicable: a) pensions trust funds, b) investment trust funds, c) private purpose trust funds, d) custodial funds. Statement No. 84 is effective for reporting periods beginning after December 15, 2018. Due to the COVID-19 pandemic, GASB Statement No. 95 delayed the implementation of this GASB Statement by one year for reporting periods beginning after December 15, 2019. The City has implemented GASB No. 84 and has had no impact on the City's financial statements.

Governmental Accounting Standard Board Statement No. 87

In June of 2017, GASB issued Statement No. 87, Leases. The intent of this statement is to improve accounting and financial reporting for government leases by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. This statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This statement is effective for reporting periods beginning after December 15, 2019. Due to the COVID-19 pandemic, GASB Statement No. 95 delayed the implementation of this GASB Statement by one year for reporting periods beginning after June 15, 2021, and for all reporting periods thereafter. The City has elected not to early implement GASB No. 87 and has not determined its effect on the City's financial statements.

Governmental Accounting Standard Board Statement No. 89

In June of 2018, GASB issued Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period. This Statement was issued to (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Statement No. 89 is effective for fiscal years beginning after December 15, 2019. Due to the COVID-19 pandemic, GASB Statement No. 95 delayed the implementation of this GASB Statement by one year for reporting periods beginning after December 15, 2020. The City has elected not to early implement GASB No. 89 and has not determined its effect on the City's financial statements.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**e. Implementation of New Governmental Accounting Standards Board (GASB) Pronouncements - Continued**

Governmental Accounting Standard Board Statement No. 90

In August of 2018, GASB issued Statement No. 90, Majority Equity Interests, an amendment of GASB Statements No. 14 and No. 61. This Statement was issued to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. This Statement defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. Statement No. 90 is effective for fiscal years beginning after December 15, 2018. Due to the COVID-19 pandemic, GASB Statement No. 95 delayed the implementation of this GASB Statement by one year for reporting periods beginning after December 15, 2019. The City has implemented GASB No. 90 and has had no impact on the City's financial statements.

Governmental Accounting Standard Board Statement No. 91

In May of 2019, GASB issued Statement No. 91, Conduit Debt Obligations. This statement was issued to improve financial reporting for certain debt obligations. It allowed entities to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Statement No. 91 is effective for fiscal years beginning December 15, 2020. Due to the COVID-19 pandemic, GASB Statement No. 95 delayed the implementation of this GASB Statement by one year for reporting periods beginning after December 15, 2021. The City has elected not to early implement GASB No. 91 and has not determined its effect on the City's financial statements.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**e. Implementation of New Governmental Accounting Standards Board (GASB) Pronouncements - Continued**

Governmental Accounting Standard Board Statement No. 92

In January of 2020, GASB issued Statement No. 92, Omnibus 2020. This statement was issued to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This includes GASB Statement No. 87, GASB Statement No. 73, GASB Statement No. 74, GASB Statement No. 84 and the measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition as well as other specific provisions. The requirements related to GASB Statement No. 87 are effective upon the issuance date of Statement No. 92. All other requirements are effective for reporting periods beginning after June 15, 2020. Due to the COVID-19 pandemic, GASB Statement No. 95 delayed the implementation of this GASB Statement for paragraphs 6-10 and 12 for reporting periods beginning after June 15, 2021. The City has elected not to early implement GASB No. 92 and has not determined its effect on the City's financial statements.

Governmental Accounting Standard Board Statement No. 93

In March of 2020, GASB issued Statement No. 93, Replacement of Interbank Offered Rates. The objective of this statement is to address those and other accounting and financial reporting implications that results from the replacement of an Interbank Offered Rates (IBOR). The removal of the London Interbank Offered Rate (LIBOR) as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements are effective for reporting periods beginning after June 15, 2020. Due to the COVID-19 pandemic, GASB Statement No. 95 delayed the implementation of this GASB Statement for paragraphs 13 and 14 for fiscal years beginning after June 15, 2021, and all reporting periods thereafter. The City has elected not to early implement GASB No. 93 and has not determined its effect on the City's financial statements.

Governmental Accounting Standard Board Statement No. 94

In March of 2020, GASB issued Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). Statement No. 94 is effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The City has elected not to early implement GASB No. 94 and has not determined its effect on the City's financial statements.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**e. Implementation of New Governmental Accounting Standards Board (GASB) Pronouncements - Continued**

Governmental Accounting Standard Board Statement No. 96

In May of 2020, GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangement (SBITAs) for government end users (governments). Statement No. 95 is effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The City has elected not to early implement GASB No. 96 and has not determined its effect on the City's financial statements.

Governmental Accounting Standard Board Statement No. 97

In June of 2020, GASB issued Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. The objective of this statement is to (1) increase consistency and comparability related to the reporting of fiduciary component units; (2) mitigate costs associated with the reporting of certain defined pension and OPEB plans as fiduciary component units; and (3) enhance the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans. The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately. All other requirements are effective for fiscal years beginning after June 15, 2021. The City has elected not to early implement GASB No. 97 and has not determined its effect on the City's financial statements.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**II.) STEWARDSHIP**

**2) STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

The City had no funds with expenditures in excess of appropriations.

**III.) DETAILED NOTES ON ALL FUNDS**

**3) CASH AND INVESTMENTS**

As of June 30, 2021, cash and investments were reported in the accompanying financial statements as follows:

Statement of Net Position:

Primary Government	
Cash and Investments	\$ 17,763,646
Restricted Cash and Investments	162,232
Component Unit - Wildomar Cemetery District	
Cash and Investments	1,342,720
Restricted Cash and Investments	<u>281,809</u>
Total Cash and Investments	<u>\$ 19,550,407</u>

Cash and investments consist of the following:

Petty Cash	\$ 100
Deposits with Financial Institutions	10,028,934
Investments	<u>9,521,373</u>
Total Cash and Investments	<u>\$ 19,550,407</u>

The City maintains a cash and investment pool that is available for use for all funds as well as the Wildomar Cemetery District (component unit). Each fund type's position in the pool is reported on the combined balance sheet as cash and investments. The City has adopted an investment policy which authorizes it to invest in various investments.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**3) CASH AND INVESTMENTS - Continued**

***Deposits***

At June 30, 2021, the carrying amount of the City's deposits was \$10,028,934 and the bank balance was \$11,000,505. The \$971,571 difference represents outstanding checks and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure City's deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC.

The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local government agency. Accordingly, all collateral held by California Agent of Depository are considered to be held for, and in the name of, the local governmental agency.

***Investments***

Under provision of the City's investment policy and in accordance with the California Government Code, the following investments are authorized:

- Securities of the U.S. Government
- Securities of U.S. Government Agencies
- City, State and Municipal Bonds
- Time Deposits and Certificates of Deposit
- Negotiable Certificates of Deposit
- Bankers' Acceptance Notes
- Commercial Paper
- Money Market Mutual Funds
- Local Agency Investment Fund (LAIF)
- Joint Powers Authority Investment Pools

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**3) CASH AND INVESTMENTS - Continued**

***Investments - Continued***

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shares.

**Investment in California Asset Management Program**

The California Asset Management Program (the CAMP) is a public joint powers authority which provides California Public Agencies with investment management services for surplus funds and comprehensive investment management, accounting and arbitrage rebate calculation services for proceeds of tax-exempt financings. The CAMP currently offers the Cash Reserve Portfolio, a short-term investment portfolio, as a means for Public Agencies to invest these funds. Public Agencies that invest in the Pool (Participants) purchase shares of beneficial interest. Participants may also establish individual, professionally managed investment accounts (Individual Portfolios) by separate agreement with the Investment Advisor. The City has a separate account in the Investment Advisor to manage part of the CAMP portfolio.

Investments in the Pools and Individual Portfolios are made only in investments in which Public Agencies generally are permitted by California statute. The CAMP may reject any investment and may limit the size of a Participant's account. The Pool seeks to maintain, but does not guarantee, a constant net asset value of \$1.00 per share. A Participant may withdraw funds from its Pool accounts at any time by check or wire transfers. Requests for wire transfers must be made by 9:00 a.m. that day. Fair value of the Pool is determined by the fair value per share of the Pool's underlying portfolio.

***Investments Authorized by Debt Agreements***

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**3) CASH AND INVESTMENTS - Continued**

***GASB Statement No. 31***

The City adopted GASB Statement No. 31, Accounting and Financial Reporting for certain investments and for External Investment Pools, as of July 1, 1997. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Accordingly, the City reports its investments at fair value in the balance sheet. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

***Custodial Credit Risk***

The 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 deposits 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 or collateral securities that are in the possession of another party. Investments in U.S. Government securities are not considered to have a credit risk and, therefore, their credit quality is not disclosed. As of June 30, 2021, \$10,750,505 of the City's deposits with financial institutions in excess of federal depository insurance limits were held in collateralized accounts.

***Concentration of Credit Risk***

The City's investment policy diversifies its investments by security type, institution and maturity/call dates. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the City's total investment portfolio can be invested in a single security type or with a single financial institution.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**3) CASH AND INVESTMENTS - Continued**

***Credit Risk***

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investment policy limits investments in commercial paper to those rated "A" or higher from Standard and Poor's (S&P) and Moody's, respectively.

Information about the minimum rating required by the California Government Code, the City's investment policy, or debt agreements, and the actual rating, as of year-end for each type of investment held by the City can be found below:

Investment Type	Minimum Legal Rating	Rating as of Year End	
		AAA	Not Rated
Primary Government:			
Local Agency Investment Fund	\$ 3,662,589	N/A	\$ - 3,662,589
CAMP	5,592,226	N/A	- 5,592,226
Component Unit -			
Wildomar Cemetery District			
Money Market	<u>266,558</u>	A	<u>266,558</u> -
Total	<u>\$ 9,521,373</u>		<u>\$ 266,558</u> \$ 9,254,815

***Interest Rate Risk***

The City's investment policy investment maturities to five years, unless matched to a specific cash flow. Reserve funds may be invested in securities exceeding five years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of the funds. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2021, the City had the following investments and remaining maturities:

Investment Type	Investment Maturities (in Years)	
	Less than 1 Year	Fair Value
Primary Government:		
Local Agency Investment Fund	\$ 3,662,589	\$ 3,662,589
CAMP	5,592,226	5,592,226
Component Unit -		
Wildomar Cemetery District:		
Money Market	<u>266,558</u>	<u>266,558</u>
Total	<u>\$ 9,521,373</u>	<u>\$ 9,521,373</u>

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**4) FAIR VALUE MEASUREMENTS**

Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurements and Application, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value with Level 1 given the highest priority and Level 3 the lowest priority. The three levels of the fair value hierarchy are as follows:

*Level 1* inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the organization has the ability to access at the measurement date.

*Level 2* inputs are inputs other than quoted prices included within *Level 1* that are observable for the asset or liability, either directly or indirectly. *Level 2* inputs include the following:

- a. Quoted prices for similar assets or liabilities in active markets.
- b. Quoted prices for identical or similar assets or liabilities in markets that are not active.
- c. Inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates).
- d. Inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

*Level 3* inputs are unobservable inputs for the asset or liability.

Fair value of assets measured on a recurring basis at June 30, 2021, are as follows:

	Fair Value	Significant Other Observable Inputs (Level 2)		Uncategorized
Primary Government:				
Local Agency Investment Fund	\$ 3,662,589	\$ -	\$ 3,662,589	
CAMP	5,592,226	-	5,592,226	
Component Unit -				
Wildomar Cemetery District				
Money Market	266,558	266,558	-	
Total	<u>\$ 9,521,373</u>	<u>\$ 266,558</u>	<u>\$ 9,254,815</u>	

Fair values for investments are determined by using a matrix pricing technique. Matrix pricing is used to value securities based on the security's relationship to benchmark quoted prices.

Uncategorized investments do not fall under the fair value hierarchy as there is no active market for the investments.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**5) CAPITAL ASSETS**

Capital asset activity for the year was as follows:

Primary Government:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Capital Assets, Not Being Depreciated</b>				
Land	\$ 3,032,101	\$ -	\$ -	\$ 3,032,101
Construction in Progress	4,603,426	2,912,994	(839,996)	6,676,424
Right-of-Way	3,792,492	167,537	-	3,960,029
<b>Total Capital Assets, Not Being Depreciated</b>	<u>11,428,019</u>	<u>3,080,531</u>	<u>(839,996)</u>	<u>13,668,554</u>
<b>Capital Assets, Being Depreciated</b>				
Buildings and Improvements	7,545,145	-	-	7,545,145
Furniture, Fixtures and Equipment	213,887	27,493	-	241,380
Streetlights	1,440,417	465,000	-	1,905,417
Traffic Signals	251,824	-	-	251,824
Infrastructure	50,268,262	6,028,210	-	56,296,472
<b>Total Capital Assets, Being Depreciated</b>	<u>59,719,535</u>	<u>6,520,703</u>	<u>-</u>	<u>66,240,238</u>
<b>Less Accumulated Depreciated for:</b>				
Buildings and Improvements	(2,996,276)	(259,403)	-	(3,255,679)
Furniture, Fixtures and Equipment	(140,390)	(99,989)	-	(240,379)
Streetlights	(89,253)	(37,908)	-	(127,161)
Traffic Signals	(90,890)	(12,592)	-	(103,482)
Infrastructure	(35,132,056)	(1,866,176)	-	(36,998,232)
<b>Total Accumulated Depreciation</b>	<u>(38,448,865)</u>	<u>(2,276,068)</u>	<u>-</u>	<u>(40,724,933)</u>
<b>Total Capital Assets, Being Depreciated, Net</b>	<u>21,270,670</u>	<u>4,244,635</u>	<u>-</u>	<u>25,515,305</u>
<b>Governmental Activities</b>				
<b>Capital Assets, Net</b>	<u>\$ 32,698,689</u>	<u>\$ 7,325,166</u>	<u>\$ (839,996)</u>	<u>\$ 39,183,859</u>

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

<b>Governmental Activities</b>	
General Government	\$ 27,976
Parks and Recreation	229,912
Public Safety	36,304
Public Works	1,981,876
<b>Total Governmental Activities</b>	<u>\$ 2,276,068</u>
<b>Depreciation Expense</b>	<u>\$ 2,276,068</u>

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**5) CAPITAL ASSETS - Continued**

Component Unit - Wildomar Cemetery District:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets, Not Being Depreciated				
Land	\$ 963,390	\$ -	\$ -	\$ 963,390
Total Capital Assets, Not Being Depreciated	<u>963,390</u>	<u>-</u>	<u>-</u>	<u>963,390</u>
Capital Assets, Being Depreciated				
Buildings and Improvements	349,598	-	-	349,598
Furniture, Fixtures and Equipment	132,025	7,565	-	139,590
Total Capital Assets, Being Depreciated	<u>481,623</u>	<u>7,565</u>	<u>-</u>	<u>489,188</u>
Less Accumulated Depreciated for:				
Buildings and Improvements	(336,524)	(964)	-	(337,488)
Furniture, Fixtures and Equipment	<u>(132,025)</u>	<u>(1,513)</u>	<u>-</u>	<u>(133,538)</u>
Total Accumulated Depreciation	<u>(468,549)</u>	<u>(2,477)</u>	<u>-</u>	<u>(471,026)</u>
Total Capital Assets, Being Depreciated, Net	<u>13,074</u>	<u>5,088</u>	<u>-</u>	<u>18,162</u>
Capital Assets, Net	<u>\$ 976,464</u>	<u>\$ 5,088</u>	<u>\$ -</u>	<u>\$ 981,552</u>

**6) LONG-TERM LIABILITIES**

The following is a schedule of changes in long-term debt for the fiscal year:

Primary Government:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Compensated Absences	\$ 158,279	\$ 71,119	\$ (39,570)	\$ 189,828	\$ 107,802
Direct Borrowing:					
Loan Payable	<u>1,541,671</u>	<u>-</u>	<u>(77,268)</u>	<u>1,464,403</u>	<u>81,330</u>
Total	<u>\$ 1,699,950</u>	<u>\$ 71,119</u>	<u>\$ (116,838)</u>	<u>\$ 1,654,231</u>	<u>\$ 189,132</u>

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**6) LONG-TERM LIABILITIES - Continued**

Component Unit - Wildomar Cemetery District:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Compensated Absences	\$ 9,447	\$ 5,326	\$ (2,362)	\$ 12,411	\$ 3,103

**Compensated Absences**

The City accrues accumulated unpaid vacation, sick leave and associated employee-related costs when earned (or estimated to be earned) by the employee as described in Note 1. The City and Wildomar Cemetery District (component unit) at June 30, 2021, had an outstanding accrued balance of unpaid vacation, sick and associated employee related costs of \$189,828 and \$12,411, respectively that will be liquidated from various funding sources in future years.

**Direct Borrowings - Loan Payable**

On March 22, 2019 the City entered into an agreement with Banc of America Leasing & Capital, LLC for the loan of \$1,525,470 to finance the acquisition of streetlights within the City. The loan will be repaid in semi-annual installments, which include principal and interest, starting June 1, 2020, with the last payment to be made June 1, 2034. The interest rate will be 5.19%. The balance of the loan is \$1,464,403 as of June 30, 2021.

The Loan Payable is a direct borrowing. There are no provisions for the outstanding loans in the event of default and no assets were held as collateral.

Year Ending June 30,	Principal	Interest	Total
2022	\$ 81,330	\$ 74,961	\$ 156,291
2023	85,606	70,685	156,291
2024	90,106	66,184	156,290
2025	94,844	61,447	156,291
2026	99,830	56,461	156,291
2027 - 2031	583,616	197,838	781,454
2032 - 2034	429,071	468,873	897,944
Total	<u>\$ 1,464,403</u>	<u>\$ 996,449</u>	<u>\$ 2,460,852</u>

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**7) INTERFUND RECEIVABLE, PAYABLE AND TRANSFERS**

**Due To / From Other Funds**

DUE FROM		DUE TO					Total	
		Development		Other				
		General Fund	Impact Fees	Grants	Governmental Funds			
	General Fund	\$ -	\$ -	\$ -	\$ 40,620	\$ 40,620		
	Development Impact Fees	1,714,627	-	-	-	-	1,714,627	
	Measure AA	622,739	937,607	895,879	381,234	2,837,459		
	Grants	-	-	10,309	-	10,309		
	Other Governmental Funds	663,089	-	-	640,315	1,303,404		
	Total	<u>\$ 3,000,455</u>	<u>\$ 937,607</u>	<u>\$ 906,188</u>	<u>\$ 1,062,169</u>	<u>\$ 5,906,419</u>		

These were the result of routine interfund transactions due to eliminating temporary deficit cash balances. Amounts within Development Impact Fees are interfund transactions between sub-funds within the fund.

**Interfund Transfers**

TRANSFERS IN		TRANSFERS OUT					Total	
		Development		Other				
		Impact Fees	Grants	Governmental Funds				
	General Fund	\$ 66,127	\$ 1,783	\$ 233,452	\$ 301,362			
	Total	<u>\$ 66,127</u>	<u>\$ 1,783</u>	<u>\$ 233,452</u>	<u>\$ 301,362</u>			

During the year, interfund transfers were used to provide services and construct assets between funds.

**8) PENSION PLAN**

***Plan Description***

All full time employees are eligible to participate in the City's Miscellaneous Employee Pension Plan, a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and City's 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. Eligible employees hired after January 1, 2013 that, are considered new members as defined by the Public Employees' Pension Reform Act (PEPRA) are participating in the PEPRA Miscellaneous Plan.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**8) PENSION PLAN - Continued**

***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 as discussed above. Members with five years of total service are eligible to retire at age 50 or 52 if in the PEPRA Miscellaneous Plan with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The system also provides for the Optional Settlement 2W Death Benefit, as well as the 1959 Survivor Benefit. The cost of living adjustments for all plans are applied as specified by the Public Employees' Retirement Law.

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

	Miscellaneous	
	Prior to January 1, 2013	On or After January 1, 2013 <sup>(1)</sup>
Hire Date		
Benefit Formula	2.7% at 55+	2.0% at 62+
Social Security Coverage	No	No
Full/Modified	Full	Full
Final Average Compensation Period	12 months	12 months
Sick Leave Credit	Yes	Yes
Non-Industrial Disability	Standard	Standard
Industrial Disability	No	No
Pre-Retirement Death Benefits		
Optional Settlement 2W	Yes	Yes
1959 Survivor Benefit Level	Level 4	Level 4
Special	No	No
Alternate (Firefighters)	No	No
Post-Retirement Death Benefits		
Lump Sum	\$500	\$500
Survivor Allowance (PRSA)	No	No
COLA	2%	2%
Required Employee Contribution Rates	8%	6.75%
Required Employer Contribution Rates	14.194%	7.732%

(1) For employees hired on or after January 1, 2013, they are included in their respective PEPRA (California Public Employees' Pension Reform Act) with the above provisions and benefits.

***Required Contribution***

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. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**8) PENSION PLAN - Continued**

***Required Contribution - Continued***

year, and any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The City's and Wildomar Cemetery District's (component unit) contributions to the Plan for the year ended June 30, 2021 were \$185,722 and \$23,030, respectively.

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

As of June 30, 2021, the City and Wildomar Cemetery District (component unit) reported a net pension liability for its proportionate share of the net pension liability of \$268,295 and \$209,178, respectively.

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan 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 for the Plan as of June 30, 2019 and 2020 measurement periods was as follows:

	City	Wildomar Cemetery District
Proportion - June 30, 2019	0.00204%	0.00204%
Proportion - June 30, 2020	0.00247%	0.00192%
Change - Increase (Decrease)	0.00043%	(0.00012)%

For the year ended June 30, 2021, the City recognized pension expense (credit) of \$225,716. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 185,722	\$ -
Changes of assumptions	-	(1,914)
Differences between expected and actual experience	13,826	-
Differences between projected and actual investment earnings	7,970	-
Differences between employer's contributions and proportionate share of contributions	63,837	-
Changes in employer's proportion	<u>56,412</u>	<u>-</u>
 Total	 <u>\$ 327,767</u>	 <u>\$ (1,914)</u>

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**8) PENSION PLAN - Continued**

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

\$185,722 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	Deferred Outflows/Inflows of Resources
2022	\$ 67,335
2023	45,360
2024	23,615
2025	3,821
2026	-
Thereafter	-
 Total	 \$ 140,131

***Actuarial Methods and Assumptions Used to Determine Total Pension Liability***

For the measurement period ended June 30, 2020 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2019 total pension liability. The June 30, 2019 and June 30, 2020 total pension liabilities were based on the following actuarial methods and assumptions:

**Actuarial Cost Method**

**Actuarial Assumptions:**

Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increase	Depending on age, service, and type of employment
Mortality Rate Table <sup>(1)</sup>	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter.

<sup>(1)</sup> The Mortality Rate Table was derived using CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. The table includes 15 years of projected mortality improvements using Society of Actuaries Scale 90% of scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**8) PENSION PLAN - Continued**

***Discount Rate***

The discount rate used to measure the total pension liability was 7.15 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contributions rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

***Long-term Expected Rate of Return***

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

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ 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 rounded 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 equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are as follows:

Asset Class <sup>(a)</sup>	Assumed Asset Allocation	Real Return Years 1 - 10 <sup>(b)</sup>	Real Return Years 11+ <sup>(c)</sup>
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	-	-0.92%
<b>Total</b>	<b>100%</b>		

(a) In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

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

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

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**8) PENSION PLAN - Continued**

The following presents the City's proportionate share of the net position liability for the Plan, a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees' System (CalPERS), calculated using the discount rate for the 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% point lower or 1% point higher than the current rate:

	City	Wildomar	
		Cemetery District	
1% Decrease	6.15%		6.15%
Net Pension Liability (Asset)	\$ 614,500	\$ 298,058	
Current Discount Rate	7.15%		7.15%
Net Pension Liability (Asset)	\$ 268,295	\$ 209,178	
1% Increase	8.15%		8.15%
Net Pension Liability (Asset)	\$ (17,762)	\$ 135,739	

***Pension Plan Fiduciary Net Position***

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

**9) OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

***Plan Description***

The City's agent multiple-employer defined benefit postemployment healthcare plan provides medical benefits to eligible retired employees and qualified dependents. A menu of benefit provisions as well as other requirements is established by State statute within the Public Employees' Retirement Law. CalPERS issues a Comprehensive Annual Financial Report. The Comprehensive Annual Financial Report is issued in aggregate and includes the sum of all CalPERS plans. Copies of the CalPERS Comprehensive Annual Financial Report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

***Funding Policy***

The contribution requirements of the City are established and may be amended by the City Council.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**9) OTHER POST-EMPLOYMENT BENEFITS (OPEB) - Continued**

***Employees Covered***

As of June 30, 2020, actuarial valuation, the following current and former employees were covered by the benefit terms under the Plan:

Active employees	14
Inactive employees or beneficiaries currently receiving benefits	2
Inactive employees entitled to, but not yet receiving benefits	3
<b>Total</b>	<b>19</b>

***Contributions***

The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2021, the City contributed \$21,854 to the Plan.

***Net OPEB Liability***

The City's net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2020 based on the following actuarial methods and assumptions:

**Actuarial Assumptions**

Discount Rate	2.19%
Inflation	2.50%
Salary Increases	2.75% plus merit
Investment Rate of Return	3.75%
Mortality Rate <sup>(1)</sup>	Derived using CalPERS Membership Data for all funds
Pre-Retirement Turnover <sup>(2)</sup>	Derived using CalPERS Membership Data for all funds
Healthcare Trend Rate	4.50%

Notes:

<sup>(1)</sup>Pre-retirement mortality information was derived from data collected during 1997 to 2011 CalPERS Experience Study dated January 2014 and post-retirement mortality information was derived from the 2007 to 2011 CalPERS Experience Study. The Experience Study Reports may be accessed on the CalPERS website [www.calpers.ca.gov](http://www.calpers.ca.gov) under Forms and Publications.

<sup>(2)</sup>The pre-retirement turnover information was developed based on CalPERS specific data. For more details, please refer to the 2007 to 2011 Experience Study Report. The Experience Study Report may be accessed on the CalPERS website [www.calpers.ca.gov](http://www.calpers.ca.gov) under Forms and Publications.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**9) OTHER POST-EMPLOYMENT BENEFITS (OPEB) - Continued**

***Discount Rate***

The discount rate used to measure the total OPEB liability was 2.19 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projects benefit payments to determine the total OPEB liability.

***Changes in the OPEB Liability***

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

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
<b>Balance at June 30, 2020</b> <i>(Valuation Date June 30, 2020)</i>	<u>\$ 455,007</u>	<u>\$ -</u>	<u>\$ 455,007</u>
<b>Changes Recognized for the Measurement Period:</b>			
Service Cost	41,325	-	41,325
Interest	12,914	-	12,914
Actual and Expected Experience Difference	3,213	-	3,213
Changes of Assumptions	34,979	-	34,979
Contribution - Employer	-	21,854	(21,854)
Change of Benefit Terms	-	-	-
Benefit Payments	(21,854)	(21,854)	-
Administrative Expense	-	-	-
Net Changes	<u>70,577</u>	<u>-</u>	<u>70,577</u>
<b>Balance at June 30, 2021</b> <i>(Measurement Date June 30, 2021)</i>	<u>\$ 525,584</u>	<u>\$ -</u>	<u>\$ 525,584</u>

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

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

	1% Decrease (1.19 %)	Current Discount Rate (2.19%)	1% Increase (3.19%)
Net OPEB Liability	\$ 613,996	\$ 525,584	\$ 455,337

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**9) OTHER POST-EMPLOYMENT BENEFITS (OPEB) - Continued**

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

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2020:

	1% Decrease (3.50%)	Current Healthcare Cost Trend Rates (4.50%)	1% Increase (5.50%)
Net OPEB Liability	\$ 437,662	\$ 525,584	\$ 641,559

***Recognition of Deferred Outflows and Deferred Inflows of Resources***

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on OPEB plan investments	5 years
All other amounts	Expected average remaining service lifetime (EARSL)

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**9) OTHER POST-EMPLOYMENT BENEFITS (OPEB) - Continued**

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

For the fiscal year ended June 30, 2021, the City recognized OPEB expense of \$35,701. As of fiscal year ended June 30, 2021, the City reported deferred outflows of resources related to OPEB from the following services:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ -	\$ -
Changes in assumptions	31,481	(83,050)
Net differences between projected and actual earnings on OPEB plan investments	<u>24,842</u>	<u>(158,480)</u>
<b>Total</b>	<b><u>\$ 56,323</u></b>	<b><u>\$ (241,530)</u></b>

The \$0 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021 measurement date as the valuation was for the same reporting period. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Year Ended June 30,	Deferred Outflow/(Inflows) of Resources
2022	\$ (18,538)
2023	(18,538)
2024	(20,090)
2025	(26,372)
2026	(26,372)
Thereafter	(75,297)

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

## **10) RISK MANAGEMENT**

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

The City is a member of the Public Agency Risk Sharing Authority of California - PARSAC (Authority), a joint powers authority, which provides joint protection programs for public entities covering automobile, general liability, errors and omission losses, workers' compensation, and property claims. Under the program, the City has a \$5,000 retention limit similar to a deductible with the Authority being responsible for losses above that amount up to \$1 million. The Authority has additional coverage of \$34 million in excess of its \$1 million retention limit through affiliated risk management authorities. The Authority also provides one billion dollars aggregate per occurrence property damage to its members with such coverage provided by purchased insurance.

Liabilities of the City are reported when it is probable that a loss has occurred and the amount of the loss can be reasonable estimated. Liabilities include an amount for claims that have been incurred by not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate.

The Authority covers workers' compensation claims up to its self-insurance limit of \$500,000. The Local Agency Workers Compensation Excess Pool provides excess coverage to statutory limits. The City pays an annual premium to the Authority and may share in any operating results. Financial statements of the Public Agency Risk Sharing Authority of California (PARSAC) may be obtained from its administrative office located at 1525 Response Road, Suite One, Sacramento, California, 95815; [www.parsac.org](http://www.parsac.org) or by calling (916) 927-7727.

As of June 30, 2021, the City did not have any significant claims liability; therefore, no accrual was required. Claims settlements have not exceeded insurance coverage in each of the past four years.

**City of Wildomar**  
**Notes to Financial Statements**  
June 30, 2021

**11) FUND EQUITY**

The City has established certain fund balance designations to report the amounts which represent available spendable resources restricted, committed or assigned for a specific purpose.

The Committed Fund Balance in the Measure AA Special Revenue Fund are for Public Safety, Street Maintenance and Homelessness Solutions.

The following had a deficit fund balance at June 30, 2021. These deficits are expected to be eliminated through future revenues.

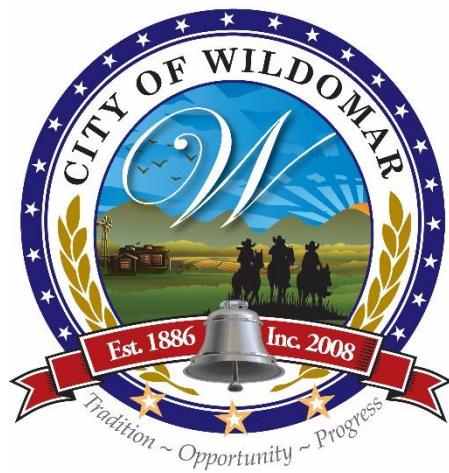
Fund	Amount
Grants Special Revenue Fund	\$ (945,092)
Community Development Block Grant	
Special Revenue Fund	\$ (33,245)

**12) CONTINGENCIES**

**COVID-19**

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The pandemic continued subsequent to year end with certain restrictions required by the Governor of California, as well as local governments, which may affect revenue sources and also caused subsequent stock market volatility. The duration of the pandemic and the impact of COVID-19 on the City's operational and financial performance is uncertain at this time.

## **REQUIRED SUPPLEMENTARY INFORMATION**



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**City of Wildomar**  
**Budgetary Comparison Schedule by Department**  
**General Fund**  
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, July 1	\$ 878,286	\$ 878,286	\$ 878,286	\$ -
<b>Resources (Inflows):</b>				
Taxes	7,790,700	8,403,900	8,684,121	280,221
Licenses and Permits	2,188,000	2,099,100	2,185,629	86,529
Intergovernmental	2,930,500	2,893,000	2,873,161	(19,839)
Charges for Services	24,000	24,000	17,786	(6,214)
Fines and Forfeitures	71,500	71,500	84,020	12,520
Use of Money and Property	50,000	50,000	21,002	(28,998)
Miscellaneous	5,600	34,500	133,755	99,255
Transfers In	463,900	463,900	301,362	(162,538)
Amounts Available for Appropriations	<u>14,402,486</u>	<u>14,918,186</u>	<u>15,179,122</u>	<u>260,936</u>
<b>Charges to Appropriations (Outflows):</b>				
General Government				
City Council	126,900	251,900	203,549	48,351
City Manager	498,000	533,800	417,606	116,194
City Clerk	162,000	212,500	194,987	17,513
City Attorney	264,000	69,200	103,677	(34,477)
Administrative Services	417,000	609,100	723,518	(114,418)
Human Resources	61,800	74,600	78,200	(3,600)
Non-departmental	729,300	892,100	869,942	22,158
Public Safety				
Police	5,088,600	5,113,200	4,833,489	279,711
Fire	2,800,500	2,562,400	1,704,193	858,207
Animal Control	545,900	545,900	544,492	1,408
OEM	51,500	21,000	73,648	(52,648)
Community Development				
Administration	50,000	115,000	8,985	106,015
Building and Safety	358,900	375,900	414,127	(38,227)
Planning	250,600	293,400	278,299	15,101
Development Engineering	490,700	409,100	439,340	(30,240)
Code Enforcement	150,300	140,600	147,866	(7,266)
Deposit Based Projects	446,300	940,700	991,307	(50,607)
Planning Commission	6,400	15,000	13,351	1,649
Economic Development	198,100	212,800	208,732	4,068
Culture and Recreation				
Community Services - Administration	39,900	30,400	33,372	(2,972)
Marna O'Brien Park	-	2,000	2,152	(152)
Windsong Park	-	-	125	(125)
Heritage Park	-	-	125	(125)
Ball Fields	13,600	14,800	15,937	(1,137)
Malaga Park	-	-	-	-
Other Parks	-	2,100	2,050	50
Public Works	<u>416,300</u>	<u>433,200</u>	<u>431,260</u>	<u>1,940</u>
Total Charges to Appropriations	<u>13,166,600</u>	<u>13,870,700</u>	<u>12,734,329</u>	<u>1,136,371</u>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 1,235,886</b>	<b>\$ 1,047,486</b>	<b>\$ 2,444,793</b>	<b>\$ 1,397,307</b>

**City of Wildomar**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Development Impact Fees**  
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, July 1	\$ 5,429,042	\$ 5,429,042	\$ 5,429,042	\$ -
<b>Resources (Inflows):</b>				
Use of Money and Property	-	-	8,908	8,908
Developer Participation	1,551,600	1,219,600	1,333,216	113,616
Amounts Available for Appropriations	6,980,642	6,648,642	6,771,166	122,524
<b>Charges to Appropriations (Outflows):</b>				
General Government	-	-	8,908	(8,908)
Culture and Recreation	19,000	19,000	19,990	(990)
Public Works	723,400	93,100	81,456	11,644
Capital Outlay	2,030,400	298,000	107,169	190,831
Transfers Out	99,300	99,300	66,127	33,173
Total Charges to Appropriations	2,872,100	509,400	283,650	225,750
<b>Budgetary Fund Balance, June 30</b>	<u>\$ 4,108,542</u>	<u>\$ 6,139,242</u>	<u>\$ 6,487,516</u>	<u>\$ 348,274</u>

**City of Wildomar**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Measure AA**  
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,911,578	\$ 1,911,578	\$ 1,911,578	\$ -
<b>Resources (Inflows):</b>				
Taxes	2,100,000	3,600,000	4,299,827	699,827
Use of Money and Property	-	-	2,761	2,761
Amounts Available for Appropriations	<u>4,011,578</u>	<u>5,511,578</u>	<u>6,214,166</u>	<u>702,588</u>
<b>Charges to Appropriations (Outflows):</b>				
General Government	5,000	5,000	5,261	(261)
Public Safety	644,600	715,200	2,070,555	(1,355,355)
Culture and Recreation	233,400	252,700	199,837	52,863
Public Works	590,000	574,500	495,104	79,396
Capital Outlay	<u>1,243,900</u>	<u>1,712,000</u>	<u>167,969</u>	<u>1,544,031</u>
Total Charges to Appropriations	<u>2,716,900</u>	<u>3,259,400</u>	<u>2,938,726</u>	<u>320,674</u>
Budgetary Fund Balance, June 30	<u>\$ 1,294,678</u>	<u>\$ 2,252,178</u>	<u>\$ 3,275,440</u>	<u>\$ 1,023,262</u>

**City of Wildomar**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Grants**  
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, July 1	\$ (463,758)	\$ (463,758)	\$ (463,758)	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	10,720,300	3,272,200	1,707,540	(1,564,660)
Use of Money and Property	-	-	55	55
Amounts Available for Appropriations	10,256,542	2,808,442	1,243,837	(1,564,605)
<b>Charges to Appropriations (Outflows):</b>				
General Government	24,000	157,200	105,135	52,065
Public Safety	5,000	77,300	53,046	24,254
Community Development	-	272,000	114,408	157,592
Economic Development	-	4,100	3,966	134
Culture and Recreation	-	62,900	34,881	28,019
Public Works	3,843,000	237,600	350,244	(112,644)
Capital Outlay	6,653,600	2,316,600	1,525,466	791,134
Transfers Out	3,400	3,400	1,783	1,617
Total Charges to Appropriations	10,529,000	3,131,100	2,188,929	942,171
<b>Budgetary Fund Balance, June 30</b>	<u>\$ (272,458)</u>	<u>\$ (322,658)</u>	<u>\$ (945,092)</u>	<u>\$ (622,434)</u>

**City of Wildomar**  
**Schedule of the City's Proportionate Share of the Net Pension Liability**  
**CalPERS Pension Plan**  
**Last Ten Years\***  
As of June 30, 2021

Primary Government: City

Fiscal Year	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.00398%	\$ 98,405	\$ 564,727	17.43%	81.15%
2016	0.00329%	\$ 90,222	\$ 890,684	10.13%	87.60%
2017	0.00359%	\$ 124,553	\$ 868,158	14.35%	87.55%
2018	0.00447%	\$ 176,110	\$ 1,028,756	17.12%	85.58%
2019	0.00425%	\$ 160,169	\$ 1,110,538	14.42%	95.47%
2020	0.00523%	\$ 209,327	\$ 1,131,704	18.50%	89.11%
2021	0.00636%	\$ 268,295	\$ 1,291,013	20.78%	87.07%

Component Unit: Wildomar Cemetery District

Fiscal Year	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2016	0.00249%	\$ 171,037	\$ -	0%	70.99%
2017	0.00226%	\$ 195,159	\$ -	0%	67.26%
2018	0.00215%	\$ 213,644	\$ -	0%	66.49%
2019	0.00211%	\$ 203,561	\$ -	0%	67.69%
2020	0.00204%	\$ 208,876	\$ -	0%	68.44%
2021	0.00192%	\$ 209,178	\$ -	0%	68.68%

**Notes to Schedule:**

**Benefit Changes.** In 2021, there was no benefit terms modified.

**Changes in Assumptions.** For fiscal years 2019-2021 the discount rate remained the same 7.15 percent. For the 2018 fiscal year the discount rate was changed from 7.65 percent to 7.15 percent. In the 2017 fiscal year the discount rate changed from 7.5 percent to 7.65 percent to correct for an adjustment to exclude administrative expenses.

**Plan's Fiduciary Net Position.** The Plan's Fiduciary Net Position is based on the City's proportionate share of the CalPERS Miscellaneous Risk Pool.

\*Historical information is required only for measurement periods for which GASB 68 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

**City of Wildomar**  
**Schedule of Contributions**  
**CalPERS Pension Plan**  
**Last Ten Years\***  
As of June 30, 2021

Primary Government: City

Fiscal Year	Contractually Required Contribution (Actuarially Determined)	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 196,524	\$ (196,524)	\$ -	\$ 890,684	22.06%
2016	\$ 85,106	\$ (85,106)	\$ -	\$ 868,158	9.80%
2017	\$ 111,100	\$ (111,100)	\$ -	\$ 1,028,756	10.80%
2018	\$ 115,449	\$ (115,449)	\$ -	\$ 1,110,538	10.40%
2019	\$ 122,136	\$ (122,136)	\$ -	\$ 1,131,704	10.79%
2020	\$ 147,645	\$ (147,645)	\$ -	\$ 1,291,013	11.44%
2021	\$ 185,722	\$ (185,722)	\$ -	\$ 1,551,956	11.97%

Component Unit: Wildomar Cemetery District

Fiscal Year	Contractually Required Contribution (Actuarially Determined)	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 13,537	\$ (13,537)	\$ -	\$ -	0%
2017	\$ 15,113	\$ (15,113)	\$ -	\$ -	0%
2018	\$ 17,619	\$ (17,619)	\$ -	\$ -	0%
2019	\$ 22,343	\$ (22,343)	\$ -	\$ -	0%
2020	\$ 20,744	\$ (20,744)	\$ -	\$ -	0%
2021	\$ 23,030	\$ (23,030)	\$ -	\$ -	0%

\*Historical information is required only for measurement periods for which GASB 68 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

**City of Wildomar**  
**Schedule of Changes in the Net OPEB Liability and Related Ratios for**  
**Measurement Periods Ended June 30,**

Measurement Period	<b>2021</b>	<b>2019</b>	<b>2018</b>
<b>Total OPEB Liability</b>			
Service Cost	\$ 41,325	\$ 83,815	\$ 81,374
Interest on the Total OPEB Liability	12,914	19,183	15,806
Actual and Expected Experience Difference	3,213	(198,100)	-
Changes in Assumptions	34,979	(103,812)	-
Changes in Benefit Terms	-	(9,717)	-
Benefit Payments	<u>(21,854)</u>	<u>(231,095)</u>	<u>(9,433)</u>
<b>Net Change in Total OPEB Liability</b>	<b>70,577</b>	<b>22,464</b>	<b>87,747</b>
<b>Total OPEB Liability - Beginning</b>	<b>455,007</b>	<b>432,543</b>	<b>344,796</b>
<b>Total OPEB Liability - Ending (a)</b>	<b>\$ 525,584</b>	<b>\$ 455,007</b>	<b>\$ 432,543</b>
<b>Plan Fiduciary Net Position</b>			
Contributions - Employer	\$ 21,854	\$ 9,717	\$ 9,433
Net Investment Income	-	-	-
Benefit Payments	(21,854)	(9,717)	(9,433)
Administrative Expense	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net OPEB Liability - Ending (a)-(b)</b>	<b>\$ 525,584</b>	<b>\$ 455,007</b>	<b>\$ 432,543</b>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.0%	0.0%	0.0%
Covered Payroll	\$ 1,268,959	\$ 1,234,997	\$ 1,023,774
Net OPEB Liability as a Percentage of Covered Payroll	41.4%	36.8%	42.2%

**Notes to Schedule:**

Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

**City of Wildomar**  
**Schedule of Changes in the Net OPEB Liability and Related Ratios for**  
**Measurement Periods Ended June 30, - Continued**

Measurement Period	<b>2017</b>
<b>Total OPEB Liability</b>	
Service Cost	\$ 20,525
Interest on the Total OPEB Liability	10,658
Actual and Expected Experience Difference	53,286
Changes in Assumptions	-
Changes in Benefit Terms	-
Benefit Payments	<u>(6,622)</u>
<b>Net Change in Total OPEB Liability</b>	<b>77,847</b>
<b>Total OPEB Liability - Beginning</b>	<b>266,345</b>
<b>Total OPEB Liability - Ending (a)</b>	<b>\$ 344,796</b>
<b>Plan Fiduciary Net Position</b>	
Contributions - Employer	\$ 6,622
Net Investment Income	-
Benefit Payments	(6,622)
Administrative Expense	<u>-</u>
<b>Net Change in Plan Fiduciary Net Position</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ -</b>
<b>Net OPEB Liability - Ending (a)-(b)</b>	<b>\$ 344,796</b>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.0%
Covered Payroll	\$ 993,955
Net OPEB Liability as a Percentage of Covered Payroll	34.7%

**City of Wildomar**  
**Schedule of Contributions - OPEB**  
**Last Ten Fiscal Years**

Fiscal Year	Contractually Required Contribution (Actuarially Determined)	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered-Employee Payroll <sup>(2)</sup>	Contributions as a Percentage of Covered-Employee Payroll
2018	\$ N/A	\$ N/A	\$ -	\$ 993,955	0%
2019	\$ N/A	\$ N/A	\$ -	\$ 1,110,538	0%
2020	\$ N/A	\$ N/A	\$ -	\$ 1,234,997	0%
2021	\$ N/A	\$ N/A	\$ -	\$ 1,268,959	0%

**Notes to Schedule:**

<sup>(1)</sup>No Actuarially Determined Contribution (ADC) was calculated for the Plan.

Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information become available.

**City of Wildomar**  
**Notes to Required Supplementary Information**  
**June 30, 2021**

**Budgets and Budgetary Data**

Budgets for governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

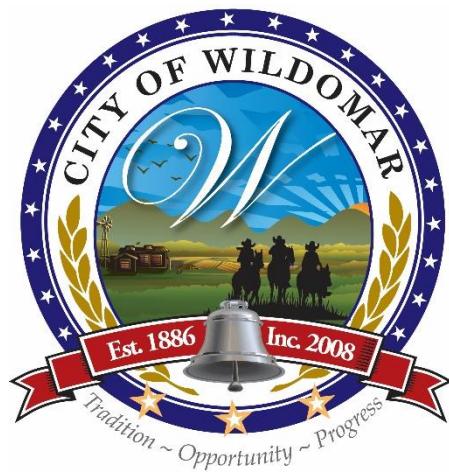
The City Council approves each year's budget prior to the beginning of the new fiscal year. Public hearings are conducted prior to its adoption by the Council. Supplemental appropriations, were required during the period, are also approved by the Council. In most cases, expenditures may not exceed appropriations at the function level. At fiscal year-end, all operating budget appropriations lapse.

**Excess of Expenditures over Appropriations**

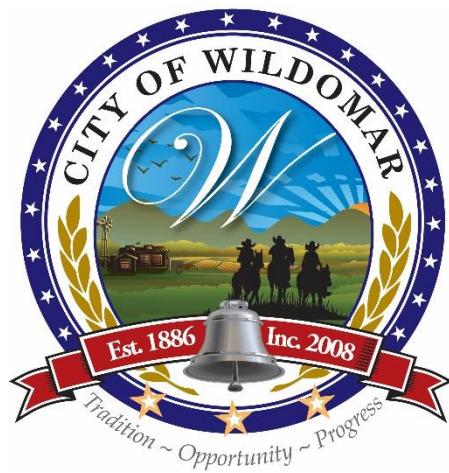
Expenditures exceeded appropriations in the categories in the following departments in the General Fund:

<u>Department</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
General Government:			
City Attorney	69,200	103,677	(34,477)
Administrative Services	609,100	723,518	(114,418)
Human Resources	74,600	78,200	(3,600)
Public Safety:			
OEM	21,000	73,648	(52,648)
Community Development:			
Building and Safety	375,900	414,127	(38,227)
Development Engineering	409,100	439,340	(30,240)
Code Enforcement	140,600	147,866	(7,266)
Deposit Based Projects	940,700	991,307	(50,607)
Culture and Recreation:			
Community Services - Admin	30,400	33,372	(2,972)
Marna O'Brien Park	2,000	2,152	(152)
Windsong Park	-	125	(125)
Heritage Park	-	125	(125)
Ball Fields	14,800	15,937	(1,137)

## **SUPPLEMENTARY INFORMATION**



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**City of Wildomar**  
**Combining Balance Sheet**  
**Non-major Governmental Funds**  
June 30, 2021

	Special Revenue Funds			
	Air Quality Management District			
	Gas Tax	Measure A	SLESF	
<b>ASSETS</b>				
Pooled Cash and Investments	\$ 24,486	\$ 73,922	\$ 46,197	\$ -
Restricted Cash and Investments	-	-	-	-
Receivables:				
Grants	-	-	-	-
Accrued Interest	-	-	-	-
Due from Other Governments	125,614	12,346	251,880	-
Due from Other Funds	<u>606,007</u>	<u>122,377</u>	<u>-</u>	<u>-</u>
Total Assets	<u><u>\$ 756,107</u></u>	<u><u>\$ 208,645</u></u>	<u><u>\$ 298,077</u></u>	<u><u>\$ -</u></u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 88,383	\$ -	\$ 58,030	\$ -
Accrued Liabilities	8,434	-	11,865	-
Due to Other Funds	<u>606,007</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>702,824</u>	<u>-</u>	<u>69,895</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenues - Intergovernmental	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Restricted for:				
Culture and Recreation	-	-	-	-
Public Works	53,283	208,645	228,182	-
Capital Projects	-	-	-	-
Debt Service	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>53,283</u>	<u>208,645</u>	<u>228,182</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>\$ 756,107</u></u>	<u><u>\$ 208,645</u></u>	<u><u>\$ 298,077</u></u>	<u><u>\$ -</u></u>

TDA	Special Revenue Funds		Capital Project Fund	Debt Service Fund	Total Non-Major Governmental Funds
	Community Development Block Grant	Measure Z Park	Assessment Districts	Streetlight Fund	
\$ -	\$ -	\$ 238,961	\$ 1,574,645	\$ -	\$ 1,958,211
-	-	-	-	162,232	162,232
-	59,163	-	-	-	59,163
-	-	-	-	3	3
-	-	22,227	14,769	-	426,836
-	-	-	575,020	-	1,303,404
<b>\$ -</b>	<b>\$ 59,163</b>	<b>\$ 261,188</b>	<b>\$ 2,164,434</b>	<b>\$ 162,235</b>	<b>\$ 3,909,849</b>
\$ -	\$ -	\$ 28,284	\$ 36,602	\$ -	\$ 211,299
-	-	6,233	-	969	27,501
-	76,100	-	369,753	10,309	1,062,169
-	76,100	34,517	406,355	11,278	1,300,969
-	16,308	-	-	-	16,308
-	16,308	-	-	-	16,308
-	-	226,671	-	-	226,671
-	-	-	-	-	490,110
-	-	-	1,758,079	-	1,758,079
-	-	-	-	150,957	150,957
-	(33,245)	-	-	-	(33,245)
-	(33,245)	226,671	1,758,079	150,957	2,592,572
<b>\$ -</b>	<b>\$ 59,163</b>	<b>\$ 261,188</b>	<b>\$ 2,164,434</b>	<b>\$ 162,235</b>	<b>\$ 3,909,849</b>

**City of Wildomar**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the Year Ended June 30, 2021**

	Special Revenue Funds			
	Gas Tax	Air Quality Management District		
		Measure A	SLESF	
<b>REVENUES</b>				
Intergovernmental	\$ 1,508,644	\$ 48,552	\$ 873,126	\$ 156,727
Charges for Services	-	-	-	-
Use of Money and Property	473	203	107	87
<b>Total Revenues</b>	1,509,117	48,755	873,233	156,814
<b>EXPENDITURES</b>				
Current:				
General Government	473	202	106	87
Public Safety	-	-	-	-
Culture and Recreation	-	-	-	-
Public Works	1,509,090	3,059	524,065	-
Capital Outlay	-	-	162,331	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest Expense	-	-	-	-
<b>Total Expenditures</b>	1,509,563	3,261	686,502	87
Excess (Deficiency) of Revenues Over (Under) Expenditures	(446)	45,494	186,731	156,727
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	(886)	(45,200)	(156,673)
<b>Total Other Financing Sources (Uses)</b>	-	(886)	(45,200)	(156,673)
Net Change in Fund Balances	(446)	44,608	141,531	54
Fund Balances - Beginning of Year	53,729	164,037	86,651	(54)
<b>Fund Balances - End of Year</b>	\$ 53,283	\$ 208,645	\$ 228,182	\$ -

Special Revenue Funds			Capital Project Fund	Debt Service Fund	Total Non-Major Governmental Funds
TDA	Community Development Block Grant	Measure Z Park	Assessment Districts	Streetlight Fund	
\$ -	\$ 114,891	\$ 358,388	\$ 1,021,511	\$ -	\$ 4,081,839
-	-	2,907	-	173,252	176,159
-	-	273	2,318	2,610	6,071
<u>-</u>	<u>114,891</u>	<u>361,568</u>	<u>1,023,829</u>	<u>175,862</u>	<u>4,264,069</u>
-	-	275	2,467	39	3,649
-	-	-	102,757	-	102,757
-	-	397,775	-	-	397,775
-	-	-	565,896	5,081	2,607,191
-	36,603	-	-	10,664	209,598
-	-	-	-	77,268	77,268
-	-	-	-	79,023	79,023
<u>-</u>	<u>36,603</u>	<u>398,050</u>	<u>671,120</u>	<u>172,075</u>	<u>3,477,261</u>
-	78,288	(36,482)	352,709	3,787	786,808
<u>-</u>	<u>78,288</u>	<u>(36,482)</u>	<u>352,709</u>	<u>3,787</u>	<u>786,808</u>
-	-	-	(30,693)	-	(233,452)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(30,693)</u>	<u>-</u>	<u>(233,452)</u>
-	78,288	(36,482)	322,016	3,787	553,356
<u>-</u>	<u>(111,533)</u>	<u>263,153</u>	<u>1,436,063</u>	<u>147,170</u>	<u>2,039,216</u>
<u>\$ -</u>	<u>\$ (33,245)</u>	<u>\$ 226,671</u>	<u>\$ 1,758,079</u>	<u>\$ 150,957</u>	<u>\$ 2,592,572</u>

**City of Wildomar**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Gas Tax**  
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, July 1	\$ 53,729	\$ 53,729	\$ 53,729	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	1,474,800	1,474,800	1,508,644	33,844
Use of Money and Property	-	-	473	473
Amounts Available for Appropriations	<u>1,528,529</u>	<u>1,528,529</u>	<u>1,562,846</u>	<u>34,317</u>
<b>Charges to Appropriations (Outflows):</b>				
General Government	-	-	473	(473)
Public Works	2,104,300	1,530,300	1,509,090	21,210
Transfers Out	10,500	10,500	-	10,500
Total Charges to Appropriations	<u>2,114,800</u>	<u>1,540,800</u>	<u>1,509,563</u>	<u>31,237</u>
Budgetary Fund Balance, June 30	<u>\$ (586,271)</u>	<u>\$ (12,271)</u>	<u>\$ 53,283</u>	<u>\$ 65,554</u>

**City of Wildomar**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Air Quality Management District**  
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, July 1	\$ 164,037	\$ 164,037	\$ 164,037	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	45,000	45,000	48,552	3,552
Use of Money and Property	-	-	203	203
Amounts Available for Appropriations	<u>209,037</u>	<u>209,037</u>	<u>212,792</u>	<u>3,755</u>
<b>Charges to Appropriations (Outflows):</b>				
General Government	-	-	202	(202)
Public Works	6,000	49,600	3,059	46,541
Capital Outlay	36,800	-	-	-
Transfers Out	<u>2,200</u>	<u>2,200</u>	<u>886</u>	<u>1,314</u>
Total Charges to Appropriations	<u>45,000</u>	<u>51,800</u>	<u>4,147</u>	<u>47,653</u>
Budgetary Fund Balance, June 30	<u><u>\$ 164,037</u></u>	<u><u>\$ 157,237</u></u>	<u><u>\$ 208,645</u></u>	<u><u>\$ 51,408</u></u>

**City of Wildomar**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Measure A**  
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, July 1	\$ 86,651	\$ 86,651	\$ 86,651	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	565,000	800,000	873,126	73,126
Use of Money and Property	-	-	107	107
Amounts Available for Appropriations	<u>651,651</u>	<u>886,651</u>	<u>959,884</u>	<u>73,233</u>
<b>Charges to Appropriations (Outflows):</b>				
General Government	-	-	106	(106)
Public Works	407,500	548,700	524,065	24,635
Capital Outlay	269,000	207,200	162,331	44,869
Transfers Out	45,200	45,200	45,200	-
Total Charges to Appropriations	<u>721,700</u>	<u>801,100</u>	<u>731,702</u>	<u>69,398</u>
Budgetary Fund Balance, June 30	<u>\$ (70,049)</u>	<u>\$ 85,551</u>	<u>\$ 228,182</u>	<u>\$ 142,631</u>

**City of Wildomar**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - SLESF**  
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, July 1	\$ (54)	\$ (54)	\$ (54)	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	100,000	156,800	156,727	(73)
Use of Money and Property	-	-	87	87
Amounts Available for Appropriations	<u>99,946</u>	<u>156,746</u>	<u>156,760</u>	<u>14</u>
<b>Charges to Appropriations (Outflows):</b>				
General Government	-	-	87	(87)
Transfers Out	<u>100,000</u>	<u>156,800</u>	<u>156,673</u>	<u>127</u>
Total Charges to Appropriations	<u>100,000</u>	<u>156,800</u>	<u>156,760</u>	<u>40</u>
Budgetary Fund Balance, June 30	<u><u>\$ (54)</u></u>	<u><u>\$ (54)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 54</u></u>

**City of Wildomar**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - TDA**  
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	<u>269,800</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amounts Available for Appropriations	<u>269,800</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Charges to Appropriations (Outflows):</b>				
Capital Outlay	<u>275,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Charges to Appropriations	<u>275,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Budgetary Fund Balance, June 30	<u>\$ (5,200)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**City of Wildomar**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Community Development Block Grant**  
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, July 1	\$ (111,533)	\$ (111,533)	\$ (111,533)	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	<u>61,000</u>	<u>72,100</u>	<u>114,891</u>	<u>42,791</u>
Amounts Available for Appropriations	<u>(50,533)</u>	<u>(39,433)</u>	<u>3,358</u>	<u>42,791</u>
<b>Charges to Appropriations (Outflows):</b>				
Capital Outlay	<u>61,000</u>	<u>75,000</u>	<u>36,603</u>	<u>38,397</u>
Total Charges to Appropriations	<u>61,000</u>	<u>75,000</u>	<u>36,603</u>	<u>38,397</u>
Budgetary Fund Balance, June 30	<u>\$ (111,533)</u>	<u>\$ (114,433)</u>	<u>\$ (33,245)</u>	<u>\$ 81,188</u>

**City of Wildomar**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Measure Z Park**  
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, July 1	\$ 263,153	\$ 263,153	\$ 263,153	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	385,000	385,000	358,388	(26,612)
Charges for Services	57,100	51,100	2,907	(48,193)
Use of Money and Property	-	-	273	273
Amounts Available for Appropriations	<u>705,253</u>	<u>699,253</u>	<u>624,721</u>	<u>(74,532)</u>
<b>Charges to Appropriations (Outflows):</b>				
General Government	-	-	275	(275)
Culture and Recreation	<u>465,400</u>	<u>477,400</u>	<u>397,775</u>	<u>79,625</u>
Total Charges to Appropriations	<u>465,400</u>	<u>477,400</u>	<u>398,050</u>	<u>79,350</u>
Budgetary Fund Balance, June 30	<u>\$ 239,853</u>	<u>\$ 221,853</u>	<u>\$ 226,671</u>	<u>\$ 4,818</u>

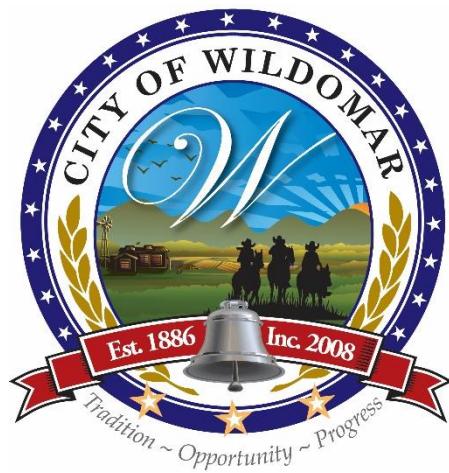
**City of Wildomar**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Assessment Districts**  
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,436,063	\$ 1,436,063	\$ 1,436,063	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	1,033,400	995,600	1,021,511	25,911
Use of Money and Property	-	-	2,318	2,318
Amounts Available for Appropriations	<u>2,469,463</u>	<u>2,431,663</u>	<u>2,459,892</u>	<u>28,229</u>
<b>Charges to Appropriations (Outflows):</b>				
General Government	-	200	2,467	(2,267)
Public Safety	-	-	102,757	(102,757)
Public Works	755,700	767,300	565,896	201,404
Capital Outlay	2,700	2,700	-	2,700
Transfers Out	<u>143,200</u>	<u>138,600</u>	<u>30,693</u>	<u>107,907</u>
Total Charges to Appropriations	<u>901,600</u>	<u>908,800</u>	<u>701,813</u>	<u>206,987</u>
Budgetary Fund Balance, June 30	<u>\$ 1,567,863</u>	<u>\$ 1,522,863</u>	<u>\$ 1,758,079</u>	<u>\$ 235,216</u>

**City of Wildomar**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Streetlight Fund**  
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, July 1	\$ 147,170	\$ 147,170	\$ 147,170	\$ -
<b>Resources (Inflows):</b>				
Charges for Services	178,300	178,300	173,252	(5,048)
Use of Money and Property	500	500	2,610	2,110
Amounts Available for Appropriations	<u>325,970</u>	<u>325,970</u>	<u>323,032</u>	<u>(2,938)</u>
<b>Charges to Appropriations (Outflows):</b>				
General Government	-	-	39	(39)
Public Works	5,700	5,700	5,081	619
Capital Outlay	11,500	11,500	10,664	836
Principal Retirement	77,300	77,300	77,268	32
Interest Expense	79,000	79,000	79,023	(23)
Transfers Out	<u>23,400</u>	<u>23,400</u>	<u>-</u>	<u>23,400</u>
Total Charges to Appropriations	<u>196,900</u>	<u>196,900</u>	<u>172,075</u>	<u>24,825</u>
Budgetary Fund Balance, June 30	<u>\$ 129,070</u>	<u>\$ 129,070</u>	<u>\$ 150,957</u>	<u>\$ 21,887</u>

## **STATISTICAL SECTION**



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# Statistical Section

This section of the City of Wildomar's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

## Contents

**Financial Trends** - These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time. As a newly incorporated City, information relative to the exact city boundaries prior to incorporation is not readily available in most cases. Therefore trend information will be developed over time and reported annually.

- Net Position by Component
- Changes in Net Position
- Fund Balances of Governmental Funds
- Changes in Fund Balances of Governmental Funds

**Revenue Capacity** - These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property taxes.

- Assessed Value and Estimated Actual Value of Taxable Property
- Direct and Overlapping Property Tax Rates
- Principal Property Tax Payers
- Property Tax Levies and Collections

**Debt Capacity** - These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the

- Ratio of Outstanding Debt by type
- Direct and Overlapping Governmental Activities
- Legal Debt Margin Information

**Demographic and Economic Information** - These schedules offer demographic and economic indicators to help the reader understand the environment in which the City's financial activities take place as well as allow comparisons over time and with other governments.

- Demographic and Economic Statistics
- Top Employers
- Full-time Equivalent City Government Employees by Function/Program

**Operating Information** - These schedules contain information about the City's operations and resources in order to help the reader understand how the City's financial information related to the

- Operating Indicators by Function/ Program
- Capital Asset Statistics by Function/Program
- Miscellaneous Statistics

Sources: Unless otherwise noted, the information in these schedules is derived from various internal and other governmental and non-governmental sources where reliability of the data could be ascertained.

**CITY OF WILDOMAR**  
**Net Position by Component\***  
**(Accrual Basis of Accounting)**

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	<b>Fiscal Year</b>			
	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 37,642,188	\$ 31,157,018	\$ 29,815,490	\$ 27,511,461
Restricted for:				
Community Development Projects	6,487,516	5,429,042	5,077,926	5,049,328
Parks and Recreation	226,671	263,153		
Public Safety	-	-		
Public Works	490,110	304,417	124,743	79,976
Capital Projects	1,758,079	1,436,063	1,324,591	1,045,702
Cemetery	-	-		
Debt Service	150,957	147,170	333,651	
Nonexpendable	-	-		
Unrestricted	5,014,648	2,020,017	1,157,175	652,571
<b>Total Governmental Activities Net Position</b>	<b><u>\$ 51,770,169</u></b>	<b><u>\$ 40,756,880</u></b>	<b><u>\$ 37,833,576</u></b>	<b><u>\$ 34,339,038</u></b>

\*Note: Wildomar Cemetery District (District) is included in fiscal years 2012 to 2015. The District became a subsidiary of the City in fiscal year 2012. However, for fiscal year 2016 the District is not included in the governmental activities and its operations are discretely presented in the financial statements.

Source: City Finance Department

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Fiscal Year					
<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
\$ 24,487,895	\$ 23,919,815	\$ 23,067,562	\$ 24,394,130	\$ 23,349,508	\$ 11,725,170
4,807,087	3,541,211	2,579,164	2,640,489	2,108,884	715,474
-	18,180	5,198	226	1,689,442	1,997,091
367,868	249,576	714,148	1,352,511	483,243	-
409,383	232,411	136,195	-	-	-
-	-	1,690,565	1,649,080	1,590,386	1,331,920
-	-	90,000	90,000	-	-
134,019	457,120	(1,016,700)	(921,235)	(1,420,547)	(628,995)
<b><u>\$ 30,206,252</u></b>	<b><u>\$ 28,418,313</u></b>	<b><u>\$ 27,266,132</u></b>	<b><u>\$ 29,205,201</u></b>	<b><u>\$ 27,800,916</u></b>	<b><u>\$ 15,140,660</u></b>

**CITY OF WILDOMAR**  
**Changes in Net Position\***  
**(Accrual Basis of Accounting)**

	<b>Fiscal Year</b>			
	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>EXPENSES</b>				
Governmental Activities:				
General Government	\$ 2,827,798	\$ 3,061,012	\$ 3,404,115	\$ 2,469,147
Public Safety	7,983,251	9,104,994	7,953,196	5,957,516
Community Development	2,407,683	2,270,421	2,738,282	2,660,031
Economic Development	212,698	166,124	-	-
Parks and Recreation	936,156	908,428	219,647	219,647
Public Works	7,124,538	3,953,145	3,823,531	3,508,423
Interest on long-term debt	45,351	118,152	-	-
Total Governmental Activities Expenses	<b>\$ 21,537,475</b>	<b>\$ 19,582,276</b>	<b>\$ 18,138,771</b>	<b>\$ 14,814,764</b>
<b>PROGRAM REVENUES</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$ 1,375,137	\$ 898,082	\$ 380,352	\$ 898,352
Public Safety	103,853	97,219	45,395	10,581
Community Development	2,162,593	1,708,190	2,075,499	2,054,708
Economic Development	-	-	-	-
Parks and Recreation	2,907	7,099	11,291	15,570
Public Works	848,664	750,290	423,706	239,777
Total Charges for Services	<b>\$ 4,493,154</b>	<b>\$ 3,460,880</b>	<b>\$ 2,936,243</b>	<b>\$ 3,218,988</b>
Operating Contributions and Grants:				
General Government	\$ 360,997	\$ 369,968	\$ 515,621	\$ 479,537
Public Safety	156,727	155,948	148,747	116,667
Community Development	473,279	940,616	597,995	545,537
Economic Development	-	-	-	-
Parks and Recreation	-	-	-	-
Public Works	3,183,238	1,960,065	2,008,341	3,230,361
Total Operating Contributions and Grants	<b>\$ 4,174,241</b>	<b>\$ 3,426,597</b>	<b>\$ 3,270,704</b>	<b>\$ 4,372,102</b>
Capital Contributions and Grants:				
Community Development	\$ -	\$ -	\$ -	\$ -
Public Works	7,851,995	1,812,906	4,106,559	-
Interest on long-term debt	-	-	-	-
Total Capital Contributions and Grants	<b>\$ 7,851,995</b>	<b>\$ 1,812,906</b>	<b>\$ 4,106,559</b>	<b>\$ -</b>
Total Governmental Activities Program Revenues	<b>\$ 16,519,390</b>	<b>\$ 8,700,383</b>	<b>\$ 10,313,506</b>	<b>\$ 7,591,090</b>
<b>TOTAL NET REVENUES (EXPENSES)</b>	<b>\$ (5,018,085)</b>	<b>\$ (10,881,893)</b>	<b>\$ (7,825,265)</b>	<b>\$ (7,223,674)</b>

\*Note: Wildomar Cemetery District (District) is included in fiscal years 2012 to 2015. The District became a subsidiary of the City in fiscal year 2012. However, for fiscal year 2016 the District is not included in the governmental activities and its operations are discretely presented in the financial statements.

Source: City Finance Department

**Fiscal Year**

<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
\$ 2,494,133	\$ 2,465,875	\$ 2,320,203	\$ 2,110,310	\$ 2,496,792	\$ 1,923,733
5,517,602	5,109,023	4,834,799	4,087,138	4,394,931	3,996,420
2,389,801	2,569,072	3,058,008	2,881,440	1,818,348	1,253,984
-	-	-	-	-	-
219,647	219,647	425,006	405,589	219,707	303,190
3,272,317	3,649,428	4,435,300	2,570,554	2,457,319	2,551,241
-	-	522,724	-	-	-
<b>\$ 13,893,500</b>	<b>\$ 14,013,045</b>	<b>\$ 15,073,316</b>	<b>\$ 12,577,755</b>	<b>\$ 11,387,097</b>	<b>\$ 10,028,568</b>
\$ 1,539,067	\$ 636,577	\$ 233,193	\$ 706,214	\$ 1,440,592	\$ 152,978
10,466	11,630	10,266	1,480	-	-
2,397,374	2,773,440	2,491,406	285,075	243,188	117,509
-	-	-	-	-	-
7,832	4,673	9,005	40	1,056	4,034
230,197	299,806	332,187	8,866	20,061	80,018
<b>\$ 4,184,936</b>	<b>\$ 3,726,126</b>	<b>\$ 3,076,057</b>	<b>\$ 1,001,675</b>	<b>\$ 1,704,897</b>	<b>\$ 354,539</b>
\$ 502,469	\$ 340,463	\$ 575,922	\$ 518,426	\$ 617,155	\$ 1,563,689
139,416	143,942	97,546	100,000	100,000	100,000
387,589	339,399	343,060	1,921,554	1,257,696	574,834
-	-	-	-	-	-
-	-	-	10,136	-	-
3,398,998	2,497,709	1,351,679	2,229,719	2,383,168	2,067,952
<b>\$ 4,428,472</b>	<b>\$ 3,321,513</b>	<b>\$ 2,368,207</b>	<b>\$ 4,779,835</b>	<b>\$ 4,358,019</b>	<b>\$ 4,306,475</b>
\$ -	\$ -	\$ -	\$ 1,900,000	\$ -	\$ -
-	884,658	1,049,064	-	-	-
-	-	-	-	-	-
<b>\$ -</b>	<b>\$ 884,658</b>	<b>\$ 1,049,064</b>	<b>\$ 1,900,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>\$ 8,613,408</b>	<b>\$ 7,932,297</b>	<b>\$ 6,493,328</b>	<b>\$ 7,681,510</b>	<b>\$ 6,062,916</b>	<b>\$ 4,661,014</b>
<b>\$ (5,280,092)</b>	<b>\$ (6,080,748)</b>	<b>\$ (8,579,988)</b>	<b>\$ (4,896,245)</b>	<b>\$ (5,324,181)</b>	<b>\$ (5,367,554)</b>

**CITY OF WILDOMAR****Changes in Net Position (Continued)\***  
**(Accrual Basis of Accounting)**

	<b>Fiscal Year</b>			
	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>TOTAL NET REVENUES (EXPENSES) - Carry Forward</b>	<b>\$ (5,018,085)</b>	<b>\$ (10,881,893)</b>	<b>\$ (7,825,265)</b>	<b>\$ (7,223,674)</b>
<b>GENERAL REVENUES AND OTHER CHARGES IN NET POSITION</b>				
Governmental Activities:				
Taxes:				
Property Taxes, levied for general purpose	\$ 4,875,249	\$ 4,608,569	\$ 4,434,404	\$ 4,232,672
Sales Taxes	6,695,060	5,054,702	2,872,982	1,780,008
Franchise Taxes	1,206,707	1,080,234	1,077,164	1,057,586
Business Licenses Taxes	-	-	-	-
Motor Vehicle in Lieu Tax	2,837,391	2,718,513	2,580,800	2,392,884
Other Taxes	244,476	165,446	154,049	165,129
Investments Earnings	38,793	109,658	67,542	19,432
Other	133,698	68,075	132,862	1,897,363
Contributions from Other Entities	-	-	-	-
Special Item	-	-	-	-
<b>Total Governmental Activities</b>	<b>\$ 16,031,374</b>	<b>\$ 13,805,197</b>	<b>\$ 11,319,803</b>	<b>\$ 11,545,074</b>
<b>CHANGES IN NET POSITION</b>	<b>\$ 11,013,289</b>	<b>\$ 2,923,304</b>	<b>\$ 3,494,538</b>	<b>\$ 4,321,400</b>

\*Note: Wildomar Cemetery District (District) is included in fiscal years 2012 to 2015.

The District became a subsidiary of the City in fiscal year 2012. However, for fiscal year 2016 the District is not included in the governmental activities and its operations are discretely presented in the financial statements.

Source: City Finance Department

**Fiscal Year**

<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
\$ (5,280,092)	\$ (6,080,748)	\$ (8,579,988)	\$ (4,896,245)	\$ (5,286,347)	\$ (5,419,990)
\$ 4,002,949	\$ 3,774,015	\$ 4,042,882	\$ 3,465,511	\$ 3,243,285	\$ 3,307,425
1,666,324	1,772,493	1,492,041	1,561,683	1,383,864	1,362,647
1,015,225	1,056,712	1,061,333	972,108	850,808	749,046
-	-	-	14,041	14,280	12,705
15,755	13,778	-	-	14,074	18,450
255,866	140,501	-	106,039	109,524	83,021
10,659	6,590	5,015	3,605	3,183	12,011
101,253	71,073	114,382	54,338	48,344	30,943
-	-	-	-	-	576,456
	1,185,337	-	-	-	-
<b>\$ 7,068,031</b>	<b>\$ 8,020,499</b>	<b>\$ 6,715,653</b>	<b>\$ 6,177,325</b>	<b>\$ 5,667,362</b>	<b>\$ 6,152,704</b>
<b>\$ 1,787,939</b>	<b>\$ 1,939,751</b>	<b>\$ (1,864,335)</b>	<b>\$ 1,281,080</b>	<b>\$ 381,015</b>	<b>\$ 732,714</b>

**CITY OF WILDOMAR**

**Fund Balances of Governmental Funds\***  
**(Modified Accrual Basis of Accounting)**

	<b>Fiscal Year</b>			
	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>GENERAL FUND</b>				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	- -	- -	- -	- -
Nonspendable:				
Inventory	- -	- -	- -	- -
Prepaid Items	- -	- -	17,533	- -
Deposits	- -	- -	- -	- -
Restricted				
Debt Service	- -	- -	- -	- -
Unassigned	2,444,793	878,286	1,425,789	1,552,339
<b>Total General Fund</b>	<b><u>\$ 2,444,793</u></b>	<b><u>\$ 878,286</u></b>	<b><u>\$ 1,443,322</u></b>	<b><u>\$ 1,552,339</u></b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>				
Reserved:				
Encumbrances	\$ -	\$ -	\$ -	\$ -
Nonspendable:				
Inventory	- -	- -	- -	- -
Prepaid Items	- -	- -	20,899	- -
Cemetery Endowment	- -	- -	- -	- -
Restricted for:				
Community development projects	6,487,516	5,429,042	239,224	5,049,328
Parks and recreation	226,671	263,153	- -	- -
Public safety	- -	- -	583,766	- -
Public works	490,110	304,417	124,743	79,976
Capital projects	1,758,079	1,436,063	1,324,591	1,045,702
Debt service	150,957	147,170	- -	- -
Cemetery	- -	- -	333,651	- -
Committed	3,275,440	1,911,578	- -	- -
Unassigned	1,466,456	(575,345)	(802,696)	(3,666,121)
<b>Total All Other Governmental Funds</b>	<b><u>\$ 13,855,229</u></b>	<b><u>\$ 8,916,078</u></b>	<b><u>\$ 1,824,178</u></b>	<b><u>\$ 2,508,885</u></b>

\*Note: Wildomar Cemetery District (District) is included in fiscal years 2012 to 2015.

The District became a subsidiary of the City in fiscal year 2012. However, for fiscal year 2016 the District is not included in the governmental activities and its operations are discretely presented in the financial statements.

Source: City Finance Department

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Fiscal Year						
2017	2016	2015	2014	2013	2012	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	11,184	-	-	1,686	2,133	
-	-	-	-	370,039	211,752	
-	-	-	-	483,243	-	
869,757	946,503	773,060	770,686	(46,320)	1,262,279	
<b>\$ 869,757</b>	<b>\$ 957,687</b>	<b>\$ 773,060</b>	<b>\$ 770,686</b>	<b>\$ 808,648</b>	<b>\$ 1,476,164</b>	
 \$ -	 \$ -					
-	-	2,167	3,509	2,640	4,838	
-	1,107	-	62	230	220	
-	-	90,000	90,000	90,000	90,000	
4,807,087	3,541,211	2,579,164	2,640,489	2,108,884	715,474	
-	-	-	-	-	-	
-	18,180	5,198	226	-	-	
367,868	249,576	714,148	1,352,511	1,689,442	1,997,091	
409,383	232,411	136,195	-	-	-	
-	-	-	-	-	-	
-	-	1,688,398	1,645,509	1,497,516	1,331,920	
-	-	-	-	-	-	
(1,663,955)	(1,486,366)	(1,616,354)	(1,183,295)	(759,932)	(101,996)	
<b>\$ 3,920,383</b>	<b>\$ 2,556,119</b>	<b>\$ 3,598,916</b>	<b>\$ 4,549,011</b>	<b>\$ 4,628,780</b>	<b>\$ 4,037,547</b>	

**CITY OF WILDOMAR**

**Changes in Fund Balances of Governmental Funds\***  
**(Modified Accrual Basis of Accounting)**

	<b>Fiscal Year</b>			
	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>REVENUES</b>				
Taxes	\$ 12,983,948	\$ 10,874,493	\$ 8,505,203	\$ 7,229,816
Licenses and Permits	2,185,629	1,665,127	1,883,515	2,003,200
Intergovernmental	8,662,540	9,035,650	12,304,486	7,033,686
Charges for Services	193,945	156,216	37,022	38,769
Investment Earnings	-	-	67,542	19,431
Fines and Forfeitures	84,020	84,703	49,358	45,552
Use of Money and Property	38,797	109,659	-	-
Contributions	-	-	-	-
Developer Participation	1,333,216	895,215	526,149	867,838
Miscellaneous	133,755	229,314	133,490	8,919
<b>Total Revenues</b>	<b>\$ 25,615,850</b>	<b>\$ 23,050,377</b>	<b>\$ 23,506,765</b>	<b>\$ 17,247,211</b>
<b>EXPENDITURES</b>				
Current:				
General Government	\$ 2,714,432	\$ 2,647,322	\$ 3,212,685	\$ 2,601,884
Public Safety	7,946,947	9,069,699	7,922,498	5,926,817
Community Development	2,407,683	2,270,421	2,738,282	2,660,031
Economic Development	212,698	166,124	-	-
Parks and Recreation	706,244	678,516	-	-
Public Works	3,965,255	2,846,944	2,446,387	3,375,478
Capital Outlay	3,445,435	2,755,005	5,480,443	3,411,917
Debt Service:				
Cost of Issuance	-	-	37,000	-
Principal Retirement	77,268	-	-	-
Interest and Fiscal Charges	79,023	78,146	-	-
<b>Total Expenditures</b>	<b>\$ 21,554,985</b>	<b>\$ 20,512,177</b>	<b>\$ 21,837,295</b>	<b>\$ 17,976,127</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>				
	4,060,865	2,538,200	1,669,470	(728,916)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	\$ 301,362	\$ 416,945	\$ 924,641	\$ 1,270,977
Transfers Out	(301,362)	(416,945)	(924,641)	(1,270,977)
Proceeds from Loan			1,525,470	-
Other Debts Issued			-	-
Contributions from Other Entities			-	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,525,470</b>	<b>\$ -</b>
<b>Net Change in Fund Balances</b>	<b>4,060,865</b>	<b>2,538,200</b>	<b>3,194,940</b>	<b>(728,916)</b>
Fund Balances, Beginning of Year	9,794,364	7,256,164	4,061,224	4,790,140
Restatements				
Fund Balances, Beginning of Year, as Restated:	9,794,364	7,256,164	4,061,224	4,790,140
Fund Balances, End of Year	<b>\$ 13,855,229</b>	<b>\$ 9,794,364</b>	<b>\$ 7,256,164</b>	<b>\$ 4,061,224</b>
<b>DEBT SERVICE AS A PERCENTAGE OF NON CAPITAL EXPENDITURES</b>	0.00%	0.00%	0.00%	0.00%

\*Note: Wildomar Cemetery District (District) is included in fiscal years 2012 to 2015. The District became a subsidiary of the City in fiscal year 2012. However, for fiscal year 2016 the District is not included in the governmental activities and its operations are discretely presented in the financial statements.

Source: City Finance Department

Fiscal Year											
2017		2016		2015		2014		2013		2012	
\$ 6,940,365		\$ 6,743,720		\$ 6,596,256		\$ 6,119,382		\$ 5,601,761		\$ 5,514,844	
2,345,877		2,754,563		2,460,535		1,602,381		1,274,332		599,934	
4,650,707		3,612,975		3,660,760		3,148,003		2,262,217		2,598,557	
18,614		14,895		27,077		213,328		175,722		119,850	
10,659		6,590		5,015		3,605		3,183		12,011	
41,039		52,654		51,882		81,387		78,322		88,216	
-		-		-		-		-		-	
-		-		-		-		1,271		-	
1,510,618		598,955		181,553		688,214		1,414,192		118,188	
114,933		87,850		123,387		54,338		48,344		31,233	
<b>\$ 15,632,812</b>		<b>\$ 13,872,202</b>		<b>\$ 13,106,465</b>		<b>\$ 11,910,638</b>		<b>\$ 10,859,344</b>		<b>\$ 9,082,833</b>	
\$ 2,382,977		\$ 2,426,059		\$ 2,410,577		\$ 2,049,831		\$ 2,468,897		\$ 1,856,595	
5,488,113		5,079,535		4,834,799		4,447,176		4,616,892		3,996,420	
2,389,801		2,569,072		3,100,691		2,881,440		1,818,348		1,253,984	
-		-		-		-		-		-	
-		-		27,866		188,047		64		85,648	
1,953,548		1,982,458		2,460,664		1,383,266		1,158,413		1,551,441	
2,142,039		1,399,541		1,008,509		555,885		736,830		-	
-		-		-		-		-		-	
-		-		109,040		483,243		-		-	
-		-		-		39,481		-		-	
<b>\$ 14,356,478</b>		<b>\$ 13,456,665</b>		<b>\$ 13,952,146</b>		<b>\$ 12,028,369</b>		<b>\$ 10,799,444</b>		<b>\$ 8,744,088</b>	
1,276,334		415,537		(845,681)		(117,731)		59,900		338,745	
\$ 343,787		\$ 517,123		\$ 544,116		\$ 522,000		\$ 649,336		\$ 391,053	
(343,787)		(517,123)		(544,116)		(522,000)		(649,336)		(391,053)	
-		-		-		-		-		-	
-		-		-		-		-		-	
-		-		-		-		-		1,186,052	
<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ 1,186,052</b>	
<b>1,276,334</b>		<b>415,537</b>		<b>(845,681)</b>		<b>(117,731)</b>		<b>59,900</b>		<b>1,524,797</b>	
3,513,806		2,591,411		5,319,697		5,437,428		5,513,711		4,096,048	
-		506,858		(102,040)		-		(136,183)		(107,134)	
3,513,806		3,098,269		5,217,657		5,437,428		5,377,528		3,988,914	
<b>\$ 4,790,140</b>		<b>\$ 3,513,806</b>		<b>\$ 4,371,976</b>		<b>\$ 5,319,697</b>		<b>\$ 5,437,428</b>		<b>\$ 5,513,711</b>	
0.00%		0.00%		0.00%		0.00%		0.00%		0.00%	

**CITY OF WILDOMAR**

**Assessed Value and Estimated Actual Value of Taxable Property**

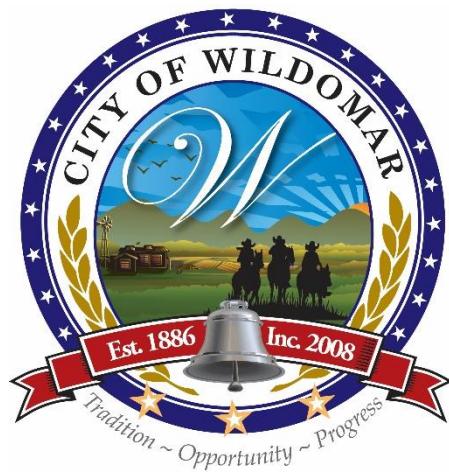
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<b>Fiscal year</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Other Property</b>	<b>Less Tax-Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Rate</b>
2021	\$ 3,194,123,965	\$ 206,450,586	365,302,589	\$ (141,156,996)	\$ 3,712,810,278	0.06414
2020	2,998,915,691	367,930,286	266,202,102	(135,401,055)	3,555,294,341	0.06414
2019	2,869,319,248	366,065,458	207,467,159	(133,658,124)	3,368,179,579	0.06414
2018	2,672,591,727	348,827,091	205,071,044	(128,090,594)	3,152,766,645	0.06413
2017	2,457,768,510	206,868,526	333,066,581	(6,827,758)	2,990,875,859	0.06642
2016	2,315,546,269	195,912,842	315,827,261	(6,723,956)	2,820,562,416	0.06665
2015	2,128,221,360	186,564,353	301,703,479	(6,592,208)	2,609,896,984	0.06742
2014	1,797,147,241	184,326,275	318,120,654	(6,240,538)	2,293,353,632	0.06860
2013	1,680,133,457	188,066,878	342,293,939	(5,922,179)	2,204,572,095	0.06624
2012	1,750,735,442	192,353,249	326,053,258	(5,370,950)	2,263,770,999	0.06572

In 1978, California voters passed Proposition 13 which set the property tax rate at 1.00% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only re-assessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

The City of Wildomar was incorporated in July 2008, therefore data availability is limited. Changes in assessed value distribution is due to a change in source. Other property includes state unitary in the amount of \$129,600.

Source: MuniServices



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**CITY OF WILDOMAR****Direct and Overlapping Property Tax Rates****(Rate per \$100 of Taxable Value)**

Agency	Fiscal Year			
	2021	2020	2019	2018
<b>City's Share of 1% Levy Per Prop 13</b>	<b>0.05800</b>	<b>0.05800</b>	<b>0.05800</b>	<b>0.05800</b>
<b>Basic Levy*</b>	1.00000	1.00000	1.00000	1.00000
City of Wildomar	0.06414	0.06414	0.06414	0.06414
All others	0.93586	0.93586	0.93586	0.93586
<b>Total Direct Rate</b>	<b>1.00000</b>	<b>1.00000</b>	<b>1.00000</b>	<b>1.00000</b>
<b>Override Assessments</b>				
Menifee School Debt Svc	0.06111	0.06277	0.06303	0.06080
Metropolitan Water Dist Original Area	0.00350	0.00350	0.00350	0.00350
Mt. San Jacinto Jr College	0.01320	0.08244	0.05243	0.05675
Perris Union High School	0.08569	0.01320	0.01320	0.01320
<b>Total Overriding Assessments</b>	<b>0.16350</b>	<b>0.16191</b>	<b>0.13216</b>	<b>0.13425</b>
<b>Total Direct &amp; Overlapping Tax Rates</b>	<b>1.16350</b>	<b>1.16191</b>	<b>1.13216</b>	<b>1.13425</b>

\* In 1978, California voters passed Proposition 13 which set the property tax rate at 1.00% fixed amount. This 1.00% is shared between all taxing agencies in which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all City property owners.

Source: MuniServices

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Fiscal Year					
2017	2016	2015	2014	2013	2012
<b>0.05800</b>	<b>0.05800</b>	<b>0.05800</b>	<b>0.05800</b>	<b>0.05800</b>	<b>0.05800</b>
1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
0.06414	0.06414	0.06742	0.06860	0.06624	0.65720
0.93586	0.93586	0.93258	0.93140	0.93376	0.93428
<b>1.00000</b>	<b>1.00000</b>	<b>1.00000</b>	<b>1.00000</b>	<b>1.00000</b>	<b>1.59148</b>
0.03269	0.03010	0.03275	0.03421	0.03543	0.03486
0.00350	0.00350	0.00350	0.00350	0.00350	0.00370
0.06092	0.06236	0.06303	0.06970	0.03429	0.03429
0.01320	0.01394	-	-	-	-
<b>0.11031</b>	<b>0.10990</b>	<b>0.09928</b>	<b>0.10741</b>	<b>0.07322</b>	<b>0.07285</b>
<b>1.11031</b>	<b>1.10990</b>	<b>1.09928</b>	<b>1.10741</b>	<b>1.07322</b>	<b>1.66433</b>

# ***City of Wildomar***

**Principal Property Tax Payers**  
**Last Fiscal Year and Nine Years Ago**

<b>Taxpayer</b>	<b>2020-21</b>		<b>2011-12</b>	
	<b>Taxable Value (\$)</b>	<b>Percent of Total City Taxable Value (%)</b>	<b>Taxable Value (\$)</b>	<b>Percent of Total City Taxable Value (%)</b>
Oak Springs Partners	83,500,022	2.25%		
MG Santa Rosa Apartments	79,084,963	2.13%		
Universal Health Realty Income Trust	71,585,541	1.93%	51,179,251	2.29%
LG Oak Creek	30,330,718	0.82%	31,455,944	1.41%
Wildomar Industrial Park	22,337,381	0.60%	19,692,540	0.88%
CK HS Partners 18	22,128,047	0.60%		
Sovran Acquisition Ltd Partnership	19,493,319	0.53%		
CFT NV Dev	17,525,846	0.47%		
MCW RC CA Bear Creek Village Center	16,319,236	0.44%	13,782,723	0.62%
Inland Valley Medical Partners	15,994,489	0.43%	13,653,304	0.61%
Rainbow Mountain	14,066,417	0.38%		
Beazer Homes Holdings Corp	12,820,578	0.35%	11,291,592	0.51%
VSHS	11,541,811	0.31%	9,229,614	0.41%
Conti Fabio	10,250,000	0.28%		
Wal Mart Real Estate Business Trust	8,965,630	0.24%	6,788,253	0.30%
Ambient Pacific OCC	8,727,630	0.24%		
Albertsons Stores Subs	8,608,107	0.23%		
Wildomar Renaissance Plaza	7,938,172	0.21%		
Monte Vista Ranch	7,854,000	0.21%		
Yim Sung T	7,252,991	0.20%		
Wildomar Medical Prop	6,630,000	0.18%		
Tesoro Refining & Marketing Co	6,050,794	0.16%		
2018 1 IH Borrower LP	6,027,043	0.16%		
RS Wildomar	5,972,215	0.16%		
KB Home Coastal Inc	5,648,317	0.15%		
WNRA Wildomar			35,470,000	1.59%
CK Self Storage			17,616,087	0.79%
Naples Plaza Ltd			16,518,382	0.74%
Stonebridge Medical Center			12,477,693	0.56%
A & S Prop at Clinton Keith			10,610,159	0.48%
Oak Springs Ranch			7,665,000	0.34%
Baxter Crossings			7,396,277	0.33%
New Albertsons Inc			7,348,105	0.33%
Federal Natl Mortgage Assn			7,161,671	0.32%
Meridian Wildomar Partners			7,149,035	0.32%
Prichard Ronald D			6,975,500	0.31%
Baxter Central Ltd Partnership			6,476,273	0.29%
D R Horton Los Angeles Holding			6,079,188	0.27%
Combined Palomar			5,637,157	0.25%
34400 Monte Vista Drive			4,818,648	0.22%
PME Mortgage Fund Inc			4,704,939	0.21%
Beaumont Gossett			4,406,031	0.20%
Total Top 25 Taxpayers	506,653,267	13.65%	325,583,366	14.58%
Total Taxable Value	3,712,810,278	100.00%	2,233,471,797	100.00%

Source: Riverside County Assessor data, MuniServices, LLC

Wildomar was incorporated in July 2008, therefore data availability is limited

Total Taxable Value includes state unitary of \$129,600

**CITY OF WILDOMAR**
**Property Tax Levies and Collections**

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2021	\$ 4,688,098	\$ 4,583,900	97.78%	\$ 149,400.00	\$ 4,733,300	100.96%
2020	4,503,962	4,484,048	99.56%	-	4,484,048	99.56%
2019	4,234,361	4,113,696	97.15%	121,773	4,235,469	100.03%
2018	3,973,916	3,848,479	96.84%	122,634	3,971,113	99.93%
2017	3,825,844	3,732,682	97.56%	75,891	3,808,573	99.55%
2016	3,625,979	3,515,561	96.95%	107,546	3,623,107	99.92%
2015	3,394,851	3,241,573	95.48%	125,930	3,367,503	99.19%
2014	3,045,734	2,830,033	92.92%	148,755	2,978,788	97.80%
2013	2,949,607	2,761,748	93.63%	166,385	2,928,133	99.27%
2012	2,925,079	2,718,131	92.93%	119,967	2,838,098	97.03%

The City was not on the tax rolls until fiscal year 2009-2010, therefore there is no total tax levy. However, the City still received its portion of property tax collections from Riverside County.

Source: County of Riverside, City Finance Department

**CITY OF WILDOMAR**

**Ratios of Outstanding Debt by Type**

Fiscal Year	General Obligation Bonds	Lease Revenue Bonds	Certificates of Participation/Leases	County Repayment <sup>(1)</sup>	Total Governmental Activities	% of Actual Assessed Value of Property <sup>(2)</sup>	Per Capita
2021	\$ -	\$ -	\$ 1,464,403	\$ -	\$ 1,464,403	0.00%	\$ 40
2020	-	-	1,541,671	-	1,541,671	0.00%	41
2019	-	-	1,525,470	-	1,525,470	0.00%	42
2018	-	-	-	-	-	0.00%	-
2017	-	-	-	-	-	0.00%	-
2016	-	-	-	-	-	0.00%	-
2015	-	-	-	1,185,337	1,185,337	0.00%	35
2014	-	-	-	1,294,377	1,294,377	0.00%	39
2013	-	-	-	1,777,620	1,777,620	0.00%	54
2012	-	-	-	1,999,581	1,999,581	0.00%	61

<sup>(1)</sup> County Repayment is not a bonded debt. On September 22, 2015, SB 107 was signed into law providing for the forgiveness of debts owed to the County of Riverside.

<sup>(2)</sup> Assessed value used because actual value of taxable property not readily available in the state of California.

The City was incorporated in fiscal year 2008-2009. No information prior to fiscal Year 2008-2009 is available.

Source: City Finance Department

**CITY OF WILDOMAR**

**Direct and Overlapping Governmental Activities Debt**

**As of June 30, 2021**

**2020-2021 Assessed Valuation**

**Incremental Valuation**

**Adjusted Assessed Valuation**

\$ 3,744,350,767

\$ 3,744,350,767

**Overlapping Tax and Assessment Debt**

	Total Debt	Percent Applicable to City (1)	City's Share of Debt
Metropolitan Water District	\$ 26,830,000	0.115%	\$ 30,855
Mount San Jacinto Community College District General Funds Obligations	262,750,000	3.666%	9,632,415
Perris Union High School District	237,603,350	0.227%	539,360
Menifee Union School District	128,099,720	0.364%	466,283
Lake Elsinore Unified School District	49,955,000	26.102%	13,039,254
Lake Elsinore Unified School District Community Facilities District No. 99-1	3,728,000	100%	3,728,000
Lake Elsinore Unified School District Community Facilities District No. 2002-1	3,232,000	44.393%	1,434,782
Lake Elsinore Unified School District Community Facilities District No. 2003-1 A	3,258,113	100%	3,258,113
Lake Elsinore Unified School District Community Facilities District No. 2004-1, 2, 3 & 4	20,681,000	44.393-100.	19,365,894
Lake Elsinore Unified School District Community Facilities District No. 2005-3, 5 & 7	10,544,000	100%	10,544,000
Lake Elsinore Unified School District Community Facilities District No. 2006-3A & 4	10,110,000	100%	10,110,000
Lake Elsinore Unified School District Community Facilities District No. 2007-2	2,935,000	100%	2,935,000
Lake Elsinore Unified School District Community Facilities District No. 2013-1 & 2	13,065,000	100%	13,065,000
Perris Union High School District Community Facilities District No. 92-1	32,690,000	0.25%	81,725
Riverside County Flood Control, Zone 4	10,260,000	0.397%	40,732
Elsinore Valley Municipal Water District Community Facilities Districts	6,251,000	100%	6,251,000
<b>Total Overlapping Tax and Assessment Debt</b>			\$ 94,522,413

**Overlapping General Fund Debt**

Riverside County General Funds Obligation	\$ 717,525,698	1.1950%	\$ 8,574,432
Riverside County Pension Obligations	881,575,000	1.195%	10,534,821
Western Municipal Water District Certificates of Participation	6,815,211	1.143%	77,898
Perris Union High School District General Fund Obligation	41,063,367	0.227%	93,214
Menifee Union School District Certificates of Participation	46,426,771	0.364%	168,993
<b>Total Overlapping General Fund Debt</b>			\$ 19,449,358

**Direct Debt**

<b>City Of Wildomar</b>	<b>\$0</b>	<b>100%</b>	<b>\$0</b>
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):			
<b>Total Direct Debt</b>	\$ 202,338,028	2.197-19.286%	\$ 15,590,812
<b>Total Overlapping Debt</b>			\$ 0
<b>Combined Total Debt</b>			\$ 129,562,583
			(2)

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

<sup>(2)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations. Qualified Zone Academy Bonds are included based on principal due at maturity.

**Ratios to 2018-19 Assessed Valuation:**

Overlapping Tax and Assessment Debt .....	2.52%
<b>Direct Debt (\$0) .....</b>	<b>0.00%</b>
Combined Total Debt.....	3.46%

**Ratios to Redevelopment Successor Agency Incremental Valuation (\$214,079,728):**

<b>Total Overlapping Tax Increment Debt .....</b>	<b>6.64%</b>
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AB:(\$500)

Source: California Municipal Statistics

**CITY OF WILDOMAR**  
**Legal Debt Margin Information**  
**(dollars in thousands)**

	<b>Fiscal Year</b>			
	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Assessed Valuation	\$ 3,712,810,278	\$ 3,555,294,341	\$ 3,368,179,579	\$ 3,152,766,645
Debt Limit Percentage	15%	15%	15%	15%
Debt Limit	\$ 556,921,542	\$ 533,294,151	\$ 505,226,937	\$ 472,914,997
Total Net Debt Applicable to Limit General Obligation Bonds:	-	-	-	-
Legal Debt Margin	<u>\$ 556,921,542</u>	<u>\$ 533,294,151</u>	<u>\$ 505,226,937</u>	<u>\$ 472,914,997</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%

Section 43605 of The Government Code of the State of California limits the amount of indebtedness for public improvements to 15% of the assessed valuation of all real and personal property of the City.

The City of Wildomar has no general obligation bond indebtedness.

Source: City Finance Department, MuniServices

Fiscal Year					
2017	2016	2015	2014	2013	2012
\$ 2,990,875,859	\$ 2,820,562,416	\$ 2,609,896,984	\$ 2,293,353,635	\$ 2,204,512,095	\$ 2,263,770,999
15%	15%	15%	15%	15%	15%
\$ 448,631,379	\$ 423,084,362	\$ 391,484,548	\$ 344,003,045	\$ 330,676,814	\$ 339,565,650
-	-	-	-	-	-
<u>\$ 448,631,379</u>	<u>\$ 423,084,362</u>	<u>\$ 391,484,548</u>	<u>\$ 344,003,045</u>	<u>\$ 330,676,814</u>	<u>\$ 339,565,650</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

## ***City of Wildomar***

### Demographic and Economic Statistics

Last Ten Years

Fiscal Year	Population (1)	Personal Income (In Thousands) (2)	Per Capita Personal Income (2)	City Unemployment Rate (%) (3)	Median Age (4)	%High School Diploma	% Bachelors Degree
2020-21	37,013	1,011,653	27,332	6.9%	34	85%	17%
2019-20	37,183	941,562	25,322	14.1%	35	85%	17%
2018-19	36,066	878,083	24,347	3.3%	35	85%	17%
2017-18	36,287	837,603	23,083	3.9%	35	83%	17%
2016-17	35,782	776,541	21,702	6.1%	34	84%	16%
2015-16	35,168	812,908	23,115	6.8%	34	88%	14%
2014-15	33,696	764,899	22,700	4.0%	34	84%	16%
2013-14	33,718	761,555	22,586	7.0%	34	83%	17%
2012-13	33,174	762,836	22,995	9.0%	32	85%	17%
2011-12	32,719	744,226	22,746	11.0%	33	83%	18%

Source: MuniServices, LLC, / Avenu Insights & Analytics

Wildomar was incorporated in July 2008, therefore data availability is limited

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

1.) Population Projections are provided by the California Department of Finance Projections.

2.) Income Data is provided by the U.S. Census Bureau, 2010 American Community Survey.

3.) Unemployment Data is provided by the EDD's Bureau of Labor Statistics Department.

4.) Median Age reflects the U.S. Census data estimation table.

## ***City of Wildomar***

**Principal Employers**  
**Current and Seven Years Ago**

<b>Business Name</b>	<b>Number of Employees</b>	<b>2020-21</b>	<b>2012-13</b>
		<b>Percent of Total Employment (%)</b>	<b>Number of Employees</b>
Lake Elsinore Unified School District*	2,091	11.88%	2,000
Inland Valley Medical Center **	1,500	8.52%	784
Southern California Edison	220	1.25%	20
Stater Bros Markets	142	0.81%	100
Cornerstone Community Church***	109	0.62%	45
Albertson's	105	0.60%	85
Animal Friends of the Valley	83	0.47%	
Wildomar Senior leisure Community	78	0.44%	
Sycamore Academy-Sci-Cultural Arts	65	0.37%	
FCP Inc	65	0.37%	200
Jack in the Box - (2 locations)			60
P K Mechanical Systems			50
Coldwell Banker			52
Mc Donald's			50
<b>Total Top 10 Employers</b>	<b>4,458</b>	<b>25.33%</b>	<b>3,446</b>
 Total City Labor Force (1)	17,600		

Source: MuniServices, LLC / Avenu Insights & Analytics

Source: 2012-13, previously published ACFR, limited data available

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

\* Count is districtwide

\*\* Count includes another location, not within the City Limits.

\*\*\* Includes the Cornerstone Christian School

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

**CITY OF WILDOMAR****Full-Time Equivalent City Government Employees by Function/Program****As of June 30, 2021**

Function	2021	2020	2019	2018	2017	2016
City Manager						
Full- Time Equiv	1.0	1.0	1.0	1.0	1.0	1.0
City Clerk						
Full- Time Equiv	1.0	1.0	1.0	1.0	1.0	1.0
City Manager Administration						
Full- Time Equiv	3.0	3.0	3.0	2.0	2.0	2.0
Asst. City Manager/ Public Works						
Full- Time Equiv	1.0	1.0	1.0	1.0	1.0	1.0
Planning Director						
Full- Time Equiv	1.0	1.0	1.0	1.0	1.0	1.0
Building/Safety						
Full- Time Equiv	2.0	-	-	-	-	1.0
Cemetery						
Full- Time Equiv	3.0	3.0	3.0	2.0	3.0	2.0
Community Services						
Full- Time Equiv	-	-	-	-	-	-
Finance						
Full- Time Equiv	4.0	3.0	3.0	3.0	2.0	1.0
Public Works						
Full- Time Equiv	2.0	-	-	-	-	-
Associate Planner						
Full- Time Equiv	1.0	1.0	1.0	1.0	1.0	1.0
<b>TOTAL</b>	<b>19.0</b>	<b>14.0</b>	<b>14.0</b>	<b>12.0</b>	<b>12.0</b>	<b>11.0</b>

Source: City Finance Department

<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
1.0	1.0	1.0	1.0
1.0	1.0	1.0	1.0
1.0	2.0	2.0	2.0
1.0	1.0	-	-
1.0	1.0	1.0	-
1.0	1.0	1.0	1.0
2.0	2.0	2.0	2.0
-	-	1.0	-
1.0	-	-	-
1.0	1.0	-	-
1.0	-	-	-
<b>11.0</b>	<b>10.0</b>	<b>9.0</b>	<b>7.0</b>

**CITY OF WILDOMAR**

**Operating Indicators by Function/ Program**

Function	2021	2020	2019	2018
Police Services				
Calls for Service	18,218	19,898	16,576	17,628
DUI Arrests	87	44	34	44
Traffic Citations	1,830	485	N/A	573
Fire Services				
Responses to Calls for Service	3,307	3,252	3,102	3,266
Average Response Time-Minutes	5.2	5.1	5.1	5.2
% of Calls - Medical	76.32%	74.26%	75.94%	76.00%
% of Calls - All Other	23.67%	25.74%	24.06%	24.00%
Building & Safety				
Building Permits Issued	1,192	981	1,104	1,158
Community Development/ Planning				
Zoning Inquiries/ Counter Assistance	3,000	2,925	3,020	4,656
Developer Applications/ Projects	25	30	45	71
Building Plan Check Permits	1,000	1,052	1,560	1,674
Planning Director Hearings	0	2	3	1
Planning Commission Meetings	9	13	9	16
Cemetery				
Burial Services	45	41	21	35

Source: City Finance Department, City Community Development Department, City Building Department, Riverside County Sheriff's Department, Riverside County Fire/CAL-Fire, Cemetery

(1) Information not available at time of publication.

N/A = Not available.

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2017	2016	2015	2014	2013	2012
17,374	15,916	8,782	4,353	3,954	12,451
32	38	2	8	2	40
334	246	287	375	N/A	474
3,173	3,075	2,962	2,696	2,854	2,664
4.7	4.7	4.9	4.7	4.6	4.5
75.26%	77.66%	75.19%	76.71%	78.87%	75.86%
24.74%	22.34%	24.81%	23.29%	21.13%	24.14%
1,235	1,685	1,321	789	120	130
4,400	4,300	3,800	3,600	3,500	3,400
43	40	48	40	40	38
1,650	1,650	1,000	1,000	N/A	N/A
3	2	5	5	5	3
7	10	11	10	6	8
12	25	31	34	30	30

**CITY OF WILDOMAR****Capital Asset Statistics by Function/Program**

Function	2021	2020	2019	2018	2017
<b>Public Works</b>					
Streets (miles)					
Paved - Public	123.36	123.36	123.36	123.36	119
Paved - Private	9.1	9.1	9.1	9.1	9.1
Unpaved - Public	3.87	3.87	3.87	3.87	3.4
Unpaved - Private	47.1	47.1	47.1	47.1	47.1
Traffic Signals	24.3	24.3	24.3	24.3	23.3
<b>Community Services</b>					
Parks	5	4	4	4	3
Park Acreage	41.85	14.85	14.85	14.85	14.4
Cemetery	1	1	1	1	1

Source: City Public Works Department, Community Services Department

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<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
119	119	119	119	119
9.1	9.1	9.1	9.1	9.1
3.4	3.4	3.4	3.4	6.4
47.1	47.1	47.1	47.1	47.1
23.3	23.3	23.3	23.3	23.3
3	3	3	3	3
14.4	14.4	14.4	14.4	14.4
1	1	1	1	1

**CITY OF WILDOMAR**  
**Miscellaneous Statistics**  
**As of June 30, 2021**

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Geographic Location	Wildomar is located along Interstate 15 in Riverside County.
Population	37,013
Area in Square Miles	24
Form of Government	Council-Manager
Date of Incorporation	July 1, 2008
Number of Full Time Employees	19
Public Safety:	
Police Department	Under contract with the Riverside County Sheriff's Department
Fire Department	Under contract with the Riverside County Fire Department ( Cal-Fire)
Library	1 Branch, Riverside County Library System
Recreation:	5 Parks owned by the City
Schools:	
Elementary	4
Middle Schools	1
High Schools	1

Source: City Finance Department and California Department of Finance



