

# Town of Atherton, California

*General Purpose Financial Statements*

*For the year ended June 30, 2001*

**CCL**  
Caporicci, Cropper & Larson, LLP  
Certified Public Accountants

**Town of Atherton**  
**General Purpose Financial Statements**  
**For the year ended June 30, 2001**

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Caporicci, Cropper & Larson, LLP  
Certified Public Accountants

Offices located in:  
Bay Area  
Orange County  
Sacramento

## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of City Council  
of the Town of Atherton  
Atherton, California

We have audited the accompanying general purpose financial statements of the Town of Atherton, California (Town), as of and for the year ended June 30, 2001, as listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the management of the Town. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town as of June 30, 2001, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States.

As discussed in Note 2 to the general purpose financial statements, the Town changed in 2001 its method of accounting and financial reporting for non-exchange transactions to conform to Governmental Accounting Standards Board Statement No. 33.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying combining, individual funds and account groups financial statements and schedules listed in the foregoing table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town. This additional information is the responsibility of the management of the Town. Such additional information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects when considered in relation to the general purpose financial statements taken as a whole.

*Caporicci, Cropper & Larson, LLP*

Oakland, California  
August 17, 2001

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GENERAL PURPOSE FINANCIAL STATEMENTS

**Town of Atherton**  
**Combined Balance Sheet**  
**All Fund Types and Account Groups**  
**June 30, 2001**  
(With comparative totals for June 30, 2000)

	Governmental Fund Types			Proprietary
	General	Special Revenue	Capital Projects	Internal Service
<b>ASSETS</b>				
Cash and investments in treasury (Note 3)	\$ 5,745,666	\$ 965,317	\$ 1,492,133	\$ 164,387
Receivables (net of allowances):				
Accounts	140,799	61,579	-	-
Interest	46,947	-	-	-
Due from other funds (Note 5)	-	-	-	-
Prepaid expenses	-	-	-	-
Land, building and equipment (Note 4)	-	-	-	293,426
Amount to be provided for retirement of long-term obligations	-	-	-	-
<b>Total assets</b>	<b>\$ 5,933,412</b>	<b>\$ 1,026,896</b>	<b>\$ 1,492,133</b>	<b>\$ 457,813</b>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 202,329	\$ 50	\$ 36,015	\$ 20,845
Accrued payroll	194,175	-	-	-
Deposits payable	466,124	-	-	-
Due to other funds (Note 5)	-	-	-	-
Accumulated compensated absences (Note 2)	-	-	-	-
<b>Total liabilities</b>	<b>862,628</b>	<b>50</b>	<b>36,015</b>	<b>20,845</b>
<b>Fund Equity:</b>				
Investment in general fixed assets	-	-	-	-
Contributed capital	-	-	-	192,082
Retained earnings	-	-	-	244,886
<b>Fund Balances:</b>				
<b>Reserved:</b>				
Unrealized gain / (loss) on investments	6,959	403	1,373	-
Encumbrances	121,222	4,950	12,409	-
Compensation adjustment	-	-	-	-
Contingency	3,000,000	-	-	-
Future building inspection	300,000	-	-	-
Capital projects	103,000	-	1,442,336	-
<b>Designated:</b>				
Streets	-	-	-	-
Compensated absences	318,776	-	-	-
Insurance	500,000	-	-	-
Cash flow	-	-	-	-
Undesignated	720,827	1,021,493	-	-
<b>Total fund equity</b>	<b>5,070,784</b>	<b>1,026,846</b>	<b>1,456,118</b>	<b>436,968</b>
<b>Total liabilities and fund equity</b>	<b>\$ 5,933,412</b>	<b>\$ 1,026,896</b>	<b>\$ 1,492,133</b>	<b>\$ 457,813</b>

See accompanying notes to general purpose financial statements.

Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
	Agency	General Fixed Assets	General Long- Term Debt	2001
\$ 197,553	\$ -	\$ -	\$ 8,565,056	\$ 6,242,252
1,834	-	-	204,212	192,522
(25)	-	-	46,922	26,063
-	-	-	-	33,145
-	-	-	-	2,500
-	2,651,426	-	2,944,852	4,949,201
-	-	318,776	318,776	287,802
<u>\$ 199,362</u>	<u>\$ 2,651,426</u>	<u>\$ 318,776</u>	<u>\$ 12,079,818</u>	<u>\$ 11,733,485</u>
\$ 16,062	\$ -	\$ -	\$ 275,301	\$ 141,627
-	-	-	194,175	70,650
183,300	-	-	649,424	582,087
-	-	-	-	33,145
-	-	318,776	318,776	287,802
<u>199,362</u>	<u>-</u>	<u>318,776</u>	<u>1,437,676</u>	<u>1,115,311</u>
-	2,651,426	-	2,651,426	4,949,201
-	-	-	192,082	-
-	-	-	244,886	(1,904)
-	-	-	8,735	-
-	-	-	138,581	98,100
-	-	-	-	340,000
-	-	-	3,000,000	3,000,000
-	-	-	300,000	-
-	-	-	1,545,336	1,085,008
-	-	-	-	-
-	-	-	318,776	290,000
-	-	-	500,000	550,000
-	-	-	-	197,051
-	-	-	1,742,320	110,718
-	2,651,426	-	10,642,142	10,618,174
<u>\$ 199,362</u>	<u>\$ 2,651,426</u>	<u>\$ 318,776</u>	<u>\$ 12,079,818</u>	<u>\$ 11,733,485</u>

# Town of Atherton

## Combined Statement of Revenues, Expenditures and Changes in Fund Balances

### All Governmental Fund Types

For the year ended June 30, 2001

(With comparative totals for the year ended June 30, 2000)

	Governmental Fund Types		
	General	Special Revenue	Capital Projects
<b>REVENUES:</b>			
Property taxes	\$ 2,317,380	\$ -	\$ -
Special assessments	-	-	22,943
Sales taxes	288,325	-	-
Measure A grants	-	279,749	-
Other taxes	913,867	-	-
Permits and licenses	1,914,702	-	-
Fines and forfeitures	60,311	-	-
From other agencies	327,518	100,000	-
Service charges	726,557	386,582	-
Use of money and property	476,836	22,940	83,514
Gas tax	-	387,176	-
Donations	-	19,300	361,941
Other revenues	50,255	-	-
<b>Total revenues</b>	<b>7,075,751</b>	<b>1,195,747</b>	<b>468,398</b>
<b>EXPENDITURES:</b>			
Current:			
General government:			
City council	33,367	-	-
City administration	419,347	-	-
City clerk	26,393	-	-
City attorney	160,052	-	-
Finance	314,417	-	-
Administration services	-	-	-
Building safety	670,546	-	-
Holbrook Palmer Park	(3,188)	-	-
Public works administration	1,082,455	-	-
Police	3,392,394	3,310	-
Park maintenance	63,305	196	-
Streets	71,030	234,502	-
Capital projects	-	-	288,899
<b>Total expenditures</b>	<b>6,230,118</b>	<b>238,008</b>	<b>288,899</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>845,633</b>	<b>957,739</b>	<b>179,499</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in (Note 5)	100,000	-	220,000
Operating transfers out (Note 5)	(320,000)	(100,000)	-
<b>Total other financing sources (uses)</b>	<b>(220,000)</b>	<b>(100,000)</b>	<b>220,000</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>625,633</b>	<b>857,739</b>	<b>399,499</b>
<b>FUND BALANCES:</b>			
Beginning of year as restated	4,445,151	169,107	1,056,619
End of year	\$ 5,070,784	\$ 1,026,846	\$ 1,456,118

See accompanying notes to general purpose financial statements.

Totals (Memorandum Only)

	2001		2000
\$	2,317,380	\$	3,627,071
	22,943		80,149
	288,325		592,283
	279,749		222,128
	913,867		1,004,168
	1,914,702		1,153,463
	60,311		121,063
	427,518		173,824
	1,113,139		461,558
	583,290		351,910
	387,176		138,901
	381,241		30,618
	50,255		46,094
	<u>8,739,896</u>		<u>8,003,230</u>

	33,367		15,663
	419,347		391,445
	26,393		82,387
	160,052		175,093
	314,417		295,541
	-		96,293
	670,546		634,586
	(3,188) /		261,982 /
	1,082,455 /		291,203 /
	3,395,704		3,383,053
	63,501 /		181,979 /
	305,532 /		876,732 /
	288,899		447,428
	<u>6,757,025</u>		<u>7,133,385</u>
	<u>1,982,871</u>		<u>869,845</u>

	320,000		1,860,178
	(420,000)		(1,860,178)
	<u>(100,000)</u>		<u>-</u>

	1,882,871		869,845
	5,670,877		4,801,032
\$	<u>7,553,748</u>	\$	<u>5,670,877</u>

# Town of Atherton

## Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - All Governmental Fund Types For the year ended June 30, 2001

	General		Variance Favorable (Unfavorable)
	Budget	Actual	
<b>REVENUES:</b>			
Property taxes	\$ 2,251,000	\$ 2,317,380	\$ 66,380
Special assessments	-	-	-
Sales taxes	248,000	288,325	40,325
Measure A grants	-	-	-
Other taxes	1,034,000	913,867	(120,133)
Permits and licenses	1,570,000	1,914,702	344,702
Fines and forfeitures	126,000	60,311	(65,689)
From other agencies	110,200	327,518	217,318
Service charges	739,300	726,557	(12,743)
Use of money and property	373,200	476,836	103,636
Gas tax	-	-	-
Donations	-	-	-
Other revenues	11,100	50,255	39,155
<b>Total revenues</b>	<b>6,462,800</b>	<b>7,075,751</b>	<b>612,951</b>
<b>EXPENDITURES:</b>			
Current:			
General government:			
City council	24,634	33,367	(8,733)
City administration	797,631	419,347	378,284
City clerk	-	26,393	(26,393)
City attorney	169,199	160,052	9,147
Finance	393,898	314,417	79,481
Administrative services	-	-	-
Building safety	676,969	670,546	6,423
Holbrook-Palmer Park	-	(3,188)	3,188
Public works administration	1,455,206	1,082,455	372,751
Police	3,437,088	3,392,394	44,694
Park maintenance	-	63,305	(63,305)
Streets	-	71,030	(71,030)
Capital projects	-	-	-
<b>Total expenditures</b>	<b>6,954,625</b>	<b>6,230,118</b>	<b>724,507</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(491,825)</b>	<b>845,633</b>	<b>1,337,458</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	-	100,000	100,000
Operating transfers out	-	(320,000)	(320,000)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(220,000)</b>	<b>(220,000)</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ (491,825)</b>	<b>625,633</b>	<b>\$ 1,117,458</b>
<b>FUND BALANCES:</b>			
Beginning of year as restated		4,445,151	
End of year		<b>\$ 5,070,784</b>	

See accompanying notes to general purpose financial statements.

Special Revenue			Capital Projects		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	38,770	22,943	(15,827)
-	-	-	-	-	-
232,360	279,749	47,389	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	100,000	100,000	-	-	-
22,000	386,582	364,582	-	-	-
13,700	22,940	9,240	21,000	83,514	62,514
151,920	387,176	235,256	-	-	-
-	19,300	19,300	509,880	361,941	(147,939)
-	-	-	-	-	-
<u>419,980</u>	<u>1,195,747</u>	<u>775,767</u>	<u>569,650</u>	<u>468,398</u>	<u>(101,252)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
100,000	3,310	96,690	-	-	-
15,160	196	14,964	-	-	-
140,870	234,502	(93,632)	-	-	-
-	-	-	240,910	288,899	(47,989)
<u>256,030</u>	<u>238,008</u>	<u>18,022</u>	<u>240,910</u>	<u>288,899</u>	<u>(47,989)</u>
<u>163,950</u>	<u>957,739</u>	<u>793,789</u>	<u>328,740</u>	<u>179,499</u>	<u>(149,241)</u>
-	-	-	-	220,000	220,000
(100,000)	(100,000)	-	-	-	-
(100,000)	(100,000)	-	-	220,000	220,000
<u>\$ 63,950</u>	<u>857,739</u>	<u>\$ 793,789</u>	<u>\$ 328,740</u>	<u>399,499</u>	<u>\$ 70,759</u>
	169,107			1,056,619	
	<u>\$ 1,026,846</u>			<u>\$ 1,456,118</u>	

(Continued)

# Town of Atherton

## Combined Statement of Revenues, Expenditures and Changes in Fund Balances -

### Budget and Actual - All Governmental Fund Types, Continued

For the year ended June 30, 2001

	Totals (Memorandum Only)		
	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Property taxes	\$ 2,251,000	\$ 2,317,380	\$ 66,380
Special assessments	38,770	22,943	(15,827)
Sales taxes	248,000	288,325	40,325
Measure A grants	232,360	279,749	47,389
Other taxes	1,034,000	913,867	(120,133)
Permits and licenses	1,570,000	1,914,702	344,702
Fines and forfeitures	126,000	60,311	(65,689)
From other agencies	110,200	427,518	317,318
Service charges	761,300	1,113,139	351,839
Use of money and property	407,900	583,290	175,390
Gas tax	151,920	387,176	235,256
Donations	509,880	381,241	(128,639)
Other revenues	11,100	50,255	39,155
<b>Total revenues</b>	<b>7,452,430</b>	<b>8,739,896</b>	<b>1,287,466</b>
<b>EXPENDITURES:</b>			
Current:			
General government:			
City council	24,634	33,367	(8,733)
City administration	797,631	419,347	378,284
City clerk	-	26,393	(26,393)
City attorney	169,199	160,052	9,147
Finance	393,898	314,417	79,481
Administrative services	-	-	-
Building safety	676,969	670,546	6,423
Holbrook-Palmer Park	-	(3,188)	3,188
Public works administration	1,455,206	1,082,455	372,751
Police	3,537,088	3,395,704	141,384
Park maintenance	15,160	63,501	(48,341)
Streets	140,870	305,532	(164,662)
Capital projects	240,910	288,899	(47,989)
<b>Total expenditures</b>	<b>7,451,565</b>	<b>6,757,025</b>	<b>694,540</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>865</b>	<b>1,982,871</b>	<b>1,982,006</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	-	320,000	320,000
Operating transfers out	(100,000)	(420,000)	(320,000)
<b>Total other financing sources (uses)</b>	<b>(100,000)</b>	<b>(100,000)</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ (99,135)</b>	<b>1,882,871</b>	<b>\$ 1,982,006</b>
<b>FUND BALANCES:</b>			
Beginning of year as restated		5,670,877	
End of year		\$ 7,553,748	

(Concluded)

**Town of Atherton**

**Combined Statement of Revenues, Expenses and Changes in Retained Earnings**

**All Proprietary Fund Types**

**For the year ended June 30, 2001**

(With comparative totals for the year ended June 30, 2000)

	Internal Service	
	2001	2000
<b>OPERATING REVENUES:</b>		
Charges for services	\$ 575,155	\$ 105,015
<b>Total operating revenues</b>	<u>575,155</u>	<u>105,015</u>
<b>OPERATING EXPENSES:</b>		
Risk management	383,133	100,823
Depreciation on vehicles	35,434	-
Supplies and maintenance	56,788	41,340
<b>Total operating expenses</b>	<u>475,355</u>	<u>142,163</u>
<b>OPERATING INCOME (LOSS)</b>	<u>99,800</u>	<u>(37,148)</u>
<b>NONOPERATING REVENUES:</b>		
Interest income	11,556	-
Operating transfers in	100,000	-
<b>Total nonoperating revenues</b>	<u>111,556</u>	<u>-</u>
<b>NET INCOME (LOSS)</b>	211,356	(37,148)
Add back depreciation of contributed assets	35,434	-
<b>RETAINED EARNINGS:</b>		
Beginning of year	(1,904)	35,244
End of year	<u>\$ 244,886</u>	<u>\$ (1,904)</u>

See accompanying notes to general purpose financial statements.

**Town of Atherton**  
**Combined Statement of Cash Flows**  
**All Proprietary Fund Types**  
**For the year ended June 30, 2001**  
(With comparative totals for the year ended June 30, 2000)

	Internal Service	
	2001	2000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ 99,800	\$ (37,148)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	35,434	-
Net effect of changes in:		
Accounts payable	16,399	3,212
Net cash provided (used) by operating activities	<u>151,633</u>	<u>(33,936)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Interest income	11,556	-
Operating transfer in	<u>100,000</u>	<u>-</u>
Net cash provided by noncapital financing activities	<u>111,556</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>		
Acquisition of fixed assets	<u>(101,344)</u>	<u>-</u>
Net cash used by capital financing activities	<u>(101,344)</u>	<u>-</u>
Net increase (decrease) in cash and investments	161,845	(33,936)
<b>CASH AND INVESTMENTS:</b>		
Beginning of year	2,542	36,478
End of year	<u>\$ 164,387</u>	<u>\$ 2,542</u>

See accompanying notes to general purpose financial statements.

**Town of Atherton**  
**Notes to General Purpose Financial Statements**  
**For the year ended June 30, 2001**

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**1. GENERAL**

The Town of Atherton is a residential community located in the southern part of San Mateo County.

The Town operates as a general law town under the Council-Manager form of government, with five elected Council members served by a full-time City Manager and staff. At June 30, 2001, the Town's staff provided the following services:

*Public Safety* - The Town employs police personnel to provide round-the-clock police services from a central station.

*Public Works and Streets* - The Town builds and maintains its streets, curbs, gutters and related public property with a force of seven full-time employees. Major projects are contracted out to reduce costs.

*Parks Services* - The Town employs personnel to provide park services.

*Building Safety* - The Town employs personnel to approve building permits, check building plans, and perform inspections. A Town Planner and engineering firm are retained on a contract basis.

*Town Administration* - Various personnel including the City Manager provide Town administration services.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Town conform with generally accepted accounting principles applicable to governments. The following is a summary of the significant policies.

**A. Fund Accounting**

In order to ensure the proper identification of individual revenue sources and the expenditures made from those revenues, the accounts of the Town are organized on the basis of individual funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. The Town's resources are accounted for in the individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

### A. Fund Accounting, Continued

In the Combined Financial Statements, these funds are grouped into the fund types and categories discussed below. The financial statements for each individual fund type are presented in the Combining Financial Statements section of this report.

#### Governmental Funds

*General Fund* - The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. The major revenue sources for this fund are property taxes, sales taxes, unrestricted revenues from the State, fines and forfeitures, and interest income. Expenditures are made for public safety, most street work, and other services as described in Note 1.

*Special Revenue Funds* - Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes.

*Capital Projects Funds* - Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

#### Proprietary Funds

*Internal Service Funds* - Internal service funds are used to account for the financing of services provided by one department to other departments on a cost reimbursement basis.

#### Fiduciary Fund

*Agency Funds* - Agency funds are used to account for assets held by the Town as an agent for individuals, private organizations, other governments and/or other funds.

#### Account Groups

*General Fixed Assets Account Group* - The purpose of this account group is to maintain control and cost information on capital assets owned by the City, other than those accounted for in proprietary funds.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

### A. Fund Accounting, Continued

#### Account Groups, Continued

*General Long-Term Debt Account Group* - The purpose of this account group is to account for the unmatured long-term obligations of the City, other than those accounted for in proprietary funds.

### B. Measurement Focus

All governmental and agency funds are accounted for on a spending or "*current financial resources*" measurement focus which means that only *current* assets and *current* liabilities are generally included on their balance sheets. The reported fund balance is their net current assets, which is considered only to be a measure of "available spendable resources." Governmental fund operating statements present a summary of sources and uses of "available spendable resources" during a period by presenting increases (revenues) and other financing sources including proceeds from long-term debt and decreases (expenditures) and other financing uses, including capital expenditures and repayments of long-term debt, in net current assets

Because of their spending measurement focus, governmental funds exclude fixed assets and noncurrent liabilities. Instead, these assets and liabilities are reported in the General Fixed Assets Account Group and the General Long-Term Debt Account Group. These account groups measure only financial position; they are not funds and they do not measure results of operation. They maintain accounting control over the Town's governmental funds. The Town does not presently maintain complete accounting records for general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair market value on the date donated.

In those cases when a governmental fund records a long-term receivable or other noncurrent asset, an offsetting credit is made to deferred revenue or undesignated fund balance is reduced to reflect the fact that this amount is not yet available.

Proprietary funds are accounted for on a cost of services or capital maintenance measurement focus, which means that all assets and all liabilities associated with their activity are included on their balance sheets. Their reported fund equity is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total assets.

## Town of Atherton

### Notes to General Purpose Financial Statements, Continued

For the year ended June 30, 2001

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

### C. *Basis of Accounting*

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Thus fund revenues are recognized when they become measurable *and* available as net current assets. Measurable means the amount of the transaction can be determined, and available means the amount is collectible within the current period or soon enough thereafter (generally thirty days) to be used to pay liabilities of the current period. Amounts which could not be measured or were not available were not accrued as revenue in the current fiscal year.

Those revenues susceptible to accrual are property tax, franchise taxes, interest revenue, charges for services, and fines.

Expenditures are also generally recognized under the modified accrual basis of accounting.

Proprietary fund types are accounted for using the accrual basis of accounting under which revenues are recognized when they are earned and expenses are recognized when they are incurred. The Town follows Financial Accounting Standard Board statements issued before November 30, 1989, which do not conflict with Governmental Accounting Standards Board statements.

### D. *Budgets and Budgetary Accounting*

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Each year, the City Manager submits to the City Council a proposed operating budget for the following fiscal year. This budget includes proposed expenditures, by fund and department, and the revenues expected to finance them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution before July 1.
4. The City Manager is authorized to transfer budgeted amounts between line items within any department; however, any revisions which alter total appropriations of any fund must be approved by the City Council. Additions and reductions in staffing must be approved by the City Council.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, special revenue funds (except the Asset Forfeiture Fund), and capital projects funds.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

### *D. Budgets and Budgetary Accounting, Continued*

6. Budgets are adopted on a basis consistent with generally accepted accounting principles.

Budget/actual comparisons in this report use this budgetary basis. These budgeted amounts are as originally adopted or as amended by the City Council. Individual amendments were not material in relation to the original appropriations which were amended.

### *E. Encumbrances*

Under encumbrance accounting, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in the books in order to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary integration in the General Fund, special revenue funds, and capital projects funds. Since they do not yet constitute expenditures or liabilities, encumbrances outstanding at year end are reported as reservations of fund balance. Unexpended appropriations lapse at year end and are reappropriated in the following year.

### *F. Fund Balances, Reserves, and Designations*

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities. Portions of a fund's balance may be reserved or designated for future expenditures.

Reserves are restrictions placed by outside entities, such as other governments, which restrict the expenditures of the reserved funds to the purpose intended by the entity which provided the funds. The Town cannot modify or remove these restrictions or reserves.

Designations are imposed by City Council to reflect future spending plans or concerns about the availability of future resources. Designations may be modified, amended, or removed by Council action.

### *G. Deferred Compensation Plan*

Town employees may defer a portion of their compensation under a Town sponsored Deferred Compensation Plan (Plan) created in accordance with Internal Revenue Code Section 457. Under this Plan, participants are not taxed on the deferred portion of their compensation until distributed to them. Distributions may be made only at termination, retirement, death, or in an emergency as defined by the Plan.

In fiscal 1997, the Town signed new Plan administration agreements with the administrator. These agreements incorporate changes in the laws governing deferred compensation plan assets, which now require plan assets to be held by a Trust for the exclusive benefit of Plan

## Town of Atherton

### Notes to General Purpose Financial Statements, Continued For the year ended June 30, 2001

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

### *G. Deferred Compensation Plan, Continued*

participants and their beneficiaries. Since the assets held under these new plans are not Town property and are not subject to claims by general creditors of the Town, they have been excluded from these financial statements.

### *H. Property Taxes*

Revenue is recognized in the period for which the tax is levied. San Mateo County assesses properties and bills and collects property taxes for the Town; the County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on January 1.

Secured property tax is due in two installments, on November 1 and February 1, and becomes a lien on those dates. It becomes delinquent on December 10 and April 10, respectively. Unsecured property tax is due on July 1 and becomes delinquent on August 31.

### *I. Accumulated Compensated Absences*

Compensated absences include vacation, holiday, and compensated time off. The Town recognizes the liability for its compensated absences at year end as a general long-term debt liability, since this liability is expected to be paid from future revenues. The Town has designated General Fund fund balance to repay this liability.

### *J. Cash Flows*

All Town investments have maturities of less than one month and are considered cash or equivalents for Statement of Cash Flows purposes.

### *K. Interfund Balances*

During the normal course of business, individual funds may receive or pay amounts for other funds, giving rise to interfund receivables or payables, which are liquidated shortly thereafter.

### *L. Post-Employment Health Care Benefits*

Full-time Town employees with 20 years of service and their surviving spouses are eligible for post-retirement health care benefits under a Town-sponsored plan. During the fiscal year ended June 30, 2001, four employees received benefits at a total cost to the Town of \$14,418.

Town of Atherton

Notes to General Purpose Financial Statements, Continued

For the year ended June 30, 2001

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

*M. Total Columns on Combined Financial Statements*

Although each of the Town's funds is a separate accounting entity, the Combined Financial Statements also include total columns, which are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis.

Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation of financial results, since no interfund eliminations have been made in the aggregation of this data.

*N. New Accounting Standard*

In 2001, the Town adopted a new accounting standard in order to conform to Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*.

GASB No. 33 established recording assets and revenues when the underlying exchange occurred, enforceable legal claim had arisen, all eligibility requirements had been met or when resources were received, whichever was first. By adopting this Standard, the Town recognized assets and revenues from Non-Exchange Transactions which included sales taxes, property taxes, other taxes, fines and forfeitures, certain grants and entitlements, and certain government mandates. These Non-Exchange Transactions were accounted for as susceptible to accrual using the measurable and available criteria.

*O. Restatement of Prior Period Balances*

As of July 1, 2000, the Town recorded an accounting correction in the Capital Projects Fund. Accordingly, the accompanying financial statements have been restated. The restatement corrects the recording of the FEMA revenues which were posted to the incorrect fund.

A summary of the effects of the above statement as of July 1, 2000, is as follows:

	Beginning Fund Balance/ Balance	Adjustments/ Accounting Corrections	Restated Fund Balance/ Balance
General Fund	\$ 4,445,151	\$ -	\$ 4,445,151
Special Revenue Fund	118,518	50,589	169,107
Capital Projects Fund	1,107,208	(50,589)	1,056,619
Internal Service Fund	(1,904)	-	(1,904)

## Town of Atherton

### Notes to General Purpose Financial Statements, Continued

For the year ended June 30, 2001

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### 3. CASH AND INVESTMENTS IN TREASURY

#### A. *Cash and Investments*

The Town pools its cash and investments of all funds for investing.

The Town's investments are limited to those allowable under State statutes as incorporated into the Town's Investment Policy that is even more conservative than that allowed by State statute. The Town's investment policy and the California Government Code allow the Town to invest in the following, provided the credit ratings of the issuers are acceptable to the Town:

Local Agency Investment Fund (State of California)  
San Mateo County Investment Pool  
Certificates of Deposit

The Town has not entered into reverse repurchase agreements during this fiscal year.

#### **Local Agency Investment Fund**

The Town invests in the Local Agency Investment Fund (LAIF), a State of California external investment pool. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available.

The Town's investments with LAIF at June 30, 2001, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments may include the following:

- Structured Notes are debt securities (other than Asset-Backed Securities) whose cash-flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.
- Asset-Backed Securities, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMOs) or credit card receivables.

As of June 30, 2001, the Town had \$4,005,385 invested in LAIF, which had invested 4.506% of the pool investments funds in Structured Notes and Asset-Backed Securities.

## Town of Atherton

### Notes to General Purpose Financial Statements, Continued For the year ended June 30, 2001

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#### 3. CASH AND INVESTMENTS IN TREASURY, Continued

##### A. Cash and Investments, Continued

##### San Mateo County Pooled Investment Fund

The Town invests in the San Mateo County Pooled Investment Fund (Pool), an external investment pool. The Pool determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available.

The Town's investments with the Pool at June 30, 2001, include a portion of the Pool funds invested in Asset-Backed Securities. These investments may include the following:

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

As of June 30, 2001, the Town had \$4,408,470 invested in the Pool.

At June 30, 2001, the carrying amount of the Town's cash deposits was \$141,929. Bank balances of the two Town bank accounts before reconciling items total \$233,945. Each bank account is insured up to \$100,000.

The Town's dependence on property tax receipts, which are received semi-annually, requires the Town to maintain significant cash reserves to finance operations during the remainder of the year.

Cash and investments are categorized into these three categories of risk:

Category 1 - Insured or registered, with securities held by the Town or its agent in the Town's name.

Category 2 - Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Town's name.

Category 3 - Uninsured and unregistered securities held by the counterparty, or by its trust department or agent but not in the Town's name. The Town has no investments in risk Category 3.

Uncategorized - Certain cash deposits and investments are not subject to categorization under GASB Statement No. 3 and are identified as "uncategorized."

Town of Atherton  
Notes to General Purpose Financial Statements, Continued  
For the year ended June 30, 2001

3. CASH AND INVESTMENTS IN TREASURY, Continued

A. Cash and Investments, Continued

At June 30, 2001, the Town's cash and investments, including restricted funds, classified by risk category consisted of the following:

	<u>Uncategorized</u>	<u>Fair Value</u>
Bank balance	\$ 141,929	\$ 141,929
Petty cash	200	200
Investments:		
Local Agency Investment Fund	4,014,347	4,014,347
San Mateo County Pool	4,408,580	4,408,580
Total investments	<u>8,422,927</u>	<u>8,422,927</u>
Total pooled cash and investments	<u>\$ 8,565,056</u>	<u>\$ 8,565,056</u>

B. Cash Deposits

Cash deposits are entirely insured or collateralized by the institution holding the deposit. California law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the deposit or first trust deed mortgage notes with a value of 150% of the deposit as collateral for all municipal deposits. This collateral is considered to be held in the Town's name and places the Town ahead of general creditors of the institution. The Town has waived collateral requirements for the position of deposits covered by federal deposit insurance.

C. Investments to Fair Market Value

The Town's investments are carried at fair market value, as required by generally accepted accounting principles. The Town adjusts the carrying value of its investments, to reflect their fair market value at each fiscal year end and includes the effects of these adjustments in income for that fiscal year. The amount of the adjustment was \$120,415 for the year ended June 30, 2001.

**Town of Atherton**

**Notes to General Purpose Financial Statements, Continued**

**For the year ended June 30, 2001**

**4. LAND, BUILDINGS AND EQUIPMENT**

The Town makes capital outlays for general fixed assets and for infrastructure. General fixed assets include land, building, and equipment used in Town operations. Depreciation is not provided on general fixed assets since the cost of these assets is accounted for as an expenditure reducing fund balance in the year they are acquired.

Infrastructure includes roads, bridges, curbs, sidewalks, drainage systems, streets and traffic lights, and other improvements used by all citizens. Expenditures for infrastructure are not capitalized.

Land, buildings, and equipment balances and activity for the year ended June 30, 2001, were:

	Balance June 30, 2000	Additions	Deletions	Adjustments	Balance June 30, 2001
<b>General Fixed Assets:</b>					
Land	\$ 689,523	\$ -	\$ -	\$ 1,361	\$ 690,884
Building	334,247	-	-	564,371	898,618
Building improvements	1,078,959	50,072	-	(1,129,031)	-
Other improvements	686,623	-	-	(81,084)	605,539
Equipment - computer	-	40,593	-	15,870	56,463
Equipment - furniture /equipment	-	-	-	399,922	399,922
Equipment - administrative	506,115	6,983	-	(513,098)	-
Equipment - corporation yard	305,276	26,786	-	(332,062)	-
Equipment - Holbrook-Palmer	160,040	-	-	(160,040)	-
Equipment - police	1,188,418	-	-	(1,188,418)	-
<b>Total general fixed assets</b>	<b>\$ 4,949,201</b>	<b>\$ 124,434</b>	<b>\$ -</b>	<b>\$ (2,422,209)</b>	<b>\$ 2,651,426</b>
<b>Internal Service Funds:</b>					
Vehicles	\$ -	\$ 328,860	\$ -	\$ -	\$ 328,860
Less accumulated depreciation	-	35,434	-	-	35,434
<b>Total fixed assets net of accumulated depreciation</b>	<b>\$ -</b>	<b>\$ 293,426</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 293,426</b>

**Town of Atherton**  
**Notes to General Purpose Financial Statements, Continued**  
**For the year ended June 30, 2001**

**5. INTERFUND TRANSACTIONS**

Interfund activity for the year ended June 30, 2001, was as follows:

*A. Operating Transfers In/Out*

	<u>Transfers In</u>	<u>Transfers out</u>
General Fund	\$ 100,000	\$ 320,000
Special Revenue Funds:		
Street Improvement	-	100,000
Capital Projects Funds:		
Facilities Construction	220,000	-
Internal Service Funds:		
Equipment Operations	<u>100,000</u>	<u>-</u>
<b>Totals</b>	<u><u>\$ 420,000</u></u>	<u><u>\$ 420,000</u></u>

**6. PENSION PLAN**

*Plan Description*

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

*Funding Policy*

PERS requires Town employees to contribute 7% for miscellaneous employees and 9% for safety employees of their annual covered salary. The Town forwards the contributions made by Town employees on their behalf and for their account, which amounted to \$220,529. The Town is required to contribute at an actuarially determined rate; the current rate is 4.25% for non-safety employees and 7.428% for safety employees, of annual covered payroll.

**Town of Atherton**  
**Notes to General Purpose Financial Statements, Continued**  
**For the year ended June 30, 2001**

**6. PENSION PLAN, Continued**

*Annual Pension Cost*

For 2000-2001, the Town's annual pension cost of \$336,022 for PERS was equal to the Town's required and actual contribution. The required contribution was determined as part of the June 30, 1998, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included: (a) 8.25% investment rate of return (net of administrative expenses); (b) projected annual salary increases that vary by duration of service; and (c) 2% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 3.5%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a two to five year period depending on the size of investment gains and/or losses. PERS unfunded actuarial accrued liability (or surplus) is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 1999, was through the year 2017 for prior and current service unfunded liability.

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
1998-1999	419,986	100%	\$ 0
1999-2000	405,026	100%	0
2000-2001	336,023	100%	0

*Social Security*

The Town's part-time, seasonal, and temporary employees are covered under Social Security, which requires these employees and the Town to each contribute 6.2% of the employees' pay. Total contributions to Social Security during the year ended June 30, 2001, amounted to \$27,150, of which the Town paid one-half.

**7. RISK MANAGEMENT**

*A. Risk Pool*

The Town belongs to ABAG Plan Corporation, which covers general liability claims in an amount up to \$7,000,000. The Town has a deductible or uninsured liability of up to \$25,000 per claim. Once the Town's deductible is met, ABAG Plan becomes responsible for payment of all claims up to the limit. Other coverage includes Risk Property Coverage of \$100,000,000 for property and \$50,000,000 for boiler and machinery with a deductible of \$5,000 for property

**Town of Atherton**  
**Notes to General Purpose Financial Statements, Continued**  
**For the year ended June 30, 2001**

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**7. RISK MANAGEMENT, Continued**

*A. Risk Pool, Continued*

damage and \$10,000 for auto/vehicle damage, and Public Official Bond insurance of \$1,000,000 with a deductible of \$5,000. During the fiscal year ended June 30, 2001, the Town contributed \$98,012 for current year coverage and received a refund of \$425 of prior year excess contributions.

The Cities Group covers workers' compensation claims up to \$250,000 each and has coverage above that limit to a maximum of \$6,900,000. The Town has no deductible for the claims. During the fiscal year ended June 30, 2001, the Town contributed \$173,515 for current year coverage.

Each risk pool is governed by a board consisting of representatives from member municipalities. The board controls the operations of each risk pool, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the board.

The Town's contributions to each risk pool equal the ratio of the Town's payroll to the total payrolls of all entities participating in the same layer of each program, in each program year. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

*B. Liability for Uninsured Claims*

Municipalities are required to record their liability for uninsured claims and to reflect the current portion of this liability as an expenditure in their financial statements. As discussed above, the Town has coverage for such claims, but it has retained the risk for the deductible, or uninsured portion of these claims. The Town's liability for uninsured claims based on claims experience was computed as follows:

	<u>General Fund</u>
Beginning balance	\$ 28,188
Liability for current fiscal year claims	21,478
Claims paid	<u>(14,268)</u>
Ending balance	<u>\$ 35,398</u>

## Town of Atherton

### Notes to General Purpose Financial Statements, Continued

For the year ended June 30, 2001

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#### 8. JOINT VENTURES

The Town participates in several active joint ventures through formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, these entities exercise full powers and authorities within the scope of the related Joint Powers Agreements (JPA), including selection of management and approval of operating budgets, independent of any influence by each member beyond representation on each Board. Obligations and liabilities of these joint ventures are not the Town's responsibility, and the Town does not have an equity interest in the assets of each joint venture except upon dissolution.

##### *A. City/County Association of Governments (C/CAG)*

C/CAG was established under a 1990 Joint Exercise of Powers Agreement between the Town, San Mateo County and a majority of cities within San Mateo County for the purpose of developing State mandated plans. Members of C/CAG pay their pro rata share of the total annual contributions required based on the member's 1990 population. Financial statements for C/CAG may be obtained by mailing a request to the Town of San Carlos, 666 Elm Street, San Carlos, CA 94070.

##### *B. Family and Community Enrichment Services (FACES)*

FACES was formed in 1988 between the Cities of Belmont and San Carlos, the Town of Atherton, the Unified School Districts of Belmont and San Carlos and the Sequoia Union High School District to prevent students from dropping out of school. FACES budgets for its annual expenses and then seeks funding from grants and the public.

Based on the level of service provided to each agency, the members contribute any remaining operating needs. Financial statements for FACES may be obtained by mailing a request to Family and Community Enrichment Services, Inc., 1607 Industrial Way, Belmont, CA 94002.

##### *C. Alcohol Violation Temporary Housing Authority (AVTHA)*

AVTHA was established between San Mateo County and most of the cities and towns in San Mateo County to provide temporary housing and counseling to persons accused of alcohol related law violations. AVTHA contracts with an operator to provide such services. The costs of operating the temporary housing are allocated to each member based on alcohol related arrests occurring within each member's jurisdiction. Financial statements for AVTHA may be obtained by mailing a request to the Redwood Town, 801 Marshall Street, Suite 600, Redwood Town, CA 94063.

**Town of Atherton**  
**Notes to General Purpose Financial Statements, Continued**  
**For the year ended June 30, 2001**

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**8. JOINT VENTURES, Continued**

*D. Library Joint Powers Agreement*

In December 1998, the Town joined with San Mateo County and ten other municipalities in the County to Coordinate and expand library services throughout the County, including those in the Town.

**9. COMMITMENTS AND CONTINGENCIES**

The Town is subject to litigation arising in the normal course of business. In the opinion of the Town Attorney there is no pending litigation which is likely to have a material adverse effect on the financial position of the town.

REQUIRED SUPPLEMENTARY INFORMATION

Town of Atherton  
 Required Supplementary Information  
 For the year ended June 30, 2001

PUBLIC EMPLOYEES RETIREMENT SYSTEM  
 SCHEDULE OF FUNDING PROGRESS

SAFETY PLAN - Actuarial

Valuation Date	Entry Age Accrued Liability	Value of Assets	Unfunded (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
1997	\$ 8,072,668	\$ 8,341,070	\$ (268,402)	103.3%	\$ 1,274,989	(21.05)%
1998	9,273,325	10,003,334	(730,009)	107.9%	1,468,401	(49.71)%
1999	9,903,868	11,364,362	(1,460,494)	114.7%	1,550,165	(94.22)%

MISCELLANEOUS PLAN - Actuarial

Valuation Date	Entry Age Accrued Liability	Value of Assets	Unfunded (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
1997	\$ 2,348,959	\$ 3,100,213	\$ (751,254)	132.0%	\$ 1,269,778	(59.16)%
1998	2,892,835	4,058,421	(1,165,586)	140.3%	1,427,064	(81.68)%
1999	3,314,136	4,649,259	(1,335,123)	140.3%	1,297,268	(102.92)%

**COMBINING, INDIVIDUAL FUNDS AND ACCOUNT GROUPS  
FINANCIAL STATEMENTS AND SCHEDULES**

**Town of Atherton**  
**Combining Balance Sheet**  
**Special Revenue Funds**  
**June 30, 2001**  
(With comparative totals for June 30, 2000)

	Tennis	Transportation	Street Improvement
<b>ASSETS</b>			
Cash and investments in treasury	\$ 19,546	\$ 217,200	\$ 214,002
Accounts receivable	-	18,356	43,223
<b>Total assets</b>	<b>\$ 19,546</b>	<b>\$ 235,556</b>	<b>\$ 257,225</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 50	\$ -	\$ -
Due to other funds	-	-	-
<b>Total liabilities</b>	<b>50</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>			
<b>Reserved:</b>			
Unrealized gain / (loss) on investments	16	260	(34)
Encumbrances	-	4,950	-
Designated for Streets	-	-	-
Undesignated	19,480	230,346	257,259
<b>Total fund balances</b>	<b>19,496</b>	<b>235,556</b>	<b>257,225</b>
<b>Total liabilities and fund balances</b>	<b>\$ 19,546</b>	<b>\$ 235,556</b>	<b>\$ 257,225</b>

Road Construction	COPS Grant	Police on the Street	Supplemental Law Enforcement Services	Totals	
				2001	2000
\$ 378,028	\$ 105,350	\$ 20,235	\$ 10,956	\$ 965,317	\$ 154,361
-	-	-	-	61,579	-
<u>\$ 378,028</u>	<u>\$ 105,350</u>	<u>\$ 20,235</u>	<u>\$ 10,956</u>	<u>\$ 1,026,896</u>	<u>\$ 154,361</u>
\$ -	\$ -	\$ -	\$ -	\$ 50	\$ 2,698
-	-	-	-	-	33,145
-	-	-	-	50	35,843
-	124	24	13	403	-
-	-	-	-	4,950	7,800
-	-	-	-	-	-
<u>378,028</u>	<u>105,226</u>	<u>20,211</u>	<u>10,943</u>	<u>1,021,493</u>	<u>110,718</u>
<u>378,028</u>	<u>105,350</u>	<u>20,235</u>	<u>10,956</u>	<u>1,026,846</u>	<u>118,518</u>
<u>\$ 378,028</u>	<u>\$ 105,350</u>	<u>\$ 20,235</u>	<u>\$ 10,956</u>	<u>\$ 1,026,896</u>	<u>\$ 154,361</u>

# Town of Atherton

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances

### Special Revenue Funds

For the year ended June 30, 2001

(With comparative amounts for the year ended June 30, 2000)

	Tennis	Transportation	Street Improvement	Road Construction
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Measure A grants	-	279,749	-	-
From other agencies	-	-	-	-
Service charges	9,010	-	-	377,572
Use of money and property	949	13,323	1,138	456
Gas tax	-	-	387,176	-
Donations	-	-	-	-
<b>Total revenues</b>	<b>9,959</b>	<b>293,072</b>	<b>388,314</b>	<b>378,028</b>
<b>EXPENDITURES:</b>				
Current:				
Police	-	-	-	-
Park maintenance	196	-	-	-
Streets	-	85,036	149,466	-
<b>Total expenditures</b>	<b>196</b>	<b>85,036</b>	<b>149,466</b>	<b>-</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>9,763</b>	<b>208,036</b>	<b>238,848</b>	<b>378,028</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	(100,000)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(100,000)</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>9,763</b>	<b>208,036</b>	<b>138,848</b>	<b>378,028</b>
<b>FUND BALANCES:</b>				
Beginning of year	9,733	27,520	67,788	-
Prior period adjustment	-	-	50,589	-
Beginning of year as restated	9,733	27,520	118,377	-
End of year'	<u>\$ 19,496</u>	<u>\$ 235,556</u>	<u>\$ 257,225</u>	<u>\$ 378,028</u>

COPS Grant	Police on the Streets	Supplemental Law Enforcement Services	Totals	
			2001	2000
\$ -	\$ -	\$ -	\$ -	\$ 1,573,942
-	-	-	279,749	222,128
100,000	-	-	100,000	16,771
-	-	-	386,582	-
5,350	935	789	22,940	10,734
-	-	-	387,176	138,901
-	19,300	-	19,300	-
<u>105,350</u>	<u>20,235</u>	<u>789</u>	<u>1,195,747</u>	<u>1,962,476</u>
-	-	3,310	3,310	9,120
-	-	-	196	138
-	-	-	234,502	427,091
-	-	3,310	238,008	436,349
<u>105,350</u>	<u>20,235</u>	<u>(2,521)</u>	<u>957,739</u>	<u>1,526,127</u>
-	-	-	-	60,134
-	-	-	(100,000)	(1,673,942)
-	-	-	(100,000)	(1,613,808)
105,350	20,235	(2,521)	857,739	(87,681)
-	-	13,477	118,518	206,199
-	-	-	50,589	-
-	-	13,477	169,107	206,199
<u>\$ 105,350</u>	<u>\$ 20,235</u>	<u>\$ 10,956</u>	<u>\$ 1,026,846</u>	<u>\$ 118,518</u>

# Town of Atherton

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances -

### Budget and Actual - Special Revenue Funds

For the year ended June 30, 2001

	Tennis			Transportation		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Measure A grants	-	-	-	232,360	279,749	47,389
From other agencies	-	-	-	-	-	-
Service Charges	22,000	9,010	(12,990)	-	-	-
Use of money and property	1,000	949	(51)	6,700	13,323	6,623
Gas tax	-	-	-	-	-	-
Donations	-	-	-	-	-	-
<b>Total revenues</b>	<b>23,000</b>	<b>9,959</b>	<b>(13,041)</b>	<b>239,060</b>	<b>293,072</b>	<b>54,012</b>
<b>EXPENDITURES:</b>						
Current:						
Police	-	-	-	-	-	-
Park maintenance	15,160	196	14,964	-	-	-
Streets	-	-	-	-	85,036	(85,036)
<b>Total expenditures</b>	<b>15,160</b>	<b>196</b>	<b>14,964</b>	<b>-</b>	<b>85,036</b>	<b>(85,036)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>7,840</b>	<b>9,763</b>	<b>1,923</b>	<b>239,060</b>	<b>208,036</b>	<b>(31,024)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ 7,840</b>	<b>9,763</b>	<b>\$ 1,923</b>	<b>\$ 239,060</b>	<b>208,036</b>	<b>\$ (31,024)</b>
<b>FUND BALANCES:</b>						
Beginning of year		9,733			27,520	
Prior period adjustment		-			-	
Beginning of year as restated		9,733			27,520	
End of year		\$ 19,496			\$ 235,556	

Street Improvement			Road Construction			COPS Grant		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	100,000	100,000
-	-	-	-	377,572	377,572	-	-	-
6,000	1,138	(4,862)	-	456	456	-	5,350	5,350
151,920	387,176	235,256	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>157,920</u>	<u>388,314</u>	<u>230,394</u>	<u>-</u>	<u>378,028</u>	<u>378,028</u>	<u>-</u>	<u>105,350</u>	<u>105,350</u>
-	-	-	-	-	-	100,000	-	100,000
-	-	-	-	-	-	-	-	-
140,870	149,466	(8,596)	-	-	-	-	-	-
<u>140,870</u>	<u>149,466</u>	<u>(8,596)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
-	-	-	-	-	-	-	-	-
17,050	238,848	221,798	-	378,028	378,028	(100,000)	105,350	205,350
-	-	-	-	-	-	-	-	-
(100,000)	(100,000)	-	-	-	-	-	-	-
(100,000)	(100,000)	-	-	-	-	-	-	-
<u>\$ (82,950)</u>	<u>138,848</u>	<u>\$ 221,798</u>	<u>\$ -</u>	<u>378,028</u>	<u>\$ 378,028</u>	<u>\$ (100,000)</u>	<u>105,350</u>	<u>\$ 205,350</u>
	67,788			-			-	
	50,589			-			-	
	<u>118,377</u>			<u>-</u>			<u>-</u>	
	<u>\$ 257,225</u>			<u>\$ 378,028</u>			<u>\$ 105,350</u>	

(Continued)

# Town of Atherton

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances -

### Budget and Actual - Special Revenue Funds, Continued

For the year ended June 30, 2001

	Police on the Streets			Supplemental Law Enforcement Services		
	Budget	Actual	Variance	Budget	Actual	Variance
			Favorable (Unfavorable)			Favorable (Unfavorable)
<b>REVENUES:</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Measure A grants	-	-	-	-	-	-
From other agencies	-	-	-	-	-	-
Service Charges	-	-	-	-	-	-
Use of money and property	-	935	935	-	789	789
Gas tax	-	-	-	-	-	-
Donations	-	19,300	19,300	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>20,235</b>	<b>20,235</b>	<b>-</b>	<b>789</b>	<b>789</b>
<b>EXPENDITURES:</b>						
Current:						
Police	-	-	-	-	3,310	(3,310)
Park maintenance	-	-	-	-	-	-
Streets	-	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,310</b>	<b>(3,310)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>20,235</b>	<b>20,235</b>	<b>-</b>	<b>(2,521)</b>	<b>(2,521)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ -</b>	<b>20,235</b>	<b>\$ 20,235</b>	<b>\$ -</b>	<b>(2,521)</b>	<b>\$ (2,521)</b>
<b>FUND BALANCES:</b>						
Beginning of year		-			13,477	
Prior period adjustment		-			-	
Beginning of year as restated		-			13,477	
End of year		<b>\$ 20,235</b>			<b>\$ 10,956</b>	

Totals		
Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -
232,360	279,749	47,389
-	100,000	100,000
22,000	386,582	364,582
13,700	22,940	9,240
151,920	387,176	235,256
-	19,300	19,300
<u>419,980</u>	<u>1,195,747</u>	<u>775,767</u>
100,000	3,310	96,690
15,160	196	14,964
140,870	234,502	(93,632)
<u>256,030</u>	<u>238,008</u>	<u>18,022</u>
163,950	957,739	793,789
-	-	-
<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
<u>\$ 63,950</u>	857,739	<u>\$ 793,789</u>
	118,518	
	50,589	
	<u>169,107</u>	
	<u>\$ 1,026,846</u>	

(Concluded)

**Town of Atherton**  
**Combining Balance Sheet**  
**Capital Project Funds**  
**June 30, 2001**

(With comparative totals for June 30, 2000)

	Storm Drainage	Channel Drainage District	Facilities Construction	Park Playground Improvement
<b>ASSETS</b>				
Cash and investments	\$ 131,595	\$ 377,396	\$ 220,000	\$ 311,354
Accounts receivable	-	-	-	-
<b>Total assets</b>	<b>\$ 131,595</b>	<b>\$ 377,396</b>	<b>\$ 220,000</b>	<b>\$ 311,354</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 11,309	\$ -	\$ -	\$ 5,580
<b>Total liabilities</b>	<b>11,309</b>	<b>-</b>	<b>-</b>	<b>5,580</b>
<b>Fund Balances:</b>				
<b>Reserved:</b>				
Unrealized gain / (loss) on investments	459	265	-	31
Encumbrances	12,409	-	-	-
Capital projects	107,418	377,131	220,000	305,743
<b>Total fund balances</b>	<b>120,286</b>	<b>377,396</b>	<b>220,000</b>	<b>305,774</b>
<b>Total liabilities and fund balances</b>	<b>\$ 131,595</b>	<b>\$ 377,396</b>	<b>\$ 220,000</b>	<b>\$ 311,354</b>

Capital Improvement	Totals	
	2001	2000
\$ 451,788	\$ 1,492,133	\$ 1,037,102
-	-	81,207
<u>\$ 451,788</u>	<u>\$ 1,492,133</u>	<u>\$ 1,118,309</u>
\$ 19,126	\$ 36,015	\$ 11,101
<u>19,126</u>	<u>36,015</u>	<u>11,101</u>
618	1,373	-
-	12,409	22,200
<u>432,044</u>	<u>1,442,336</u>	<u>1,085,008</u>
<u>432,662</u>	<u>1,456,118</u>	<u>1,107,208</u>
<u>\$ 451,788</u>	<u>\$ 1,492,133</u>	<u>\$ 1,118,309</u>

# Town of Atherton

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances

### Capital Project Funds

For the year ended June 30, 2001

(With comparative totals for the year ended June 30, 2000)

	Storm Drainage	Channel Drainage District	Facilities Construction	Park Playground Improvement
<b>REVENUES:</b>				
Special assessments	\$ -	\$ 22,943	\$ -	\$ -
Use of money and property	22,469	19,591	-	4,009
Donations	-	-	-	311,765
<b>Total revenues</b>	<b>22,469</b>	<b>42,534</b>	<b>-</b>	<b>315,774</b>
<b>EXPENDITURES:</b>				
Capital projects	169,722	(13,947)	-	10,000
<b>Total expenditures</b>	<b>169,722</b>	<b>(13,947)</b>	<b>-</b>	<b>10,000</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(147,253)</b>	<b>56,481</b>	<b>-</b>	<b>305,774</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers in	-	-	220,000	-
Operating transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>220,000</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(147,253)</b>	<b>56,481</b>	<b>220,000</b>	<b>305,774</b>
<b>FUND BALANCES:</b>				
Beginning of year	318,128	320,915	-	-
Prior period adjustment	(50,589)	-	-	-
Beginning of year as restated	267,539	320,915	-	-
End of year	<b>\$ 120,286</b>	<b>\$ 377,396</b>	<b>\$ 220,000</b>	<b>\$ 305,774</b>

Capital Improvement	Totals	
	2001	2000
\$ -	\$ 22,943	\$ 80,149
37,445	83,514	48,337
50,176	361,941	30,618
87,621	468,398	159,104
123,124	288,899	447,428
123,124	288,899	447,428
(35,503)	179,499	(288,324)
-	220,000	307,735
-	-	-
-	220,000	307,735
(35,503)	399,499	19,411
468,165	1,107,208	1,087,797
-	(50,589)	-
468,165	1,056,619	1,087,797
\$ 432,662	\$ 1,456,118	\$ 1,107,208

**Town of Atherton**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**

**Budget and Actual - Capital Projects Funds**

**For the year ended June 30, 2001**

	Storm Drainage		Variance Favorable (Unfavorable)
	Budget	Actual	
<b>REVENUES:</b>			
Special assessments	\$ -	\$ -	\$ -
Use of money and property	10,000	22,469	12,469
Donations	-	-	-
<b>Total revenues</b>	<u>10,000</u>	<u>22,469</u>	<u>12,469</u>
<b>EXPENDITURES:</b>			
Capital projects	<u>240,910</u>	<u>169,722</u>	<u>71,188</u>
<b>Total expenditures</b>	<u>240,910</u>	<u>169,722</u>	<u>71,188</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(230,910)</u>	<u>(147,253)</u>	<u>83,657</u>
<b>OTHER FINANCING SOURCES:</b>			
Operating transfers in	-	-	-
<b>Total other financing sources</b>	-	-	-
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (230,910)</u>	<u>(147,253)</u>	<u>\$ 83,657</u>
<b>FUND BALANCES:</b>			
Beginning of year		318,128	
Prior period adjustment		<u>(50,589)</u>	
Beginning of year as restated		<u>267,539</u>	
End of year		<u>\$ 120,286</u>	

Channel Drainage District			Facilities Construction		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 38,770	\$ 22,943	\$ (15,827)	\$ -	\$ -	\$ -
-	19,591	19,591	-	-	-
-	-	-	484,880	-	(484,880)
<u>38,770</u>	<u>42,534</u>	<u>3,764</u>	<u>484,880</u>	<u>-</u>	<u>(484,880)</u>
-	(13,947)	13,947	-	-	-
-	(13,947)	13,947	-	-	-
<u>38,770</u>	<u>56,481</u>	<u>17,711</u>	<u>484,880</u>	<u>-</u>	<u>(484,880)</u>
-	-	-	-	220,000	220,000
-	-	-	-	220,000	220,000
<u>\$ 38,770</u>	<u>56,481</u>	<u>\$ 17,711</u>	<u>\$ 484,880</u>	<u>220,000</u>	<u>\$ (264,880)</u>
	320,915			-	
	-			-	
	<u>320,915</u>			-	
	<u>\$ 377,396</u>			<u>\$ 220,000</u>	

(Continued)

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances -  
Budget and Actual - Capital Projects Funds, Continued  
For the year ended June 30, 2001**

	Park Playground Improvement		
	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Special assessments	\$ -	\$ -	\$ -
Use of money and property	-	4,009	4,009
Donations	-	311,765	311,765
<b>Total revenues</b>	<b>-</b>	<b>315,774</b>	<b>315,774</b>
<b>EXPENDITURES:</b>			
Capital projects	-	10,000	(10,000)
<b>Total expenditures</b>	<b>-</b>	<b>10,000</b>	<b>(10,000)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>305,774</b>	<b>305,774</b>
<b>OTHER FINANCING SOURCES:</b>			
Operating transfers in	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ -</b>	<b>305,774</b>	<b>\$ 305,774</b>
<b>FUND BALANCES:</b>			
Beginning of year		-	
Prior period adjustment		-	
Beginning of year as restated		-	
End of year		<b>\$ 305,774</b>	

Capital Improvement			Totals		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 38,770	\$ 22,943	\$ (15,827)
11,000	37,445	26,445	21,000	83,514	62,514
25,000	50,176	25,176	509,880	361,941	(147,939)
36,000	87,621	51,621	569,650	468,398	(101,252)
-	123,124	(123,124)	240,910	288,899	(47,989)
-	123,124	(123,124)	240,910	288,899	(47,989)
36,000	(35,503)	(71,503)	328,740	179,499	(149,241)
-	-	-	-	220,000	220,000
-	-	-	-	220,000	220,000
<u>\$ 36,000</u>	<u>(35,503)</u>	<u>\$ (71,503)</u>	<u>\$ 328,740</u>	<u>399,499</u>	<u>\$ 70,759</u>
	468,165			1,107,208	
	-			(50,589)	
	468,165			1,056,619	
	<u>\$ 432,662</u>			<u>\$ 1,456,118</u>	

(Concluded)

**Town of Atherton**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the year ended June 30, 2001**

	Balance July 1, 2000	Additions	Reductions	Balance June 30, 2001
<u>Evans Creative Design Fund</u>				
<b>Assets:</b>				
Cash and investments	\$ 84,326	\$ 173,684	\$ (131,484)	\$ 126,526
<b>Total assets</b>	<u>\$ 84,326</u>	<u>\$ 173,684</u>	<u>\$ (131,484)</u>	<u>\$ 126,526</u>
<b>Liabilities:</b>				
Accounts payable	\$ 20	\$ 16,062	\$ (20)	\$ 16,062
Deposits payable	84,306	64,075	(37,917)	110,464
<b>Total liabilities</b>	<u>\$ 84,326</u>	<u>\$ 80,137</u>	<u>\$ (37,937)</u>	<u>\$ 126,526</u>
<u>MA Little League</u>				
<b>Assets:</b>				
Cash and investments	\$ 633	\$ 165,057	\$ (169,095)	\$ (3,405)
Accounts receivable	11,432	-	(9,598)	1,834
<b>Total assets</b>	<u>\$ 12,065</u>	<u>\$ 165,057</u>	<u>\$ (178,693)</u>	<u>\$ (1,571)</u>
<b>Liabilities:</b>				
Deposits payable	\$ 12,065	\$ 155,459	\$ (169,095)	\$ (1,571)
<b>Total liabilities</b>	<u>\$ 12,065</u>	<u>\$ 155,459</u>	<u>\$ (169,095)</u>	<u>\$ (1,571)</u>
<u>Colley Trust Fund</u>				
<b>Assets:</b>				
Cash and investments	\$ -	\$ 66,931	\$ -	\$ 66,931
<b>Total assets</b>	<u>\$ -</u>	<u>\$ 66,931</u>	<u>\$ -</u>	<u>\$ 66,931</u>
<b>Liabilities:</b>				
Deposits payable	\$ -	\$ 66,931	\$ -	\$ 66,931
<b>Total liabilities</b>	<u>\$ -</u>	<u>\$ 66,931</u>	<u>\$ -</u>	<u>\$ 66,931</u>

(Continued)

**Town of Atherton**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds, Continued**  
**For the year ended June 30, 2001**

	Balance July 1, 2000	Additions	Reductions	Balance June 30, 2001
<b><u>H-P Park Improvement Fund</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 1,807	\$ 19,793	\$ (15,236)	\$ 6,364
Interest receivable	(25)	-	-	(25)
<b>Total assets</b>	<b>\$ 1,782</b>	<b>\$ 19,793</b>	<b>\$ (15,236)</b>	<b>\$ 6,339</b>
<b>Liabilities:</b>				
Deposits payable	\$ 1,782	\$ 5,222	\$ (665)	\$ 6,339
<b>Total liabilities</b>	<b>\$ 1,782</b>	<b>\$ 5,222</b>	<b>\$ (665)</b>	<b>\$ 6,339</b>
<b><u>Tree Committee</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 749	\$ 3,019	\$ (2,631)	\$ 1,137
<b>Total assets</b>	<b>\$ 749</b>	<b>\$ 3,019</b>	<b>\$ (2,631)</b>	<b>\$ 1,137</b>
<b>Liabilities:</b>				
Deposits payable	\$ 749	\$ 1,451	\$ (1,063)	\$ 1,137
<b>Total liabilities</b>	<b>\$ 749</b>	<b>\$ 1,451</b>	<b>\$ (1,063)</b>	<b>\$ 1,137</b>

(Concluded)

**Town of Atherton**  
**Statement of Changes in Assets and Liabilities**  
**All Agency Funds**  
**For the year ended June 30, 2001**

	Balance July 1, 2000	Additions	Reductions	Balance June 30, 2001
<u>All Agency Funds</u>				
<b>Assets:</b>				
Cash and investments	\$ 87,515	\$ 428,484	\$ (318,446)	\$ 197,553
Accounts receivable	11,432	-	(9,598)	1,834
Interest receivable	(25)	-	-	(25)
<b>Total assets</b>	<u>\$ 98,922</u>	<u>\$ 428,484</u>	<u>\$ (328,044)</u>	<u>\$ 199,362</u>
<b>Liabilities:</b>				
Accounts payable	\$ 20	\$ 16,062	\$ (20)	\$ 16,062
Deposits payable	98,902	293,138	(208,740)	183,300
<b>Total liabilities</b>	<u>\$ 98,922</u>	<u>\$ 309,200</u>	<u>\$ (208,760)</u>	<u>\$ 199,362</u>