

December 11, 2018

City of Capitola

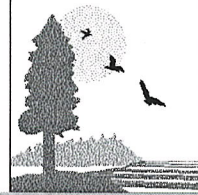
Capitola's trust land includes the Capitola Wharf and surrounding unimproved beach area. The Wharf has two commercial businesses operating on it, the Wharf House Restaurant and Capitola Mooring and Marine, which includes a small watercraft rental component. The beach area is a half moon shape area with the Wharf extending from the center and Soquel Creek splitting the beach and feeding into the ocean. The beach is adjacent to cliffs on the southwest side of the wharf and an extension of a flat flood plain on the northeast side. The beach, with its small surf break, is a popular day trip destination for locals and adjacent-county residents, as well as the area's many vacationers. At this time, the City has no plans to change the current use of these lands.

Revenues and expenditures related to Capitola's beachfront public trust land area are separately recorded in the City's Wharf fund. Total gross revenue was \$142,060 for FY 2017-18, with \$41,995 from Wharf House Restaurant rent and \$27,279 from Capitola Boat & Bait rent. An additional \$24,767 in revenue is received by the City from these businesses as reimbursement for PG&E, sewer, and water services. General fund transfers to the Wharf Fund totaled \$47,800 and \$220 was received as investment earnings. Total expenditures for the Wharf Fund were \$182,955 for FY 2017-18. \$1,953 was spent on a wharf condition assessment and \$122,617 was expended for removing and replacing damaged pilings. \$42,804 was spent on utilities, including gas and electric, sanitation, and water. \$9,246 was for long term wharf upkeep, repairs and maintenance. The remaining \$6,335 was for supplies.

DUE DECEMBER 31

Pursuant to Public
Resources Code § 6306

Granted Public Trust Lands Standardized Reporting Form



Fiscal/Calendar Year: FY 2017/2018

Grantee Name: City of Capitola

Contact Person: Mark Sullivan

Contact Phone: (831) 475-7300 x225

Mailing Address: 420 Capitola Avenue

Capitola, CA 95010

1. Funds

- a. Is a separate fund maintained for trust assets, liabilities, revenues and expenditures?

YES ☒ NO ☐

If "No", under what fund are they accounted for? If "Yes," please list the name(s) of the fund(s)

Wharf Fund

- b. Are separate financial statements prepared for the trust?

YES ☐ NO ☒

If "No," in which financial statements are they included? (Name of the document(s) and the applicable page number(s)) If "Yes," describe the organization of the separate financial statement.

Financial transactions for the granted public lands are tracked in the "Wharf Fund" for the City of Capitola. The financial statements for the Wharf Fund are published in the City of Capitola, CA, Comprehensive Annual Financial Report (CAFR). For the fiscal year ending June 30, 2018, they are shown on pages 78, 82 and 89.

2. Revenue

- a. What was the gross revenue received or generated from trust land or trust assets during the past fiscal year? \$142,060.43

- b. Please list all sources of revenue and the amount of revenue generated from each source (e.g. permits, rentals, percentage of lease) Please see attached.

3. Expenses

- a. What was the total expenditure of funds received or generated from trust land or assets during the past fiscal year? \$182,954.62

- b. What expenses were allocated or charged directly to the trust? Please list the source of the expenditure and the amount expended. Please see attached.

- c. Have there been any capital improvements over \$250,000 within the current fiscal year? Are any capital improvements over \$250,000 expected in the next fiscal year?

None

- d. Describe any other disposition of trust funds or assets or any other disposition of the trust lands or trust assets themselves. Include any internal funds that were transferred to other grantees, to the management of another entity or under the management of another political subdivision of the grantee per an agreement, settlement, or Memorandum of Understanding.

None

4. Beginning and Ending Balance

Please list the beginning and ending balances for the tidelands trust fund(s) for this past fiscal year.

Beginning Balance: \$84,009

Ending Balance: \$43,115

For all questions, please give the page number where the information can be found in your accompanying financial document. Please use additional pages as necessary.

Granted Public Trust Lands

Standardized Reporting Form

Fiscal Year 2017-18

Grantee Name: City of Capitola
Contact Person: Mark Sullivan
Contact Phone: (831) 475-7300 x225
Mailing Address: 420 Capitola Avenue, Capitola, CA 95010

1. Funds

- a. Is a separate fund maintained for trust assets, liabilities, revenues, and expenditures?

Yes

- b. Are separate financial statements prepared for the trust?

No

If "No," in which financial statements are they included? (Name of the document(s) and the applicable page number(s)). If "Yes," describe the organization of the separate financial statement.

Financial transactions for the granted public lands are tracked in the "Wharf Fund" for the City of Capitola. The financial statements for the Wharf Fund are published in the City of Capitola, CA Comprehensive Annual Financial Report (CAFR) (attached and published link below). For the fiscal year ending June 30, 2018, they are shown on pages 78, 82 and 89.

<http://www.cityofcapitola.org/finance/page/comprehensive-annual-financial-reports>

2. Revenue

- a. What was the gross revenue received or generated from trust land or trust assets during the past fiscal year?

\$

142,060.43

- b. Please list all sources of revenue and the amount of revenue generated from each source (e.g. permits, rentals, percentage of lease).

Rents

Wharf House Restaurant	\$	41,994.66
Capitola Boat & Bait	\$	27,278.85
Total Rent	\$	69,273.51

PG&E Gas and Electric

Wharf House Restaurant	\$	11,714.58
Capitola Boat & Bait	\$	4,955.23
Total Gas & Electric	\$	16,669.81

Sanitation District

Wharf House Restaurant	\$	3,450.36
Capitola Boat & Bait	\$	768.52
Total Sanitation	\$	4,218.88
	\$	90,162.20

Water rentals

\$ 3,878.34

Investment earnings

\$ 219.89

General Fund transfers

\$ 47,800.00

Total Revenue \$ 142,060.43

3. Expenses

- a. What was the total expenditure of funds received or generated from the trust land or assets during the past fiscal year?

\$ 182,954.62

- b. What expenses were allocated or charged directly to the trust? Please list the source of the expenditure and the amount expended.

Wharf improvement services

Wharf Condition Report-engineering services	\$	1,952.50
Wharf pilings removal & replacement	\$	122,616.78
Total Improvements	\$	124,569.28

Utilities

PG&E Gas and Electric	\$	25,293.31
Sanitation District	\$	6,878.64
Water	\$	6,965.93
Janitorial services	\$	3,186.00
Meter reader	\$	480.00
Total Utilities	\$	42,803.88

Repairs and Maintenance

Wharf repairs & maintenance	\$	4,332.43
Wharf restaurant repairs	\$	247.03
Portable toilets	\$	4,266.77
Fire equipment	\$	400.28
Total Repairs and Maintenance	\$	9,246.51

Supplies

General supplies	\$	6,197.62
Memorial plaque supplies	\$	137.33
Total Supplies	\$	6,334.95

Total Expenses \$ 182,954.62

- c. Have there been any capital improvements over \$250,000 within the current fiscal year? Are any capital improvements over \$250,000 expected in the next fiscal year?

None

- d. Describe any other disposition of trust funds or assets or any other disposition of the trust lands or trust assets themselves. Include any internal funds that were transferred to other grantees, to the management of another entity or under the management of another political subdivision of the grantee per an agreement, settlement, or Memorandum of Understanding.

None

4. Beginning and Ending Balance

Please list the beginning and ending balances for the tidelands trust fund (s) for this past fiscal year.

Beginning Fund Balance - 07/01/2017	\$	84,008.74
Ending Fund Balance - 06/30/2018	\$	43,114.55
2017-18 Revenues less Expenses	\$	(40,894.19)

CITY OF CAPITOLA
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2018

	SPECIAL REVENUE FUNDS		
	SB1 Road Rehab and Maintenance	RTC Streets	Supplemental Law Enforcement
ASSETS			
Cash and investments	\$ -	\$ 391,048	\$ 10,057
Accounts receivable	-	-	-
Due from other governments	21,538	34,217	44
Loans receivables, net	-	-	-
Total Assets	<u>\$ 21,538</u>	<u>\$ 425,265</u>	<u>\$ 10,101</u>
LIABILITIES			
Accounts payable	\$ -	\$ 7,650	\$ -
Due to other funds	19,993	-	-
Deposits payable	-	-	-
Total Liabilities	<u>19,993</u>	<u>7,650</u>	<u>-</u>
FUND BALANCES			
Restricted	1,545	417,615	10,101
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances	<u>1,545</u>	<u>417,615</u>	<u>10,101</u>
Total Liabilities and Fund Balances	<u>\$ 21,538</u>	<u>\$ 425,265</u>	<u>\$ 10,101</u>

SPECIAL REVENUE FUNDS

<u>Gas Tax</u>	<u>Wharf</u>	<u>Parking Reserve</u>	<u>Technology Fees</u>	<u>PEG Cable TV Access Fee</u>	<u>Capitola Village and Wharf BIA</u>	<u>CDBG</u>
\$ 4,033	\$ 46,321	\$ 737	\$ 54,948	\$ 73,691	\$ 21,581	\$ 41,903
-	-	-	142	-	1,539	-
-	123	-	-	4,250	-	-
-	-	-	-	-	-	-
<u>\$ 4,033</u>	<u>\$ 46,444</u>	<u>\$ 737</u>	<u>\$ 55,090</u>	<u>\$ 77,941</u>	<u>\$ 23,120</u>	<u>\$ 41,903</u>
\$ 4,033	\$ 2,330	\$ -	\$ -	\$ -	\$ 879	\$ -
-	-	-	-	-	-	-
-	1,000	-	-	-	-	-
<u>4,033</u>	<u>3,330</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>879</u>	<u>-</u>
-	43,114	737	55,090	77,941	22,241	41,903
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>43,114</u>	<u>737</u>	<u>55,090</u>	<u>77,941</u>	<u>22,241</u>	<u>41,903</u>
<u>\$ 4,033</u>	<u>\$ 46,444</u>	<u>\$ 737</u>	<u>\$ 55,090</u>	<u>\$ 77,941</u>	<u>\$ 23,120</u>	<u>\$ 41,903</u>

CITY OF CAPITOLA
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended June 30, 2018

	SPECIAL REVENUE FUNDS		
	SB1 Road Rehab and Maintenance	RTC Streets	Supplemental Law Enforcement
REVENUES			
Taxes	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-
Intergovernmental	59,545	312,311	100,000
Charges for Services	-	-	-
Use of Money and Property	-	2,652	225
Other Revenue	-	-	-
Total Revenues	59,545	314,963	100,225
EXPENDITURES			
Current:			
General Government	-	108,602	-
Public safety	-	-	9,867
Community development	-	-	-
Culture and recreation	-	-	-
Transportation	-	-	-
Capital outlay	-	-	53,196
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	-	108,602	63,063
Excess (Deficiency) of Revenues over (Under) Expenditures	59,545	206,361	37,162
OTHER FINANCING SOURCES (USES)			
Transfers in	-	200,000	-
Transfers out	(58,000)	-	(35,000)
Total Other Financing Sources (Uses)	(58,000)	200,000	(35,000)
Net change in fund balances	1,545	406,361	2,162
Fund Balances, beginning of year, as previously reported	-	11,254	7,939
Restatement - Loan receivables	-	-	-
Fund Balances, beginning of year, as restated	-	11,254	7,939
Fund Balances, end of year	\$ 1,545	\$ 417,615	\$ 10,101

SPECIAL REVENUE FUNDS

Gas Tax	Wharf	Parking Reserve	Technology Fees	PEG Cable TV Access Fee	Capitola Village and Wharf BIA	CDBG
\$ 217,970	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	16,024	-	-
-	-	-	-	-	-	71,074
-	-	-	16,223	-	73,298	-
-	94,261	-	-	1,058	517	-
-	-	-	-	-	3,189	-
217,970	94,261	-	16,223	17,082	77,004	71,074
-	-	-	-	14,232	-	-
-	-	-	-	-	-	-
-	-	-	8,567	-	66,611	182,371
-	60,339	-	-	-	-	-
212,633	-	-	-	-	-	-
-	122,617	-	-	-	-	-
5,337	-	-	-	-	-	-
-	-	-	-	-	-	-
217,970	182,956	-	8,567	14,232	66,611	182,371
-	(88,695)	-	7,656	2,850	10,393	(111,297)
-	47,800	100,000	-	-	-	-
-	-	(100,000)	-	-	-	-
-	47,800	-	-	-	-	-
-	(40,895)	-	7,656	2,850	10,393	(111,297)
-	84,009	737	47,434	75,091	11,848	25,664
-	-	-	-	-	-	127,536
-	84,009	737	47,434	75,091	11,848	153,200
\$ -	\$ 43,114	\$ 737	\$ 55,090	\$ 77,941	\$ 22,241	\$ 41,903

CITY OF CAPITOLA
Wharf Fund
Non-Major Governmental Fund
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 85,700	\$ 85,700	\$ 94,261	\$ 8,561
Total revenues	85,700	85,700	94,261	8,561
Expenditures:				
Current:				
Culture and recreation	95,600	95,600	60,339	35,261
Capital Outlay	126,300	126,300	122,617	3,683
Total expenditures	221,900	221,900	182,956	38,944
Excess (deficiency) of revenues over (under) expenditures	(136,200)	(136,200)	(88,695)	(30,383)
Other financing sources (uses):				
Transfers In	47,800	47,800	47,800	-
Total Other Financing Sources (Uses)	47,800	47,800	47,800	-
Net change in fund balance	(88,400)	(88,400)	(40,895)	(30,383)
Fund balance, beginning of year	84,009	84,009	84,009	-
Fund balance, end of year	<u>\$ (4,391)</u>	<u>\$ (4,391)</u>	<u>\$ 43,114</u>	<u>\$ (30,383)</u>