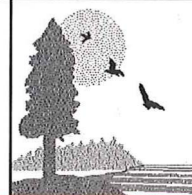


**DUE DECEMBER 31**

Pursuant to Public  
Resources Code § 6306

# Granted Public Trust Lands Standardized Reporting Form



**Fiscal/Calendar Year:** 2014/15

**Grantee Name:** City of Morro Bay

**Contact Person:** David Buckingham, City Manager

**Contact Phone:** 805-772-6205

**Mailing Address:** 595 Harbor Street

Morro Bay, CA 93442

## 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)
- 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.  
City's CAFR, pages 21,32, 36, 38

## 2. Revenue

- a. What was the gross revenue received or generated from trust land or trust assets during the past fiscal year? \$1,992,648
- b. Please list all sources of revenue and the amount of revenue generated from each source (e.g. permits, rentals, percentage of lease) Audited Budget Performance Report - pages 1-4

## 3. Expenses

- a. What was the total expenditure of funds received or generated from trust land or assets during the past fiscal year? \$2,096,385
- b. What expenses were allocated or charged directly to the trust? Please list the source of the expenditure and the amount expended. Audited Budget Performance Report - pages 1-4
- 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.  
\$281,986 Cost Allocation paid to the City's General Fund for services - page 3

## 4. Beginning and Ending Balance

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

Beginning \$1,123,961 Ending \$507,112

**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.**

Account	Account Description	Adopted Budget	Budget Amendments	Amended Budget	Current Month Transactions	YTD Encumbrances	YTD Transactions	Budget - YTD Transactions	% Used/ Rec'd	Prior Year Total
<b>Fund 331 - Harbor Operating Fund</b>										
<b>REVENUE</b>										
<b>Department 1104 - Harbor Nature Conservancy Grant</b>										
3303	Fed Grant Other Govt Svc	.00	.00	.00	.00	.00	.00	.00	+++	32,562.45
<b>Department 1104 - Harbor Nature Conservancy Grant</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>+++</b>	<b>\$32,562.45</b>
<b>Department 1201 - NFWF Plan/Dev Grant</b>										
3303	Fed Grant Other Govt Svc	.00	.00	.00	.00	.00	22,500.00	(22,500.00)	+++	11,142.66
<b>Department 1201 - NFWF Plan/Dev Grant Totals</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$22,500.00</b>	<b>(\$22,500.00)</b>	<b>+++</b>	<b>\$11,142.66</b>
<b>Department 6510 - Harbor Department</b>										
3301	Fed Grant Capital Impv	.00	.00	.00	.00	.00	.00	.00	+++	80,000.00
3370	State Grant Capital Impv	.00	.00	.00	.00	.00	.00	.00	+++	11,000.00
3391	Other Grant Public Svc	.00	.00	.00	.00	.00	.00	.00	+++	40,000.00
3401	Sale of Copies & Books	50.00	.00	50.00	.00	.00	.00	50.00	0	.00
3437	Live Aboard Services	6,000.00	.00	6,000.00	429.00	.00	6,746.52	(746.52)	112	4,717.00
3439	Other Harbor Services	10,000.00	.00	10,000.00	2,002.72	.00	17,583.41	(7,583.41)	176	11,156.44
3440	Harbor Leases	1,344,990.00	88,435.00	1,433,425.00	449,965.31	.00	1,521,722.70	(88,297.70)	106	1,653,447.54
3441	North T-Pier Dockage	40,880.00	.00	40,880.00	9,084.15	.00	38,221.40	2,658.60	93	51,749.70
3442	South T-Pier Dockage	51,100.00	.00	51,100.00	11,815.20	.00	65,979.30	(14,879.30)	129	66,956.52
3443	Mooring Rental	86,870.00	.00	86,870.00	4,464.30	.00	97,428.44	(10,558.44)	112	84,908.33
3444	Slip Rental	91,980.00	.00	91,980.00	4,163.75	.00	90,803.12	1,176.88	99	87,614.59
3445	Slip Transient Sublease	45,990.00	.00	45,990.00	5,189.30	.00	32,980.05	13,009.95	72	39,843.55
3446	CC1 Slip Rentals	.00	.00	.00	.00	.00	.00	.00	+++	(27.84)
3447	Floating Dockage Rental	2,050.00	.00	2,050.00	50.20	.00	4,382.00	(2,332.00)	214	1,849.60
3469	Special Events	1,000.00	.00	1,000.00	.00	.00	.00	1,000.00	0	528.00
3499	Other Rev/Current Svc	5,000.00	.00	5,000.00	.00	.00	1.06	4,998.94	0	5,000.00
3631	Penalties	.00	.00	.00	3,896.20	.00	38,032.49	(38,032.49)	+++	59,570.65
3730	Rental Income	.00	.00	.00	310.00	.00	3,220.00	(3,220.00)	+++	260.00
3905	Bad Debts Recovery	.00	.00	.00	.00	.00	27.84	(27.84)	+++	.00
3913	Sale of Real Property	.00	.00	.00	9,500.00	.00	9,500.00	(9,500.00)	+++	6,978.75
3919	Auctioned Property	500.00	.00	500.00	.00	.00	.00	500.00	0	923.00
3970	Donations	.00	.00	.00	.00	.00	639.02	(639.02)	+++	.00
3990	Other Misc. Revenues	1,000.00	.00	1,000.00	8,913.00	.00	11,919.00	(10,919.00)	1192	15,181.09
3991	Cash Variations	.00	.00	.00	.00	.00	.00	.00	+++	(60.00)
<b>Department 6510 - Harbor Department Totals</b>		<b>\$1,687,410.00</b>	<b>\$88,435.00</b>	<b>\$1,775,845.00</b>	<b>\$509,783.13</b>	<b>\$0.00</b>	<b>\$1,939,186.35</b>	<b>(\$163,341.35)</b>	<b>109%</b>	<b>\$2,221,596.92</b>
<b>Department 6511 - Harbor Lifeguards</b>										
3990	Other Misc. Revenues	.00	.00	.00	.00	.00	.00	.00	+++	1,845.00
<b>Department 6511 - Harbor Lifeguards Totals</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>+++</b>	<b>\$1,845.00</b>

Department <b>7710 - Interfund Transactions</b>										
3802	Intrafund Revenue Trans.	.00	.00	.00	.00	.00	.00	.00	+++	305,134.63
Department <b>7710 - Interfund Transactions Totals</b>		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	+++	\$305,134.63
Department <b>8479 - Launch Ramp Parking</b>										
3499	Other Rev/Current Svc	25,000.00	.00	25,000.00	3,291.00	.00	30,962.00	(5,962.00)	124	25,076.00
Department <b>8479 - Launch Ramp Parking Totals</b>		\$25,000.00	\$0.00	\$25,000.00	\$3,291.00	\$0.00	\$30,962.00	(\$5,962.00)	124%	\$25,076.00
<b>REVENUE TOTALS</b>		\$1,712,410.00	\$88,435.00	\$1,800,845.00	\$513,074.13	\$0.00	\$1,992,648.35	(\$191,803.35)	111%	\$2,597,357.66
<b>EXPENSE</b>										
Department <b>1104 - Harbor Nature Conservancy Grant</b>										
4310	Part-Time Pay	.00	.00	.00	.00	.00	.00	.00	+++	19,872.00
4910	Employer Paid Benefits	.00	.00	.00	.00	.00	.00	.00	+++	1,837.66
6101	Legal Services	.00	.00	.00	.00	.00	.00	.00	+++	4,800.58
6105	Consulting Services	.00	.00	.00	.00	.00	.00	.00	+++	1,937.00
6472	Other Ins./Employee Bond	.00	.00	.00	.00	.00	.00	.00	+++	1,573.00
Department <b>1104 - Harbor Nature Conservancy Grant Totals</b>		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	+++	\$30,020.24
Department <b>1201 - NFWF Plan/Dev Grant</b>										
4310	Part-Time Pay	.00	.00	.00	.00	.00	.00	.00	+++	11,228.80
4910	Employer Paid Benefits	.00	.00	.00	.00	.00	.00	.00	+++	100.32
6105	Consulting Services	.00	.00	.00	.00	.00	.00	.00	+++	28,267.00
Department <b>1201 - NFWF Plan/Dev Grant Totals</b>		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	+++	\$39,596.12
Department <b>6510 - Harbor Department</b>										
4110	Regular Pay	482,494.00	14,178.00	496,672.00	58,512.61	.00	491,959.59	4,712.41	99	486,984.58
4120	Overtime Pay	2,500.00	6,500.00	9,000.00	869.39	.00	8,310.28	689.72	92	6,582.95
4310	Part-Time Pay	65,000.00	25,000.00	90,000.00	13,429.52	.00	107,508.20	(17,508.20)	119	79,559.68
4515	Standby Pay	13,000.00	.00	13,000.00	1,866.00	.00	14,527.00	(1,527.00)	112	3,005.00
4599	Other Pay	1,500.00	3,500.00	5,000.00	311.53	.00	8,629.16	(3,629.16)	173	4,840.98
4910	Employer Paid Benefits	300,346.00	11,257.00	311,603.00	34,732.34	.00	302,077.84	9,525.16	97	277,701.29
4911	Pension Expenses	.00	.00	.00	(39,284.00)	.00	(39,284.00)	39,284.00	+++	.00
5105	First Aide Supplies	850.00	.00	850.00	.00	.00	1,470.31	(620.31)	173	537.59
5108	Communication Supplies	1,500.00	500.00	2,000.00	.00	.00	3,176.29	(1,176.29)	159	1,775.31
5109	Uniforms/Safety Equipment	5,000.00	.00	5,000.00	165.81	.00	3,307.98	1,692.02	66	5,461.14
5110	Fuel Oil & Lubricants	24,000.00	.00	24,000.00	2,729.64	.00	30,322.72	(6,322.72)	126	29,427.97
5111	Fire Hoses & Couplings	.00	.00	.00	.00	.00	.00	.00	+++	961.04
5125	Repairs/Maint. Materials	500.00	.00	500.00	.00	.00	453.60	46.40	91	226.80
5175	Computer Operating Supp.	2,000.00	.00	2,000.00	15.87	.00	645.87	1,354.13	32	6,336.70
5199	Misc. Operating Supplies	1,500.00	.00	1,500.00	119.50	.00	941.97	558.03	63	1,349.73
5301	General Office Supplies	2,500.00	.00	2,500.00	290.29	.00	2,721.07	(221.07)	109	2,592.69
5303	Books & Manuals	.00	.00	.00	.00	.00	35.21	(35.21)	+++	.00
5304	Periodical/Subscriptions	200.00	.00	200.00	.00	.00	107.55	92.45	54	141.09
5305	Forms Printing	1,500.00	.00	1,500.00	7.29	.00	1,781.09	(281.09)	119	1,629.76
5501	Grounds Maint. Supplies	2,500.00	4,500.00	7,000.00	418.41	.00	8,600.47	(1,600.47)	123	7,742.84
5502	Building Maint. Supplies	1,000.00	4,000.00	5,000.00	40.32	.00	3,836.38	1,163.62	77	4,987.72
5503	Rolling Stock Supplies	.00	.00	.00	.00	.00	126.82	(126.82)	+++	.00
5504	Machinery/Equip/Supplies	12,000.00	3,000.00	15,000.00	(7,117.37)	.00	24,465.04	(9,465.04)	163	22,701.18
5530	Small Tools	2,500.00	.00	2,500.00	.00	.00	2,308.48	191.52	92	2,069.52
6101	Legal Services	34,800.00	.00	34,800.00	12,149.85	.00	61,054.02	(26,254.02)	175	24,016.07

6102	Legislative Analyst	8,400.00	.00	8,400.00	4,200.00	.00	8,400.00	.00	100	8,400.00
6105	Consulting Services	4,000.00	.00	4,000.00	.00	.00	4,500.00	(500.00)	112	2,250.00
6106	Contractual Services	3,000.00	12,000.00	15,000.00	3,280.00	.00	17,818.03	(2,818.03)	119	5,990.35
6107	Promotion & Advertising	1,000.00	.00	1,000.00	.00	.00	26.85	973.15	3	480.84
6125	Professional Development	6,000.00	.00	6,000.00	27.50	.00	6,509.57	(509.57)	108	4,830.99
6199	Other Professional Svc	1,500.00	4,000.00	5,500.00	662.24	.00	6,411.91	(911.91)	117	10,608.59
6201	Telephone	4,500.00	.00	4,500.00	2,002.82	.00	9,362.25	(4,862.25)	208	7,587.85
6220	Postage	1,300.00	.00	1,300.00	75.77	.00	1,279.48	20.52	98	1,325.78
6300	Utilities	200.00	.00	200.00	.00	.00	.00	200.00	0	.00
6301	Electricity	22,000.00	.00	22,000.00	5,054.16	.00	24,368.37	(2,368.37)	111	26,026.52
6302	Natural Gas	700.00	.00	700.00	128.52	.00	745.77	(45.77)	107	822.81
6303	Water	25,000.00	.00	25,000.00	4,234.90	.00	24,242.18	757.82	97	33,304.88
6305	Disposal	50,000.00	.00	50,000.00	9,880.82	.00	53,298.21	(3,298.21)	107	53,980.07
6399	Other Utilities	5,000.00	.00	5,000.00	.00	.00	.00	5,000.00	0	.00
6401	General Liability	52,000.00	.00	52,000.00	4,333.37	.00	52,000.00	.00	100	50,316.00
6411	Property Damage Ins.	16,307.00	.00	16,307.00	2,047.05	.00	28,038.52	(11,731.52)	172	24,857.98
6472	Other Ins./Employee Bond	134.00	.00	134.00	11.13	.00	134.00	.00	100	134.00
6473	Vehicle Insurance	16,500.00	.00	16,500.00	50.87	.00	610.00	15,890.00	4	610.00
6510	Meetings & Conferences	2,500.00	.00	2,500.00	14.00	.00	8,937.29	(6,437.29)	357	8,085.25
6511	Mileage Reimbursement	500.00	.00	500.00	.00	.00	.00	500.00	0	.00
6519	Association Membership	2,500.00	.00	2,500.00	40.00	.00	2,455.00	45.00	98	2,462.50
6601	Outside Equip. Repair/Mat	40,000.00	.00	40,000.00	5,063.41	.00	30,518.31	9,481.69	76	20,584.49
6602	Outside Structural Repair	5,000.00	.00	5,000.00	270.00	.00	788.80	4,211.20	16	4,617.00
6603	Outside Ground Repair	1,000.00	.00	1,000.00	.00	.00	2,389.71	(1,389.71)	239	1,802.64
6604	Outside Vehicle Repair/Maint	1,000.00	.00	1,000.00	.00	.00	191.48	808.52	19	360.50
6640	Maintenance Contracts	1,500.00	.00	1,500.00	.00	.00	1,288.00	212.00	86	1,413.00
6710	Notices & Publications	500.00	.00	500.00	.00	.00	600.15	(100.15)	120	2,196.22
6720	Medical Examinations	.00	.00	.00	760.00	.00	2,160.00	(2,160.00)	+++	1,950.00
6741	Misc. Bank Charges	4,000.00	.00	4,000.00	125.72	.00	3,501.71	498.29	88	5,983.38
6750	Business Equipment Rental	1,500.00	.00	1,500.00	728.26	.00	2,822.12	(1,322.12)	188	2,773.67
6810	Equipment Rental	1,000.00	.00	1,000.00	48.53	.00	761.40	238.60	76	1,632.94
8110	Interest Expense	40,000.00	.00	40,000.00	.00	.00	40,027.37	(27.37)	100	44,111.03
8130	Principal Repayment	94,859.00	.00	94,859.00	(94,831.63)	.00	.00	94,859.00	0	.00
8730	Cap. Asset Depreciation	.00	.00	.00	202,218.68	.00	202,218.68	(202,218.68)	+++	139,350.22
8750	Bad Debts Written Off	.00	.00	.00	23,275.88	.00	50,666.27	(50,666.27)	+++	111,668.88
Department 6510 - Harbor Department Totals		\$1,370,590.00	\$88,435.00	\$1,459,025.00	\$252,959.00	\$0.00	\$1,626,154.37	(\$167,129.37)	111%	\$1,551,150.01
Department 6511 - Harbor Lifeguards										
4120	Overtime Pay	400.00	.00	400.00	.00	.00	.00	400.00	0	742.69
4310	Part-Time Pay	40,000.00	.00	40,000.00	8,814.26	.00	31,385.95	8,614.05	78	36,867.28
4910	Employer Paid Benefits	9,457.00	.00	9,457.00	1,725.38	.00	6,106.75	3,350.25	65	7,284.50
5105	First Aide Supplies	300.00	.00	300.00	.00	.00	.00	300.00	0	.00
5109	Uniforms/Safety Equipment	3,000.00	.00	3,000.00	.00	.00	5,418.57	(2,418.57)	181	1,129.86
5199	Misc. Operating Supplies	500.00	.00	500.00	35.67	.00	638.73	(138.73)	128	208.97
6106	Contractual Services	.00	.00	.00	.00	.00	25.00	(25.00)	+++	.00
Department 6511 - Harbor Lifeguards Totals		\$53,657.00	\$0.00	\$53,657.00	\$10,575.31	\$0.00	\$43,575.00	\$10,082.00	81%	\$46,233.30
Department 7710 - Interfund Transactions										

8410	Intrafund Expense Trans.	2,677.00	.00	2,677.00	141,632.45	.00	141,632.45	(138,955.45)	5291	366,949.97
8501	Transfers Out	281,986.00	.00	281,986.00	23,499.00	.00	281,986.00	.00	100	281,986.00
Department <b>7710 - Interfund Transactions</b> Totals		\$284,663.00	\$0.00	\$284,663.00	\$165,131.45	\$0.00	\$423,618.45	(\$138,955.45)	149%	\$648,935.97
Department <b>8479 - Launch Ramp Parking</b>										
5501	Grounds Maint. Supplies	500.00	.00	500.00	.15	.00	100.38	399.62	20	264.60
5504	Machinery/Equip/Supplies	500.00	.00	500.00	.00	.00	.00	500.00	0	.00
6106	Contractual Services	2,000.00	.00	2,000.00	.00	.00	2,001.00	(1.00)	100	2,065.19
6300	Utilities	500.00	.00	500.00	60.06	.00	180.18	319.82	36	350.92
6741	Misc. Bank Charges	.00	.00	.00	93.28	.00	756.06	(756.06)	+++	756.78
Department <b>8479 - Launch Ramp Parking</b> Totals		\$3,500.00	\$0.00	\$3,500.00	\$153.49	\$0.00	\$3,037.62	\$462.38	87%	\$3,437.49
<b>EXPENSE TOTALS</b>		\$1,712,410.00	\$88,435.00	\$1,800,845.00	\$428,819.25	\$0.00	\$2,096,385.44	(\$295,540.44)	116%	\$2,319,373.13
Fund <b>331 - Harbor Operating Fund</b> Totals										
<b>REVENUE TOTALS</b>		1,712,410.00	88,435.00	1,800,845.00	513,074.13	.00	1,992,648.35	(191,803.35)	111%	2,597,357.66
<b>EXPENSE TOTALS</b>		1,712,410.00	88,435.00	1,800,845.00	428,819.25	.00	2,096,385.44	(295,540.44)	116%	2,319,373.13
Fund <b>331 - Harbor Operating Fund</b> Totals		\$0.00	\$0.00	\$0.00	\$84,254.88	\$0.00	(\$103,737.09)	\$103,737.09		\$277,984.53

**City of Morro Bay**  
**Statement of Activities (Continued)**  
**For the Year Ended June 30, 2015**

	Net (Expense) Revenue and Changes in Net Positions			
	Governmental Activities	Business-Type Activities	Total	Component Unit
<b>Functions/Programs</b>				
<b>Governmental Activities:</b>				
Administration	\$ (853,466)	\$ -	\$ (853,466)	\$ -
Community promotion	(695,494)	-	(695,494)	-
Finance	(286,021)	-	(286,021)	-
Fire	(2,435,250)	-	(2,435,250)	-
Housing	(11,558)	-	(11,558)	-
Police	(3,248,650)	-	(3,248,650)	-
Public services	(602,075)	-	(602,075)	-
Rec/parks/maintenance	(1,284,172)	-	(1,284,172)	-
<b>Total Governmental Activities</b>	<b>(9,416,686)</b>	<b>-</b>	<b>(9,416,686)</b>	<b>-</b>
<b>Business-Type Activities:</b>				
Water	-	(800,658)	(800,658)	-
Sewer	-	162,914	162,914	-
Harbor	-	(175,811)	(175,811)	-
Local Transportation	-	79,713	79,713	-
<b>Total Business-Type Activities</b>	<b>-</b>	<b>(733,842)</b>	<b>(733,842)</b>	<b>-</b>
<b>Total Primary Government</b>	<b>(9,416,686)</b>	<b>(733,842)</b>	<b>(10,150,528)</b>	<b>-</b>
<b>Component Units:</b>				
Waste Water Treatment Plant	-	-	-	(189,755)
<b>General Revenues and Transfers:</b>				
<b>Taxes:</b>				
Property taxes	3,940,250	-	3,940,250	-
Sales tax	2,317,779	-	2,317,779	-
Transient occupancy tax	3,630,074	-	3,630,074	-
Franchise taxes	492,572	-	492,572	-
Other taxes	80,484	-	80,484	-
Investment earnings	375,298	91,489	466,787	-
Gain on disposition of capital assets	42,286	9,500	51,786	-
Miscellaneous	82,799	-	82,799	-
Transfers	807,213	(807,213)	-	-
<b>Total General Revenues and Transfers</b>	<b>11,768,755</b>	<b>(706,224)</b>	<b>11,062,531</b>	<b>-</b>
<b>Changes in Net Position</b>	<b>2,352,069</b>	<b>(1,440,066)</b>	<b>912,003</b>	<b>(189,755)</b>
<b>Net Position - beginning of year, restated (Note 11)</b>	<b>114,806,964</b>	<b>25,179,418</b>	<b>139,986,382</b>	<b>1,122,210</b>
<b>Net Position - end of year</b>	<b>\$ 117,159,033</b>	<b>\$ 23,739,352</b>	<b>\$ 140,898,385</b>	<b>\$ 932,455</b>



**City of Morro Bay**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2015**

	Business-Type Activities		
	Water Fund	Sewer Fund	Harbor Fund
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 2,411,466	\$ 4,564,661	\$ 507,112
Accounts receivable, net of allowance for doubtful accounts	423,479	538,389	479,850
Other receivables	2,147	1,925	-
Intergovernmental receivables	-	-	112,502
Due from other funds	20,039	35,866	6,472
Due from component unit	-	4,766	-
Prepaid items	891,259	6,636	9,284
<b>Total Current Assets</b>	<b>3,748,390</b>	<b>5,152,243</b>	<b>1,115,220</b>
<b>Noncurrent Assets:</b>			
Capital assets, nondepreciable	460,080	1,202,155	2,800
Capital assets, depreciable	7,236,995	8,581,452	964,109
<b>Total Noncurrent Assets</b>	<b>7,697,075</b>	<b>9,783,607</b>	<b>966,909</b>
<b>Total Assets</b>	<b>11,445,465</b>	<b>14,935,850</b>	<b>2,082,129</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension contribution after measurement date	63,898	166,069	137,912
Employer's actual contribution in excess of employer's proportional share of contribution	5,725	14,879	12,357
Positive adjustment due to difference in proportion	10,222	26,565	22,061
<b>Total deferred outflows of resources</b>	<b>79,845</b>	<b>207,513</b>	<b>172,330</b>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts payable	57,186	15,420	30,722
Accrued payroll and benefits	53,934	39,272	69,331
Due to component unit	-	3,012	-
Deposits payable	79,142	-	10,607
Unearned revenues	-	-	107,831
Compensated absences, due within one year	5,118	2,309	5,861
Notes payable, due within one year	-	-	99,099
<b>Total Current Liabilities</b>	<b>195,380</b>	<b>60,013</b>	<b>323,451</b>
<b>Noncurrent Liabilities</b>			
Compensated absences, due in more than one year	25,712	11,599	29,444
Note payable, due in more than one year	-	-	695,567
Aggregate net pension liabilities	569,974	1,481,333	1,230,182
<b>Total Noncurrent Liabilities</b>	<b>595,686</b>	<b>1,492,932</b>	<b>1,955,193</b>
<b>Total Liabilities</b>	<b>791,066</b>	<b>1,552,945</b>	<b>2,278,644</b>

**City of Morro Bay**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**For the Year Ended June 30, 2015**

	Business-Type Activities		
	Water Fund	Sewer Fund	Harbor Fund
<b>Operating Revenues:</b>			
Charges for services	\$ 3,311,970	\$ 4,323,986	\$ 1,894,203
Other revenues	-	6,267	16,759
<b>Total operating revenues</b>	<u>3,311,970</u>	<u>4,330,253</u>	<u>1,910,962</u>
<b>Operating Expenses:</b>			
Employee wages and benefits	727,156	500,328	931,222
Insurance costs	73,394	38,980	80,783
Transportation services	-	-	-
Public works	-	2,643,944	-
Depreciation	273,878	497,122	202,219
Maintenance	138,451	65,907	122,692
Administration	2,841,432	265,191	780,903
Supplies	58,317	155,867	76,189
<b>Total operating expenses</b>	<u>4,112,628</u>	<u>4,167,339</u>	<u>2,194,008</u>
<b>Operating income (loss)</b>	<u>(800,658)</u>	<u>162,914</u>	<u>(283,046)</u>
<b>Nonoperating Income (loss):</b>			
Intergovernmental	-	-	147,262
Rental income	-	23,370	-
Investment earnings	20,388	36,007	9,823
Gain on sale of capital assets	-	-	9,500
Interest expense	-	-	(40,027)
<b>Total nonoperating income (loss)</b>	<u>20,388</u>	<u>59,377</u>	<u>126,558</u>
<b>Net income (loss) before transfers</b>	<u>(780,270)</u>	<u>222,291</u>	<u>(156,488)</u>
<b>Transfers:</b>			
Transfers in	28,410	-	-
Transfers out	(279,105)	(194,757)	(281,986)
<b>Total transfers</b>	<u>(250,695)</u>	<u>(194,757)</u>	<u>(281,986)</u>
<b>Changes in net position</b>	<u>(1,030,965)</u>	<u>27,534</u>	<u>(438,474)</u>
<b>Net Position:</b>			
Beginning of the year, as restated (Note 11)	11,604,311	13,144,718	67,020
End of the year	<u>\$ 10,573,346</u>	<u>\$ 13,172,252</u>	<u>\$ (371,454)</u>



**City of Morro Bay**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2015**

	Business-Type Activities		
	Water Operating Fund	Sewer Fund	Harbor Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts from services provided	\$ 3,362,113	\$ 4,324,954	\$ 1,937,094
Cash paid to suppliers for goods and services	(2,583,182)	(3,252,994)	(1,245,139)
Cash paid to employees	(745,334)	(538,745)	(957,469)
Net Cash Provided by (Used in) Operating Activities	<u>33,597</u>	<u>533,215</u>	<u>(265,514)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Transfers in (out)	(250,695)	(194,757)	(281,986)
Intergovernmental	(14,279)	33,889	46,187
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(264,974)</u>	<u>(160,868)</u>	<u>(235,799)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Payment on long-term debt	-	-	(94,832)
Interest paid	-	-	(40,027)
Proceeds from sale of capital assets	-	-	9,500
Acquisition of capital assets	(11,157)	(3,599)	-
Net Cash (Used In) Capital and Related Financing Activities	<u>(11,157)</u>	<u>(3,599)</u>	<u>(125,359)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	20,388	59,377	9,823
Net Cash Provided by Investing Activities	<u>20,388</u>	<u>59,377</u>	<u>9,823</u>
Net Increase (Decrease) In Cash and Cash Equivalents	<u>(222,146)</u>	<u>428,125</u>	<u>(616,849)</u>
<b>CASH AND CASH EQUIVALENTS:</b>			
Beginning of Year	2,633,612	4,136,536	1,123,961
End of Year	<u>\$ 2,411,466</u>	<u>\$ 4,564,661</u>	<u>\$ 507,112</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating Income (loss)	\$ (800,658)	\$ 162,914	\$ (283,046)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	273,878	497,122	202,219
Changes in assets and liabilities:			
(Increase)/decrease in accounts receivables	50,153	(5,299)	(53,275)
(Increase)/decrease in other receivables	(10)	-	-
(Increase)/decrease in prepaid items	524,155	500	758
(Increase)/decrease in deferred outflows of resources related to pension	(10,317)	(6,622)	(5,498)
Increase/(decrease) in accounts payable	1,282	(83,605)	(184,718)
Increase/(decrease) in accrued payroll and benefits	217	6,578	3,755
Increase/(decrease) in deposits payable	2,975	-	(612)
Increase/(decrease) in unearned revenue	-	-	79,407
Increase/(decrease) in compensated absences	(193)	2,309	9,280
Increase/(decrease) in net pension liabilities	(160,891)	(418,144)	(347,251)
Increase/(decrease) in deferred inflows of resources related to pension	153,006	377,462	313,467
Net Cash Provided by (Used in) Operating Activities	<u>\$ 33,597</u>	<u>\$ 533,215</u>	<u>\$ (265,514)</u>