Fiscal/Calendar Year: FY 2015-2016

Grantee Name: City of Benicia
Contact Person: Abigail M. Urrutia
Contact Phone: (707) 746-4222
Mailing Address: 250 East L Street
Benicia, CA 94510

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.

2. Revenue
   a. What was the gross revenue received or generated from trust land or trust assets during the past fiscal year? $211,958 page 27
      Rents by Benicia Harbor Corp = $170,832.00 Percentage Rent = $41,126.00

3. Expenses
   a. What was the total expenditure of funds received or generated from trust land or assets during the past fiscal year? $392,783 page 27
      Professional services = $34,568.00 Marina dredging = $220,485.00 Cost allocation = $16,075.00 Interest expense = $121,655.00

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

   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?
      No. No.

   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 = ($542,876) Ending = ($723,701) page 27

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.
## Assets

### Current Assets:

- **Cash and investments (Note 3):**
  - Available for City operations: $1,457,780
  - Restricted cash and investments held by fiscal agents: 238
- **Accounts receivable:**
  - Wastewater: 1,803,948
  - Water: 1,866,101
  - Marina: 106,327
  - Totals: $3,776,376
- **Interest receivable:**
  - Wastewater: 6,447
  - Water: 3,796
  - Marina: 2,243
  - Totals: 12,486
- **Materials, parts and supplies (Note 1H):**
  - Wastewater: 27,635
  - Water: 771,410
  - Marina: 75,000
  - Totals: $8,086
  - Prepaid items (Note 1H):
    - Wastewater: 75,000
    - Water: 75,000
    - Marina: 16,145
    - Totals: $162,145

### Non-Current Assets:

- **Property, Plant and Equipment (Note 6):**
  - Wastewater: 669,710
  - Water: 1,850,389
  - Marina: 63,983
  - Totals: $2,584,082
- **Long-Term Assets:**
  - Other assets:
    - Wastewater: 62,922
    - Water: 18,610
    - Marina: 81,532
    - Totals: $165,057
  - Loans receivable (Note 5):
    - Wastewater: 425,000
    - Water: 420,000
    - Marina: 3,776
    - Totals: $889,776

### Total Assets:

- Wastewater: $16,416,810
- Water: $11,179,901
- Marina: $361,410
- Totals: $17,958,121

### Deferred Outflows of Resources:

- Related to pension (Note 10):
  - Wastewater: 509,608
  - Water: 639,744
  - Marina: 1,149,352
  - Totals: $2,898,704

### Liabilities:

- **Current Liabilities:**
  - Accounts payable:
    - Wastewater: 178,726
    - Water: 214,290
    - Marina: 393,016
    - Totals: $1,086,032
  - Customer and performance deposits:
    - Wastewater: 86,895
    - Water: 75,000
    - Marina: 161,895
    - Totals: $323,085
  - Interest payable:
    - Wastewater: 56,443
    - Water: 12,654
    - Marina: 110,891
    - Totals: $299,988
  - Due to other funds (Note 4B):
    - Wastewater: 12,300
    - Water: 678,449
  - Unearned revenue:
    - Wastewater: 143,166
    - Water: 132,732
    - Marina: 275,898
    - Totals: $651,796
  - Workers’ compensation claims (Note 12):
    - Wastewater: 2,266,063
    - Water: 1,959,966
    - Marina: 2,460,473
    - Totals: $6,686,502
- **Net Property, Plant and Equipment:**
  - Wastewater: 51,225,486
  - Water: 33,582,190
  - Marina: 2,142,763
  - Totals: $88,750,439
- **Total Current Liabilities:**
  - Wastewater: $2,535,008
  - Water: $1,885,093
  - Marina: $376,219
  - Totals: $4,796,320
  - Non-Current Liabilities:
    - Workers’ compensation claims (Note 12):
      - Wastewater: 1,959,966
      - Water: 2,460,473
      - Marina: 1,989,078
      - Totals: $5,409,517
    - Unearned revenue:
      - Wastewater: 143,166
      - Water: 132,732
      - Marina: 275,898
      - Totals: $651,796
    - Total Non-Current Liabilities:
      - Wastewater: $2,026,765
      - Water: $1,438,522
      - Marina: $190,328
      - Totals: $4,655,615
    - Total Liabilities:
      - Wastewater: $2,535,008
      - Water: $1,885,093
      - Marina: $376,219
      - Totals: $4,796,320

### Deferred Inflows of Resources:

- Related to pension (Note 10):
  - Wastewater: 472,280
  - Water: 592,885
  - Marina: 1,065,165
  - Totals: $2,130,330

### Net Position (Note 8):

- Net investment in capital assets:
  - Wastewater: 48,099,272
  - Water: 31,254,039
  - Marina: 1,952,435
  - Totals: $81,305,746
- Restricted for debt service:
  - Wastewater: 4,615,812
  - Water: 2,207,282
  - Marina: 4,837,150
  - Totals: $11,660,244

### Change in Net Position of Business-Activities:

- Wastewater: $52,715,084
- Water: $33,461,321
- Marina: $(33,509)
- Totals: $86,931,345

Some amounts reported for business-type activities in the Statement of Net Position are different because certain internal service fund assets and liabilities are included with business-type activities.

Change in Net Position of Business-Activities: $86,931,345
CITY OF BENICIA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2016

<table>
<thead>
<tr>
<th>Business-type Activities-Enterprise Funds</th>
<th>Governmental Activities-Internal Service Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wastewater</td>
<td>Benicia Marina</td>
</tr>
<tr>
<td>Operating Revenues</td>
<td></td>
</tr>
<tr>
<td>Charges for services</td>
<td>$8,621,332</td>
</tr>
<tr>
<td>Connection fees</td>
<td>52,904</td>
</tr>
<tr>
<td>Rentals</td>
<td></td>
</tr>
<tr>
<td>Refunds and rebates</td>
<td>735</td>
</tr>
<tr>
<td></td>
<td>Total Operating Revenues</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td></td>
</tr>
<tr>
<td>Wages and benefits</td>
<td>2,399,383</td>
</tr>
<tr>
<td>Materials and supplies</td>
<td>307,459</td>
</tr>
<tr>
<td>Operations and maintenance</td>
<td>3,002,069</td>
</tr>
<tr>
<td>Purchased water</td>
<td>400,230</td>
</tr>
<tr>
<td>Depreciation</td>
<td>2,198,461</td>
</tr>
<tr>
<td>Claims and Insurance</td>
<td>24,003</td>
</tr>
<tr>
<td>Total Cost of Sales and Operating Expenses</td>
<td>7,931,375</td>
</tr>
<tr>
<td>Operating Income (Loss)</td>
<td>743,596</td>
</tr>
<tr>
<td>Nonoperating Revenues (Expenses)</td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>184,986</td>
</tr>
<tr>
<td>Interest (expense)</td>
<td>(307,999)</td>
</tr>
<tr>
<td>Amortization of issuance/discount</td>
<td>(23,541)</td>
</tr>
<tr>
<td>Intergovernmental revenue</td>
<td>78,164</td>
</tr>
<tr>
<td>Total Nonoperating Revenues (Expenses)</td>
<td>(146,554)</td>
</tr>
<tr>
<td>Income (Loss) Before Capital Contributions</td>
<td></td>
</tr>
<tr>
<td>and Transfers</td>
<td>597,042</td>
</tr>
<tr>
<td>Transfers in (Note 4A)</td>
<td>711,187</td>
</tr>
<tr>
<td>Transfers (out) (Note 4A)</td>
<td>(150,000)</td>
</tr>
<tr>
<td>Change in Net Position</td>
<td>447,042</td>
</tr>
<tr>
<td>BEGINNING NET POSITION (DEFICIT)</td>
<td>52,268,042</td>
</tr>
<tr>
<td>ENDING NET POSITION (DEFICIT)</td>
<td>$52,715,084</td>
</tr>
</tbody>
</table>

Some amounts reported for business-type activities in the Statement of Activities are different because the portion of the net income of certain internal service funds is reported with the business-type activities which those funds serviced.

Change in Net Position of Business-type Activities

$1,303,703

See accompanying notes to financial statements
CITY OF BENICIA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2016

<table>
<thead>
<tr>
<th>Business-type Activities-Enterprise Funds</th>
<th>Governmental Activities-Internal Service Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH FLOWS FROM OPERATING ACTIVITIES</strong></td>
<td></td>
</tr>
<tr>
<td>Receipts from customers</td>
<td>$8,633,437</td>
</tr>
<tr>
<td>Payments to suppliers</td>
<td>(3,338,819)</td>
</tr>
<tr>
<td>Payments to employees</td>
<td>(2,332,507)</td>
</tr>
<tr>
<td>Refunds and rebates</td>
<td>(24,003)</td>
</tr>
<tr>
<td>Cash Flows from (used for) Operating Activities</td>
<td>2,938,108</td>
</tr>
</tbody>
</table>

| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** |                                               |
| Interfund receipts                        | 284,275                                       |
| Interfund payments                        | (150,000)                                     |
| Operating grant and contributions         | 78,164                                        |
| Principal paid on non-capital debt        | (150,000)                                     |
| Interest paid on non-capital debt         | (300,000)                                     |
| Cash Flows from (used for) Noncapital Financing Activities | (150,000)                                    |

| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** |                                               |
| Acquisition of capital assets             | (541,541)                                     |
| Principal payments on capital debt        | (1,972,785)                                   |
| Interest paid                             | (342,350)                                     |
| Cash Flows (used for) Capital and Related Financing Activities | (2,315,135)                                  |

| **CASH FLOWS FROM INVESTING ACTIVITIES** |                                               |
| Interest received                        | 181,275                                       |
| Cash Flows from Investing Activities      | 181,275                                       |
| Net Cash Flows                           | 654,248                                       |
| Cash and investments at beginning of period | 13,924,532                                   |
| Cash and investments at end of period     | $14,578,780                                   |

Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:

| Operating income (loss)                  | $743,596                                      |
| Adjustments to reconcile operating income (loss) to cash flows from operating activities: |                                           |
| Depreciation                             | 2,198,461                                     |
| Accounts payable and other accrued expenses | (50,493)                                    |
| Accrued compensated absences             | 22,781                                        |
| Refundable deposits                      | 44,095                                        |
| Due to retirement system                 |                                               |
| Workers' compensation claims             |                                               |
| Cash Flows from (used for) Operating Activities | $2,938,108                                   |

See accompanying notes to financial statements