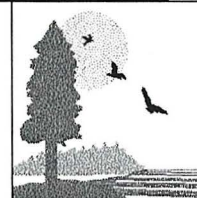


DUE DECEMBER 31

Pursuant to Public
Resources Code § 6306

Granted Public Trust Lands Standardized Reporting Form



Fiscal/Calendar Year: FY 2016/2017

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, 2017, they are shown on pages 70, 74 and 80.

2. Revenue

- a. What was the gross revenue received or generated from trust land or trust assets during the past fiscal year? \$96,041

- 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? \$96,458

- 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: \$84,426

Ending Balance: \$84,009

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 2016-17

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, 2017, they are shown on pages 70, 74 and 80.

<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?

\$ 96,040.96

- 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	\$	41,319.17
Capitola Boat & Bait	\$	30,338.58
Total Rent	\$	71,657.75

PG&E Gas and Electric

Wharf House Restaurant	\$	11,556.62
Capitola Boat & Bait	\$	4,905.54
Total Gas & Electric	\$	16,462.16

Sanitation District

Wharf House Restaurant	\$	3,314.14
Capitola Boat & Bait	\$	724.84
Total Sanitation	\$	4,038.98
	\$	92,158.89

Water rentals

Investment earnings

	\$	3,267.15
	\$	614.92
Total Revenue	\$	96,040.96

3. Expenses

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

\$ 96,457.98

- 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	\$	14,947.49
Wharf lights-LED conversion	\$	7,838.50
Total Improvements	\$	22,785.99

Utilities

PG&E Gas and Electric	\$	26,893.45
Sanitation District	\$	6,338.70
Water	\$	5,827.05
Janitorial services	\$	3,186.00
Meter reader	\$	480.00
Total Utilities	\$	42,725.20

Repairs and Maintenance

Wharf repairs & maintenance	\$	13,776.63
Wharf restaurant repairs	\$	1,335.00
Portable toilets	\$	4,431.11
Fire equip.	\$	339.15
Total Repairs and Maintenance	\$	19,881.89

Supplies

General supplies	\$	10,707.24
Memorial plaque supplies	\$	357.66
Total Supplies	\$	11,064.90

Total Expenses \$ 96,457.98

- 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 - 07/01/2016	\$	84,425.76
Ending Fund Balance - 06/30/2017	\$	84,008.74
2016-17 Revenues less Expenses	\$	(417.02)

December 8, 2017

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 \$96,041 for FY 2016-17, with \$41,319 from Wharf House Restaurant rent and \$30,339 from Capitola Boat & Bait rent. An additional \$23,768 in revenue is received by the City from these businesses as reimbursement for PG&E, sewer, and water services. \$615 was investment earnings. Total expenditures for the Wharf Fund were \$96,458 for FY 2016-17. \$14,947 was spent on a wharf condition assessment and \$7,839 was expended for LED light upgrades and maintenance. \$42,725 was spent on utilities, including gas and electric, sanitation, and water. \$19,882 was for long term wharf upkeep, repairs and maintenance. The remaining \$11,065 was for supplies.

CITY OF CAPITOLA
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2017

	SPECIAL REVENUE FUNDS		
	Supplemental Law Enforcement	Gas Tax	Wharf
ASSETS			
Cash and investments	\$ 12,835	\$ 7,521	\$ 88,228
Accounts receivable	-	-	-
Due from other governments	-	-	-
Total Assets	<u>\$ 12,835</u>	<u>\$ 7,521</u>	<u>\$ 88,228</u>
LIABILITIES			
Accounts payable	\$ 4,896	\$ 7,521	\$ 3,219
Accrued liabilities	-	-	-
Unearned revenue	-	-	-
Due to other funds	-	-	-
Deposits payable	-	-	1,000
Total Liabilities	<u>4,896</u>	<u>7,521</u>	<u>4,219</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Restricted	7,939	-	84,009
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances (Deficit)	<u>7,939</u>	<u>-</u>	<u>84,009</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 12,835</u>	<u>\$ 7,521</u>	<u>\$ 88,228</u>

CITY OF CAPITOLA
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended June 30, 2017

	SPECIAL REVENUE FUNDS		
	Supplemental Law Enforcement	Gas Tax	Wharf
REVENUES			
Taxes	\$ -	\$ 196,748	\$ -
Licenses and permits	-	-	-
Intergovernmental	100,000	-	-
Charges for services	-	-	-
Use of money and property	415	-	96,041
Other revenue	4,000	-	-
Total Revenues	104,415	196,748	96,041
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	194,297	-	-
Community development	-	-	-
Culture and recreation	-	-	96,458
Transportation	-	191,411	-
Capital outlay	-	-	-
Debt service:			
Principal	-	4,890	-
Interest and fiscal charges	-	447	-
Total Expenditures	194,297	196,748	96,458
Excess (Deficiency) of Revenues Over (Under) Expenditures	(89,882)	-	(417)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	40,124	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	-	40,124	-
Net Change in Fund Balances	(89,882)	40,124	(417)
Fund Balances (Deficit), Beginning of Year	97,821	(40,124)	84,426
Fund Balances (Deficit), End of Year	\$ 7,939	\$ -	\$ 84,009

**CITY OF CAPITOLA
Wharf Fund
Non-Major Governmental Fund
Budgetary Comparison Schedule
Year Ended June 30, 2017**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Use of money and property	\$ 86,850	\$ 86,850	\$ 96,041	\$ 9,191
Total revenues	86,850	86,850	96,041	9,191
Expenditures:				
Current:				
Culture and recreation	111,900	123,400	96,458	26,942
Total expenditures	111,900	123,400	96,458	26,942
Net change in fund balance	(25,050)	(36,550)	(417)	36,133
Fund balance, beginning	84,426	84,426	84,426	-
Fund balance, ending	\$ 59,376	\$ 47,876	\$ 84,009	\$ 36,133