

DUE DECEMBER 31 Pursuant to Public Resources Code § 6306

**Fiscal/Calendar Year:** 2020-2021

Grantee Name: City of Capitola

Contact Person: Mark Sullivan

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 "Yes", please list the name(s) of the fund(s).

Wharf fund

If "No", under what fund are they accounted for?

b. Are separate financial statements prepared for the trust?

YES  NO

If "Yes," describe the organization of the separate financial statement.

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

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 Annual Comprehensive Financial Report (ACFR) (attached and published link below). For the fiscal year ending June 30, 2021, they are shown on pages 87, 91 and 97.  
<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?

\$122,022.25

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

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?  
\$79,020.22
  
- 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?  
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 entity or under the management of another political subdivision of the grantee under an agreement, settlement, or memorandum of understanding.  
N/A

### **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: \$91,218

Ending Balance: \$134,220

December 31, 2021

## **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 \$122,022 for FY 2020-21, with \$46,870 coming from Wharf House Restaurant rent and \$45,311 from Capitola Boat & Bait rent. An additional \$29,206 in revenue is received by the City from these businesses as reimbursement for PG&E, sewer, and water services. \$635 was received as investment earnings. Total expenditures for the Wharf Fund were \$79,020 for FY 2020-21. \$43,861 was spent on utilities, including gas and electric, sanitation, and water. \$22,926 was for long term wharf upkeep, repairs and maintenance. The remaining \$12,233 was for supplies.

# Granted Public Trust Lands Standardized Reporting Form

Fiscal Year 2020-21

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, 2020, they are shown on pages 85, 89 and 95.**

<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?

**\$ 122,022.25**

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	\$	46,870.00
Capitola Boat & Bait	\$	45,310.76
Total Rent	\$	92,180.76

**PG&E Gas and Electric**

Wharf House Restaurant	\$	16,402.31
Capitola Boat & Bait	\$	6,354.34
Total Gas & Electric	\$	22,756.65

**Sanitation District**

Wharf House Restaurant	\$	1,729.44
Capitola Boat & Bait	\$	889.56
Total Sanitation	\$	2,619.00
	\$	117,556.41

**Water rentals**

\$ 3,830.78

**Investment earnings**

\$ 635.06

**Total Revenue** \$ 122,022.25

**3. Expenses**

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

\$ **79,020.22**

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	\$	-
Wharf pilings removal & replacement	\$	-
Total Improvements	\$	-

**Utilities**

PG&E Gas and Electric	\$	24,412.85
Sanitation District	\$	3,991.94
Water	\$	6,946.42
Janitorial services	\$	8,030.12
Meter reader	\$	480.00
Total Utilities	\$	43,861.33

**Repairs and Maintenance**

Wharf repairs & maintenance	\$	16,679.06
Wharf restaurant repairs	\$	1,755.98
Portable toilets, hand wash station	\$	4,256.29
Fire equipment	\$	234.49
Total Repairs and Maintenance	\$	22,925.82

**Supplies**

General supplies	\$	12,233.07
Memorial plaque supplies	\$	-
Total Supplies	\$	12,233.07

**Total Expenses** \$ 79,020.22

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 - 07/01/2020	\$	91,218.19
Ending Fund Balance - 06/30/2021	\$	134,220.22
2020-21 Revenues less Expenses	\$	43,002.03

**CITY OF CAPITOLA**  
**Non-Major Governmental Funds**  
**Combining Statements**  
**June 30, 2021**

**NON-MAJOR FUNDS**

**SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

**SB1 Road Rehab Fund** - This fund accounts for receipts and expenditures received from the passage of Senate Bill 1 – Road Repair and Accountability Act of 2017.

**Supplemental Law Enforcement Fund** - This fund accounts for the receipt and expenditure of Supplemental Law Enforcement revenues provided by the State of California.

**Gas Tax Fund** - This fund accounts for receipts and expenditures of gasoline tax revenues as provided by State law.

**Wharf Fund** - In accordance with the State law and contractual commitments, this fund accounts for wharf operating revenues and expenditures.

**Parking Reserve Fund** - This fund accounts for 16% of parking meter revenue from the village area (Parking Meter Zone A1). The fund was established to fund parking improvement projects throughout the village.

**Technology Fees Fund** - This fund accounts for revenues received from technology fees to be used for new permit processing program.

**PEG Cable TV Access Fee Fund** - This fund accounts for Public Education and Government (PEG) Cable TV access fees.

**Capitola Village and Wharf BIA Fund** - This fund accounts for the receipt and expenditure of assessments for the Business Improvement Area.

**Community Development Block Grants (CDBG) Fund** - This fund accounts for grant revenue applied for and received from the Federal Department of Housing and Urban Development (HUD) through the California Small Cities Grant Program administered by California Department of Housing and Community Development (HCD) to address local community development needs.

**CDBG Program Income** - This fund accounts for housing loan principal and interest repayments for the Community Development Block Grant (CDBG) Program.

**Affordable Housing** – This fund accounts for a flexible local source of funding for the creation of new affordable housing, rehabilitation of existing affording housing, funding of local programs to assist lower and moderate income buyers purchase affordable housing, or as leverage of local funds for larger State and Federal grants.

**Restricted Transient Occupancy Tax (TOT) Fund** - This fund accounts for the 0.75% of restricted Transient Occupancy Tax (TOT) as approved by Capitola voters in 2018. The Restricted TOT Fund is used receive and distribute the 0.40% of restricted TOT revenues for local business groups and the 0.35% of restricted TOT revenue dedicated to early childhood and youth programming.

**CITY OF CAPITOLA**  
**Non-Major Governmental Funds**  
**Combining Balance Sheet**  
**June 30, 2021**

	<b>SPECIAL REVENUE FUNDS</b>		
	SB1 Road Rehab and Maintenance	Supplemental Law Enforcement	Gas Tax
<b>ASSETS</b>			
Cash and investments	\$ 184,731	\$ 119,022	\$ 80,056
Accounts receivable	-	798	-
Due from other governments	18,400	86	56
Loans receivables, net	-	-	-
Total Assets	\$ 203,131	\$ 119,906	\$ 80,112
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ 20,845	\$ 12,236
Due to other funds	-	-	-
Deposits payable	-	-	-
Total Liabilities	-	20,845	12,236
<b>FUND BALANCES</b>			
Restricted	203,131	99,061	67,876
Unassigned	-	-	-
Total Fund Balances	203,131	99,061	67,876
Total Liabilities and Fund Balances	\$ 203,131	\$ 119,906	\$ 80,112

**SPECIAL REVENUE FUNDS**

Wharf	Parking Reserve	Technology Fees	PEG Cable TV Access Fee	Capitola Village and Wharf BIA	CDBG
\$ 137,778	\$ 737	\$ 83,433	\$ 80,728	\$ 30,924	\$ 27,740
-	-	-	-	3,296	-
106	-	-	3,108	-	-
-	-	-	-	-	-
<u>\$ 137,884</u>	<u>\$ 737</u>	<u>\$ 83,433</u>	<u>\$ 83,836</u>	<u>\$ 34,220</u>	<u>\$ 27,740</u>
\$ 2,664	\$ -	\$ -	\$ -	\$ 4,820	\$ 750
-	-	-	-	-	-
1,000	-	-	-	-	-
3,664	-	-	-	4,820	750
134,220	737	83,433	83,836	29,400	26,990
-	-	-	-	-	-
<u>134,220</u>	<u>737</u>	<u>83,433</u>	<u>83,836</u>	<u>29,400</u>	<u>26,990</u>
<u>\$ 137,884</u>	<u>\$ 737</u>	<u>\$ 83,433</u>	<u>\$ 83,836</u>	<u>\$ 34,220</u>	<u>\$ 27,740</u>



**CITY OF CAPITOLA**  
**Non-Major Governmental Funds**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Year Ended June 30, 2021**

	<b>SPECIAL REVENUE FUNDS</b>		
	SB1 Road Rehab and Maintenance	Supplemental Law Enforcement	Gas Tax
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ 225,061
Licenses and permits	-	-	-
Intergovernmental	185,820	119,042	-
Charges for services	-	-	-
Use of money and property	425	399	223
Other revenue	-	-	-
	<b>Total Revenues</b>	<b>119,441</b>	<b>225,284</b>
	186,245	119,441	225,284
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Public safety	-	91,942	-
Community development	-	-	-
Culture and recreation	-	-	-
Transportation	-	-	165,752
Debt service:			
Principal	-	-	-
Interest	-	-	-
	<b>Total Expenditures</b>	<b>91,942</b>	<b>165,752</b>
	-	91,942	165,752
Excess (Deficiency) of Revenues over (Under) Expenditures	<b>186,245</b>	<b>27,499</b>	<b>59,532</b>
	186,245	27,499	59,532
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
	-	-	-
Net change in fund balances	186,245	27,499	59,532
Fund Balances, beginning of year	16,886	71,562	8,344
Fund Balances, end of year	\$ 203,131	\$ 99,061	\$ 67,876

**SPECIAL REVENUE FUNDS**

<b>Wharf</b>	<b>Parking Reserve</b>	<b>Technology Fees</b>	<b>PEG Cable TV Access Fee</b>	<b>Capitola Village and Wharf BIA</b>	<b>CDBG</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	14,042	-	-
-	-	-	-	-	-
-	-	14,847	-	29,289	-
<b>122,022</b>	-	-	452	186	-
-	-	-	-	5,000	-
<b>122,022</b>	-	14,847	14,494	34,475	-
-	-	-	14,288	-	-
-	-	-	-	-	-
-	-	4,649	-	73,675	12,323
<b>79,020</b>	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<b>79,020</b>	-	4,649	14,288	73,675	12,323
<b>43,002</b>	-	10,198	206	(39,200)	(12,323)
-	-	-	-	27,286	-
-	-	-	-	-	-
-	-	-	-	27,286	-
<b>43,002</b>	-	10,198	206	(11,914)	(12,323)
<b>91,218</b>	737	73,235	83,630	41,314	39,313
<b>\$ 134,220</b>	<b>\$ 737</b>	<b>\$ 83,433</b>	<b>\$ 83,836</b>	<b>\$ 29,400</b>	<b>\$ 26,990</b>

**CITY OF CAPITOLA**  
**Wharf Fund**  
**Non-Major Governmental Fund**  
**Budgetary Comparison Schedule**  
**Year Ended June 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ 88,100	\$ 88,100	\$ 122,022	\$ 33,922
<b>Expenditures:</b>				
Current:				
Culture and recreation	88,100	88,100	79,020	9,080
Net change in fund balance	-	-	43,002	43,002
Fund balance, beginning of year	91,218	91,218	91,218	-
Fund balance, end of year	\$ 91,218	\$ 91,218	\$ 134,220	\$ 43,002