

DUE DECEMBER 31 Pursuant to Public Resources Code § 6306

Fiscal/Calendar Year: 2021-2022

Grantee Name: City of Capitola

Contact Person: Luis Ruiz

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, 2022, 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?

\$119,189.11

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?
\$98,522.96

- 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: \$134,220

Ending Balance: \$154,886

Granted Public Trust Lands Standardized Reporting Form

Fiscal Year 2021-22

Grantee Name: City of Capitola
 Contact Person: Luis Ruiz
 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, 2022, they are shown on pages 85, 89 and 95.

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2. Revenue

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

\$ 119,189.11

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	\$	48,121.78
Capitola Boat & Bait	\$	35,361.21
Total Rent	\$	83,482.99

PG&E Gas and Electric

Wharf House Restaurant	\$	21,055.90
Capitola Boat & Bait	\$	7,228.81
Total Gas & Electric	\$	28,284.71

Sanitation District

Wharf House Restaurant	\$	1,729.44
Capitola Boat & Bait	\$	889.56
Total Sanitation	\$	2,619.00
	\$	114,386.70

Water rentals

Investment earnings \$ 4,495.96

Investment earnings \$ 306.45

Total Revenue \$ 119,189.11

3. Expenses

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

\$ **98,522.96**

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	\$	31,215.98
Sanitation District	\$	6,067.78
Water	\$	7,808.40
Janitorial services	\$	10,496.78
Meter reader	\$	480.00
Total Utilities	\$	56,068.94

Repairs and Maintenance

Wharf repairs & maintenance	\$	16,632.81
Wharf restaurant repairs	\$	2,570.00
Portable toilets, hand wash station	\$	6,963.02
Fire equipment	\$	239.57
Total Repairs and Maintenance	\$	26,405.40

Supplies

General supplies	\$	16,048.62
Memorial plaque supplies	\$	-
Total Supplies	\$	16,048.62

Total Expenses \$ 98,522.96

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 - 07/01/2021	\$	134,220.22
Ending Fund Balance - 06/30/2022	\$	154,886.37
2021-22 Revenues less Expenses	\$	20,666.15

December 31, 2022

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 \$119,189 for FY 2021-22, with \$48,122 coming from Wharf House Restaurant rent and \$35,361 from Capitola Boat & Bait rent. An additional \$35,400 in revenue is received by the City from these businesses as reimbursement for PG&E, sewer, and water services. \$306 was received as investment earnings. Total expenditures for the Wharf Fund were \$98,523 for FY 2021-22. \$56,069 was spent on utilities, including gas and electric, sanitation, and water. \$26,405 was for long term wharf upkeep, repairs and maintenance. The remaining \$16,049 was for supplies.

CITY OF CAPITOLA
Non-Major Governmental Funds
Combining Statements
June 30, 2022

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, 2022

	SPECIAL REVENUE FUNDS		
	SB1 Road Rehab and Maintenance	Supplemental Law Enforcement	Gas Tax
ASSETS			
Cash and investments	\$ 299,544	\$ 164,197	\$ 134,459
Accounts receivable	-	-	-
Due from other governments	18,286	-	18,979
Loans receivables, net	-	-	-
Total Assets	\$ 317,830	\$ 164,197	\$ 153,438
LIABILITIES			
Accounts payable	\$ 2,631	\$ 9,713	\$ 2,847
Deposits payable	-	-	-
Total Liabilities	2,631	9,713	2,847
FUND BALANCES			
Restricted	315,199	154,484	150,591
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances	315,199	154,484	150,591
Total Liabilities and Fund Balances	\$ 317,830	\$ 164,197	\$ 153,438

SPECIAL REVENUE FUNDS

Wharf	Parking Reserve	Technology Fees	PEG Cable TV Access Fee	Capitola Village and Wharf BIA	CDBG
\$ 167,021	\$ 737	\$ 92,528	\$ 85,299	\$ 34,073	\$ (189,058)
(6,843)	-	4,375	-	5,584	173,285
-	-	-	3,260	-	-
-	-	-	-	-	-
<u>\$ 160,178</u>	<u>\$ 737</u>	<u>\$ 96,903</u>	<u>\$ 88,559</u>	<u>\$ 39,657</u>	<u>\$ (15,773)</u>
\$ 4,291	\$ -	\$ -	\$ 24,758	\$ 262	\$ 3,000
1,000	-	-	-	-	-
<u>5,291</u>	<u>-</u>	<u>-</u>	<u>24,758</u>	<u>262</u>	<u>3,000</u>
154,887	737	96,903	63,801	39,395	(18,773)
-	-	-	-	-	-
-	-	-	-	-	-
<u>154,887</u>	<u>737</u>	<u>96,903</u>	<u>63,801</u>	<u>39,395</u>	<u>(18,773)</u>
<u>\$ 160,178</u>	<u>\$ 737</u>	<u>\$ 96,903</u>	<u>\$ 88,559</u>	<u>\$ 39,657</u>	<u>\$ (15,773)</u>

**CITY OF CAPITOLA
Wharf Fund
Non-Major Governmental Fund
Budgetary Comparison Schedule
Year Ended June 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Revenues:				
Use of money and property	\$ 88,100	\$ 88,100	\$ 119,190	\$ 31,090
Expenditures:				
Current:				
Culture and recreation	88,100	88,100	98,523	(10,423)
Net change in fund balance	-	-	20,667	20,667
Fund balance, beginning of year	134,220	134,220	134,220	-
Fund balance, end of year	<u>\$ 134,220</u>	<u>\$ 134,220</u>	<u>\$ 154,887</u>	<u>\$ 20,667</u>