A monarch butterfly with vibrant orange wings and black veins is perched on a green leafy plant. The butterfly's wings are spread, showing the characteristic pattern of orange, black, and white spots. The background is a dense field of similar green plants, creating a natural and vibrant setting.

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR FISCAL YEAR 2017/18

GOLETA

CITY OF GOLETA
130 CREMONA DRIVE, SUITE B
GOLETA, CALIFORNIA 93117
WWW.CITYOFGOLETA.ORG

CITY OF GOLETA, CALIFORNIA
· COMPREHENSIVE ANNUAL FINANCIAL REPORT
WITH REPORT ON AUDIT
BY INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS
YEAR ENDED JUNE 30, 2018

Prepared by:
Finance Department

INTRODUCTORY SECTION

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January 18, 2019

To the Honorable Mayor, Councilmembers and Citizens of the City of Goleta:

CITY COUNCIL

Paula Perotte
Mayor

Kyle Richards
Mayor Pro Tempore

Roger S. Aceves
Councilmember

Stuart Kasdin
Councilmember

James Kyriaco
Councilmember

CITY MANAGER
Michelle Greene

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Goleta (City) for the fiscal year ended June 30, 2018. The report was prepared by the City's Finance Department in conformance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB), the authoritative body establishing U.S. generally accepted accounting principles for local governments and was audited in accordance with generally accepted auditing standards by an independent public accounting firm of licensed certified public accountants.

This report contains management representations concerning the finances of the City, and management assumes full responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To provide a reasonable basis for making these representations, City management has established a comprehensive internal control framework that is designed to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not exceed anticipated benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements are free from material misstatement. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the City. All disclosures necessary have been included to enable an understanding of the City's financial activities.

AUDITED FINANCIAL STATEMENTS

The City's financial statements have been audited by Moss, Levy, & Hartzhiem, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2018 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the overall accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion on the City's financial statements for the fiscal year ended June 30, 2018 and are fairly presented in

conformity with GAAP. The independent auditor's report is located starting on page 1 within the financial section of this report.

This CAFR has been prepared using the financial reporting requirements as prescribed by GASB Statement No. 34. GASB 34 requires that management provide a narrative introduction, overview and analysis to accompany the financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found beginning on page 3.

Organization of Report:

The report is organized in three sections: introductory, financial, and statistical.

The *Introductory* section includes this transmittal memorandum and general information on the City's government structure and services provided. It includes a list of principal officials, an organizational chart, and the Government Finance Officers Associations (GFOA) Certificate of Achievement for Excellence in Financial Reporting.

The *Financial* section contains the independent auditor's report on the financial statement audit, the Management Discussion & Analysis (MD&A), basic financial statements, required supplementary information, and combining and individual fund presentations and supplementary information.

The *Statistical* section includes selected financial and demographic information generally presented on a multi-year basis. This information includes financial trends, revenue capacity, debt capacity, demographics and economic and operating information.

PROFILE OF THE CITY OF GOLETA

The City of Goleta incorporated on February 1, 2002 as a General Law City under the laws of the State of California. The City of Goleta encompasses approximately 8 square miles in southern Santa Barbara County and has a population of approximately 31,949. The City is 10 miles west of the City of Santa Barbara and is approximately 90 miles northwest from Los Angeles.

The City operates under the Council-Manager form of government. The City Council is comprised of four members elected at large for staggered four-year terms of office, and one Mayor elected at large to serve a two-year term. A Mayor Pro Tempore is selected by the Council from among its members to serve a one-year term.

The City Council serves as the legislative and policy-making body of the City, enacting all laws and directing such actions as are required to provide for the general welfare of the community. The City provides municipal services through contracts for such services as street, park, and landscape maintenance. The City of Goleta also contracts with the Santa Barbara County Sheriff's Department for law enforcement services. Fire protection services are provided by Santa Barbara County Fire Department. There are 477 acres of parks and open space within City limits. The City owns the Goleta Public Library and contracted with the City of Santa Barbara for library services through fiscal year 2017/18. In August 2017, the City Council took action to pursue and assume direct management and operations of the Goleta Library starting July 1, 2018.

The City Manager, appointed by the City Council, serves as the Chief Executive Officer and is responsible to the City Council for administration of all City affairs and the implementation of all

policies established by the City Council. The City Attorney serves under contract and is appointed by the City Council. All other staff are appointed by the City Manager.

ECONOMIC CONDITION AND OUTLOOK

The City of Goleta is comprised of single-family homes, condominiums and apartments with a mixture of retail, light industrial, manufacturing, and service entities providing a diverse tax base for the City. Property tax, sales tax, transient occupancy tax (TOT), and franchise fees comprise approximately 90% of the City's General Fund revenues for fiscal year 2017/18.

The City of Goleta and its immediate vicinity provide a significant share of the South Coast and County's basic economic activity in the form of educational services, intellectual services, tourism, retail and manufacturing. The City enjoys a strong economic base resulting in stable property tax revenue, growing TOT and diverse sales tax revenues, as well as significant development related revenues. Out of the four primary revenue sources, TOT and sales tax are heavily dependent upon visitor and consumer behaviors. Staff continues to budget conservatively, as these revenues can vary from year to year. The City had two new hotels open in the late fall of 2017, which contributed to the fiscal year's significant TOT growth, along with one-time additional TOT collections from the result of the Thomas Fire and Debris Flow events. As the City looks toward the future, Goleta continues to see an overall stable local economy. While building activity is expected to reduce as larger development projects conclude construction, the housing/real estate market is expected to remain strong as reflected in Goleta's property tax revenues, due to increases in assessed values. Visitor services and travel are expected to remain steady, with small growth as the City will experience its first full fiscal year of additional TOT receipts from the two new hotels. The emergence of online sales tax has certainly impacted the retail sector, though future sales tax receipts are expected to remain steady as new established retailers open in Goleta. In addition, in November 2018, the City passed MeasureZ2018, that establishes a cannabis business tax on cannabis businesses operating within the City of Goleta.

In FY 2017/18, the City's General Fund expenditures exceeded revenues by \$1,956,129. When excluding capital outlay, General Fund "operating" revenues exceeded expenditures by \$883,739. The overall excess expenditures over revenues were primarily the result of one-time additional appropriations for capital outlay support by facility reserves, and prior fiscal year special projects and CIP projects that were carried over and completed in FY 2017/18.

As part of the incorporation process, the City of Goleta and the County of Santa Barbara entered into a Revenue Neutrality Agreement (RNA). This agreement requires that 50% of the City's portion of Property Tax and 30% of the City's portion of retail Sales Tax be allocated to the County in perpetuity. The County also received for the mitigation period of ten years, which expired in June 2012, an additional 20% of the City's portion of retail Sales Tax and 40% of the TOT generated by TOT taxpayers, staying in facilities that were in existence at City incorporation. Taken as a whole, the City generated approximately \$5.9 million in revenues that were paid to the County of Santa Barbara in FY 2017/18 in accordance with the RNA. The receipts and payments of the RNA are not included in the CAFR document.

MAJOR INITIATIVES

Management:

The City continues to maintain a strong and effective workforce of approximately 73 full-time equivalent positions in FY 2017/18, an increase of 7 FTE's from FY 2016/17. The City Manager has taken the lead in evaluating all departmental organizations to assist in determining organizational effectiveness and efficiency in an effort to meet the growing demands of the community and development related activities. New positions were added to support the direct management and operations of the Goleta Library and Solid Waste & Environmental Services. The City now uses a contract City Attorney rather than in-house City Attorney, resulting in budget savings and increased access to legal services. Reclassifications were also evaluated in several departments were adopted in Public Works and General Government. By fiscal year end, the City Council had received its organizational assessment of the Planning and Environmental Review Department and also prepared for assuming direct management and operation of the Goleta Library. In addition, the City began its operational and organizational assessment of the City Manager's Office and Neighborhood Services and Public Safety Department, which is expected to be completed by the end of FY 2018/19.

Goleta Library:

In August 2017, the City Council approved the transition to assume management and operations of the Goleta Library beginning on July 1, 2018 from the City of Santa Barbara. Santa Barbara had been providing management and operations services to Goleta Library since the City incorporated in 2002. After analyzing the feasibility of direct management, the City found benefits in reduced costs associated with administrative fees and allocated costs charged by Santa Barbara as they continue to seek full cost recovery in the future years. The Library is located at 500 North Fairview Avenue, Goleta, CA 93117 and consists of 15,437 square feet of building and 1.68 acres of adjacent parking lot and grounds. The Goleta Library circulates approximately 600,000 in materials for adults, children and teens. Annual visits to the library included approximately 261,000 visitors in FY 2016/17. The Goleta Library is supported by multiple special revenue funds and the General Fund. These special revenue funds include the City and County's Library Special Tax Measure L, related to Community Service Area No. 3 (CSA 3), along with a Library Development Impact Fee Fund and County Per Capita funding. In FY 2018/19 the City studied the feasibility of managing the City of Buellton and Solvang library, as recommended by the County of Santa Barbara Board of Supervisors, and at the desire of the respective cities. In December 2018, the City Council decided to pursue assuming management and operations of the Buellton and Solvang Libraries, beginning on July 1, 2019.

Economic Development

The City continues to work with the University of California, Santa Barbara (UCSB), to support new business ventures coming primarily out of UCSB and seeking to establish their new businesses in Goleta. Originally, the City, in partnership with UCSB and the Goleta Valley Chamber of Commerce, established Goleta Entrepreneurial Magnet (GEM) in an effort to support start-up companies and strengthen the local economy through supporting new and growing science and technology entrepreneurs. The close collaboration between the City and UCSB have produced networking events and workshops, programming opportunities and advisors to facilitate an environment conducive to entrepreneurial growth. GEM has pivoted its business model to focus more heavily on supporting businesses and no longer has a physical location.

Furthermore, the City Council adopted an Economic Development Strategic Plan which focuses on economic conditions and future programs that might enhance Goleta's economic environment. At the end of FY 2017/18, the City drafted its Cannabis Business License Permit Program to facilitate compliance with cannabis business operations and adopted its ordinance in July 2018. In November 2018, voters approved the City's cannabis business tax measure.

Capital Improvement Program and Special Projects

The City is currently underway with numerous significant capital improvement projects. The Capital Improvement Program (CIP) Budget totaled \$47,797,761 in FY 2017/18, in which the City's Public Works department completed several improvement projects. This included the San Jose Creek Emergency Repair Project, the FY 2017/18 Pavement Preparation and Slurry Project, Hollister Class 1 Bike Lane Project and is near completing the FY 2016/17 Pavement Rehabilitation Overlay Project, which is expected to be completed in FY 2018/19. The Hollister Class I Bike Path was also named Santa Barbara County Project of the Year by the Santa Barbara Ventura Branch of American Society of Civil Engineers (ASCE). In addition, other major projects such as Hollister/Kellogg Park Project (now known as Jonny D. Wallis Neighborhood Park), Cathedral Oaks Interchange Landscaping Project, Fairview Avenue Sidewalk Infill at Stow Canyon Project, and Crosswalk at South Kellogg Project all began in FY 2017/18 and are expected to be completed in FY 2018/19. The City is committed to projects that benefit the pedestrian and cycling community and continued work on the Bicycle and Pedestrian Master Plan (BPMP), which will facilitate the development of an integrated bicycle system throughout Goleta with connections to other regional bike systems. In October 2018, the BPMP was complete and adopted by City Council.

The City had several land acquisitions this fiscal year, which included the purchase of the Direct Relief International Building, that will be used for the Goleta Train Depot, acquired an additional parcel at the south ends of Mathilda and Ellwood Beach Drives for resource and open space preservation, and purchased a vacant lot in Old Town Goleta, to be used for the Orange Avenue Parking Lot Project. The City also purchased the Goleta RDA Successor Agency's vacant Hollister/Kellogg parcel that was used for the development of Jonny D. Wallis Neighborhood Park as mentioned above.

Significant grants were awarded to the City in FY 2017/18. These grants included a \$225,000 grant award to study safety corridors in the City of Goleta from the California Transportation Commission for Systematic Safety Analysis Report Program (SSARP), which will go towards the Goleta Traffic Safety Study. In addition, a \$13 million grant was awarded for the Goleta Train Depot in partnership with Santa Barbara County Association of Governments (SBCAG) from the Transit & Intercity Rail Capital Program (TIRCP), and will help construct a new full service train station adjacent to the existing train platform, make significant bicycle and pedestrian access improvements to enhance access to the station and substantially expand the number of parking spaces for passengers. At the end of FY 2017/18, the City received notice of \$3.9 million in grant funding from the California Coastal Conservancy for Ellwood Monarch Butterfly Grove Restoration Project that will carry into FY 2018/19. This grant will help the City address the management and restoration actions related to the butterfly habitat at Ellwood Mesa, which has suffered greatly because of the drought.

The City also recognizes that open space and natural resources are limited and valuable. In FY 2017/18 the City has begun work on its Parks, Facilities and Playgrounds Master Plan (Parks Master Plan). The Parks Master Plan will create a roadmap for upgrades, expansions, and potential additions to the City's parks system to meet both the current and future needs for parks, open space, and urban respite areas that contribute to the public health. It is anticipated to be completed by the end of FY 2018/19.

FINANCIAL CONTROLS:

Internal Controls:

The management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or other misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP and GASB. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the costs of a control should not exceed the benefits likely to be achieved, and the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of State, County, and Federal financial resources, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control structure is subject to periodic evaluation by management of the City.

Budgetary Controls:

The City Council adopts a two-year budget plan at the beginning of each two-year cycle and adopts an annual operating and capital budget prior to July 1st of each year. As such, the adopted two-year budget plan includes the operating and capital budget for the first year of the two-year plan. The operating and capital budget for the second year is adopted the following year as part of the mid-cycle budget review and is referred to as the Mid-Cycle Budget. FY 2017/18 is the first fiscal year of the adopted two-year budget plan. The City maintains budgetary controls designed to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund, Special Revenue Funds and all other governmental funds are programmed in the annual appropriated budget.

The annual operating and capital budget is arranged by department, program, and fund and serves as the foundation for the City's financial planning and control. The budget is reviewed quarterly, and necessary adjustments are made to ensure that expenditures are not outpacing anticipated revenues. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is at the fund and department level. Any unexpended appropriation balances for annually budgeted funds lapse at the end of the fiscal year, unless adopted on a "project-length" basis, therefore these appropriations are carried forward from year to year without re-appropriation until authorized amounts are fully expended for the designated purpose of completing the project.

OTHER INFORMATION

Spending Limitation

Article XIII B of the California Constitution, also known as the Gann spending limit, restricts the amount of "proceeds of taxes" California governments may spend. As of June 30, 2018, the City had not reached its Article XIII B spending limitation.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Goleta, California for its comprehensive annual financial report for the fiscal year ended June 30, 2017. This was the 15th consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Staff believes that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and staff will be submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this CAFR could not have been accomplished without the hard work and team effort of the Finance Department. We also wish to express appreciation to all other City departments that provided assistance.

Respectfully submitted,

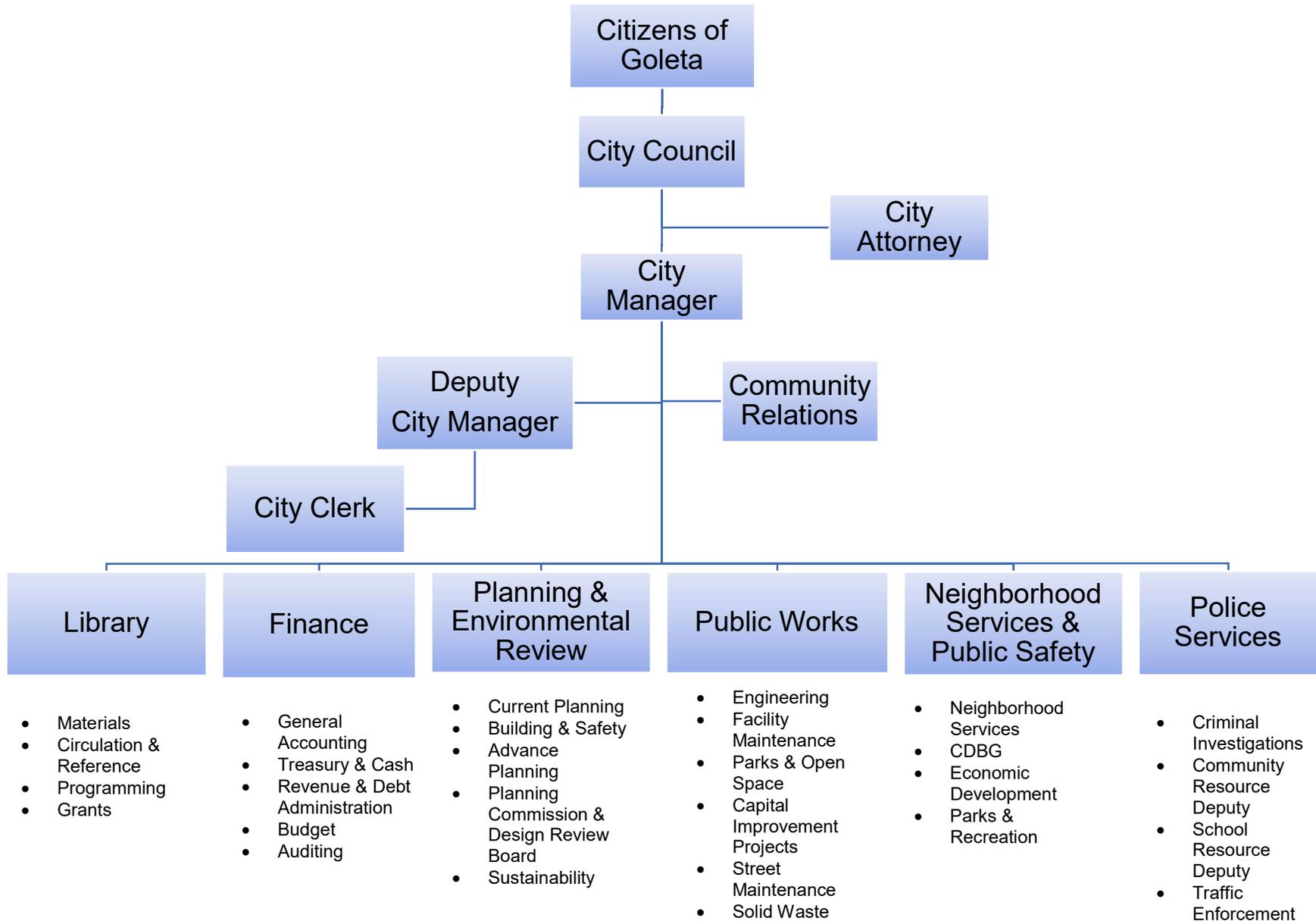

Michelle Greene
City Manager


Luke Rioux
Finance Director



City of Goleta Organizational Chart by Function

x



City of Goleta

List of Principal Officials Fiscal Year Ended June 30, 2018

CITY COUNCIL

Paula Perotte, Mayor
Stuart Kasdin, Mayor Pro Tempore
Roger Aceves, Councilmember
Michael T. Bennett, Councilmember
Kyle Richards, Councilmember

CITY MANAGER

Michelle Greene

CITY ATTORNEY

Michael Jenkins

EXECUTIVE MANAGEMENT

Vyto Adomaitis, Neighborhood Services & Public Safety Director
Charlie Ebeling, Public Works Director
Lt. Jason Grossini, Chief of Police
Peter Imhof, Planning & Environmental Review Director
Deborah Lopez, City Clerk
Carmen Nichols, Deputy City Manager
Luke Rioux, Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Goleta
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



Moss, Levy & Hartzheim LLP

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

City Council of the City of Goleta
Goleta, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Goleta, as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles general accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Goleta, as of June 30, 2018, and the respective changes in financial position, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Changes in Accounting Principles

As discussed in note 1 to the basic financial statements effective July 1, 2017, the City of Goleta adopted Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 12, the budgetary information on pages 51 through 55, the schedule of proportionate share of net pension liability on page 56, the schedule of pension contributions on page 57, the schedule of changes in OPEB liability on page 58, and the schedule of OPEB contributions on page 59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Goleta's basic financial statements. The introductory section, statistical section, combining nonmajor fund financial statements and schedules, and the fiduciary fund statement of changes in assets and liabilities are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements and schedules and the fiduciary fund statement of changes in assets and liabilities are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, nonmajor funds budgetary comparison schedules, and the fiduciary funds statement of changes in assets and liabilities are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 18, 2019, on our consideration of the City of Goleta's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Moss, Rice & Helgeson LLP

Santa Maria, California
January 18, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2018

The information in this section is not covered by the Independent Auditor's Report, but is presented as required supplementary information for the benefit of the readers of the Comprehensive Annual Financial Report (CAFR).

This discussion and analysis of the City of Goleta's financial performance provides an overview of the City's financial activities for the year ended June 30, 2018. The City encourages readers to consider the information presented here in conjunction with the letter of transmittal found on pages iii - xii, and the accompanying basic financial statements found on pages 13 -24 of this report.

FINANCIAL HIGHLIGHTS

- At the end of fiscal year 2018, the City's net position totaled \$231,275,718, a decrease of approximately 2.5% from the prior year. The decrease in net position is primarily due to increased liabilities related to GASB Statement 75 implementation and successor agency settlement agreement that is now reflected in the government-wide financial statements.
- Of the total net position, approximately \$6.7 million is unrestricted and thus may be used to meet the City's ongoing obligations.
- The City's total revenue equaled \$39,534,737, a decrease of \$4,638,333 or approximately 10.5% over the \$44,173,070 from last year, primarily related its program revenue, due to less grants received in fiscal year 2018. Though the City's general revenues experienced an increase of 22.3% primarily related to its sales tax and transient occupancy taxed collected.
- The General Fund reported excess expenditures over revenues of \$1,936,210 with expenditures of \$2,839,868 being for capital projects. This was primarily the result of the acquisition of the former Direct Relief International building 27 S. La Patera, for the Goleta Train Depot project.
- The General Fund had an ending fund balance of \$19,502,475, which was a decrease of \$1,936,210 from the \$21,438,685 fund balance last year. There is a balance of \$10,717,463 committed to meet the City's reserve policies, which decreased \$3,290,461 from the \$14,007,924 balance from last year. Capital Improvement Project funding accounts for \$1,927,751 of the \$4,448,640 assigned fund balance. There is also \$2,017,389 assigned to continuing encumbrances, \$170,000 assigned to pension benefits and \$333,500 assigned to other post-employment benefits, and \$4,286,175 of unassigned fund balance, which has increased by \$3,254,002 in comparison to last year at \$1,032,173.

USING THIS ANNUAL FINANCIAL REPORT

This annual report contains the City's Basic Financial Statements, which includes three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities that provide information about the activities of the City as a whole and allow a longer-term view of the City's finances. The Fund Financial Statements illustrate how City services are financed in the short-term as well as what remains for future spending. They also report the City's operations in more detail than the Government-Wide Financial Statements by providing information about the City's most significant funds. The Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Reporting the City as a Whole: The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the City's finances is, "Is the City as a whole better or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps to answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in them. The City's net position, the difference between assets/deferred outflows of resources and liabilities/deferred inflows of resources, is one way to measure the City's financial health or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Consideration should also be given to other non-financial factors, such as changes in the City's property tax bases and the condition of the City's roads, to assess the overall health of the City.

All of the City's basic services are considered to be governmental activities. The Statement of Net Position and the Statement of Activities present information about these Governmental activities, including General Government, Community Development, Community Services (Planning and Environmental Review and Neighborhood Services), Public Safety, and Public Works. Property Tax, Sales Tax, Transient Occupancy Tax and Franchise Tax finance approximately 66% of these activities.

Reporting the City's Most Significant Funds: Fund Financial Statements

The Fund Financial Statements provide detailed information about the most significant funds, not the City as a whole. Included are the General Fund, Goleta Transportation Improvement Program (GTIP), Park Development Impact Fees (Park DIF), Public Administration Facilities Development Impact Fees, Active Transportation Program, as well as lesser funds reported collectively as Other Governmental Funds. Some funds are required to be established by State law, however, the City establishes many other funds to help it control and manage money for specified purposes or to demonstrate that the City is meeting legal responsibilities for using certain taxes, grants, and other money. The City currently has just one type of fund, governmental, which uses the following accounting approach.

Governmental Funds focus on how money flows into and out of those funds and the balances left at year-end that are available for future appropriation. Most of the City's basic services are reported in governmental funds. These funds are reported using an accounting method known as modified accrual accounting. Under this method of accounting, revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current fiscal period while expenditures are recognized in the accounting period in which the liability is incurred.

The Governmental Fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or less financial resources that can be spent in the near future to finance the City's programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Position and Statement of Activities) and Governmental Funds are described in the reconciliation schedules accompanying the Fund Financial Statements.

The City as Trustee: Reporting the City's Fiduciary Responsibilities

The City is the trustee, or fiduciary, for certain amounts held on behalf of the Successor Agency to the Goleta Redevelopment Agency, developers, property owners, and others. The City's fiduciary activities are reported in separate Fiduciary Fund Statements. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

THE CITY AS A WHOLE

Summary of Net Position

The analysis focuses on the net position (See Table 1) and changes in net position (Table 2) of the City's governmental activities. The City does not have any business type activities. Table 1 below summarizes the Statement of Net Position for Governmental Activities as of June 30, 2018, with comparative totals as of June 30, 2017. As previously stated, the net position at year end serves as a useful indicator over time whether the City's financial position is improving or deteriorating.

Table 1
Summary of Net Position
As of June 30, 2018 and 2017

	Governmental Activities	
	2018	2017
Assets		
Current and other assets	\$ 55,646,474	\$ 62,009,688
Capital Assets	189,886,349	180,871,756
Total Assets	245,532,823	242,881,444
Deferred outflow - pension contributions	1,965,175	1,866,959
Liabilities		
Current liabilities	4,930,987	3,773,546
Long Term Liabilities:		
Net pension liability	2,749,352	2,219,286
Due in one year	1,352,373	146,313
Due in more than one year	6,837,755	1,236,805
Total Liabilities	15,870,467	7,375,950
Deferred inflows of resources		
Deferred pension	140,036	169,207
Deferred OPEB	211,777	
Deferred inflow of resources	351,813	169,207
Net Position:		
Net investment in capital assets		
Depreciation and related debt	189,886,349	180,871,756
Restricted	34,623,415	36,891,364
Unrestricted	6,765,954	19,440,126
Total Net Position	\$ 231,275,718	\$ 237,203,246

As shown in Table 1, at June 30, 2018 the City's net position totaled \$231,275,718, a decrease of \$5,927,528 or approximately 2.5%. The overall decrease is primarily due to increases in total liabilities. Total liabilities of \$15,870,467 experienced an overall increase of \$8,494,517, or approximately 115%. This is primarily due to the growth in the City's proportionate share of net pension liability, now at \$2,749,352 of the City's pension plan and implementing GASB 75 for other postemployment benefit (OPEB) liabilities, which are similar to the provisions of GASB 68 for pensions. The City of Goleta implemented GASB Statement 68 effective fiscal year

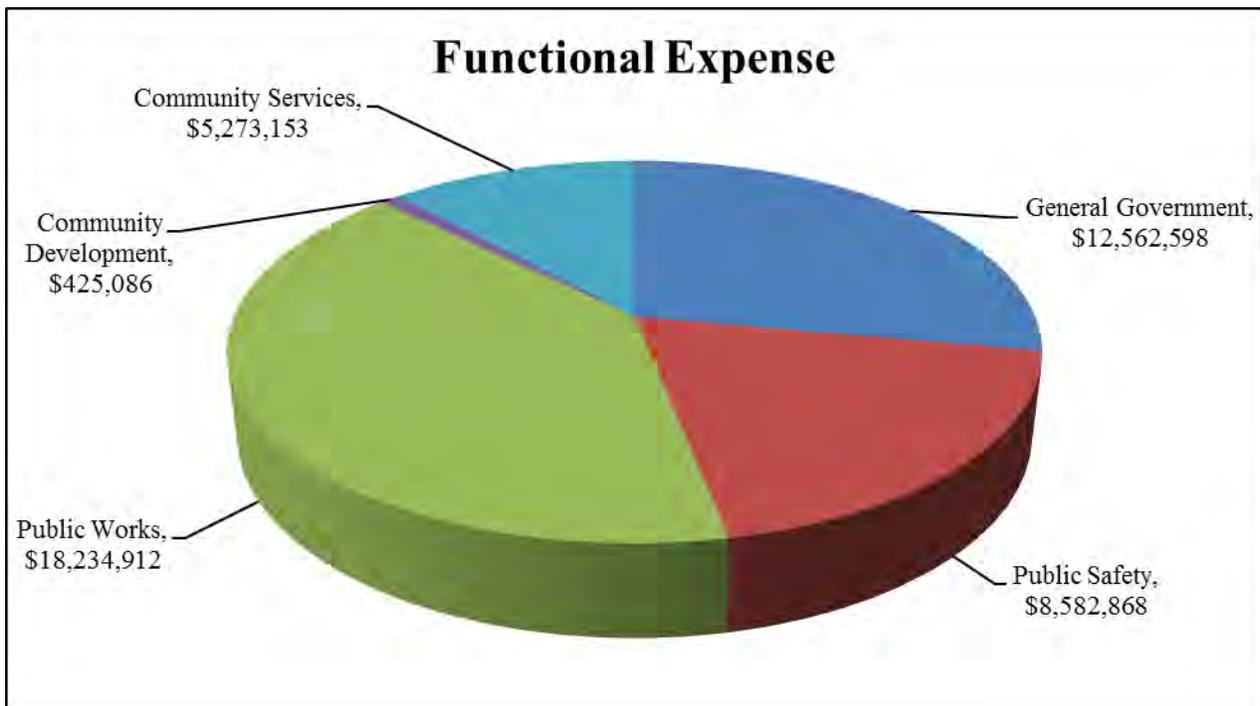
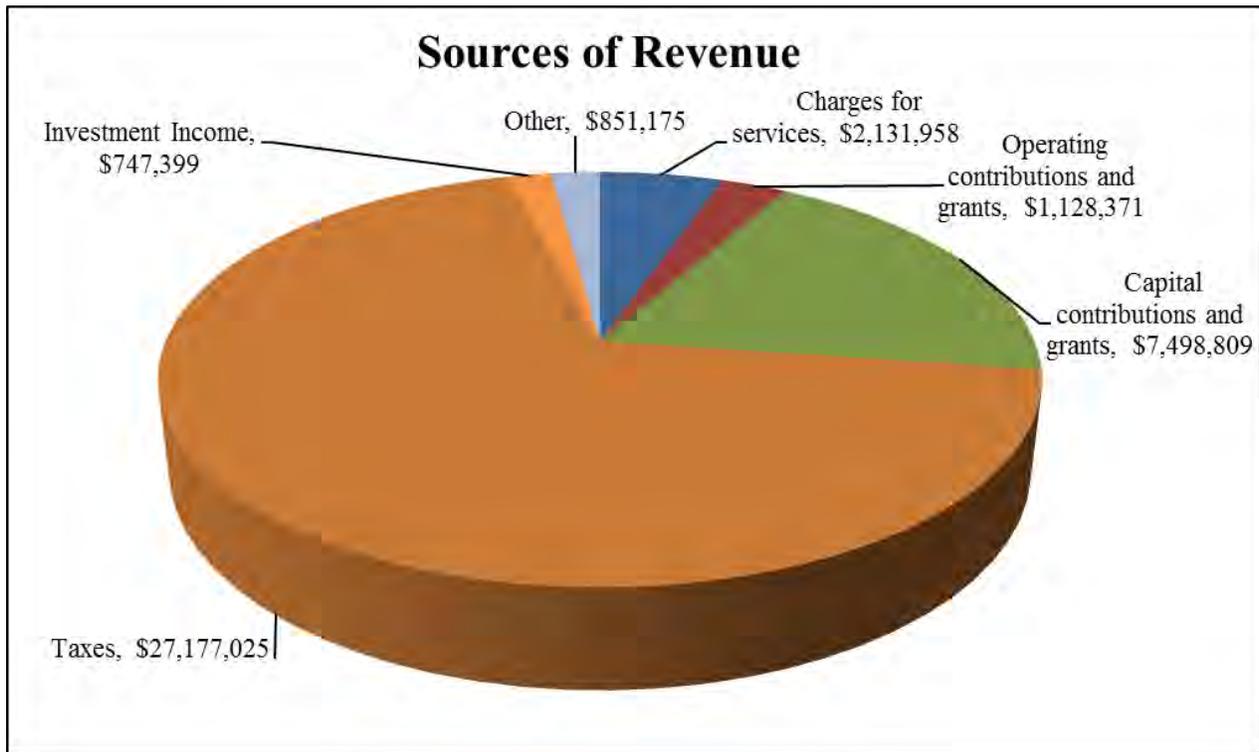
ended June 30, 2015 and implemented GASB Statement 75 effective fiscal year ended June 30, 2018. Additional information on the City's retirement and benefit plans can be found starting in Note 7 in the Notes to the Basic Financial Statements. The City will be setting up section 115 trusts or changing the amortization schedule to address the future impacts of pension liabilities and other postemployment benefit (OPEB) liabilities. Additionally, the City entered into a settlement agreement related to the Successor Agency of the Redevelopment Agency for \$6,431,587, in which additional information can be found starting in Note 5.

Capital assets totaled \$311,735,882 at year-end before accumulated depreciation of \$121,849,533, resulting in capital assets net of depreciation of \$189,886,349, which is an increase of approximately 5% over last year. The increase is primarily due to increased land. The City incurred \$14,613,470 in construction in process (not being depreciated), and completed CIP projects of \$9,150,286 that was moved over into infrastructure and buildings and improvements.

<u>Asset Type</u>		
Land	\$	36,700,221
Building and improvements		2,650,168
Furniture and equipment		998,474
Vehicles		727,704
Infrastructure and right of way		246,945,126
Construction in progress		<u>23,714,189</u>
Total capital assets		311,735,882
Less depreciation		<u>121,849,533</u>
Capital Assets net of Depreciation	\$	<u><u>189,886,349</u></u>

Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by legal requirements are \$6,765,954. This represents a \$12,674,172 or approximately 65% decrease from prior year.

Fiscal Year 2018 Governmental Activities
(See Table 2)



Changes in Net Position

Table 2 below, Changes in Net Position, provides details of how the City's net position changed from the prior year. Generally, it indicates whether the financial health of the City as a whole is better or worse at June 30, 2018, in relation to a year earlier. For the fiscal year ended June 30, 2018, the total net position decreased by \$5,543,880. This decrease is primarily due to an increase in expenditures over revenues as less program revenues related to grants were received by fiscal year ended June 30, 2018 and the City implemented GASB Statement 75 and settlement agreement related to the successor agency as previously described above.

Table 2
Changes in Net Position
Year Ended June 30, 2018 and 2017

	Governmental Activities	
	2018	2017
Revenues		
Program Revenues:		
Charges for services	\$ 2,131,958	\$ 3,739,507
Operating contributions and grants	1,128,371	3,713,955
Capital contributions and grants	7,498,809	13,182,430
General Revenues		
Taxes:		
Sales taxes	7,976,472	6,491,121
Property taxes levied for general purposes	6,504,431	6,051,805
Transient occupancy tax	10,117,460	8,615,207
Franchise taxes	1,325,238	1,202,162
Other taxes	1,253,424	246,876
Investment Income	747,399	148,899
Other	851,175	781,108
Total Revenues	39,534,737	44,173,070
Expenses		
General Government	12,562,598	6,755,208
Public Safety	8,582,868	7,741,361
Public Works	18,234,912	10,965,391
Community Development	425,086	49,858
Community Services	5,273,153	6,359,917
Total Expenses	45,078,617	31,871,735
Change in Net Position	(5,543,880)	12,301,335
Beginning Net Position	237,203,246	224,901,911
Prior Period Adjustment	(383,648)	-
Beginning Net Position, restated	236,819,598	224,901,911
Ending Net Position	\$ 231,275,718	\$ 237,203,246

The City's total revenues were \$39,534,737 while the total cost of all programs and services was \$45,078,617. Transient Occupancy Tax (TOT) of \$10,117,460 is the City's largest revenue source at approximately 26%, while Sales Taxes of \$7,976,472 is the City's second largest revenue source at approximately 20%. Property Tax of \$6,504,431 is the City's third largest revenue source at approximately 16%. These revenues fund a significant portion of the City's basic services. The City also had a prior period adjustment of \$383,648 related to the implementation of GASB 75, overstatement of prior fiscal year claims and judgement payable, and understatement of deposits payable. Additional information on the prior period adjustment can be found on Note. 17

Government Activities

Table 3 presents the cost of each of the City's programs, General Government, Public Safety, Public Works, Community Development, Community Services as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

Table 3
Net Cost of Governmental Activities
Year Ended June 30, 2018

	Total Cost of Services	Net Cost of Services
General Government	\$ 12,562,598	\$ (12,562,134)
Public Safety	8,582,868	(7,578,272)
Public Works	18,234,912	(10,514,851)
Community Development	425,086	1,478,429
Community Services	5,273,153	(5,142,651)
Totals	\$ 45,078,617	\$ (34,319,479)

- General Government expenses comprise approximately 28% of the governmental expenses and include City Council, City Manager, City Clerk, City Attorney, Public Outreach, Support Services, Library, Finance and Risk Management. Charges for services and other fees partially offset the cost of this program.
- Public Safety expenses comprise approximately 19% of the governmental expenses. Revenue from fines and capital grants partially offset the cost of this program.
- Public Works expenses comprise approximately 40% of the governmental expenses. Revenues from charges for services, operating and capital contributions and grants offset the cost of this program.
- Community Services and Community Development expenses comprise approximately 12% and 1%, respectively, of the governmental expenses. Related fees and charges for services partially offset the cost of this program.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

At fiscal year-end the City's Governmental Funds reported a combined fund balance of \$50,555,986, a decrease of \$6,703,418 over prior year. The General Fund decreased \$1,936,210. The GTIP Fund experienced an increase of \$2,377,762 as a result of developer impact fees collected for the year, and projects carried over into the next fiscal year. The Park DIF Fund Balance also increased by \$118,992, due to developer impact fees collected for the year, which are programmed towards park related capital projects. The Public Administration Facilities DIF fund balance decreased by \$1,805,512 due to the acquisition of the Amtrak train depot. The Active Transportation Program decreased \$1,278,424 due to the pending receipt of grants expected in the next fiscal year for the Hollister Class I Bike Path project. The total of Other Governmental Funds decreased by \$4,180,026 from \$11,755,974 to \$7,575,984 this fiscal year.

General Fund Budgetary Highlights

Revenues: Actual revenues of \$27,489,791 received came higher than the Final Budget by \$1,292,842, primarily as a result of higher property tax and transient occupancy tax receipts than originally anticipated. The City also experienced higher investment income due to rising interest rates compared to previous years. On an actual basis overall, the City experienced an approximately \$1.6 million or 6% increase in General Fund revenues. The Original Budget for General Fund revenues of \$25,761,949 was increased by \$435,000 to \$26,196,949 as part of the City's quarterly budget reviews throughout the year.

Expenditures: Actual expenditures were less than final budgeted amounts in all areas, with a positive variance of \$5,658,418. Budget savings were recognized with vacant positions, but with the majority related to special projects and capital projects, that will continue to be programmed in the next fiscal year. Less than anticipated expenditures were recognized by all departments, which includes General Government, Public Safety, Public Works and Community Services. Also, less than anticipated expenditures were recognized for Capital Outlay, which will result in carryovers of project budget balances into next fiscal year.

Appropriations: Variances between the Original and the Final budgets are primarily due to the inclusion of continuing appropriations for special projects from the prior year, as well as new allocations made by the City Council during the year.

Ending Fund Balance: The General Fund Ending Balance was \$19,502,475 as of June 30, 2018. This amount was higher than the final budget projection by \$6,937,044 as a result of the revenue and expenditure activity noted above.

Fund Balance:	
Non-spendable	
Prepaid Items	\$ 50,197
Committed	10,717,463
Assigned	4,448,640
Unassigned	<u>4,286,175</u>
 Total Fund Balance	 <u>\$ 19,502,475</u>

The Council has established fiscal policies for funding Compensated Absences, Risk Management, Equipment Acquisition and Replacement, Building Maintenance, Street Maintenance, and Litigation Defense reserves. These fiscal policies also specify that a minimum of 33% of total budgeted ongoing operating would be maintained as a Contingency Reserve. Based upon final budgeted General Fund expenditures and transfers, the Contingency Reserve is \$8,083,918. Additionally, the City Manager has approved the Continuing Designation of unexpended funds of \$2,017,389 assigned for special projects into the next fiscal year. Per Council direction, all remaining fund balance is to be placed in the Unassigned Fund Balance.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Capital assets include public domain (infrastructure) general fixed assets consisting of certain improvements including roads, streets, sidewalks, medians, and storm drains. The City has valued these assets at \$311,735,882 at the end of fiscal year 2018. After accumulated depreciation, the net book value of these infrastructure improvements totals \$189,886,349. (See Table 4)

Additional information on the City of Goleta's capital assets can be found in Notes 1F and 4 to the financial statements.

Table 4
Capital Assets at Year-End
(Net of Depreciation)

<u>Governmental Activities</u>	
Land	\$ 36,700,221
Buildings and improvements	2,650,168
Furniture and equipment	998,474
Vehicles	727,704
Infrastructure and right of way	246,945,126
Construction In progress	23,714,189
Depreciation	(121,849,533)
Total Fixed Assets	<u>\$ 189,886,349</u>

Long-Term Debt

At fiscal year-end the Long-term Debt reported by the City included Other Post-Employment Benefits (OPEB) and the Successor Agency settlement agreement.

Additional information on the City of Goleta's long-term debt can be found in Notes 1I, 1K, 1L, 5, 6, 7, and 8 to the financial statements.

Table 5
Long-Term Debt

<u>Governmental Activities</u>	
Compensated Absences	\$ 443,468
Successor Agency settlement agreement	6,431,587
OPEB Liability	1,827,335
Net Pension Liability	2,749,352
Total	<u>\$ 11,451,742</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The City's primary resources (Sales Tax, Property Tax, Transient Occupancy Tax "TOT" and Franchise Fees) are all potentially affected by fluctuations in the economy. Because the top four revenue sources in the General Fund provide funding for approximately 90% of City operations, management closely and regularly monitors these tax revenues for any trends that could negatively impact the City's financial condition. The current fiscal year 2017/18 economic indicators point to a continued regional recovery, which shows an upward trajectory in the largest tax revenue TOT, primarily due to a slight increase in room rates and an increase in the number of total rooms available throughout the City due to the opening of two new hotels in the fall of 2018. Sales tax is expected to remain relatively flat, as online sales increase and the City receiving its share of the county pool.

As we look towards the future, Goleta continues to see overall economic stability and expansion. The housing market is healthy as reflected in Goleta's property tax revenues as it's expected to remain robust and expand due to increases in assessed valuations and increased inventory in housing. The City Council continues to place strong emphasis on prudent finance management and multi-year financial planning, with quarterly review and analysis of its cash flows to ensure the long-term fiscal sustainability of the City of Goleta community and preservation of the organization as a going concern.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT STAFF

This financial report is designed to provide Goleta citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the City of Goleta Finance Department, 130 Cremona Dr. Suite B, Goleta, California 93117 or by calling (805) 961-7500.

CITY OF GOLETA
STATEMENT OF NET POSITION
June 30, 2018

	<u>Governmental Activities</u>
ASSETS:	
Cash and investments	\$ 52,320,059
Receivables:	
Accounts	3,140,608
Interest	9,212
Due from other governments	113,353
Prepaid items	63,242
Capital assets:	
Non Depreciable:	
Land	36,700,221
Rights of way	11,395,313
Construction in progress	23,714,189
Depreciable:	
Infrastructure	235,549,813
Vehicles	727,704
Furniture and equipment	998,474
Buildings and improvements	2,650,168
Accumulated depreciation	<u>(121,849,533)</u>
 Total assets	 <u>245,532,823</u>
 DEFERRED OUTFLOWS OF RESOURCES:	
Deferred pension	<u>1,965,175</u>
 Total deferred outflows of resources	 <u>1,965,175</u>
 LIABILITIES:	
Accounts payable	3,348,082
Accrued salaries and benefits	146,111
Retentions payable	488,587
Deposits payable	880,886
Unearned revenue	67,321
Noncurrent liabilities:	
Due within one year	1,352,373
Due in more than one year	<u>9,587,107</u>
 Total liabilities	 <u>15,870,467</u>
 DEFERRED INFLOWS OF RESOURCES:	
Deferred pension	140,036
Deferred OPEB	<u>211,777</u>
 Total deferred inflows of resources	 <u>351,813</u>
 NET POSITION:	
Net investment in capital assets	189,886,349
Restricted for:	
Public works	33,504,004
Community development	1,113,359
Community services	6,052
Unrestricted	<u>6,765,954</u>
 Total net position	 <u>\$ 231,275,718</u>

The notes to basic financial statements are an integral part of this statement.

CITY OF GOLETA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2018

	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net Position	
		Charges for Services	Operating Contributions and Grants		Capital Contributions and Grants
				Governmental Activities	
Governmental activities:					
General government	\$ 12,562,598	\$ 464	\$ -	\$ -	\$ (12,562,134)
Community development	425,086	1,268,821	-	634,694	1,478,429
Community services	5,273,153	-	-	130,502	(5,142,651)
Public safety	8,582,868	125,000	191,248	688,348	(7,578,272)
Public works	18,234,912	737,673	937,123	6,045,265	(10,514,851)
Total governmental activities	<u>\$ 45,078,617</u>	<u>\$ 2,131,958</u>	<u>\$ 1,128,371</u>	<u>\$ 7,498,809</u>	<u>(34,319,479)</u>
General Revenues					
Taxes:					
Property taxes					6,504,431
Sales and use taxes					7,976,472
Transient lodging tax					10,117,460
Franchise taxes					1,325,238
Other taxes					1,253,424
Fines and forfeitures					157,573
Use of money and property					747,399
Other general revenues					693,602
Total general revenues					<u>28,775,599</u>
Change in net position					<u>(5,543,880)</u>
Net position, beginning of fiscal year					237,203,246
Prior-period adjustment					<u>(383,648)</u>
Net position, July 1, restated					<u>236,819,598</u>
Net position, end of fiscal year					<u>\$ 231,275,718</u>

The notes to basic financial statements are an integral part of this statement.

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CITY OF GOLETA
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2018

	<u>Special Revenue Funds</u>		
	<u>General Fund</u>	<u>GTIP</u>	<u>Park DIF</u>
ASSETS:			
Cash and investments	\$ 16,505,249	\$ 15,151,633	\$ 10,952,558
Receivables:			
Accounts	2,569,065	-	-
Interest	3,042	2,553	1,880
Due from other governments	-	-	-
Prepaid items	50,197	-	-
Due from other funds	2,974,957	-	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 22,102,510</u>	<u>\$ 15,154,186</u>	<u>\$ 10,954,438</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:			
LIABILITIES			
Accounts payable	\$ 1,502,729	\$ 151,880	\$ 115,063
Accrued salaries and benefits	140,908	-	-
Retentions payable	161,452	3,466	10,493
Deposits payable	727,625	-	-
Unearned revenue	67,321	-	-
Due to other funds	-	-	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>2,600,035</u>	<u>155,346</u>	<u>125,556</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	-	-	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable	50,197	-	-
Restricted	-	14,998,840	10,828,882
Committed	10,717,463	-	-
Assigned	4,448,640	-	-
Unassigned	4,286,175	-	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUND BALANCES	<u>19,502,475</u>	<u>14,998,840</u>	<u>10,828,882</u>
	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 22,102,510</u>	<u>\$ 15,154,186</u>	<u>\$ 10,954,438</u>

The notes to basic financial statements are an integral part of this statement.

Special Revenue Funds (Continued)

Public Administration Facilities DIF	Active Transportation Program	Other Governmental Funds	Totals
\$ -	\$ -	\$ 9,710,619	\$ 52,320,059
-	-	571,543	3,140,608
-	-	1,737	9,212
-	-	113,353	113,353
-	-	13,045	63,242
-	-	-	2,974,957
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,410,297</u>	<u>\$ 58,621,431</u>
\$ -	\$ 33,875	\$ 1,544,535	\$ 3,348,082
-	-	5,203	146,111
-	39,142	274,034	488,587
-	-	153,261	880,886
-	-	-	67,321
685,147	1,591,995	697,815	2,974,957
<u>685,147</u>	<u>1,665,012</u>	<u>2,674,848</u>	<u>7,905,944</u>
-	-	159,501	159,501
-	-	159,501	159,501
-	-	13,045	63,242
-	-	8,795,348	34,623,070
-	-	-	10,717,463
-	-	-	4,448,640
(685,147)	(1,665,012)	(1,232,445)	703,571
<u>(685,147)</u>	<u>(1,665,012)</u>	<u>7,575,948</u>	<u>50,555,986</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,410,297</u>	<u>\$ 58,621,431</u>

CITY OF GOLETA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

June 30, 2018

Total fund balances - governmental funds		\$	50,555,986
In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation.			
Capital assets at historical cost	\$	311,735,882	
Accumulated depreciation		<u>(121,849,533)</u>	
Net			189,886,349
Certain revenues in the governmental receivables are unavailable because they cannot be used to meet current financial obligations. In the Statement of Net Position, revenues are recognized when earned.			
			159,501
Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:			
Compensated absences payable	\$	443,468	
Successor Agency settlement agreement net of accounts payable		5,919,325	
OPEB liability		1,827,335	
Net pension liability		<u>2,749,352</u>	
Total			(10,939,480)
In governmental funds, deferred outflows and inflows of resources relating to pensions and OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions and OPEB are reported.			
Deferred outflows of resources relating:			
to pensions		1,965,175	
Deferred inflows of resources relating:			
to pensions		(140,036)	
to OPEB		<u>(211,777)</u>	
			<u>1,613,362</u>
Total net position - governmental activities	\$		<u><u>231,275,718</u></u>

The notes to basic financial statements are an integral part of this statement.

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CITY OF GOLETA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2018

	<u>Special Revenue Funds</u>		
	<u>General Fund</u>	<u>GTIP</u>	<u>Park DIF</u>
REVENUES:			
Taxes	\$ 24,726,387	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	1,370,729	-	-
Licenses and permits	276,935	-	-
Fine and forfeitures	157,573	-	-
Use of money and property	264,565	178,967	138,103
Developer fees	-	3,046,529	1,352,585
Other	693,602	-	-
Total revenues	<u>27,489,791</u>	<u>3,225,496</u>	<u>1,490,688</u>
EXPENDITURES:			
Current:			
General government	6,172,071	-	-
Public safety	8,315,526	-	-
Public works	7,430,337	249,192	47,988
Community development	232,876	-	63,216
Community services	4,455,242	-	-
Capital outlay	<u>2,839,868</u>	<u>598,542</u>	<u>1,260,492</u>
Total expenditures	<u>29,445,920</u>	<u>847,734</u>	<u>1,371,696</u>
Excess of revenues over (under) expenditures	<u>(1,956,129)</u>	<u>2,377,762</u>	<u>118,992</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	19,919	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>19,919</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(1,936,210)</u>	<u>2,377,762</u>	<u>118,992</u>
Fund balances - July 1	21,438,685	12,621,078	10,709,890
Prior-period adjustment	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - July 1, restated	<u>21,438,685</u>	<u>12,621,078</u>	<u>10,709,890</u>
Fund balances - June 30	<u>\$ 19,502,475</u>	<u>\$ 14,998,840</u>	<u>\$ 10,828,882</u>

The notes to basic financial statements are an integral part of this statement.

Special Revenue Funds (Continued)

Public Administration Facilities DIF	Active Transportation Program	Other Governmental Funds	Totals
\$ -	\$ -	\$ 2,173,703	\$ 26,900,090
-	194,299	2,980,955	3,175,254
-	-	761,229	2,131,958
-	-	-	276,935
-	-	-	157,573
7,259	-	158,505	747,399
579,046	-	1,291,003	6,269,163
-	-	-	693,602
<u>586,305</u>	<u>194,299</u>	<u>7,365,395</u>	<u>40,351,974</u>
-	-	-	6,172,071
-	-	230,419	8,545,945
-	-	4,633,721	12,361,238
3,052	-	106,372	405,516
-	-	391,047	4,846,289
<u>2,388,765</u>	<u>1,472,723</u>	<u>6,078,710</u>	<u>14,639,100</u>
<u>2,391,817</u>	<u>1,472,723</u>	<u>11,440,269</u>	<u>46,970,159</u>
<u>(1,805,512)</u>	<u>(1,278,424)</u>	<u>(4,074,874)</u>	<u>(6,618,185)</u>
-	-	-	19,919
-	-	(19,919)	(19,919)
-	-	(19,919)	-
<u>(1,805,512)</u>	<u>(1,278,424)</u>	<u>(4,094,793)</u>	<u>(6,618,185)</u>
1,120,365	(386,588)	11,755,974	57,259,404
-	-	(85,233)	(85,233)
<u>1,120,365</u>	<u>(386,588)</u>	<u>11,670,741</u>	<u>57,174,171</u>
<u>\$ (685,147)</u>	<u>\$ (1,665,012)</u>	<u>\$ 7,575,948</u>	<u>\$ 50,555,986</u>

CITY OF GOLETA
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2018

Total net change in fund balances - governmental funds	\$ (6,618,185)
Capital assets are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which additions to capital assets of \$14,639,100 exceed depreciation expense (\$5,529,782) and loss on disposal (\$94,725).	9,014,593
In the statement of activities, compensated absences are measured by the amounts earned during the fiscal year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts paid). This fiscal year, vacation earned exceeded the amounts used by \$53,903.	(53,903)
In the government-wide statements, expenses must be accrued in connection with any liabilities incurred during the period that are not expected to be paid with current financial resources. This year a settlement agreement with the Successor Agency to the RDA was entered into for \$6,431,587 (including accounts payable of \$512,262 reported in the General Fund).	(5,919,325)
In governmental funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This fiscal year, the difference between accrual-basis OPEB costs and actual employer contribution was:	(747,144)
Certain revenues in the governmental funds are unavailable because they cannot be used to meet current financial obligations. In the Statement of Activities, revenues are recognized when earned.	(817,237)
In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:	<u>(402,679)</u>
Changes in net position - governmental activities	<u>\$ (5,543,880)</u>

The notes to basic financial statements are an integral part of this statement.

CITY OF GOLETA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2018

	Successor Agency to the Goleta Redevelopment Agency Private-Purpose Trust Fund
ADDITIONS:	
Property taxes	\$ 1,907,026
Investment earnings	26,693
Settlement agreement	<u>6,431,587</u>
Total additions	<u>8,365,306</u>
DEDUCTIONS:	
Administrative allowance	205,183
Community development	354,133
Distribution to taxing entities of land sale proceeds	775,000
Loss on sale of land	347,649
Debt service:	
Interest	<u>1,165,933</u>
Total deductions	<u>2,847,898</u>
Change in net position	5,517,408
Net position - July 1	<u>(11,435,899)</u>
Net position - June 30	<u>\$ (5,918,491)</u>

The notes to basic financial statements are an integral part of this statement.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Goleta conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

The City of Goleta (the City) was incorporated February 1, 2002, under the general laws of the State of California. The City operates under the City Council Manager form of government.

The City provides the following services as authorized by its general laws: public safety, public works, community development, and general administrative services.

B. Basis of Presentation

Government-wide Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include a single column for the governmental activities of the primary government. The City has no business-type activities and no discretely presented component units. Eliminations have been made in the statement of activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, general government expenses have not been allocated as indirect expenses to the various functions of the City. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported instead as general revenues.

Government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all (both current and long term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than an expenditure.

Fund Financial Statements

The underlying accounting system of the City is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows of resources, fund balance, revenues, and expenditures. Governmental resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which activities are controlled.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

Fund financial statements for the primary government’s governmental funds and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and other governmental funds in the aggregate for governmental funds. Fiduciary information includes financial information for the private-purpose trust fund and the agency fund. Fiduciary funds of the City represent assets held by the City in a custodial capacity for other individuals or organizations.

Governmental Funds

Sales taxes, property taxes, franchise taxes, gas taxes, motor vehicle in lieu, transient occupancy taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period to the extent normally collected within the availability period. Other revenue items are considered to be measurable and available when cash is received by the government.

Revenue recognition is subject to the *measurable* and *availability* criteria for the governmental funds in the fund financial statements. *Exchange transactions* are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). *Locally imposed derived tax revenues* are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. *Imposed nonexchange transactions* are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. *Government-mandated* and *voluntary nonexchange transactions* are recognized as revenues when all applicable eligibility requirements have been met. Revenues, expenditures, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, which requires that local governments defer grant revenue that is not received within their availability period of 120 days after the fiscal year ends to meet the “available” criteria of revenue recognition.

In the fund financial statements, governmental funds are presented using the *current financial resources measurement focus*. This means that only current assets, current liabilities and deferred inflows are generally included on the balance sheets. The reported fund balance (net current assets) is considered to be a measure of “available spendable resources”. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus.

Recognition of governmental fund type revenue represented by noncurrent receivables are deferred and are shown as unavailable revenues until they become current receivables.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as *expenditures* in the year that resources were expended rather than as fund assets. The proceeds of long-term debt are recorded as *another financing source* rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Classifications

GASB Statement No. 34 defines major funds and requires that the City's major funds are identified and presented separately in the fund financial statements. All other funds, called nonmajor funds, are combined and reported in a single column in the Fund Statements as Other Governmental Funds, regardless of their fund-type.

Major funds are defined as funds that have either assets, liabilities, revenues, or expenditures/expenses equal to ten percent of their fund-type total. The General Fund is always a major fund. The City may also voluntarily select other funds it believes should be presented as major funds.

The City reported the following major governmental funds in the accompanying financial statements:

General Fund – The General Fund is the general operating fund of the City. The General Fund accounts for activities and services traditionally associated with governments such as police, which are financed primarily through tax-generated revenues and are not accounted for and reported in another fund.

GTIP Special Revenue Fund – Accounts for traffic development impact fees.

Park Development Impact Fees (DIF) Special Revenue Fund – Accounts for park development impact fees.

Public Administration Facilities DIF Special Revenue Fund – Accounts for public administration facilities development impact fees.

Active Transportation Program Special Revenue Fund – Accounts for State grant funds for transportation projects.

Additionally, the City reports the following fund types:

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

Private-Purpose Trust Fund – This fund accounts for the activities of the Successor Agency to the Goleta Redevelopment Agency. The fund's primary purpose is to expedite the dissolution of the former Agency's net position in accordance with ABx1 26, AB 1484, and SB 107. The Private-Purpose Trust Fund is omitted from the government-wide financial statements.

Agency Fund – The City established the Developer Deposits Fund as a fund to account for deposits advanced to the City to fund development-related services provided by the City's Planning and Environmental Review Department and Public Works Department. Since monies in this fund are considered liabilities until expended, the Agency Fund is omitted from the government-wide financial statements.

D. Property Taxes

California Constitution Article XIII A limits the combined property tax rate to one percent of a property's assessed valuation. Additional taxes may be imposed with voters' approval. Assessed value is calculated at one hundred percent of a property's fair value, as defined by Article XIII A, and may be increased no more than two percent per year, unless a change in ownership or new construction occurs. The State legislature has determined the method of distributing the one percent tax levy among the various taxing jurisdictions.

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Property Taxes (Continued)

Property tax revenues are recognized in the fiscal year for which taxes have been levied and collected within sixty days of fiscal year end. Property taxes are billed and collected as follows:

	<u>Secured</u>	<u>Unsecured</u>
Valuation/Lien Dates	January 1	January 1
Levy Dates	July 1	July 1
Due Dates	November 1 (50%) February 1 (50%)	August 1
Delinquency Dates	December 10 (Nov.) April 10 (Feb.)	August 31

E. Cash and Investments

Investments are reported in the accompanying financial statements at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Changes in fair value that occur during a fiscal year are recognized as *investment income* reported for that fiscal year. *Investment income* includes interest earnings and changes in fair value. The City pools cash and investments of all funds. Each fund’s share in this pool is displayed in the accompanying financial statements as *cash and investments*. Investment income earned by the pooled investments is allocated to the various funds based on each fund’s average cash and investment balance, except for investment income associated with funds not legally required to receive pooled investment income which has been assigned to and recorded as revenue of the General Fund.

F. Capital Assets

Capital assets (including infrastructure) are recorded at cost where historical records are available and at an estimated original cost where no historical records exist. Contributed capital assets are valued at acquisition value at the date of contribution. Generally, capital asset purchases in excess of \$5,000 are capitalized if they have an expected useful life of three years or more. Capital assets include public domain (infrastructure) general capital assets consisting of certain improvements including roads, streets, sidewalks, medians, and storm drains.

The City uses the straight-line depreciation method in the government-wide financial statements for depreciating storm drains, park equipment, buildings, vehicles, equipment and furniture and leasehold improvements. Depreciation is charged as an expense against operations, and accumulated depreciation is reported on the respective statement of net position. Depreciation begins on the first full year after the asset is placed in service. The range of lives used for depreciation purposes for each capital asset class is as follows:

<u>Item</u>	<u>Useful Life</u>
Buildings and improvements	30 to 50 years
Vehicles	5 years
Equipment and furniture	5 to 15 years
Infrastructure:	
Pavement	40 years
Sidewalks	50 years
Curbs and gutters	50 years
Bridges	65 years
Hardscape	50 years
Medians	50 years
Parking lots	40 years
Traffic control devices	10 years

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, “*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,*” and GASB Statement No. 65, “*Items Previously Reported as Assets and Liabilities,*” the City recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The City has one item that qualifies for reporting in this category; refer to Note 9 for detailed listing of the deferred outflows of resources the City has reported.

In addition to liabilities, the Statement of Net Position and the Governmental Funds – Balance Sheet will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the City that is applicable to a future reporting period. The City has three items that qualify for reporting in this category; refer to Note 9 for detailed listing of the deferred inflows of resources the City has reported.

H. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The City accounts for such items using the consumption method.

I. Compensated Absences

An employee benefits payable liability is recorded for unused vacation and similar compensatory leave balances. The employees’ entitlement to these balances is attributable to services already rendered, and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

J. Unearned Revenue

Unearned revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as unearned revenue.

K. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Goleta’s California Public Employee’s Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans’ fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

L. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City’s plan (OPEB Plan) and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Fund Balances

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or are legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance – represents amounts that can only be used for a specific purpose because of a formal action by the City’s governing board. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance – represents amounts that the City intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund’s primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the City.

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

It is the City’s policy to consider committed amounts as being reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

N. Net Position

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources, and liabilities added to the deferred inflows of resources, be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position that is net investment in capital assets, consists of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislations. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

O. Interfund Balances/Internal Balances

Advances to and advances from other funds represent interfund loans in the fund financial statements. Advances between funds are offset by a fund liability or by deferred revenue in the applicable governmental funds to indicate that they are not expendable available financial resources. Any unpaid interest due to lack of funds in the borrowing fund increases the principal owed and is reported in the lending fund as deferred revenue. All other outstanding balances between funds are reported as due to and due from other funds. These are generally repaid within the following fiscal year. Any residual balances outstanding between the governmental activities and business-type activities are reported in the Government-Wide Financial Statements as “internal balances.”

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Budgetary Accounting

The City Council establishes budgets for the General Fund and all Special Revenue Funds, except for certain Special Revenue Funds for which expenditures are controlled by grant funding or by assessments received. Budgetary control is legally maintained at the fund level for these funds. Department heads submit budget requests to the City Manager. The City Manager prepares an estimate of revenues and prepares recommendations for the next year's budget. The preliminary budget may or may not be amended by the City Council and is adopted by resolution by the City Council on or before June 30 in accordance with the municipal code. The City Council may amend the budget by motion during the fiscal year. Only the Council can authorize transfers between funds and approve inter-fund loans. The City Manager is authorized to transfer budgeted amounts within a fund without formal council action or approval. The City Manager is authorized to increase expenditures in relation to revenues in funds receiving assigned revenues without approval by the City Council.

Expenditures may not legally exceed appropriations at the fund level, which is the legal level of control. Supplemental appropriations, which increase appropriations, may be made during the fiscal year. There were no material supplemental appropriations made for the fiscal year ended June 30, 2018. Budget information is presented for the General and budgeted Special Revenue Funds in the fund financial statements. The budget information is presented on a basis consistent with generally accepted accounting principles. Appropriations, except open project appropriations, and unexpended grant appropriations, lapse at the end of each fiscal year.

Appropriations lapse at the end of the fiscal year and then are rebudgeted for the coming year. Under Article XIIIB of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fees schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2018, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit. Budgeted appropriations for the various governmental funds become effective each July 1.

Q. Use of Estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

R. New Accounting Pronouncements

For the fiscal year ended June 30, 2018, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions." This Statement is effective for periods beginning after June 15, 2017. The objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions. Implementation of the GASB Statements No. 75 and the impact on the City's financial statements are explained in Note 8 - Postemployment Health Care Benefits and Note 17 – Prior-period Adjustments and Restatements.

S. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements:

Statement No. 83	"Certain Asset Retirement Obligations"	The provisions of this statement are effective for fiscal years beginning after June 15, 2018.
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Statement No. 84	"Fiduciary Activities"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.
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CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Future Accounting Pronouncements (Continued)

Statement No. 87	"Leases"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.
Statement No. 88	"Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2018.
Statement No. 89	"Accounting for Interest Cost Incurred Before the End of a Construction Period"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.
Statement No. 90	"Majority Equity Interests-an Amendment of GASB Statements No. 14 and No. 61"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.

NOTE 2 – CASH AND INVESTMENTS

The composition of cash and investments as of June 30, 2018, is as follows:

Cash on hand	\$ 1,250
Deposits with financial institutions	426,053
Investments	<u>55,069,783</u>
Total cash and investments	<u>\$ 55,497,086</u>

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of the City's debt instruments or Agency's agreements:

Statement of Net Position:	
Cash and investments	\$ 52,320,059
Fiduciary Funds:	
Cash and investments	1,825,056
Cash and investments with fiscal agent	<u>1,351,971</u>
Total cash and investments	<u>\$ 55,497,086</u>

Governmental Accounting Standards Board (GASB) Statement No. 72, "Fair Value Measurements and Application," provides the framework for measuring fair value. The framework categorizes a fair value hierarchy that is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2018:

Investments measured at amortized cost:	
LAIF	\$ 1,971,656
Money market funds	51,746,156
Held by fiscal agent:	
Money market funds	<u>1,351,971</u>
Total investments	<u>\$ 55,069,783</u>

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 2 – CASH AND INVESTMENTS (Continued)

A. Investments Authorized by the California Government Code and the City’s Investment Policy

Allowable investment instruments are defined in the California Government Code Section 53600, et seq., as amended. If the Code is further revised to allow additional investments or is changed regarding the limits on certain categories of investments, the City is authorized to conform to these changes, excluding those changes that may be prohibited by this policy. Where the Government Code specifies a percentage limitation for a particular category of investments, that percentage is applicable only at the date of purchase.

The table below identifies the investment types that are authorized for the City, including the fiduciary private-purpose trust fund, by the California Government Code (or the City’s investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City’s investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City’s investment policy.

Investment Types Authorized by State Law	Authorized by Investment Policy	Maximum Maturity*	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer*
Local Agency Bonds	No	5 years	None	10%
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Government-Sponsored Agency Securities	Yes	5 years	None	None
Banker’s Acceptances	No	180 days	40%	10%
Commercial Paper	Yes	180 days	15%	10%
Certificate of Deposits	Yes	5 years	30%	10%
Negotiable Certificates of Deposit	No	5 years	30%	10%
Repurchase Agreements	No	1 year	None	10%
Reverse Repurchase Agreements	No	92 days	20% of base value	10%
Medium-Term Notes	No	5 years	30%	10%
Mutual Funds	No	N/A	20%	10%
Money Market Mutual Funds	Yes	N/A	20%	10%
Mortgage Pass-Through Securities	No	5 years	20%	10%
County Pooled Investment Funds	No	N/A	None	None
Local Agency Investment Fund	Yes	N/A	None	\$65,000,000
JPA Pools (other investment pools)	Yes	None	None	None
Passbook Accounts	Yes	N/A	None	None

* Based on state law requirements or investment policy requirements, whichever is more restrictive.

Investments of bond funds will be made in conformance with the trust indenture for each issue. Such investments shall be held separately when required.

It is the City’s intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal dollars; however, sales prior to maturity are permitted.

Investment maturities shall be based on a review of cash flow forecasts. Maturities will be scheduled to permit the City to meet all projected cash obligations.

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 2 – CASH AND INVESTMENTS (Continued)

B. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments, and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flows and liquidity needed for operations.

Information about the sensitivity of the fair values of the City’s investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investments by maturity:

Investment Type	Carrying Amount	Remaining Maturity (in Months)			
		12 Months Or Less	13-24 Months	25-60 Months	More than 60 Months
LAIF	\$ 1,971,656	\$ 1,971,656	\$ -	\$ -	\$ -
Money market funds	51,746,156	51,746,156			
Held by fiscal agent:					
Money market funds	1,351,971	1,351,971			
Total	<u>\$ 55,069,783</u>	<u>\$ 55,069,783</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the California Government Code, and the actual rating as of fiscal year end for each investment type.

Investment Type	Carrying Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End	
				AAA	Not Rated
LAIF	\$ 1,971,656	N/A	\$ -	\$ -	\$ 1,971,656
Money market funds	51,746,156	N/A			51,746,156
Held by fiscal agent:					
Money market funds	1,351,971	N/A			1,351,971
Total	<u>\$ 55,069,783</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,069,783</u>

C. Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. During the fiscal year ended June 30, 2018, the City did not hold any investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 10% or more of total City investments.

D. Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the City’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the City’s deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2018, the City had deposits of \$53,393,865 with financial institutions in excess of federal depository insurance limits that were held in collateralized accounts.

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 2 – CASH AND INVESTMENTS (Continued)

D. Custodial Credit Risk (Continued)

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government’s indirect investment in securities through the use of mutual funds or governmental investment pools (such as LAIF).

E. Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City’s investment in this pool is reported in the accompanying basic financial statements at the amounts based upon the City’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

NOTE 3 – INTERFUND TRANSACTIONS

Interfund transactions are reported as either loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers among governmental funds are netted as part of the reconciliation to the government-wide financial statements.

A. Due From/To Other Funds

Due to and from balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

Individual fund interfund receivable and payable balances at June 30, 2018, are as follows:

Fund	Due From	Due To
Major Governmental Funds:		
General Fund	\$ 2,974,957	\$ -
Public Administration Facilities DIF Fund	-	685,147
Active Transportation Program Fund	-	1,591,995
Nonmajor Governmental Funds:		
Measure A Grants Fund	-	3,623
County Fire DIF Fund	-	26,207
Sustainable Communities Grant Fund	-	94,799
Local STIP Fund	-	233,196
CDBG Fund	-	73,436
TIGER Grant Fund	-	93,113
Federal Transportation Fund	-	169,831
Housing and Community Development State Grant Fund	-	3,610
Total	\$ 2,974,957	\$ 2,974,957

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 3 – INTERFUND TRANSACTIONS (Continued)

B. Interfund Transfers

Interfund transfers consist of operating transfers from funds receiving revenue to funds through which the resources are to be expended.

Interfund transfers for the 2017-2018 fiscal year are as follows:

Fund	Transfers In	Transfers Out
Major Governmental Fund:		
General Fund	\$ 19,919	\$ -
Nonmajor Governmental Fund:		
CDBG Fund	-	19,919
	<u>\$ 19,919</u>	<u>\$ 19,919</u>

NOTE 4 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2018, was as follows:

	Balance July, 1 2017	Additions	Deletions	Balance June 30, 2018
Governmental Activities				
Nondepreciable capital assets:				
Land	\$ 28,744,747	\$ 7,955,474	\$ -	\$ 36,700,221
Right of way	11,395,313	-	-	11,395,313
Construction in progress	18,251,005	14,613,470	9,150,286	23,714,189
Total nondepreciable capital assets	<u>\$ 58,391,065</u>	<u>\$ 22,568,944</u>	<u>\$ 9,150,286</u>	<u>\$ 71,809,723</u>
Depreciable capital assets:				
Infrastructure	\$ 234,449,726	\$ 1,100,087	\$ -	\$ 235,549,813
Vehicles	727,704	-	-	727,704
Furniture and equipment	983,274	15,200	-	998,474
Buildings and improvements	2,639,738	10,430	-	2,650,168
Total depreciable capital assets	<u>238,800,442</u>	<u>1,125,717</u>	<u>-</u>	<u>239,926,159</u>
Less accumulated depreciation				
Infrastructure	114,104,400	5,319,107	-	119,423,507
Vehicles	472,722	86,605	-	559,327
Furniture and equipment	720,971	69,395	-	790,366
Buildings and improvements	1,021,658	54,675	-	1,076,333
Total accumulated depreciation	<u>116,319,751</u>	<u>5,529,782</u>	<u>-</u>	<u>121,849,533</u>
Net depreciable capital assets	<u>122,480,691</u>	<u>(4,404,065)</u>	<u>-</u>	<u>118,076,626</u>
Net capital assets	<u>\$ 180,871,756</u>	<u>\$ 18,164,879</u>	<u>\$ 9,150,286</u>	<u>\$ 189,886,349</u>

Depreciation expense was charged to function and programs based on their usage of the related assets. The amounts allocated to each function or program were as follows:

Governmental Activities:	
General government	\$ 55,892
Public safety	36,923
Public works	5,419,496
Community services	17,471
Total depreciation expense-governmental activities	<u>\$ 5,529,782</u>

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 5 – LONG-TERM DEBT

A. Compensated Absences

The City’s policies relating to compensated absences are described in Note 1,I. Compensated Absences. The liability in the amount of \$443,468 at June 30, 2018, is expected to be paid in future years from future resources. Compensated absences have typically been liquidated from the General Fund.

B. Claims and Judgements Payable

Per review of the insurance policy agreements, it was determined that there was no City liability for claims and judgements of the insurance pool.

C. Successor Agency Settlement Agreement

On September 24, 2018, the City agreed to a settlement agreement to transfer \$6,431,587 to the Successor Agency to the Goleta Redevelopment Agency. The payments will then be distributed out to the taxing agencies as consistent with California Health and Safety Code sections 34179.5 and 34179.6. The City will pay \$1,000,000 within 90 days of the settlement date and then pay \$775,941 annually by June 30th of each year for seven years.

NOTE 6 – CHANGES IN LONG-TERM LIABILITIES

The following is a summary of long-term liability activities for the fiscal year ended June 30, 2018:

	Balance July 1, 2017	Additions	Deletions	Prior Period Adjustment	Balance June 30, 2018	Due Within One Year
Compensated absences	\$ 389,565	\$ 368,315	\$ 314,412	\$ -	\$ 443,468	\$ 88,694
Claims and judgements payable	684,001	-	-	(684,001)	-	-
Successor Agency settlement agreement	-	6,431,587	-	-	6,431,587	1,775,941 *
OPEB obligation	309,552	562,805	27,438	982,416	1,827,335	-
Net pension liability	2,219,286	1,448,693	918,627	-	2,749,352	-
Total	\$ 3,602,404	\$ 8,811,400	\$ 1,260,477	\$ 298,415	\$ 11,451,742	\$ 1,864,635

* \$512,262 of the due within one year amount is already included in the General Fund accounts payable.

NOTE 7 – PENSION PLAN

A. General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the City’s 2.0% at 55 (Tier I) and 2.0% at 62 (Tier III PEPRA) Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

The Plan provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Classic members and PEPRA Safety members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. PEPRA Miscellaneous members with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The death benefit is the Basic Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 7 – PENSION PLAN (Continued)

A. General Information about the Pension Plans (Continued)

The Plans' provisions and benefits in effect at June 30, 2018, are summarized as follows:

	<u>Miscellaneous</u>	
	<u>Prior to January 1, 2013</u>	<u>On or after January 1, 2013</u>
Hire Date		
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-63	52-67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7.0%	6.5%
Required employer contribution rates	8.921% + \$101,080	6.533% + \$2,326

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Contributions to the pension plan from the City were \$591,252 for the fiscal year ended June 30, 2018 and were paid primarily from the City's General Fund.

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2018, the City reported a liability of \$2,749,352 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016 rolled forward using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all Pension Plan participants, actuarially determined. The City's proportion share of net pension liability for miscellaneous plans as of June 30, 2017, and 2016 was as follows:

	<u>Miscellaneous</u>
Proportion-June 30, 2016	0.06389%
Proportion-June 30, 2017	0.06974%
Change-Increase (Decrease)	<u>0.00585%</u>

For the fiscal year ended June 30, 2018, the City recognized pension expense of \$993,931. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 7 – PENSION PLAN (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions
(Continued)

At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,819	\$ 69,045
Changes in assumptions	597,960	45,595
Net difference between projected and actual earnings on retirement plan investments	135,234	-
Changes in proportion and differences between City contributions and proportionate share of contributions	181,494	-
Adjustment due to differences in proportion	454,416	25,396
City contributions subsequent to the measurement date	591,252	-
	<u>\$ 1,965,175</u>	<u>\$ 140,036</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability, to be recognized in future periods in a systematic and rational manner.

\$591,252 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent year ending June 30, 2019.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expenses as follows:

<u>Fiscal year Ending June 30,</u>	<u>Amount</u>
2019	\$ 479,651
2020	508,950
2021	325,577
2022	(80,291)
	<u>\$ 1,233,887</u>

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 7 – PENSION PLAN (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions:

	<u>Miscellaneous</u>
Valuation Date	June 30, 2016
Measurement Date	June 30, 2017
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.75%
Payroll Growth	3%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.00%
Mortality	Derived using CalPERS' Membership Data for all Funds (1)
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies; 2.75% thereafter

- (1) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table please refer to the 2017 experience

Change in Assumptions

In December 2016, as part of the Asset Liability Management (ALM) review cycle, the CalPERS Board approved to lower the financial reporting discount rate for PERF C from 7.65% to 7.15%.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of the discount rate for public agency plans (including PERF C), CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on testing the plans, the tests revealed the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate and the use of municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund, including PERF C. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB No. 68 section.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2022. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB No. 67 and No. 68 calculations through at least the 2021-22 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 7 – PENSION PLAN (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions
(Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits were calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1-10(a)</u>	<u>Real Return Years 11+(b)</u>
Global Equity	47.0%	4.90%	5.38%
Global Fixed Income	19.0%	0.80%	2.27%
Inflation Sensitive	6.0%	0.60%	1.39%
Private Equity	12.0%	6.60%	6.63%
Real Estate	11.0%	2.80%	5.21%
Infrastructure and Forestland	3.0%	3.90%	5.36%
Liquidity	2.0%	-0.40%	-0.90%
Total	<u>100.0%</u>		

(a) An expected inflation of 2.5% was used for this period.

(b) An expected inflation of 3.0% was used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in Discount Rate

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 7.15 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.15 percent) or one percentage point higher (8.15 percent) than the current rate:

	<u>1% Decrease 6.15%</u>	<u>Current Discount Rate 7.15%</u>	<u>1% Increase 8.15%</u>
City's proportionate share of net pension plan liability	\$ 4,720,400	\$ 2,749,352	\$ 1,116,895

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 7 – PENSION PLAN (Continued)

C. Payable to the Pension Plan

At June 30, 2018, the City had no amount outstanding for contributions to the pension plan required for the fiscal year ended June 30, 2018.

NOTE 8 – POSTEMPLOYMENT HEALTH CARE BENEFITS (OPEB)

A. Plan Description

The City provides postemployment health care benefits through the CalPERS cost-sharing multiple employer health care program (PEMHCA) to eligible employees. The City pays the greater of \$133 per month or the PEMHCA minimum of \$133 for fiscal year 2017-2018. To be eligible for postretirement health benefits, employees must complete at least 5 years of continuous service and be a minimum of 55 years of age.

B. Employees Covered

As of June 30, 2018, actuarial valuation, the following current and former employees were covered by the benefit terms under the City’s Plan:

Active plan members	69
Inactive plan members or beneficiaries currently receiving benefits	10
Total	<u>79</u>

C. Contributions

The City currently finances benefits on a pay-as-you-go basis primarily from the City’s General Fund.

D. Total OPEB Liability

The City’s OPEB Liability was measured as of June 30, 2018 and the total OPEB liability used to calculate the OPEB Liability was determined by an actuarial valuation as of June 30, 2018.

Actuarial assumptions. The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	2.00%
Discount rate	3.75%
Healthcare cost trend rate	3.00%

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

Actuarial assumptions used in the June 30, 2018 valuation were based on a review of plan experience during the period July 1, 2016 to June 30, 2018.

Discount rate. GASB 75 requires a discount rate that reflects the following:

- a) The long-term expected rate of return on OPEB plan investments — to the extent that the OPEB plan’s fiduciary net position (if any) is projected to be sufficient to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;
- b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher — to the extent that the conditions in (a) are not met.

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 8 – POSTEMPLOYMENT HEALTH CARE BENEFITS (OPEB) (Continued)

D. Total OPEB Liability (Continued)

To determine a resulting single (blended) rate, the amount of the plan's projected fiduciary net position (if any) and the amount of projected benefit payments is compared in each period of projected benefit payments. The discount rate used to measure the City's total OPEB liability is based on these requirements and the following information:

Reporting Date	Measurement Date	Long-Term Expected Return of Plan Investments (if any)	Municipal Bond 20 Year High Grade Rate Index	Discount Rate
June 30, 2018	June 30, 2018	3.75%	3.75%	3.75%

E. Changes in the OPEB Liability

	Total OPEB Liability
Balance at June 30, 2017 (Valuation Date June 30, 2018)	\$ 1,291,968
Changes recognized for the measurement period:	
Service cost	290,904
Interest	48,449
Difference between expected and actual experience	223,452
Contributions - employer	-
Net investment income	-
Benefit payments	(27,438)
Administrative expense	-
Net Changes	535,367
Balance at June 30, 2018 (Measurement Date June 30, 2018)	\$ 1,827,335

Sensitivity of the OPEB liability to changes in the discount rate. The following presents the OPEB liability, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.75 percent) or 1-percentage-point higher (4.75 percent) than the current discount rate:

	1% Decrease 2.75%	Discount Rate 3.75%	1% Increase 4.75%
OPEB Liability	2,176,777	1,827,335	1,507,777

Sensitivity of the OPEB liability to changes in the healthcare cost trend rates. The following presents the OPEB liability, as well as what the OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (2.00 percent) or 1-percentage-point higher (4.00 percent) than the current healthcare cost trend rates:

	1% Decrease 2.00%	Trend Rate 3.00%	1% Increase 4.00%
OPEB Liability	1,619,997	1,827,335	2,096,777

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 8 – POSTEMPLOYMENT HEALTH CARE BENEFITS (OPEB) (Continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2018, the City recognized OPEB expense of \$774,582. As of the fiscal year ended June 30, 2018, the City reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 211,777
	<u>\$ -</u>	<u>\$ 211,777</u>

NOTE 9 – DEFERRED OUTFLOW AND INFLOWS OF RESOURCES

At June 30, 2018, deferred inflows of resources, reported in the governmental fund financial statements, consisted of the following:

Deferred Inflows of Resources	
Unavailable revenue:	
Nonmajor Governmental Fund:	
Local STIP Fund	\$ 159,501
Total deferred inflows of resources	<u>\$ 159,501</u>

At June 30, 2018, deferred outflows and inflows of resources, reported on the Statement of Net Position, consisted of the following:

	<u>Governmental Activities</u>
Deferred Outflows of Resources	
Deferred pension	\$ 1,965,175
Total deferred inflows of resources	<u>\$ 1,965,175</u>
Deferred Inflows of Resources	
Deferred pension	\$ 140,036
Deferred OPEB	211,777
Total deferred inflows of resources	<u>\$ 351,813</u>

NOTE 10 – OPERATING LEASES

On January 20, 2004, the City entered into an operating lease agreement to rent its current office suite. On October 31, 2006, the office lease was amended and provided for monthly rent of \$27,843 in addition to common area maintenance costs. The lease was amended a second time on March 8, 2010, providing for monthly rent starting at \$27,120 per month in addition to common area maintenance costs. On January 23, 2013, the lease was amended a third time to add expansion space starting February 1, 2013, with monthly rent starting at \$5,085 per month in addition to common area maintenance costs and the basic rent stated in the second amendment. The lease term for the expansion space is 36 months. The City has the option to renew the lease upon termination at December 31, 2019. Rental costs for the year ended June 30, 2018, were \$543,845.

Minimum future rental payments under the operating leases as of June 30, 2018, are as follows (amounts do not include common area maintenance costs):

Fiscal Year Ending	Office Suite
2019	\$ 563,952
2020	282,893
	<u>\$ 846,845</u>

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 11 – FUND BALANCES

Nonspendable, Restricted, Committed, Assigned, and Unassigned (deficit) fund balance consisted of the following at June 30, 2018:

	General Fund	GTIP Special Revenue Fund	Park DIF Special Revenue Fund	Public Administration Facilities DIF Special Revenue Fund	Active Transportation Program Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable							
Prepaid items	\$ 50,197	\$ -	\$ -	\$ -	\$ -	13,045	\$ 63,242
Restricted							
Public works	-	14,998,840	10,828,882	-	-	7,676,282	33,504,004
Community development	-	-	-	-	-	1,113,359	1,113,359
Community services	-	-	-	-	-	5,707	5,707
Committed							
Public facilities	1,453,828	-	-	-	-	-	1,453,828
Capital equipment	472,722	-	-	-	-	-	472,722
Compensated leave	206,995	-	-	-	-	-	206,995
Risk management	200,000	-	-	-	-	-	200,000
Litigation defense	300,000	-	-	-	-	-	300,000
Contingency	8,083,918	-	-	-	-	-	8,083,918
Assigned							
OPEB UAL	333,500	-	-	-	-	-	333,500
CalPERS pension UAL	170,000	-	-	-	-	-	170,000
CIP Projects	1,927,751	-	-	-	-	-	1,927,751
Encumbrances	2,017,389	-	-	-	-	-	2,017,389
Unassigned (deficit)	4,286,175	-	-	(685,147)	(1,665,012)	(1,232,445)	703,571
Total	\$ 19,502,475	\$ 14,998,840	\$ 10,828,882	\$ (685,147)	\$ (1,665,012)	\$ 7,575,948	\$ 50,555,986

NOTE 12 – RISK MANAGEMENT

A. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City is a member of the California Joint Powers Insurance Authority (Authority). The Insurance Authority is composed of 116 California public entities and is organized under a joint powers agreement pursuant to California Government Code Section 6500 et. seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

B. Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history relative to other members of the risk-sharing pool.

Primary Liability Program

Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$750,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 12 – RISK MANAGEMENT (Continued)

B. Self-Insurance Programs of the Authority (Continued)

Primary Liability Program (Continued)

For 2017-18 the Authority's pooled retention is \$2 million per occurrence, with reinsurance to \$20 million, and excess insurance to \$50 million. The Authority's reinsurance contracts are subject to the following additional pooled retentions: (a) \$2.5 million annual aggregate deductible in the \$3 million in excess of \$2 million layer, and (b) \$3 million annual aggregate deductible in the \$5 million in excess of \$10 million layer. There is a third annual aggregate deductible in the amount of \$2.5 million in the \$5 million in excess of \$5 million layer, however it is fully covered under a separate policy and therefore not retained by the Authority. The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Costs of covered claims for subsidence losses have a sub-limit of \$40 million per occurrence.

Workers' Compensation Program

Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$100,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2017-18 the Authority's pooled retention is \$2 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$ 2 million. Coverage from \$2 million to \$5 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

C. Purchased Insurance

Pollution Legal Liability Insurance

The City participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has an aggregate limit of \$50 million for the 3-year period from July 1, 2017 through July 1, 2020. Each member of the Authority has a \$10 million sub-limit during the 3-year term of the policy.

Property Insurance

The City participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City property is currently insured according to a schedule of covered property submitted by the City to the Authority. City property currently has all-risk property insurance protection in the amount of \$14,335,982. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

Crime Insurance

The City purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

D. Adequacy of Protection

During the past three fiscal (claims) years, none of the above programs of protection have had settlements or judgements that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior fiscal year.

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 13 – CONTINGENCIES AND COMMITMENTS

A. Legal

Various claims and suits have been filed against the City in the normal course of business. Although the outcome of these matters is not presently determinable in the opinion of legal counsel, the resolutions of these matters will not have a material adverse effect on the financial condition of the City.

B. Grant Programs

The City participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

C. Construction and Other Significant Commitments

Revenue Neutrality Commitment to County of Santa Barbara – Mitigation Obligation

After the City’s incorporation on February 1, 2002, the County of Santa Barbara continues to have ongoing obligations to provide public services to the City and its residents. In order to insure that the effect of incorporation was neutral as to the County, the parties agreed to have the following allocations of tax revenues in perpetuity:

- 50% of property tax generated by property located within the City, which would otherwise accrue entirely to the City, is allocated to the County.
- 30% of the 1% retail sales tax revenues allocable to the City are allocated to the County.

Encumbrances

All encumbrances are classified as either restricted or assigned fund balance in the General Fund or as restricted fund balance in the funds other than the General Fund. Encumbrances as of June 30, 2018, are as follows:

Major Funds:

General Fund	\$ 2,017,389
GTIP Special Revenue Fund	1,587,048
Park Development Impact Fees Special Revenue Fund	2,970,935
Other Governmental Funds	3,653,069
Total Encumbrances	<u>\$ 10,228,441</u>

Construction

Listed below are the projects for uncompleted contracts outstanding as of June 30, 2018.

FY 2017-18 Projects	\$ 6,812,678
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NOTE 14 – SUBSEQUENT EVENTS

On September 24, 2018, the City agreed to a settlement agreement to transfer \$6,431,587 to the Successor Agency to the Goleta Redevelopment Agency. For more detail see Note 5, C. Successor Agency Settlement Agreement.

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 15 – OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

A. Deficit Fund Balances

The following funds reported deficit fund balances at June 30, 2018:

Major Funds:	
Public Administration Facilities DIF Special Revenue Fund	\$ 685,147
Active Transportation Grant Special Revenue Fund	1,665,012
Nonmajor Governmental Funds:	
Measure A Grants Special Revenue Fund	10,203
Sustainable Communities Grant Special Revenue Fund	99,905
Local STIP Special Revenue Fund	241,728
HSIP Special Revenue Fund	25,282
TIGER Grant Special Revenue Fund	104,899
Federal Transportation Program Special Revenue Fund	200,494
Housing & Community Development State Grant Special Revenue Fund	3,610
State Parks Grant Special Revenue Fund	546,324

B. Expenditures in Excess of Appropriations

There were no expenditures in the fiscal year ended June 30, 2018 that were in excess of appropriations.

NOTE 16 – SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill IX 26 (the Bill) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City that previously had reported a redevelopment agency (RDA) within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the City or another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of State and local government. On January 10, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of the City Resolution No. 4420.

After the enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

As of February 1, 2012, the housing assets, obligations, and activities of the Dissolved RDA have been transferred and are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

CITY OF GOLETA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 16 – SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY (Continued)

A. Settlement Receivable – City of Goleta

The Agency has a settlement receivable from the City of Goleta with a balance of \$6,431,587 as of June 30, 2018. See Note 5(C) for further detail.

B. Long-Term Liabilities

In accordance with the provisions of ABX1 26 (Bill) and the California Supreme Court’s decision to uphold the Bill, the obligations of the former redevelopment agency became vested with the funds established for the Successor Agency upon the date of dissolution, February 1, 2012. Former tax increment revenues pledged to fund the debts of the former redevelopment agency will be distributed to the Successor Agency subject to the reapportionment of such revenues as provided by the Bill.

The debt of the Successor Agency as of June 30, 2018, is as follows:

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018	Due Within One Year
Tax allocation bonds	\$ 14,910,000	\$ -	\$ 175,000	\$ 14,735,000	\$ 185,000
Less deferred amount:					
Discount on bonds issued	(205,229)	-	(7,628)	(197,601)	(7,628)
Total	<u>\$ 14,704,771</u>	<u>\$ -</u>	<u>\$ 167,372</u>	<u>\$ 14,537,399</u>	<u>\$ 177,372</u>

Allocation Bonds 2011

The annual requirements to amortize the Tax Allocation Bonds outstanding as of June 30, 2018, are as follows:

Ending June 30	Principal	Interest	Total
2019	\$ 185,000	\$ 1,148,563	\$ 1,333,563
2020	195,000	1,136,919	1,331,919
2021	205,000	1,124,162	1,329,162
2022	220,000	1,110,075	1,330,075
2023	235,000	1,093,837	1,328,837
2024-28	1,470,000	5,165,200	6,635,200
2029-33	2,120,000	4,482,675	6,602,675
2034-38	3,105,000	3,459,000	6,564,000
2039-43	4,570,000	1,942,000	6,512,000
2044	2,430,000	148,600	2,578,600
Total	<u>\$ 14,735,000</u>	<u>\$ 20,811,031</u>	<u>\$ 35,546,031</u>

NOTE 17 – PRIOR-PERIOD ADJUSTMENTS AND RESTATEMENTS

Prior period adjustments and restatements consisted of the following:

	Statement of Activities	Fund Statements
	Governmental Activities	Governmental Funds
Governmental Activities:		
Implementation of GASB 75	\$ (982,416)	\$ -
Overstatement of prior fiscal year Claims and Judgements Payable	684,001	-
Governmental Funds:		
Long Range Development Plan Special Revenue Fund		
Understatement on deposits payable	(85,233)	(85,233)
	<u>\$ (383,648)</u>	<u>\$ (85,233)</u>

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REQUIRED SUPPLEMENTAL INFORMATION SECTION

CITY OF GOLETA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes	\$ 23,233,634	\$ 23,538,634	\$ 24,726,387	\$ 1,187,753
Charges for services	1,590,115	1,433,115	1,370,729	(62,386)
Licenses and permits	279,000	279,000	276,935	(2,065)
Fine and forfeitures	135,000	135,000	157,573	22,573
Use of money and property	147,000	212,000	264,565	52,565
Other	377,200	599,200	693,602	94,402
Total revenues	<u>25,761,949</u>	<u>26,196,949</u>	<u>27,489,791</u>	<u>1,292,842</u>
EXPENDITURES:				
Current:				
General government	6,441,476	6,764,001	6,172,071	591,930
Public safety	8,448,287	8,494,995	8,315,526	179,469
Public works	4,722,650	8,868,216	7,430,337	1,437,879
Community development	239,905	298,005	232,876	65,129
Community services	4,576,404	5,788,556	4,455,242	1,333,314
Capital outlay	467,559	4,890,565	2,839,868	2,050,697
Total expenditures	<u>24,896,281</u>	<u>35,104,338</u>	<u>29,445,920</u>	<u>5,658,418</u>
Excess of revenues over (under) expenditures	<u>865,668</u>	<u>(8,907,389)</u>	<u>(1,956,129)</u>	<u>6,951,260</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>29,767</u>	<u>34,135</u>	<u>19,919</u>	<u>(14,216)</u>
Total other financing sources (uses)	<u>29,767</u>	<u>34,135</u>	<u>19,919</u>	<u>(14,216)</u>
Net change in fund balances	895,435	(8,873,254)	(1,936,210)	6,937,044
Fund balances - July 1	<u>21,438,685</u>	<u>21,438,685</u>	<u>21,438,685</u>	
Fund balance - June 30	<u>\$ 22,334,120</u>	<u>\$ 12,565,431</u>	<u>\$ 19,502,475</u>	<u>\$ 6,937,044</u>

CITY OF GOLETA
GTIP SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Use of money and property	\$ 60,000	\$ 60,000	\$ 178,967	\$ 118,967
Developer fees	6,315,223	6,315,223	3,046,529	(3,268,694)
Total revenues	<u>6,375,223</u>	<u>6,375,223</u>	<u>3,225,496</u>	<u>(3,149,727)</u>
EXPENDITURES:				
Current:				
Public works	60,000	309,806	249,192	60,614
Capital outlay	<u>1,535,876</u>	<u>6,266,980</u>	<u>598,542</u>	<u>5,668,438</u>
Total expenditures	<u>1,595,876</u>	<u>6,576,786</u>	<u>847,734</u>	<u>5,729,052</u>
Excess of revenues over (under) expenditures	<u>4,779,347</u>	<u>(201,563)</u>	<u>2,377,762</u>	<u>2,579,325</u>
Net change in fund balance	4,779,347	(201,563)	2,377,762	2,579,325
Fund balance - July 1	<u>12,621,078</u>	<u>12,621,078</u>	<u>12,621,078</u>	
Fund balance - June 30	<u>\$ 17,400,425</u>	<u>\$ 12,419,515</u>	<u>\$ 14,998,840</u>	<u>\$ 2,579,325</u>

CITY OF GOLETA
PARK DIF SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Use of money and property	\$ 40,000	\$ 40,000	\$ 138,103	\$ 98,103
Developer fees	1,298,013	1,298,013	1,352,585	54,572
Total revenues	<u>1,338,013</u>	<u>1,338,013</u>	<u>1,490,688</u>	<u>152,675</u>
EXPENDITURES:				
Current:				
Public works	50,000	666,380	47,988	618,392
Community development	50,000	69,962	63,216	6,746
Capital outlay	1,340,133	5,359,342	1,260,492	4,098,850
Total expenditures	<u>1,440,133</u>	<u>6,095,684</u>	<u>1,371,696</u>	<u>4,723,988</u>
Excess of revenues over (under) expenditures	<u>(102,120)</u>	<u>(4,757,671)</u>	<u>118,992</u>	<u>4,876,663</u>
Net change in fund balance	(102,120)	(4,757,671)	118,992	4,876,663
Fund balance - July 1	<u>10,709,890</u>	<u>10,709,890</u>	<u>10,709,890</u>	
Fund balance - June 30	<u>\$ 10,607,770</u>	<u>\$ 5,952,219</u>	<u>\$ 10,828,882</u>	<u>\$ 4,876,663</u>

CITY OF GOLETA
PUBLIC ADMINISTRATION FACILITIES DIF SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Use of money and property	\$ 5,000	\$ 5,000	\$ 7,259	\$ 2,259
Developer fees	766,798	766,798	579,046	(187,752)
Total revenues	<u>771,798</u>	<u>771,798</u>	<u>586,305</u>	<u>(185,493)</u>
EXPENDITURES:				
Current:				
Community development	-	6,773	3,052	3,721
Capital outlay	2,300,000	2,401,527	2,388,765	12,762
Total expenditures	<u>2,300,000</u>	<u>2,408,300</u>	<u>2,391,817</u>	<u>16,483</u>
Excess of revenues over (under) expenditures	<u>(1,528,202)</u>	<u>(1,636,502)</u>	<u>(1,805,512)</u>	<u>(169,010)</u>
Net change in fund balance	(1,528,202)	(1,636,502)	(1,805,512)	(169,010)
Fund balance - July 1	<u>1,120,365</u>	<u>1,120,365</u>	<u>1,120,365</u>	
Fund balance - June 30	<u>\$ (407,837)</u>	<u>\$ (516,137)</u>	<u>\$ (685,147)</u>	<u>\$ (169,010)</u>

CITY OF GOLETA
ACTIVE TRANSPORTATION PROGRAM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ -	\$ 2,127,554	\$ 194,299	\$ (1,933,255)
Total revenues	-	2,127,554	194,299	(1,933,255)
EXPENDITURES:				
Capital outlay	-	1,760,412	1,472,723	287,689
Total expenditures	-	1,760,412	1,472,723	287,689
Excess of revenues over (under) expenditures	-	367,142	(1,278,424)	(1,645,566)
Net change in fund balance	-	367,142	(1,278,424)	(1,645,566)
Fund balance - July 1	(386,588)	(386,588)	(386,588)	
Fund balance - June 30	<u>\$ (386,588)</u>	<u>\$ (19,446)</u>	<u>\$ (1,665,012)</u>	<u>\$ (1,645,566)</u>

CITY OF GOLETA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 Last 10 Years*
 As of June 30, 2018

The following table provides required supplementary information regarding the City's Pension Plan.

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability	0.02772%	0.02565%	0.02318%	0.02586%
Proportionate share of the net pension liability	\$ 2,749,352	\$ 2,219,286	\$ 1,590,804	\$ 1,609,229
Covered payroll	\$ 5,464,417	\$ 5,180,046	\$ 4,778,639	\$ 4,819,034
Proportionate share of the net pension liability as percentage of covered payroll	50.31%	42.84%	33.29%	33.39%
Plan's total pension liability	\$ 37,161,348,332	\$ 33,358,627,624	\$ 31,771,217,402	\$ 30,829,966,631
Plan's fiduciary net position	\$ 27,244,095,376	\$ 24,705,532,291	\$ 24,907,305,871	\$ 24,607,502,515
Plan fiduciary net position as a percentage of the total pension liability	73.31%	74.06%	78.40%	79.82%

Notes to Schedule:

Changes in assumptions

In 2017, as part of the Asset Liability Management review cycle, the discount rate was changed from 7.65% to 7.15%.

In 2016, the discount rate was changed from 7.5% (net of administrative expense) to 7.65% to correct for an adjustment to exclude administrative expense.

In 2015, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of general employees.

*- Fiscal year 2015 was the 1st year of implementation, therefore only four years are shown.

CITY OF GOLETA
SCHEDULE OF PENSION CONTRIBUTIONS
 Last 10 Years*
 As of June 30, 2018

The following table provides required supplementary information regarding the City's Pension Plan.

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution (actuarially determined)	\$ 591,252	\$ 535,490	\$ 491,157	\$ 528,634
Contribution in relation to the actuarially determined contributions	(591,252)	(535,490)	(491,157)	(528,634)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 5,897,673	\$ 5,464,417	\$ 5,180,046	\$ 4,778,639
Contributions as a percentage of covered payroll	10.03%	9.80%	9.48%	11.06%

Notes to Schedule

Valuation Date: 6/30/2016

The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2017/2018 were derived from the June 30, 2017 funding valuation report.

Actuarial Cost Method Entry Age Normal

Amortization Method/Period For details, see June 30, 2016 funding valuation report.

Inflation 2.75%

Salary Increases Varies by entry age and service

Payroll Growth 3.00%

Investment Rate of Return 7.0% net of pension plan investment and administrative expenses; includes inflation.

Retirement Age The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.

Mortality The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

*- Fiscal year 2015 was the 1st year of implementation, therefore only four years are shown.

CITY OF GOLETA
SCHEDULE OF CHANGES IN THE OPEB LIABILITY AND RELATED RATIOS
 Last 10 Years*
 As of June 30, 2018

Measurement Period	2018
Total OPEB Liability	
Service cost	\$ 290,904
Interest on the total OPEB liability	48,449
Difference between expected and actual experience	223,452
Changes in assumptions	-
Changes in benefit terms	-
Benefit payments	(27,438)
Net change in total OPEB Liability	<u>535,367</u>
Total OPEB liability- beginning	<u>1,291,968</u>
Total OPEB liability- ending (a)	<u>\$ 1,827,335</u>
Covered payroll	<u>\$ 6,317,404</u>
 Total OPEB liability as a percentage of covered payroll	 28.93%

*- Fiscal year 2018 was the 1st year of implementation, therefore only one year is shown.

CITY OF GOLETA
SCHEDULE OF OPEB CONTRIBUTIONS
Last 10 Years*
As of June 30, 2018

As of June 30, 2018, the plan is not administered through a qualified trust. Therefore there is no Actuarially Determined Contribution (ADC). Benefit payments of \$27,438 were made on a pay-as-you-go-basis for the fiscal year ended June 30, 2018.

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SUPPLEMENTAL INFORMATION SECTION

NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

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

Gas Tax - This fund is used to account for the City's share of the motor vehicle gas tax imposed under the provisions of the Street and Highway Code of the State of California under Sections 2105, 2106, 2107 and 2107.5, which are legally restricted for the acquisition, construction, improvement, and maintenance of public streets.

Transportation - This fund is used to account for public transportation funding derived from a portion of the retail sales tax collected statewide.

Road Maintenance and Rehabilitation - This fund is used to account for the Road Maintenance and Rehabilitation additional gas tax funding as authorized by State Bill I which can be used for road maintenance and construction.

Measure A - This fund is used to account for funds received from a one-half cent sales tax levied by the Santa Barbara County Association of Governments. The proceeds are restricted to transportation uses. Measure A was approved by the voters of Santa Barbara County by an election held on November 4, 2008.

Measure A Grants - This fund is used to account for grant funds awarded to the City by the Santa Barbara County Association of Governments. These funds are derived from Measure A funding and are awarded for specific transportation related projects.

Solid Waste Program - This fund is used to account for receipts and expenditures relating to the City's solid waste program.

Public Safety Donations - This fund is used to account for revenue received for public safety at the Market Place Shopping Center.

County Fire DIF - This fund is used to account for County fire development impact fees that help construct Fire Station 10.

Library Facilities DIF - This fund is used to account for library facilities development impact fees.

Sheriff Facilities DIF - This fund is used to account for public safety facilities development impact fees.

Housing In-Lieu - This fund is used to account for receipts and expenditures of the City's affordable housing programs.

Environmental Programs - This fund is used to account for receipts and expenditures relating to the City's environmental mitigation programs.

Fire Facilities DIF - This fund is used to account for fire facilities development impact fees.

Long Range Development Plan - This fund is used to account for traffic infrastructure funding from University of California, Santa Barbara.

Public Safety - This fund is used to account for state funds under the Citizen Options for Public Safety (COPS) grant program.

Sustainable Communities Grant - This fund is used to account for funds received under the Sustainable Communities grant program.

Solid Waste Recycling - This fund is used to account for receipts and expenditures relating to the City's solid waste recycling program.

RSTP State Grant - This fund is used to account for state and federal grant funds to local governments for use in transit and highway projects, including street and road projects.

Comstock Plover Endowment - This fund is used to account for development related funds for use in environmental mitigation programs.

Miscellaneous Grants - This fund is used to account for state grant funds to local governments for use in various City projects.

Local STIP - This fund is used to account for state grant funds to local governments for use in transit and highway projects, including street and road projects.

NONMAJOR GOVERNMENTAL FUNDS (Continued)
SPECIAL REVENUE FUNDS (Continued)

Developer Agreement - This fund is used to account for developer agreement funds for use in agreed upon projects with the City and developer.

CDBG - This fund is used to account for revenues and expenditures related to the Community Development Block Grant program. These funds are received from the Federal Department of Housing and Urban Development and must be expended exclusively on programs for low and moderate income individuals/families.

HSIP - This fund is used to account for improvements for Hollister and Goleta Valley Center Community Center Crosswalk.

Library Services - This fund is used to account for proceeds of Measure L, which authorized a special tax to fund services at the Goleta Library.

Street Lighting - This fund is used to account for proceeds from a special benefit assessment to fund street lighting.

TIGER Grant - This fund is used to account for support of capital projects which repair bridges or improve infrastructure to a state of good repair.

PEG - This fund is used to account for funds received as local franchising fees for capital costs for public, education or governmental access facilities.

Federal Transportation Program - This fund is used to account for federal grant funds for transportation projects.

LSTP State Grant - This fund is used to account for the Local Surface Transportation Program State grant funds for use in transit and highway projects including streets and roads.

Housing and Community Development State Grant - This fund is used to account for funding from the Housing Related Parks Program to assist with new residential housing to lower-income households.

Cal OES - This fund is used to account for funding through the California Office of Emergency Services for emergency preparedness, response, recovery, and homeland security activities.

FHWA – FEMA Reimbursement - This fund is used to account for the Federal Highway Administration Emergency Relief Funds used for repair or construction of federal-aid highways on federal lands which have suffered serious damage as a result of natural disasters.

State Parks Grant - This fund is used to account for state grant funds for parks.

Certified Access Specialist - This fund is used to account for fees collected to increase disability access and compliance with construction-related accessibility requirements. These fees are set by Senate Bill 1186.

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CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2018

	<u>Special Revenue Funds</u>			
	<u>Gas Tax</u>	<u>Transportation</u>	<u>Road Maintenance and Rehabilitation</u>	<u>Measure A</u>
ASSETS:				
Cash and investments	\$ 583,579	\$ 100,644	\$ 119,217	\$ 1,489,666
Receivables:				
Accounts	-	-	67,315	57,793
Interest	89	17	16	242
Due from other governments	-	-	-	-
Prepaid items	-	-	-	-
TOTAL ASSETS	<u>\$ 583,668</u>	<u>\$ 100,661</u>	<u>\$ 186,548</u>	<u>\$ 1,547,701</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ 152,865
Accrued salaries and benefits	-	-	-	-
Retentions payable	46,210	3,850	-	125,451
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
TOTAL LIABILITIES	<u>46,210</u>	<u>3,850</u>	<u>-</u>	<u>278,316</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	537,458	96,811	186,548	1,269,385
Unassigned	-	-	-	-
TOTAL FUND BALANCES	<u>537,458</u>	<u>96,811</u>	<u>186,548</u>	<u>1,269,385</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 583,668</u>	<u>\$ 100,661</u>	<u>\$ 186,548</u>	<u>\$ 1,547,701</u>

Special Revenue Funds

<u>Measure A Grants</u>	<u>Solid Waste Program</u>	<u>Public Safety Donations</u>	<u>County Fire DIF</u>	<u>Library Facilities DIF</u>	<u>Sheriff Facilities DIF</u>	<u>Housing In-Lieu</u>
\$ -	\$ 1,190,559	\$ 369,908	\$ -	\$ 194,441	\$ 945,240	\$ 353,128
18,701	64,273	-	54,224	-	-	-
-	201	63	-	30	164	61
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 18,701</u>	<u>\$ 1,255,033</u>	<u>\$ 369,971</u>	<u>\$ 54,224</u>	<u>\$ 194,471</u>	<u>\$ 945,404</u>	<u>\$ 353,189</u>
\$ 25,281	\$ 414,302	\$ 25,000	\$ 28,017	\$ -	\$ 42,293	\$ 335
-	5,203	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,623	-	-	26,207	-	-	-
<u>28,904</u>	<u>419,505</u>	<u>25,000</u>	<u>54,224</u>	<u>-</u>	<u>42,293</u>	<u>335</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	835,528	344,971	-	194,471	903,111	352,854
(10,203)	-	-	-	-	-	-
<u>(10,203)</u>	<u>835,528</u>	<u>344,971</u>	<u>-</u>	<u>194,471</u>	<u>903,111</u>	<u>352,854</u>
<u>\$ 18,701</u>	<u>\$ 1,255,033</u>	<u>\$ 369,971</u>	<u>\$ 54,224</u>	<u>\$ 194,471</u>	<u>\$ 945,404</u>	<u>\$ 353,189</u>

(Continued)

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2018

	<u>Special Revenue Funds</u>			
	<u>Environmental Programs</u>	<u>Fire Facilities DIF</u>	<u>Long Range Development Plan</u>	<u>Public Safety</u>
ASSETS:				
Cash and investments	\$ 163,372	\$ 2,708,142	\$ 242,770	\$ 266
Receivables:				
Accounts	-	-	-	-
Interest	28	455	42	5
Due from other governments	-	-	-	-
Prepaid items	-	-	-	-
TOTAL ASSETS	<u>\$ 163,400</u>	<u>\$ 2,708,597</u>	<u>\$ 242,812</u>	<u>\$ 271</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 2,560	\$ -
Accrued salaries and benefits	-	-	-	-
Retentions payable	-	-	39,010	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>41,570</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	163,400	2,708,597	201,242	271
Unassigned	-	-	-	-
TOTAL FUND BALANCES	<u>163,400</u>	<u>2,708,597</u>	<u>201,242</u>	<u>271</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 163,400</u>	<u>\$ 2,708,597</u>	<u>\$ 242,812</u>	<u>\$ 271</u>

Special Revenue Funds

<u>Sustainable Communities Grant</u>	<u>Solid Waste Recycling</u>	<u>RSTP State Grant</u>	<u>Comstock Plover Endowment</u>	<u>Miscellaneous Grants</u>	<u>Local STIP</u>	<u>Developer Agreement</u>
\$ -	\$ 29,330	\$ 102,044	\$ 152,362	\$ 10,028	\$ -	\$ 488,364
12,734	8,183	-	-	-	159,501	-
-	5	19	26	2	-	199
-	-	113,353	-	-	-	-
-	-	-	-	-	12,700	-
<u>\$ 12,734</u>	<u>\$ 37,518</u>	<u>\$ 215,416</u>	<u>\$ 152,388</u>	<u>\$ 10,030</u>	<u>\$ 172,201</u>	<u>\$ 488,563</u>
\$ 17,840	\$ -	\$ 83,500	\$ 1,888	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	8,532	-
-	-	-	150,500	-	-	-
94,799	-	-	-	-	233,196	-
<u>112,639</u>	<u>-</u>	<u>83,500</u>	<u>152,388</u>	<u>-</u>	<u>241,728</u>	<u>-</u>
-	-	-	-	-	159,501	-
-	-	-	-	-	159,501	-
-	-	-	-	-	12,700	-
-	37,518	131,916	-	10,030	-	488,563
(99,905)	-	-	-	-	(241,728)	-
<u>(99,905)</u>	<u>37,518</u>	<u>131,916</u>	<u>-</u>	<u>10,030</u>	<u>(229,028)</u>	<u>488,563</u>
<u>\$ 12,734</u>	<u>\$ 37,518</u>	<u>\$ 215,416</u>	<u>\$ 152,388</u>	<u>\$ 10,030</u>	<u>\$ 172,201</u>	<u>\$ 488,563</u>

(Continued)

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2018

	<u>Special Revenue Funds</u>			
	<u>CDBG</u>	<u>HSIP</u>	<u>Library Services</u>	<u>Street Lighting</u>
ASSETS:				
Cash and investments	\$ -	\$ 3,330	\$ 159,133	\$ 146,347
Receivables:				
Accounts	77,896	2,305	-	-
Interest	-	-	29	29
Due from other governments	-	-	-	-
Prepaid items	-	-	345	-
TOTAL ASSETS	<u>\$ 77,896</u>	<u>\$ 5,635</u>	<u>\$ 159,507</u>	<u>\$ 146,376</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:				
LIABILITIES				
Accounts payable	\$ 4,460	\$ 30,917	\$ 153,455	\$ 365
Accrued salaries and benefits	-	-	-	-
Retentions payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	73,436	-	-	-
TOTAL LIABILITIES	<u>77,896</u>	<u>30,917</u>	<u>153,455</u>	<u>365</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	345	-
Restricted	-	-	5,707	146,011
Unassigned	-	(25,282)	-	-
TOTAL FUND BALANCES	<u>-</u>	<u>(25,282)</u>	<u>6,052</u>	<u>146,011</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 77,896</u>	<u>\$ 5,635</u>	<u>\$ 159,507</u>	<u>\$ 146,376</u>

Special Revenue Funds

<u>TIGER Grant</u>	<u>PEG</u>	<u>Federal Transportation Program</u>	<u>LSTP State Grant</u>	<u>Housing & Community Development State Grant</u>	<u>Cal OES</u>	<u>FHWA - FEMA Reimbursement</u>
\$ -	\$ 90,557	\$ -	\$ 23,730	\$ -	\$ 7,056	\$ 34,634
-	17,970	-	-	-	7,175	23,473
-	15	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 108,542</u>	<u>\$ -</u>	<u>\$ 23,730</u>	<u>\$ -</u>	<u>\$ 14,231</u>	<u>\$ 58,107</u>
\$ 11,786	\$ -	\$ 30,663	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	23,665	-	-	-
-	-	-	-	-	-	-
93,113	-	169,831	-	3,610	-	-
<u>104,899</u>	<u>-</u>	<u>200,494</u>	<u>23,665</u>	<u>3,610</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	108,542	-	65	-	14,231	58,107
<u>(104,899)</u>	<u>-</u>	<u>(200,494)</u>	<u>-</u>	<u>(3,610)</u>	<u>-</u>	<u>-</u>
<u>(104,899)</u>	<u>108,542</u>	<u>(200,494)</u>	<u>65</u>	<u>(3,610)</u>	<u>14,231</u>	<u>58,107</u>
<u>\$ -</u>	<u>\$ 108,542</u>	<u>\$ -</u>	<u>\$ 23,730</u>	<u>\$ -</u>	<u>\$ 14,231</u>	<u>\$ 58,107</u>

(Continued)

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2018

	<u>Special Revenue Fund</u>		Total Nonmajor Governmental Funds
	<u>State Parks Grant</u>	<u>Certified Access Specialist</u>	
ASSETS:			
Cash and investments	\$ -	\$ 2,772	\$ 9,710,619
Receivables:			
Accounts	-	-	571,543
Interest	-	-	1,737
Due from other governments	-	-	113,353
Prepaid items	-	-	13,045
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 2,772</u>	<u>\$ 10,410,297</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:			
LIABILITIES			
Accounts payable	\$ 519,008	\$ -	\$ 1,544,535
Accrued salaries and benefits	-	-	5,203
Retentions payable	27,316	-	274,034
Deposits payable	-	2,761	153,261
Due to other funds	-	-	697,815
TOTAL LIABILITIES	<u>546,324</u>	<u>2,761</u>	<u>2,674,848</u>
 DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	-	-	159,501
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>159,501</u>
 FUND BALANCES			
Nonspendable	-	-	13,045
Restricted	-	11	8,795,348
Unassigned	(546,324)	-	(1,232,445)
TOTAL FUND BALANCES	<u>(546,324)</u>	<u>11</u>	<u>7,575,948</u>
 TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 2,772</u>	<u>\$ 10,410,297</u>

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CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2018

	<u>Special Revenue Funds</u>			
	<u>Gas Tax</u>	<u>Transportation</u>	<u>Road Maintenance and Rehabilitation</u>	<u>Measure A</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ 1,551,715
Intergovernmental	656,622	24,718	186,100	54,625
Charges for services	-	-	-	-
Use of money and property	9,427	1,775	448	35,118
Developer fees	-	-	-	-
Total revenues	<u>666,049</u>	<u>26,493</u>	<u>186,548</u>	<u>1,641,458</u>
EXPENDITURES:				
Current:				
Public safety	-	-	-	-
Public works	957,139	415	-	2,003,731
Community development	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	111,041	-	1,093,722
Total expenditures	<u>957,139</u>	<u>111,456</u>	<u>-</u>	<u>3,097,453</u>
Excess of revenues over (under) expenditures	<u>(291,090)</u>	<u>(84,963)</u>	<u>186,548</u>	<u>(1,455,995)</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(291,090)	(84,963)	186,548	(1,455,995)
Fund balances - July 1	<u>828,548</u>	<u>181,774</u>	<u>-</u>	<u>2,725,380</u>
Fund balances - June 30	<u>\$ 537,458</u>	<u>\$ 96,811</u>	<u>\$ 186,548</u>	<u>\$ 1,269,385</u>

Special Revenue Funds

<u>Measure A Grants</u>	<u>Solid Waste Program</u>	<u>Public Safety Donations</u>	<u>County Fire DIF</u>	<u>Library Facilities DIF</u>	<u>Sheriff Facilities DIF</u>	<u>Housing In-Lieu</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
280,501	-	-	191,248	-	-	-
-	636,229	125,000	-	-	-	-
-	13,345	4,238	-	2,067	11,602	3,475
-	-	-	-	130,502	172,924	341,690
<u>280,501</u>	<u>649,574</u>	<u>129,238</u>	<u>191,248</u>	<u>132,569</u>	<u>184,526</u>	<u>345,165</u>
-	-	84,585	-	-	3,362	-
-	749,472	-	-	-	-	-
-	-	-	-	-	-	3,988
-	-	-	-	103,018	-	25,000
<u>33,647</u>	<u>-</u>	<u>-</u>	<u>191,248</u>	<u>-</u>	<u>111,743</u>	<u>-</u>
<u>33,647</u>	<u>749,472</u>	<u>84,585</u>	<u>191,248</u>	<u>103,018</u>	<u>115,105</u>	<u>28,988</u>
<u>246,854</u>	<u>(99,898)</u>	<u>44,653</u>	<u>-</u>	<u>29,551</u>	<u>69,421</u>	<u>316,177</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>246,854</u>	<u>(99,898)</u>	<u>44,653</u>	<u>-</u>	<u>29,551</u>	<u>69,421</u>	<u>316,177</u>
<u>(257,057)</u>	<u>935,426</u>	<u>300,318</u>	<u>-</u>	<u>164,920</u>	<u>833,690</u>	<u>36,677</u>
<u>\$ (10,203)</u>	<u>\$ 835,528</u>	<u>\$ 344,971</u>	<u>\$ -</u>	<u>\$ 194,471</u>	<u>\$ 903,111</u>	<u>\$ 352,854</u>

(Continued)

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2018

	<u>Special Revenue Funds</u>			
	<u>Environmental Programs</u>	<u>Fire Facilities DIF</u>	<u>Long Range Development Plan</u>	<u>Public Safety</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	139,537
Charges for services	-	-	-	-
Use of money and property	2,056	31,647	10,148	154
Developer fees	-	375,887	-	-
Total revenues	<u>2,056</u>	<u>407,534</u>	<u>10,148</u>	<u>139,691</u>
EXPENDITURES:				
Current:				
Public safety	-	3,052	-	139,420
Public works	8,350	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	5,042	1,164,458	-
Total expenditures	<u>8,350</u>	<u>8,094</u>	<u>1,164,458</u>	<u>139,420</u>
Excess of revenues over (under) expenditures	<u>(6,294)</u>	<u>399,440</u>	<u>(1,154,310)</u>	<u>271</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(6,294)</u>	<u>399,440</u>	<u>(1,154,310)</u>	<u>271</u>
Fund balances - July 1	169,694	2,309,157	1,440,785	-
Prior-period adjustment	-	-	(85,233)	-
Fund balances - July 1, restated	<u>169,694</u>	<u>2,309,157</u>	<u>1,355,552</u>	<u>-</u>
Fund balances - June 30	<u>\$ 163,400</u>	<u>\$ 2,708,597</u>	<u>\$ 201,242</u>	<u>\$ 271</u>

Special Revenue Funds

<u>Sustainable Communities Grant</u>	<u>Solid Waste Recycling</u>	<u>RSTP State Grant</u>	<u>Comstock Plover Endowment</u>	<u>Miscellaneous Grants</u>	<u>Local STIP</u>	<u>Developer Agreement</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22,955	8,183	113,353	-	104,002	-	-
-	-	-	-	-	-	-
-	357	1,528	1,888	129	-	25,449
-	-	-	-	-	-	270,000
<u>22,955</u>	<u>8,540</u>	<u>114,881</u>	<u>1,888</u>	<u>104,131</u>	<u>-</u>	<u>295,449</u>
-	-	-	-	-	-	-
104,764	218	-	-	617	-	-
-	-	-	1,888	-	-	-
-	-	-	-	-	-	-
-	-	117,654	-	104,002	75,195	2,031,178
<u>104,764</u>	<u>218</u>	<u>117,654</u>	<u>1,888</u>	<u>104,619</u>	<u>75,195</u>	<u>2,031,178</u>
<u>(81,809)</u>	<u>8,322</u>	<u>(2,773)</u>	<u>-</u>	<u>(488)</u>	<u>(75,195)</u>	<u>(1,735,729)</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(81,809)</u>	<u>8,322</u>	<u>(2,773)</u>	<u>-</u>	<u>(488)</u>	<u>(75,195)</u>	<u>(1,735,729)</u>
(18,096)	29,196	134,689	-	10,518	(153,833)	2,224,292
-	-	-	-	-	-	-
<u>(18,096)</u>	<u>29,196</u>	<u>134,689</u>	<u>-</u>	<u>10,518</u>	<u>(153,833)</u>	<u>2,224,292</u>
<u>\$ (99,905)</u>	<u>\$ 37,518</u>	<u>\$ 131,916</u>	<u>\$ -</u>	<u>\$ 10,030</u>	<u>\$ (229,028)</u>	<u>\$ 488,563</u>

(Continued)

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2018

	<u>Special Revenue Funds</u>			
	<u>CDBG</u>	<u>HSIP</u>	<u>Library Services</u>	<u>Street Lighting</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ 267,666	\$ 281,855
Intergovernmental	270,049	105,853	-	-
Charges for services	-	-	-	-
Use of money and property	-	-	1,232	1,543
Developer fees	-	-	-	-
Total revenues	<u>270,049</u>	<u>105,853</u>	<u>268,898</u>	<u>283,398</u>
EXPENDITURES:				
Current:				
Public safety	-	-	-	-
Public works	-	-	-	227,655
Community development	100,496	-	-	-
Community services	-	-	263,029	-
Capital outlay	<u>149,634</u>	<u>33,223</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>250,130</u>	<u>33,223</u>	<u>263,029</u>	<u>227,655</u>
Excess of revenues over (under) expenditures	<u>19,919</u>	<u>72,630</u>	<u>5,869</u>	<u>55,743</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(19,919)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(19,919)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	72,630	5,869	55,743
Fund balances - July 1	<u>-</u>	<u>(97,912)</u>	<u>183</u>	<u>90,268</u>
Fund balances - June 30	<u>\$ -</u>	<u>\$ (25,282)</u>	<u>\$ 6,052</u>	<u>\$ 146,011</u>

Special Revenue Funds

<u>TIGER Grant</u>	<u>PEG</u>	<u>Federal Transportation Program</u>	<u>LSTP State Grant</u>	<u>Housing & Community Development State Grant</u>	<u>Cal OES</u>	<u>FHWA - FEMA Reimbursement</u>
\$ -	\$ 72,467	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	170,083	580,788	-	14,231	58,107
-	-	-	-	-	-	-
-	803	-	65	-	-	-
-	-	-	-	-	-	-
-	<u>73,270</u>	<u>170,083</u>	<u>580,853</u>	<u>-</u>	<u>14,231</u>	<u>58,107</u>
-	-	-	-	-	-	-
-	572	-	580,788	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>109,654</u>	<u>-</u>	<u>197,335</u>	<u>-</u>	<u>3,610</u>	<u>-</u>	<u>-</u>
<u>109,654</u>	<u>572</u>	<u>197,335</u>	<u>580,788</u>	<u>3,610</u>	<u>-</u>	<u>-</u>
<u>(109,654)</u>	<u>72,698</u>	<u>(27,252)</u>	<u>65</u>	<u>(3,610)</u>	<u>14,231</u>	<u>58,107</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(109,654)</u>	<u>72,698</u>	<u>(27,252)</u>	<u>65</u>	<u>(3,610)</u>	<u>14,231</u>	<u>58,107</u>
<u>4,755</u>	<u>35,844</u>	<u>(173,242)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (104,899)</u>	<u>\$ 108,542</u>	<u>\$ (200,494)</u>	<u>\$ 65</u>	<u>\$ (3,610)</u>	<u>\$ 14,231</u>	<u>\$ 58,107</u>

(Continued)

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2018

	<u>Special Revenue Fund</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>State Parks Grant</u>	<u>Certified Access Specialist</u>	
REVENUES:			
Taxes	\$ -	\$ -	\$ 2,173,703
Intergovernmental	-	-	2,980,955
Charges for services	-	-	761,229
Use of money and property	-	11	158,505
Developer fees	-	-	1,291,003
	<u>-</u>	<u>-</u>	<u>1,291,003</u>
Total revenues	<u>-</u>	<u>11</u>	<u>7,365,395</u>
EXPENDITURES:			
Current:			
Public safety	-	-	230,419
Public works	-	-	4,633,721
Community development	-	-	106,372
Community services	-	-	391,047
Capital outlay	546,324	-	6,078,710
	<u>546,324</u>	<u>-</u>	<u>6,078,710</u>
Total expenditures	<u>546,324</u>	<u>-</u>	<u>11,440,269</u>
Excess of revenues over (under) expenditures	<u>(546,324)</u>	<u>11</u>	<u>(4,074,874)</u>
OTHER FINANCING SOURCES (USES):			
Transfers out	-	-	(19,919)
	<u>-</u>	<u>-</u>	<u>(19,919)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(19,919)</u>
Net change in fund balances	<u>(546,324)</u>	<u>11</u>	<u>(4,094,793)</u>
Fund balances - July 1	-	-	11,755,974
Prior-period adjustment	-	-	(85,233)
	<u>-</u>	<u>-</u>	<u>(85,233)</u>
Fund balances - July 1, restated	<u>-</u>	<u>-</u>	<u>11,670,741</u>
Fund balances - June 30	<u>\$ (546,324)</u>	<u>\$ 11</u>	<u>\$ 7,575,948</u>

(Concluded)

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
GAS TAX SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 722,722	\$ 656,622	\$ (66,100)
Use of money and property	8,000	9,427	1,427
Total revenues	<u>730,722</u>	<u>666,049</u>	<u>(64,673)</u>
EXPENDITURES:			
Current:			
Public works	<u>1,558,496</u>	<u>957,139</u>	<u>601,357</u>
Total expenditures	<u>1,558,496</u>	<u>957,139</u>	<u>601,357</u>
Excess of revenues over (under) expenditures	<u>(827,774)</u>	<u>(291,090)</u>	<u>536,684</u>
Net change in fund balance	<u>\$ (827,774)</u>	<u>(291,090)</u>	<u>\$ 536,684</u>
Fund balance - July 1		<u>828,548</u>	
Fund balance - June 30		<u>\$ 537,458</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
TRANSPORTATION SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 25,063	\$ 24,718	\$ (345)
Use of money and property	1,300	1,775	475
Total revenues	<u>26,363</u>	<u>26,493</u>	<u>130</u>
EXPENDITURES:			
Current:			
Public works	61,812	415	61,397
Capital outlay	<u>139,362</u>	<u>111,041</u>	<u>28,321</u>
Total expenditures	<u>201,174</u>	<u>111,456</u>	<u>89,718</u>
Excess of revenues over (under) expenditures	<u>(174,811)</u>	<u>(84,963)</u>	<u>89,848</u>
Net change in fund balance	<u>\$ (174,811)</u>	<u>(84,963)</u>	<u>\$ 89,848</u>
Fund balance - July 1		<u>181,774</u>	
Fund balance - June 30		<u>\$ 96,811</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
ROAD MAINTENANCE AND REHABILITATION SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 176,481	\$ 186,100	\$ 9,619
Use of money and property	-	448	448
	<u>176,481</u>	<u>186,548</u>	<u>10,067</u>
EXPENDITURES:			
Current:			
Public works	176,481	-	176,481
	<u>176,481</u>	<u>-</u>	<u>176,481</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>186,548</u>	<u>186,548</u>
Net change in fund balance	<u>\$ -</u>	<u>186,548</u>	<u>\$ 186,548</u>
Fund balance - July 1		<u>-</u>	
Fund balance - June 30		<u>\$ 186,548</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
MEASURE A SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Taxes	\$ 1,486,695	\$ 1,551,715	\$ 65,020
Intergovernmental	-	54,625	54,625
Use of money and property	25,000	35,118	10,118
	<u>1,511,695</u>	<u>1,641,458</u>	<u>129,763</u>
EXPENDITURES:			
Current:			
Public works	2,489,720	2,003,731	485,989
Capital outlay	1,745,609	1,093,722	651,887
	<u>4,235,329</u>	<u>3,097,453</u>	<u>1,137,876</u>
Excess of revenues over (under) expenditures	<u>(2,723,634)</u>	<u>(1,455,995)</u>	<u>1,267,639</u>
Net change in fund balance	<u>\$ (2,723,634)</u>	<u>(1,455,995)</u>	<u>\$ 1,267,639</u>
Fund balance - July 1		<u>2,725,380</u>	
Fund balance - June 30		<u>\$ 1,269,385</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
MEASURE A GRANTS SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 739,238	\$ 280,501	\$ (458,737)
Total revenues	<u>739,238</u>	<u>280,501</u>	<u>(458,737)</u>
EXPENDITURES:			
Capital outlay	482,181	33,647	448,534
Total expenditures	<u>482,181</u>	<u>33,647</u>	<u>448,534</u>
Excess of revenues over (under) expenditures	<u>257,057</u>	<u>246,854</u>	<u>(10,203)</u>
Net change in fund balance	<u>\$ 257,057</u>	246,854	<u>\$ (10,203)</u>
Fund balance - July 1		<u>(257,057)</u>	
Fund balance - June 30		<u>\$ (10,203)</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
SOLID WASTE PROGRAM SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Charges for services	\$ 573,989	\$ 636,229	\$ 62,240
Use of money and property	6,420	13,345	6,925
Total revenues	<u>580,409</u>	<u>649,574</u>	<u>69,165</u>
EXPENDITURES:			
Current:			
Public works	<u>1,072,015</u>	<u>749,472</u>	<u>322,543</u>
Total expenditures	<u>1,072,015</u>	<u>749,472</u>	<u>322,543</u>
Excess of revenues over (under) expenditures	<u>(491,606)</u>	<u>(99,898)</u>	<u>391,708</u>
Net change in fund balance	<u>\$ (491,606)</u>	<u>(99,898)</u>	<u>\$ 391,708</u>
Fund balance - July 1		<u>935,426</u>	
Fund balance - June 30		<u>\$ 835,528</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
PUBLIC SAFETY DONATIONS SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Charges for services	\$ -	\$ 125,000	\$ 125,000
Use of money and property	1,400	4,238	2,838
Total revenues	<u>1,400</u>	<u>129,238</u>	<u>127,838</u>
EXPENDITURES:			
Current:			
Public safety	427,585	84,585	343,000
Total expenditures	<u>427,585</u>	<u>84,585</u>	<u>343,000</u>
Excess of revenues over (under) expenditures	<u>(426,185)</u>	<u>44,653</u>	<u>470,838</u>
Net change in fund balance	<u>\$ (426,185)</u>	<u>44,653</u>	<u>\$ 470,838</u>
Fund balance - July 1		<u>300,318</u>	
Fund balance - June 30		<u>\$ 344,971</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
COUNTY FIRE DIF SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 1,255,145	\$ 191,248	\$ (1,063,897)
Total revenues	<u>1,255,145</u>	<u>191,248</u>	<u>(1,063,897)</u>
EXPENDITURES:			
Capital outlay	<u>1,255,145</u>	<u>191,248</u>	<u>1,063,897</u>
Total expenditures	<u>1,255,145</u>	<u>191,248</u>	<u>1,063,897</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - July 1		<u>-</u>	
Fund balance - June 30		<u>\$ -</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
LIBRARY FACILITIES DIF SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Use of money and property	\$ 1,300	\$ 2,067	\$ 767
Developer fees	<u>187,567</u>	<u>130,502</u>	<u>(57,065)</u>
Total revenues	<u>188,867</u>	<u>132,569</u>	<u>(56,298)</u>
EXPENDITURES:			
Current:			
Community services	<u>103,258</u>	<u>103,018</u>	<u>240</u>
Total expenditures	<u>103,258</u>	<u>103,018</u>	<u>240</u>
Excess of revenues over (under) expenditures	<u>85,609</u>	<u>29,551</u>	<u>(56,058)</u>
Net change in fund balance	<u>\$ 85,609</u>	29,551	<u>\$ (56,058)</u>
Fund balance - July 1		<u>164,920</u>	
Fund balance - June 30		<u>\$ 194,471</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
SHERIFF FACILITIES DIF SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Use of money and property	\$ 4,000	\$ 11,602	\$ 7,602
Developer fees	284,752	172,924	(111,828)
	<u>288,752</u>	<u>184,526</u>	<u>(104,226)</u>
Total revenues			
EXPENDITURES:			
Current:			
Public safety	5,137	3,362	1,775
Capital outlay	117,343	111,743	5,600
	<u>122,480</u>	<u>115,105</u>	<u>7,375</u>
Total expenditures			
Excess of revenues over (under) expenditures	<u>166,272</u>	<u>69,421</u>	<u>(96,851)</u>
Net change in fund balance	<u>\$ 166,272</u>	69,421	<u>\$ (96,851)</u>
Fund balance - July 1		<u>833,690</u>	
Fund balance - June 30		<u>\$ 903,111</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
HOUSING IN-LIEU SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Use of money and property	\$ 4,000	\$ 3,475	\$ (525)
Developer fees	818,009	341,690	(476,319)
Total revenues	<u>822,009</u>	<u>345,165</u>	<u>(476,844)</u>
EXPENDITURES:			
Current:			
Community development	6,126	3,988	2,138
Community services	25,000	25,000	-
Total expenditures	<u>31,126</u>	<u>28,988</u>	<u>2,138</u>
Excess of revenues over (under) expenditures	<u>790,883</u>	<u>316,177</u>	<u>(474,706)</u>
Net change in fund balance	<u>\$ 790,883</u>	316,177	<u>\$ (474,706)</u>
Fund balance - July 1		<u>36,677</u>	
Fund balance - June 30		<u>\$ 352,854</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
ENVIRONMENTAL PROGRAMS SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Use of money and property	\$ 1,300	\$ 2,056	\$ 756
Total revenues	<u>1,300</u>	<u>2,056</u>	<u>756</u>
EXPENDITURES:			
Current:			
Public works	<u>17,750</u>	<u>8,350</u>	<u>9,400</u>
Total expenditures	<u>17,750</u>	<u>8,350</u>	<u>9,400</u>
Excess of revenues over (under) expenditures	<u>(16,450)</u>	<u>(6,294)</u>	<u>10,156</u>
Net change in fund balance	<u>\$ (16,450)</u>	<u>(6,294)</u>	<u>\$ 10,156</u>
Fund balance - July 1		<u>169,694</u>	
Fund balance - June 30		<u>\$ 163,400</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
FIRE FACILITIES DIF SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Use of money and property	\$ 13,000	\$ 31,647	\$ 18,647
Developer fees	<u>557,966</u>	<u>375,887</u>	<u>(182,079)</u>
Total revenues	<u>570,966</u>	<u>407,534</u>	<u>(163,432)</u>
EXPENDITURES:			
Current:			
Public safety	3,626	3,052	574
Capital outlay	<u>1,867,255</u>	<u>5,042</u>	<u>1,862,213</u>
Total expenditures	<u>1,870,881</u>	<u>8,094</u>	<u>1,862,787</u>
Excess of revenues over (under) expenditures	<u>(1,299,915)</u>	<u>399,440</u>	<u>1,699,355</u>
Net change in fund balance	<u>\$ (1,299,915)</u>	<u>399,440</u>	<u>\$ 1,699,355</u>
Fund balance - July 1		<u>2,309,157</u>	
Fund balance - June 30		<u>\$ 2,708,597</u>	

CITY OF GOLETA
 NONMAJOR GOVERNMENTAL FUNDS
 LONG RANGE DEVELOPMENT SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Use of money and property	\$ 6,000	\$ 10,148	\$ 4,148
Total revenues	<u>6,000</u>	<u>10,148</u>	<u>4,148</u>
EXPENDITURES:			
Capital outlay	<u>2,198,418</u>	<u>1,164,458</u>	<u>1,033,960</u>
Total expenditures	<u>2,198,418</u>	<u>1,164,458</u>	<u>1,033,960</u>
Excess of revenues over (under) expenditures	<u>(2,192,418)</u>	<u>(1,154,310)</u>	<u>1,038,108</u>
Net change in fund balance	<u>\$ (2,192,418)</u>	<u>(1,154,310)</u>	<u>\$ 1,038,108</u>
Fund balance - July 1		1,440,785	
Prior-period adjustment		<u>(85,233)</u>	
Fund balances - July 1, restated		<u>1,355,552</u>	
Fund balance - June 30		<u>\$ 201,242</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
PUBLIC SAFETY SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 139,420	\$ 139,537	\$ 117
Use of money and property	80	154	74
Total revenues	<u>139,500</u>	<u>139,691</u>	<u>191</u>
EXPENDITURES:			
Current:			
Public safety	<u>139,420</u>	<u>139,420</u>	-
Total expenditures	<u>139,420</u>	<u>139,420</u>	-
Excess of revenues over (under) expenditures	<u>80</u>	<u>271</u>	<u>191</u>
Net change in fund balance	<u>\$ 80</u>	271	<u>\$ 191</u>
Fund balance - July 1		<u>-</u>	
Fund balance - June 30		<u>\$ 271</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
SUSTAINABLE COMMUNITIES GRANT SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 146,546	\$ 22,955	\$ (123,591)
Total revenues	<u>146,546</u>	<u>22,955</u>	<u>(123,591)</u>
EXPENDITURES:			
Current:			
Public works	<u>123,592</u>	<u>104,764</u>	<u>18,828</u>
Total expenditures	<u>123,592</u>	<u>104,764</u>	<u>18,828</u>
Excess of revenues over (under) expenditures	<u>22,954</u>	<u>(81,809)</u>	<u>(104,763)</u>
Net change in fund balance	<u>\$ 22,954</u>	<u>(81,809)</u>	<u>\$ (104,763)</u>
Fund balance - July 1		<u>(18,096)</u>	
Fund balance - June 30		<u>\$ (99,905)</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
SOLID WASTE RECYCLING SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 8,000	\$ 8,183	\$ 183
Use of money and property	160	357	197
Total revenues	<u>8,160</u>	<u>8,540</u>	<u>380</u>
EXPENDITURES:			
Current:			
Public works	<u>16,000</u>	<u>218</u>	<u>15,782</u>
Total expenditures	<u>16,000</u>	<u>218</u>	<u>15,782</u>
Excess of revenues over (under) expenditures	<u>(7,840)</u>	<u>8,322</u>	<u>16,162</u>
Net change in fund balance	<u>\$ (7,840)</u>	<u>8,322</u>	<u>\$ 16,162</u>
Fund balance - July 1		<u>29,196</u>	
Fund balance - June 30		<u>\$ 37,518</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
RSTP STATE GRANT SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 682,969	\$ 113,353	\$ (569,616)
Use of money and property	800	1,528	728
Total revenues	<u>683,769</u>	<u>114,881</u>	<u>(568,888)</u>
EXPENDITURES:			
Capital outlay	<u>682,969</u>	<u>117,654</u>	<u>565,315</u>
Total expenditures	<u>682,969</u>	<u>117,654</u>	<u>565,315</u>
Excess of revenues over (under) expenditures	<u>800</u>	<u>(2,773)</u>	<u>(3,573)</u>
Net change in fund balance	<u>\$ 800</u>	<u>(2,773)</u>	<u>\$ (3,573)</u>
Fund balance - July 1		<u>134,689</u>	
Fund balance - June 30		<u>\$ 131,916</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
COMSTOCK PLOVER ENDOWMENT SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Use of money and property	\$ 1,888	\$ 1,888	\$ -
Total revenues	<u>1,888</u>	<u>1,888</u>	<u>-</u>
EXPENDITURES:			
Current:			
Community development	<u>1,888</u>	<u>1,888</u>	<u>-</u>
Total expenditures	<u>1,888</u>	<u>1,888</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - July 1		<u>-</u>	
Fund balance - June 30		<u>\$ -</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
MISCELLANEOUS GRANTS SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 104,002	\$ 104,002	\$ -
Use of money and property	-	129	129
	<u>104,002</u>	<u>104,131</u>	<u>129</u>
EXPENDITURES:			
Current:			
Public works	10,542	617	9,925
Capital outlay	104,002	104,002	-
	<u>114,544</u>	<u>104,619</u>	<u>9,925</u>
Excess of revenues over (under) expenditures	<u>(10,542)</u>	<u>(488)</u>	<u>10,054</u>
Net change in fund balance	<u>\$ (10,542)</u>	<u>(488)</u>	<u>\$ 10,054</u>
Fund balance - July 1		<u>10,518</u>	
Fund balance - June 30		<u>\$ 10,030</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
LOCAL STIP SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 6,618,071	\$ -	\$ (6,618,071)
Use of money and property	60	-	(60)
Total revenues	<u>6,618,131</u>	<u>-</u>	<u>(6,618,131)</u>
EXPENDITURES:			
Capital outlay	<u>6,458,570</u>	<u>75,195</u>	<u>6,383,375</u>
Total expenditures	<u>6,458,570</u>	<u>75,195</u>	<u>6,383,375</u>
Excess of revenues over (under) expenditures	<u>159,561</u>	<u>(75,195)</u>	<u>(234,756)</u>
Net change in fund balance	<u>\$ 159,561</u>	<u>(75,195)</u>	<u>\$ (234,756)</u>
Fund balance - July 1		<u>(153,833)</u>	
Fund balance - June 30		<u>\$ (229,028)</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
DEVELOPER AGREEMENT SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Use of money and property	\$ 8,000	\$ 25,449	\$ 17,449
Developer fees	1,000,000	270,000	(730,000)
Total revenues	<u>1,008,000</u>	<u>295,449</u>	<u>(712,551)</u>
EXPENDITURES:			
Capital outlay	<u>2,301,178</u>	<u>2,031,178</u>	<u>270,000</u>
Total expenditures	<u>2,301,178</u>	<u>2,031,178</u>	<u>270,000</u>
Excess of revenues over (under) expenditures	<u>(1,293,178)</u>	<u>(1,735,729)</u>	<u>(442,551)</u>
Net change in fund balance	<u>\$ (1,293,178)</u>	<u>(1,735,729)</u>	<u>\$ (442,551)</u>
Fund balance - July 1		<u>2,224,292</u>	
Fund balance - June 30		<u>\$ 488,563</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
CDBG SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 331,439	\$ 270,049	\$ (61,390)
Total revenues	<u>331,439</u>	<u>270,049</u>	<u>(61,390)</u>
EXPENDITURES:			
Current:			
Community development	102,659	100,496	2,163
Capital outlay	<u>196,245</u>	<u>149,634</u>	<u>46,611</u>
Total expenditures	<u>298,904</u>	<u>250,130</u>	<u>48,774</u>
Excess of revenues over (under) expenditures	<u>32,535</u>	<u>19,919</u>	<u>(12,616)</u>
OTHER FINANCING SOURCES (USES):			
Transfers out	<u>(32,535)</u>	<u>(19,919)</u>	<u>12,616</u>
Total other financing sources (uses)	<u>(32,535)</u>	<u>(19,919)</u>	<u>12,616</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - July 1		<u>-</u>	
Fund balance - June 30		<u>\$ -</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
HSIP SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 237,675	\$ 105,853	\$ (131,822)
Total revenues	<u>237,675</u>	<u>105,853</u>	<u>(131,822)</u>
EXPENDITURES:			
Capital outlay	<u>237,675</u>	<u>33,223</u>	<u>204,452</u>
Total expenditures	<u>237,675</u>	<u>33,223</u>	<u>204,452</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>72,630</u>	<u>72,630</u>
Net change in fund balance	<u>\$ -</u>	<u>72,630</u>	<u>\$ 72,630</u>
Fund balance - July 1		<u>(97,912)</u>	
Fund balance - June 30		<u>\$ (25,282)</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
LIBRARY SERVICES SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Taxes	\$ 272,759	\$ 267,666	\$ (5,093)
Use of money and property	<u>600</u>	<u>1,232</u>	<u>632</u>
Total revenues	<u>273,359</u>	<u>268,898</u>	<u>(4,461)</u>
EXPENDITURES:			
Current:			
Community services	<u>272,759</u>	<u>263,029</u>	<u>9,730</u>
Total expenditures	<u>272,759</u>	<u>263,029</u>	<u>9,730</u>
Excess of revenues over (under) expenditures	<u>600</u>	<u>5,869</u>	<u>5,269</u>
Net change in fund balance	<u>\$ 600</u>	<u>5,869</u>	<u>\$ 5,269</u>
Fund balance - July 1		<u>183</u>	
Fund balance - June 30		<u>\$ 6,052</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
STREET LIGHTING SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Taxes	\$ 276,888	\$ 281,855	\$ 4,967
Use of money and property	330	1,543	1,213
Total revenues	<u>277,218</u>	<u>283,398</u>	<u>6,180</u>
EXPENDITURES:			
Current:			
Public works	<u>270,300</u>	<u>227,655</u>	<u>42,645</u>
Total expenditures	<u>270,300</u>	<u>227,655</u>	<u>42,645</u>
Excess of revenues over (under) expenditures	<u>6,918</u>	<u>55,743</u>	<u>48,825</u>
Net change in fund balance	<u>\$ 6,918</u>	<u>55,743</u>	<u>\$ 48,825</u>
Fund balance - July 1		<u>90,268</u>	
Fund balance - June 30		<u>\$ 146,011</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
TIGER GRANT SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 161,793	\$ -	\$ (161,793)
Total revenues	<u>161,793</u>	<u>-</u>	<u>(161,793)</u>
EXPENDITURES:			
Capital outlay	<u>161,793</u>	<u>109,654</u>	<u>52,139</u>
Total expenditures	<u>161,793</u>	<u>109,654</u>	<u>52,139</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>(109,654)</u>	<u>(109,654)</u>
Net change in fund balance	<u>\$ -</u>	<u>(109,654)</u>	<u>\$ (109,654)</u>
Fund balance - July 1		<u>4,755</u>	
Fund balance - June 30		<u>\$ (104,899)</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
PEG SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Taxes	\$ 76,000	\$ 72,467	\$ (3,533)
Use of money and property	2,280	803	(1,477)
Total revenues	<u>78,280</u>	<u>73,270</u>	<u>(5,010)</u>
EXPENDITURES:			
Current:			
Public works	14,500	572	13,928
Total expenditures	<u>14,500</u>	<u>572</u>	<u>13,928</u>
Excess of revenues over (under) expenditures	63,780	72,698	8,918
Net change in fund balance	<u>\$ 63,780</u>	<u>72,698</u>	<u>\$ 8,918</u>
Fund balance - July 1		<u>35,844</u>	
Fund balance - June 30		<u>\$ 108,542</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
FEDERAL TRANSPORTATION PROGRAM SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 6,943,805	\$ 170,083	\$ (6,773,722)
Total revenues	<u>6,943,805</u>	<u>170,083</u>	<u>(6,773,722)</u>
EXPENDITURES:			
Capital outlay	<u>6,773,722</u>	<u>197,335</u>	<u>6,576,387</u>
Total expenditures	<u>6,773,722</u>	<u>197,335</u>	<u>6,576,387</u>
Excess of revenues over (under) expenditures	<u>170,083</u>	<u>(27,252)</u>	<u>(197,335)</u>
Net change in fund balance	<u>\$ 170,083</u>	<u>(27,252)</u>	<u>\$ (197,335)</u>
Fund balance - July 1		<u>(173,242)</u>	
Fund balance - June 30		<u>\$ (200,494)</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
LSTP STATE GRANT SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 580,788	\$ 580,788	\$ -
Use of money and property	-	65	65
Total revenues	<u>580,788</u>	<u>580,853</u>	<u>65</u>
EXPENDITURES:			
Current:			
Public works	<u>580,788</u>	<u>580,788</u>	<u>-</u>
Total expenditures	<u>580,788</u>	<u>580,788</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>65</u>	<u>65</u>
Net change in fund balance	<u>\$ -</u>	<u>65</u>	<u>\$ 65</u>
Fund balance - July 1		<u>-</u>	
Fund balance - June 30		<u>\$ 65</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
HOUSING AND COMMUNITY DEVELOPMENT STATE GRANT SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 269,234	\$ -	\$ (269,234)
Total revenues	<u>269,234</u>	<u>-</u>	<u>(269,234)</u>
EXPENDITURES:			
Capital outlay	<u>269,234</u>	<u>3,610</u>	<u>265,624</u>
Total expenditures	<u>269,234</u>	<u>3,610</u>	<u>265,624</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>(3,610)</u>	<u>(3,610)</u>
Net change in fund balance	<u>\$ -</u>	<u>(3,610)</u>	<u>\$ (3,610)</u>
Fund balance - July 1		<u>-</u>	
Fund balance - June 30		<u>\$ (3,610)</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
CAL OES SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ -	\$ 14,231	\$ 14,231
Total revenues	<u>-</u>	<u>14,231</u>	<u>14,231</u>
EXPENDITURES:			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>14,231</u>	<u>14,231</u>
Net change in fund balance	<u>\$ -</u>	<u>14,231</u>	<u>\$ 14,231</u>
Fund balance - July 1		<u>-</u>	
Fund balance - June 30		<u>\$ 14,231</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
FHWA-FEMA REIMBURSEMENT SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ -	\$ 58,107	\$ 58,107
Total revenues	<u>-</u>	<u>58,107</u>	<u>58,107</u>
EXPENDITURES:			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>58,107</u>	<u>58,107</u>
Net change in fund balance	<u><u>\$ -</u></u>	<u><u>58,107</u></u>	<u><u>\$ 58,107</u></u>
Fund balance - July 1		<u>-</u>	
Fund balance - June 30		<u><u>\$ 58,107</u></u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
STATE PARKS GRANT SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 910,000	\$ -	\$ (910,000)
Total revenues	<u>910,000</u>	<u>-</u>	<u>(910,000)</u>
EXPENDITURES:			
Capital outlay	910,000	546,324	363,676
Total expenditures	<u>910,000</u>	<u>546,324</u>	<u>#VALUE!</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>(546,324)</u>	<u>#VALUE!</u>
Net change in fund balance	<u>\$ -</u>	<u>(546,324)</u>	<u>\$ #VALUE!</u>
Fund balance - July 1		<u>-</u>	
Fund balance - June 30		<u>\$ (546,324)</u>	

CITY OF GOLETA
NONMAJOR GOVERNMENTAL FUNDS
CERTIFIED ACCESS SPECIALIST SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ -	\$ -	\$ -
Use of money and property	-	11	11
Total revenues	<u>-</u>	<u>11</u>	<u>11</u>
EXPENDITURES:			
Capital outlay	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>11</u>	<u>11</u>
Net change in fund balance	<u>\$ -</u>	<u>11</u>	<u>\$ 11</u>
Fund balance - July 1		<u>-</u>	
Fund balance - June 30		<u>\$ 11</u>	

CITY OF GOLETA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
DEVELOPER DEPOSITS AGENCY FUND
June 30, 2018

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2018</u>
Assets				
Cash and investments	\$ 965,508	\$ 1,147,608	\$ 1,219,443	\$ 893,673
Total assets	<u>\$ 965,508</u>	<u>\$ 1,147,608</u>	<u>\$ 1,219,443</u>	<u>\$ 893,673</u>
Liabilities				
Accounts payable	\$ 157,061	\$ 795,747	\$ 921,196	\$ 31,612
Deposits payable	<u>808,447</u>	<u>351,861</u>	<u>298,247</u>	<u>862,061</u>
Total liabilities	<u>\$ 965,508</u>	<u>\$ 1,147,608</u>	<u>\$ 1,219,443</u>	<u>\$ 893,673</u>

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Goleta's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, footnotes, and required supplementary information says about the City's overall financial health.

Contents	Pages
<p>Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</p>	116-123
<p>Revenue Capacity These schedules contain information to help assess the City's most significant local revenue source, the property tax and transit occupancy tax.</p>	124-131
<p>Debt Capacity These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</p>	132-135
<p>Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</p>	136-137
<p>Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</p>	138-141

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF GOLETA

NET POSITION BY COMPONENT

Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30,				
	2009	2010	2011	2012	2013
Governmental activities:					
Net investment in capital assets	\$ 168,713,837	\$ 165,751,283	\$ 164,443,711	\$ 172,075,288	\$ 163,927,809
Restricted	14,202,532	15,707,269	13,773,387	13,409,549	13,017,605
Unrestricted	8,056,471	5,998,325	7,302,694	16,715,914	14,419,566
Total governmental activities net position	<u>\$ 190,972,840</u>	<u>\$ 187,456,877</u>	<u>\$ 185,519,792</u>	<u>\$ 202,200,751</u>	<u>\$ 191,364,980</u>

Fiscal Year Ended June 30,				
<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 172,564,805	\$ 183,863,622	\$ 181,519,215	\$ 180,871,756	\$ 189,886,349
18,154,319	17,955,771	28,429,446	36,891,364	34,623,415
<u>10,963,974</u>	<u>11,095,734</u>	<u>15,465,702</u>	<u>19,440,126</u>	<u>6,765,954</u>
<u>\$ 201,683,098</u>	<u>\$ 212,915,127</u>	<u>\$ 225,414,363</u>	<u>\$ 237,203,246</u>	<u>\$ 231,275,718</u>

CITY OF GOLETA

CHANGES IN NET POSITION

Last Ten Fiscal Years
(accrual basis of accounting)

Primary Government - Governmental Activities	Fiscal Year Ended June 30,			
	2009	2010	2011	2012
Expenses:				
General government	\$ 3,626,933	\$ 4,504,965	\$ 3,364,448	\$ 4,442,304
Public safety	6,220,064	6,443,432	6,534,163	6,786,540
Public works	11,628,940	11,131,852	9,632,224	7,311,563
Community development	4,524,328	3,006,793	2,157,181	795,924
Community services	2,812,884	2,662,570	2,412,473	2,982,588
Interest and other charges	63,902	38,756	473,629	510,656
Total expenses	<u>28,877,051</u>	<u>27,788,368</u>	<u>24,574,118</u>	<u>22,829,575</u>
Program revenues:				
Charges for services:				
General government	8,569	7,491	6,525	29,939
Public safety	255,448	264,526	228,485	169,945
Public works	747,329	633,760	680,933	641,538
Community development	1,171,393	915,013	1,267,026	1,654,126
Community services	16,747	14,763	15,503	14,415
Operating grants and contributions:				
Public safety	173,527	188,168	171,280	129,919
Public works	2,508,017	3,087,242	2,225,067	2,398,730
Community development	19,360	90,527	7,531	-
Capital grants and contributions:				
Public safety	77,340	3,919	14,607	57,906
Public works	1,884,115	2,521,375	1,001,539	7,518,761
Community development	248,172	97,874	20,656	825,552
Community services	64,591	3,505	7,166	25,471
Total program revenues	<u>7,174,608</u>	<u>7,828,163</u>	<u>5,646,318</u>	<u>13,466,302</u>
Net revenues (expenses)	<u>(21,702,443)</u>	<u>(19,960,205)</u>	<u>(18,927,800)</u>	<u>(9,363,273)</u>
General revenues and other changes in net position:				
Taxes:				
Sales taxes	3,353,658	3,310,542	3,905,548	3,845,273
Property taxes, levied for general purpose	4,713,635	4,781,106	4,790,367	5,017,404
Redevelopment Agency tax increment, restricted	3,234,533	3,903,872	3,644,069	2,152,407
Motor vehicle in lieu taxes, unrestricted	878,401	118,547	150,977	-
Transient occupancy tax	2,462,457	2,143,120	2,417,169	2,685,546
Franchise taxes	1,079,337	1,002,546	1,031,099	1,187,154
Other taxes	426,035	585,546	393,853	456,783
Use of money and property	375,504	163,884	231,090	207,471
Other	506,742	435,079	426,543	765,646
Total general revenues	<u>17,030,302</u>	<u>16,444,242</u>	<u>16,990,715</u>	<u>16,317,684</u>
Extraordinary item:				
Gain on dissolution of Redevelopment Agency	-	-	-	9,726,548
Changes in net position	<u>\$ (4,672,141)</u>	<u>\$ (3,515,963)</u>	<u>\$ (1,937,085)</u>	<u>\$ 16,680,959</u>

	Fiscal Year Ended June 30,					
	2013	2014	2015	2016	2017	2018
\$	5,216,451	\$ 5,071,322	\$ 5,563,514	\$ 5,910,221	\$ 6,755,208	\$ 12,562,598
	7,193,436	7,386,485	7,598,735	7,611,834	7,741,361	8,582,868
	14,292,509	10,704,905	8,784,684	9,350,254	10,965,391	18,234,912
	33,365	34,194	297,547	44,509	49,858	425,086
	3,443,203	4,385,593	4,270,831	4,363,053	6,359,917	5,273,153
	260	-	-	-	-	-
	<u>30,179,224</u>	<u>27,582,499</u>	<u>26,515,311</u>	<u>27,279,871</u>	<u>31,871,735</u>	<u>45,078,617</u>
	43,159	43,744	48,740	32,874	18,929	464
	171,132	176,260	197,928	156,125	129,051	125,000
	616,780	1,194,632	1,241,016	1,258,930	1,338,942	737,673
	1,581,191	2,040,086	1,664,052	2,156,101	2,234,166	1,268,821
	13,554	15,567	17,665	17,799	18,419	-
	161,294	142,605	106,258	114,671	424,256	191,248
	2,114,326	2,564,451	2,342,000	2,117,379	3,289,699	937,123
	-	-	-	-	-	-
	44,201	53,324	34,781	243,648	71,579	688,348
	7,474,170	10,688,258	11,996,936	10,947,335	13,029,843	6,045,265
	1,103,734	21,975	374,039	373,338	21,517	634,694
	21,964	44,096	25,744	156,033	59,491	130,502
	<u>13,345,505</u>	<u>16,984,998</u>	<u>18,049,159</u>	<u>17,574,233</u>	<u>20,635,892</u>	<u>10,759,138</u>
	<u>(16,833,719)</u>	<u>(10,597,501)</u>	<u>(8,466,152)</u>	<u>(9,705,638)</u>	<u>(11,235,843)</u>	<u>(34,319,479)</u>
	5,776,818	6,812,304	6,329,870	6,216,442	6,491,121	6,504,431
	5,026,723	5,163,756	5,266,101	5,719,552	6,051,805	7,976,472
	-	-	-	-	-	-
	-	-	-	-	-	-
	5,604,278	6,976,954	7,807,830	8,175,456	8,615,207	10,117,460
	1,152,381	1,223,935	1,272,418	1,241,017	1,202,162	1,325,238
	557,042	247,795	274,256	292,277	246,876	1,253,424
	132,736	112,050	90,723	126,310	148,899	747,399
	872,273	378,825	341,687	433,820	781,108	851,175
	<u>19,122,251</u>	<u>20,915,619</u>	<u>21,382,885</u>	<u>22,204,874</u>	<u>23,537,178</u>	<u>28,775,599</u>
	-	-	-	-	-	-
	<u>\$ 2,288,532</u>	<u>\$ 10,318,118</u>	<u>\$ 12,916,733</u>	<u>\$ 12,499,236</u>	<u>\$ 12,301,335</u>	<u>\$ (5,543,880)</u>

CITY OF GOLETA

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2009	2010	2011	2012
General fund:				
Reserved	\$ 143,065	\$ 189,127	\$ -	\$ -
Unreserved	8,813,424	7,807,167	-	-
Total general fund	<u>\$ 8,956,489</u>	<u>\$ 7,996,294</u>	<u>\$ -</u>	<u>\$ -</u>
All other governmental funds:				
Reserved	\$ 1,874,263	\$ 2,522,135	\$ -	\$ -
Unreserved, reported in:				
Special revenue funds	8,606,741	8,392,385	-	-
Capital projects funds	3,398,377	3,480,094	-	-
Total all other governmental funds	<u>\$ 13,879,381</u>	<u>\$ 14,394,614</u>	<u>\$ -</u>	<u>\$ -</u>
General fund:				
Nonspendable	\$ -	\$ -	\$ 319,801	\$ 128,085
Committed	-	-	-	-
Assigned	-	-	23,545,619	14,914,858
Unassigned	-	-	504,384	2,914,290
Total general fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,369,804</u>	<u>\$ 17,957,233</u>
All other governmental funds:				
Nonspendable	\$ -	\$ -	\$ 72,988	\$ 50,000
Restricted	-	-	13,328,391	13,089,510
Assigned	-	-	-	-
Unassigned	-	-	(424,952)	(527,586)
Total all other governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,976,427</u>	<u>\$ 12,611,924</u>

Note: GASB 54 was implement in 2011, prior years have no comparable data.

		Fiscal Year Ended June 30,					
2013	2014	2015	2016	2017	2018		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
-	-	-	-	-	-		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
-	-	-	-	-	-		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
\$ 536,424	\$ 460,192	\$ 410,865	\$ 82,990	\$ 135,766	\$ 50,197		
12,690,889	12,862,911	12,746,021	15,417,875	14,007,924	10,717,463		
516,358	-	417,369	977,903	6,356,024	4,448,640		
<u>1,766,805</u>	<u>553,862</u>	<u>415,531</u>	<u>1,838,612</u>	<u>938,971</u>	<u>4,286,175</u>		
<u>\$ 15,510,476</u>	<u>\$ 13,876,965</u>	<u>\$ 13,989,786</u>	<u>\$ 18,317,380</u>	<u>\$ 21,438,685</u>	<u>\$ 19,502,475</u>		
\$ 185	\$ 167	\$ 182	\$ 100,074	\$ 112,700	\$ 13,045		
12,354,267	15,788,665	17,955,589	28,329,372	36,792,174	34,623,070		
-	-	-	-	-	-		
<u>(645,505)</u>	<u>(2,359,311)</u>	<u>(330,121)</u>	<u>(729,923)</u>	<u>(1,084,155)</u>	<u>(3,582,604)</u>		
<u>\$ 11,708,947</u>	<u>\$ 13,429,521</u>	<u>\$ 17,625,650</u>	<u>\$ 27,699,523</u>	<u>\$ 35,820,719</u>	<u>\$ 31,053,511</u>		

CITY OF GOLETA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2009	2010	2011	2012
Revenues:				
Taxes	\$ 16,756,152	\$ 16,951,278	\$ 17,460,722	\$ 16,733,812
Intergovernmental	2,919,468	3,590,007	18,421,878	3,544,582
Charges for services	1,746,412	1,630,733	1,818,583	2,140,438
Licenses and permits	-	-	-	-
Fines and forfeitures	255,448	264,525	228,486	169,943
Investment income	570,780	282,408	330,722	345,014
Developer fees	1,314,011	489,825	166,928	6,149,623
Other	642,639	435,080	454,838	815,871
Total revenues	<u>24,204,910</u>	<u>23,643,856</u>	<u>38,882,157</u>	<u>29,899,283</u>
Expenditures				
Current:				
General government	3,500,545	3,706,924	3,761,490	4,507,674
Public safety	6,185,519	6,408,887	6,499,618	6,751,995
Public works	5,694,888	5,704,610	4,546,534	4,774,930
Community development	3,868,251	1,330,563	17,132,204	789,001
Community services	2,791,020	2,574,680	2,410,641	2,980,756
Pass-through to other agencies	656,077	1,693,526	1,023,921	-
Capital outlay	3,719,819	2,567,257	3,832,456	10,179,990
Debt service:				
Principal	69,390	63,615	68,782	495,572
Interest	67,133	38,756	93,853	883,982
Bond issuance cost	-	-	388,720	-
Total expenditures	<u>26,552,642</u>	<u>24,088,818</u>	<u>39,758,219</u>	<u>31,363,900</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,347,732)</u>	<u>(444,962)</u>	<u>(876,062)</u>	<u>(1,464,617)</u>
Other financing sources (uses):				
Tax allocation bonds issued	-	-	16,085,000	-
Discount on bonds issued	-	-	(253,615)	-
Transfers in	5,450,007	2,165,683	16,593,176	247,695
Transfers out	<u>(5,450,007)</u>	<u>(2,165,683)</u>	<u>(16,593,176)</u>	<u>(247,695)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>15,831,385</u>	<u>-</u>
Net change in fund balances, before extraordinary item	(2,347,732)	(444,962)	14,955,323	(1,464,617)
Extraordinary loss on dissolution of Redevelopment Agency	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,312,457)</u>
Net change in fund balances	<u>\$ (2,347,732)</u>	<u>\$ (444,962)</u>	<u>\$ 14,955,323</u>	<u>\$ (6,777,074)</u>
Debt service as a percentage of noncapital expenditures	0.60%	0.48%	0.45%	6.51%

	Fiscal Year Ended June 30,					
	2013	2014	2015	2016	2017	2018
\$	19,542,847	\$ 22,339,191	\$ 22,925,753	\$ 23,649,455	\$ 24,631,621	\$ 26,900,090
	5,624,425	6,400,343	11,740,038	1,923,771	2,358,692	3,175,254
	2,095,880	2,697,388	2,353,873	2,864,921	2,963,297	2,131,958
	-	-	4,756	2,436	16,713	276,935
	171,132	176,260	197,928	156,125	129,051	157,573
	301,651	288,061	279,670	346,146	414,124	747,399
	3,466,434	3,918,215	3,904,960	10,426,271	11,877,652	6,269,163
	872,273	378,825	342,685	433,922	781,110	693,602
	<u>32,074,642</u>	<u>36,198,283</u>	<u>41,749,663</u>	<u>39,803,047</u>	<u>43,172,260</u>	<u>40,351,974</u>
	4,875,271	4,945,251	5,044,002	6,434,016	6,703,041	6,172,071
	7,187,085	7,464,395	7,571,316	7,564,633	7,713,313	8,545,945
	6,080,632	5,129,309	4,817,198	4,433,051	5,778,897	12,361,238
	33,365	34,194	279,741	26,703	32,271	405,516
	3,441,371	4,385,593	4,388,910	4,558,781	6,482,998	4,846,289
	-	-	-	-	-	-
	13,723,359	14,130,471	15,339,546	2,896,848	4,706,787	14,639,100
	83,033	22,007	-	-	-	-
	260	-	-	-	-	-
	-	-	-	-	-	-
	<u>35,424,376</u>	<u>36,111,220</u>	<u>37,440,713</u>	<u>25,914,032</u>	<u>31,417,307</u>	<u>46,970,159</u>
	(3,349,734)	87,063	4,308,950	13,889,015	11,754,953	(6,618,185)
	-	-	-	-	-	-
	-	-	-	-	-	-
	37,052	14,153,059	2,429,567	1,323,699	67,038	19,919
	(37,052)	(14,153,059)	(2,429,567)	(1,323,699)	(67,038)	(19,919)
	-	-	-	-	-	-
	(3,349,734)	87,063	4,308,950	13,889,015	11,754,953	(6,618,185)
	-	-	-	-	-	-
\$	<u>(3,349,734)</u>	<u>\$ 87,063</u>	<u>\$ 4,308,950</u>	<u>\$ 13,889,015</u>	<u>\$ 11,754,953</u>	<u>\$ (6,618,185)</u>
	0.38%	0.10%	0.00%	0.00%	0.00%	0.00%

CITY OF GOLETA

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

Fiscal Year Ended June 30,	City		
	Secured and Unsecured	Less: Exemptions	Taxable Assessed Value
2009	\$ 5,037,169,032	\$ 154,348,677	\$ 4,882,820,355
2010	5,149,233,266	143,525,584	5,005,707,682
2011	5,199,860,164	185,868,983	5,013,991,181
2012	5,333,232,339	203,847,882	5,129,384,457
2013	5,321,655,710	228,041,081	5,093,614,629
2014	5,476,016,337	250,788,107	5,225,228,230
2015	5,635,342,590	215,724,563	5,419,618,027
2016	6,089,379,285	218,841,848	5,870,537,437
2017	6,399,862,393	241,333,422	6,158,528,971
2018 *	6,840,489,088	310,162,712	6,530,326,376

Note:

In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values of the Debt Service payment of Goleta Unified School District, Santa Barbara High School District, and Santa Barbara City College.

(A) Effective February 1, 2012, the Redevelopment Agency was dissolved. See Note 16.

*HDL 17/18 "Roll Summary"

Redevelopment Agency			
Secured and Unsecured	Less: Exemptions	Taxable Assessed Value (A)	Total Direct Tax Rate (A)
\$ 1,018,970,730	\$ 58,752,855	\$ 960,217,875	1.03725%
1,075,227,858	54,687,971	1,020,539,887	1.03725%
1,131,416,537	94,950,658	1,036,465,879	1.03725%
1,156,274,956	105,085,071	1,051,189,885	1.03843%
1,187,685,066	129,671,772	1,058,013,294	1.03868%
1,221,226,250	153,699,413	1,067,526,837	1.04228%
1,232,513,103	152,751,877	1,079,761,226	1.04159%
1,278,194,953	161,350,968	1,116,843,985	1.03768%
1,331,787,175	167,186,201	1,164,600,974	1.03373%
1,436,831,839	220,447,902	1,216,383,937	1.04378%

CITY OF GOLETA

DIRECT AND OVERLAPPING GOVERNMENTS PROPERTY TAX RATES

Last Ten Fiscal Years
(rate per \$100 of taxable value)

	Fiscal Year Ended June 30,			
	2008	2009	2010	2011
City Direct Rates:				
City of Goleta Basic Levy (1)	1.00000	1.00000	1.00000	1.00000
Overlapping Rates (2):				
Goleta Unified School District	0.01627	0.01627	0.01627	0.01627
Santa Barbara City College	-	0.00850	0.00850	0.00850
Santa Barbara High School District	0.01248	0.01248	0.01248	0.01248
Rates	<u>1.02875</u>	<u>1.03725</u>	<u>1.03725</u>	<u>1.03725</u>
City's Share of 1% Levy Per Prop 13 (3)	<u>0.04903</u>	<u>0.04903</u>	<u>0.04903</u>	<u>0.04903</u>
Redevelopment Rate (4)	<u>1.00000</u>	<u>1.00000</u>	<u>1.00000</u>	<u>1.00000</u>
Total Direct Rate (5)	<u>0.10817</u>	<u>0.10817</u>	<u>0.11701</u>	<u>0.11993</u>

Notes:

- (1) In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.
- (2) Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.
- (3) City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. ERAF general fund tax shifts may not be included in tax ratio
- (4) Redevelopment Rate is based on the largest RDA tax rate area and only includes rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment for the State of California for the fiscal year 2012-13 and years thereafter.
- (5) Total Direct Rate is the weighted average of all individual direct rate applied to by the government preparing the statistical section information and excludes revenue derived from aircraft. Beginning in fiscal year 2013-14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during fiscal year 2012-13. For the purposes of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.

Sources: Santa Barbara Auditor-Controller
City of Goleta, Finance Department

	Fiscal Year Ended June 30,						
	2012	2013	2014	2015	2016	2017	2018
	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
	0.01627	0.01627	0.01383	0.01314	0.01248	0.01061	0.00955
	0.00850	0.00850	0.00850	0.00850	0.00850	0.00731	0.00731
	0.01366	0.01391	0.01995	0.01995	0.01670	0.01581	0.02692
	<u>1.03843</u>	<u>1.03868</u>	<u>1.04228</u>	<u>1.04159</u>	<u>1.03768</u>	<u>1.03373</u>	<u>1.04378</u>
	<u>0.04903</u>	<u>0.04903</u>	<u>0.04903</u>	<u>0.04903</u>	<u>0.04903</u>	<u>0.04903</u>	<u>0.04903</u>
	<u>1.00000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>0.12106</u>	<u>0.12288</u>	<u>0.05104</u>	<u>0.05103</u>	<u>0.05094</u>	<u>0.05095</u>	<u>0.05090</u>

CITY OF GOLETA

PRINCIPAL PROPERTY TAX PAYERS

Current Fiscal Year and Nine Fiscal Years Ago

		2018	
Taxpayer	Primary Use	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
CWI Santa Barbara Hotel LP	Commercial	\$ 207,279,466	2.68%
SP Maravilla LLC	Institutional	116,743,129	1.51%
Goleta Hollister Apartments LLC	Residential	114,967,763	1.48%
Camino Real II LLC	Commercial	95,067,605	1.23%
Deckers Cabrillo LLC	Commercial	91,790,873	1.18%
Raytheon Company	Unsecured	84,730,030	1.09%
Flir Commercial Vision Systems Inc	Commercial	81,703,485	1.05%
Willow Springs LP	Residential	70,121,929	0.91%
Nassau Land Company LP	Commercial	51,396,408	0.66%
Sumida Family LP	Residential	49,818,809	0.64%
Top Ten Total		<u>\$ 963,619,497</u>	<u>12.44%</u>
		2009	
Taxpayer	Primary Use	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
HT-Santa Barbara Inc	Residential	\$ 130,000,000	2.22%
Raytheon Company	Unsecured	113,375,313	1.94%
SP Maravilla, LLC	Industrial	106,155,635	1.82%
Camino Real II LLC	Commercial	82,294,301	1.41%
I V Investments LP	Commercial	54,829,080	0.94%
Goleta Investment Partners LLC	Residential	44,744,894	0.77%
Nassau Land Company LP	Commercial	39,790,299	0.68%
IRE-SB, Inc.	Commercial	39,566,588	0.68%
University Business Center Associates	Industrial	37,029,437	0.63%
SB Corporate Center LLC	Commercial	35,066,747	0.60%
Top Ten Total		<u>\$ 682,852,294</u>	<u>11.69%</u>

Note: The amounts shown above include assessed value data for both the City and the Redevelopment Agency.

Source: Santa Barbara Auditor-Controller

CITY OF GOLETA

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date (1)	
		Amount	Percent of Levy		Amount	Percent of Levy
2009	\$ 2,043,072	\$ 2,043,072	100.00%	-	\$ 2,043,072	100.00%
2010	2,081,000	2,081,000	100.00%	-	2,081,000	100.00%
2011	2,087,364	2,087,364	100.00%	-	2,087,364	100.00%
2012	2,162,721	2,162,721	100.00%	-	2,162,721	100.00%
2013	2,260,137	2,260,137	100.00%	-	2,260,137	100.00%
2014	2,311,154	2,311,154	100.00%	-	2,311,154	100.00%
2015	2,538,700	2,538,700	100.00%	-	2,538,700	100.00%
2016	2,752,953	2,752,953	100.00%	-	2,752,953	100.00%
2017	2,904,565	2,904,565	100.00%	-	2,904,565	100.00%
2018	3,093,044	3,093,044	100.00%	-	3,093,044	100.00%

(1) The City participates in the Teeter Plan. The Teeter Plan is an alternative method of apportioning property tax money. Cities participating in the Plan received 95% of the property taxes in advance from the County and the remaining 5% after the County reconciles the Cities' balance on June 30.

Note: The amounts above include the City of Goleta secured property taxes only.

CITY OF GOLETA

REVENUE AND RATES OF TRANSIENT OCCUPANCY TAX

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Transient Occupancy Taxes for the Fiscal Year	Transient Occupancy Tax Rate
2009	\$ 2,462,457	10%
2010	2,143,120	10%
2011	2,417,169	10%
2012 (1)	2,685,546	10%
2013 (2)	5,604,278	12%
2014	6,976,954	12%
2015	7,807,830	12%
2016	8,175,456	12%
2017	8,615,207	12%
2018	10,117,460	12%

Notes:

(1) As of July 1, 2012, the City of Goleta was no longer required to share Transient Occupancy Tax with the County of Santa Barbara under the Revenue Neutrality Agreement.

(2) From July 2012 through December 2012, the tax rate was 10% and then increased to 12% on January 1, 2013

CITY OF GOLETA

PRINCIPAL TRANSIENT OCCUPANCY TAX PAYERS

Current Fiscal Year and Nine Fiscal Years Ago

2018

The Goodland
Hampton Inn
Hilton Garden Inn
Marriott Courtyard
Motel 6
Pacifica Suites
Residence Inn by Marriott
The Ritz-Carlton, Bacara
South Coast Inn
Super 8 Motel

2009

Bacara Resort & Spa
Hampton Inn
Holiday Inn
Motel 6
Pacifica Suites
South Coast Inn
Super 8 Motel

Note:

Top transient occupancy tax payers are listed in alphabetical order.

CITY OF GOLETA

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Certificates of Participation	Capital Leases	Loans Payable	Total Governmental Activities	Percentage of Personal Income	Debt per Capita
2009	\$ -	\$ 311,997	\$ -	\$ 311,997	0.02%	10
2010	-	249,394	-	249,394	0.02%	8
2011	-	180,612	-	180,612	0.01%	6
2012	-	105,040	-	105,040	0.01%	4
2013	-	22,007	-	22,007	2.17%	1
2014	-	-	-	-	0.00%	-
2015	-	-	-	-	0.00%	-
2016	-	-	-	-	0.00%	-
2017	-	-	-	-	0.00%	-
2018	-	-	-	-	0.00%	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF GOLETA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

June 30, 2018

2017-2018 Assessed Valuations:

\$6,530,331,676

	Total Outstanding Debt 6/30/2018	Percentage Applicable (1)	City's Share of Overlapping Debt 6/30/2018
<u>Direct and Overlapping Tax and Assessment Debt</u>			
Goleta Union School District	\$ 13,785,000	51.893%	\$ 7,153,450
Santa Barbara Unified School District	164,086,078	28.098%	23,052,453
Santa Barbara Community College District	60,930,000	12.358%	7,529,729
City of Goleta	0	100.000%	0
Total Direct and Overlapping Tax and Assessment Debt			<u>\$ 37,735,632</u>
<u>Overlapping General Fund Debt</u>			
Santa Barbara County General Fund Obligations	\$ 45,465,000	8.260%	\$ 3,755,409
Total Gross Overlapping General Fund Debt			\$ 3,755,409
Less: Santa Barbara County supported obligations			<u>267,211</u>
Total Net Overlapping General Fund Debt			<u>\$ 3,488,198</u>
<u>Overlapping Tax Increment Debt (Successor Agency):</u>	\$ 14,735,000	100.000%	\$ 14,735,000
Total Direct Debt			\$ -
Total Gross Overlapping Debt			\$ 56,226,041
Total Net Overlapping Debt			\$ 55,958,830
Gross Combined Total Debt			\$ 56,226,041 (2)
Net Combined Total Debt			\$ 55,958,830

Ratios to 2017-2018 Assessed Valuations:

Direct Debt	0.00%
Total Direct and Overlapping Tax and Assessment Debt	0.58%
Gross Combined Total Debt	0.86%
Net Combined Total Debt	0.86%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$710,819,063):

Total Overlapping Tax Increment Debt	2.07%
--------------------------------------	-------

Notes:

- (1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.
- (2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

CITY OF GOLETA

COMPUTATION OF LEGAL DEBT MARGIN

Last Ten Fiscal Years

	Fiscal Year Ended June 30,			
	2009	2010	2011	2012
Assessed valuation	\$ 5,037,169,032	\$ 5,149,233,266	\$ 5,199,860,164	\$ 5,333,232,339
Conversion percentage	25%	25%	25%	25%
Adjusted assessed valuation	1,259,292,258	1,287,308,317	1,299,965,041	1,333,308,085
Debt limit percentage	15%	15%	15%	15%
Debt limit	188,893,839	193,096,247	194,994,756	199,996,213
Total net debt applicable to limitation	-	-	-	-
Legal debt margin	<u>\$ 188,893,839</u>	<u>\$ 193,096,247</u>	<u>\$ 194,994,756</u>	<u>\$ 199,996,213</u>
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located with the State.

	Fiscal Year Ended June 30,					
	2013	2014	2015	2016	2017	2018
	\$ 5,321,655,710	\$ 5,476,016,337	\$ 5,635,342,590	\$ 6,089,379,285	\$ 6,399,862,393	\$ 6,840,498,088
	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
	1,330,413,928	1,369,004,084	1,408,835,648	1,522,344,821	1,599,965,598	1,710,124,522
	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
	199,562,089	205,350,613	211,325,347	228,351,723	239,994,840	256,518,678
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 199,562,089</u>	<u>\$ 205,350,613</u>	<u>\$ 211,325,347</u>	<u>\$ 228,351,723</u>	<u>\$ 239,994,840</u>	<u>\$ 256,518,678</u>
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

CITY OF GOLETA

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Population (1) City of Goleta	Santa Barbara	City of Goleta		
		County Population (1) (in thousands)	Personal Income (2) (in thousands)	Per Capita Income (2) (in thousands)	Unemployment Rate (3)
2009	30,307	407	\$ 1,172,251	\$ 38.7	2.60%
2010	30,404	424	1,137,617	37.4	4.20%
2011	31,099	426	901,342	29.0	4.70%
2012	29,930	427	942,855	31.5	4.40%
2013	29,962	429	1,015,352	33.9	2.90%
2014	30,202	433	1,022,368	33.9	2.60%
2015	30,298	438	994,502	32.8	3.60%
2016	31,235	447	1,015,220	32.5	3.10%
2017	31,760	451	1,085,697	34.2	3.00%
2018	31,949	453	1,110,756	34.8	3.60%

Sources:

- (1) California Department of Finance, HDL Demographics & Economic Statistics
- (2) U.S. Department of Commerce, Bureau of Economic Analysis (Santa Barbara-Santa Maria-Goleta)
- (3) California Employment Development Department

CITY OF GOLETA

PRINCIPAL EMPLOYERS

Current Fiscal Year and Nine Fiscal Years Ago

Employer	2018		Employer	2009	
	Number of Employees	Employment % to Total Population		Number of Employees	Employment % to Total Population
University of California, Santa Barbara (1)	6,268	20.07%	Raytheon	1,500	4.92%
Sansum Clinic	1,183	3.79%	Goleta Unified School District	550	1.80%
Raytheon	1,150	3.68%	Bacara Resorts	527	1.73%
Goleta Unified School District	700	2.24%	Citrix Online	512	1.68%
The Ritz-Carlton	670	2.15%	Allergan	453	1.49%
Yardi Systems	639	2.05%	Flir	360	1.18%
Tecolote Research	570	1.82%	Yardi Systems	360	1.18%
AppFolio	550	1.76%	Karl Storz Imaging	300	0.98%
Log Me In	500	1.60%	Goleta Valley Cottage Hospital	298	0.98%
Jordano's	546	1.75%	Costco	260	0.85%
Deckers Outdoors	544	1.74%	Mentor Corp	260	0.85%
FLIR Commercial Vision Systems	450	1.44%	Jordanos	210	0.69%
Karl Storz Imaging	400	1.28%	The Home Depot	200	0.66%
Curvature, LLC	315	1.01%	ATK	186	0.61%
Marborg Industries	307	0.98%			
Goleta Valley Cottage Hospital	275	0.88%			
Medtronic	250	0.80%			
Costco	233	0.75%			
Inogen Inc.	180	0.58%			
The Home Depot	161	0.52%			

(1) University of California, Santa Barbara is outside of Goleta city limits, but is within close proximity.

Employment data is intended for use as a general guide only. The City of Goleta does not warrant the accuracy of this data. Inquiries should be directed to the respective employer.

Source: City of Goleta, Finance Department

CITY OF GOLETA

FULL-TIME AND PART-TIME CITY EMPLOYEES
BY FUNCTION

Last Ten Fiscal Years

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government	7.00	8.00	7.40	8.40	8.40	8.40	14.55	16.30	16.30	16.40
Administrative Services*	4.00	4.00	4.80	4.80	4.80	4.80	-	-	-	-
Finance Department	4.00	4.00	4.00	4.00	4.00	4.00	4.45	6.00	6.00	6.00
Planning and Environmental Services	14.00	12.00	11.50	11.50	11.50	11.50	13.80	14.80	15.80	14.80
Neighborhood Services and Public Safety	4.00	4.00	4.00	4.00	4.00	4.00	5.00	4.00	5.00	5.00
Public Works	15.00	14.00	15.00	15.00	16.00	16.00	17.90	22.90	22.90	21.90
Total	48.00	46.00	46.70	47.70	48.70	48.70	55.70	64.00	66.00	64.10

* - Beginning in fiscal year 2014-2015; the Administrative Services has been combined with General Government

CITY OF GOLETA
OPERATING INDICATORS
BY FUNCTION

Last Ten Fiscal Years

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police (1):										
Calls for Service	15,159	21,212	21,002	19,277	19,531	20,077	23,150	25,025	23,894	22,690
Citations	2,344	2,842	2,493	982	1,121	1,586	1,444	1,033	871	834
Reports Taken	3,176	3,230	2,875	3,052	2,857	3,079	3,293	3,238	3,329	3,218
Fire (2):										
Calls for Service	2,786	2,847	3,022	2,536	1,942	3,065	3,751	3,856	3,962	4,140
Public works (3):										
Street resurfacing (miles)	33.0	10.6	10.0	10.4	18.5	5.8	12.9	-	6.7	6.8

Sources:

- (1) Santa Barbara County Sheriff Department
- (2) Santa Barbara County Fire Department
- (3) City of Goleta's Public Works Department

CITY OF GOLETA
CAPITAL ASSET STATISTICS
BY FUNCTION

Last Ten Fiscal Years

Function	Fiscal Year Ended June 30,			
	2009	2010	2011	2012
Public Safety:				
Police Stations (1)	-	-	-	-
Fire Stations (2)	3	3	3	3
Community Development and Community Services:				
Parks and Open Space - Acreage	440	440	457	477
Community Center	1	1	1	1
Library	1	1	1	1
Historic Stowe House	1	1	1	1
Amtrak Restrooms	1	1	1	1
Elementary Schools (K - 6)	5	5	5	5
Middle Schools (6 - 8)	1	1	1	1
High Schools (9 - 12)	1	1	1	1
Private Schools	3	3	3	4
Special Needs Schools	-	-	-	-
Public Works:				
Area of City (Square Miles)	7.9	7.9	8.0	8.0
Miles of Streets	172.3	172.3	174.0	174.0
Number of Streetlights (3)	85	85	89	89
Number of Vehicles (City-wide)	15	14	14	14
Corporation Yard	-	-	1	1

- (1) City contracts with County of Santa Barbara for Law Enforcement Services.
- (2) Fire Department related services are provided by the County Fire Department.
- (3) There are one thousand five hundred sixty seven (1,567) streetlights owned and maintained by Southern California Edison (SCE) in addition to those owned and maintained by the City.

Source: Various City of Goleta Departments

Fiscal Year Ended June 30,					
2013	2014	2015	2016	2017	2018
-	-	-	-	-	-
3	3	3	3	3	3
477	477	477	477	477	477
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
5	5	5	5	5	5
1	1	1	1	1	1
1	1	1	1	1	1
4	4	4	4	4	4
-	-	-	-	-	-
8.0	8.0	8.0	8.0	8.0	8.0
174.0	174.0	174.0	174.0	174.0	174.0
98	103	103	103	103	103
14	14	20	18	21	21
1	1	1	1	1	1

