

CITY OF GOLETA  
Goleta, California

Comprehensive Annual Financial Report

Year ended June 30, 2009

Prepared by

FINANCE DEPARTMENT

Alvertina Rivera

Finance Director

CITY OF GOLETA  
Comprehensive Annual Financial Report  
Year ended June 30, 2009

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November 24, 2009

**CITY COUNCIL**

Roger S. Aceves  
*Mayor*

Eric Onnen  
*Mayor Pro Tempore*

Michael T. Bennett  
*Councilmember*

Margaret Connell  
*Councilmember*

Edward Easton  
*Councilmember*

**CITY MANAGER**

Daniel Singer

To the Citizens of the City of Goleta:

It is with great pleasure that we present to you the City of Goleta Comprehensive Annual Financial Report (CAFR). This report fully complies with the financial reporting model developed by the Governmental Accounting Standards Board (GASB) Statement 34. The financial reporting model is intended to improve financial reporting by adding significant additional information not previously available in local government financial statements.

This report was prepared by the Finance Department in conformity with Generally Accepted Accounting Principles (GAAP) and has been audited in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed Certified Public Accountants. The report consists of management representations concerning the finances of the City. Consequently, responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. 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 to enable an understanding of the City's financial activities have been included.

This CAFR includes the financial activity for all funds of the City. The City provides its citizens a wide range of services including law enforcement, planning, building, public works, engineering, maintenance, and general management.

In addition to the fund-by-fund financial information presented in the City's financial statements are government-wide financial statements. The government-wide financial statements include a Statement of Net Assets that provides the total net equity of the City including infrastructure and the Statement of Activities that illustrates the cost of providing government services. These statements have been prepared using the accrual basis of accounting versus the modified accrual method used in the fund financial statements. A reconciliation report is provided as a key to understanding the changes between the two reporting methods. In addition, the new reporting model includes an emphasis on the City's major funds as shown in the Governmental Fund Statements.

These statements combined with other information are further analyzed in a narrative section entitled Management's Discussion and Analysis (MD&A). The MD&A provides "financial highlights" and interprets the financial reports by analyzing trends and by explaining changes, fluctuations and variances in the financial data. In addition, the MD&A is intended to disclose any known significant events or decisions that affect the financial condition of the City.

## **GOVERNMENT PROFILE**

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 30,476. The City is adjacent to the City of Santa Barbara and is approximately 90 miles from Los Angeles.

The City operates under the Council-Manager form of government. The City Council is comprised of five members elected at large for staggered four year terms of office. The Mayor and Mayor Pro Tem are selected by the Council from among its members to serve one-year terms. 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 street, park, and landscape maintenance, and legal services. 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 440 acres of parks and open space. The City owns the Goleta Public Library and contracts with the City of Santa Barbara for library services.

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 is appointed by and serves under the City Council. All other department directors 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, Franchise Fees and Motor Vehicle-in-Lieu Fees comprise approximately 85% of the City's General Fund revenues.

The City of Goleta and the immediate surrounding cities are key factors in the overall economic activity of the entire South Coast. The City 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, and manufacturing. The decline in tourism resulting from the recessionary economy has been evident in the Transient Occupancy Tax revenues collected. While a recovery is predicted for the tourism market in the next two years, the City is bracing for further declines in tourism activity during the next couple of years. There has also been some turn-over of retail outlets, which has generated opportunities for viable contenders to join the City of Goleta retail market.

These shifts in the economy are changing to some degree the economic character of the City and its role. While there is no growth to speak of, the City's proximity to the University of California, Santa Barbara (UCSB) continues to stimulate intellectual and educational services activity.



The City's General Fund revenues were exceeded by operating expenditures by \$1,128,576 primarily because of a significant land purchase made of over \$1.25 million. The Revenue Neutrality Agreement between the City of Goleta and the County of Santa Barbara specifies that property tax generated by the property located within the City be divided equally between the City and County in perpetuity. Additional provisions of the Revenue Neutrality Agreement are as follows:

- 30% of the retail sales tax allocable to the City shall be allocated to the County in perpetuity.
- An additional 20% of the retail sales tax allocable to the City shall be allocated to the County for a period of ten years.
- 40% of the transient occupancy tax generated by TOT taxpayers, which currently exist in the City, shall be allocated to the County for a period of ten years.

The California economy continues to demonstrate signs of a recession that is affecting not only this state and nation, but seems to have extended world-wide. While some generally accepted economic indicators appear to indicate a recovery is forthcoming, the unprecedented recession provides minimal confidence in our ability to predict with any degree of certainty upcoming economic conditions. While Goleta has not been immune from the effects of the economy, it has avoided the drastic property value declines experienced throughout California. The City of Goleta has continued to have increases, although minimal, in overall property values.

## **MAJOR INITIATIVES**

### **Management:**

Forty-eight positions were authorized in FY 2008-09. Of significance was the recruitment of an in-house City Attorney and Legal Assistant. The addition of in-house legal expertise greatly enhances the City's existing workforce and legal resources. The extensive recruitment process to date has yielded a highly motivated and committed City workforce with very low turnover rate.

### **General Plan:**

Continued progress on the General Plan and its implementation will serve as a blueprint for investment and reinvestment in the community and be the basis of future City budgets. The General Plan, now two-years-old, will be shortly followed by a new City Zoning Code, Transferable Development Rights Ordinance and Design Guidelines that are all aimed at rounding out the community's economic development and cultural opportunities, and protection of natural resources. Approximately 4,000 new housing units and 1.7 million square feet of commercial and industrial development space are programmed to occur by 2025 under these plans.

### **Street Maintenance:**

Another prominent FY 2008-09 accomplishment, is the continued emphasis given to improving the City's eighty-six (86) mile street network. To date, the City of Goleta has invested almost \$19 million in improvements to its streets and sidewalks as part of the Street Improvement and Reinvestment Program. Another \$3.9 million is budgeted in FY 2009-10.

### **Strategic Plan:**

The City Council initiated a comprehensive Strategic Planning process which identified organizational goals and objectives, setting forth thirteen City goals and more than 150 objectives. The Strategic Plan was officially adopted by the Council on July 16, 2007, then revised on November 18, 2008 and has been utilized within the organization to establish priorities for the initiation, budgeting and completion of various programs and projects.

#### 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 Generally Accepted Accounting Principles. 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 also is 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:

In addition to internal controls, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General and Special Revenue Funds are included in the annual appropriated budget. All governmental funds are included in the annual appropriated budgets.

The two-year budget is arranged by department, function and fund and presented to the Council by the City Manager. The budget is then adopted by the City Council prior to the beginning of the first fiscal year 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.

#### Cash Management Policies and Practices:

Cash resources of the individual funds are combined to form a pool of cash and investments. Cash temporarily idle during the year was invested in the Local Agency Investment Fund and an interest bearing bank account, consistent with the City's Investment Policy.

The City's Investment Policy is designed to ensure the productive use of assets entrusted to its care and to invest and manage those funds wisely and prudently. Criteria for selecting investments and the order of priority are: (1) safety, (2) liquidity, and (3) yield. The basic premise underlying the City's investment policy is to ensure that money is safe, always available, and earning the highest and best returns. Accordingly, deposits were either insured by Federal depository insurance or collateralized.

the year was \$375,504 down from \$719,157 in the previous year. The City anticipates minimal improvement in yields on investment within the next couple of years.

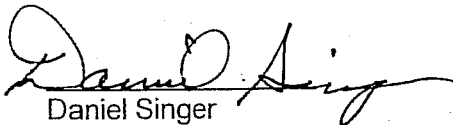
Annual Audit:

Rogers, Anderson, Malody and Scott, LLP has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ending June 30, 2009 are free of material misstatement. As part of the City's annual audit, reviews are made to determine the adequacy of the internal control structure, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's annual audit for the fiscal year ending June 30, 2009 provided no instances of material weaknesses in the internal control structure or violations of applicable laws and regulations. The independent auditor concluded there was a basis for rendering an unqualified opinion and the City's financial statements are fairly presented in conformity with Generally Accepted Accounting Principles. The independent auditor's report is presented as the first component of the financial section of this report.

ACKNOWLEDGEMENTS

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

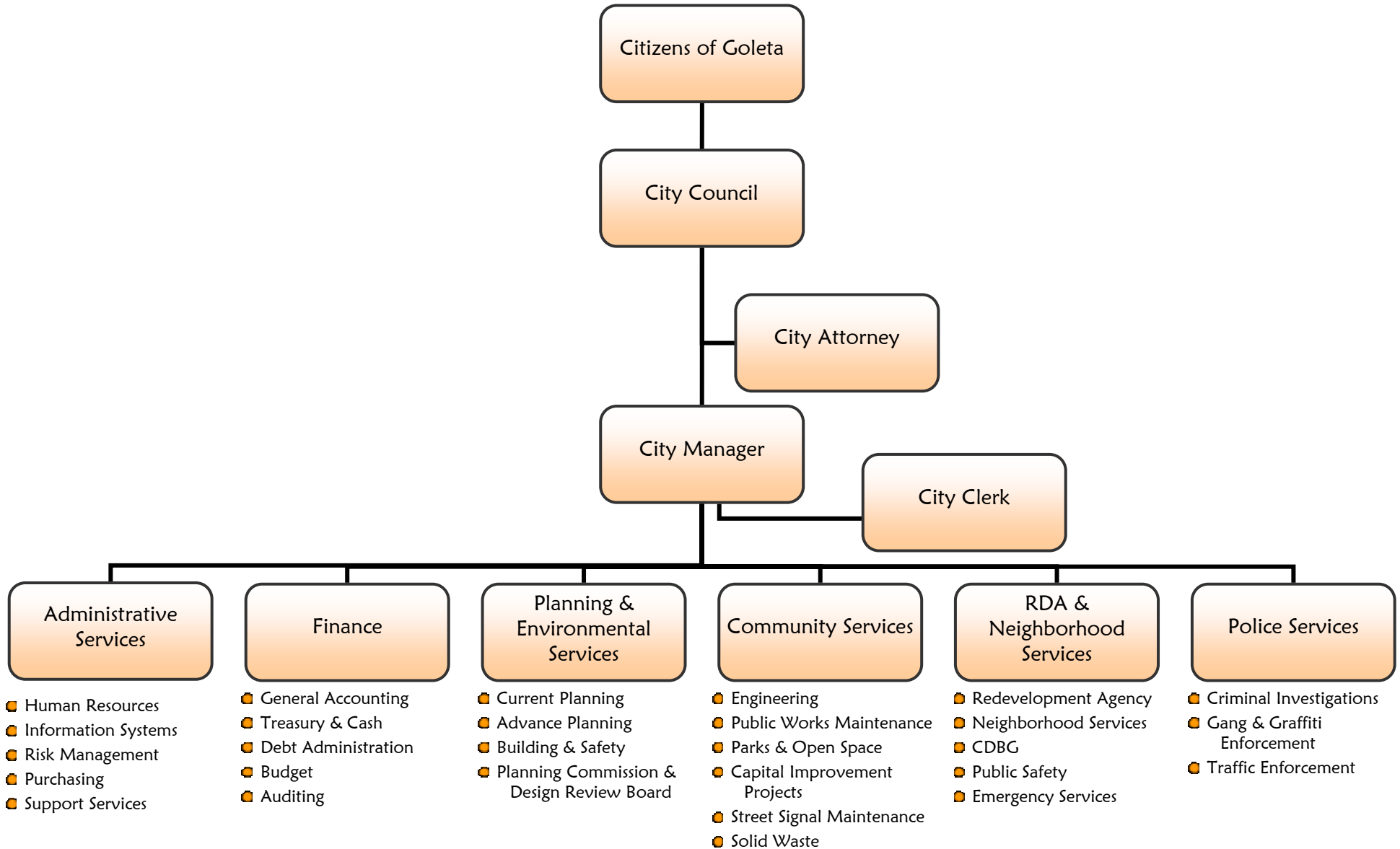
Respectfully submitted,

  
Daniel Singer  
City Manager



# ORGANIZATIONAL CHART

## By Function



**CITY OF GOLETA**

**LIST OF PRINCIPAL OFFICIALS  
FOR  
FISCAL YEAR ENDED JUNE 30, 2009**

**CITY COUNCIL**

ROGER S. ACEVES  
Mayor

ERIC ONNEN  
Mayor Pro Tem

MARGARET CONNELL, Council Member  
MICHAEL T. BENNETT, Council Member  
ED EASTON, Council Member

**CITY ADMINISTRATION**

DANIEL SINGER  
City Manager

Michelle Greene, Administrative Services Director  
Tim Giles, City Attorney  
Deborah Constantino, City Clerk  
Steven D. Wagner, Community Services Director  
Alvertina Rivera, Finance Director  
Steve Chase, Planning & Environmental Services Director  
Vyto Adomaitis, RDA, Neighborhood & Public Safety Services Director  
Lt. Phil Willis, Chief of Police  
Martin Johnson, Santa Barbara County Fire Services

# 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, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

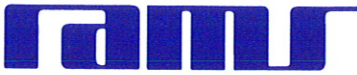


A handwritten signature in black ink, appearing to read "JEFFREY R. ENOS".

President

A handwritten signature in black ink, appearing to read "JEFFREY R. ENOS".

Executive Director



**ROGERS, ANDERSON, MALODY & SCOTT, LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

JAY H. ZERCHER, C.P.A.  
ROBERT B. MEMORY, C.P.A.  
PHILLIP H. WALLER, C.P.A.  
BRENDA L. ODLE, C.P.A.  
TERRY P. SHEA, C.P.A.  
KIRK A. FRANKS, C.P.A.  
MATTHEW B. WILSON, C.P.A.  
SCOTT W. MANNO, C.P.A.  
LEENA SHANBHAG, C.P.A.

NANCY O'RAFFERTY, C.P.A.  
BRADFORD A. WELEBIR, C.P.A.  
JENNY LIU, C.P.A.  
TIMOTHY P. HORN, C.P.A.  
KATIE L. MILLSOM, C.P.A.  
JOHN J. BADIA, C.P.A.  
JONATHAN R. KUHN, C.P.A.  
BRADFORD L. ROCKABRAND, C.P.A.  
PAPA MATAR THIAW, C.P.A.

Honorable Mayor and City Council  
City of Goleta  
Goleta, California

### Independent Auditors' Report

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, California, as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the management of the City of Goleta. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, California, as of June 30, 2009, and the respective changes in financial position of the City of Goleta, California for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The information identified in the accompanying table of contents as *management's discussion and analysis* and *required supplementary information* are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

#### MEMBERS

AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

PCPS THE AICPA ALLIANCE FOR CPA FIRMS

CALIFORNIA SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS

VANIR TOWER • 290 NORTH "D" STREET • SUITE 300  
SAN BERNARDINO, CA 92401  
(909) 889-0871 • (909) 824-6736 • FAX (909) 889-5361  
Website: [www.ramscpa.net](http://www.ramscpa.net)

Honorable Mayor and City Council  
City of Goleta  
Goleta, California

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, combining and individual nonmajor fund financial statements, budget schedules and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining, individual nonmajor fund financial statements and budget schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2009 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*Rogers, Anderson, Malody & Scott, LLP*

November 16, 2009



## **Management's Discussion and Analysis Fiscal Year Ended June 30, 2009**

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, 2009. The City welcomes everyone to read the information in this document in conjunction with the accompanying transmittal letter found on pages i - v, and the accompanying basic financial statements found on pages 12 - 21 of this report.

### **FINANCIAL HIGHLIGHTS**

- At the end of the fiscal year 2009, the City's net assets totaled \$190,972,840, a decrease of approximately .85 % from the prior year. Of the total net assets, \$8.0 million is unrestricted and thus may be used to meet the City's ongoing obligations.
- As of June 30, 2009, the City's taxes and other revenues were exceeded by expenses by \$(4,672,141).
- The total revenue from all sources equaled \$24,204,910.
- The General Fund reported excess expenditures over revenues of \$(1,128,576).
- The General Fund had an ending fund balance of \$8,956,489 of which \$5,201,600 is designated to meet the City's Contingency Reserve policy.

### **USING THIS ANNUAL FINANCIAL REPORT**

This annual report consists of three types of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the City as a whole and allow a longer-term view of the City's finances. Fund Financial Statements illustrate how City services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

#### **Reporting the City as a Whole: The Statement of Net Assets 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 Assets 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 and liabilities 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 assets and changes in them. The City's net assets, the difference between assets and liabilities, are one way to measure the City's financial health or financial position. Over time, increases or decreases in the City's net assets 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 Assets and the Statement of Activities present information about these Governmental activities, including General Government, Community Development, Public Safety, and Public Works. Property Tax, Sales Tax, Transient Occupancy Tax and Motor Vehicle-in-Lieu Fees finance approximately 47% 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, RDA Project Fund, RDA Housing Fund and RDA Debt Service Fund, as well as lesser funds reported collectively as Non-Major 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 Assets 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 developers, property owners, and others. The City's fiduciary activities are reported in separate Agency 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

### **Statement of Net Assets and Changes in Net Assets**

The analysis focuses on the net assets (Table 1) and changes in net assets (Table 2) of the City's governmental activities. The City does not have any business type activities.

**Table 1**  
**Statement of Net Assets**  
**As of June 30, 2009 and 2008**

	Governmental Activities	
	2009	2008
Current and other assets	\$ 24,138,133	\$ 26,727,951
Capital Assets	169,026,846	171,374,635
<b>Total Assets</b>	<b>\$ 193,164,979</b>	<b>\$ 198,102,586</b>
Other Liabilities	1,302,263	1,547,580
Long Term Liabilities		
Due in one year	200,259	238,951
Due in more than one year	689,617	671,074
<b>Total Liabilities</b>	<b>2,192,139</b>	<b>2,457,605</b>
Net Assets:		
Invested in Capital Assets, net of accumulated depreciation and related debt	168,713,837	170,992,236
Restricted	14,202,532	15,866,982
Unrestricted	8,056,471	8,785,763
<b>Total Net Assets</b>	<b>\$ 190,972,840</b>	<b>\$ 195,644,981</b>

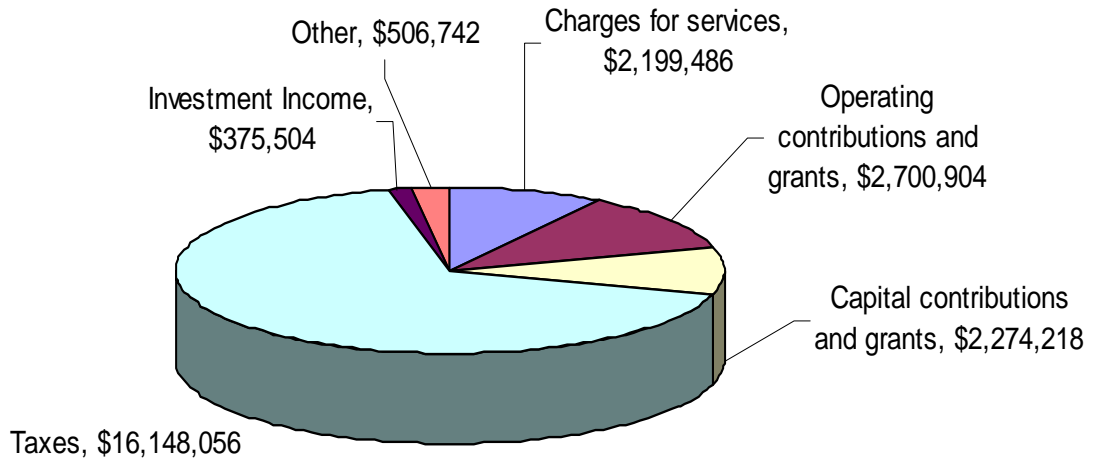
- Current and other assets decreased \$2,589,818 primarily as a result of RDA Housing and Debt Service Fund activity for the year.
- Capital assets totaled \$243,405,865 at year-end before accumulated depreciation of \$74,379,019 resulting in net assets of \$169,026,846.

Asset Type	
Land	\$ 25,229,607
Building and improvements	3,391,045
Furniture and equipment	607,523
Vehicles	329,445
Infrastructure	208,362,558
Construction in progress	5,485,687
Total fixed assets	243,405,865
Less depreciation	74,379,019
Capital Assets net of Depreciation	<u>\$ 169,026,846</u>

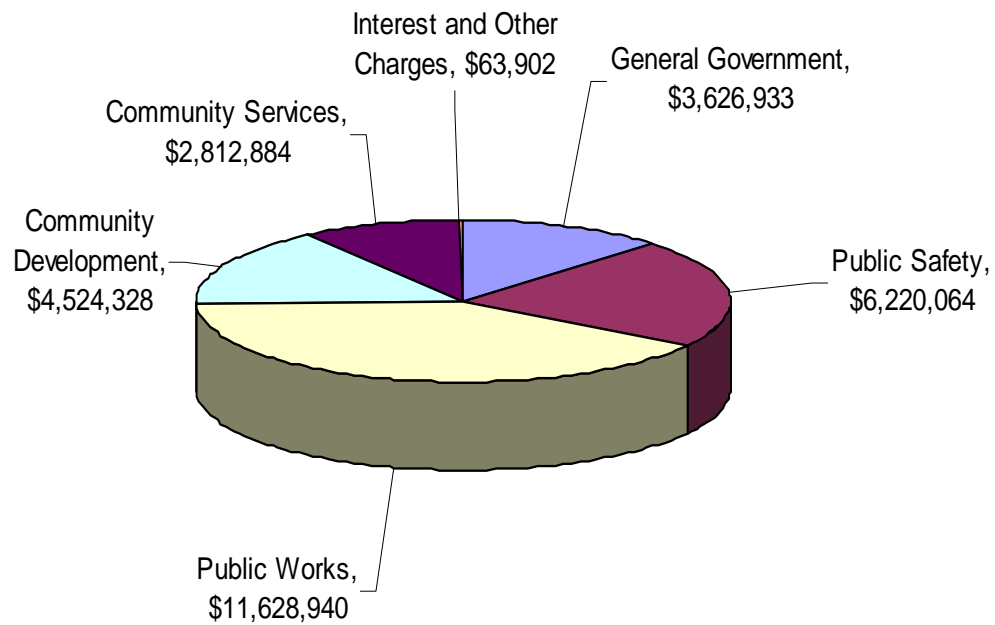
- Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints established by legal requirements are \$8,056,471. This represents a \$729,292 decrease from prior year due primarily to Non-Major Governmental Funds activity for the year.

**Fiscal year 2009 Governmental Activities  
(See Table2)**

**Sources of Revenue**



**Functional Expense**



**Table 2**  
**Changes in Net Assets**  
**Year Ended June 30, 2009 and 2008**

	Governmental Activities	
	2009	2008
<b>Revenues</b>		
Program Revenues:		
Charges for services	\$ 2,199,486	\$ 1,860,716
Operating contributions and grants	2,700,904	3,107,213
Capital contributions and grants	2,274,218	2,348,151
General revenues:		
Taxes:		
Sales taxes	3,353,658	4,160,113
Property taxes levied for general purposes	4,713,635	4,609,491
Redevelopment Agency Tax Increment	3,234,533	2,754,708
Motor Vehicle in lieu tax, unrestricted	878,401	1,106,524
Transient occupancy tax	2,462,457	2,783,144
Franchise taxes	1,079,337	938,208
Other taxes	426,035	418,052
Investment Income	375,504	719,157
Other	506,742	621,283
Forgiveness of debt	-	1,500,000
<b>Total revenues</b>	<b>24,204,910</b>	<b>26,926,760</b>
<b>Expenses</b>		
General Government	3,626,933	3,902,025
Public Safety	6,220,064	5,853,577
Public Works	11,628,940	11,235,589
Community Development	4,524,328	1,670,489
Community Services	2,812,884	2,569,696
Interest and other charges	63,902	75,612
<b>Total expenses</b>	<b>28,877,051</b>	<b>25,306,988</b>
<b>Change in Net Assets</b>	<b>\$ (4,672,141)</b>	<b>\$ 1,619,772</b>
<b>Ending Net Assets</b>	<b>\$ 190,972,840</b>	<b>\$ 195,644,981</b>

The City's total revenues were \$24,204,910 while the total cost of all programs and services was \$28,877,051. Property Tax of \$4,713,635 is the City's largest revenue source at approximately 19%, while Sales Tax of \$3,353,658 is the City's second largest revenue source at 14%. Transient Occupancy Tax of \$2,462,457 is the City's third largest revenue source at approximately 10%. These revenues fund a significant portion of the City's basic services, however, it should be noted that population-based subventions, such as Motor Vehicle-in-Lieu Fees are currently based on a formula of three times the number of registered voters for the seven years following incorporation. Beginning the eighth year, population-based subventions will be formulated using actual population, and revenues from these sources are anticipated to decline.

**Government Activities**

Table 3 presents the cost of each of the City's programs, General Government, Community Development (planning and environmental services), Public Safety, Community Services and Public Works, 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, 2009**

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
General Government	\$ 3,626,933	\$ (3,618,364)
Public Safety	6,220,064	(5,713,749)
Public Works	11,628,940	(6,489,479)
Community Development	4,524,328	(3,085,403)
Community Services	2,812,884	(2,731,546)
Interest and other charges	63,902	(63,902)
<b>Totals</b>	<u>\$ 28,877,051</u>	<u>\$ (21,702,443)</u>

- General Government expenses comprise approximately 13% of the governmental expenses and include City Council, City Manager, City Clerk, City Attorney, Administrative Services, Support Services, Finance and Risk Management. Charges for services and other fees partially offset the cost of this program.
- Public Safety expenses comprise 21% 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 Development expenses comprise approximately 16% of the governmental expenses. Various building and planning fee revenues partially offset the cost of this program.
- Community Services expenses comprise 10% of the governmental expenses. Related fees and charges for services offset the cost of this program.

Interest expense comprises less than 1% of the governmental expenses. This interest expense is to pay for the Goleta Valley Community Center.

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

At fiscal year-end the City's Governmental Funds reported a combined fund balance of \$22,835,870, a decrease of \$2,347,732 over prior year. The General Fund activity accounts for 48% or \$1,128,576 of that decrease which was the result of a land purchase. The RDA Debt Service and RDA Project funds had changes that essentially offset each other. The variances in the RDA Debt Service and RDA Project Fund resulted from a change in accounting for fund balance. In prior years, the ending fund balance was retained in RDA Debt Service fund, effective June 30, 2009 ending fund balance was transferred to the RDA Project fund to ensure resource availability for capital projects budgeted in the following year. The Housing Fund had a decrease in fund balance of nearly \$2.5million due to reimbursements paid as part of the Sumida Gardens project, a qualifying housing project. Non-major funds had an increase of \$1,337,742.

### General Fund Budgetary Highlights

**Revenues:** Actual revenues received were under budget by \$270,217, primarily as a result of lower than projected revenues from taxes and charges for services.

**Expenditures:** Actual expenditures were less than budgeted in most areas for an overall savings of \$1,294,630. Significant reductions were recognized in the City Attorney, Finance Administration, Planning, Advance Planning, Public Safety, and Street Maintenance departments.

**Appropriations:** The final appropriations for the General Fund at year end were \$1,294,630 less than the final budget for the reasons noted above.

**Ending Fund Balance:** The General Fund Ending Balance was \$8,956,489 as of June 30, 2009. This amount was more than the final budget projection by \$1,024,413 as a result of the revenue and expenditure activity noted above.

Fund balances:	
Reserved for:	
Encumbrances	\$ 18,150
Compensated leave	124,915
Unreserved:	
Cash flows	1,727,595
Designated for continuing appropriations	586,239
Contingencies	5,201,600
Risk management	178,290
Equipment	69,700
Building maintenance	50,000
City Hall acquisition	<u>1,000,000</u>
Total fund balances	<u>\$ 8,956,489</u>

The Council has established fiscal policies for funding Compensated Leave, Risk Management, Equipment Acquisition and Replacement, Building Maintenance reserves. These fiscal policies also specify that a minimum of 33.33% (four months) of total budgeted operating expenditures plus transfers would be maintained as a Contingency Reserve. Based upon final budgeted General Fund expenditures and transfers, the Contingency Reserve is \$5,201,600. Additionally, Council has approved the Continuing Designation of unexpended funds for special projects into the next fiscal year. This amount is \$586,239 in the current year. Per Council direction, all remaining fund balance is to be placed in a Cash Flow reserve.

## 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 \$243,405,865. At the end of fiscal year 2009, the City had \$169,026,846 invested in a broad range of capital assets, including land, buildings, equipment, furniture, vehicles and infrastructure. (See Table 4 below)

Additional information on the City of Goleta's capital assets can be found in Notes 1 and 5 to the financial statements.

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

#### Governmental Activities

Land	\$ 25,229,607
Buildings and improvements	3,391,045
Furniture and equipment	607,523
Vehicles	329,445
Infrastructure	208,362,558
Construction in progress	5,485,687
Depreciation	(74,379,019)
Total fixed assets	<u>\$ 169,026,846</u>

### Long-Term Debt

At fiscal year-end the Long-term Debt reported by the City included the Goleta Valley Community Center lease payment, which was assumed from the County upon incorporation.

Additional information on the City of Goleta's long-term debt can be found in Notes 1 and 6 to the financial statements.

**Table 5**  
**Long-Term Debt**

#### Governmental Activities

Loans Payable:	
Capital Lease Payment - Goleta Valley Community Center	\$ 313,009
Claims and judgments payable	301,675
Compensated absences	275,192
Total	<u>\$ 889,876</u>



## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The City's primary revenue sources are all potentially affected by economic factors or legislative action. Sales taxes are currently performing at a level to meet current year expectations but may change due to consumer economic uncertainty. Property Tax is projected to slightly exceed initial budget projections. The City's Transient Occupancy Tax is not heavily reliant on tourism, thus it continues to be a relatively stable source of revenue.

Expenditures are projected to increase in future years as service levels are defined and revenues to support these service levels are confirmed.

## **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

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.

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CITY OF GOLETA  
STATEMENT OF NET ASSETS  
June 30, 2009

	Governmental Activities
Assets:	
Cash and investments (note 2)	\$ 22,210,003
Receivables:	
Accounts	538,731
Interest	31,233
Due from other governments	1,261,127
Deposits	5,772
Prepaid assets	91,267
Capital assets (note 5):	
Non-depreciable	42,110,607
Depreciable	201,295,258
Less: accumulated depreciation	(74,379,019)
Total assets	193,164,979
Liabilities:	
Accounts payable	1,013,265
Accrued salaries and benefits	81,774
Deposits payable	207,224
Non-current liabilities (note 6):	
Due within one year	200,259
Due in more than one year	689,617
Total liabilities	2,192,139
Net assets:	
Invested in capital assets, net of related debt	168,713,837
Restricted for:	
Public safety	102,319
Public works	8,479,943
Community development	5,620,270
Unrestricted	8,056,471
Total net assets	\$ 190,972,840

The accompanying notes are an integral part of these financial statements.

CITY OF GOLETA  
STATEMENT OF ACTIVITIES  
Year ended June 30, 2009

	Expenses	Program Revenues	
		Charges for Services	Operating Contributions and Grants
Governmental activities:			
General government	\$ 3,626,933	\$ 8,569	\$ -
Public safety	6,220,064	255,448	173,527
Public works	11,628,940	747,329	2,508,017
Community development	4,524,328	1,171,393	19,360
Community services	2,812,884	16,747	-
Interest and other charges	63,902	-	-
 Total governmental activities	 \$ 28,877,051	 \$ 2,199,486	 \$ 2,700,904

General revenues:

Taxes:

Sales taxes

Property taxes, levied for general purpose

Property taxes, Redevelopment Agency tax increment, restricted

Motor vehicle in lieu tax, unrestricted

Transient occupancy tax

Franchise taxes

Other taxes

Investment income

Other

Total general revenues

Change in net assets

Net assets at beginning of year, as restated

Net assets at end of year

The accompanying notes are an integral part of these financial statements.

Program Revenues	Net (expense) revenue and changes in net assets
Capital Contributions and Grants	Governmental Activities
\$ -	\$ (3,618,364)
77,340	(5,713,749)
1,884,115	(6,489,479)
248,172	(3,085,403)
64,591	(2,731,546)
-	(63,902)
<u>\$ 2,274,218</u>	<u>(21,702,443)</u>

3,353,658
4,713,635
3,234,533
878,401
2,462,457
1,079,337
426,035
375,504
506,742
<u>17,030,302</u>
(4,672,141)
<u>195,644,981</u>
<u>\$ 190,972,840</u>

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## GOVERNMENTAL FUNDS

### Major Governmental Funds

#### 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 not required to be accounted for in another fund.

#### DEBT SERVICE FUND

Debt Service Funds are used to accumulate resources for, and the payment of, general long-term debt principal, interest and related costs. The following fund has been classified as a major fund.

RDA Debt Service - This fund is used to account for the accumulation of resources for and the payment of long-term debt principal and interest issued by the Redevelopment Agency.

#### CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources used for the construction of specific capital projects. The following funds have been classified as major funds.

RDA Project - This fund is used to account for Redevelopment Agency administration and projects.

RDA Housing - This fund is used to account for Redevelopment Agency housing set-aside funds.

#### NON-MAJOR GOVERNMENTAL FUNDS

Other Governmental Funds - These funds constitute all other governmental funds that do not meet the GASB Statement No. 34 major fund test of assets, liabilities, revenues or expenditures for the governmental funds. These funds consist of other Special Revenue Funds and Capital Projects Funds of the City for the year ended.

CITY OF GOLETA  
Governmental Funds  
Balance Sheet  
June 30, 2009

	General	Debt Service Fund <u>RDA Debt Service</u>
<b>Assets</b>		
Cash and investments (note 2)	\$ 5,435,640	\$ 2,498,572
Receivables:		
Accounts	497,729	-
Interest	7,986	9,129
Due from other governments	439,349	-
Due from other funds (note 3)	3,205,204	-
Deposits	4,400	-
Prepaid items	15,767	-
	<u>\$ 9,606,075</u>	<u>\$ 2,507,701</u>
<b>Liabilities and Fund Balances</b>		
Liabilities:		
Accounts payable	\$ 516,173	\$ 7,701
Accrued salaries and benefits	76,689	-
Due to other funds (note 3)	-	2,500,000
Deposits payable	56,724	-
	<u>649,586</u>	<u>2,507,701</u>
Fund balances:		
Reserved for:		
Encumbrances	18,150	-
Compensated leave	124,915	-
Low mod housing	-	-
Unreserved:		
Designated for General Fund:		
Cash flows	1,727,595	-
Continuing appropriations	586,239	-
Contingencies	5,201,600	-
Risk management	178,290	-
Equipment	69,700	-
Building maintenance	50,000	-
City hall acquisition	1,000,000	-
Undesignated, reported in:		
Special revenue funds	-	-
Capital projects funds	-	-
	<u>8,956,489</u>	<u>-</u>
Total fund balances		
	<u>\$ 9,606,075</u>	<u>\$ 2,507,701</u>

The accompanying notes are an integral part of these financial statements.



Capital Projects Funds		Non-Major Governmental Funds		Totals
RDA Project	RDA Housing			
\$ 3,639,119	\$ 1,302,047	\$ 9,334,625	\$ 22,210,003	
-	-	41,002	538,731	
-	1,855	12,263	31,233	
4,958	-	816,820	1,261,127	
-	-	-	3,205,204	
-	-	1,372	5,772	
20,000	-	55,500	91,267	
<u>\$ 3,664,077</u>	<u>\$ 1,303,902</u>	<u>\$ 10,261,582</u>	<u>\$ 27,343,337</u>	
\$ 60,676	\$ 2,524	\$ 426,191	\$ 1,013,265	
4,154	733	198	81,774	
-	-	705,204	3,205,204	
-	-	150,500	207,224	
<u>64,830</u>	<u>3,257</u>	<u>1,282,093</u>	<u>4,507,467</u>	
436,302	-	372,748	827,200	
-	-	-	124,915	
-	1,065,213	-	1,065,213	
-	-	-	1,727,595	
-	235,432	1,175,903	1,997,574	
-	-	-	5,201,600	
-	-	-	178,290	
-	-	-	69,700	
-	-	-	50,000	
-	-	-	1,000,000	
-	-	7,430,838	7,430,838	
3,162,945	-	-	3,162,945	
<u>3,599,247</u>	<u>1,300,645</u>	<u>8,979,489</u>	<u>22,835,870</u>	
<u>\$ 3,664,077</u>	<u>\$ 1,303,902</u>	<u>\$ 10,261,582</u>	<u>\$ 27,343,337</u>	

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CITY OF GOLETA  
Governmental Funds  
Reconciliation of the Balance Sheet of  
Governmental Funds to the Statement of Net Assets  
June 30, 2009

Fund balances of governmental funds	\$ 22,835,870
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets net of depreciation have not been included in governmental fund activity:

Capital assets	243,405,865
Accumulated depreciation	(74,379,019)

Long term debt has not been included in the governmental fund activity:

Capital leases payable	(313,009)
Claims payable	(301,675)
Compensated absences	(275,192)
	(919,876)

Net assets of governmental activities	<u><u>\$ 190,972,840</u></u>
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The accompanying notes are an integral part of these financial statements.

CITY OF GOLETA  
Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Year ended June 30, 2009

	General	Debt Service Fund RDA Debt Service
Revenues:		
Taxes	\$ 11,755,879	\$ 3,234,533
Intergovernmental	878,401	-
Charges for services	1,244,815	-
Fines and forfeitures	255,448	-
Investment income	214,428	109,781
Developer fees	-	-
Other	522,191	-
	14,871,162	3,344,314
Expenditures:		
Current:		
General government	3,500,545	-
Public safety	6,013,584	-
Public works	2,554,522	-
Community development	-	30,127
Community services	2,562,788	-
Pass-through to other agencies	-	656,077
Capital outlay	1,286,863	-
Debt service:		
Principal	69,390	-
Interest	12,046	55,087
	15,999,738	741,291
Excess (deficiency) of revenues over (under) expenditures	(1,128,576)	2,603,023
Other financing sources (uses):		
Transfers in (note 4)	-	-
Transfers out (note 4)	-	(5,004,019)
	-	(5,004,019)
Total other financing sources and (uses)	-	(5,004,019)
Net change in fund balances	(1,128,576)	(2,400,996)
Fund balances, beginning of year, as restated	10,085,065	2,400,996
Fund balances, end of year	\$ 8,956,489	\$ -

The accompanying notes are an integral part of these financial statements.

Capital Projects Funds		Non-Major	
RDA	RDA	Governmental	Totals
Project	Housing	Funds	
\$ -	\$ -	\$ 1,765,740	\$ 16,756,152
-	-	2,041,067	2,919,468
-	-	501,597	1,746,412
-	-	-	255,448
20,767	48,150	177,654	570,780
-	-	1,314,011	1,314,011
4,800	-	115,648	642,639
<u>25,567</u>	<u>48,150</u>	<u>5,915,717</u>	<u>24,204,910</u>
-	-	-	3,500,545
-	-	171,935	6,185,519
-	-	3,140,366	5,694,888
487,178	3,203,389	147,557	3,868,251
-	-	228,232	2,791,020
-	-	-	656,077
1,097,083	-	1,335,873	3,719,819
-	-	-	69,390
-	-	-	67,133
<u>1,584,261</u>	<u>3,203,389</u>	<u>5,023,963</u>	<u>26,552,642</u>
<u>(1,558,694)</u>	<u>(3,155,239)</u>	<u>891,754</u>	<u>(2,347,732)</u>
4,347,941	656,078	445,988	5,450,007
(445,988)	-	-	(5,450,007)
<u>3,901,953</u>	<u>656,078</u>	<u>445,988</u>	<u>-</u>
2,343,259	(2,499,161)	1,337,742	(2,347,732)
1,255,988	3,799,806	7,641,747	25,183,602
<u>\$ 3,599,247</u>	<u>\$ 1,300,645</u>	<u>\$ 8,979,489</u>	<u>\$ 22,835,870</u>

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CITY OF GOLETA  
 Reconciliation of the Statement of Revenues, Expenditures,  
 and Changes in Fund Balances of Governmental Funds  
 to the Statement of Activities  
 Year ended June 30, 2009

Net change in fund balances - total governmental funds \$ (2,347,732)

Amounts reported for governmental activities in the statement of activities differs from the amounts reported in the statement of activities because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital outlays, net of disposals	2,899,027
Depreciation, net of disposals	(5,246,816)

Repayment of debt service principal and capital lease liabilities are expenditures in the governmental funds but the repayment reduces long-term liabilities in the statement of net assets.	69,390
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Accrued interest for debt service. This is the net change in accrued interest for the current period.	3,231
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Compensated absences and claims payable expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Decrease in claims payable	9,439
Increase in compensated absences payable	(58,680)

Change in net assets of governmental activities	<u>\$ (4,672,141)</u>
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The accompanying notes are an integral part of these financial statements.

CITY OF GOLETA  
Statement of Fiduciary Assets and Liabilities  
June 30, 2009

	<u>Agency Funds</u> <u>Developer</u> <u>Deposits</u>
<b>Assets</b>	
Cash and investments	\$ 461,180
Total assets	<u>\$ 461,180</u>
<b>Liabilities</b>	
Accounts payable	\$ 48,393
Deposits payable	<u>412,787</u>
Total liabilities	<u>\$ 461,180</u>

The accompanying notes are an integral part of these financial statements.



# CITY OF GOLETA

## Notes to the Basic Financial Statements

Year Ended June 30, 2009

(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.

Generally Accepted Accounting Principles require that basic financial statements present the City and all its component units, entities for which the City is considered to be financially accountable. These basic financial statements of the City of Goleta include the financial activities of the City and the Goleta Old-Town Redevelopment Agency (the Agency).

The Goleta Old Town Redevelopment Project Area was adopted under the Redevelopment Agency of the County of Santa Barbara's (County RDA) Ordinance No. 4326 on July 7, 1998 pursuant to the State of California Health and Safety Code, Section 33200. As a result of the City's incorporation, the County RDA transferred all related assets, liabilities and net assets of the Goleta Old Town Redevelopment Project Area over to the Goleta Old Town Redevelopment Agency on July 1, 2002. The Agency's purpose is to prepare and carry out plans for improvement, rehabilitation and revitalization of blighted areas within the territorial limits of the City of Goleta. Even though the Agency is a legally separate entity, it is reported as if it were part of the City since the Goleta City Council acts as the Board of Directors and is able to impose its will on the Agency. The City is considered to be the primary government and the Agency is a component unit. Additionally, since the City Council and Board of Directors are the same, the basic financial statements of the City and the component unit are blended. Separate financial statements for the Goleta Redevelopment Agency for the fiscal year ended June 30, 2009 are available at the Goleta City Hall, 130 Cremona Dr, Suite B, Goleta, California 93117 upon their completion.

(b) Basis of Accounting, Measurement Focus and Financial Statement Presentation

The *basic financial statements* of the City are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Financial reporting is based upon all GASB pronouncements.

# CITY OF GOLETA

## Notes to the Basic Financial Statements

Year Ended June 30, 2009

(1) Summary of Significant Accounting Policies, (Continued)

(b) Basis of Accounting, Measurement Focus and Financial Statement Presentation, (Continued)

Government-Wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole. These statements include a single column for the governmental activities of the primary government and its blended component unit. The City of Goleta 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.

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 an other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as 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, fund equity, revenues and expenditures or expenses, as appropriate. 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 spending activities are controlled.

Fund financial statements for the primary government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually and non-major funds in the aggregate for governmental funds.

# CITY OF GOLETA

## Notes to the Basic Financial Statements

Year Ended June 30, 2009

(1) Summary of Significant Accounting Policies, (Continued)

(b) Basis of Accounting, Measurement Focus and Financial Statement Presentation, (Continued)

Governmental Funds

In the fund financial statements, governmental funds are presented using the *modified-accrual basis of accounting*. Their revenues are recognized when they become *measurable* and *available* as net current assets. *Measurable* means that the amounts can be estimated, or otherwise determined. *Available* means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City uses an availability period of 60 days.

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 so 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 where 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 non-exchange* 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 non-exchange transactions* are recognized as revenues when all applicable eligibility requirements have been met. Revenues, expenditures, assets, and liabilities resulting from non-exchange 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 60 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 and current liabilities are generally included on their 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.

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(1) Summary of Significant Accounting Policies, (Continued)

(b) Basis of Accounting, Measurement Focus and Financial Statement Presentation, (Continued)

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources," since they do not represent net current assets.

Recognition of governmental fund type revenue represented by non-current receivables are deferred until they become current receivables. Non-current portions of other long-term receivables are offset by fund balance reserve accounts.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current 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 an *other financing source* rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

(c) Fund Classifications

The City reports the following major governmental funds:

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 not required to be accounted for in another fund.

RDA Debt Service

The RDA Debt Service Fund is used to account for the accumulation of resources for and the payment of long-term debt principle and interest issued by the Redevelopment Agency.

RDA Project Capital Projects Fund

This fund is used to account for Redevelopment Agency administration and projects.

RDA Housing Capital Projects Fund

The RDA Housing Fund is used to account for Redevelopment Agency housing set-aside funds.

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(1) Summary of Significant Accounting Policies, (Continued)

(c) Fund Classifications, (Continued)

Additionally, the City reports the following fund type:

The Agency funds are used to account for the receipt of deposits received from individuals, private organizations or other governments. These resources are held by the City in a fiduciary capacity and remittances are made to pay for services and supplies and other administrative expenditures. The Agency funds are omitted from the government-wide financial statements.

(d) Explanation of Differences between Governmental Funds Balance Sheet and the Statement of Net Assets

The "total fund balances" of the City's governmental funds of \$22,835,870 differ from net assets" of governmental activities of \$190,972,840 as reported in the statement of net assets as of June 30, 2009. This difference primarily results from the long-term economic focus of the statement of net assets versus the current financial resources focus of the governmental fund balance sheets.

Capital Related Items

When capital assets that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the statement of net assets includes those capital assets among the assets of the City as a whole.

Cost of capital assets	\$ 243,405,865
Accumulated depreciation	(74,379,019)

Long-term Debt Transactions

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the statement of net assets. Balances at June 30, 2009 were:

Long-term debt	\$ 313,009
Compensated absences	275,192
Claims payable	<u>301,675</u>
Net long-term debt	<u>\$ 889,876</u>

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(1) Summary of Significant Accounting Policies, (Continued)

(d) Explanation of Differences between Governmental Funds Balance Sheet and the Statement of Net Assets, (Continued)

Reclassifications and Eliminations

Interfund balances must generally be eliminated in the government-wide statements, except for net residual amounts due between governmental activities. Any allocations must reduce the expenses of the function from which the expenses are being allocated, so that expenses are reported only once - in the function in which they are allocated.

	<b>Total Governmental Funds</b>	<b>Capital Related Items</b>	<b>Accumulated Depreciation</b>
<b>Assets</b>			
Cash and investments	\$ 22,210,003	\$ -	\$ -
Receivables:			
Accounts	538,731	-	-
Interest	31,233	-	-
Due from other governments	1,261,127	-	-
Due from other funds	3,205,204	-	-
Deposits	5,772	-	-
Prepaid expenses	91,267	-	-
Capital assets	-	243,405,865	-
Less: Accumulated depreciation	-	-	(74,379,019)
<b>Total assets</b>	<b>\$ 27,343,337</b>	<b>\$ 243,405,865</b>	<b>\$ (74,379,019)</b>
<b>Liabilities and Fund Balances / Net Assets</b>			
Liabilities:			
Accounts payable	\$ 1,013,265	\$ -	\$ -
Accrued salaries and benefits	81,774	-	-
Due to other funds	3,205,204	-	-
Deposits payable	207,224	-	-
Claims payable	-	-	-
Long-term liabilities	-	-	-
<b>Total liabilities</b>	<b>4,507,467</b>	<b>-</b>	<b>-</b>
Fund balances / net assets	22,835,870	243,405,865	(74,379,019)
<b>Total liabilities and fund balances / net assets</b>	<b>\$ 27,343,337</b>	<b>\$ 243,405,865</b>	<b>\$ (74,379,019)</b>

<b>Long-term Debt Transactions</b>	<b>Interest Payable</b>	<b>Compensated Absences</b>	<b>Reclassifications and Eliminations</b>	<b>Statement of Net Assets</b>
\$ -	\$ -	\$ -	\$ -	\$ 22,210,003
-	-	-	-	538,731
-	-	-	-	31,233
-	-	-	-	1,261,127
-	-	-	(3,205,204)	-
-	-	-	-	5,772
-	-	-	-	91,267
-	-	-	-	243,405,865
-	-	-	-	(74,379,019)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,205,204)</u>	<u>\$ 193,164,979</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,013,265
-	-	-	-	81,774
-	-	-	(3,205,204)	-
-	-	-	-	207,224
301,675	-	-	-	301,675
313,009	-	275,192	-	588,201
<u>614,684</u>	<u>-</u>	<u>275,192</u>	<u>(3,205,204)</u>	<u>2,192,139</u>
<u>(614,684)</u>	<u>-</u>	<u>(275,192)</u>	<u>-</u>	<u>190,972,840</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,205,204)</u>	<u>\$ 193,164,979</u>

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(1) Summary of Significant Accounting Policies, (Continued)

(e) Explanation of Differences between Governmental Funds Operating Statements and the Statement of Activities

The "net change in fund balances" for governmental funds of \$(2,347,732) differs from the "change in net assets" for governmental activities of \$(4,672,141) reported in the statement of activities, during the fiscal year ended June 30, 2009. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital Related Items

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balance decreases by the amount of financial resources expended, whereas net assets decrease by the amount of depreciation expense charged for the year. Capital contributions are not recorded in the governmental funds, but are recorded as program revenues in the Statement of Activities.

Capital outlay	\$	3,282,283
Disposition of capital assets		(383,256)
Depreciation expense		(5,246,816)

Long-Term Debt Transactions

Repayments of debt service principal and capital lease liabilities are reported as expenditures in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used. For the City as a whole, however, the principal payments reduce the liabilities in the statement of net assets and do not result in an expense in the statement of activities.

Principal payments on long-term debt	\$	69,390
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Compensated Absences and Claims Payable

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Net change in compensated absences and claims payable	\$	(49,241)
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CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(1) Summary of Significant Accounting Policies, (Continued)

(e) Explanation of Differences between Governmental Funds Operating Statements and the Statement of Activities (Continued)

Accrued Interest

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Decrease in accrued interest	\$	3,231
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Reclassifications and Eliminations

Interfund balances must generally be eliminated in the government-wide statements, except for net residual amounts due between governmental activities. Amounts involving fiduciary funds should be reported as external transactions. Any allocations must reduce the expenses of the function from which the expenses are being allocated, so that expenses are reported only once - in the function in which they are allocated.

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(1) Summary of Significant Accounting Policies, (Continued)

(e) Explanation of Differences between Governmental Funds Balance Sheet and the Statement of Net Assets, (Continued)

	<b>Total Governmental Funds</b>	<b>Capital Related Items</b>	<b>Accumulated Depreciation</b>
Revenues:			
Taxes and assessments	\$ 16,756,152	\$ -	\$ -
Intergovernmental	2,919,468	-	-
Charges for services	1,746,412	-	-
Fines and forfeitures	255,448	-	-
Investment income	570,780	-	-
Development fees	1,314,011	-	-
Other	642,639	-	-
<b>Total revenues</b>	<b>24,204,910</b>	<b>-</b>	<b>-</b>
Expenditures:			
Current:			
General government	3,500,545	-	77,147
Public safety	6,185,519	-	34,545
Public works	5,694,888	887,830	5,046,222
Community development	3,868,251	-	-
Community services	2,791,020	(67,038)	88,902
Pass-through to other agencies	656,077	-	-
Capital outlay	3,719,819	(3,719,819)	-
Debt service:			
Principal retirement	69,390	-	-
Interest	67,133	-	-
<b>Total expenses</b>	<b>26,552,642</b>	<b>(2,899,027)</b>	<b>5,246,816</b>
Other financing sources (uses):			
Transfers in	5,450,007	-	-
Transfers out	(5,450,007)	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance / net assets</b>	<b>(2,347,732)</b>	<b>2,899,027</b>	<b>(5,246,816)</b>
<b>Fund balances / net assets beginning of year</b>	<b>25,183,602</b>	<b>240,506,838</b>	<b>(69,132,203)</b>
<b>Fund balances / net assets, end of year</b>	<b>\$ 22,835,870</b>	<b>\$ 243,405,865</b>	<b>\$ (74,379,019)</b>

<b>Long-term Debt Transactions</b>	<b>Accrued Interest</b>	<b>Compensated Absences</b>	<b>Reclassifications and Eliminations</b>	<b>Statement of Activities</b>
\$ -	\$ -	\$ -	\$ -	\$ 16,756,152
-	-	-	-	2,919,468
-	-	-	-	1,746,412
-	-	-	-	255,448
-	-	-	-	570,780
-	-	-	-	1,314,011
-	-	-	-	642,639
-	-	\$ -	-	24,204,910
(9,439)	-	58,680	-	3,626,933
-	-	-	-	6,220,064
-	-	-	-	11,628,940
-	-	-	-	3,868,251
-	-	-	-	2,812,884
-	-	-	-	656,077
-	-	-	-	-
(69,390)	-	-	-	-
-	(3,231)	-	-	63,902
(78,829)	(3,231)	58,680	-	28,877,051
-	-	-	(5,450,007)	-
-	-	-	5,450,007	-
-	-	-	-	-
78,829	3,231	(58,680)	-	(4,672,141)
(693,513)	(3,231)	(216,512)	-	195,644,981
<u>\$ (614,684)</u>	<u>\$ -</u>	<u>\$ (275,192)</u>	<u>\$ -</u>	<u>\$ 190,972,840</u>

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CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(1) Summary of Significant Accounting Policies, (Continued)

(f) Cash and Investments

Investments are reported in the accompanying statement of net assets at fair value. 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, as provided by California Government Code Section 53647.

(g) 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 their estimated fair market value at the date of the 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 assets. 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 - 50 years
Vehicles	5 years
Equipment and furniture	5 - 15 years
Infrastructure:	
Pavement	40 years
Sidewalks	50 years
Curb and gutters	50 years
Bridges	65 years
Hardscape	50 years
Medians	50 years
Parking lots	40 years
Traffic control devices	10 years

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(1) Summary of Significant Accounting Policies, (Continued)

(h) Compensated Absences

In accordance with GASB Statement No. 16, 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.

(i) Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas. Accordingly, the City recognizes as revenue only those taxes which are received within 60 days after year end.

The property tax calendar is as follows:

Lien Date:	January 1
Levy Date:	July 1
Due Date:	First Installment - November 1 Second Installment - February 1
Delinquent Date:	First Installment - December 10 Second Installment - April 10

(j) 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.

(k) 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.

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(2) Cash and Investments

Cash and investments as of June 30, 2009 are classified in the accompanying financial statements as follows:

Statement of Net Assets:	
Cash and investments	\$ 22,210,003
Statement of Fiduciary Assets and Liabilities:	
Cash and investments	<u>461,180</u>
	<u>\$ 22,671,183</u>

Cash and investments held by the City at June 30, 2009 consisted of the following:

Petty cash	\$ 500
Demand deposits	14,354,525
Local Agency Investment Fund (LAIF)	<u>8,316,158</u>
Total cash and investments	<u>\$ 22,671,183</u>

Investments Authorized by the California Government Code and the City of Goleta'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.

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(2) Cash and Investments, (Continued)

The table below identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

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	5%
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Agency Securities	Yes	5 years	None	None
Banker's Acceptances	No	180 days	40%	5%
Commercial Paper	Yes	180 days	15%	5%
Negotiable Certificates of Deposit	Yes	5 years	30%	5%
Repurchase Agreements	No	1 year	None	5%
Reverse Repurchase Agreements	No	92 days	20% of base value	5%
Medium-Term Notes	No	5 years	30%	5%
Mutual Funds	No	N/A	20%	5%
Money Market Mutual Funds	Yes	N/A	20%	5%
Mortgage Pass-Through Securities	No	5 years	20%	5%
County Pooled Investment Funds	No	N/A	None	None
Local Agency Investment Fund (LAIF)	Yes	N/A	None	None
JPA Pools (other investment pools)	No	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 so as to permit the City to meet all projected cash obligations.

A policy of laddered maturities will be followed for pooled investments. At least fifty percent (50%) of the portfolio will be invested in instruments maturing within one year from the investment date. No more than twenty-five percent (25%) of the entire portfolio may have a maturity date between three (3) and five (5) years from the investment date. Investments having a maturity greater than five (5) years will not be made. The average portfolio investment maturity shall be three (3) years or less. The dollar-weighted average will be used in computing the average maturity of the portfolio.

Maturities for investments of bond funds held separately will conform to the trust indenture for each issue.



## CITY OF GOLETA

### Notes to the Basic Financial Statements

Year Ended June 30, 2009

#### (2) Cash and Investments, (Continued)

The portfolio will be diversified to the extent feasible to avoid incurring unreasonable and avoidable risks regarding specific security types indicated in the City's investment policy, and with the exception of the U.S. Treasury/Federal Agency securities and authorized pools, no more than 5% of the City's portfolio will be placed with any single issuer.

Certain investments are prohibited under Government Code Sections 53601.6 and 53631.5. Security types which are prohibited include, but are not limited to:

- "Complex" derivative structures such as range notes, dual index notes, inverse floaters, leveraged or de-leveraged floating rate notes, or any other complex variable rate or structured note.
- Interest only strips that are derived from a pool of mortgages or any security that could result in zero interest accrual if held to maturity.
- Futures, options, or any leveraged purchases, reverse repurchase agreements and speculations on interest rates.

Purchasing these types of instruments does not coincide with the Investment Policy's objectives and would require a thorough review and monitoring of the underlying security. Although some of these transactions are legal under Government Code, they do not meet the objectives contained herein.

The investment policy shall allow for investment in the prohibitions noted above, to the extent that such investments are made by the State LAIF pool, which is subject to policies adopted by the Local Agency Investment Fund.

#### Investments Authorized by Debt Agreements

As of June 30, 2009, the City of Goleta had no investments from debt proceeds held by bond trustees.

#### 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 flow and liquidity needed for operations.

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(2) Cash and Investments, (Continued)

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Remaining Maturity (in Months)				Total
	12 months or less	13 to 24 months	25 to 60 months	More than 60 months	
Local Agency Investment Fund	\$ 8,316,158	\$ -	\$ -	\$ -	\$ 8,316,158
Total	<u>\$ 8,316,158</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,316,158</u>

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

During the fiscal year ended June 30, 2009, the City of Goleta did not hold any investments that were highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above).

Disclosures Relating to Credit Risk

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 a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City of Goleta's investment policy, or debt agreements, and the actual rating as of year end for each investment type.

Investment Type	Total	Minimum Legal Rating	Exempt From Disclosure	Rating as of Year End		
				AAA	Aa	Not Rated
State investment pool	\$ 8,316,158	N/A	N/A	\$ -	\$ -	\$ 8,316,158*
Total	<u>\$ 8,316,158</u>	N/A		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,316,158</u>

\* The State investment pool does not offer an investment rating.

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, 2009, the City of Goleta did not hold any investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments.

# CITY OF GOLETA

## Notes to the Basic Financial Statements

Year Ended June 30, 2009

### (2) Cash and Investments, (Continued)

#### 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 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 deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by 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 market 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 City of Goleta deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2009 the City of Goleta had deposits of \$14,310,471 with financial institutions in excess of federal depository insurance limits that were held in collateralized accounts.

#### 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 of Goleta's investment in this pool is reported in the accompanying financial statements at amounts based upon the City of Goleta'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.

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(3) Interfund Balances

Current interfund balances at June 30, 2009 consisted of the following:

<u>Due from other funds</u>	<u>Due to other funds</u>	<u>Amount</u>
General Fund	Non-Major governmental funds	\$ 705,204 (A)
General Fund	RDA Debt Service	2,500,000 (B)
		<u>\$ 3,205,204</u>

- (A) Short-term borrowing from the General Fund for temporary cash shortfalls recorded in the State Park Grant, Local Surface Transportation, CAL Fire Grant, Federal Transportation, CDBG, TCSP, EPA - Brownfield Grant, OTS Public Safety Grant, STE Grant, FEMA Grant Non-Major Special Revenue Funds.
- (B) Short-term loan from the General Fund to the Agency to be used for operations.

(4) Interfund Transfers

Interfund transfers at June 30, 2009 consisted of the following:

<u>Fund receiving transfers</u>	<u>Fund making transfers</u>	<u>Amount</u>
RDA Project	RDA Debt Service	\$ 4,347,941 (1)
RDA Housing	RDA Debt Service	656,078 (2)
Non-Major governmental funds	RDA Project	<u>445,988 (3)</u>
		<u>\$ 5,450,007</u>

- (1) = This transfer was made to fund eligible capital projects.  
 (2) = This transfer was made for the 20% set-aside.  
 (3) = This transfer was made to close out the RDA Bond Proceeds Fund.

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(5) Capital Assets

Capital asset activity for the year ended June 30, 2009 was as follows:

	Beginning balance	Additions	Deletions	Ending balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 23,977,933	\$ 1,251,674	\$ -	\$ 25,229,607
Rights of way	11,395,313	-	-	11,395,313
Construction in progress	3,951,751	2,194,639	(660,703)	5,485,687
Total capital assets, not being depreciated	39,324,997	3,446,313	(660,703)	42,110,607
Capital assets, being depreciated:				
Infrastructure	196,939,798	27,447	-	196,967,245
Vehicles	329,445	-	-	329,445
Furniture and equipment	521,553	85,970	-	607,523
Building and improvements	3,391,045	-	-	3,391,045
Total capital assets, being depreciated	201,181,841	113,417	-	201,295,258
Less accumulated depreciation for:				
Infrastructure	(68,346,163)	(5,037,686)	-	(73,383,849)
Vehicles	(139,067)	(57,396)	-	(196,463)
Furniture and equipment	(86,512)	(56,604)	-	(143,116)
Building and improvements	(560,461)	(95,130)	-	(655,591)
Total accumulated depreciation	(69,132,203)	(5,246,816)	-	(74,379,019)
Total capital assets, being depreciated, net	132,049,638	(5,133,399)	-	126,916,239
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 171,374,635</u>	<u>\$ (1,687,086)</u>	<u>\$ (660,703)</u>	<u>\$ 169,026,846</u>

Depreciation expense was charged to functions as follows:

General government	\$ 77,147
Public safety	34,545
Public works	5,046,222
Community services	84,423
RDA/Neighborhood	4,479
	<u>\$ 5,246,816</u>

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(6) Long-term Liabilities

A summary of changes in long-term liabilities for the fiscal year ended June 30, 2009 was as follows:

	Beginning balance	Additions	Reductions	Ending balance	Due Within One Year
<b>Governmental activities:</b>					
Capital lease payment - Goleta Valley Community Center	\$ 382,399	\$ -	\$ 69,390	\$ 313,009	\$ 62,602
Claims and judgments payable	311,114	104,718	114,157	301,675	82,619
Compensated absences	216,512	211,516	152,836	275,192	55,038
<b>Total governmental activities long-term liabilities</b>	<u>\$ 910,025</u>	<u>\$ 316,234</u>	<u>\$ 336,383</u>	<u>\$ 889,876</u>	<u>\$ 200,259</u>

Goleta Valley Community Center Lease Payable

On February 1, 2002, the City assumed a capital lease agreement with the Goleta Union School District for the Goleta Valley Community Center. The lease, originally issued on January 1, 1984, in the amount of \$1,300,000 which was equal to the gross amount of the building, carries a variable interest rate that is equal to the average quarterly interest rate earned by the County of Santa Barbara Treasurer's Pool. Principal payments range from \$4,300 to \$14,700 and are due quarterly on July 1, October 1, January 1 and April 1. The lease is payable until the balance is paid in full in 2014. The amount outstanding as of June 30, 2009 was \$313,009.

Claims and Judgments Payable

The City accounts for material claims and judgments in accordance with GASB Code Section C50. When it is probable that a claim liability has been incurred at year end, and the amount of the loss can be reasonably estimated, the City records the estimated loss, net of any insurance coverage under its self insurance program (see note 9). Claims and judgments payable are typically liquidated from the General Fund. The amount outstanding as of June 30, 2009 was \$301,675.

Under the City's self-insurance program, deposits to the California Joint Powers Insurance Authority (CAJPIA) are recorded as insurance expenditures when paid. Refunds of deposits from CAJPIA, based on favorable claims experience in prior years, are recorded as reductions of insurance expense when received (see note 9). Claims payable are typically liquidated from the General Fund.

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(6) Long-term Liabilities, (Continued)

Compensated Absences

The City's policies relating to compensated absences are described in Note 1. The liability in the amount of \$275,192 at June 30, 2009 is expected to be paid in future years from future resources. Compensated absences have typically been liquidated from the General Fund.

The annual requirements to amortize certain long-term debt as of June 30, 2009 is as follows:

Goleta Valley Community Center - Lease Payable:

<u>Fiscal Year</u>	<u>Payment Due October 1 *</u>	<u>Payment Due January 1 *</u>	<u>Payment Due April 1 *</u>	<u>Payment Due July 1 *</u>	<u>Total Annual Debt Service *</u>
2010	\$ 15,102	\$ 15,462	\$ 15,830	\$ 16,208	\$ 62,602
2011	16,593	16,989	17,393	17,807	68,782
2012	18,231	18,666	19,110	19,565	75,572
2013	20,031	20,508	20,997	21,497	83,033
2014	23,020	-	-	-	23,020
	<u>\$ 92,977</u>	<u>\$ 71,625</u>	<u>\$ 73,330</u>	<u>\$ 75,077</u>	<u>\$ 313,009</u>

\* Payment amounts represent principal only. Interest varies depending on average quarterly interest rate earned by the County of Santa Barbara.

# CITY OF GOLETA

## Notes to the Basic Financial Statements

Year Ended June 30, 2009

(7) 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 and which would otherwise accrue entirely to the City, are allocated to the County.
- 30% of the 1% retail sales tax revenues allocable to the City are allocated to the County.

During the Mitigation Period (July 1, 2002 to June 30, 2012) tax revenues will be allocated as follows:

- An additional 20% of the 1% retail sales tax revenues allocable to the City shall be allocated to the County.
- 40% of the transient occupancy tax ("TOT") generated by TOT taxpayers which exist within the City and were in existence on February 1, 2002 (date of incorporation) at the TOT rate then in effect shall be allocated to the County. All TOT revenues generated by any TOT taxpaying entities whose facilities are constructed after the February 1, 2002 or that are derived from any increase in the TOT rate on existing and future taxpayers shall be allocated 100% to the City.

(8) Retirement Plan

Plan Description

The City contributes to the California Public Employees Retirements System (PERS), a cost sharing multi-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by State statute and City ordinance. Copies of PERS' annual financial report may be obtained from their executive office: 400 "P" Street, Sacramento, California 95814.

Funding Policy

Participants are required to contribute 7% of their annual covered salary. The City makes the contributions required of the employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate; the current rate 9.894% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by PERS.



CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(8) Retirement Plan, (Continued)

Annual Pension Cost

For 2009, the City's annual pension cost of \$393,646 for PERS was equal to the City's required contributions. The required contribution was determined as part of the June 30, 2006, actuarial valuation using the entry age normal actuarial cost method.

THREE YEAR TREND INFORMATION FOR PERS

Fiscal year	Annual pension cost (APC)	Percentage of APC contributed	Net pension obligation
06/30/07	\$ 528,533	100%	\$ -
06/30/08	\$ 360,001	100%	\$ -
06/30/09	\$ 393,646	100%	\$ -

(9) Risk Management

The City is a member of the California Joint Power Insurance Authority (Authority). The Authority is composed of 119 California public entities and is organized under a joint powers agreement pursuant to California Government Code §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 coverages. The Authority's pool 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 9-member Executive Committee.

General Liability. Each member government pays a primary deposit to cover estimated losses for a fiscal year (claims year). After the close of a fiscal year, outstanding claims are valued. A retrospective deposit computation is then made for each open claims year. Claims are pooled separately between police and non-police. Costs are spread to members as follows: the first \$30,000 of each occurrence is charged directly to the member's primary deposit; costs from \$30,000 to \$750,000 and the loss development reserves associated with losses up to \$750,000 are pooled based on the member's share of losses under \$30,000. Losses from \$750,000 to \$5,000,000 and the associated loss development reserves are pooled based on payroll. Costs of covered claims from \$5,000,000 to \$50,000,000 are currently paid by excess insurance. Costs of covered claims for subsidence losses from \$15,000,000 to \$25,000,000 are paid by excess insurance. The protection for each member is \$50,000,000 per occurrence and \$50,000,000 annual aggregate. Administrative expenses are paid from the Authority's investment earnings.

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(9) Risk Management, (Continued)

Workers Compensation. The City also participates in the workers compensation pool administered by the Authority. Each member pays a primary deposit to cover estimated losses for a fiscal year (claims year). After the close of a fiscal year, outstanding claims are valued. A retrospective deposit computation is then made for each open claims year. Claims are pooled separately between public safety and non-public safety. Each member has a retention level of \$50,000 for each loss and this is charged directly to the member's primary deposit. Losses from \$50,000 to \$100,000 and the loss development reserve associated with losses up to \$100,000 are pooled based on the member's share of losses under \$50,000. Losses from \$100,000 to \$2,000,000 and employer's liability losses from \$5,000,000 to \$10,000,000 and loss development reserves associated with those losses are pooled based on payroll. Losses from \$2,000,000 to \$5,000,000 are pooled with California State Association of Counties - Excess Insurance Authority members. Costs from \$2,000,000 to \$300,000,000 are transferred to reinsurance carriers. Costs in excess of \$300,000,000 are pooled among the Members based on payroll. Protection is provided per statutory liability under California Workers' Compensation law. Administrative expenses are paid from the Authority's investment earnings.

Environmental insurance. The City participates in the pollution legal liability and remediation legal liability insurance 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 a limit of \$50,000,000 for the 3-year period from July 1, 2006 through June 30, 2009. Each member of the Authority has a \$10,000,000 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. The City property is currently insured according to a schedule of covered property submitted by the City to the Authority. Total all-risk property insurance coverage is \$12,043,832. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$1,000 deductible. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

Fidelity Bonds. The City purchases blanket fidelity bond coverage in the amount of \$1,000,000 with \$2,500 deductible. The fidelity coverage is provided through the Authority. Premiums are paid annually and are not subject to retroactive adjustments.

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Ending Balance</u>
2007 - 2008	\$ 322,568	\$ 224,828	\$ (236,282)	\$ 311,114
2008 - 2009	\$ 311,114	\$ 104,718	\$ (114,157)	\$ 301,675

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(9) Risk Management, (Continued)

For the past three years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

(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 provides for monthly rent of \$27,843 in addition to common area maintenance costs and terminates on November 30, 2011. The City will have the option to renew the lease upon termination. Rental costs for the year ended June 30, 2009 were \$350,165.

Minimum future rental payments under the operating leases as of June 30, 2009 are as follows (amounts do not include common area maintenance costs):

	<u>Office Suite</u>
2010	\$ 360,670
2011	371,490
2012	<u>156,689</u>
	<u>\$ 888,849</u>

(11) Contingent Liabilities

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.

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(12) Other Required Disclosures

Expenditures in Excess of Appropriations

The following departments reported expenditures in excess of appropriations:

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Variance</u>
General Fund Department:			
Public Works:			
Engineering Services	\$ 470,024	\$ 480,692	\$ (10,668)
Street Lighting	\$ 156,500	\$ 156,610	\$ (110)

The following funds reported expenditures in excess of appropriations:

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Variance</u>
Major Governmental:			
RDA Debt Service Fund	\$ 734,511	\$ 741,291	\$ (6,780)
Non-Major Governmental:			
FEMA Grant Fund	\$ 190,012	\$ 190,944	\$ (932)

Deficit Fund Balances

The following funds reported deficit fund balances at June 30, 2009:

Non-Major Funds:		
Special Revenue:		
State Park Grant	\$	44,892
Local STIP		3,728
CAL Fire Grant		26,008
Federal Transportation Program		14,179
TCSP Federal		1,832
EPA Brownfield Grant		113
OTS Public Safety		4,866
STE Grant		55,829
FEMA Grant		194,779

CITY OF GOLETA

Notes to the Basic Financial Statements

Year Ended June 30, 2009

(13) Prior Period Adjustment

Government-wide financial statements

*Governmental activities*

Net assets at beginning of year, as previously reported	\$ 192,748,749
To record additional infrastructure assets.	2,430,773
To correct the recording of deposits.	465,459
Net assets at beginning of year, as restated	<u>\$ 195,644,981</u>

Fund financial statements

*Nonmajor Fund, Environmental Programs*

Fund balances, beginning of year, as previously reported	\$ 305,184
To correct the recording of deposits.	465,459
Fund balances, beginning of year, as restated	<u>\$ 770,643</u>

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## **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 not required to be accounted for in another fund.

Required Supplementary Information  
CITY OF GOLETA  
General Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 12,793,248	\$ 12,038,102	\$ 11,755,879	\$ (282,223)
Intergovernmental revenues	1,183,600	900,100	878,401	(21,699)
Charges for services	837,000	1,298,134	1,244,815	(53,319)
Fines and forfeitures	223,580	268,780	255,448	(13,332)
Investment income	304,300	197,300	214,428	17,128
Other	415,963	438,963	522,191	83,228
Total revenues	<u>15,757,691</u>	<u>15,141,379</u>	<u>14,871,162</u>	<u>(270,217)</u>
Expenditures:				
Current:				
General government	3,701,732	3,808,279	3,500,545	307,734
Public safety	6,062,754	6,076,640	6,013,584	63,056
Public works	2,918,559	2,960,588	2,554,522	406,066
Community services	2,547,359	3,031,542	2,562,788	468,754
Capital outlay	15,000	1,335,883	1,286,863	49,020
Debt service:				
Principal	235,389	69,390	69,390	-
Interest	12,046	12,046	12,046	-
Total expenditures	<u>15,492,839</u>	<u>17,294,368</u>	<u>15,999,738</u>	<u>1,294,630</u>
Net change in fund balance	264,852	(2,152,989)	(1,128,576)	1,024,413
Fund balance, beginning	<u>10,085,065</u>	<u>10,085,065</u>	<u>10,085,065</u>	<u>-</u>
Fund balance, ending	<u>\$ 10,349,917</u>	<u>\$ 7,932,076</u>	<u>\$ 8,956,489</u>	<u>\$ 1,024,413</u>



CITY OF GOLETA

Notes to Required Supplementary Information

Year ended June 30, 2009

(1) Budgetary Accounting

The City Manager shall prepare and submit the proposed annual budget to the City Council for its approval for all governmental funds. After reviewing the proposed budget and making such revisions as it may deem advisable, the City Council conducts a public meeting on the budget. After conclusion of the public meeting, the City Council shall further consider the proposed budget and make any revisions thereof it may deem necessary. The budget is then legally enacted by means of a budget resolution passed by the City Council. Upon final adoption, the budget shall be in effect for the ensuing fiscal year.

Expenditures will be controlled at the department level. Transfers between funds require City Council authorization. Transfers between funds and which do not exceed \$20,000 are to be authorized by the City Manager; transfers above that amount require City Council approval.

Budgets are prepared in accordance with generally accepted accounting principles using the modified accrual basis of accounting. Budgets were adopted for all governmental funds with the exception of the Miscellaneous Grants Fund.

Appropriations lapse at the end of the fiscal year unless they are re-appropriated through the formal budget process. Open encumbrances are recorded as reservations of fund balance since the commitments will be paid by subsequent year's budget appropriations. Encumbrances do not constitute expenditures or liabilities of the City.

Budgeted amounts are as originally adopted, or as amended in accordance with prescribed procedures throughout the fiscal year.

(2) Expenditures in Excess of Appropriations

Expenditures exceeded appropriations in the following departments and major funds:

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Variance</u>
General Fund Department:			
Public Works:			
Engineering Services	\$ 470,024	\$ 480,692	\$ (10,668)
Street Lighting	\$ 156,500	\$ 156,610	\$ (110)
Major Funds:			
RDA Debt Service Fund	\$ 734,511	\$ 741,291	\$ (6,780)

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## **DEBT SERVICE FUND**

Debt Service Funds are used to accumulate resources for, and the payment of, general long-term debt principal, interest and related costs. The following fund has been classified as a major fund.

RDA Debt Service - This fund is used to account for the accumulation of resources for and the payment of long-term debt principal and interest issued by the Redevelopment Agency.

## **CAPITAL PROJECTS FUNDS**

Capital Projects Funds are used to account for financial resources used for the construction of specific capital projects. The following funds have been classified as major funds.

RDA Project - This fund is used to account for Redevelopment Agency administration and projects.

RDA Housing - This fund is used to account for Redevelopment Agency housing set-aside funds.

CITY OF GOLETA  
RDA Debt Service Fund  
Major Debt Service Fund  
Budgetary Comparison Schedule  
Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variances with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 2,100,000	\$ 3,175,563	\$ 3,234,533	\$ 58,970
Investment income	32,500	32,500	109,781	77,281
Total revenues	<u>2,132,500</u>	<u>3,208,063</u>	<u>3,344,314</u>	<u>136,251</u>
Expenditures:				
Current:				
Community development	35,000	35,127	30,127	5,000
Pass-through to other agencies	420,000	644,297	656,077	(11,780)
Debt service:				
Principal	925,000	-	-	-
Interest	-	55,087	55,087	-
Total expenditures	<u>1,380,000</u>	<u>734,511</u>	<u>741,291</u>	<u>(6,780)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>752,500</u>	<u>2,473,552</u>	<u>2,603,023</u>	<u>129,471</u>
Other financing sources (uses):				
Transfers out	<u>(670,000)</u>	<u>(5,009,494)</u>	<u>(5,004,019)</u>	<u>5,475</u>
Total other financing sources (uses)	<u>(670,000)</u>	<u>(5,009,494)</u>	<u>(5,004,019)</u>	<u>5,475</u>
Net change in fund balance	82,500	(2,535,942)	(2,400,996)	134,946
Fund balance, beginning	<u>2,400,996</u>	<u>2,400,996</u>	<u>2,400,996</u>	<u>-</u>
Fund balance, ending	<u>\$ 2,483,496</u>	<u>\$ (134,946)</u>	<u>\$ -</u>	<u>\$ 134,946</u>

CITY OF GOLETA  
RDA Project Fund  
Major Capital Projects Fund  
Budgetary Comparison Schedule  
Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 4,000,000	\$ -	\$ (4,000,000)
Investment income	115,351	115,351	20,767	(94,584)
Other	-	-	4,800	4,800
<b>Total revenues</b>	<b>115,351</b>	<b>4,115,351</b>	<b>25,567</b>	<b>(4,089,784)</b>
Expenditures:				
Current:				
Community development	405,888	622,079	487,178	134,901
Capital outlay	-	12,459,512	1,097,083	11,362,429
<b>Total expenditures</b>	<b>405,888</b>	<b>13,081,591</b>	<b>1,584,261</b>	<b>11,497,330</b>
Excess (deficiency) of revenues over (under) expenditures	(290,537)	(8,966,240)	(1,558,694)	7,407,546
Other financing sources (uses):				
Transfers in	250,000	4,365,197	4,347,941	(17,256)
Transfers out	-	-	(445,988)	(445,988)
<b>Total other financing sources (uses)</b>	<b>250,000</b>	<b>4,365,197</b>	<b>3,901,953</b>	<b>(463,244)</b>
<b>Net change in fund balance</b>	<b>(40,537)</b>	<b>(4,601,043)</b>	<b>2,343,259</b>	<b>6,944,302</b>
Fund balance, beginning	1,255,988	1,255,988	1,255,988	-
<b>Fund balance, ending</b>	<b>\$ 1,215,451</b>	<b>\$ (3,345,055)</b>	<b>\$ 3,599,247</b>	<b>\$ 6,944,302</b>

CITY OF GOLETA  
 RDA Housing Fund  
 Major Capital Projects Fund  
 Budgetary Comparison Schedule  
 Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Investment income	\$ 90,522	\$ 90,522	\$ 48,150	\$ (42,372)
Total revenues	90,522	90,522	48,150	(42,372)
Expenditures:				
Current:				
Community development	567,400	3,528,486	3,203,389	325,097
Total expenditures	567,400	3,528,486	3,203,389	325,097
Excess (deficiency) of revenues over (under) expenditures	(476,878)	(3,437,964)	(3,155,239)	282,725
Other financing sources (uses):				
Transfers in	420,000	644,297	656,078	11,781
Total other financing sources (uses)	420,000	644,297	656,078	11,781
Net change in fund balance	(56,878)	(2,793,667)	(2,499,161)	294,506
Fund balance, beginning	3,799,806	3,799,806	3,799,806	-
Fund balance, ending	\$ 3,742,928	\$ 1,006,139	\$ 1,300,645	\$ 294,506

## **NON-MAJOR SPECIAL REVENUE FUNDS AND NON-MAJOR CAPITAL PROJECTS FUND**

### NON-MAJOR SPECIAL REVENUE FUNDS

Gas Tax - The Gas Tax 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.

Measure D - The Measure D 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 D was approved by the voters of Santa Barbara County by an election held on November 7, 1989. The tax became effective on April 1, 1990.

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

GTIP - This fund is used to account for traffic development impact fees.

Park Development Fees - This fund is used to account for park development impact fees.

Public Admin Facilities DIF - This fund is used to account for public administration facilities development impact fees.

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.

State Park Grant - This fund is used to account for state grant funds for park purposes.

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

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

**NON-MAJOR SPECIAL REVENUE FUNDS  
AND NON-MAJOR CAPITAL PROJECTS FUND, (CONTINUED)**

Environmental Justice - 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.

STIP - This fund is used to account for federal funds to local governments for use in transit and highway projects, including streets and roads projects.

CAL Fire Grant - This fund is used to account for state grant funds to local governments for use in public safety.

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

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

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.

STIP TE - Federal - This fund is used to account for federal funds to local governments for use in transit and highway projects, including streets and roads projects.

TCSP Federal - This fund is used to account for federal grant funds to local governments for transportation projects.

EPA Brownfield Grant - This fund is used to account for federal grant funds to local governments for use in environmental projects.

OTS Public Safety - This fund is used to account for public safety grants for special traffic and law enforcement services.

STE Grant - This fund is used to account for federal grants for the State Transportation Enhancement Program.

FEMA Grant - This fund is used to account for federal grants from the Federal Emergency Management Agency.

NRCS Grant - This fund is used to account for federal grants from the United States Department of Agriculture Natural Resource Conservation Service.

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.

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



**NON-MAJOR SPECIAL REVENUE FUNDS  
AND NON-MAJOR CAPITAL PROJECTS FUND, (CONTINUED)**

NON-MAJOR CAPITAL PROJECTS FUND

RDA Bond Proceeds - The fund is used to account for the proceeds of Tax Allocation Bonds to be used for RDA Capital Projects.

CITY OF GOLETA  
 Non-Major Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

SPECIAL REVENUE FUNDS			
	Gas Tax	Transportation	Measure D
<u>Assets:</u>			
Cash and investments	\$ 1,305,557	\$ 152,018	\$ 395,677
Receivables:			
Accounts	-	-	-
Interest	1,775	212	557
Due from other governments	103,340	1,668	208,198
Deposits	-	-	-
Prepaid items	-	-	-
	\$ 1,410,672	\$ 153,898	\$ 604,432
<u>Liabilities and Fund Balances:</u>			
Liabilities:			
Accounts payable	\$ 135,412	\$ -	\$ 141,841
Accrued salaries and benefits	-	-	-
Due to other funds	-	-	-
Deposits payable	-	-	-
	135,412	-	141,841
Fund balances:			
Reserved for:			
Encumbrances	164,829	-	59,605
Unreserved:			
Designated for:			
Continuing appropriations	442,250	-	280,585
Undesignated, reported in:			
Special revenue funds	668,181	153,898	122,401
	1,275,260	153,898	462,591
Total fund balances (deficit)			
	\$ 1,410,672	\$ 153,898	\$ 604,432

continued

SPECIAL REVENUE FUNDS

Solid Waste Program	GTIP	Park DIF	Public Admin. Facilities DIF	Library Facilities DIF	Sheriff Facilities DIF
\$ 510,899	\$ 1,519,114	\$ 2,678,194	\$ 830,560	\$ 278,313	\$ 310,333
41,002	-	-	-	-	-
671	2,185	3,200	988	350	396
-	-	-	-	-	-
-	-	-	-	-	-
-	50,000	-	-	-	-
<u>\$ 552,572</u>	<u>\$ 1,571,299</u>	<u>\$ 2,681,394</u>	<u>\$ 831,548</u>	<u>\$ 278,663</u>	<u>\$ 310,729</u>
\$ 36,307	\$ 7,717	\$ -	\$ -	\$ -	\$ -
198	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>36,505</u>	<u>7,717</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
6,588	76,944	-	-	-	-
-	307,534	-	76,325	-	-
<u>509,479</u>	<u>1,179,104</u>	<u>2,681,394</u>	<u>755,223</u>	<u>278,663</u>	<u>310,729</u>
<u>516,067</u>	<u>1,563,582</u>	<u>2,681,394</u>	<u>831,548</u>	<u>278,663</u>	<u>310,729</u>
<u>\$ 552,572</u>	<u>\$ 1,571,299</u>	<u>\$ 2,681,394</u>	<u>\$ 831,548</u>	<u>\$ 278,663</u>	<u>\$ 310,729</u>

CITY OF GOLETA  
 Non-Major Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

SPECIAL REVENUE FUNDS			
	Housing In-Lieu	Environmental Programs	State Park Grant
<u>Assets:</u>			
Cash and investments	\$ 106,423	\$ 784,805	\$ -
Receivables:			
Accounts	-	-	-
Interest	151	1,100	-
Due from other governments	-	-	240,000
Deposits	-	-	1,372
Prepaid items	-	-	-
	<u>\$ 106,574</u>	<u>\$ 785,905</u>	<u>\$ 241,372</u>
<u>Liabilities and Fund Balances:</u>			
Liabilities:			
Accounts payable	\$ -	\$ 79	\$ -
Accrued salaries and benefits	-	-	-
Due to other funds	-	-	286,264
Deposits payable	-	-	-
	<u>-</u>	<u>79</u>	<u>286,264</u>
Fund balances:			
Reserved for:			
Encumbrances	-	-	-
Unreserved:			
Designated for:			
Continuing appropriations	-	-	-
Undesignated, reported in:			
Special revenue funds	106,574	785,826	(44,892)
	<u>106,574</u>	<u>785,826</u>	<u>(44,892)</u>
Total fund balances (deficit)	<u>106,574</u>	<u>785,826</u>	<u>(44,892)</u>
Total liabilities and fund balances	<u>\$ 106,574</u>	<u>\$ 785,905</u>	<u>\$ 241,372</u>

SPECIAL REVENUE FUNDS

Public Safety	Solid Waste Recycling	RSTP State Grant	Local STIP	Environmental Justice	STIP
\$ 57,837	\$ 12,782	\$ 130,997	\$ -	\$ -	\$ -
-	-	-	-	-	-
88	18	193	-	-	-
44,394	-	10,192	118,000	-	-
-	-	-	-	-	-
-	-	631	-	-	-
<u>\$ 102,319</u>	<u>\$ 12,800</u>	<u>\$ 142,013</u>	<u>\$ 118,000</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ 522	\$ 8,022	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	121,728	-	-
-	-	-	-	-	-
<u>-</u>	<u>522</u>	<u>8,022</u>	<u>121,728</u>	<u>-</u>	<u>-</u>
-	-	64,782	-	-	-
-	-	69,209	-	-	-
<u>102,319</u>	<u>12,278</u>	<u>-</u>	<u>(3,728)</u>	<u>-</u>	<u>-</u>
<u>102,319</u>	<u>12,278</u>	<u>133,991</u>	<u>(3,728)</u>	<u>-</u>	<u>-</u>
<u>\$ 102,319</u>	<u>\$ 12,800</u>	<u>\$ 142,013</u>	<u>\$ 118,000</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF GOLETA  
 Non-Major Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

	SPECIAL REVENUE FUNDS		
	CAL Fire Grant	Misc Grants	Federal Transportation Program
<u>Assets:</u>			
Cash and investments	\$ -	\$ 97,691	\$ -
Receivables:			
Accounts	-	-	-
Interest	-	46	-
Due from other governments	-	-	-
Deposits	-	-	-
Prepaid items	-	-	-
Total assets	\$ -	\$ 97,737	\$ -
<u>Liabilities and Fund Balances:</u>			
Liabilities:			
Accounts payable	\$ 8,200	\$ -	\$ 3,339
Accrued salaries and benefits	-	-	-
Due to other funds	17,808	-	10,840
Deposits payable	-	-	-
Total liabilities	26,008	-	14,179
Fund balances:			
Reserved for:			
Encumbrances	-	-	-
Unreserved:			
Designated for:			
Continuing appropriations	-	-	-
Undesignated, reported in:			
Special revenue funds	(26,008)	97,737	(14,179)
Total fund balances (deficit)	(26,008)	97,737	(14,179)
Total liabilities and fund balances	\$ -	\$ 97,737	\$ -

continued

SPECIAL REVENUE FUNDS

CDBG	STIP - TE Federal	TCSP Federal	EPA Brownfield Grant	OTS Public Safety	STE Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
56,066	-	2,098	-	4,013	28,851
-	-	-	-	-	-
-	-	-	-	-	4,869
<u>\$ 56,066</u>	<u>\$ -</u>	<u>\$ 2,098</u>	<u>\$ -</u>	<u>\$ 4,013</u>	<u>\$ 33,720</u>
\$ 22,772	\$ -	\$ 1,380	\$ -	\$ 4,470	\$ 56,130
-	-	-	-	-	-
33,294	-	2,550	113	4,409	33,419
-	-	-	-	-	-
<u>56,066</u>	<u>-</u>	<u>3,930</u>	<u>113</u>	<u>8,879</u>	<u>89,549</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(1,832)	(113)	(4,866)	(55,829)
-	-	(1,832)	(113)	(4,866)	(55,829)
<u>\$ 56,066</u>	<u>\$ -</u>	<u>\$ 2,098</u>	<u>\$ -</u>	<u>\$ 4,013</u>	<u>\$ 33,720</u>

CITY OF GOLETA  
 Non-Major Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

	SPECIAL REVENUE FUNDS		
	FEMA Grant	NRCS Grant	Library Services
<u>Assets:</u>			
Cash and investments	\$ -	\$ -	\$ 10,678
Receivables:			
Accounts	-	-	-
Interest	-	-	119
Due from other governments	-	-	-
Deposits	-	-	-
Prepaid items	-	-	-
	\$ -	\$ -	\$ 10,797
<u>Liabilities and Fund Balances:</u>			
<u>Liabilities:</u>			
Accounts payable	\$ -	\$ -	\$ -
Accrued salaries and benefits	-	-	-
Due to other funds	194,779	-	-
Deposits payable	-	-	-
	194,779	-	-
<u>Fund balances:</u>			
<u>Reserved for:</u>			
Encumbrances	-	-	-
<u>Unreserved:</u>			
<u>Designated for:</u>			
Continuing appropriations	-	-	-
<u>Undesignated, reported in:</u>			
Special revenue funds	(194,779)	-	10,797
	(194,779)	-	10,797
Total fund balances (deficit)	(194,779)	-	10,797
Total liabilities and fund balances	\$ -	\$ -	\$ 10,797



continued

SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUND	
Street Lighting	Comstock Plover Endowment	RDA Bond Proceeds	Totals
\$ -	\$ 152,747	\$ -	\$ 9,334,625
-	-	-	41,002
-	214	-	12,263
-	-	-	816,820
-	-	-	1,372
-	-	-	55,500
<u>\$ -</u>	<u>\$ 152,961</u>	<u>\$ -</u>	<u>\$ 10,261,582</u>
\$ -	\$ -	\$ -	\$ 426,191
-	-	-	198
-	-	-	705,204
-	150,500	-	150,500
<u>-</u>	<u>150,500</u>	<u>-</u>	<u>1,282,093</u>
-	-	-	372,748
-	-	-	1,175,903
-	2,461	-	7,430,838
<u>-</u>	<u>2,461</u>	<u>-</u>	<u>8,979,489</u>
<u>\$ -</u>	<u>\$ 152,961</u>	<u>\$ -</u>	<u>\$ 10,261,582</u>

CITY OF GOLETA  
 Non-Major Governmental Funds  
 Combining Statement of Revenues, Expenditures, and  
 Changes in Fund Balances  
 Year ended June 30, 2009

	SPECIAL REVENUE FUNDS		
	Gas Tax	Transportation	Measure D
Revenues:			
Taxes	\$ -	\$ -	\$ 1,435,995
Intergovernmental	736,874	19,718	-
Charges for services	-	-	-
Investment income	26,026	3,095	6,251
Developer fees	-	-	-
Other	-	-	-
	762,900	22,813	1,442,246
Expenditures:			
Current:			
Public safety	-	-	-
Public works	838,671	-	1,498,802
Community development	-	-	-
Community service	-	-	-
Capital outlay	-	-	-
	838,671	-	1,498,802
Excess (deficiency) of revenues over (under) expenditures	(75,771)	22,813	(56,556)
Other financing sources (uses):			
Transfers in	-	-	-
	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(75,771)	22,813	(56,556)
Fund balances (deficit), beginning of year, as restated	1,351,031	131,085	519,147
Fund balances (deficit), end of year	\$ 1,275,260	\$ 153,898	\$ 462,591

SPECIAL REVENUE FUNDS					
Solid Waste Program	GTIP	Park Development Fees	Public Admin. Facilities DIF	Library Facilities DIF	Sheriff Facilities DIF
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
501,597	-	-	-	-	-
8,729	37,980	43,306	12,986	4,893	5,515
-	53,912	863,907	264,669	59,698	71,825
115,648	-	-	-	-	-
<u>625,974</u>	<u>91,892</u>	<u>907,213</u>	<u>277,655</u>	<u>64,591</u>	<u>77,340</u>
-	-	-	-	-	5,600
419,947	9,570	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	536,784	250,000	678	-	-
<u>419,947</u>	<u>546,354</u>	<u>250,000</u>	<u>678</u>	<u>-</u>	<u>5,600</u>
206,027	(454,462)	657,213	276,977	64,591	71,740
-	-	-	-	-	-
-	-	-	-	-	-
206,027	(454,462)	657,213	276,977	64,591	71,740
310,040	2,018,044	2,024,181	554,571	214,072	238,989
<u>\$ 516,067</u>	<u>\$ 1,563,582</u>	<u>\$ 2,681,394</u>	<u>\$ 831,548</u>	<u>\$ 278,663</u>	<u>\$ 310,729</u>

CITY OF GOLETA  
 Non-Major Governmental Funds  
 Combining Statement of Revenues, Expenditures, and  
 Changes in Fund Balances  
 Year ended June 30, 2009

	SPECIAL REVENUE FUNDS		
	Housing In-Lieu	Environmental Programs	State Park Grant
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	240,000
Charges for services	-	-	-
Investment income	2,353	17,007	-
Developer fees	-	-	-
Other	-	-	-
	2,353	17,007	240,000
Total revenues	2,353	17,007	240,000
Expenditures:			
Current:			
Public safety	-	-	-
Public works	-	1,824	-
Community development	2,495	-	-
Community service	-	-	-
Capital outlay	-	-	102,776
	2,495	1,824	102,776
Total expenditures	2,495	1,824	102,776
Excess (deficiency) of revenues over (under) expenditures	(142)	15,183	137,224
Other financing sources (uses):			
Transfers in	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(142)	15,183	137,224
Fund balances (deficit), beginning of year, as restated	106,716	770,643	(182,116)
Fund balances (deficit), end of year	\$ 106,574	\$ 785,826	\$ (44,892)

SPECIAL REVENUE FUNDS

Public Safety	Solid Waste Recycling	RSTP	Local STIP	Environmental Justice	STIP
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
100,000	7,914	219,595	118,000	-	-
-	-	-	-	-	-
2,031	258	1,987	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>102,031</u>	<u>8,172</u>	<u>221,582</u>	<u>118,000</u>	<u>-</u>	<u>-</u>
107,658	-	-	-	-	-
-	523	105,000	118,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	43,156	-	-	-
<u>107,658</u>	<u>523</u>	<u>148,156</u>	<u>118,000</u>	<u>-</u>	<u>-</u>
(5,627)	7,649	73,426	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(5,627)	7,649	73,426	-	-	-
107,946	4,629	60,565	(3,728)	-	-
<u>\$ 102,319</u>	<u>\$ 12,278</u>	<u>\$ 133,991</u>	<u>\$ (3,728)</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF GOLETA  
 Non-Major Governmental Funds  
 Combining Statement of Revenues, Expenditures, and  
 Changes in Fund Balances  
 Year ended June 30, 2009

	SPECIAL REVENUE FUNDS		
	CAL Fire Grant	Misc Grants	Federal Transportation Program
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	97,625	68,154
Charges for services	-	-	-
Investment income	-	112	-
Developer fees	-	-	-
Other	-	-	-
Total revenues	<u>-</u>	<u>97,737</u>	<u>68,154</u>
Expenditures:			
Current:			
Public safety	26,008	-	-
Public works	-	-	-
Community development	-	-	-
Community service	-	-	-
Capital outlay	-	-	41,467
Total expenditures	<u>26,008</u>	<u>-</u>	<u>41,467</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(26,008)</u>	<u>97,737</u>	<u>26,687</u>
Other financing sources (uses):			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(26,008)</u>	<u>97,737</u>	<u>26,687</u>
Fund balances (deficit), beginning of year, as restated	<u>-</u>	<u>-</u>	<u>(40,866)</u>
Fund balances (deficit), end of year	<u>\$ (26,008)</u>	<u>\$ 97,737</u>	<u>\$ (14,179)</u>

continued

SPECIAL REVENUE FUNDS					
CDBG	STIP - TE Federal	TCSP	EPA Brownfield Grant	OTS Public Safety	STE Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
244,743	-	30,519	17,370	51,247	37,381
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>244,743</u>	<u>-</u>	<u>30,519</u>	<u>17,370</u>	<u>51,247</u>	<u>37,381</u>
-	-	-	-	32,669	-
-	-	-	-	-	-
145,062	-	-	-	-	-
-	-	-	-	-	-
56,577	-	27,448	112	-	85,931
<u>201,639</u>	<u>-</u>	<u>27,448</u>	<u>112</u>	<u>32,669</u>	<u>85,931</u>
<u>43,104</u>	<u>-</u>	<u>3,071</u>	<u>17,258</u>	<u>18,578</u>	<u>(48,550)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>43,104</u>	<u>-</u>	<u>3,071</u>	<u>17,258</u>	<u>18,578</u>	<u>(48,550)</u>
<u>(43,104)</u>	<u>-</u>	<u>(4,903)</u>	<u>(17,371)</u>	<u>(23,444)</u>	<u>(7,279)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,832)</u>	<u>\$ (113)</u>	<u>\$ (4,866)</u>	<u>\$ (55,829)</u>

CITY OF GOLETA  
Non-Major Governmental Funds  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances  
Year ended June 30, 2009

	SPECIAL REVENUE FUNDS		
	FEMA Grant	NRCS Grant	Library Services
Revenues:			
Taxes	\$ -	\$ -	\$ 231,556
Intergovernmental	-	51,927	-
Charges for services	-	-	-
Investment income	-	-	1,539
Developer fees	-	-	-
Other	-	-	-
Total revenues	<u>-</u>	<u>51,927</u>	<u>233,095</u>
Expenditures:			
Current:			
Public safety	-	-	-
Public works	-	51,927	-
Community development	-	-	-
Community service	-	-	220,937
Capital outlay	190,944	-	-
Total expenditures	<u>190,944</u>	<u>51,927</u>	<u>220,937</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(190,944)</u>	<u>-</u>	<u>12,158</u>
Other financing sources (uses):			
Transfers in	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(190,944)	-	12,158
Fund balances (deficit), beginning of year, as restated	<u>(3,835)</u>	<u>-</u>	<u>(1,361)</u>
Fund balances (deficit), end of year	<u>\$ (194,779)</u>	<u>\$ -</u>	<u>\$ 10,797</u>



SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUND	
Street Lighting	Comstock Plover Endowment	RDA Bond Proceeds	Totals
\$ 98,189	\$ -	\$ -	\$ 1,765,740
-	-	-	2,041,067
-	-	-	501,597
223	3,363	-	177,654
-	-	-	1,314,011
-	-	-	115,648
<u>98,412</u>	<u>3,363</u>	<u>-</u>	<u>5,915,717</u>
-	-	-	171,935
96,102	-	-	3,140,366
-	-	-	147,557
-	7,295	-	228,232
-	-	-	1,335,873
<u>96,102</u>	<u>7,295</u>	<u>-</u>	<u>5,023,963</u>
<u>2,310</u>	<u>(3,932)</u>	<u>-</u>	<u>891,754</u>
<u>-</u>	<u>-</u>	<u>445,988</u>	<u>445,988</u>
<u>-</u>	<u>-</u>	<u>445,988</u>	<u>445,988</u>
2,310	(3,932)	445,988	1,337,742
<u>(2,310)</u>	<u>6,393</u>	<u>(445,988)</u>	<u>7,641,747</u>
<u>\$ -</u>	<u>\$ 2,461</u>	<u>\$ -</u>	<u>\$ 8,979,489</u>

CITY OF GOLETA  
Gas Tax Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 831,000	\$ 788,962	\$ 736,874	\$ (52,088)
Investment income	15,000	15,000	26,026	11,026
Total revenues	<u>846,000</u>	<u>803,962</u>	<u>762,900</u>	<u>(41,062)</u>
Expenditures:				
Public works	<u>800,000</u>	<u>1,555,888</u>	<u>838,671</u>	<u>717,217</u>
Total expenditures	<u>800,000</u>	<u>1,555,888</u>	<u>838,671</u>	<u>717,217</u>
Net change in fund balance	46,000	(751,926)	(75,771)	676,155
Fund balance, beginning	<u>1,351,031</u>	<u>1,351,031</u>	<u>1,351,031</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,397,031</u>	<u>\$ 599,105</u>	<u>\$ 1,275,260</u>	<u>\$ 676,155</u>

CITY OF GOLETA  
Transportation Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 24,500	\$ 24,500	\$ 19,718	\$ (4,782)
Investment income	3,000	3,000	3,095	95
Total revenues	<u>27,500</u>	<u>27,500</u>	<u>22,813</u>	<u>(4,687)</u>
Net change in fund balance	27,500	27,500	22,813	(4,687)
Fund balance, beginning	<u>131,085</u>	<u>131,085</u>	<u>131,085</u>	-
Fund balance, ending	<u>\$ 158,585</u>	<u>\$ 158,585</u>	<u>\$ 153,898</u>	<u>\$ (4,687)</u>

CITY OF GOLETA  
Measure D Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 1,739,000	\$ 1,436,000	\$ 1,435,995	\$ (5)
Investment income	5,000	5,000	6,251	1,251
Total revenues	<u>1,744,000</u>	<u>1,441,000</u>	<u>1,442,246</u>	<u>1,246</u>
Expenditures:				
Public works	<u>1,724,000</u>	<u>2,134,735</u>	<u>1,498,802</u>	<u>635,933</u>
Total expenditures	<u>1,724,000</u>	<u>2,134,735</u>	<u>1,498,802</u>	<u>635,933</u>
Net change in fund balance	20,000	(693,735)	(56,556)	637,179
Fund balance, beginning	<u>519,147</u>	<u>519,147</u>	<u>519,147</u>	<u>-</u>
Fund balance, ending	<u>\$ 539,147</u>	<u>\$ (174,588)</u>	<u>\$ 462,591</u>	<u>\$ 637,179</u>

CITY OF GOLETA  
Solid Waste Program Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 471,000	\$ 471,000	\$ 501,597	\$ 30,597
Investment income	5,000	5,000	8,729	3,729
Other income	-	-	115,648	115,648
	<u>476,000</u>	<u>476,000</u>	<u>625,974</u>	<u>149,974</u>
Total revenues				
Expenditures:				
Public works	468,000	623,185	419,947	203,238
	<u>468,000</u>	<u>623,185</u>	<u>419,947</u>	<u>203,238</u>
Total expenditures				
Net change in fund balance	8,000	(147,185)	206,027	353,212
Fund balance, beginning	310,040	310,040	310,040	-
Fund balance, ending	<u>\$ 318,040</u>	<u>\$ 162,855</u>	<u>\$ 516,067</u>	<u>\$ 353,212</u>

CITY OF GOLETA  
 GTIP Fund  
 Non-Major Special Revenue Fund  
 Budgetary Comparison Schedule  
 Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Investment income	\$ 90,000	\$ 90,000	\$ 37,980	\$ (52,020)
Developer fees	450,000	450,000	53,912	(396,088)
Total revenues	<u>540,000</u>	<u>540,000</u>	<u>91,892</u>	<u>(448,108)</u>
Expenditures:				
Public works	-	6,683	9,570	(2,887)
Capital outlay	95,000	944,304	536,784	407,520
Total expenditures	<u>95,000</u>	<u>950,987</u>	<u>546,354</u>	<u>404,633</u>
Net change in fund balance	445,000	(410,987)	(454,462)	(43,475)
Fund balance, beginning	<u>2,018,044</u>	<u>2,018,044</u>	<u>2,018,044</u>	<u>-</u>
Fund balance, ending	<u><u>\$ 2,463,044</u></u>	<u><u>\$ 1,607,057</u></u>	<u><u>\$ 1,563,582</u></u>	<u><u>\$ (43,475)</u></u>

CITY OF GOLETA  
 Park Development Fees Fund  
 Non-Major Special Revenue Fund  
 Budgetary Comparison Schedule  
 Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Investment income	\$ 75,000	\$ 75,000	\$ 43,306	\$ (31,694)
Developer fees	50,000	50,000	863,907	813,907
Total revenues	<u>125,000</u>	<u>125,000</u>	<u>907,213</u>	<u>782,213</u>
Expenditures:				
Capital outlay	-	254,000	250,000	4,000
Total expenditures	<u>-</u>	<u>254,000</u>	<u>250,000</u>	<u>4,000</u>
Net change in fund balance	125,000	(129,000)	657,213	786,213
Fund balance, beginning	<u>2,024,181</u>	<u>2,024,181</u>	<u>2,024,181</u>	<u>-</u>
Fund balance, ending	<u>\$ 2,149,181</u>	<u>\$ 1,895,181</u>	<u>\$ 2,681,394</u>	<u>\$ 786,213</u>

CITY OF GOLETA  
Public Administration Facilities DIF Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Investment income	\$ 23,000	\$ 23,000	\$ 12,986	\$ (10,014)
Developer fees	10,000	10,000	264,669	254,669
Total revenues	<u>33,000</u>	<u>33,000</u>	<u>277,655</u>	<u>244,655</u>
Expenditures:				
Public works	-	12,003	-	12,003
Capital outlay	-	77,972	678	77,294
Total expenditures	<u>-</u>	<u>89,975</u>	<u>678</u>	<u>89,297</u>
Net change in fund balance	33,000	(56,975)	276,977	333,952
Fund balance, beginning	<u>554,571</u>	<u>554,571</u>	<u>554,571</u>	<u>-</u>
Fund balance, ending	<u>\$ 587,571</u>	<u>\$ 497,596</u>	<u>\$ 831,548</u>	<u>\$ 333,952</u>



CITY OF GOLETA  
 Library Facilities DIF Fund  
 Non-Major Special Revenue Fund  
 Budgetary Comparison Schedule  
 Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Investment income	\$ 7,500	\$ 7,500	\$ 4,893	\$ (2,607)
Developer fees	-	-	59,698	59,698
Total revenues	<u>7,500</u>	<u>7,500</u>	<u>64,591</u>	<u>57,091</u>
Net change in fund balance	7,500	7,500	64,591	57,091
Fund balance, beginning	<u>214,072</u>	<u>214,072</u>	<u>214,072</u>	<u>-</u>
Fund balance, ending	<u><u>\$ 221,572</u></u>	<u><u>\$ 221,572</u></u>	<u><u>\$ 278,663</u></u>	<u><u>\$ 57,091</u></u>

CITY OF GOLETA  
 Sheriff Facilities DIF Fund  
 Non-Major Special Revenue Fund  
 Budgetary Comparison Schedule  
 Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Investment income	\$ 7,500	\$ 7,500	\$ 5,515	\$ (1,985)
Developer fees	-	-	71,825	71,825
Total revenues	<u>7,500</u>	<u>7,500</u>	<u>77,340</u>	<u>69,840</u>
Expenditures:				
Public safety	-	7,485	5,600	1,885
Total expenditures	<u>-</u>	<u>7,485</u>	<u>5,600</u>	<u>1,885</u>
Net change in fund balance	7,500	15	71,740	71,725
Fund balance, beginning	<u>238,989</u>	<u>238,989</u>	<u>238,989</u>	<u>-</u>
Fund balance, ending	<u>\$ 246,489</u>	<u>\$ 239,004</u>	<u>\$ 310,729</u>	<u>\$ 71,725</u>

CITY OF GOLETA  
Housing In-Lieu Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Investment income	\$ 65,000	\$ 65,000	\$ 2,353	\$ (62,647)
Total revenues	65,000	65,000	2,353	(62,647)
Expenditures:				
Community development	-	4,695	2,495	2,200
Total expenditures	-	4,695	2,495	2,200
Net change in fund balance	65,000	60,305	(142)	(60,447)
Fund balance, beginning	106,716	106,716	106,716	-
Fund balance, ending	<u>\$ 171,716</u>	<u>\$ 167,021</u>	<u>\$ 106,574</u>	<u>\$ (60,447)</u>

CITY OF GOLETA  
Environmental Programs Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Investment income	\$ 12,000	\$ 12,000	\$ 17,007	\$ 5,007
Total revenues	12,000	12,000	17,007	5,007
Expenditures:				
Public works	210,000	551,669	1,824	549,845
Total expenditures	210,000	551,669	1,824	549,845
Net change in fund balance	(198,000)	(539,669)	15,183	554,852
Fund balance, beginning	770,643	770,643	770,643	-
Fund balance, ending	<u>\$ 572,643</u>	<u>\$ 230,974</u>	<u>\$ 785,826</u>	<u>\$ 554,852</u>

CITY OF GOLETA  
State Park Grant Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 457,500	\$ 240,000	\$ (217,500)
Total revenues	-	457,500	240,000	(217,500)
Expenditures:				
Capital outlay	-	102,776	102,776	-
Total expenditures	-	102,776	102,776	-
Net change in fund balance	-	354,724	137,224	(217,500)
Fund balance (deficit), beginning	(182,116)	(182,116)	(182,116)	-
Fund balance (deficit), ending	\$ (182,116)	\$ 172,608	\$ (44,892)	\$ (217,500)

CITY OF GOLETA  
Public Safety Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
Investment income	4,500	4,500	2,031	(2,469)
Total revenues	<u>104,500</u>	<u>104,500</u>	<u>102,031</u>	<u>(2,469)</u>
Expenditures:				
Public safety	<u>100,000</u>	<u>111,755</u>	<u>107,658</u>	<u>4,097</u>
Total expenditures	<u>100,000</u>	<u>111,755</u>	<u>107,658</u>	<u>4,097</u>
Net change in fund balance	4,500	(7,255)	(5,627)	1,628
Fund balance, beginning	<u>107,946</u>	<u>107,946</u>	<u>107,946</u>	<u>-</u>
Fund balance, ending	<u><u>\$ 112,446</u></u>	<u><u>\$ 100,691</u></u>	<u><u>\$ 102,319</u></u>	<u><u>\$ 1,628</u></u>

CITY OF GOLETA  
Solid Waste Recycling Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 8,500	\$ 8,500	\$ 7,914	\$ (586)
Investment income	-	-	258	258
Total revenues	<u>8,500</u>	<u>8,500</u>	<u>8,172</u>	<u>(328)</u>
Expenditures:				
Public works	<u>8,000</u>	<u>9,620</u>	<u>523</u>	<u>9,097</u>
Total expenditures	<u>8,000</u>	<u>9,620</u>	<u>523</u>	<u>9,097</u>
Net change in fund balance	500	(1,120)	7,649	8,769
Fund balance, beginning	<u>4,629</u>	<u>4,629</u>	<u>4,629</u>	<u>-</u>
Fund balance, ending	<u>\$ 5,129</u>	<u>\$ 3,509</u>	<u>\$ 12,278</u>	<u>\$ 8,769</u>

CITY OF GOLETA  
RSTP Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 346,000	\$ 506,843	\$ 219,595	\$ (287,248)
Investment income	-	-	1,987	1,987
Total revenues	<u>346,000</u>	<u>506,843</u>	<u>221,582</u>	<u>(285,261)</u>
Expenditures:				
Public works	105,000	225,540	105,000	120,540
Capital outlay	241,000	555,549	43,156	512,393
Total expenditures	<u>346,000</u>	<u>781,089</u>	<u>148,156</u>	<u>632,933</u>
Net change in fund balance	-	(274,246)	73,426	347,672
Fund balance, beginning	<u>60,565</u>	<u>60,565</u>	<u>60,565</u>	<u>-</u>
Fund balance, ending	<u>\$ 60,565</u>	<u>\$ (213,681)</u>	<u>\$ 133,991</u>	<u>\$ 347,672</u>



CITY OF GOLETA  
Local STIP Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 120,000	\$ 120,000	\$ 118,000	\$ (2,000)
Total revenues	120,000	120,000	118,000	(2,000)
Expenditures:				
Public works	118,000	118,000	118,000	-
Total expenditures	118,000	118,000	118,000	-
Net change in fund balance	2,000	2,000	-	(2,000)
Fund balance (deficit), beginning	(3,728)	(3,728)	(3,728)	-
Fund balance (deficit), ending	\$ (1,728)	\$ (1,728)	\$ (3,728)	\$ (2,000)

CITY OF GOLETA  
Environmental Justice Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 73,070	\$ -	\$ (73,070)
Total revenues	-	73,070	-	(73,070)
Expenditures:				
Capital outlay	-	54,670	-	54,670
Total expenditures	-	54,670	-	54,670
Net change in fund balance	-	18,400	-	(18,400)
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ 18,400	\$ -	\$ (18,400)

CITY OF GOLETA  
 STIP Fund  
 Non-Major Special Revenue Fund  
 Budgetary Comparison Schedule  
 Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 630,000	\$ 777,336	\$ -	\$ (777,336)
Total revenues	630,000	777,336	-	(777,336)
Expenditures:				
Capital outlay	630,000	777,336	-	777,336
Total expenditures	630,000	777,336	-	777,336
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ -	\$ -

CITY OF GOLETA  
 CAL Fire Grant Fund  
 Non-Major Special Revenue Fund  
 Budgetary Comparison Schedule  
 Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 80,000	\$ -	\$ (80,000)
Total revenues	-	80,000	-	(80,000)
Expenditures:				
Public safety	-	80,000	26,008	53,992
Total expenditures	-	80,000	26,008	53,992
Net change in fund balance	-	-	(26,008)	(26,008)
Fund balance, beginning	-	-	-	-
Fund balance (deficit), ending	\$ -	\$ -	\$ (26,008)	\$ (26,008)

CITY OF GOLETA  
Federal Transportation Program Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 368,000	\$ 829,415	\$ 68,154	\$ (761,261)
Total revenues	368,000	829,415	68,154	(761,261)
Expenditures:				
Public works	-	50,000	-	50,000
Capital outlay	368,000	804,053	41,467	762,586
Total expenditures	368,000	854,053	41,467	812,586
Net change in fund balance	-	(24,638)	26,687	51,325
Fund balance (deficit), beginning	(40,866)	(40,866)	(40,866)	-
Fund balance (deficit), ending	\$ (40,866)	\$ (65,504)	\$ (14,179)	\$ 51,325

CITY OF GOLETA  
Community Development Block Grant Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 249,187	\$ 294,424	\$ 244,743	\$ (49,681)
Total revenues	249,187	294,424	244,743	(49,681)
Expenditures:				
Community development	86,986	112,458	145,062	(32,604)
Capital outlay	-	111,577	56,577	55,000
Total expenditures	86,986	224,035	201,639	22,396
Net change in fund balance	162,201	70,389	43,104	(27,285)
Fund balance (deficit), beginning	(43,104)	(43,104)	(43,104)	-
Fund balance, ending	\$ (119,097)	\$ 27,285	\$ -	\$ (27,285)

CITY OF GOLETA  
 STIP TE Federal Fund  
 Non-Major Special Revenue Fund  
 Budgetary Comparison Schedule  
 Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 127,000	\$ 127,000	\$ -	\$ (127,000)
Total revenues	127,000	127,000	-	(127,000)
Expenditures:				
Capital outlay	127,000	127,000	-	127,000
Total expenditures	127,000	127,000	-	127,000
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ -	\$ -

CITY OF GOLETA  
 TCSP Fund  
 Non-Major Special Revenue Fund  
 Budgetary Comparison Schedule  
 Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 120,000	\$ 216,270	\$ 30,519	\$ (185,751)
Total revenues	120,000	216,270	30,519	(185,751)
Expenditures:				
Capital outlay	120,000	211,367	27,448	183,919
Total expenditures	120,000	211,367	27,448	183,919
Net change in fund balance	-	4,903	3,071	(1,832)
Fund balance (deficit), beginning	(4,903)	(4,903)	(4,903)	-
Fund balance (deficit), ending	\$ (4,903)	\$ -	\$ (1,832)	\$ (1,832)



CITY OF GOLETA  
EPA Brownfield Grant Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 30,283	\$ 17,370	\$ (12,913)
Total revenues	-	30,283	17,370	(12,913)
Expenditures:				
Capital outlay	-	16,603	112	16,491
Total expenditures	-	16,603	112	16,491
Net change in fund balance	-	13,680	17,258	3,578
Fund balance (deficit), beginning	(17,371)	(17,371)	(17,371)	-
Fund balance (deficit), ending	\$ (17,371)	\$ (3,691)	\$ (113)	\$ 3,578

CITY OF GOLETA  
OTS Public Safety Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 40,000	\$ 58,894	\$ 51,247	\$ (7,647)
Total revenues	40,000	58,894	51,247	(7,647)
Expenditures:				
Public safety	40,000	41,259	32,669	8,590
Total expenditures	40,000	41,259	32,669	8,590
Net change in fund balance	-	17,635	18,578	943
Fund balance (deficit), beginning	(23,444)	(23,444)	(23,444)	-
Fund balance (deficit), ending	\$ (23,444)	\$ (5,809)	\$ (4,866)	\$ 943

CITY OF GOLETA  
STE Grant Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 562,000	\$ 653,748	\$ 37,381	\$ (616,367)
Total revenues	562,000	653,748	37,381	(616,367)
Expenditures:				
Capital outlay	562,000	646,469	85,931	560,538
Total expenditures	562,000	646,469	85,931	560,538
Net change in fund balance	-	7,279	(48,550)	(55,829)
Fund balance (deficit), beginning	(7,279)	(7,279)	(7,279)	-
Fund balance (deficit), ending	\$ (7,279)	\$ -	\$ (55,829)	\$ (55,829)

CITY OF GOLETA  
 FEMA Grant Fund  
 Non-Major Special Revenue Fund  
 Budgetary Comparison Schedule  
 Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 193,847	\$ -	\$ (193,847)
Total revenues	-	193,847	-	(193,847)
Expenditures:				
Capital outlay	-	190,012	190,944	(932)
Total expenditures	-	190,012	190,944	(932)
Net change in fund balance	-	3,835	(190,944)	(194,779)
Fund balance (deficit), beginning	(3,835)	(3,835)	(3,835)	-
Fund balance (deficit), ending	\$ (3,835)	\$ -	\$ (194,779)	\$ (194,779)

CITY OF GOLETA  
 NRCS Grant Fund  
 Non-Major Special Revenue Fund  
 Budgetary Comparison Schedule  
 Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 75,820	\$ 51,927	\$ (23,893)
Total revenues	-	75,820	51,927	(23,893)
Expenditures:				
Public works	-	75,820	51,927	23,893
Total expenditures	-	75,820	51,927	23,893
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ -	\$ -

CITY OF GOLETA  
Library Services Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 218,114	\$ 235,642	\$ 231,556	\$ (4,086)
Investment income	500	500	1,539	1,039
Total revenues	<u>218,614</u>	<u>236,142</u>	<u>233,095</u>	<u>(3,047)</u>
Expenditures:				
Community services	<u>218,114</u>	<u>234,781</u>	<u>220,937</u>	<u>13,844</u>
Total expenditures	<u>218,114</u>	<u>234,781</u>	<u>220,937</u>	<u>13,844</u>
Net change in fund balance	500	1,361	12,158	10,797
Fund balance (deficit), beginning	<u>(1,361)</u>	<u>(1,361)</u>	<u>(1,361)</u>	<u>-</u>
Fund balance, ending	<u>\$ (861)</u>	<u>\$ -</u>	<u>\$ 10,797</u>	<u>\$ 10,797</u>

CITY OF GOLETA  
Street Lighting Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 102,100	\$ 93,806	\$ 98,189	\$ 4,383
Investment income	1,000	1,000	223	(777)
Total revenues	<u>103,100</u>	<u>94,806</u>	<u>98,412</u>	<u>3,606</u>
Expenditures:				
Community services	<u>103,200</u>	<u>96,102</u>	<u>96,102</u>	<u>-</u>
Total expenditures	<u>103,200</u>	<u>96,102</u>	<u>96,102</u>	<u>-</u>
Net change in fund balance	(100)	(1,296)	2,310	3,606
Fund balance (deficit), beginning	<u>(2,310)</u>	<u>(2,310)</u>	<u>(2,310)</u>	<u>-</u>
Fund balance, ending	<u>\$ (2,410)</u>	<u>\$ (3,606)</u>	<u>\$ -</u>	<u>\$ 3,606</u>

CITY OF GOLETA  
Comstock Plover Endowment Fund  
Non-Major Special Revenue Fund  
Budgetary Comparison Schedule  
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Investment income	\$ 7,000	\$ 7,000	\$ 3,363	\$ (3,637)
Total revenues	7,000	7,000	3,363	(3,637)
Expenditures:				
Community services	7,000	14,000	7,295	6,705
Total expenditures	7,000	14,000	7,295	6,705
Net change in fund balance	-	(7,000)	(3,932)	3,068
Fund balance, beginning	6,393	6,393	6,393	-
Fund balance, ending	\$ 6,393	\$ (607)	\$ 2,461	\$ 3,068



CITY OF GOLETA  
 RDA Bond Proceeds Fund  
 Non-Major Capital Projects Fund  
 Budgetary Comparison Schedule  
 Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Investment income	\$ 90,000	\$ -	\$ -	\$ -
Other	3,000,000	-	-	-
Total revenues	<u>3,090,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Capital outlay	3,433,500	-	-	-
Total expenditures	<u>3,433,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(343,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources:				
Transfers in	-	-	445,988	445,988
Total other financing sources	<u>-</u>	<u>-</u>	<u>445,988</u>	<u>445,988</u>
Net change in fund balance	(343,500)	-	445,988	445,988
Fund balance (deficit), beginning	<u>(445,988)</u>	<u>(445,988)</u>	<u>(445,988)</u>	<u>-</u>
Fund balance, ending	<u>\$ (789,488)</u>	<u>\$ (445,988)</u>	<u>\$ -</u>	<u>\$ 445,988</u>

CITY OF GOLETA  
Statement of Changes in Fiduciary Assets and Liabilities  
Year ended June 30, 2009

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2009</u>
<b>Developer Deposits</b>				
<b>Assets</b>				
Cash and investments	\$ 278,444	\$ 1,170,225	\$ 987,489	\$ 461,180
Total assets	<u>\$ 278,444</u>	<u>\$ 1,170,225</u>	<u>\$ 987,489</u>	<u>\$ 461,180</u>
<b>Liabilities</b>				
Accounts payable	\$ 38,809	\$ 48,393	\$ 38,809	\$ 48,393
Deposits payable	<u>239,635</u>	<u>1,121,832</u>	<u>948,680</u>	<u>412,787</u>
Total liabilities	<u>\$ 278,444</u>	<u>\$ 1,170,225</u>	<u>\$ 987,489</u>	<u>\$ 461,180</u>

## 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, note disclosures, and required supplementary information says about the government's overall financial health.

<b>Contents</b>	<b>Page</b>
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	105
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	113
Debt Capacity These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	119
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	123
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	125

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

CITY OF GOLETA  
Net Assets by Component  
Last Seven Fiscal Years\*  
(accrual basis of accounting)

	Fiscal Year		
	2003	2004	2005
Primary Government:			
Governmental activities			
Invested in capital assets, net of related debt	\$ 15,264,168	\$ 16,284,140	\$ 24,991,474
Restricted	5,895,207	5,738,058	5,932,908
Unrestricted	3,040,219	4,284,637	5,729,507
Total governmental activities, net assets	<u>\$ 24,199,594</u>	<u>\$ 26,306,835</u>	<u>\$ 36,653,889</u>

\* Reflects data compiled by the City of Goleta since incorporation.

Fiscal Year			
2006	2007	2008	2009
\$ 27,093,022	\$ 171,497,745	\$ 168,561,463	\$ 168,713,837
10,787,824	10,792,609	15,401,523	14,202,532
6,839,388	8,838,623	8,785,763	8,056,471
<u>\$ 44,720,234</u>	<u>\$ 191,128,977</u>	<u>\$ 192,748,749</u>	<u>\$ 190,972,840</u>

CITY OF GOLETA  
**Changes in Net Assets**  
 Last Seven Fiscal Years \*  
 (accrual basis of accounting)

	Fiscal Year		
	2003	2004	2005
<b>Primary Government- Governmental activities:</b>			
<b>Expenses</b>			
General government	\$ 2,256,472	\$ 3,100,654	\$ 3,415,277
Public safety	4,539,280	4,751,782	5,273,087
Public works	231,951	4,404,746	5,538,722
Community development	2,558,958	2,723,339	2,036,243
Community services	2,266,229	774,233	727,856
Interest and other charges	78,523	114,431	39,416
<b>Total expenses</b>	<u>\$ 11,931,413</u>	<u>\$ 15,869,185</u>	<u>\$ 17,030,601</u>
<b>Program Revenues</b>			
Charges for services:			
General government	\$ 34,346	\$ 64,255	\$ 31,974
Public safety	134,066	126,037	206,399
Public works	144,984	702,404	141,814
Community development	1,793,692	1,693,003	959,273
Community services	-	13,656	193,710
Operating contributions and grants:			
Public safety	-	-	142,166
Public works	926,210	1,096,350	2,313,742
Community development	612,954	32,260	19,615
Community services	-	-	-
Capital contributions and grants:			
Public safety	100,744	101,735	19,200
Public works	1,700,013	1,390,379	902,820
Community development	-	-	8,521,192
Community services	-	-	-
<b>Total program revenues</b>	<u>\$ 5,447,009</u>	<u>\$ 5,220,079</u>	<u>\$ 13,451,905</u>
<b>Net (expense)/revenue</b>	<u>\$ (6,484,404)</u>	<u>\$ (10,649,106)</u>	<u>\$ (3,578,696)</u>
<b>General Revenues and Other Changes in Net Assets</b>			
Taxes:			
Sales taxes	\$ 3,485,996	\$ 3,623,036	\$ 3,864,389
Property taxes, levied for general purpose	2,630,417	3,040,880	4,893,131
Redevelopment Agency Tax Increment, restricted	-	-	-
Motor vehicle in lieu of taxes unrestricted	2,674,050	2,542,364	1,502,920
Transient occupancy tax	2,141,810	2,142,802	2,282,932
Franchise taxes	346,426	1,061,334	946,066
Other taxes	193,140	185,017	-
Investment income	146,909	97,278	280,398
Other	4,089	62,258	155,914
Special item - forgiveness of debt	-	-	-
<b>Total general revenues</b>	<u>\$ 11,622,837</u>	<u>\$ 12,754,969</u>	<u>\$ 13,925,750</u>
<b>Change in Net Assets</b>	<u>\$ 5,138,433</u>	<u>\$ 2,105,863</u>	<u>\$ 10,347,054</u>

\* Reflects data compiled by the City of Goleta since incorporation.

Fiscal Year

2006	2007	2008	2009
\$ 3,550,258	\$ 3,372,878	\$ 3,902,025	\$ 3,626,933
5,539,496	5,617,168	5,853,577	6,220,064
4,595,206	10,581,153	11,235,589	11,628,940
3,667,575	1,177,266	1,670,489	4,524,328
1,133,688	2,584,997	2,569,696	2,812,884
33,320	130,839	75,612	63,902
<u>\$ 18,519,543</u>	<u>\$ 23,464,301</u>	<u>\$ 25,306,988</u>	<u>\$ 28,877,051</u>
\$ 37,456	\$ 416,758	\$ 8,590	8,569
201,787	225,986	217,652	255,448
2,304,882	711,443	686,705	747,329
-	-	931,359	1,171,393
734,277	690,879	16,410	16,747
130,616	242,339	-	173,527
4,338,565	3,432,130	3,056,038	2,508,017
1,389,033	711,075	51,175	19,360
8,428	8,232	-	-
-	-	179,856	77,340
232,141	989,205	2,122,198	1,884,115
1,689,883	21,203	8,407	248,172
542,413	23,976	37,690	64,591
<u>\$ 11,609,481</u>	<u>\$ 7,473,226</u>	<u>\$ 7,316,080</u>	<u>\$ 7,174,608</u>
<u>\$ (6,910,062)</u>	<u>\$ (15,991,075)</u>	<u>\$ (17,990,908)</u>	<u>\$ (21,702,443)</u>
\$ 4,039,979	\$ 4,116,748	\$ 4,160,113	\$ 3,353,658
4,867,360	4,359,151	4,609,491	4,713,635
-	2,252,723	2,754,708	3,234,533
1,125,865	1,139,903	1,106,524	878,401
2,601,475	2,571,528	2,783,144	2,462,457
952,856	1,116,446	938,208	1,079,337
-	-	418,052	426,035
646,378	1,152,334	719,157	375,504
245,579	-	621,283	506,742
-	-	1,500,000	-
<u>\$ 14,479,492</u>	<u>\$ 16,708,833</u>	<u>\$ 19,610,680</u>	<u>\$ 17,030,302</u>
<u>\$ 7,569,430</u>	<u>\$ 717,758</u>	<u>\$ 1,619,772</u>	<u>\$ (4,672,141)</u>

CITY OF GOLETA  
Fund Balances of Governmental Funds  
Last Seven Fiscal Years \*  
(modified accrual basis of accounting)

	Fiscal Year		
	2003	2004	2005
General Fund			
Reserved	\$ -	\$ 2,936,065	\$ 4,429,850
Unreserved	4,894,108	2,100,000	1,653,495
Total general fund	<u>\$ 4,894,108</u>	<u>\$ 5,036,065</u>	<u>\$ 6,083,345</u>
All other governmental funds			
Reserved	\$ -	\$ 3,841,795	\$ 3,652,802
Unreserved, reported in:			
Special revenue funds	4,300,743	3,095,160	3,961,067
Capital projects funds	1,234,464	-	-
Total all other governmental funds	<u>\$ 5,535,207</u>	<u>\$ 6,936,955</u>	<u>\$ 7,613,869</u>

\* Reflects data compiled by the City of Goleta since incorporation.



Fiscal Year

2006	2007	2008	2009
\$ 6,600,000	\$ 819,500	\$ 997,972	\$ 143,065
950,433	8,544,585	9,087,093	8,813,424
<u>\$ 7,550,433</u>	<u>\$ 9,364,085</u>	<u>\$ 10,085,065</u>	<u>\$ 8,956,489</u>
\$ 5,434,747	\$ 3,591,210	\$ 6,200,802	\$ 1,874,263
5,759,397	5,450,614	7,622,276	8,606,741
(4,237)	2,827,773	810,000	3,398,377
<u>\$ 11,189,907</u>	<u>\$ 11,869,597</u>	<u>\$ 14,633,078</u>	<u>\$ 13,879,381</u>

CITY OF GOLETA  
**Changes in Fund Balances of Governmental Funds**  
 Last Seven Fiscal Years \*  
 (modified accrual basis of accounting)

	Fiscal Year		
	2003	2004	2005
<b>Revenues</b>			
Taxes	\$ 11,829,133	\$ 11,835,023	\$ 14,124,469
Intergovernmental	4,044,354	3,627,332	4,285,249
Charges for services	1,139,034	1,263,348	1,040,105
Fines and forfeitures	124,867	145,273	206,399
Investment income	146,908	176,405	280,398
Developer fees	-	1,069,060	466,190
Other	4,088	62,257	155,914
<b>Total revenues</b>	<b>17,288,384</b>	<b>18,178,698</b>	<b>20,558,724</b>
<b>Expenditures</b>			
<b>Current:</b>			
General government	2,473,793	2,941,264	3,390,716
Public safety	4,539,280	4,749,255	5,289,121
Public works	213,248	4,430,225	5,385,700
Community development	2,544,335	2,677,083	2,306,787
Community services	2,260,697	748,508	734,783
Pass-through to other agencies	218,538	324,409	401,710
Capital outlay	-	250,197	866,484
Debt service			
Principal	428,525	394,758	413,189
Interest	84,472	120,672	46,040
<b>Total expenditures</b>	<b>12,762,888</b>	<b>16,636,371</b>	<b>18,834,530</b>
Excess (deficiency) of revenues over expenditures	4,525,496	1,542,327	1,724,194
<b>Other financing sources (uses)</b>			
Transfers in	546,669	1,050,478	1,213,036
Transfers out	(546,669)	(1,050,478)	(1,213,036)
Proceeds of long-term debt	300,000	-	-
<b>Total other financing sources (uses)</b>	<b>300,000</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ 4,825,496</b>	<b>\$ 1,542,327</b>	<b>\$ 1,724,194</b>
Debt service as a percentage of noncapital expenditures	4.02%	3.15%	2.56%

\* Reflects data compiled by the City of Goleta since incorporation.

Fiscal Year

2006	2007	2008	2009
\$ 16,173,369	\$ 17,181,587	\$ 17,341,789	\$ 16,756,152
4,585,024	4,160,756	4,417,441	2,919,468
1,593,377	2,138,814	1,543,839	1,746,412
201,787	225,986	217,653	255,448
646,378	1,152,334	1,071,351	570,780
1,798,530	271,291	532,347	1,314,011
245,579	189,602	621,302	642,639
25,244,044	25,320,370	25,745,722	24,204,910
3,520,719	3,603,156	3,768,660	3,500,545
5,579,362	5,725,768	5,846,854	6,185,519
5,395,431	7,066,796	6,291,291	5,696,189
3,791,902	1,177,266	1,119,545	3,868,251
1,136,769	3,295,355	2,726,268	2,791,020
103,384	450,545	550,944	656,077
197,500	597,627	1,451,785	3,718,518
436,959	771,101	425,653	69,390
38,892	139,414	80,261	67,133
20,200,918	22,827,028	22,261,261	26,552,642
5,043,126	2,493,342	3,484,461	(2,347,732)
1,204,752	2,829,956	3,038,958	5,450,007
(1,204,752)	(2,829,956)	(3,038,958)	(5,450,007)
-	-	-	-
-	-	-	-
\$ 5,043,126	\$ 2,493,342	\$ 3,484,461	\$ (2,347,732)

2.38%

4.68%

2.50%

0.60%

CITY OF GOLETA  
Assessed Value and Actual Value of Taxable Property  
Last Seven Fiscal Years \*

Fiscal Year Ended June 30,	City		Taxable Assessed Value
	Secured and Unsecured Value	Less Exemptions	
2003	\$ 3,188,570,394	\$ 103,187,550	\$ 3,085,382,844
2004	3,318,088,859	107,535,229	3,210,553,630
2005	3,526,555,537	109,735,138	3,416,820,399
2006	3,667,247,789	127,367,000	3,539,880,789
2007	4,609,243,631	144,341,549	4,464,902,082
2008	4,846,111,226	155,221,614	4,690,889,612
2009	5,037,169,032	154,348,677	4,882,820,355

\* Reflects data compiled by the City of Goleta since incorporation.

Source: Santa Barbara County Auditor-Controller

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 for the payment of Goleta Unified School District Debt Service and the Santa Barbara High School District.

RDA

<u>Secured and Unsecured Value</u>	<u>Less Exemptions</u>	<u>Taxable Assessed Value</u>	<u>Total Direct Rate</u>
\$ 583,066,842	\$ 33,015,511	\$ 550,051,331	\$ 1.03235
819,650,382	39,474,146	780,176,236	1.02709
823,942,992	39,791,239	784,151,753	1.02935
855,566,776	48,145,605	807,421,171	1.02977
916,338,045	49,175,662	867,162,383	1.02925
972,697,831	59,156,174	913,541,657	1.02875
1,018,970,730	58,752,855	960,217,875	1.03725

CITY OF GOLETA  
Property Tax Rates  
Direct and Overlapping Governmental  
Per \$100 of Assessed Value  
Last Seven Fiscal Years\*

	Fiscal Year		
	2003	2004	2005
City Direct Rates:			
City of Goleta Basic Rate	1.00000	1.00000	1.00000
Overlapping Rates:			
Goleta Unified School District	0.02280	0.01754	0.01746
Santa Barbara High School District	0.00955	0.00955	0.01189
Santa Barbara City College	-	-	-
<b>Total Direct Rate</b>	<b>1.03235</b>	<b>1.02709</b>	<b>1.02935</b>

\* Reflects data compiled by the City of Goleta since incorporation.

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

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 for the payment of Goleta Unified School District Debt Service, Santa Barbara High School District, and Santa Barbara City College.

Fiscal Year			
2006	2007	2008	2009
1.00000	1.00000	1.00000	1.00000
0.01729	0.01677	0.01627	0.01627
0.01248	0.01248	0.01248	0.01248
-	-	-	0.00850
1.02977	1.02925	1.02875	1.03725

CITY OF GOLETA  
Principal Property Taxpayers  
Current Year

<u>Taxpayer</u>	<u>Primary Use</u>	<u>2009 *</u>	
		<u>Taxable Assessed Value</u>	<u>Percentage of Total City Taxable Assessed Value</u>
HT Santa Barbara, Inc.	Commercial	\$ 127,000,000	2.17%
SP Maravilla, LLC	Institutional	106,155,635	1.82%
Camino Real II LTD	Commercial	80,877,047	1.38%
IV Investments, LP	Commercial	54,829,080	0.94%
Raytheon Co	Commercial	49,976,253	0.86%
Goleta Investment Partners, LLC	Commercial	47,312,327	0.81%
Nassau Land Co, LLP	Commercial	39,790,299	0.68%
IRE SB INC	Commercial	39,566,588	0.68%
Pacific Oaks LP	Commercial	38,581,717	0.66%
University Business Center Assoc.	Commercial	<u>37,029,437</u>	<u>0.63%</u>
Top Ten Totals		<u><u>\$ 621,118,383</u></u>	<u><u>10.63%</u></u>

Source: Santa Barbara Auditor-Controller

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

\* The City has not presented data for the period nine years prior to the current period because the City has only been incorporated for seven years.



CITY OF GOLETA  
Property Tax Levies and Collections  
Last Seven Fiscal Years\*

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy	Percent of Levy	Collections in Subsequent Years	Total Collections to Date (1)	
		Amount			Amount	Percentage of Levy
2003	\$1,523,587	\$1,523,587	100%	-	\$1,523,587	100%
2004	1,680,689	1,680,689	100%	-	1,680,689	100%
2005	1,775,867	1,775,867	100%	-	1,775,867	100%
2006	1,901,688	1,901,688	100%	-	1,901,686	100%
2007	2,076,982	2,076,982	100%	-	2,076,982	100%
2008	1,984,793	1,984,793	100%	-	1,984,793	100%
2009	2,043,072	2,043,072	100%	-	2,043,072	100%

\* Reflects data compiled by the City of Goleta since incorporation.

Source: City of Goleta, Finance Department

(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 receive 95% of the property taxes in advance from the County and the remaining 5% after the County reconciles the City's balance at June 30.

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

CITY OF GOLETA  
Ratios of Outstanding Debt by Type  
Last Seven Fiscal Years \*

Fiscal Year	Certificates of Participation	Capital Leases	Loan Payable	Total Government	Percentage of Personal Income	Debt Per Capita
2003	\$ 1,930,000	\$ 594,058	\$ 1,800,000	\$ 4,324,058	0.41%	\$ 141
2004	1,570,000	559,301	1,800,000	3,929,301	0.33%	128
2005	1,195,000	521,112	1,800,000	3,516,112	0.29%	115
2006	800,000	479,153	1,800,000	3,079,153	0.24%	102
2007	375,000	433,052	1,500,000	2,308,052	0.18%	77
2008	-	382,399	-	382,399	0.03%	13
2009	-	313,009	-	313,009	0.02%	10

\* Reflects data compiled by the City of Goleta since incorporation

Source: City of Goleta, Finance Department

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



CITY OF GOLETA  
 Computation of Legal Debt Margin  
 Last Seven Fiscal Years\*

	Fiscal Year		
	2003	2004	2005
Assessed Valuations:			
Total Assessed Valuation	\$3,188,570,394	\$3,318,088,859	\$3,526,555,537
Conversion Percentage	25%	25%	25%
Adjusted Assessed Valuation	\$ 797,142,599	\$ 829,522,215	\$ 881,638,884
Debt Limit Percentage	15%	15%	15%
Debt Limit	\$ 119,571,390	\$124,428,332	\$132,245,833
Total Net Debt Applicable to the Limit	-	-	-
Legal debt margin	<u>\$ 119,571,390</u>	<u>\$124,428,332</u>	<u>\$132,245,833</u>
Total debt applicable to the limit as a percentage of debt limit	0%	0%	0%

\* Reflects data compiled by the City since incorporation.

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 computation 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 within the State.

Source: City of Goleta, Finance Department

Fiscal Year			
2006	2007	2008	2009
\$3,667,247,789	\$4,609,243,631	\$4,846,111,226	\$5,037,169,032
25%	25%	25%	25%
\$ 916,811,947	\$1,152,310,908	\$1,211,527,807	\$1,259,292,258
15%	15%	15%	15%
\$ 137,521,792	\$ 172,846,636	\$ 181,729,171	\$ 188,893,839
-	-	-	-
<u>\$ 137,521,792</u>	<u>\$ 172,846,636</u>	<u>\$ 181,729,171</u>	<u>\$ 188,893,839</u>
0%	0%	0%	0%

CITY OF GOLETA  
Demographic and Economic Statistics  
Last Seven Years\*

Calendar Year	Santa Barbara County				
	Population (1) City of Goleta	Population (1) (in thousands)	Personal Income (2) (in thousands)	Per Capita Personal Income (2) (in thousands)	Unemployment Rate (3)
2003	30,761	410	\$ 13,677,000	33.9	3.50%
2004	30,691	415	15,382,000	38.1	3.40%
2005	30,471	419	16,500,000	41.0	4.00%
2006	30,135	422	17,490,000	43.5	3.50%
2007	30,169	424	19,020,000	47.3	4.30%
2008	30,400	429	19,591,000	48.7	5.60%
2009	30,476	431	20,179,000 (4)	50.2 (4)	8.50%

\* Reflects data compiled by the City since incorporation.

**Sources:**

1. California Department of Finance.
2. U.S. Department of Commerce, Bureau of Economic Analysis (Santa Barbara-Santa Maria-Goleta).
3. California Employment Development Department.
4. Projected Amounts (with a 3% increase).

CITY OF GOLETA  
Principal Employers  
Current Year

<u>Employer</u>	2009 *	
	<u>Number of Employees</u>	<u>Employment % to Total Population</u>
Raytheon	1,500	4.92%
Goleta Unified School District	550	1.80%
Barcara Resorts	527	1.73%
Citrix Online	512	1.68%
Allergan (Inamed)	453	1.49%
Flir	360	1.18%
Yardi Systems	360	1.18%
Karl Storz Imaging	300	0.98%
Goleta Cottage Hospital	298	0.98%
Costco	260	0.85%
Mentor Corp	260	0.85%
Jordanos	210	0.69%
The Home Depot	200	0.66%
ATK	186	0.61%

“Percentage of Total Employment” as used above represents the total population of Goleta at Current Year into the Number of Employees.

Source: Santa Barbara Chamber of Commerce

\* The City has not presented data for the period nine years prior to the current period because the City has only been incorporated for seven years.

CITY OF GOLETA  
 Full-time and Part-time City Employees  
 by Function  
 Last Six Fiscal Years

Function	FY 2003-04 Authorized Positions	FY 2004-05 Authorized Positions	FY 2005-06 Authorized Positions
General government	4.0	6.5	6.0
Administrative Services	5.0	4.5	2.5
Finance Department	-	-	3.5
Planning and Environmental Services	13.5	14.0	14.0
RDA & Neighborhood Services	-	1.0	4.0
Community Services	6.5	13.0	14.5
Total	29.0	39.0	44.5

Source: City of Goleta, Finance Department



<u>FY 2006-07 Authorized Positions</u>	<u>FY 2007-08 Authorized Positions</u>	<u>FY 2008-09 Authorized Positions</u>
6.25	4.75	7.00
2.50	4.00	4.00
3.50	4.00	4.00
14.00	13.50	14.00
4.50	4.00	4.00
<u>14.50</u>	<u>15.00</u>	<u>15.00</u>
45.25	45.25	48.00

CITY OF GOLETA  
 Operating Indicators  
 by Function  
 Last Seven Fiscal Years

Function:	Fiscal Year		
	2003	2004	2005
<b>Public Safety:</b>			
<b>Police (1)</b>			
Calls for Service	14,811	15,943	16,458
Citations	1,309	1,719	2,028
Reports Taken	3,437	3,458	3,884
<b>Fire (2)</b>			
Calls for Service	N/A	2,205	2,334
<b>Public Works (3)</b>			
Miles of street resurfacing	16.1	11.3	9.7

(1) Source: Santa Barbara County Sheriff Department

(2) Source: Santa Barbara County Fire Department. Figures based on calendar year.

(3) Source: City of Goleta's Community Services Department

Fiscal Year			
2006	2007	2008	2009
14,788	15,200	16,117	19,245
1,577	1,798	1,421	2,354
3,927	3,748	3,186	3,407
2,150	2,066	2,314	2,786
8.5	10.8	24.6	33.0

CITY OF GOLETA  
Capital Asset Statistics  
by Function

Last Seven Fiscal Years

	Fiscal Year		
	2003	2004	2005
<b>Public Safety:</b>			
Police Stations *	-	-	-
Fire Stations *	3	3	3
<b>Community Development &amp; Community Services:</b>			
Parks and Open Space - Acreage	373	373	296
Community Center	1	1	1
Library	1	1	1
Elementary Schools (K-6)	5	5	4
Middle Schools (6-8)	1	1	1
High Schools (9-12)	1	1	1
Private Schools	3	3	3
Special Needs Schools	-	-	-
<b>Public Works:</b>			
Area of City (square miles)	7.9	7.9	7.9
Miles of streets	172.3	172.3	172.3
Number of Street lights (1)	71	71	71
Number of vehicles (city wide)	1	3	9

Source: Various City of Goleta Departments

\* City contracts with County of Santa Barbara for Law Enforcement Services.  
Fire Department related services are provided by the County Fire District.

(1) There are fifteen hundred fifty (1,550) street lights owned and maintained by SCE in addition to those owned and maintained by the City.

Fiscal Year			
2006	2007	2008	2009
-	-	-	-
3	3	3	3
436	437	438	440
1	1	1	1
1	1	1	1
5	5	5	5
1	1	1	1
1	1	1	1
3	3	3	3
-	-	-	-
7.9	7.9	7.9	7.9
172.3	172.3	172.3	172.3
71	73	85	85
9	13	15	15

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