

**CITY OF SANTA BARBARA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2010**

<u>Assets</u>	Water	Wastewater	Airport
Current assets:			
Cash	\$ 86,653	\$ 28,523	\$ 29,758
Investments	36,646,111	12,062,488	12,584,603
Accounts receivable, net	4,004,116	1,353,236	-
Inventory	-	-	-
Prepaid assets	4,437,952	-	-
Total current assets	45,174,832	13,444,247	12,614,361
Non-current assets:			
Other assets:			
Restricted assets:			
Cash and investments with fiscal agents	1,889,134	4,336,020	35,582,810
Unamortized bond issuance costs, net	246,349	357,180	-
Total other assets	2,135,483	4,693,200	35,582,810
Capital Assets:			
Land	2,218,187	3,508,672	7,310,000
Buildings	7,414,694	13,953,411	12,295,464
Building improvements	1,408,599	741,616	2,464,486
Improvements other than building	128,896,246	44,660,283	107,511,644
Equipment	8,758,072	15,190,856	5,042,002
Underground piping	103,975,056	72,699,240	-
Other Infrastructure	-	-	15,980,481
Construction in progress	5,380,103	5,123,682	42,712,808
Less: accumulated depreciation	(121,673,246)	(77,092,304)	(56,212,619)
Total capital assets, net	136,377,711	78,785,456	137,104,266
Total non-current assets	138,513,194	83,478,656	172,687,076
Total assets	183,688,026	96,922,903	185,301,437
Liabilities			
Current liabilities:			
Accounts payable	1,132,780	417,792	1,668,664
Accrued interest payable	252,117	124,000	1,139,419
Salaries and benefits payable	345,418	228,284	238,016
Deposits	141,700	-	890,969
Unearned revenue	-	-	387,425
Compensated absences payable	412,528	250,206	236,329
Current portion claims payable	-	-	-
Current portion long term debt	3,018,683	610,000	271,027
Total current liabilities	5,303,226	1,630,282	4,831,849
Non-current liabilities:			
Long-term debt, net of current portion	43,485,485	16,315,000	53,938,110
Compensated absences payable	45,836	27,801	26,259
Other post employment benefits (OPEB) obligation	545,240	277,658	328,008
Advances from other funds	-	-	-
Estimated claims liability, net of current portion	-	-	-
Total noncurrent liabilities	44,076,561	16,620,459	54,292,377
Total liabilities	49,379,787	18,250,741	59,124,226
Net Assets			
Invested in capital assets, net of related debt	89,873,543	61,860,456	118,477,939
Restricted for capital projects	1,371	2,968,299	-
Restricted for debt service	1,887,763	1,367,721	-
Unrestricted	42,545,562	12,475,686	7,699,272
Total net assets	\$ 134,308,239	\$ 78,672,162	\$ 126,177,211
Adjustment to reflect the consolidation of internal service activities related to enterprise funds			
Net assets of business-type activities			

See accompanying notes to the basic financial statements

Waterfront	Nonmajor Proprietary Funds	Total Proprietary Funds	Governmental Activities - Internal Service Funds
\$ -	\$ -	\$ 41,596,071	\$ -
7,175,947	7,168,085	20,824,749	17,230,611
3,929,254	275,313	16,666,982	-
169,724	117,290	868,393	179,365
<u>11,274,925</u>	<u>7,560,688</u>	<u>79,956,195</u>	<u>17,409,976</u>
5,461,913	4,843,737	27,472,765	6,277,206
3,732,349	2,809,770	35,786,403	7,815,591
1,237,075	567,221	16,356,983	1,338,412
-	-	54,944	-
<u>10,431,337</u>	<u>8,220,728</u>	<u>79,671,095</u>	<u>15,431,209</u>
843,588	(660,040)	285,100	1,978,767
-	815,292	815,292	-
303,840	244,144	2,903,442	501,946
(946,635)	(85,439)	(6,341,748)	-
1,896	-	304,488	(42,278)
<u>(640,899)</u>	<u>973,997</u>	<u>(2,318,526)</u>	<u>459,668</u>
202,689	313,957	(2,033,426)	2,438,435
-	-	4,217,476	-
-	43,500	43,500	212,032
<u>(1,381)</u>	<u>(314,555)</u>	<u>(417,088)</u>	<u>(846,934)</u>
201,308	42,902	1,810,462	1,803,533
<u>9,469,971</u>	<u>20,438,465</u>		<u>20,571,145</u>
<u>\$ 9,671,279</u>	<u>\$ 20,481,367</u>		<u>\$ 22,374,678</u>
		<u>1,582,098</u>	
		<u>\$ 3,392,560</u>	

**CITY OF SANTA BARBARA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Fiscal Year Ended June 30, 2010**

	<u>Water</u>	<u>Wastewater</u>	<u>Airport</u>
Cash flows from operating activities:			
Cash received from services	\$ 31,709,105	\$ 13,995,112	\$ 1,900,658
Cash received from rents and leases	-	-	12,405,984
Cash payments for goods and services	(15,460,103)	(6,258,938)	(9,030,949)
Cash payments to employees for services	(7,094,701)	(4,718,092)	(4,629,680)
Cash received (returned) for deposits	3,189	-	20,755
Other operating receipts	345,175	28,773	207,431
Other operating disbursements	-	(4,783)	-
Net cash provided (used) by operating activities	<u>9,502,665</u>	<u>3,042,072</u>	<u>874,199</u>
Cash flows from noncapital financing activities:			
Transfers to other funds	(19,614)	(80,469)	(1,069)
Transfers from other funds	-	-	-
Received from (paid to) other funds	-	-	-
Cash received from taxes and assessments	-	-	-
Cash received (used) from other sources	325,651	(23,059)	-
Net cash provided (used) by non-capital financing activities	<u>306,037</u>	<u>(103,528)</u>	<u>(1,069)</u>
Cash flows from capital and related financing activities:			
Proceeds from capital debt	(841,194)	-	-
Proceeds from capital grants and contributions	-	-	4,976,424
Payments on long term debt	(2,010,723)	(576,201)	(1,729,485)
Acquisition of capital assets	(5,651,786)	(2,675,749)	(17,945,102)
Disposition of capital assets	-	-	-
Interest paid on debt	(1,668,192)	(759,888)	(1,894,702)
Net cash used for capital and related financing activities	<u>(10,171,895)</u>	<u>(4,011,838)</u>	<u>(16,592,865)</u>
Cash flows from investing activities:			
Cash received on investments	1,078,257	444,528	832,673
Proceeds from sales and maturities of investments	34,877,159	11,581,263	16,662,821
Purchase of investments	(36,646,111)	(12,062,488)	(12,584,603)
Net cash provided (used) by investing activities	<u>(690,694)</u>	<u>(36,697)</u>	<u>4,910,890</u>
Net increase (decrease) in cash and cash equivalents	<u>(1,053,887)</u>	<u>(1,109,991)</u>	<u>(10,808,845)</u>
Cash and cash equivalents, beginning of fiscal year	<u>3,029,675</u>	<u>5,474,534</u>	<u>46,421,412</u>
Cash and cash equivalents, end of fiscal year	<u>\$ 1,975,787</u>	<u>\$ 4,364,543</u>	<u>\$ 35,612,568</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 3,446,649	\$ (578,630)	\$ (2,766,467)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	6,311,601	3,973,081	4,268,005
Changes in operating assets and liabilities:			
(Increase) decrease in accounts receivable	(305,044)	(116,708)	-
(Increase) decrease in inventories	-	-	-
(Increase) decrease in prepaid assets	(316,760)	-	-
Increase (decrease) in accounts payable	3,333	(392,903)	(799,376)
Increase (decrease) in accrued salaries payable	20,019	8,164	12,257
Increase (decrease) in deferred revenue	-	-	(56,431)
Increase (decrease) in accrued compensated absences	40,032	765	21,477
Increase (decrease) in OPEB accrual	299,646	148,303	173,979
Increase (decrease) in accrued claims	-	-	-
Increase (decrease) in deposits	3,189	-	20,755
Net cash provided (used) by operating activities	<u>\$ 9,502,665</u>	<u>\$ 3,042,072</u>	<u>\$ 874,199</u>
Noncash investing, capital, and financing activities:			
Change in fair value of investments	\$ (75,371)	\$ (25,532)	\$ (26,494)
Conversion from interfund loan to promissory notes	-	-	6,124,300

See accompanying notes to the basic financial statements

CITY-OWNED LANDS

[±8,704.55 acres]

June 8, 2011

Reservoirs, Water & Wastewater Facilities: [±5,945.30 acres]

013-210-048	East Reservoir/ Bothin Pump Station <i>Outside City; Tax 2005-2006 = \$436.06</i>	Water	1.24 ac
015-010-004	Reservoir #1 (Cedar Lane)	Water	2.50 ac
017-113-013	Quinientos (adjacent portion) Street <i>City fee-owned land acquired for access to El Estero Wastewater Treatment Plant adjacent to City fee-owned closed portion of Quinientos Street; access also to Fire Tower; erroneously shown on County Assessor's Map</i>	Dept?	0.66 ac
017-113-016	El Estero Wastewater Treatment Plant <i>Abandon excess portion of Mason Street adjacent to traveled Yanonali Street as superseded by Parcel Map; FEMA flood plain list</i>	Dept?	7.99 ac
017-113-019	El Estero Wastewater Treatment Plant <i>former Union Pacific Railroad Company excess track R/W; acquired from American Tradition; FEMA flood plain list</i>	WW Sys	1.19 ac
017-113-023	Charles Meyer Desalination Facility <i>Also Fire Training Tower</i>	Dept?	2.19 ac
017-222-013	Soledad Well site <i>Unused well & treatment facilities; P&R Dept use; Sycamore Creek; keep for future City needs</i>	Dept?	0.44 ac
017-540-001	Yanonali Street City Service Facility <i>Various City uses; portion Lease Radio Tower site; see Parcel Map lots; FEMA flood plain list</i>	Dept?	0.591 ac
017-540-005	El Estero Wastewater Treatment Plant <i>Portion EEWTP per lots shown on Parcel Map; FEMA flood plain list</i>	WW Sys	4.497 ac
017-540-006	Yanonali Street City Service Facility <i>City Storage yard; lots shown on Parcel Map; radio tower lease (subleased); FEMA flood plain list</i>	Dept?	1.95 ac
017-540-007	Charles Meyer Desalination Facility <i>Parking lot lease to SB Rescue Mission; lots shown on Parcel Map</i>	Dept?	1.478 ac
021-020-002	Skofield Reservoir <i>Outside City (annex?); expanded reservoir needs resolution to dedicate "water" easement on adjacent Rattlesnake "Park" property; Tax 2005-2006 = \$46.24</i>	Water	0.06 ac
021-040-024	Skofield Lift Station <i>Portion Skofield Park</i>	Dept?	Park
021-040-028	El Cielito Reservoir/ Skofield Pump Station	Water	1.73 ac
021-120-011	Sheffield Reservoir/ old treatment site	Water	23.20 ac
023-060-048	"Water" site adjacent 1070 Mission Canyon Rd. <i>Survey/ dispose non-public excess; Outside City; Tax 2005-2006 = \$46.32</i>	Dept?	1.10 ac
023-060-049	"Water" site adjacent 1076 Mission Canyon Rd. <i>Survey/ dispose non-public excess; Outside City; Tax 2005-2006 = \$10.16</i>	Dept?	0.25 ac
023-240-001	Rocky Nook County Park property <i>Portion subject to lease between City and County SB</i>	Dept?	County

City-Owned Lands

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	<i>for "park" and water treatment facility</i>		
023-240-002	Rocky Nook Pump Station <i>Outside City; Tax 2005-2006 = \$37.38</i>	Dept?	0.60 ac
023-240-013	Sheffield Pump Station	Dept?	0.30 ac
023-330-045	Surge Tank site <i>Adjacent 1480 Mission Canyon Rd.; Outside City; Tax 2005-2006 = \$91.36</i>	Water	0.06 ac
025-140-003	Reservoir #2 <i>near Santa Barbara Mission</i>	Water	0.80 ac
025-222-007	Padre Well treatment site <i>Inactive well site; easement on old Garfield School property; structure in joint use with SB College District</i>	Dept?	College District
025-273-001	Reservoir #3 <i>Former reservoir; now Mission Park</i>	P&R	Park
031-152-028	Ortega water treatment site <i>City survey office, closed Recycling Center; property conveyed Aug 2005 by City to RDA for employee parking lot line adjustment and use with Mental Health Assn. project</i>	RDA & Water	RDA
031-160-015	630 Garden Street City Facility <i>Public Works Admin, Water/ Streets, Motor Pool, Engineering, Transportation, etc.; Community Development Admin., Planning, Land Use, etc.; Finance Purchasing</i>	Dept?	±4.69 ac
031-160-016	630 Laguna Street City Facility <i>Public Works Facility offices, radio shops, carpentry, parking, etc.; P&R</i>	Dept?	±2.33 ac
031-172-002	Ortega Park <i>Portion used for Ortega Well site</i>	P&R & Water	Park
031-201-004	Plaza de la Vera Cruz <i>Portion used for Vera Cruz Well; FEMA flood plain list</i>	P&R & Water	Park
035-033-013	Vic Trace Reservoir <i>Also former La Coronilla Park site; radio tower leases by county, et al.; Cox Cable microwave tower lease; master lease Cingular Wireless</i>	Water & Facilities	14.99 ac
037-092-037	City Hall – 735 Anacapa Street <i>Well site located in parking lot</i>	Dept?	General
041-140-003	Escondido Reservoir & Pump Station <i>Portion Escondido Park; survey/ dedicate street R/W for traveled portion of Calle Canon</i>	Water, P&R & Streets	7.52 ac
041-156-001	La Mesa Reservoir	Water	0.34 ac
041-156-002	La Mesa Reservoir	Water	0.17 ac
041-156-009	La Mesa Reservoir	Water	0.34 ac
041-156-010	La Mesa Reservoir	Water	0.17 ac
041-272-002	Cliff Dr. Lift Station <i>Located on SB County Flood Control District property</i>	Dept?	SB Flood Control Distr
041-281-R/W	Linda Drive Lift Station <i>Located adjacent APN 041-281-026</i>	WW Sys	Not City
045-100-R/W	El Camino de la Luz Lift Station <i>Located adjacent 045-100-045</i>	WW Sys	Not City
047-081-R/W	Hope Reservoir Booster (Calle Las Caleras) <i>Located on APN 047-081-002</i>	Water	Not City
047-093-002	Braemar Lift Station – adjacent Alan Road <i>City fee-owned lot; FEMA flood plain list</i>	Dept?	0.10 ac

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047-102-017	Hope Reservoir	Water	±0.48 ac
049-040-034	Valle Verde Well <i>Located in Hidden Valley Park; FEMA flood plain list</i>	P&R & Water	Park
051-040-R/W	YMCA Hope Ave Well Treatment <i>Lease at APN 051-040-059</i>	Water	YMCA
051-112-018	MacKenzie Park <i>Well site located in Park</i>	Water & P&R	Park
055-030-002	Northridge Road Pump Station <i>City fee-owned lot; scheduled for well abandonment (circa 2005); sell & merge with adjacent property</i>	Dept?	0.01 ac
055-030-R/W	Lauro Reservoir Hydro Plant <i>Located on USA APN 055-030-015</i>	Dept?	USA
055-112-004	La Vista Treatment Site <i>Facility used for City storage; land bank for future City uses; Outside City; Tax 2005-2006 = \$</i>	Dept?	1.00 ac
055-112-005	La Vista Reservoir <i>Reservoir presently being used; Outside City; Tax 2005-2006 = \$</i>	Water	1.00 ac
055-132-010	Northridge Road Tank Site <i>City fee-owned lot; scheduled for tank abandonment (circa 2005); sell & merge with adjacent property</i>	Dept?	0.03 ac
055-143-001	Ontare Road Pressure Relief Valve (PRV)	Water	0.01 ac
055-171-007	Cater Treatment Facility <i>Treatment Plant; FEMA flood plain list</i>	Water	12.22 ac
055-172-002	Cater Treatment Facility – 3339 Laurel Canyon Rd <i>Montecito and Carpinteria Valley Water Districts to share cost to purchase this lot and APN 055-172-028. On June 20, 2003, City received \$322,977.56 from Montecito Water District. In letter June 27, 2003, Carpinteria Valley Water District agreed to share. Original documents located in the Water Resources Division file "Cater Land Purchase."</i>	Dept?	0.90 ac
055-172-028	Cater Treatment Facility – 1020 San Roque Rd <i>Montecito and Carpinteria Valley Water Districts to share cost to purchase this parcel and APN 055-172-002 (ditto above 3339 Laurel Canyon Road comments).</i>	Dept?	3.67 ac
055-172-029	Cater Facility <i>Small lot on SEly side of San Roque Rd.</i>	Dept?	0.05 ac
055-172-030	Cater Facility <i>Small lot on SEly side of San Roque Rd.</i>	Dept?	0.50 ac
055-172-031	Cater Facility <i>Small lot on SEly side of San Roque Rd.; Outside City (annex?); Tax 2005-2006 = \$28.20</i>	Dept?	0.60 ac
057-203-001	La Colina Lift Station	Dept?	0.02 ac
057-233-R/W	Via Lucero Lift Station <i>Located R/W fronting APN 057-233-031</i>	Dept?	Not City
057-330-022	Los Robles Reservoir Site (unused)	Dept?	0.30 ac
057-330-072	Los Robles Well Site <i>Dedicated on Final Map of Los Robles Subdivision</i>	Dept?	0.07 ac
059-212-R/W	San Marcos Lift Station <i>R/W fronting APN 059-212-011; lift station to be</i>	WW Sys	Not City

	<i>abandoned 2005 after gravity sewer main constructed on St. Vincent's site; sewer service portion San Marcos Gardens given by City to Goleta Sanitary District</i>		
151-160-002	Mono reservoir/ Watershed <i>Outside City - Note existing watershed management and forest trail maintenance Agreement with USFS; Charter 520?; Tax 2005-2006 = \$958.08</i>	Dept?	603.70 ac
151-160-016	Watershed <i>Outside City; Tax 2005-2006 = \$459.54; Charter 520?</i>	Dept?	440.00 ac
151-180-004	Watershed <i>Outside City; Tax 2005-2006 = \$208.08; Charter 520?</i>	Dept?	200.00 ac
151-180-015	Watershed <i>Outside City; Tax 2005-2006 = \$547.88; Charter 520?</i>	Dept?	255.9 ac
151-180-036	Watershed <i>Outside City; Tax 2005-2006 = \$86.70; Charter 520?</i>	Dept?	80.00 ac
151-180-037	Watershed <i>Outside City; Tax 2005-2006 = \$124.50; Charter 520?</i>	Dept?	80.00 ac
153-030-014	Gibraltar Dam & Reservoir <i>Outside City; Tax 2005-2006 = \$702.32; Charter 520?</i>	Dept?	358.09 ac
153-030-R/W	Gibraltar Dam <i>Caretaker compound - lease USA's APN 153-030-015</i>	Dept?	USFS
153-240-R/W	La Cumbre Peak "LG Lake/ La Cumbre Microwave Link" <i>Sublease portion APN 153-240-019 from Cox Cable for link to Gibraltar Reservoir</i>	Dept?	USFS
153-240-020	Watershed <i>Outside City; Tax 2005-2006 = \$559.36; Charter 520?</i>	Dept?	120.60 ac
153-250-001	Watershed <i>Outside City; Tax 2005-2006 = \$693.64; Charter 520?</i>	Dept?	155.8 ac
153-250-002	Watershed <i>Outside City; Tax 2005-2006 = \$693.64; Charter 520?</i>	Dept?	151.6 ac
153-250-006	Watershed <i>Outside City; Tax 2005-2006 = \$__; Charter 520?</i>	Dept?	611.5 ac
153-250-007	Watershed <i>Outside City; Tax 2005-2006 = \$1,083.80; Charter 520?</i>	Dept?	484.8 ac
153-250-013	Watershed <i>Outside City; Tax 2005-2006 = \$631.68; Charter 520?</i>	Dept?	240.1 ac
153-250-017	Watershed <i>Outside City; Tax 2005-2006 = \$325.14; Charter 520?</i>	Dept?	313.1 ac
153-250-018	Watershed <i>Outside City; Tax 2005-2006 = \$867.04; Charter 520?</i>	Dept?	235.0 ac
153-250-019	Watershed <i>Outside City; Tax 2005-2006 = \$416.66; Charter 520?</i>	Dept?	243.9 ac
153-250-020	Watershed <i>Outside City; Tax 2005-2006 = \$88.34; Charter 520?</i>	Dept?	76.8 ac
153-250-021	Watershed <i>Outside City; Tax 2005-2006 = \$316.32; Charter 520?</i>	Dept?	77.6 ac
153-250-023	Watershed <i>Outside City; Tax 2005-2006 = \$63.70; Charter 520?</i>	Dept?	78.8 ac
153-270-009	Watershed/Tunnel Reservoir <i>Outside City - Various trail and road easements used by</i>	Dept?	295.00 ac

City-Owned Lands

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	<i>USFS and County SB on this and other watershed park properties; Tax 2005-2006 = \$1,592.66; Charter 520?</i>		
153-270-013	Watershed <i>Outside City; Tax 2005-2006 = \$320.10; Charter 520?</i>	Dept?	80.00 ac
153-270-014	Watershed <i>Outside City; Tax 2005-2006 = \$29.88; Charter 520?</i>	Dept?	3.94 ac
153-280-006	Watershed <i>Outside City; Tax 2005-2006 = \$1,214.74; Charter 520?</i>	Dept?	470.98 ac
153-280-007	Watershed <i>Outside City; Tax 2005-2006 = \$393.20; Charter 520?</i>	Dept?	145.75 ac
N/A	Water Fund – Wyoming Property <i>This property is excess and should be sold to avoid yearly taxes; Tax PIN 04-2494-25-3-00-011= \$52.94; T24N, R94, SEC 25, NW4, SW4. Real Property file: "Sweetwater County"</i>	Dept?	40.00 ac