
**BASIC
FINANCIAL STATEMENTS**

THIS PAGE INTENTIONALLY LEFT BLANK

GOVERNMENT-WIDE FINANCIAL STATEMENTS

THIS PAGE INTENTIONALLY LEFT BLANK

City of Eureka
Statement of Net Assets
June 30, 2010

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Current assets:			
Cash and investments	\$ 9,608,928	\$ 6,697,761	\$ 16,306,689
Restricted cash and investments with fiscal agents	4,701,747	534,651	5,236,398
Accounts receivable	2,918,261	1,856,373	4,774,634
Interest receivable	1,006,767	11,024	1,017,791
Prepaid items	60,343	108,160	168,503
Inventory	-	7,342	7,342
Total current assets	18,296,046	9,215,311	27,511,357
Noncurrent assets:			
Notes and loans receivable, net of uncollectible	12,130,674	-	12,130,674
Internal balances	(5,680,571)	5,680,571	-
Land held for resale	4,824,566	-	4,824,566
Deferred charges	437,355	347,436	784,791
Net Pension Asset	421,056	-	421,056
Capital assets:			
Non-depreciable	36,291,382	19,009,995	55,301,377
Depreciable, net	41,053,286	57,107,219	98,160,505
Total capital asset	77,344,668	76,117,214	153,461,882
Total noncurrent assets	89,477,748	82,145,221	171,622,969
Total assets	107,773,794	91,360,532	199,134,326
LIABILITIES			
Current liabilities:			
Accounts payable	1,941,026	1,600,341	3,541,367
Deposits payable	171,429	147,212	318,641
Accrued interest payable	269,604	318,978	588,582
Payroll and related liabilities	391,941	83,805	475,746
Unearned revenue	39,105	14,845	53,950
Claims and judgments payable - due within one year	121,987	-	121,987
Compensated leave payable - due within one year	702,013	159,927	861,940
Bonds payable - due within one year	-	661,994	661,994
Capital lease - due within one year	211,275	266,550	477,825
Notes payable - due within one year	103,405	75,516	178,921
Total current liabilities	3,951,785	3,329,168	7,280,953
Noncurrent liabilities:			
Claims and judgments payable - due in more than one year	109,790	-	109,790
Compensated leave payable - due in more than one year	691,719	12,521	704,240
Bonds payable - due in more than one year, net	23,936,710	14,211,708	38,148,418
Capital lease - due in more than one year	975,826	1,849,630	2,825,456
Notes payable - due in more than one year	1,221,495	2,119,271	3,340,766
Total noncurrent liabilities	26,935,540	18,193,130	45,128,670
Total liabilities	30,887,325	21,522,298	52,409,623
NET ASSETS			
Invested in capital assets, net of related debt	51,063,708	59,594,461	110,658,169
Restricted for:			
Capital Projects	6,509,829	5,506,810	12,016,639
Debt Service	4,471,878	191,731	4,663,609
Community Redevelopment	16,783,354	-	16,783,354
Special Projects	478,013	686,093	1,164,106
Total restricted	28,243,074	6,384,634	34,627,708
Unrestricted	(2,420,313)	3,859,139	1,438,826
Total net assets	\$ 76,886,469	\$ 69,838,234	146,724,703

See accompanying Notes to Basic Financial Statements.

City of Eureka
Statement of Activities and Changes in Net Assets
For the year ended June 30, 2010

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government	\$ 3,948,020	\$ 1,598,159	\$ 43,279	\$ -
Community development	2,787,902	514,814	78,840	925,773
Public safety	13,954,934	1,071,152	213,517	105,914
Public works	6,358,368	750,499	-	1,176,651
Parks and recreation	2,115,173	569,360	-	-
Interest on long-term debt	1,385,114	-	-	-
Total governmental activities	30,549,511	4,503,984	335,636	2,208,338
Business-type activities:				
Water	5,178,222	5,300,379	-	-
Wastewater	5,958,382	4,909,320	-	542,493
Harbor	1,124,184	540,785	-	-
Building	567,019	642,815	-	-
Transit	1,825,016	2,374,688	-	-
Golf	13,920	26,861	-	-
Total business-type activities	14,666,743	13,794,848	-	542,493
Total primary government	\$ 45,216,254	\$ 18,298,832	\$ 335,636	\$ 2,750,831
General Revenues:				
Taxes:				
Property taxes				
Sales taxes				
Franchise fees				
Motor vehicles				
Transient occupancy taxes				
Business license tax				
Property transfer taxes				
Other taxes				
Total taxes				
Investment earnings				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in net assets				
Net assets - beginning of year (as restated)				
Net assets - end of year				

See accompanying Notes to Basic Financial Statements.

Net (Expense) Revenue
and Changes in Net Assets

Total	Governmental Activities	Business-Type Activities	Total
\$ 1,641,438	\$ (2,306,582)	\$ -	\$ (2,306,582)
1,519,427	(1,268,475)	-	(1,268,475)
1,390,583	(12,564,351)	-	(12,564,351)
1,927,150	(4,431,218)	-	(4,431,218)
569,360	(1,545,813)	-	(1,545,813)
-	(1,385,114)	-	(1,385,114)
7,047,958	(23,501,553)	-	(23,501,553)
5,300,379	-	122,157	122,157
5,451,813	-	(506,569)	(506,569)
540,785	-	(583,399)	(583,399)
642,815	-	75,796	75,796
2,374,688	-	549,672	549,672
26,861	-	12,941	12,941
14,337,341	-	(329,402)	(329,402)
\$ 21,385,299	(23,501,553)	(329,402)	(23,830,955)
	6,489,434	-	6,489,434
	9,448,968	-	9,448,968
	837,157	-	837,157
	2,152,526	-	2,152,526
	2,032,584	-	2,032,584
	274,377	-	274,377
	50,200	-	50,200
	501,444	-	501,444
	21,786,690	-	21,786,690
	362,666	333,083	695,749
	624,645	438	625,083
	(478,335)	478,335	-
	22,295,666	811,856	23,107,522
	(1,205,887)	482,454	(723,433)
	78,092,356	69,355,780	147,448,136
\$ 76,886,469	\$ 69,838,234	\$ 146,724,703	

THIS PAGE INTENTIONALLY LEFT BLANK

FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements

Proprietary Fund Financial Statements

THIS PAGE INTENTIONALLY LEFT BLANK

GOVERNMENTAL FUND FINANCIAL STATEMENTS

General Fund is the government's primary operating fund. It accounts for all financing resources of the general government, except those required to be accounted for in another fund.

Low and Moderate Income Housing Fund is a Redevelopment Agency Fund established pursuant to California Redevelopment Law to account for the deposit of twenty percent of tax increment revenues received by the Redevelopment Agency. The funds are to be used to increase and improve the community's supply of low and moderate income housing.

Redevelopment Debt Service Fund accounts for three project areas of the Agency. The project areas are: Century III Phase I; Century III Phase II; and Eureka Tomorrow. Tax increment revenues are used to: repay City advances, to repay loans from the Eureka Public Financing Authority, for the Low and Moderate Income Housing Fund, twenty percent set aside required by state law, and for other legitimate redevelopment activities, such as administration and tax collection fees.

Redevelopment Capital Projects Fund is used to account for capital improvements of the Redevelopment Agency which are financed by proceeds of tax allocation bonds, bank loans, and City advances. The Agency has three capital project areas: Century III Phase I; Century Phase II; and Eureka Tomorrow.

City of Eureka
Balance Sheet
Governmental Funds
June 30, 2010

	Major Funds			
	General	Low and Moderate Income Housing	Redevelopment Debt Service	Redevelopment Capital Projects
ASSETS				
Cash and investments	\$ 1,811,040	\$ 1,000,516	\$ 186,071	\$ 741
Restricted cash and investments	-	-	-	3,871,841
Accounts receivable	2,402,889	6,726	1,420	23,933
Interest receivable	-	-	943	-
Prepaid items	40,343	-	-	-
Notes and loans receivable	-	9,994,255	-	76,938
Advances to other funds	-	-	-	-
Due from other funds	31,183	-	433,665	-
Land held for resale	-	211,388	-	4,613,178
Total assets	\$ 4,285,455	\$ 11,212,885	\$ 622,099	\$ 8,586,631
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 758,575	\$ 9,577	\$ 1,411	\$ 390,918
Due to other funds	-	359,007	-	74,658
Deposits payable	71,429	-	-	-
Payroll and related liabilities	348,943	6,577	-	-
Deferred Revenues	747,093	9,994,255	-	84,378
Advances from other funds	63,944	-	5,661,949	-
Total liabilities	1,989,984	10,369,416	5,663,360	549,954
Fund Balances:				
Reserved for:				
Parking	28,000	-	-	-
Encumbrances	-	-	-	2,249
Prepaid	40,343	-	-	-
Fire Tower	-	-	-	14,287
Debt service	-	-	-	-
Capital projects	-	-	-	3,641,982
Low/moderate income housing	-	-	-	4,364,575
Advances	-	-	-	-
Land held for resale	-	211,388	-	-
Unreserved, undesignated for:				
General Fund	2,227,128	-	-	-
Special revenue funds	-	632,081	-	-
Debt service funds	-	-	(5,041,261)	-
Capital projects funds	-	-	-	13,584
Total fund balances	2,295,471	843,469	(5,041,261)	8,036,677
Total liabilities and fund balances	\$ 4,285,455	\$ 11,212,885	\$ 622,099	\$ 8,586,631

See accompanying Notes to Basic Financial Statements.



Non-Major Governmental Funds	Total Governmental Funds
\$ 4,541,981	\$ 7,540,349
829,906	4,701,747
462,072	2,897,040
-	943
-	40,343
2,136,419	12,207,612
63,944	63,944
-	464,848
-	4,824,566
<u>\$ 8,034,322</u>	<u>\$ 32,741,392</u>

\$ 464,007	\$ 1,624,488
36,805	470,470
100,000	171,429
12,775	368,295
2,194,038	13,019,764
13,000	5,738,893
<u>2,820,625</u>	<u>21,393,339</u>

-	28,000
177,581	179,830
-	40,343
-	14,287
829,896	829,896
-	3,641,982
77,237	4,441,812
63,944	63,944
-	211,388
-	2,227,128
4,032,056	4,664,137
-	(5,041,261)
32,983	46,567
<u>5,213,697</u>	<u>11,348,053</u>
<u>\$ 8,034,322</u>	<u>\$ 32,741,392</u>

THIS PAGE INTENTIONALLY LEFT BLANK

City of Eureka
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Assets
June 30, 2010

Total Fund Balances - Total Governmental Funds \$ 11,348,053

Amounts reported for governmental activities in the Statement of Net Assets were different because:

Capital assets used in governmental activities are not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. Except for the internal service funds reported below, the capital assets were adjusted as follows:

	Government- Wide Statement of Net Assets	Internal Service Funds	
Non-depreciable	\$ 36,291,382	\$ -	36,291,382
Depreciable, net	41,053,286	(2,238,199)	38,815,087
Total capital assets	\$ 77,344,668	\$ (2,238,199)	75,106,469

Loans receivable and other long-term receivables are not available to pay current-period expenditures and, therefore, are deferred in the governmental funds.

Deferred revenue		12,980,659	
Less allowance for uncollectible notes receivable		(76,938)	12,903,721

Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in Governmental Funds Balance Sheet.

(269,604)

Internal service funds were used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the Internal service funds were included in governmental activities in the Government-Wide Statement of Net Assets.

3,722,244

Deferred charges on issuance of long-term debt were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. This amount is to be amortized over the life of the long-term debt.

437,355

Long-term liabilities were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet.

	Government- Wide Statement of Net Assets	Internal Service Funds	
Claims and judgments payable - due within one year	\$ (121,987)	\$ 121,987	-
Compensated leave payable - due within one year	(702,013)	53,794	(648,219)
Capital lease payable - due within one year	(211,275)	-	(211,275)
Notes payable - due within one year	(103,405)	-	(103,405)
Long term liabilities - due in more than one year	(26,935,540)	109,790	(26,825,750)
Total long-term liabilities	\$ (28,074,220)	\$ 285,571	(27,788,649)

Net pension asset was not current financial resources. Therefore, it was not reported in the Governmental Funds Balance Sheet. This amount is to be amortized in accordance with GASB No. 27 and 45.

421,056

In governmental funds, Interest receivable on loans receivable are not available to pay for current -period expenditures

1,005,824

Net Assets of Governmental Activities

\$ 76,886,469

See accompanying Notes to Basic Financial Statements.

City of Eureka
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2010

	Major Funds			
	General	Low and Moderate Income Housing	Redevelopment Debt Service	Redevelopment Capital Projects
REVENUES:				
Taxes	\$ 12,840,401	\$ -	\$ 4,929,805	\$ -
Licenses, permits, and fees	899,762	-	-	-
Fines and penalties	222,218	-	-	-
Investment income	159,401	410,308	5,584	1,240
Intergovernmental	2,515,682	-	15,509	-
Charges for services	3,356,329	-	-	-
Other revenues	519,088	14,053	-	18,603
Total revenues	20,512,881	424,361	4,950,898	19,843
EXPENDITURES:				
Current:				
General government	2,875,677	-	-	-
Public safety	13,736,677	-	-	-
Public works	2,488,502	-	-	-
Community development	450,331	1,980,148	1,172,607	19,094
Culture and Recreation	2,006,956	-	-	-
Capital outlay	284,232	-	-	2,353,455
Debt service:				
Principal payments	183,167	-	100,560	-
Interest and fiscal charges	78,066	-	298,417	-
Cost of issuance	-	-	-	-
Total expenditures	22,103,608	1,980,148	1,571,584	2,372,549
REVENUES OVER (UNDER) EXPENDITURES	(1,590,727)	(1,555,787)	3,379,314	(2,352,706)
OTHER FINANCING SOURCES (USES):				
Transfer in	-	1,090,370	3,925,777	4,975,688
Transfer out	(44,965)	(50,000)	(4,310,147)	-
Proceeds from issuance of debt	-	-	-	779,520
Discount on Bonds	-	-	-	-
Total other financing sources (uses)	(44,965)	1,040,370	(384,370)	5,755,208
Net change in fund balances	(1,635,692)	(515,417)	2,994,944	3,402,502
FUND BALANCES:				
Beginning of year	3,931,163	1,358,886	(8,036,205)	4,634,175
End of year	\$ 2,295,471	\$ 843,469	\$ (5,041,261)	\$ 8,036,677

See accompanying Notes to Basic Financial Statements.

Non-Major Governmental Funds	Total Governmental Funds
\$ -	\$ 17,770,206
60,067	959,829
150,141	372,359
176,305	752,838
2,699,627	5,230,818
145,638	3,501,967
461,139	1,012,883
<u>3,692,917</u>	<u>29,600,900</u>
-	2,875,677
256,753	13,993,430
840,116	3,328,618
423,344	4,045,524
-	2,006,956
2,272,127	4,909,814
19,291	303,018
841,221	1,217,704
257,200	257,200
<u>4,910,052</u>	<u>32,937,941</u>
<u>(1,217,135)</u>	<u>(3,337,041)</u>
1,028,343	11,020,178
(8,098,203)	(12,503,315)
9,195,000	9,974,520
(157,055)	(157,055)
<u>1,968,085</u>	<u>8,334,328</u>
<u>750,950</u>	<u>4,997,287</u>
<u>4,462,747</u>	<u>6,350,766</u>
<u>\$ 5,213,697</u>	<u>\$ 11,348,053</u>

THIS PAGE INTENTIONALLY LEFT BLANK

City of Eureka

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities and Changes in Net Assets For the year ended June 30, 2010

Net Change in Fund Balances - Total Governmental Funds	\$ 4,997,287
Amounts reported for governmental activities in the Statement of Activities and Changes in Net Assets were different because:	
Governmental funds reported capital outlay as expenditures. However, in the Government-Wide Statement of Activities and Changes in Net Assets, the cost of those assets was allocated over their estimated useful lives as depreciation expense. This was the amount of capital assets recorded in the current period. This amount is net of Internal Service Fund additions of \$187,148.	4,633,958
Governmental funds do not record donated assets as they do not require the use of current financial resources. However, in the Government-Wide Statement of Activities and Changes in Net Assets, the value of those assets are capitalized and are recorded as current year capital contributions. The value of which will be expensed over their estimated useful lives as depreciation expense. This was the amount of donated capital assets recorded in the current period.	114,613
Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities and Changes in Net Assets, but they did not require the use of current financial resources. Therefore, depreciation expense was not reported as expenditures in the governmental funds. This amount is net of Internal Service Funds depreciation expense of \$500,323.	(2,577,801)
Changes in net pension asset did not require the use of current financial resources or meet revenue recognition criteria in the Fund Financial Statements and therefore are not reported in governmental funds	208,796
Accrued compensated leave payable due within 60 days was an expenditure in governmental funds, but the accrued payable increased compensated leave liabilities in the Government-Wide Statement of Net Assets. This amount is net of Internal Service Funds decrease of \$1,238.	(124,885)
Repayment of bond principal was an expenditure in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Assets.	303,018
Bond issuance costs are expensed in the governmental funds. However, in the Government-Wide Statement of Activities and Changes in Net Assets, the bond issuance costs are allocated over the life of the bonds.	257,200
Cost of issuance of bonds was an expenditure in governmental funds at issuance, but in the Government-Wide Statement of Net Assets, deferred charges were capitalized and are being amortized over the life of the bond. This amount is the current year amortization expense.	(18,906)
Bond proceeds provided current financial resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Assets.	(9,817,465)
Deferred amount on bond refunding does not require the use of financial resources, and therefore, is not reported in the governmental funds. In the Government-Wide Statement of Net Assets the balance is amortized over the life of the bond.	(60,800)
Bond issuance discounts are recognized as other financing uses in the governmental funds. However, in the Government-Wide Statement of Activities and Changes in Net Assets, the bond issuance discounts are amortized over the life of the bonds. This amount represents the amount amortized.	(756)
Interest expense on long-term debt was reported as it accrued in the Government-Wide Statement of Activities and Changes in Net Assets, but did not require the use of current financial resources. Therefore, interest expense, which is recognized when paid, was not reported as expenditures in governmental funds.	(86,948)
Revenues that were not collected within 60 days of the fiscal year end and did not meet the revenue recognition criteria in the Fund Financial Statements are recognized as revenue in the Government-Wide Financial Statements	885,508
Loans and notes receivable were recorded at gross amounts in the governmental funds. However, in the Government-Wide Financial Statement an estimated amount for allowance for potential forgiveness has been expensed. The following amount represents the current year amount for allowance for potential forgiveness.	29,405
Interest revenue that was earned on loans and notes receivable in the current year, but was not collected is not reported in governmental funds as they are not available to pay for current period expenditures	74,482
Internal service funds were used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. The net revenue of the internal service funds was reported with governmental activities.	(22,593)
Change in Net Assets of Governmental Activities	<u>\$ (1,205,887)</u>

See accompanying Notes to Basic Financial Statements.

THIS PAGE INTENTIONALLY LEFT BLANK

PROPRIETARY FUND FINANCIAL STATEMENTS

Water Fund is used to account for the operation and maintenance of the City's water utility. Revenues are primarily user charges. Rates are set periodically by the City Council.

Wastewater Fund is used to account for the operation and maintenance of the City's sewer utility .

Harbor Fund is used for administration and operation of the Humboldt Bay Harbor.

Building Fund is used for administration of construction regulation programs, building code enforcement, and public information programs.

Transit Fund is used for administration and operation of the Eureka Transit System and Dial-a-Ride/Lift program, as well as the City's share of a county-wide transit system.

Golf Fund is used for the administration of the Municipal Golf Course.

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies on a cost reimbursement basis.

City of Eureka
Statement of Net Assets
Proprietary Funds
June 30, 2010

	Enterprise Funds				
	Water	Wastewater	Harbor	Building	Transit
ASSETS					
Current assets:					
Cash and investments	\$ 3,767,407	\$ 1,651,178	\$ 1,105,694	\$ -	\$ 273
Cash and investments with fiscal agents	505,514	29,137	-	-	-
Accounts receivable, net	670,445	671,841	10,721	403,458	97,368
Interest receivable	-	9,085	1,939	-	-
Prepaid items	-	20,152	-	-	88,008
Inventory	-	-	-	-	7,342
Due from other funds	2,012,505	-	-	-	-
Total current assets	6,955,871	2,381,393	1,118,354	403,458	192,991
Noncurrent assets:					
Deferred charges, net of amortization	318,636	28,800	-	-	-
Advances to other funds	479,889	5,207,809	-	13,000	-
Total noncurrent assets	798,525	5,236,609	-	13,000	-
Capital assets:					
Non-depreciable					
Land	1,052,115	4,720,542	5,157,957	-	-
Construction in progress	2,534,774	4,977,892	30,347	-	-
Total nondepreciable capital assets	3,586,889	9,698,434	5,188,304	-	-
Depreciable					
Infrastructure	9,906,433	4,655,482	-	-	-
Buildings	377,026	5,768,175	4,646,614	-	-
Improvements	4,679,936	19,943,941	10,577,025	-	-
Equipment	16,064,229	32,217,213	1,116,705	63,450	3,214,765
Total depreciable capital assets	31,027,624	62,584,811	16,340,344	63,450	3,214,765
Less accumulated depreciation	(10,464,448)	(37,944,917)	(6,693,925)	(37,154)	(1,048,006)
Net depreciable capital assets	20,563,176	24,639,894	9,646,419	26,296	2,166,759
Total capital assets, net	24,150,065	34,338,328	14,834,723	26,296	2,166,759
Total capital and noncurrent assets	24,948,590	39,574,937	14,834,723	39,296	2,166,759
Total Assets	31,904,461	41,956,330	15,953,077	442,754	2,359,750
Current liabilities:					
Accounts payable	209,216	1,180,127	74,903	12,120	123,852
Deposits payable	130,781	-	16,431	-	-
Due to other funds	-	-	1,842,054	157,049	7,780
Accrued interest payable	176,496	35,916	106,566	-	-
Payroll and related liabilities	23,505	43,660	6,749	9,789	-
Deferred revenue	1,205	-	-	-	13,640
Claims and judgments payable, current portion	-	-	-	-	-
Compensated absences, current portion	46,128	74,747	13,594	25,223	-
Bonds payable, current portion	461,415	115,579	85,000	-	-
Capital lease payable, current portion	266,550	-	-	-	-
Notes payable, current portion	-	-	75,516	-	-
Total current liabilities	1,315,296	1,450,029	2,220,813	204,181	145,272
Noncurrent liabilities:					
Advances from other funds	-	-	25,749	-	-
Claims and judgments payable, due in more than one year	-	-	-	-	-
Compensated absences, due in more than one year	12,521	-	-	-	-
Bonds payable, due in more than one year	10,736,844	3,084,864	390,000	-	-
Capital lease payable, due in more than one year	1,849,630	-	-	-	-
Notes payable, due in more than one year	-	-	2,119,271	-	-
Total noncurrent liabilities	12,598,995	3,084,864	2,535,020	-	-
Total liabilities	13,914,291	4,534,893	4,755,833	204,181	145,272
NET ASSETS					
Invested in capital assets, net of related debt	11,102,176	31,253,464	14,444,723	26,296	2,166,759
Restricted for:					
Capital projects	465,638	5,028,172	-	13,000	-
Debt service	-	132,827	-	32,627	26,277
Special projects	-	-	686,093	-	-
Unrestricted	6,422,356	1,006,974	(3,933,572)	166,650	21,442
Total net assets	\$ 17,990,170	\$ 37,421,437	\$ 11,197,244	\$ 238,573	\$ 2,214,478

See accompanying Notes to Basic Financial Statements.

Enterprise Funds		Governmental Activities Internal Service Funds
Golf	Total	
\$ 173,209	\$ 6,697,761	2,068,579
-	534,651	-
2,540	1,856,373	21,221
-	11,024	-
-	108,160	20,000
-	7,342	-
-	2,012,505	-
<u>175,749</u>	<u>11,227,816</u>	<u>2,109,800</u>
-	347,436	-
-	5,700,698	-
-	6,048,134	-
418,075	11,348,689	-
118,293	7,661,306	-
<u>536,368</u>	<u>19,009,995</u>	<u>-</u>
-	14,561,915	-
50,244	10,842,059	429,246
243,087	35,443,989	42,399
-	52,676,362	8,617,393
<u>293,331</u>	<u>113,524,325</u>	<u>9,089,038</u>
<u>(228,656)</u>	<u>(56,417,106)</u>	<u>(6,850,839)</u>
64,675	57,107,219	2,238,199
601,043	76,117,214	2,238,199
601,043	82,165,348	2,238,199
<u>776,792</u>	<u>93,393,164</u>	<u>4,347,999</u>
123	1,600,341	316,538
-	147,212	-
-	2,006,883	-
-	318,978	-
102	83,805	23,646
-	14,845	-
-	-	121,987
235	159,927	53,794
-	661,994	-
-	266,550	-
-	75,516	-
<u>460</u>	<u>5,336,051</u>	<u>515,965</u>
-	25,749	-
-	-	109,790
-	12,521	-
-	14,211,708	-
-	1,849,630	-
-	2,119,271	-
-	18,218,879	109,790
<u>460</u>	<u>23,554,930</u>	<u>625,755</u>
601,043	59,594,461	2,238,199
-	5,506,810	-
-	191,731	-
-	686,093	136,212
175,289	3,859,139	1,347,833
<u>\$ 776,332</u>	<u>\$ 69,838,234</u>	<u>\$ 3,722,244</u>

City of Eureka
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
For the year ended June 30, 2010

	Enterprise Funds				
	Water	Wastewater	Harbor	Building	Transit
OPERATING REVENUES:					
Charges for services	\$ 5,261,196	\$ 4,521,670	\$ 540,701	\$ 289,178	\$ 332,542
Other operating revenues	25,096	373,515	-	353,374	-
Intergovernmental	14,087	14,135	84	263	2,042,146
Total operating revenues	5,300,379	4,909,320	540,785	642,815	2,374,688
OPERATING EXPENSES:					
Purchase of water	1,504,400	-	-	-	-
Maintenance and operation	2,010,764	4,146,814	547,527	488,409	1,543,783
Administration	257,550	331,406	36,757	67,528	6,962
Insurance costs and claims	47,651	109,485	37,330	4,420	9,314
Depreciation	723,787	1,220,508	369,698	6,662	240,700
Total operating expenses	4,544,152	5,808,213	991,312	567,019	1,800,759
OPERATING INCOME (LOSS)	756,227	(898,893)	(450,527)	75,796	573,929
NONOPERATING REVENUES (EXPENSES):					
Investment income	160,896	157,546	-	13,266	1,375
Interest expense	(634,070)	(150,169)	(132,872)	-	-
Miscellaneous revenue	438	-	-	-	-
Capital grants and contribution	-	542,493	-	-	-
Gain(loss) on disposal of capital assets	-	-	-	-	(24,257)
Total nonoperating revenues (expenses)	(472,736)	549,870	(132,872)	13,266	(22,882)
INCOME (LOSS) BEFORE TRANSFERS	283,491	(349,023)	(583,399)	89,062	551,047
Transfers in	-	-	433,370	44,965	-
Total transfers	-	-	433,370	44,965	-
Change in net assets	283,491	(349,023)	(150,029)	134,027	551,047
NET ASSETS:					
Beginning of year	17,706,679	40,510,338	11,347,273	104,546	1,450,922
Prior period adjustments	-	(2,739,878)	-	-	212,509
Net assets, beginning of fiscal year, restated	17,706,679	37,770,460	11,347,273	104,546	1,663,431
End of year	\$ 17,990,170	\$ 37,421,437	\$ 11,197,244	\$ 238,573	\$ 2,214,478

See accompanying Notes to Basic Financial Statements.

Enterprise Funds		Governmental Activities Internal Service Funds
Golf	Total	
\$ 26,861	\$ 10,972,148	\$ 3,908,688
-	751,985	-
-	2,070,715	-
<u>26,861</u>	<u>13,794,848</u>	<u>3,908,688</u>
-	1,504,400	-
6,093	8,743,390	2,965,948
2,620	702,823	191,194
848	209,048	1,403,379
4,359	2,565,714	500,323
<u>13,920</u>	<u>13,725,375</u>	<u>5,060,844</u>
<u>12,941</u>	<u>69,473</u>	<u>(1,152,156)</u>
-	333,083	30,327
-	(917,111)	-
-	438	77,737
-	542,493	16,697
-	(24,257)	-
-	(65,354)	124,761
12,941	4,119	(1,027,395)
-	478,335	1,004,802
-	478,335	1,004,802
12,941	482,454	(22,593)
763,391	71,883,149	3,744,837
-	(2,527,369)	-
<u>763,391</u>	<u>69,355,780</u>	<u>3,744,837</u>
<u>\$ 776,332</u>	<u>\$ 69,838,234</u>	<u>\$ 3,722,244</u>

City of Eureka
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2010

	Enterprise Funds				
	Water	Wastewater	Harbor	Building	Transit
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers	\$ 5,449,274	\$ 4,860,116	\$ 643,501	\$ 311,102	\$ 1,286,305
Cash received from other funds	1,501,903	14,135	-	157,312	1,461,061
Cash paid to other funds	-	-	(94,549)	-	-
Cash payments to suppliers for goods and services	(2,531,287)	(4,759,787)	(486,654)	(553,355)	(1,560,373)
Cash paid to employees	(1,521,534)	(10,908)	(5,382)	(4,468)	-
Insurance premiums and claims paid	(47,651)	(109,485)	(37,330)	(4,420)	(9,314)
Net cash provided (used) by operating activities	2,850,705	(5,929)	19,586	(93,829)	1,177,679
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Interfund receipts	-	-	433,371	44,965	-
Interfund payments	(14,253)	(153,889)	-	(13,000)	-
Net cash provided by noncapital financing activities	(14,253)	(153,889)	433,371	31,965	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition of capital assets	(940,755)	(1,017,334)	-	-	(1,178,781)
Receipt of capital grants and contributions	-	542,493	-	-	-
Long-term debt repayment	(720,879)	(115,000)	(152,266)	-	-
Other non operating revenue	-	-	-	-	-
Interest paid and fiscal charges	(601,504)	(145,010)	(140,329)	-	-
Net cash provided(used) by capital and related financing activities	(2,263,138)	(734,851)	(292,595)	-	(1,178,781)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest income	193,663	166,076	-	13,677	1,375
Net cash provided (used) by investing activities	193,663	166,076	-	13,677	1,375
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS					
	766,977	(728,593)	160,362	(48,187)	273
CASH AND CASH EQUIVALENTS - Beginning of year	3,505,944	2,408,908	945,332	48,187	-
CASH AND CASH EQUIVALENTS - End of year	\$ 4,272,921	\$ 1,680,315	\$ 1,105,694	\$ -	\$ 273
Cash and investments	\$ 3,767,407	\$ 1,651,178	\$ 1,105,694	\$ -	\$ 273
Cash and investments with fiscal agents	505,514	29,137	-	-	-
	\$ 4,272,921	\$ 1,680,315	\$ 1,105,694	\$ -	\$ 273
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ 756,227	\$ (898,893)	\$ (450,527)	\$ 75,796	\$ 573,929
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	723,787	1,220,508	369,698	6,662	240,700
Changes in assets and liabilities:					
Accounts receivable	157,211	(35,069)	86,369	(329,356)	1,052,632
Prepays and supplies	-	-	98,731	-	(645)
Inventory	-	-	-	-	(3,080)
Deferred revenue	1,205	-	-	-	(98,869)
Accounts payable	(262,973)	(281,567)	(1,101)	2,582	(5,903)
Accrued salaries and wages payable	(26,261)	(32,707)	(5,722)	(8,841)	-
Deposits payable	4,566	-	16,431	(2,094)	-
Due to other fund	1,487,816	-	(94,633)	157,049	(581,085)
Claims and judgments payable	-	-	-	-	-
Compensated leave payable	9,127	21,799	340	4,373	-
Total adjustments	2,094,478	892,964	470,113	(169,625)	603,750
Net cash provided (used) by operating activities	\$ 2,850,705	\$ (5,929)	\$ 19,586	\$ (93,829)	\$ 1,177,679

See accompanying Notes to Basic Financial Statements.

Enterprise Funds		Governmental Activities Internal Service Funds
Golf	Total	
\$ 26,861	\$ 12,577,159	\$ 3,894,245
-	3,134,411	-
-	(94,549)	-
(8,590)	(9,900,046)	(3,137,232)
275	(1,542,017)	(213,073)
(848)	(209,048)	(1,461,528)
<u>17,698</u>	<u>3,965,910</u>	<u>(917,588)</u>
-	478,336	-
-	(181,142)	-
-	297,194	-
(19,253)	(3,156,123)	(179,326)
-	542,493	-
-	(988,145)	-
-	-	94,434
-	(886,843)	-
<u>(19,253)</u>	<u>(4,488,618)</u>	<u>(84,892)</u>
1,362	376,153	44,441
<u>1,362</u>	<u>376,153</u>	<u>44,441</u>
(193)	150,639	(958,039)
173,402	7,081,773	2,021,816
<u>\$ 173,209</u>	<u>\$ 7,232,412</u>	<u>\$ 2,068,579</u>
\$ 173,209	\$ 6,697,761	\$ 2,068,579
-	534,651	-
<u>\$ 173,209</u>	<u>\$ 7,232,412</u>	<u>\$ 2,068,579</u>
\$ 12,941	\$ 69,473	\$ (1,152,156)
4,359	2,565,714	500,323
-	931,787	(14,443)
-	98,086	-
-	(3,080)	-
-	(97,664)	-
123	(548,839)	(171,284)
102	(73,429)	(20,641)
-	18,903	-
-	969,147	-
-	-	(58,149)
173	35,812	(1,238)
<u>4,757</u>	<u>3,896,437</u>	<u>234,568</u>
<u>\$ 17,698</u>	<u>\$ 3,965,910</u>	<u>\$ (917,588)</u>

FIDUCIARY FUND FINANCIAL STATEMENTS

Pension Trust Funds -- Pension and Other

These funds account for government employee pensions and other post-retirement benefits for which the government is the trustee. The financial activities of these funds are excluded from the Government-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

Private Purpose Trust Funds -- Haz/Mat Response Authority

These funds account for contributions received under a trust agreement in which the investment income is intended to benefit an external entity. The financial activities of these funds are excluded from the Government-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

Agency Funds -- Trust Holding

These funds are used to account for assets held by the City as an agent for individuals, public organizations and other governments. The financial activities of these funds are excluded from the Government-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

City of Eureka
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2010

	Trust Funds			Total
	Pension	Private-Purpose		
	Pension and Other			
	Fire and Police Pension Benefits Plan	Haz/Mat Response Authority	Agency Fund Trust Holding	
Assets				
Cash and cash equivalents	\$ 361,529	\$ 98,547	\$ 169,981	\$ 630,057
Total assets	\$ 361,529	\$ 98,547	\$ 169,981	\$ 630,057
Liabilities				
Accounts payable	3,272	-	-	3,272
Benefits payable	13,895	-	-	13,895
Deposit payable	-	-	169,981	169,981
Total liabilities	17,167	-	169,981	187,148
Net Assets				
Held in trust for pension benefits and other purposes	344,362	98,547	-	442,909
Total net assets	\$ 344,362	\$ 98,547	\$ -	\$ 442,909

See accompanying Notes to Basic Financial Statements.

City of Eureka
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
June 30, 2010

	Trust Funds		Total
	Pension Pension and Other Fire and Police Pension Benefits Plan	Private-Purpose Haz/Mat Response Authority	
ADDITIONS:			
Contributions:			
Employer	\$ 225,000	\$ -	\$ 225,000
JPA members	-	74,242	74,242
Investment income	6,302	2,609	8,911
Total Additions	231,302	76,851	308,153
DEDUCTIONS:			
Public safety	-	73,244	73,244
Benefits	513,887	-	513,887
Administrative expenses	7,989	1,375	9,364
Total Deductions	521,876	74,619	596,495
Change in net assets	(290,574)	2,232	(288,342)
Net Assets - beginning	634,936	96,315	731,251
Net Assets - ending	\$ 344,362	\$ 98,547	\$ 442,909

See accompanying Notes to Basic Financial Statements.