

CITY OF REDWOOD CITY, CALIFORNIA

E-1

ENTERPRISE FUNDS

COMBINING BALANCE SHEET

JUNE 30, 2000

WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 1999

	Water Utility Fund	Sewer Utility Fund	Parking Fund	Port of Redwood City	Totals	
					2000	1999
	\$	\$	\$	\$	\$	\$
ASSETS						
Current Assets:						
Cash and investments available for operations	13,792,652	3,367,891	375,806	5,395,732	22,932,081	19,001,285
Receivables (net of allowance for uncollectibles):						
Taxes						
Accounts	1,071,301	890,494	250	414,860	2,376,905	1,959,334
Inventory of supplies at cost	201,770				201,770	144,656
Prepaid expenses				112,890	112,890	91,572
Total Current Assets	<u>15,065,723</u>	<u>4,258,385</u>	<u>376,056</u>	<u>5,923,482</u>	<u>25,623,646</u>	<u>21,196,847</u>
Cash and investments, restricted						
Bond debt service account				5,920,842	5,920,842	9,501,492
Total Cash and Investments, Restricted				<u>5,920,842</u>	<u>5,920,842</u>	<u>9,501,492</u>
Property, plant, and equipment:						
Land	50,543		822,913	2,587,387	3,460,843	3,460,843
Harbor improvements				2,672,043	2,672,043	2,672,043
Buildings	277,773	229,616	4,867,980	3,953,519	9,328,888	9,328,888
Machinery and equipment	1,088,152	753,334		336,882	2,178,368	2,036,855
Improvements other than buildings	43,993,404	15,684,890	1,178,673	11,833,289	72,690,256	68,964,684
Construction in progress				7,964,269	7,964,269	3,808,564
Total Property, Plant, and Equipment	<u>45,409,872</u>	<u>16,667,840</u>	<u>6,869,566</u>	<u>29,347,389</u>	<u>98,294,667</u>	<u>90,271,877</u>
Less accumulated depreciation	<u>17,870,798</u>	<u>4,061,397</u>	<u>582,296</u>	<u>7,780,292</u>	<u>30,294,783</u>	<u>28,329,205</u>
Net Property, Plant and Equipment	<u>27,539,074</u>	<u>12,606,443</u>	<u>6,287,270</u>	<u>21,567,097</u>	<u>67,999,884</u>	<u>61,942,672</u>
Unamortized bond discounts & issue costs				572,778	572,778	567,538
Investment in sewer authority		19,673,045			19,673,045	20,441,494
Investment in sewage capacity rights		1,263,793		400,000	1,663,793	1,490,123
Advances to other funds			24,278		24,278	24,278
Total Assets	<u>42,604,797</u>	<u>37,801,666</u>	<u>6,687,604</u>	<u>34,384,199</u>	<u>121,478,266</u>	<u>115,164,444</u>
LIABILITIES						
Current Liabilities:						
Accounts payable	658,649	449,529	5,708	424,904	1,538,790	1,669,674
Deposits payable	66,871		7,353	75,883	150,107	119,054
Accrued sick leave and vacation	255,234	72,937	10,483	34,379	373,033	365,806
Revenue bonds payable - current portion				170,000	170,000	
Loans/leases payable - current portion				22,313	22,313	20,978
Deferred revenue				395,967	395,967	20,829
Accrued interest payable				78,269	78,269	171,429
Total Current Liabilities	<u>980,754</u>	<u>522,466</u>	<u>23,544</u>	<u>1,201,715</u>	<u>2,728,479</u>	<u>2,367,770</u>
Long-Term Liabilities (Net of Current Portion):						
Revenue bonds payable				10,775,000	10,775,000	10,945,000
Loans/leases payable			1,300,000	759,842	2,059,842	2,082,154
Accrued liabilities						277,594
Total Long-Term Liabilities			<u>1,300,000</u>	<u>11,534,842</u>	<u>12,834,842</u>	<u>13,304,748</u>
Total Liabilities	<u>980,754</u>	<u>522,466</u>	<u>1,323,544</u>	<u>12,736,557</u>	<u>15,563,321</u>	<u>15,672,518</u>
FUND EQUITY						
Contributed capital (net)	17,450,583	16,632,054	3,877,496	4,070,758	42,030,891	42,652,750
Retained earnings, unreserved	<u>24,173,460</u>	<u>20,647,146</u>	<u>1,486,564</u>	<u>17,576,884</u>	<u>63,884,054</u>	<u>56,839,176</u>
Total Fund Equity	<u>41,624,043</u>	<u>37,279,200</u>	<u>5,364,060</u>	<u>21,647,642</u>	<u>105,914,945</u>	<u>99,491,926</u>
Total Liabilities and Fund Equity	<u>42,604,797</u>	<u>37,801,666</u>	<u>6,687,604</u>	<u>34,384,199</u>	<u>121,478,266</u>	<u>115,164,444</u>

CITY OF REDWOOD CITY, CALIFORNIA
ENTERPRISE FUNDS

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COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 1999

	Water	Sewer	Parking	Port of Redwood City	Totals	
	Utility Fund	Utility Fund			2000	1999
	\$	\$	\$	\$	\$	\$
OPERATING REVENUES						
Charges for services	13,629,705	9,796,528	474,562	3,721,268	27,622,063	25,027,212
Total Operating Revenues	13,629,705	9,796,528	474,562	3,721,268	27,622,063	25,027,212
OPERATING EXPENSES						
Employee services	2,117,532	1,004,178	179,251	594,874	3,895,835	3,858,089
Maintenance	707,936	115,432	38,589	123,770	985,727	822,536
Water purchases	4,930,673				4,930,673	3,538,961
Utilities	204,700	114,061	22,854	158,823	500,438	471,631
Contractual services	189,233	5,164,042	16,979	644,234	6,014,488	5,836,676
Supplies and services	1,811,570	1,526,191	126,768	398,507	3,863,036	3,200,626
Depreciation and amortization	946,660	448,165	97,360	473,393	1,965,578	1,931,656
Total Operating Expenses	10,908,304	8,372,069	481,801	2,393,601	22,155,775	19,660,175
Operating Income (Loss)	2,721,401	1,424,459	(7,239)	1,327,667	5,466,288	5,367,037
NONOPERATING REVENUES (EXPENSES)						
Property taxes			25,565		25,565	25,032
Interest income	780,106	187,700	19,884	268,616	1,256,306	871,433
Net increase (decrease) in fair value of investments	(56,917)	(13,695)	(1,451)		(72,063)	(145,737)
Interest expense	(28,849)	(14,828)	(80,470)	(36,104)	(160,251)	(312,585)
Legal settlements				330,333	330,333	2,212,079
Proceeds from exchange of land				18,906	18,906	114,826
Increase (decrease) in investment in sewer authority		(768,449)			(768,449)	(878,990)
Net Nonoperating Revenues (Expenses)	694,340	(609,272)	(36,472)	581,751	630,347	1,886,058
NET INCOME (LOSS)	3,415,741	815,187	(43,711)	1,909,418	6,096,635	7,253,095
ITEMS AFFECTING CONTRIBUTED CAPITAL						
Depreciation		948,243			948,243	989,320
Retained earnings at beginning of year	20,757,719	18,883,716	1,530,275	15,667,466	56,839,176	48,596,761
Retained earnings at end of year	24,173,460	20,647,146	1,486,564	17,576,884	63,884,054	56,839,176

ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2000

WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 1999

	Water Utility Fund	Sewer Utility Fund	Parking Fund	Port of Redwood City	Totals	
					2000	1999
Cash flows from operating activities:	\$	\$	\$	\$	\$	\$
Cash received from customers	13,415,014	9,310,849	476,387	4,397,472	27,599,722	24,548,747
Cash payments to suppliers for goods and services	(6,600,269)	(6,087,003)	(159,501)	(2,016,974)	(14,863,747)	(11,633,048)
Cash payments to employees for services	(2,094,021)	(1,008,367)	(178,053)	(608,167)	(3,888,608)	(3,823,526)
Right of way compensation	(1,083,903)	(784,769)	(37,890)		(1,906,562)	(1,847,743)
Net cash provided by operating activities	3,636,821	1,430,710	100,943	1,772,331	6,940,805	7,244,430
Cash flows from noncapital financing activities:						
Property taxes			25,565		25,565	25,032
Net cash provided by noncapital financing activities			25,565		25,565	25,032
Cash flows from capital and related financing activities:						
Acquisition and construction of capital assets	(2,947,463)	(654,188)		(4,268,425)	(7,870,076)	(4,581,488)
Proceeds from bond issues						10,377,462
Legal settlement				330,333	330,333	2,212,079
Principal retirements				(20,977)	(20,977)	(284,470)
Interest paid	(28,849)	(14,828)	(80,470)	(129,265)	(253,412)	(155,944)
Proceeds from exchange of land				18,906	18,906	114,826
Contributed capital		56,820			56,820	323,571
Unamortized issuance cost				(5,241)	(5,241)	(189,436)
Acquisition of sewerage capacity rights		(56,820)			(56,820)	(323,571)
Net cash used for capital and related financing activities	(2,976,312)	(669,016)	(80,470)	(4,074,669)	(7,800,467)	7,493,029
Cash flows from investing activities:						
Interest and dividends on investment	780,106	187,700	19,884	268,616	1,256,306	871,433
Net increase (decrease) in fair value of investments	(56,917)	(13,695)	(1,451)		(72,063)	(145,737)
Net cash used in investing activities	723,189	174,005	18,433	268,616	1,184,243	725,696
Net increase (decrease) in cash and cash equivalents	1,383,698	935,699	64,471	(2,033,722)	350,146	15,488,187
Cash and cash equivalents at beginning of year	12,408,954	2,432,192	311,335	13,350,296	28,502,777	13,014,590
Cash and cash equivalents at end of year	13,792,652	3,367,891	375,806	11,316,574	28,852,923	28,502,777

Reconciliation of Net Cash Flow from Operating Activities

Operating income (loss)	2,721,401	1,424,459	(7,239)	1,327,667	5,466,288	5,367,037
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation	946,660	448,165	97,360	473,393	1,965,578	1,931,656
Change in assets and liabilities:						
Decrease (increase) in accounts receivable	(214,691)	(485,679)	1,825	280,974	(417,571)	(484,183)
Decrease (increase) in inventory/prepaid expenses/deposit	(57,114)			(21,318)	(78,432)	(52,244)
Increase (decrease) in vacation & sick leave payable	23,511	(4,189)	1,198	(13,293)	7,227	34,563
Increase (decrease) in accounts payable	203,946	330,211	5,283	(670,322)	(130,882)	495,907
Increase (decrease) in accrued liabilities		(277,594)			(277,594)	(67,202)
Increase (decrease) in customer deposits	13,108	(4,663)	2,516	20,092	31,053	(1,933)
Increase in deferred revenue				375,138	375,138	20,829
Total Adjustments	915,420	6,251	108,182	444,664	1,474,517	1,877,393
Net cash provided by operating activities	3,636,821	1,430,710	100,943	1,772,331	6,940,805	7,244,430

Non-cash financing activities: During the fiscal year the sewer fund received \$152,715 in fixed assets from other funds.