



**TO:** Mayor and Councilmembers

**SUBMITTED BY:** Luke Rioux, Finance Director

**PREPARED BY:** Tony Gonzalez, Accounting Manager  
Ryan Schwarz, Accountant

**SUBJECT:** Annual Comprehensive Financial Report for the Year Ended June 30, 2025

**RECOMMENDATION:**

Accept the Annual Comprehensive Financial Report for the Year Ended June 30, 2025.

**BACKGROUND:**

Annual Comprehensive Financial Report

The City of Goleta annually conducts an independent audit of financial transactions and issues the Annual Comprehensive Financial Report (ACFR). The City's Finance Department has prepared the ACFR and complies with principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB), the authoritative body establishing U.S. generally accepted accounting principles for local governments. The FY 2024/25 ACFR was audited in accordance with generally accepted auditing standards by an independent public accounting firm of licensed certified public accountants, Rogers, Anderson, Malody, & Scott, LLP (RAMS).

While only certain financial statements and schedules are required by state law, other information and elements are needed for consideration of an award for excellence in financial reporting from the Government Finance Officers Association (GFOA), which recognizes the highest standards of financial reporting. As such, the expanded financial statements and other information included in the report are collectively referred to as an ACFR. In addition to allowing the ACFR to be considered for the GFOA award for financial reporting, the financial statements are expanded to enable the community and other interested parties to obtain a better and more complete understanding of the City's finances and operations.

The ACFR includes management representations and disclosures concerning the finances of the City, together with the Independent Auditor's Report. All disclosures necessary to

enable an understanding of the City's financial activities have been included. The City received an unmodified opinion, the highest level of assurance provided by independent auditors, which is located in the ACFR Financial Section in the Independent Auditor's Report, provided in Attachment 1. An unmodified opinion indicates that the financial statements fairly present the financial position of the City of Goleta as of June 30, 2025, and the results of operations, in accordance with generally accepted accounting principles.

In addition to fund-by-fund information presented in the ACFR, also included are government-wide financial statements. The government-wide financial statements include a Statement of Net Position that provides information about the City as a whole, including infrastructure and long-term liabilities, and a Statement of Activities, which illustrates the cost of providing government services.

In summary, the ACFR is organized into three sections: introductory, financial, and statistical.

The *Introductory* section includes the letter of transmittal and general information on the City's government structure and services provided. It includes a list of principal officials, an organizational chart, and the GFOA Certificate of Achievement for Excellence in Financial Reporting for the prior fiscal year.

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

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

As part of the audit, RAMS also reviewed and performed tests of the City's internal accounting control procedures to determine if there were any material weaknesses or instances of non-compliance. Based on the audit, no instances of non-compliance or material weaknesses were noted.

### Single Audit

A Single Audit is required for the fiscal year ended June 30, 2025, as the City expended more than \$750,000 in federal grant funds during the fiscal year. Total federal expenditures were approximately \$12 million. The Single Audit is conducted separately from the City's ACFR and is currently in progress. Completion of the Single Audit is anticipated by March 2026.

Beginning with fiscal years starting on or after October 1, 2024, federal regulations increase the Single Audit expenditure threshold from \$750,000 to \$1 million. Because the City's fiscal year ended June 30, 2025, and began prior to October 1, 2024, the \$750,000 threshold

remains applicable for this audit year. The higher \$1 million threshold will apply to the City in future fiscal years.

## **DISCUSSION:**

### ACFR Financial Overview

This year's audit resulted in no audit adjustments to the City's financial statements. The City of Goleta continues to maintain strong financial health, as reflected in the ACFR. As of June 30, 2025, the City's net position totaled \$326.15 million, an increase of approximately \$35.7 million or 12.3% from the prior fiscal year of \$290.45 million. The largest portion of the City's net position consisted of the City's net investment of \$255.04 million, of which 78.2% consists of capital assets (i.e., land, buildings, machinery, equipment, and infrastructure). This component represents the total amount of funds required to acquire those assets, less outstanding debt, and accumulated depreciation. Additional information can be found in the MD&A section of the ACFR, provided in Attachment 1.

### Citywide Highlights

The City's overall total revenues from all sources equaled approximately \$99.54 million, which was an increase of approximately \$24.14 million or 32% from the \$75.40 million in revenues the previous fiscal year. The increase is primarily related to property taxes, sales tax, and the first full year collections of the Transaction and Use Tax (TUT). Property taxes increased by \$0.44 million, or 4.6% in fiscal year 2024/25. Sales and Use Taxes increased \$7.6 million, or 47.6% in fiscal year 2024/25.

The City's overall total expenditures were \$63.85 million for the fiscal year, which was an increase of \$13.08 million or 25.8% when compared to last fiscal year. Expenses include a wide range of services such as general government, planning and environmental review, neighborhood services, public safety (police protection services), public works, and capital improvement projects. The overall increase is largely attributable to expenditures in Public Works related to Capital Improvement Program (CIP) projects.

During the fiscal year, the City issued \$18.74 million in Lease Revenue Bonds and \$14.66 million in Local Measure A Transportation Sales Tax Revenue Bonds through the Goleta Facilities Financing Authority, a financing authority formed by the City, to finance priority transportation and CIP projects. The issuance of these bonds increased cash and investments and long-term liabilities as of year-end and will support the delivery of major infrastructure projects over multiple years.

The unrestricted net position increased by \$7.86 million or 23.0% for a total of \$42.00 million (12.9% of total net position) and may be used at the City's discretion to meet ongoing operating needs.

### General Fund Highlights

During the City's 23<sup>rd</sup> full fiscal year, the General Fund reported total revenues of \$54.77 million and total expenditures of \$45.90 million, resulting in excess revenues over expenditures of approximately \$8.87 million. The excess revenue is due to a combination of higher than anticipated revenues and decreased spending due to further department savings and deferred special projects and CIP projects supported by the General Fund, which will continue into FY 25/26.

*Revenues:*

- Actual revenues of \$54.77 million were higher than the Final Budget of \$51.37 million by \$3.4 million, primarily because of higher tax receipts than anticipated with property tax, sales and use tax, and transient occupancy tax. Overall, actual revenues increased by approximately \$9.30 million or 20.5% when compared to the prior fiscal year.
- Property tax experienced higher assessed valuations due to a combination of a 2% inflation adjustment on assessed values for all property types and changes in the assessed value due to transfer of ownership. Assessed valuation changed by approximately 4.7%. Property tax exceeded budgeted projections by 3.5% or 4.5% when compared to the prior fiscal year's actuals.
- Sales Tax exceeded budgeted projections by 1.8%. While this was a small increase, overall sales tax activity remained flat when adjusted for economic data. The TUT has supplemented the sales tax revenues with receipts first received for January 2024. TUT actuals exceeded projections by 12.0% for a total of \$12.3 million.
- Transient Occupancy Tax (TOT) is the largest general fund revenue source, totaling \$14.1 million and surpassing budgeted projections by 2.2%. TOT revenues experience a decrease of 0.9% when compared to the previous fiscal year, FY 23/24, which recorded \$14.2 million. Further analysis can be found in the MD&A section of the ACFR.

*Expenditures:*

- Actual expenditures across all areas totaled \$45.90 million, which was \$28.81 million under the Final Budget of \$74.71 million. Lower than anticipated expenditures were recognized by all departments, due to staff vacancies, reduced spending on professional and contract services, and deferred special and capital projects that have been carried over to FY 25/26. Carryovers to FY 25/26 were approximately \$23.19 million.

*Fund Balance:*

The City continues to maintain sound fiscal integrity and healthy reserves based upon conservative, prudent, and diligent efforts by the City Council and City Manager. The General Fund's total ending fund balance was \$53.18 million as of June 30, 2025. This amount exceeded the final budget projection by \$20.85 million and was \$8.39 million

higher than the prior fiscal year. This actual increase was a result of higher revenues and lower expenditure activity experienced in the fiscal year, as described above. The fund balance categories and amounts at year-end are displayed in the following table:

<b>Fund Balance:</b>	
Non-spendable:	
Prepaid Items	\$ 109,384
Committed	17,480,275
Assigned	26,124,383
Unassigned	9,467,780
<b>Total Fund Balance</b>	<b>\$ 53,181,822</b>

When comparing the total audited ending fund balance of \$53.18 million to the estimated ending fund balance amount of \$53.07 million provided to City Council in September 2025 during the 4<sup>th</sup> Quarter Financial Review (Unaudited), the amount is slightly lower by \$109,155 due to year-end adjustments.

Included in the General Fund’s fund balance categories are City Council’s established fiscal reserve policies for funding including Compensated Absences, Risk Management, Equipment Acquisition and Replacement, Public Facilities, City Hall solar removal, Litigation Defense Reserves, Section 115 Other Post Employment Benefits and Pension, and a Contingency Reserve set at a minimum of 33% of total budgeted ongoing operating expenditures. These reserve policy amounts are reflected in the Committed category. In addition, the City maintained a total “Assigned” amount of \$26.12 million for capital improvement projects and special projects that are appropriated in next fiscal year, as well as approximately \$148 thousand to stabilize fair market value adjustments of investments. All remaining fund balance is placed in the Unassigned Fund Balance, which stood at \$9.47 million at fiscal year-end June 30, 2025.

Gann Spending Limit

Each fiscal year, the City Council adopts the Gann Appropriations Limit by resolution during the budget adoption process, which establishes a maximum amount for tax-funded government services. The Gann Appropriations Limit calculation is then reviewed by the City’s external audit firm as part of the annual audit process. As of June 30, 2025, the City had not reached its Article XIII B spending limitation. For FY 24/25, the limit was approximately \$78.83 million, and total annual appropriations subject to this limit were \$45.56 million. The Independent Auditor’s Report on the Gann Spending Limit calculation can be viewed in Attachment 4.

Other Information

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report for the fiscal year ended June 30,

2024. This was the 21<sup>st</sup> year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we have submitted it to GFOA to determine its eligibility for another certificate.

The entire ACFR is available for viewing at City Hall, on the City's website, and has been distributed to the City Council.

**FINANCE COMMITTEE REVIEW:**

The Finance and Audit Standing Committee met to review the ACFR for the Year Ended June 30, 2025, on February 9, 2026.

**FISCAL IMPACTS:**

There is no direct fiscal impact associated with accepting the ACFR. The cost of the independent audit services and related reports provided by Rogers, Anderson, Malody & Scott, LLP for FY 24/25 was approximately \$36,300 and was included in the Finance Department's adopted budget for FY 25/26.

**LEGAL REVIEW BY:** Isaac Rosen, City Attorney

**APPROVED BY:** Robert Nisbet, City Manager

**ATTACHMENTS:**

1. Annual Comprehensive Financial Report for June 30, 2025
2. Generally Accepted Government Auditing Standards Letter
3. Statement of Auditing Standards Letter
4. Independent Accountant's Report on GANN Spending Limit
5. Presentation

**ATTACHMENT 1**

Annual Comprehensive Financial Report for June 30, 2025

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended  
June 30, 2025



*Painting by Chris Potter  
of the Ellwood Bluffs*

## City of Goleta

130 Cremona Drive  
Goleta, California  
93117



805-961-7500  
[www.CityofGoleta.org](http://www.CityofGoleta.org)

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**City of Goleta, California**  
**Annual Comprehensive Financial Report**  
**With Report on Audit**  
**by Independent**  
**Certified Public Accountants**  
**Fiscal Year Ended June 30, 2025**

**Prepared by:**  
**Finance Department**

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## INTRODUCTORY SECTION

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# City of Goleta

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December 22, 2025

**CITY COUNCIL**

Paula Perotte  
*Mayor*

Stuart Kasdin  
*Mayor Pro Tempore  
District 4*

Luz Reyes-Martín  
*Councilmember  
District 1*

James Kyriaco  
*Councilmember  
District 2*

Jennifer Smith  
*Councilmember  
District 3*

**CITY MANAGER**  
Robert Nisbet

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

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of Goleta (City) for the fiscal year that ended June 30, 2025. The report was prepared by the City's Finance Department in conformance with the principles and standards established by the Governmental Accounting Standards Board (GASB) for financial reporting under U.S. Generally Accepted Accounting Principles (GAAP) as they apply to local governments. The report underwent an independent audit conducted in accordance with generally accepted auditing standards by an independent public accounting firm of licensed certified public accountants.

This report contains management representations regarding the City's finances. Management assumes full responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To provide a reasonable basis for making these representations, City management has established a comprehensive internal control framework designed to safeguard the City's assets and support the preparation of reliable financial statements in conformity with GAAP. These controls provide reasonable, rather than absolute, assurance that the City's financial statements are free from material misstatement.

**AUDITED FINANCIAL STATEMENTS**

The City's financial statements have been audited by Rogers, Anderson, Malody, & Scott LLP (RAMS), a firm of licensed certified public accountants. The objective of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2025, are free of material misstatement. This audit involved a comprehensive process, including the examination of evidence on a test basis supporting the amounts, evaluation of accounting principles applied and disclosures in the financial statements, assessment of the overall accounting principles used and significant estimates made by management, and evaluation of the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on the City's financial statements for the fiscal year ended June 30, 2025, confirming that these statements are fairly presented in conformity with GAAP. The independent

auditor's report can be found at the beginning of the Financial Section of this report.

In alignment with the requirements of GASB Statement No. 34, this ACFR provides a comprehensive model for financial reporting by state and local governments. GASB 34 requires management to provide a narrative introduction, overview, and analysis in the form of Management's Discussion and Analysis (MD&A) to accompany the financial statements. This transmittal letter complements the MD&A and offers additional context for the report which should be read in conjunction. The MD&A directly follows the independent auditor's report.

## **REPORT ORGANIZATION**

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

1. The *Introductory* section includes this transmittal memorandum and general information on the City's government structure and services provided. It includes a list of principal officials and an organizational chart, offering readers a contextual understanding of the City's governance and operational framework.
2. The *Financial* section contains the independent auditor's report on the financial statement audit, the MD&A, basic financial statements, required supplementary information, and combined and individual fund presentations and supplementary information.
3. The *Statistical* section includes selected multi-year data on financial and demographic information. This information includes financial trends, revenue capacity, debt capacity, demographics, and economic and operational metrics, providing a comprehensive view of the City's historical performance and current standing.

## **PROFILE OF THE CITY OF GOLETA**

The City of Goleta was incorporated on February 1, 2002, as a General Law City under the laws of the State of California. Encompassing approximately 8 square miles in southern Santa Barbara County, Goleta is home to a vibrant and diverse population of approximately 32,747 residents. The City is adjacent to the City of Santa Barbara and the University of California, Santa Barbara, and is approximately 90 miles northwest of Los Angeles.

### **Form of Government**

The City operates under the council-manager form of government. The City Council consists of four members elected by district for staggered four-year terms of office, and one Mayor elected at large to serve a four-year term. The Mayor Pro Tempore is selected annually amongst its members by the Council to serve a one-year term.

The City Council acts as the legislative and policy-making body of the City, enacting laws and initiatives to promote the community's general welfare. The City Manager, appointed by the City Council, serves as the Chief Executive Officer and is responsible to the City Council for the administration of all City affairs and implementing all policies and ordinances established by the City Council. The City Attorney, appointed by the Council, provides legal guidance under a contractual agreement. The City Manager appoints all other City staff.

## City Services

The City provides essential municipal services through a combination of contracts and direct management. Services include street, park, and landscape maintenance. The City of Goleta also contracts with the Santa Barbara County Sheriff's Department for law enforcement services. Fire protection services are provided by the Santa Barbara County Fire Department through the Santa Barbara County Fire Protection District, which has a service area that includes the City of Goleta.

There are approximately 550 acres of parks and open space within City limits. The City owns the Goleta Public Library and assumed direct management and operation of the Goleta Library in FY 2018/19 and created a new Library Zone 4 on behalf of the County of Santa Barbara. Beginning July 1, 2019, the City also assumed direct management and operation of the libraries in the City of Buellton and the City of Solvang. On January 1, 2023, the City assumed direct management and operations of the Goleta Community Center.

## Budget Process and Budgetary Control

The City Council adopts a two-year budget plan at the beginning of each two-year cycle in conjunction with a two-year strategic plan, which includes formally adopting an annual operating and capital budget prior to July 1<sup>st</sup> of each year in conjunction with annual work programs of each department. The adopted two-year budget plan includes an operating and capital budget for the first year, while the second-year estimates serve as a baseline for discussion and are updated during the mid-cycle budget review process. The adopted budget is the foundation for the City of Goleta's financial planning and control system.

Departmental appropriation requests are submitted to the City Manager, who develops a proposed budget. The proposed budget is presented at public workshops conducted by the City Council. The City Council reviews and formally adopts the budget during a public hearing. The final budget is approved at the fund, department, program, and line-item levels.

The City Council regularly reviews the financial activity, comparing actual revenues and expenditures against the original adopted budget. Adjustments are made as necessary to ensure expenditures align with anticipated revenues and remain within available resources. Budgetary control (the level at which expenditures cannot legally exceed the appropriation amount) is managed at the fund and department level with stricter control over capital assets and fund balance categories at the line-item level. The City Council must approve amendments or transfers of appropriations between funds or departments as well as items related to capital assets or fund balances. Within departments, the City Manager has delegated authority to approve transfers of appropriations between programs and among various appropriation units (e.g., salaries and benefits, services and supplies, and capital outlay) within programs, except for special designations or projects.

Unexpended appropriations for capital projects, one-time special projects, and grant-funded programs that span multiple fiscal years on a "project-length" basis are reviewed by the City Manager and recommended for carryover into the next fiscal year, subject to City Council approval.

## Internal Controls

The City's management holds the primary responsibility for establishing and maintaining a comprehensive internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse and ensures the compilation of accurate accounting data necessary for financial statements that conform to GAAP and the standards set by GASB.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the costs of a control should not exceed the benefits likely to be achieved, and the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of financial resources from state, county, and federal entities, the City is also tasked with ensuring compliance with all applicable laws and regulations. Management conducts periodic evaluations of the internal control framework to maintain its effectiveness and adapt to emerging risks and regulatory changes.

## **MAJOR INITIATIVES AND ACCOMPLISHMENTS**

During Fiscal Year 2024/25, the City of Goleta implemented and completed a range of projects, programs, and initiatives to advance the goals and priorities of the City Council and the community. Our dedicated staff successfully completed numerous work efforts that fully aligned with the City's Vision Statement and the Council's nine Key Initiatives. These accomplishments reflect the City's unwavering commitment to ensuring the well-being of our community and advancing our shared goals for Goleta's future.

Some of these accomplishments are summarized below:

### **Community Development and Housing**

- Adopted the revised Housing Element (2023–2031) with rezones and HCD certification.
- Approved key policies such as the Tenant Protection Urgency Ordinance, Affordable Housing Implementation Policy, and EV Reach Code.
- Completed approvals for major projects, including Camino Real SPA, Medical Office Buildings, and a mixed-use development on Calle Real.
- Completed installation of 17 EV charging stations at City Hall.

### **Public Safety and Emergency Preparedness**

- Negotiated a multi-year agreement with the Santa Barbara County Sheriff's Department for police services.
- Updated the City's Emergency Operations Plan and Hazard Mitigation Plan, securing FEMA approval.
- Implemented a High-Fire Risk Areas Ordinance and Noise Ordinance.
- Advanced the Homelessness Strategic Plan, increasing reserved shelter beds and assisting with permanent supportive housing projects like Buena Tierra.
- Restored CERT & LISTOS programs

### **Parks, Recreation, and Library Services**

- Finalized the Stow Grove Park Draft Master Plan and improvements at Armitos Park, Community Garden, and Jonny D. Wallis Park Splash Pad.
- Secured \$4.2M in grant funding for critical infrastructure upgrades at the Goleta Valley Library.
- Transitioned library services to a new management system while maintaining Black Gold partnerships.
- Implementation of Senior Programming at Goleta Community Center

- Launch of Online Facility Reservation System

#### Economic Development and Community Engagement

- Held the second bilingual LEAD Goleta Academy.
- Launched the “Go Green Goleta” campaign and GoodLandGoodShopping.com business directory.
- Held the annual Goleta Old Town Holiday Parade and annual district Coffee & Community events.
- Partnered with the South Coast Chamber for “Meet Me in Old Town” initiatives.
- Partnered with the Greater Hispanic Chamber of Commerce for the Mexican Independence Day Festival at the Goleta Community Center.
- Held the CycleMAYnia’s Mayor’s Ride in Old Town touring the Hollister Restriping Project.
- Relaunch the Know Your District Campaign for 2024 Election.

#### Governance, Technology, and Workforce Initiatives

- Launched a searchable online public document portal.
- Implemented Online AB1234 Ethics Training for elected/appointed officials.
- Updated the 2015 Employee Compensation Survey and conducted successful union negotiations with SEIU.
- Implemented a new 1% transaction and use tax, effective January 2024, and updated cannabis and short-term rental ordinances for increased compliance.
- Enhanced cybersecurity protections and procured a new IT Managed Services Agreement.
- Completed rollout of the NEOGOV training system and developed a Workplace Violence Protection Plan.

#### Capital Improvements, Infrastructure and Sustainability

- Completed the San Jose Creek Multipurpose Path (Middle Extents) and secured ATP funding for Northern and Southern Extents.
- Awarded the 2023 Pavement Rehabilitation Project and designed the 2024 Pavement Rehabilitation Project.
- Obtained permits for the Ellwood Mesa Wildfire Risk Reduction and Monarch Butterfly Phase 1 projects.
- Implemented Winter Storm Emergency Projects and citywide encampment cleanups.
- Developed capital replacement reserve targets for all City-owned facilities.
- Conducted structural assessments of the Historic Train Depot and the Goleta Community Center.
- Completed the seismic retrofit of the Goleta Community Center and finalized designs for ADA improvements.
- Designed and implemented streetlight engineering standards and a replacement program.
- Resurfaced or paved 4.6 centerline miles of pavement and completed designs for future pavement rehabilitation projects.
- Installed RRFBs at Calle Real and Fairview and upgraded traffic signals along Hollister Avenue.
- Completed citywide water quality characterization (Phase I).

- Began construction of the Goleta Train Depot and achieved significant milestones in the construction of the Goleta Train Depot, including the completion of structural framing and the 'topping off' ceremony held in June 2025.

For a comprehensive list of the City of Goleta's accomplishments and initiatives, please visit our annual work programs available on the City's website at: <https://www.cityofgoleta.org/your-city/city-manager-s-office/department-annual-work-programs>

## **ECONOMIC CONDITION AND OUTLOOK**

### **U.S. Economy**

National economic forecasts indicate that the U.S. economy is transitioning into a period of moderating growth, with conditions expected to soften through early 2026 before stabilizing later in the year. According to the December 2025 UCLA Anderson Forecast, overall economic activity continues to demonstrate resilience, but growth is increasingly uneven across sectors, with strength concentrated in high-productivity industries while interest-sensitive sectors face ongoing headwinds.

Inflation has declined substantially from its 2022 peak but is expected to remain above long-term targets, reflecting persistent services-related cost pressures and tariff-related price effects. As a result, borrowing costs are anticipated to remain elevated relative to pre-pandemic levels, which is expected to continue constraining capital investment and interest-sensitive economic activity. Labor market conditions remain relatively strong, though job growth has slowed and is expected to moderate further over the near term.

On balance, national forecasts do not anticipate an immediate recession but instead point to an economic environment characterized by slower growth, sustained cost pressures, and elevated uncertainty. For the City of Goleta, these conditions may contribute to continued pressure on construction and labor costs, moderate growth in economically sensitive revenues such as sales tax and Transient Occupancy Tax, and higher financing costs for capital improvement projects. Accordingly, the City continues to emphasize conservative revenue assumptions, disciplined expenditure management, and long-term financial planning to maintain fiscal stability in a changing economic environment.

### **State of California Economy**

On November 19, the Legislative Analyst's Office (LAO) released its Fiscal Outlook for 2026–27, projecting an approximately \$18 billion General Fund shortfall. While General Fund revenues are expected to increase by \$11 billion between FY 2024–25 and FY 2026–27, nearly all of this gain is offset by constitutionally required expenditures, primarily Proposition 98 education funding and Proposition 2 debt service and reserve requirements. Together, these obligations account for approximately \$10 billion of the projected revenue growth. In addition, rising costs related to pensions, Medi-Cal, and the Department of Corrections are estimated to add approximately \$6 billion in ongoing expenditures.

California's fiscal outlook continues to be shaped by its heavy reliance on economically volatile revenue sources, including personal income taxes, capital gains, and corporate taxes. Over the past three fiscal years, the Legislature has addressed budget deficits of \$27 billion in FY 2023–24, \$55 billion in FY 2024–25, and \$43 billion in FY 2025–26. These deficits followed historically large surpluses of \$97.5 billion in FY 2021–22 and \$76 billion in FY 2022–23. Looking ahead, the LAO

projects ongoing structural deficits, ranging from \$15 billion to \$25 billion annually through FY 2028–29, absent policy changes.

In addition, statewide economic forecasts indicate that California’s economic performance remains uneven across sectors. While high-productivity industries, including technology- and research-driven sectors, continue to attract investment and generate income growth, employment and activity in construction, hospitality, retail, and other labor-intensive sectors remain under pressure. This sectoral imbalance contributes to continued volatility in state revenues and reinforces the risk that recent revenue strength may not be evenly distributed or sustained.

In parallel with these economic challenges and opportunities, the State has launched the California Jobs First Council in March 2024, initiating a comprehensive strategy to strengthen California’s economy. This effort produced the *Economic Blueprint*, a 10-year strategic plan aimed at creating, attracting, and expanding access to high-quality jobs across the state. Over the past four years, in collaboration with the Legislature, the Governor has advanced the *Regional Investment Initiative*, allocating \$39 million to pilot projects that support coordinated, sector-focused development.

The Central Coast region has been identified as a priority area of investment within this framework, encompassing all five State-identified strategic sectors: AgTech, Life Sciences, Semiconductors, Space and Defense, and Advanced Manufacturing. Over the next several years, significant resources and strategic efforts are expected to be directed toward building these sectors and expanding the regional workforce, positioning the Central Coast as a vital contributor to California’s long-term economic resilience and innovation. For local governments, including the City of Goleta, the State’s fiscal constraints and economic development priorities may influence the availability, timing, and structure of future grant funding and state-supported programs.

### Local Economy

The City of Goleta benefits from a diversified and stable local economy supported by residential development, higher education and research activity, professional services, manufacturing, retail, and visitor-serving uses. The City plays an important role in the South Coast regional economy, particularly in education, technology-adjacent industries, professional services, and tourism.

Property tax revenues continue to provide a strong and reliable foundation for the City’s finances. For tax year 2025–26, Goleta’s taxable assessed value increased to approximately \$10.2 billion, representing 4.3 percent year-over-year growth, driven by new construction, ownership changes, and the annual Proposition 13 inflationary adjustment. While higher interest rates have slowed real estate transaction activity, assessed values remain elevated, contributing to ongoing revenue stability.

Sales tax revenues have moderated following the volatility experienced in prior years and have largely returned to a pattern of modest and uneven growth. Business-to-business and construction-related sectors have demonstrated relative strength, while consumer-oriented categories reflect more cautious spending behavior. Compared to broader countywide trends, Goleta’s sales tax performance has remained relatively resilient, supported by a diversified local tax base.

Transient Occupancy Tax (TOT) revenues remain elevated, supported by strong average daily room rates and steady visitor demand. However, growth has begun to level off as travel patterns normalize and broader economic uncertainty affects discretionary spending. As a result, TOT

revenues are expected to remain relatively flat in the near term and continue to be sensitive to regional and national economic conditions.

Beginning in FY 2024–25, the City received the first full fiscal year of revenues from the voter-approved 1 percent transaction and use tax, representing a significant structural enhancement to the City’s revenue base. This locally controlled revenue source reduces reliance on more economically sensitive revenues and strengthens the City’s capacity to address deferred maintenance, fund priority capital improvement projects, and maintain service levels over time.

Labor market conditions remain relatively strong. According to data from the California Employment Development Department, Goleta’s unemployment rate for calendar year 2023 was 2.7 percent, compared to 4.1 percent for Santa Barbara County and 4.8 percent statewide. While job growth has moderated, low unemployment continues to contribute to upward pressure on wages and contracted service costs.

High housing costs and broader cost-of-living pressures continue to influence local economic conditions. Elevated home prices and rental costs contribute to workforce challenges, including employee turnover and recruitment difficulties for local businesses and public agencies. These pressures can increase wage demands, affect business operating costs, and limit the availability of workers across key sectors of the local economy.

Commercial real estate conditions in Goleta remain generally stable, with office and industrial vacancy rates below many regional benchmarks and continued demand for specialized office, research, and flex space. Retail leasing activity remains active but increasingly focused on smaller-format and service-oriented tenants. From a fiscal perspective, property tax revenues are largely insulated in the near term due to Proposition 13 protections, though prolonged softness in certain commercial segments could affect long-term valuation growth and development activity.

At the same time, local cost pressures remain elevated. Labor, contracted services, and construction-related costs continue to exceed pre-pandemic levels, affecting both operating budgets and capital programs. Consistent with these conditions, the City’s recently adopted two-year budget emphasizes conservative revenue assumptions, targeted investment in infrastructure and deferred maintenance, and the prudent use of voter-approved revenues to support long-term fiscal sustainability.

### Budget Challenges and Financial Strategy

The City of Goleta continues to face structural cost pressures related to labor, retirement obligations, contracted services, and construction, which remain elevated relative to pre-pandemic levels. These pressures affect both operating budgets and long-term capital planning and require ongoing prioritization and fiscal discipline.

A significant ongoing challenge for the City is addressing deferred maintenance and major infrastructure needs while managing the effects of construction cost escalation. Through the FY 2025-26 and FY 2026-27 budget adoption process, the City refined its Capital Improvement Program to focus on active, high-priority projects, reclassify or defer lower-priority initiatives, and better align project timing with available funding and staff capacity. Despite these efforts, unfunded and partially funded capital needs remain, reinforcing the importance of strategic sequencing and long-term financial planning.

To advance critical infrastructure projects, the City issued Lease Revenue Bonds and Transportation Sales Tax Revenue Bonds in 2025, generating approximately \$35.7 million in project proceeds to fund transportation and public infrastructure improvements. The adopted budget incorporates the resulting ongoing debt service obligations and reflects a deliberate policy decision to leverage long-term financing for projects that provide lasting community benefit while preserving liquidity and reserves.

At the same time, the City remains attentive to revenue sensitivity and volatility, particularly in economically driven sources such as sales tax and Transient Occupancy Tax. Conservative revenue assumptions continue to be applied in the City's multi-year forecasts, consistent with guidance from external revenue consultants and recent trend data.

In addition, the City is evaluating lawful and compliance-based strategies to improve local sales and use tax allocation accuracy, particularly for major construction projects and large material purchases occurring within the City. These efforts focus on coordination with developers, contractors, and vendors to ensure proper tax reporting consistent with California Department of Tax and Fee Administration requirements. While these initiatives are not assumed in the City's revenue forecasts, they represent a proactive approach to minimizing allocation leakage and protecting locally generated revenues.

Complementing these revenue preservation efforts, the City has initiated a comprehensive rate study for stormwater, solid waste, and streetlight assessments. In December 2025, the City selected the firm Raftelis to analyze current rate structures and identify sustainable funding models. This initiative is critical for ensuring that fee-based revenues adequately support the long-term operations, maintenance, and capital needs of this specific infrastructure, thereby reducing reliance on the General Fund for cost-recoverable services.

Together, these actions reflect a shift toward intentional capital financing, disciplined budgeting, and revenue stewardship. While fiscal challenges remain, the City's adopted two-year budget, updated Capital Improvement Program framework, and recent financing actions position Goleta to manage near-term pressures while maintaining long-term financial stability and flexibility.

### Long-Term Financial Planning

The City of Goleta integrates long-term financial planning into its annual and multi-year budget process to support fiscal sustainability, maintain service levels, and align financial resources with City Council priorities. As part of each budget cycle, the City Council reviews updated multi-year financial forecasts for the General Fund and the Capital Improvement Program (CIP), which are used to evaluate the affordability and long-term impacts of policy, staffing, and capital investment decisions.

The General Fund forecast focuses on a five-year planning horizon and incorporates conservative assumptions for economically sensitive revenues, ongoing expenditure commitments, reserve requirements, and known cost drivers such as labor, pensions, and contracted services. The CIP forecast similarly evaluates project funding sources, cash flow, and long-term sustainability, including the use of voter-approved revenues, grants, and debt financing. Together, these forecasts provide a structured framework for identifying potential structural imbalances, assessing financial risk, and guiding prioritization decisions over time.

In addition to its standard multi-year forecasts, the City uses longer-range financial planning tools to inform strategic discussions related to infrastructure investment, deferred maintenance, and

reserve adequacy. These tools are updated periodically and are intended to support high-level decision-making rather than serve as fixed financial commitments. As part of this approach, the City has strengthened its capital planning framework in recent years by refining reserve policies, establishing capital replacement targets for City-owned facilities, and aligning the CIP more closely with available funding, staff capacity, and long-term financial constraints.

Long-term financial planning is also closely integrated with the City's adopted financial policies, including reserve targets, debt management guidelines, and liquidity objectives. This integrated approach allows the City to balance near-term operational needs with long-term obligations, manage fiscal volatility, and maintain flexibility to respond to changing economic conditions. Through disciplined forecasting, policy-driven decision-making, and ongoing monitoring, the City is better positioned to sustain essential services, invest in critical infrastructure, and preserve financial stability over the long term..

### Relevant Financial Policies

The City of Goleta has adopted a comprehensive set of financial policies to provide guidance for all fiscal activities and resource allocation decisions. Some of the major financial policies the City has adopted include the Debt Management Policy, City's Investment Policy, Purchasing Policy, Capitalization Policy, and Fund Balance Reserve Policies.

**Debt Management Policy:** The City's Debt Management Policy contains general guidelines and parameters for issuing and refunding debt, including guiding decisions related to future debt to ensure adequate financial resources are available to support the City's long-term capital needs.

**Investment Policy:** The City's Investment Policy establishes guidelines, strategies, practices, and procedures to be used in the investment of public funds in accordance with California Government Code sections 53600-53610, which establish legally permitted investments for local governments statewide. The policy is reviewed, updated if needed, and adopted annually.

**Capitalization Policy:** The City's Capitalization Policy sets thresholds at \$5,000 for assets with a minimal useful life of three years while identifying fixed asset categories as land, buildings and improvements, infrastructure, furniture and equipment, motorized vehicles, and construction in progress. Additional information can be found in Note 1 – Summary of Significant Accounting Policies in the Notes to the Basic Financial Statements document.

**Fund Balance Reserve Policies:** The City recognizes the importance of long-range planning in managing the City's fiscal affairs to provide for stable operations and ensure the City's long-term financial health. The reserves contained in the General Fund play a pivotal role in this strategy. The reserve policies require a contingency reserve balance of at least 33% of the General Fund's ongoing expenditures budget. Additionally, other reserve categories have been established for capital equipment, compensated leave, risk management, litigation defense, sustainability, CalPERS pension, and Other Post Employee Benefits (OPEB) for retiree health unfunded accrued liability. It should be noted that in FY 21/22, the City established Section 115 Trusts for both pensions and retiree health care liabilities and transferred reserves held to these trusts. Future funding policies will be considered and implemented in the next few fiscal years.

## **OTHER INFORMATION**

### **Spending Limitation**

Article XIII B of the California Constitution, also known as the Gann spending limit, restricts the amount of “proceeds of taxes” California governments may spend. As of June 30, 2025, the City had not reached its Article XIII B spending limitation of \$78,831,106.

## **AWARDS AND ACKNOWLEDGEMENTS**

We are very proud of this ACFR and all the City’s award-winning financial reporting publications. Each publication has been prepared with great care and expertise with the goal of meeting the highest level of financial reporting preparation standards.

### **GFOA Financial Reporting Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) last awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Goleta, California, for its annual comprehensive financial report for the fiscal year ended June 30, 2024. That was the 21<sup>st</sup> year the City received this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

### **GFOA Budget Presentation Award**

The GFOA also awarded a Certificate of Achievement for Distinguished Budget Presentation to the City of Goleta for its Operating and Capital Budgets for fiscal years 2023/24 and 2024/25. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communication device. This award is valid for a period of two years only.

### **Acknowledgments**

The preparation of this ACFR and its timely issuance could not have been accomplished without the hard work and team effort of the Finance Department. We also wish to express appreciation to all other City departments that helped in its preparation.

Respectfully submitted,



Robert Nisbet  
City Manager



Luke Rioux  
Finance Director

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## City of Goleta Organizational Chart By Function



# **City of Goleta**

## List of Principal Officials

Fiscal Year Ended June 30, 2025

### **CITY COUNCIL**

Paula Perotte, Mayor

Stuart Kasdin, Mayor Pro Tempore, District 4

Luz Reyes Martin, Councilmember, District 1

James Kyriaco, Councilmember, District 2

Jennifer Smith, Councilmember, District 3

### **CITY MANAGER**

Robert Nisbet

### **CITY ATTORNEY**

Isaac Rosen

### **EXECUTIVE MANAGEMENT**

*(in alphabetical order)*

Deborah Lopez, City Clerk

Jaime Valdez, Assistant City Manager

Jennifer Jennings, Human Resources/Risk Manager

JoAnne Plummer, Neighborhood Services Director

Kelly Hoover, Community Relations Manager

Lt. Frank Vasquez, Chief of Police

Luke Rioux, Finance Director

Luz 'Nina' Buelna, Public Works Director

Matthew Fore, General Services Director

Peter Imhof, Planning & Environmental Review Director

Winnie Cai, Assistant City Attorney



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Goleta  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morill*

Executive Director/CEO

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## **FINANCIAL SECTION**

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*Independent Auditor's Report*

To the Honorable City Council  
City of Goleta, California

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Goleta (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, as of June 30, 2025, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Emphasis of Matter***

As described in Note 1 to the financial statements during the year ended June 30, 2025, the City adopted new accounting guidance under Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2025 on our consideration of City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

*Rogers, Anderson, Malody & Scott, LLP.*

San Bernardino, California  
December 22, 2025

## Management's Discussion and Analysis For the Year Ended June 30, 2025

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As management of the City of Goleta (the City), we offer readers of the City's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2025. Readers are encouraged to consider the information presented here in conjunction with additional information provided in the letter of transmittal (in the Introductory Section) and the accompanying basic financial statements and related notes that follow this section.

### FINANCIAL HIGHLIGHTS

- At the close of the most recent fiscal year, the City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$326.15 million (net position). Of this amount, \$42.00 million is unrestricted and available to meet the City's ongoing obligations to its residents and creditors. The remaining amount is invested in capital assets or otherwise restricted and, therefore, not immediately available for the City's general use.
- The City's total revenue from all governmental activities equaled \$99.54 million, an increase of \$24.1 million or approximately 32.0% compared to \$75.4 million from the previous fiscal year. The increase is primarily related to grants, the 1% transaction and use tax, reported within the sales and use taxes revenue category, and development impact fees.
- Sales and use tax revenues increased by \$7.6 million, or 47.6%, in the 2025 fiscal year to \$23.58 million. The increase was primarily driven by the first full fiscal year of the 1% transaction and use tax that went into effect on January 1, 2024.
- Transient occupancy tax (TOT) revenues decreased by \$(124) thousand, or (0.9)%, to \$14.11 million in the 2025 fiscal year. The minimal decrease reflects a normalization in tourism activity (occupancy rates) and average daily rates.
- The City's total expenditures on all programs totaled approximately \$63.85 million, an increase of 25.8%, or approximately \$13.08 million, compared to the previous fiscal year's \$50.77 million. The overall increase is largely attributable to expenditures in Public Works related to Capital Improvement Projects.
- During the fiscal year, the City issued \$18.74 million in Lease Revenue Bonds and \$14.66 million in Local Measure A Transportation Sales Tax Revenue Bonds through the Goleta Facilities Financing Authority, a financing authority formed by the City, to finance priority transportation and capital improvement projects. The issuance of these bonds increased cash and investments and long-term liabilities as of year-end and will support the delivery of major infrastructure projects over multiple years.
- The General Fund reported an ending fund balance of approximately \$53.18 million, an increase of \$8.39 million from the \$44.79 million ending fund balance of the fiscal year 2024. The increase was due to total revenues exceeding expenditures. The \$53.18 million fund balance includes committed funds of \$17.48 million, including the 33% contingency reserve; the assigned fund balance of \$26.12 million; and \$9.47 million remaining as an unassigned fund balance on June 30, 2025.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

### **Government-wide Financial Statements**

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

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

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

All of the City's basic services are governmental activities. The Statement of Net Position and the Statement of Activities present information about these Governmental activities, including General Government, Public Safety, Public Works, Library, Planning and Environmental Review, and Neighborhood Services. Property Tax, Sales and Use Tax, Transient Occupancy Tax, Franchise Fees, and Cannabis Business Tax finance approximately 50% of these activities. It should be noted that the City does not have business-type activities.

**Fund Financial Statements**

**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, Transportation Facilities DIF, TIRCP, Federal Transportation Program, Coronavirus State & Local Fiscal Recovery Fund (SLFRF), Lease Revenue Bonds, Sales Tax Bonds, as well as lesser funds reported collectively as Other Governmental Funds. Some funds are required to be established by State law; however, the City establishes many other funds to help it control and manage money for specified purposes or to demonstrate that the City is meeting legal responsibilities for using certain taxes, grants, and other money. The City currently has just one type of fund, governmental, which uses the following accounting approach.

*Governmental Funds* focus on how money flows into and out of those funds and the balances left at fiscal 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 fewer financial resources that can be spent in the near future to finance the City's programs. The reconciliation schedules accompanying the Fund Financial Statements describe the relationship (or difference) between governmental activities (reported in the Statement of Net Position and Statement of Activities) and Governmental Funds.

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

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

**Notes to the Basic Financial Statements**

The notes provide additional detailed information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found starting on page 33 of this report.

**Other Information**

**Required Supplementary Information**

In addition to the basic financial statements, this report also presents certain Required Supplementary Information (RSI), including the City's budgetary comparison schedules, schedule of changes in net pension liability and related ratios, schedule of pension contributions schedule of changes in net OPEB Post-Employment Benefits (OPEB) liability and related ratios, and schedule of OPEB contributions. RSI can be found starting on page 76 of this report.

**Supplementary Information**

This report also presents certain other supplementary information including combining fund statements for the City's non-major governmental funds, including budget and actual statements. The supplementary information section can be found starting on page 85 of this report.

**Statistical Section**

Statistical tables regarding financial trends, revenue capacity, debt capacity, demographics, and economic information, and operating information can be found starting on page 161 of this report.

**GASB Pronouncements**

For the year ended June 30, 2025, the financial statement include the adoption of GASB Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of this statement are effective for fiscal years beginning after December 15, 2023. For additional information, refer to the Notes to the Financial Statements, Note 5. Additionally, GASB Statement No. 102, *Certain Risk Disclosures*, was adopted with the primary objective to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this statement are effective for fiscal years beginning after June 15, 2024. Note 9 will contain information about the City's Risk Management.

**Management’s Discussion and Analysis  
For the Year Ended June 30, 2025**

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**THE CITY AS A WHOLE – GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Summary of Net Position**

The analysis focuses on the net position (see Table 1) and changes in net position (Table 2) of the City’s governmental activities. The City does not have any business-type activities. Table 1 below summarizes the Statement of Net Position for Governmental Activities as of June 30, 2025, with comparative totals as of June 30, 2024. As previously stated, the net position at fiscal year-end serves as a useful indicator over time whether the City’s financial position is improving or deteriorating.

**Table 1  
Summary of Net Position  
As of June 30, 2025 and 2024**

	Governmental Activities	
	2025	2024
<b>Assets:</b>		
Current and other assets	\$ 129,333,271	\$ 95,228,512
Capital assets	264,966,171	228,115,036
<b>Total Assets</b>	<b>394,299,442</b>	<b>323,343,548</b>
<b>Deferred Outflows of Resources:</b>		
Pension related	3,517,082	3,891,756
OPEB related	210,844	221,091
<b>Total Deferred Outflows of Resources</b>	<b>3,727,926</b>	<b>4,112,847</b>
<b>Liabilities:</b>		
Current and other liabilities:	16,573,755	17,495,220
Long Term Liabilities:		
Due in one year	1,797,751	1,277,309
Due in more than one year	51,738,262	16,179,663
<b>Total Liabilities</b>	<b>70,109,768</b>	<b>34,952,192</b>
<b>Deferred Inflows of Resources:</b>		
Pension related	29,162	69,329
OPEB related	1,741,703	1,984,413
<b>Total Deferred Inflows of Resources</b>	<b>1,770,865</b>	<b>2,053,742</b>
<b>Net Position:</b>		
Net investment in capital assets	255,043,621	217,892,824
Restricted	29,100,401	38,412,267
Unrestricted	42,002,713	34,145,370
<b>Total Net Position</b>	<b>\$ 326,146,735</b>	<b>\$ 290,450,461</b>

# *City of Goleta*

## **Management's Discussion and Analysis For the Year Ended June 30, 2025**

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As of June 30, 2025 the City's net position totaled \$326.15 million, an increase of \$35.70 million or approximately 12.3% in comparison to the prior fiscal year.

The largest portion of net position consisted of the City's net investment of \$255.04 million (78.2%) in capital assets (i.e., land, buildings, machinery, equipment, and infrastructure), less depreciation, and any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to its community. The change in the net position can be caused by all elements of the financial statements, which include the assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Assets can primarily be affected by its current assets, such as cash and investments and investments in capital assets. In this fiscal year, total assets experienced an increase of \$70.96 million or 21.9% for a total of \$394.3 million and were primarily due to capital asset additions less the annual depreciation/amortization expense at fiscal year-end, which accounted for a \$36.8 million net increase. Two bond issuances, the Lease Revenue Bonds and Measure A Transportation Sales Tax Bonds, also contributed to increase of cash of approximately \$33.3 million.

The City's total liabilities increased by approximately \$35.16 million or 100.6% for a total of \$70.1 million. Within this category, the City's current and other liabilities decreased by \$921 thousand or 5.3% primarily due to a the final payment of Successor Agency settlement agreement. With the influx of the bond proceeds mentioned above, the long term liabilities increased by a similar amount \$33.3 million.

The restricted net position decreased by approximately \$(9.31) million or (24.2) % for a total of \$29.1 million (8.9% of total net position), which are funds subject to external restrictions on how the funds may be used, such as development impact fees programmed for capital projects. The unrestricted net position increased by approximately \$7.9 million or 23% for a total of \$42.0 million (12.9% of total net position) and may be used at the City's discretion to meet ongoing operating needs.

### **Changes in Net Position**

The following table provides a summary of how the City's net position changed from the prior fiscal year and summarizes the Statement of Activities for Governmental Activities for the fiscal year ended June 30, 2025, with comparative totals for the fiscal year ended June 30, 2024. Generally, it indicates whether the financial health of the City as a whole is better, unchanged, or worse on June 30, 2025, in relation to a year earlier. For the fiscal year ended June 30, 2025, the total net position increased by \$35.7 million or 12.3%, which shows the City's financial health is relatively stronger from the previous fiscal year.

**Management's Discussion and Analysis  
For the Year Ended June 30, 2025**

**Table 2  
Changes in Net Position  
Fiscal Year Ended June 30, 2025 and 2024**

	Governmental Activities	
	2025	2024
<b>Revenues</b>		
Program Revenues:		
Charges for services	\$ 3,572,928	\$ 2,915,673
Operating contributions and grants	21,750,449	15,466,245
Capital contributions and grants	18,975,915	10,947,856
 General Revenues		
Taxes:		
Property taxes	9,930,390	9,491,929
Sales and use taxes	23,581,549	15,972,669
Transient lodging tax	14,110,059	14,234,251
Franchise fees	1,681,254	1,730,737
Other taxes	934,589	953,844
Use of money and property	3,424,614	2,894,764
Other general revenue	1,581,228	793,470
 Total Revenues	99,542,975	75,401,438
 <b>Expenses</b>		
General government	12,341,129	10,655,510
Public safety	11,763,039	10,975,712
Public works	27,189,941	18,786,893
Library	3,195,776	2,610,354
Planning & environmental review	4,838,240	4,628,681
Neighborhood services	3,391,633	2,832,847
Interest on long-term debt	1,126,943	275,752
 Total Expenses	63,846,701	50,765,749
 <b>Change in Net Position</b>	<b>35,696,274</b>	<b>24,635,689</b>
Beginning Net Position	290,450,461	265,814,772
 <b>Ending Net Position</b>	<b>\$ 326,146,735</b>	<b>\$ 290,450,461</b>

## *City of Goleta*

### **Management's Discussion and Analysis For the Year Ended June 30, 2025**

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**Revenues:** The City's total revenues were \$99.54 million for the fiscal year ended June 30, 2025, an increase of approximately \$24.1 million or 32.0% when compared to last fiscal year. Approximately 50.5% of the City's revenue comes from some type of tax revenue including property, sales, transient occupancy taxes (TOT) and other taxes totaling \$50.2 million this fiscal year. This is an increase of approximately \$7.8 million when compared to the last fiscal year. This increase is primarily due to the new transaction use tax, which combined with the sales tax brings the total to \$23.58 million or 47.6% increase when compared to last fiscal year. Property taxes also increased by \$438 thousand or 4.6% when compared to last fiscal year. In addition, transient occupancy tax decreased by  $-\$124$  thousand) or  $-(0.9)\%$ . The City receives 12% of the total taxable hotel revenue within city limits. The other 6% of revenues come from fees charged for services, development impact fees, state, local, and federal grants and contributions, and investment earnings.

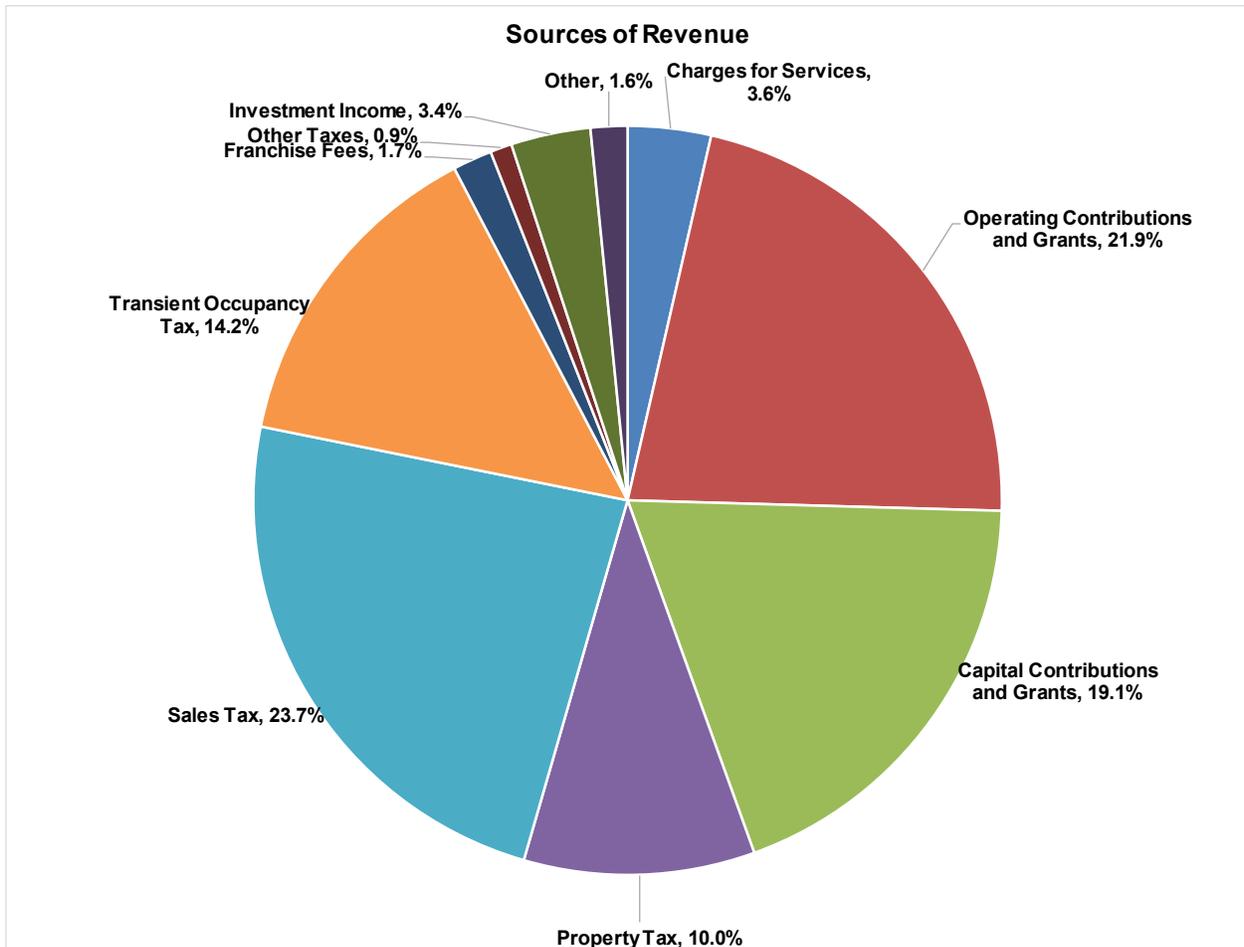
**Expenses:** The total cost of all programs was \$63.85 million for the fiscal year ended June 30, 2025, an increase of \$13.08 million or 25.8% when compared to last fiscal year. Expenses include a wide range of services such as general government administration, public safety (police protection services), public works, library, planning and environment review, neighborhood services, and interest on long-term debt related to the iBank financing for City Hall building and bond issuances. The most significant departmental change was in Public Works. The department filled staff vacancies, which allowed the ability to manage more capital improvement projects, including the Pavement Rehabilitation Project and emergency response projects.

Management's Discussion and Analysis  
For the Year Ended June 30, 2025

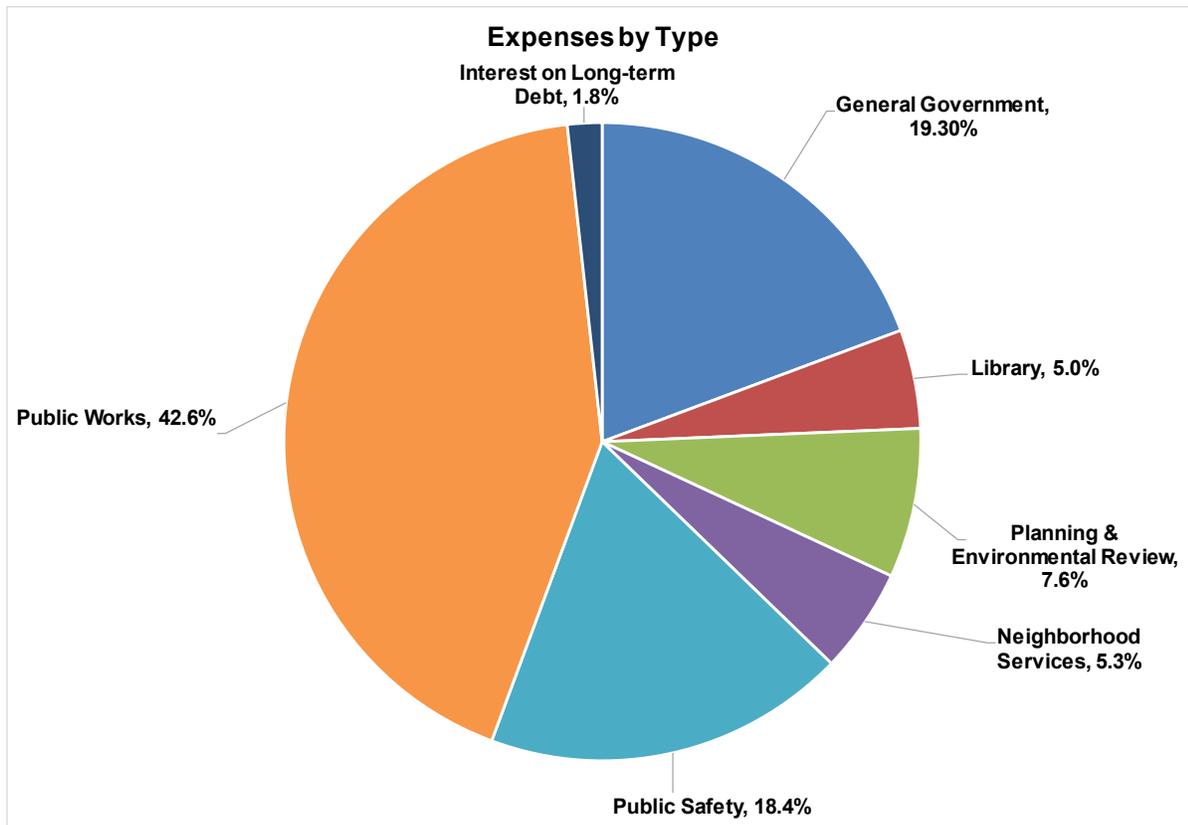
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The sources of the City's major types of revenue and the areas where such resources are used are shown below in the chart below and the chart on the following page.

**City's Major Revenue Sources and Expenses by Type**  
(See Table 2)



Management’s Discussion and Analysis  
For the Year Ended June 30, 2025



**Governmental Activities**

Table 3 presents the cost of each of the City’s major programs, General Government, Public Safety, Public Works, Library, Planning and Environmental Review, and Neighborhood Services as well as each program’s net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City’s taxpayers by each of these functions.

**Table 3**  
**Net Cost of Governmental Activities**  
**Fiscal Year Ended June 30, 2025**

	Total Cost of Services	Net Cost of Services
General Government	\$ 12,341,129	\$ 835,563
Public Safety	11,763,039	(11,022,912)
Public Works	27,189,941	(7,549,770)
Library	3,195,776	(1,300,233)
Planning & environmental review	4,838,240	3,719,824
Neighborhood services	3,391,633	(3,102,938)
Interest on long-term debt	1,126,943	(1,126,943)
<b>Totals</b>	<b>\$ 63,846,701</b>	<b>\$ (19,547,409)</b>

# *City of Goleta*

## **Management's Discussion and Analysis For the Year Ended June 30, 2025**

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- General Government expenses comprise approximately 19.3% of the governmental expenses and include City Council, City Manager, City Clerk, City Attorney, Community Relations, Human Resources, Risk Management, General Services (includes IT and Facility and Fleet maintenance), and Finance. Charges for services and other fees partially offset the cost of general government activities.
- Library, Planning and Environmental Review and Neighborhood Services expenses comprise approximately 5.0%, 7.6%, and 5.3%, respectively, of the governmental expenses. Related fees and charges for services partially offset the cost of this program. Neighborhood Services reflects Homelessness, Community Development Block Grant program, Parks and Recreation, and Goleta Community Center. Planning and Environmental Review reflects activities related to Planning, Building and Safety, and Affordable Housing.
- Public Safety expenses comprise approximately 18.4% of the governmental expenses and reflect the police services contract with the County of Santa Barbara's Sheriff's Office.
- Public Works expenses comprise approximately 42.6% of the governmental expenses. Revenues from charges for services, operating and capital contributions, and grants offset the cost of this program. Public Works includes administration, engineering, parks and open space maintenance, street lighting, traffic operations and maintenance, street maintenance, environmental services and solid waste, and capital improvement activities.
- Interest on long-term debt primarily reflects the interest expense related three main items, with the first related to the IBank financing of \$10 million related to the purchase of the City Hall property of \$11.5 million. The lease will be repaid in semiannual payments for a term of 30 years through August 1, 2050 at an interest rate of 2.64%. The other items originate from the Lease Revenue Bonds and Local Measure A Transportation Sales Tax Revenue Bonds that were issued to fund capital projects. The two bonds will mature in 2055 and 2040, respectively.

### **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

At the fiscal year-end, the City's governmental funds reported a combined fund balance of \$112.5 million, an increase of \$34.7 million or 44.7% over the prior fiscal year. The General Fund increased approximately \$8.4 million or 15.8%. Besides the General Fund, there were 6 major funds out of the total 75 governmental funds. These include the Transportation Facilities DIF, Local STIP, TIRCP, Federal Transportation Program, Lease Revenue Bonds, and Sales Tax bonds. These 6 major funds account for 30% of the \$112.5 million, or \$33 million.

**Management's Discussion and Analysis  
For the Year Ended June 30, 2025**

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**General Fund Budgetary Highlights**

Over the course of the fiscal year, the City Council revised the City budget several times. These budget amendments fall into three categories: 1) changes made during the fiscal year for unanticipated revenues and costs, 2) increased appropriations to prevent budget overruns, and 3) carry-over budgets for one-time use for capital projects and special projects. The City Council may amend the budget by motion during the fiscal year.

**Revenues:** Actual revenues of \$54.8 million received came higher than the Final Budget by \$3.4 million, primarily because of transaction use tax, higher tax receipts than anticipated with property tax, and transient occupancy tax. Overall actuals revenues increased approximately \$9.3 million, or 20.5%, when compared to the prior fiscal year. The following paragraphs discuss key revenue variances, when compared to the budget and prior fiscal year actuals.

Property tax exceeded budgeted projections by 3.5% and when compared to the prior fiscal year actuals, by 4.5%. Property tax experienced higher assessed valuations due to a combination of a 2% inflation adjustment on assessed values for all property types and changes in the assessed value due to transfer of ownership. Assessed valuation changed by approximately 4.7%.

Sales tax exceeded budgeted projections by 1.8% and when compared to the prior fiscal year actuals, which increased by 3.8%. While this was a small increase, overall sales tax activity remained flat when adjusted for economic data. The Transaction Use Tax (TUT) has supplemented the sales tax revenues with receipts first received for January 2024. TUT actuals exceeded projections by 12.0% for a total of \$12.3 million.

Transient Occupancy Tax (TOT) is the largest General Fund revenue source totaling \$14.1 million and surpassing budgeted projections by 2.2%. Transient Occupancy Tax revenues experienced a decrease of (-0.9)% when compared to the previous fiscal year, fiscal year 2023-24, which recorded \$14.2 million. TOT revenue growth has slowed down and has continued to normalize.

**Expenditures:** Actual expenditures of \$45.9 million were under the Final Budget amounts by \$74.7 million, or 38.6% under budget. This favorable variance primarily stems from the fiscal year 2024-25 budget reflecting deferred projects and one-time program spending that was then encumbered for carryover into the next fiscal year. With a programmed budget at increased amounts and timing of filling staff vacancies, less spending activity was experienced across the departments.

By the end of the fiscal year, approximately \$8.1 million was identified related to unfinished encumbered projects in the operating budget and \$117.6 million to capital improvement program projects that will be reappropriated in the following fiscal year. When comparing actuals to the prior fiscal year, overall expenditures increased by \$5.9 million or 14.8%.

# City of Goleta

## Management's Discussion and Analysis For the Year Ended June 30, 2025

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**Appropriations:** Variances between the Original and the Final expenditure budgets are primarily due to the inclusion of continuing appropriations for special projects from the prior fiscal year, as well as new appropriations made by the City Council during the fiscal year. New budget appropriations were the result of higher than anticipated costs after receiving bids and proposals and unanticipated expenditures. All new appropriations get evaluated if considered one time or ongoing expenditures and analyzed against the City's unassigned fund balance or another reserve category that may be available. Some significant budget appropriations \$1.5 million for the Goleta Train Depot, \$1.5 million for Pavement Maintenance, and \$736,000 Community Center ADA Improvements. included Adjustments were recommended at mid-year (second quarter) and the third quarter when actual data was known, including adjustments to revenue.

**Ending Fund Balance:** The General Fund ending balance was \$53.18 million as of June 30, 2025. This amount was higher than the final budget projection by \$32.3 million or higher than \$8.4 million when compared to the prior fiscal year. This increase was a result of higher revenues and less expenditure activity experienced in the fiscal year as described above. The table below summarizes the fund balance by classification:

<b>Fund Balance:</b>	
Non-spendable:	
Prepaid items	\$ 109,384
Committed	17,480,275
Assigned	26,124,383
Unassigned	<u>9,467,780</u>
<b>Total Fund Balance</b>	<b><u>\$ 53,181,822</u></b>

The Council has established fiscal policies and funding amounts for Compensated Absences, Risk Management, Equipment Acquisition and Replacement, Public Facilities, Sustainability, and Litigation Defense reserves. These fiscal policies also specify that a minimum of 33% of total ongoing operating budget would be maintained as a Contingency Reserve. Based upon final budgeted General Fund expenditures and transfers, the Contingency Reserve is \$14.0 million. Additionally, the City Manager and City Council have approved the continuing designation of unexpended funds of \$26.1 million assigned for special projects into the next fiscal year. Per Council direction, all remaining fund balance is to be placed in the unassigned fund balance.

**Management's Discussion and Analysis  
For the Year Ended June 30, 2025**

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**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. These are assets that are used in the operations of the City's functions. The City has valued these assets at \$427.4 million at the end of fiscal year 2025. After accumulated depreciation, the net book value of these infrastructure improvements totals \$264.97 million. Additional information on the City of Goleta's capital assets can be found in Note 1F and Note 4.

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

<u>Asset Type</u>	
Land	\$ 54,562,017
Infrastructure and right of way	260,423,344
Construction in progress	96,620,204
Vehicles	1,214,544
Furniture and equipment	1,403,465
Building and improvements	12,850,760
Right to use assets	<u>292,483</u>
Total capital assets	427,366,817
Less depreciation/amortization	<u>162,400,646</u>
Capital Assets net of Depreciation/Amortization	<u><u>\$ 264,966,171</u></u>

**Management’s Discussion and Analysis  
For the Year Ended June 30, 2025**

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**Long-Term Debt**

At fiscal year-end, the long-term debt reported by the City included compensated absences, successor agency settlement agreement, IBank lease, Lease Revenue Bonds, Sales Tax Bonds, other post-employment benefits (OPEB) liability (retiree health care), and net pension liability. The following table summarizes the long-term debt for the fiscal year ended June 30, 2025. Additional information on the City of Goleta’s long-term debt can be found in Notes 1I, 1K, 1L, 5, 6, 7, and 12.

**Table 5  
Long-Term Debt**

Governmental Activities	
Compensated absences	\$ 1,474,946
lbank lease payable	9,073,135
Lease liabilities	203,736
Subscription liabilities	19,142
Lease revenue bonds, Series 2025A	18,735,000
Premium	1,029,766
Local Measure A transportation Sales	
tax revenue bonds, 2025	14,655,000
Premium	1,958,419
Net OPEB liability	892,158
Net pension liability	5,494,711
Total	<u>\$ 53,536,013</u>

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGET**

**Economic Factors and Next Year’s Budget**

The City Council adopts a two-year budget plan at the beginning of each two-year cycle, formally adopting an annual operating and capital improvement budget prior to July 1<sup>st</sup> of each year. The adopted two-year plan includes finalized operating and capital budgets for the first year, while the second-year amounts are proposed estimates, serving as a basis for discussion, and are updated during the mid-cycle budget review process.

On June 17, 2025, the City Council adopted the next two-year budget plan for fiscal year 2025-26 and 2026-27, which reflects a structurally balanced financial plan aligned with the City’s Strategic Plan and Council priorities.

For fiscal year 2025-26, total budgeted expenditures across all funds are approximately \$100.8 million, with General Fund expenditures totaling \$53.5 million. Total General Fund revenues are estimated at \$51.4 million, supported primarily by property tax, sales and use tax, transient occupancy tax, and the voter-approved transaction and use tax. The adopted budget reflects continued reliance on the transaction and use tax as a key revenue source to support ongoing operations, capital investment, and long-term fiscal sustainability.

**Management's Discussion and Analysis  
For the Year Ended June 30, 2025**

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Beginning in fiscal year 2025-26, the City will also commence annual debt service payments related to the Lease Revenue Bonds and Local Measure A Transportation Sales Tax Revenue Bonds issued in fiscal year 2024-25. These debt service obligations are incorporated into the adopted budget and are supported by identified revenue sources, including Measure A transportation sales tax revenues and General Fund resources, consistent with the City's long-term financial planning framework.

In addition, the City prepared a five-year General Fund forecast as part of the budget process to evaluate future revenue and expenditure trends and to assess the City's capacity to fund ongoing operations, capital maintenance, and debt service obligations. While forecasts are inherently subject to change based on economic conditions, the forecast is used as a planning tool to identify potential structural imbalances and inform policy decisions.

Overall, the adopted two-year budget reflects the City's continued emphasis on financial stability, infrastructure investment, and service delivery while maintaining adequate reserves and monitoring economic conditions that could affect future revenues and expenditures.

**Budget Highlights and Significant Changes**

- Revenue from the new Transaction and Use Tax was received by the City beginning in January 2024. The City collected \$12.3 million for fiscal year 2024-25, which represents the first full fiscal year of receiving this tax revenue. Based on current trends, collections in fiscal year 2025-26 are expected to be generally consistent with prior-year levels. The additional revenue generated from the new tax will play a critical role in funding deferred maintenance, capital improvements, addressing community needs, and maintaining the City's long-term fiscal stability.
- Addressing homelessness has been stated as one of the highest Council priorities. The City spent \$703,042 from the General Fund in fiscal year 2024-25 and programmed a budget of \$911,100 for fiscal year 2025-26 for homelessness programs that meet strategies and objectives in the Homelessness Strategic Plan.
- The Sheriff contract was budgeted at \$11.7 million for fiscal year 2024-25. This is an increase of 9.3% over the fiscal year 2023-24 budgeted amount of \$10.7 million. The City concluded contract negotiations with the Sheriff for a long-term contract from July 1, 2023, through June 30, 2027. The long-term contract includes annual cost escalators ranging from 3% to 6%. For fiscal year 2025-26, the sheriff contract costs are projected at \$12.70 million. The annual cost escalators are expected to influence future budget allocations, necessitating careful fiscal planning to ensure sustainable funding.
- The City's General Fund contribution to the library has been steadily increasing. The General Fund contribution for the fiscal year 2024-25 was \$728,431 and is currently projected at \$800,568 for the fiscal year 2025-26.

**Management's Discussion and Analysis  
For the Year Ended June 30, 2025**

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- The City took over the Goleta Valley Community Center in January 2023. The Strategic Plan for the Community Center was approved by the Council on April 18, 2023. Over the course of this budget cycle, a decision was made to manage the facility in-house to enhance the facility, increase community engagement, and make major upgrades and repairs to the facility. The General Fund contribution to the Commuter Center in fiscal year 2024-25 was \$413,043 and is projected to increase to \$530,950 in fiscal year 2025-26.
- The General Fund contribution to the Capital Improvement Program (CIP) was \$2.82 million in actual spending in fiscal year 2024-25. During the budget adoption process, an additional \$2.4 million of new General Fund dollars were appropriated for fiscal year 2025-26. When including the carryover budget and other adjustments of \$15.4 million to help complete projects, the General Fund contribution is now projected at \$17.8 million for fiscal year 2025-26. Some of the key projects include the Goleta Train Depot, Project Connect, Goleta Community Center ADA improvements and Campus, Cathedral Oaks Crib Wall Repair, San Jose Creek Multipurpose Path – Northern & Southern Segments, Stow Grove Park Master Plan & Renovation, Winchester II Park Improvements, and Ellwood Mesa and Monarch Butterfly Habitat.
- Annual Debt Service
  - RDA Settlement concluded June 30, 2025
  - Lease Revenue Bond
- As part of the two-year budget for fiscal year 2025-26 and 2026-27 process, various positions were reclassified. Total FTEs changed from 124.625 to 123.625.

Looking ahead, Goleta faces challenges, including deferred maintenance, funding gaps critical capital improvement projects, and broader economic uncertainties. Factors such as potential recession and changes in federal monetary policy may increase borrowing costs, posing additional financial pressures. Although inflation rates have significantly slowed since their peak in 2022, operating and capital expenditures remain elevated. Despite these challenges, the City remains committed to sound fiscal management by implementing strategic budget measures and safeguarding its long-term financial health. This includes maintaining prudent reserves, exploring debt financing options, such as tax-exempt bonds, pursuing additional grant opportunities, and evaluating adjustments to current revenue streams. These efforts will help address funding gaps and support critical investments in the community's infrastructure and future.

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

This financial report is designed to provide Goleta residents, 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 Finance Department, City of Goleta, 130 Cremona Dr. Suite B, Goleta, California 93117, (805) 961-7500 or email [financegroup@cityofgoleta.org](mailto:financegroup@cityofgoleta.org). Additional information can also be found on the City's website at [www.cityofgoleta.org](http://www.cityofgoleta.org).

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# City of Goleta

## Statement of Net Position June 30, 2025

	<u>Governmental Activities</u>
<b>ASSETS:</b>	
Cash and investments	\$ 109,240,276
Receivables, net:	
Accounts	19,011,148
Interest	498,152
Loans	351,628
Deposits payable	122,683
Prepaid items	109,384
Capital assets:	
Non Depreciable:	
Land	54,562,017
Rights of way	11,395,313
Construction in progress	96,620,204
Depreciable:	
Infrastructure	249,028,031
Vehicles	1,214,544
Furniture and equipment	1,403,465
Buildings and improvements	12,850,760
Right to use lease assets - equipment	253,938
Right to use subscription assets	38,545
Accumulated depreciation/amortization	(162,400,646)
Total assets	<u>394,299,442</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related	3,517,082
Net OPEB related	210,844
Total deferred outflows of resources	<u>3,727,926</u>
<b>LIABILITIES</b>	
Accounts payable	10,949,853
Accrued salaries and benefits	765,866
Retentions payable	626,537
Interest payable	99,139
Deposits payable	2,306,434
Unearned revenue	1,825,926
Noncurrent liabilities:	
Due within one year	1,797,751
Due in more than one year	45,351,393
Net OPEB liability	892,158
Net pension liability	5,494,711
Total liabilities	<u>70,109,768</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related	29,162
Net OPEB related	1,741,703
Total deferred inflows of resources	<u>1,770,865</u>
<b>NET POSITION</b>	
Net investment in capital assets	255,043,621
Restricted for:	
Public works	23,622,205
Library	1,683,643
Planning & environmental review	3,631,549
Neighborhood services	163,004
Unrestricted	42,002,713
Total net position	<u>\$ 326,146,735</u>

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

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# City of Goleta

## Statement of Activities For the Year Ended June 30, 2025

	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Governmental Activities
Governmental activities:					
General government	\$ 12,341,129	\$ 172,528	\$ 13,004,164	\$ -	\$ 835,563
Public safety	11,763,039	-	-	740,127	(11,022,912)
Public works	27,189,941	879,745	853,519	17,906,907	(7,549,770)
Library	3,195,776	21,325	1,670,357	203,861	(1,300,233)
Planning & environmental review	4,838,240	2,446,705	6,111,359	-	3,719,824
Neighborhood services	3,391,633	52,625	111,050	125,020	(3,102,938)
Interest on long-term debt	1,126,943	-	-	-	(1,126,943)
<b>Total governmental activities</b>	<b>\$ 63,846,701</b>	<b>\$ 3,572,928</b>	<b>\$ 21,750,449</b>	<b>\$ 18,975,915</b>	<b>(19,547,409)</b>
General Revenues					
Taxes:					
Property taxes					9,930,390
Sales and use taxes					23,581,549
Transient lodging tax					14,110,059
Franchise fees					1,681,254
Other taxes					934,589
Use of money and property					3,424,614
Other general revenues					1,581,228
Total general revenues					<u>55,243,683</u>
Change in net position					35,696,274
Net position, beginning					<u>290,450,461</u>
Net position, ending					<u>\$ 326,146,735</u>

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

# City of Goleta

## Governmental Funds Balance Sheet June 30, 2025

	General Fund	Special Revenue Funds		
		Transportation Facilities DIF (formerly non- major)	Local STIP (formerly non- major)	TIRCP (formerly non-major)
<b>ASSETS:</b>				
Cash and investments	\$ 39,697,202	\$ 1,996,269	\$ -	\$ -
Receivables, net:				
Accounts	6,757,380	491	5,411,557	2,970,894
Interest	314,414	6,911	-	-
Loans	351,628	-	-	-
Deposits	27,891	52,555	-	-
Prepaid items	109,384	-	-	-
Due from other funds	11,471,772	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 58,729,671</b>	<b>\$ 2,056,226</b>	<b>\$ 5,411,557</b>	<b>\$ 2,970,894</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 2,643,043	\$ 755,571	\$ 1,208,837	\$ 1,779,325
Accrued salaries and benefits	638,794	-	-	-
Retentions payable	22,591	4,449	256,217	-
Deposits payable	2,146,735	-	-	-
Unearned revenue	79,832	-	-	-
Due to other funds	-	-	5,145,289	1,439,621
<b>TOTAL LIABILITIES</b>	<b>5,530,995</b>	<b>760,020</b>	<b>6,610,343</b>	<b>3,218,946</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	16,854	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>16,854</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>				
Nonspendable	109,384	-	-	-
Restricted	-	1,296,206	-	-
Committed	17,480,275	-	-	-
Assigned	26,124,383	-	-	-
Unassigned	9,467,780	-	(1,198,786)	(248,052)
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b>53,181,822</b>	<b>1,296,206</b>	<b>(1,198,786)</b>	<b>(248,052)</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 58,729,671</b>	<b>\$ 2,056,226</b>	<b>\$ 5,411,557</b>	<b>\$ 2,970,894</b>

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

Special Revenue Fund	Capital Project Funds				
Federal Transportation Program	Lease Revenue Bonds	Sales Tax Bonds	Other Governmental Funds	Totals	
\$ -	\$ 19,649,343	\$ 16,453,248	\$ 31,444,214	\$ 109,240,276	
1,401,000	-	-	2,469,826	19,011,148	
-	-	-	176,827	498,152	
-	-	-	-	351,628	
42,237	-	-	-	122,683	
-	-	-	-	109,384	
-	-	-	-	11,471,772	
<u>\$ 1,443,237</u>	<u>\$ 19,649,343</u>	<u>\$ 16,453,248</u>	<u>\$ 34,090,867</u>	<u>\$ 140,805,043</u>	
\$ 1,589,401	\$ -	\$ 657,789	\$ 2,315,887	\$ 10,949,853	
-	-	-	127,072	765,866	
119,569	-	-	223,711	626,537	
-	-	-	159,699	2,306,434	
-	-	-	1,746,094	1,825,926	
1,347,899	-	-	3,538,963	11,471,772	
<u>3,056,869</u>	<u>-</u>	<u>657,789</u>	<u>8,111,426</u>	<u>27,946,388</u>	
-	-	-	306,917	323,771	
-	-	-	306,917	323,771	
-	-	-	-	109,384	
-	19,649,343	15,795,459	28,413,807	65,154,815	
-	-	-	-	17,480,275	
-	-	-	-	26,124,383	
(1,613,632)	-	-	(2,741,283)	3,666,027	
<u>(1,613,632)</u>	<u>19,649,343</u>	<u>15,795,459</u>	<u>25,672,524</u>	<u>112,534,884</u>	
<u>\$ 1,443,237</u>	<u>\$ 19,649,343</u>	<u>\$ 16,453,248</u>	<u>\$ 34,090,867</u>	<u>\$ 140,805,043</u>	

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

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# City of Goleta

## Reconciliation of the Governmental Funds – Balance Sheet to the Statement of Net Position June 30, 2025

Total fund balances - governmental funds		\$ 112,534,884
In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation.		
Capital assets at historical cost	\$ 427,366,817	
Accumulated depreciation	<u>(162,400,646)</u>	
Net		264,966,171
Certain revenues in the governmental receivables are unavailable because they cannot be used to meet current financial obligations. In the Statement of Net Position, revenues are recognized when earned.		
		323,771
In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred.		
		(99,139)
Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported.		
Long-term liabilities relating to governmental activities consist of:		
Compensated absences payable	(1,474,946)	
Bank lease payable	(9,073,135)	
Lease revenue bond liability	(18,735,000)	
Premium	(1,029,766)	
Measure A bonds liability	(14,655,000)	
Premium	(1,958,419)	
Lease liability	(203,736)	
Subscription liability	(19,142)	
Net OPEB liability	(892,158)	
Net pension liability	<u>(5,494,711)</u>	
Total		(53,536,013)
In governmental funds, deferred outflows and inflows of resources relating to pensions and OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions and OPEB are reported.		
Deferred outflows of resources relating:		
to pensions	3,517,082	
to OPEB	210,844	
Deferred inflows of resources relating:		
to pensions	(29,162)	
to OPEB	<u>(1,741,703)</u>	
		<u>1,957,061</u>
Total net position - governmental activities		<u>\$ 326,146,735</u>

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 For the Year Ended June 30, 2025

	General Fund	Special Revenue Funds		
		Transportation Facilities DIF (formerly non major)	Local STIP (formerly non- major)	TIRCP (formerly non-major)
<b>REVENUES:</b>				
Taxes	\$ 46,278,447	\$ -	\$ -	\$ -
Franchise fees	1,632,464	-	-	-
Intergovernmental	66,934	-	5,411,556	5,427,842
Charges for services	2,546,792	-	-	-
Licenses and permits	322,539	-	-	-
Fines and forfeitures	235,506	-	-	-
Use of money and property	2,125,162	209,862	-	-
Developer fees	-	2,393,166	-	-
Donations	591,862	-	-	-
Other	972,471	-	-	-
Special assessments	-	-	-	-
Total revenues	<u>54,772,177</u>	<u>2,603,028</u>	<u>5,411,556</u>	<u>5,427,842</u>
<b>EXPENDITURES:</b>				
Current:				
General government	12,629,111	-	-	-
Public safety	11,501,844	-	-	-
Public works	10,427,439	21,000	-	-
Library	940,849	-	-	-
Planning & environmental review	4,689,594	-	-	-
Neighborhood services	2,303,769	-	-	-
Capital outlay	2,784,112	10,197,239	6,606,033	5,676,338
Debt service:				
Principal	240,850	-	-	-
Interest	385,645	-	-	-
Cost of issuance	-	-	-	-
Total expenditures	<u>45,903,213</u>	<u>10,218,239</u>	<u>6,606,033</u>	<u>5,676,338</u>
Excess of revenues over (under) expenditures	<u>8,868,964</u>	<u>(7,615,211)</u>	<u>(1,194,477)</u>	<u>(248,496)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	9,290	-	-	-
Transfers out	(703,042)	(3,159)	-	-
Subscription/lease acquisition	212,418	-	-	-
Proceeds from issuance of debt	-	-	-	-
Premium from issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>(481,334)</u>	<u>(3,159)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>8,387,630</u>	<u>(7,618,370)</u>	<u>(1,194,477)</u>	<u>(248,496)</u>
Fund balances (deficit), beginning	44,794,192	-	-	-
Change within financial reporting entity (nonmajor to major)	-	8,914,576	(4,309)	444
Fund balances, beginning of year, as restated	<u>44,794,192</u>	<u>8,914,576</u>	<u>(4,309)</u>	<u>444</u>
Fund balances (deficit), end of year	<u>\$ 53,181,822</u>	<u>\$ 1,296,206</u>	<u>\$ (1,198,786)</u>	<u>\$ (248,052)</u>

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

Special Revenue Funds		Capital Project Funds			
Coronavirus State & Local Fiscal Recovery (formerly major)	Federal Transportation Program	Lease Revenue Bonds	Sales Tax Bonds	Other Governmental Funds	Totals
\$ -	\$ -	\$ -	\$ -	\$ 2,906,730	\$ 49,185,177
-	-	-	-	1,481,779	3,114,243
9,295,091	-	-	-	13,796,833	33,998,256
-	-	-	-	22,593	2,569,385
-	-	-	-	-	322,539
-	-	-	-	1,644	237,150
-	200,988	168,295	168,295	1,648,529	4,352,836
-	-	-	-	1,104,892	3,498,058
-	-	-	-	26,790	618,652
-	-	-	-	25,001	997,472
-	-	-	-	365,436	365,436
<u>9,295,091</u>	<u>200,988</u>	<u>168,295</u>	<u>168,295</u>	<u>21,380,227</u>	<u>99,259,204</u>
-	-	-	-	49,252	12,678,363
-	-	-	-	256,612	11,758,456
-	-	-	-	8,376,233	18,824,672
-	-	-	-	2,382,968	3,323,817
-	-	-	-	62,485	4,752,079
-	-	-	-	696,735	3,000,504
10,109,823	-	657,789	657,789	9,370,336	45,401,670
-	-	-	-	-	240,850
-	-	-	-	99,735	485,380
-	316,411	328,466	328,466	-	644,877
<u>10,109,823</u>	<u>316,411</u>	<u>986,255</u>	<u>986,255</u>	<u>21,294,356</u>	<u>101,110,668</u>
<u>(814,732)</u>	<u>(115,423)</u>	<u>(817,960)</u>	<u>(817,960)</u>	<u>85,871</u>	<u>(1,851,464)</u>
3,159	-	-	-	3,851,293	3,863,742
-	-	-	-	(3,157,541)	(3,863,742)
-	-	-	-	-	212,418
-	18,735,000	14,655,000	14,655,000	-	33,390,000
-	1,029,766	1,958,419	1,958,419	-	2,988,185
<u>3,159</u>	<u>19,764,766</u>	<u>16,613,419</u>	<u>16,613,419</u>	<u>693,752</u>	<u>36,590,603</u>
<u>(811,573)</u>	<u>19,649,343</u>	<u>15,795,459</u>	<u>15,795,459</u>	<u>779,623</u>	<u>34,739,139</u>
-	(802,059)	-	-	33,803,612	77,795,745
-	-	-	-	(8,910,711)	-
-	<u>(802,059)</u>	-	-	<u>24,892,901</u>	<u>77,795,745</u>
<u>\$ -</u>	<u>\$ (1,613,632)</u>	<u>\$ 19,649,343</u>	<u>\$ 15,795,459</u>	<u>\$ 25,672,524</u>	<u>\$ 112,534,884</u>

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

# City of Goleta

## Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2025

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Total net change in fund balances - governmental funds	\$ 34,739,139
Capital assets, net of depreciation are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
Capital outlay, net of disposal	43,024,207
Depreciation	(6,173,072)
In the statement of activities, compensated absences are measured by the amounts earned during the fiscal year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially for the amounts paid). This year, vacation earned exceeded the amounts used by:	(444,608)
In governmental funds, repayment of long-term liabilities consume current financial resources. In the government-wide statements, repayments of long-term liabilities are reported as reductions of liabilities.	1,102,610
In governmental funds, issuance of long-term liabilities provides current financial resources. In the government-wide statements, issuance of long-term liabilities are reported as an addition to liabilities.	(36,590,603)
In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period is:	3,314
In governmental funds, the net effect of revenues reported in the Statement of Activities which are not considered to be available to finance current expenditures and therefore are not reported as revenues in the governmental funds.	283,771
In governmental funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This fiscal year, the difference between accrual-basis OPEB costs and actual employer contribution was:	88,267
In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:	(336,751)
Changes in net position - governmental activities	<u>\$ 35,696,274</u>

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

# City of Goleta

## Statement of Fiduciary Net Position Fiduciary Funds June 30, 2025

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	Successor Agency to the Goleta Redevelopment Agency Private- Purpose Trust Fund
ASSETS	
Cash and investments	\$ 899,084
Receivables:	
Interest	4,561
Bond insurance premium	49,194
Restricted assets:	
Cash and investments with fiscal agent	900
TOTAL ASSETS	<u>953,739</u>
DEFERRED OUTFLOWS OF RESOURCES	
Loss on bond refunding	<u>512,946</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>512,946</u>
LIABILITIES	
Accrued interest bond payable	35,579
Bonds payable, current portion	406,811
Bonds payable, net of current portion	10,816,533
Unearned revenue	480,161
TOTAL LIABILITIES	<u>11,739,084</u>
NET POSITION (DEFICIT)	
Restricted in trust for:	
Successor Agency to the Goleta RDA	<u>(10,272,399)</u>
TOTAL NET POSITION	<u>\$ (10,272,399)</u>

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

# City of Goleta

## Statement of Changes in Fiduciary Net Position Fiduciary Funds For the Year Ended June 30, 2025

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	Successor Agency to the Goleta Redevelopment Agency Private- Purpose Trust Fund
ADDITIONS	
Property taxes	\$ 1,145,134
Use of money and property	34,346
Total additions	<u>1,179,480</u>
DEDUCTIONS	
Administration	17,900
Community development	357,078
Distribution to Santa Barbara County	775,941
Interest	402,433
Total deductions	<u>1,553,352</u>
Change in net position	(373,872)
Net position (deficit), beginning	<u>(9,898,527)</u>
Net position (deficit), ending	<u>\$ (10,272,399)</u>

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

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

A. Reporting Entity

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

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

*Blended Component Units*

The financial reporting entity consists of the primary government, the City, and its component units. In addition, component units can be other organizations for which the primary government is accountable and their exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Blended component units, although legally separate entities, are, in substance part of the government's operation and so data from these units are combined with data of the primary government

The Goleta Facilities Financing Authority (the Authority) was founded by the execution of a joint exercise of powers agreement dated November 1, 2024, by the City of Goleta and the California Statewide Communities Development Authority. The Authority is authorized to issue revenue bonds to be repaid from the proceeds of public obligations and to provide financing and refinancing for public capital improvements of public entities, including the City. The City Council of the City of Goleta serves as the governing board for the Authority and the City has fiduciary responsibility for the Authority. The Authority exclusively benefits the City. Transactions are recorded in the Lease Revenue Bonds and Sales Tax Bonds Capital Projects Funds. There are no separate financial statements available.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

B. Basis of Presentation

*Government-wide Statements*

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

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

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

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

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

B. Basis of Presentation (Continued)

*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, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues and expenditures. Governmental resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which activities are controlled.

Fund financial statements for the primary government's governmental funds and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and other governmental funds in the aggregate for governmental funds. Fiduciary information includes financial information for the private-purpose trust funds.

*Governmental Funds*

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

Revenue recognition is subject to the *measurable* and *availability* criteria for the governmental funds in the fund financial statements. *Exchange transactions* are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). *Locally imposed derived tax revenues* are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. *Imposed nonexchange* transactions are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. *Government-mandated* and *voluntary nonexchange transactions* are recognized as revenues when all applicable eligibility requirements have been met. Revenues, expenditures, assets and liabilities resulting from nonexchange transactions are recognized in accordance with GAAP, which requires that local governments defer grant revenue that is not received within their availability period of 120 days after the fiscal year ends to meet the "available" criteria of revenue recognition.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

B. Basis of Presentation (Continued)

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

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

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

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

Amounts expended to acquire capital assets are recorded as *expenditures* in the fiscal 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.

*Fiduciary Funds*

The fiduciary fund is accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Fiduciary Net Position. The Statement of Changes in Fiduciary Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which the revenues are earned while expenses are recognized in the period in which the liability is incurred.

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

C. Fund Classifications

GAAP defines major funds and requires that the City's major funds are identified and presented separately in the fund financial statements. All other funds, called nonmajor funds, are combined and reported in a single column in the Fund Statements as Other Governmental Funds, regardless of their fund-type.

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

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

*General Fund* - The General Fund is the general operating fund of the City. The General Fund accounts for activities and services traditionally associated with governments such as police, which are financed primarily through tax-generated revenues and are not accounted for and reported in another fund. The General Fund also accounts for deposits advanced to the City to fund development-related services provided by the City's Planning and Environmental Review Department and Public Works Department.

*Transportation Facilities DIF* – Accounts for traffic development impact fees. This fund was formerly known as the Goleta Transportation Improvement Program (GTIP).

*Local STIP* – Accounts for state grant funds to local governments for use in transit and highway projects, including street and road projects.

*TIRCP* – This fund for the Transit and Intercity Rail Capital Program (TIRCP) was created by Senate Bill (SB) 862 and modified by Senate Bill to provide grants from the Greenhouse Gas Reduction Fund to fund transformative capital improvements that will modernize California's intercity, commuter and urban rail systems, and bus and ferry transit systems to reduce emissions of greenhouse gases by reducing congestion and vehicle miles traveled throughout California.

*Federal Transportation Program* – Accounts for federal grant funds for transportation projects.

*Lease Revenue Bonds* – This fund accounts for trustee-held bond proceeds restricted for eligible Capital Improvement Projects.

*Sales Tax Bonds* – This fund accounts for trustee-held bond proceeds used for transportation-related projects eligible under Measure A.

Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

C. Fund Classifications (Continued)

Additionally, the City reports the following fund types:

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

*Capital Project Funds* – These funds are used account for resources that are restricted, committed, or assigned for the acquisition or construction of major capital assets. These funds track project-specific revenues—such as bond proceeds and grants—and the related expenditures for long-term infrastructure and facility improvements.

Fiduciary Fund Type:

*Private-Purpose Trust Fund* - This fund accounts for the activities of the Successor Agency to the Goleta Redevelopment Agency. The fund's primary purpose is to expedite the dissolution of the former Agency's net position in accordance with ABx126, AB 1484 and SB 107. The Private-Purpose Trust Fund is omitted from the government- wide financial statements.

D. Property Taxes

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

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

	<u>Secured</u>	<u>Unsecured</u>
Valuation/Lien Dates	1-Jan	1-Jan
Levy Dates	1-Jul	1-Jul
Due Dates	1-Nov	1-Aug
	February 1 (50%)	
Delinquency Dates	December 10 (Nov.) April 10 (Feb.)	31-Aug

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

E. Cash and Investments

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

F. Capital Assets

Capital assets (including infrastructure) are recorded at cost where historical records are available and at an estimated original cost where no historical records exist. Contributed capital assets are valued at acquisition value at the date of contribution. Generally, capital asset purchases in excess of \$5,000 are capitalized if they have an expected useful life of five 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 and amortizing storm drains, park equipment, buildings, vehicles, equipment and furniture and leasehold improvements. Depreciation and amortization are charged as an expense against operations, and accumulated depreciation and amortization is reported on the respective statement of net position. Depreciation and amortization begin on the first full year after the asset is placed in service. The range of lives used for depreciation and amortization purposes for each capital asset class are as follows:

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

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

G. Deferred Outflows and Inflows of Resources

In accordance with GAAP the City recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods. The City has two items that qualify for reporting in this category; refer to Notes 6 and 7 for detailed listing of the deferred outflows of resources the City has reported.

In addition to liabilities, the Statement of Net Position and the Governmental Funds-Balance Sheet will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to future periods. The City has two items that qualify for reporting in this category; refer to Notes 6 and 7 for detailed listing of the deferred inflows of resources the City has reported.

H. Prepaid Items

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

I. Compensated Absences

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

J. Unavailable/Unearned Revenue

Unearned revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as unearned revenue. Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

K. Pensions

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

Generally accepted accounting principles requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2023 to June 30, 2024

L. Other Postemployment Benefits (OPEB)

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

M. Fund Balances

Fund balances of the governmental funds are classified as follows:

- Nonspendable Fund Balance - represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or are legally required to remain intact (such as notes receivable or principal of a permanent fund).
- Restricted Fund Balance - represents amounts that are constrained by external parties, constitutional provisions, or enabling legislation.

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

M. Fund Balances (Continued)

- Committed Fund Balance - represents amounts that can only be used for a specific purpose because of a formal action by the City's governing board, such as by motion or resolution. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action, such as by motion or resolution. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- Assigned Fund Balance - represents amounts that the City intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the City.
- Unassigned Fund Balance - represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

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

N. Net Position

GAAP requires that the difference between assets, added to the deferred outflows of resources, and liabilities added to the deferred inflows of resources, be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

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

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

O. Interfund Balances/Internal Balances

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

P. Budgetary Accounting

The City Council establishes budgets for the General Fund and all Special Revenue Funds, except for certain Special Revenue Funds for which expenditures are controlled by grant funding or by assessments received. There was no budget adopted for the CalOES and Coronavirus State and Local Fiscal Recovery Funds for the year ended June 30, 2025. Budgetary control is legally maintained at the fund level for these funds. Department heads submit budget requests to the City Manager. The City Manager prepares an estimate of revenues and prepares recommendations for the next year's budget. The preliminary budget may or may not be amended by the City Council and is adopted by resolution by the City Council on or before June 30 in accordance with the municipal code. The City Council may amend the budget by motion during the fiscal year. Only the Council can authorize transfers between funds and approve inter-fund loans. The City Manager is authorized to transfer budgeted amounts within a fund without formal council action or approval. The City Manager is authorized to increase expenditures in relation to revenues in funds receiving assigned revenues without approval by the City Council.

Expenditures may not legally exceed appropriations at the fund level, which is the legal level of control. Supplemental appropriations, which increase appropriations, may be made during the fiscal year. There were no material supplemental appropriations made for the fiscal year ended June 30, 2025. Budget information is presented for the General and budgeted Special Revenue Funds in the fund financial statements. The budget information is presented on a basis consistent with generally accepted accounting principles. Appropriations, except open project appropriations and unexpended grant appropriations, lapse at the end of each fiscal year and are re-budgeted for the coming year. Under Article XIIB of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fees schedules, or an excess in one year may be offset against a deficit in the following fiscal year. For the fiscal year ended June 30, 2025, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit. Budgeted appropriations for the various governmental funds become effective each July 1.

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Q. Use of Estimates

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

R. New Pronouncements

In 2025, the City adopted new accounting standards to conform to the following Governmental Accounting Standards Board Statements:

*GASB Statement No. 101 – Compensated Absences:* The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of this statement are effective for fiscal years beginning after December 15, 2023.

*GASB Statement No. 102, Certain Risk Disclosures:* The primary objective of this Statement is to provide users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. The requirements of this statement are effective for fiscal years beginning after June 15, 2024.

The following new pronouncements may have an effect on the City when implemented:

*GASB Statement No. 103, Financial Reporting Model Improvements:* The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. The requirements of this statement are effective for fiscal years beginning after June 15, 2025.

*GASB Statement No. 104, Disclosure of Certain Capital Assets:* The objective of this statement is to provide users of government financial statements with essential information about certain types of capital assets. The requirements of this statement are effective for fiscal years beginning after June 15, 2025.

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 2 - CASH AND INVESTMENTS**

The composition of cash and investments as of June 30, 2025, is as follows:

Cash on hand	\$	1,678
Deposits with financial institutions		541,829
Investments		109,596,753
Total cash and investments		<u>\$ 110,140,260</u>

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

Statement of Net Position:		
Cash and investments	\$	109,240,276
Statement of Fiduciary Net Position:		
Cash and investments		899,084
Restricted cash and investments with fiscal agent		900
Total cash and investments		<u>\$ 110,140,260</u>

Governmental Accounting Standards Board (GASB) Statement No. 72, "Fair Value Measurements and Application," provides the framework for measuring fair value. The framework categorizes a fair value hierarchy that is based on the valuation inputs used to measure the fair value of the asset. Debt and equity securities classified as Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches: debt securities are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors; equity securities are valued using fair value per share for each fund. Certificates of deposit classified in level 2 are valued using broker quotes that utilize observable market inputs. Securities classified as Level 3 have limited trade information, these securities are priced or using the last trade price or estimated using recent trade prices

Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

The City has recurring fair value measurements as of June 30, 2025 as shown in the following:

Investments by fair value	Total	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Negotiable certificates of deposit	\$ 5,150,171	\$ 5,150,171	\$ -	\$ -
Treasury Securities	5,603,369	5,603,369	-	-
PARS moderate index	197,988	-	197,988	-
Total investments measured at fair value	10,951,528	\$ 10,753,540	\$ 197,988	\$ -
<u>Investments not subject to the fair value hierarchy</u>				
Money market funds	16,602,233			
LAI	45,939,501			
Held by fiscal agent:				
Money market funds	36,103,491			
Total investments	<u>\$ 109,596,753</u>			

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

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

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

Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

A. Investments Authorized by the California Government Code and the City's Investment Policy (Continued)

Investment Types Authorized by State Law	Authorized by Investment Policy	Maximum Maturity*	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer*
Local Agency Bonds	Yes	5 years	None	10%
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Government-Sponsored Agency Securities	Yes	5 years	None	None
Banker's Acceptances	No	180 days	40%	10%
Commercial Paper	Yes	270 days	20%	10%
Certificates of Deposit	Yes	5 years	20%	10%
Negotiable Certificates of Deposit	Yes	5 years	20%	10%
Repurchase Agreements	No	1 year	None	10%
Reverse Repurchase Agreements	No	92 days	21% of base value	10%
Medium-Term Corporate Notes	Yes	5 years	20%	5%
Mutual Funds	Yes	N/A	20%	10%
Money Market Mutual Funds	Yes	N/A	20%	10%
Mortgage Pass-Through Securities	No	5 years	20%	10%
County Pooled Investment Funds	Yes	N/A	None	None
Local Agency Investment Fund	Yes	N/A	None	\$ 75,000,000
JPA Pools (other investment pools)	Yes	N/A	None	None
Passbook Accounts	Yes	N/A	None	None

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

B. Disclosures Relating Interest Rate Risk

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

Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

C. Disclosures Relating Interest Rate Risk

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

Investment Type	Carrying Amount	Remaining Maturity (in Months)		
		12 Months or Less	13-24 Months	25-60 Months
Negotiable certificates of deposit	\$ 5,150,171	\$ 246,791	\$ 718,777	\$ 4,184,603
Treasury securities	5,603,369	1,149,920	1,102,574	3,350,875
PARS moderate index	197,988	197,988	-	-
LAIF	45,939,501	45,939,501	-	-
Money market funds	16,602,233	16,602,233	-	-
Held by fiscal agent:				
Money market funds	36,103,491	36,103,491	-	-
Total	<u>\$ 109,596,753</u>	<u>\$ 100,239,924</u>	<u>\$ 1,821,351</u>	<u>\$ 7,535,478</u>

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

Investment Type	Carrying Amount	Minimum Legal Rating	Rating of Fiscal Year End	
			Aa1	Not Rated
Negotiable certificates of deposit	\$ 5,150,171	N/A	\$ -	\$ 5,150,171
Treasury securities	5,603,369	N/A	5,603,369	-
PARS moderate index	197,988	N/A	-	197,988
LAIF	45,939,501	N/A	-	45,939,501
Money market funds	16,602,233	N/A	-	16,602,233
Held by fiscal agent:				
Money market funds	36,103,491	N/A	-	36,103,491
Total	<u>\$ 109,596,753</u>		<u>\$ 5,603,369</u>	<u>\$ 103,993,384</u>

D. Custodial 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, 2025, the City did not hold any investments in any one issuer (other than U.S. Treasury securities, mutual funds and external investment pools) that represent 51% or more of total City investments.

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 2 - CASH AND INVESTMENTS (Continued)**

D. Custodial Credit Risk (Continued)

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the City's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2025, deposits were not subject to custodial credit risk as they were entirely insured or collateralized with securities held by the City or the City's agent in the City's name.

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

E. Investment in State Investment Pool

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

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 3 - INTERFUND TRANSACTIONS**

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

**A. Due From/To Other Funds**

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

Individual fund interfund receivable and payable balances at June 30, 2025, was as follows:

Fund	Due to	Due from
Major Governmental Funds:		
General Fund	\$ 11,471,772	\$ -
Local STIP	-	5,145,289
TIRCP	-	1,439,621
Federal Transportation Program	-	1,347,899
Nonmajor Governmental Funds:		
Measure A Grants	-	101,137
County Fire DIF	-	299,417
RSTP State Grant	-	420,350
Miscellaneous Grants	-	127,718
CDBG	-	30,494
HSIP	-	3,720
Housing & Community Development	-	729,866
HMGP	-	12,074
Active Transportation Program	-	1,763,543
Cal-Fire Grants	-	48,850
United States Department of Agriculture	-	1,794
Total	\$ 11,471,772	\$ 11,471,772

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 3 - INTERFUND TRANSACTIONS (Continued)**

B. Interfund Transfers

Interfund transfers consist of operating transfers from funds receiving revenue to funds through which the resources are to be expended. During the fiscal year ended June 30, 2025, the City made interfund transfers to allocate resources for operational needs, capital projects, and compliance with grant requirements. These transfers were authorized through the City Council’s budget process or subsequent amendments and align with applicable legal and regulatory requirements.

Interfund transfers for the fiscal year ended June 30, 2025, were as follows:

Fund	Transfers In	Transfers Out
Major Governmental Fund:		
General Fund	\$ 9,290	\$ 703,042
Federal Transportation Program	3,159	-
Transportation Facilities DIF	-	3,159
Nonmajor Governmental Fund:		
Park DIF	-	3,148,251
CDBG	-	9,290
Quimby	3,148,251	-
Active Transportation Program	40,000	-
Housing In-Lieu	250,000	-
Community Center	413,042	-
	<u>\$ 3,863,742</u>	<u>\$ 3,863,742</u>

The General Fund received \$9,290 from the CDBG Fund to reimburse administrative staff time. The General Fund also transferred \$250,000 to the Housing-in-Lieu fund to support future housing projects that benefit the City, \$267,781 and \$145,261 to the Community Center fund to cover expenditures that exceeded revenues and to create a fund balance that will be used for the budget carry over, and \$40,000 to the Active Transportation Program Fund to cover non-reimbursable expenditures due to timing of submission. The Transportation Facilities DIF fund transferred \$3,159 to the Fed Transport Fund to cover non-reimbursable expenditures due to date of submission of request. The Park DIF fund transferred \$3,148,251 to the Quimby Fund per the 2<sup>nd</sup> quarter financial review council action request.

# City of Goleta

## Notes to the Basic Financial Statements For the Year Ended June 30, 2025

### NOTE 4 - CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2025, was as follows:

	Balance June 30, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
<b>Governmental Activities</b>					
Nondepreciable capital assets:					
Land	\$ 49,969,598	\$ 4,592,419	\$ -	\$ -	\$ 54,562,017
Right of way	11,395,313	-	-	-	11,395,313
Construction in progress	58,623,924	38,161,001	-	(164,721)	96,620,204
Total nondepreciable capital assets	119,988,835	42,753,420	-	(164,721)	162,577,534
Depreciable capital assets:					
Infrastructure	248,863,310	-	-	164,721	249,028,031
Vehicles	1,279,571	-	(65,027)	-	1,214,544
Furniture and equipment	1,405,436	58,369	(60,340)	-	1,403,465
Buildings and improvements	12,850,760	-	-	-	12,850,760
Right to use lease assets - equipment	41,520	212,418	-	-	253,938
Right to use subscription assets	116,226	-	(77,681)	-	38,545
Total depreciable capital assets	264,556,823	270,787	(203,048)	164,721	264,789,283
Less accumulated depreciation/amortization:					
Infrastructure	152,444,205	5,646,765	-	-	158,090,970
Vehicles	832,388	98,885	(65,027)	-	866,246
Furniture and equipment	1,118,116	53,251	(60,340)	-	1,111,027
Buildings and improvements	1,968,642	288,318	-	-	2,256,960
Right to use lease assets - equipment	14,442	41,208	-	-	55,650
Right to use subscription assets	52,829	44,645	(77,681)	-	19,793
Total accumulated depreciation/amortization	156,430,622	6,173,072	(203,048)	-	162,400,646
Net depreciable capital assets	108,126,201	(5,902,285)	-	164,721	102,388,637
Net capital assets	\$ 228,115,036	\$ 36,851,135	\$ -	\$ -	\$ 264,966,171

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

<b>Governmental Activities:</b>	
General government	\$ 236,644
Public safety	4,583
Public works	5,765,125
Library	44,634
Neighborhood services	122,086
Total depreciation expense-governmental activities	<u>\$ 6,173,072</u>

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

**NOTE 5 - LONG-TERM LIABILITIES**

The following is a summary of long-term liability activities for the fiscal year ended June 30, 2025:

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025	Due Within One Year
Compensated absences*	\$ 1,030,338	\$ 444,608	\$ -	\$ 1,474,946	\$ 294,989
Successor Agency settlement agreement	775,941	-	775,941	-	-
IBank lease payable	9,313,985	-	240,850	9,073,135	247,209
Lease liabilities	30,484	212,418	39,166	203,736	107,989
Subscription liabilities	65,795	-	46,653	19,142	12,677
Lease revenue bonds, Series 2025A	-	18,735,000	-	18,735,000	290,000
Premium	-	1,029,766	-	1,029,766	34,326
Local Measure A transportation Sales tax revenue bonds, Series 2025	-	14,655,000	-	14,655,000	680,000
Premium	-	1,958,419	-	1,958,419	130,561
<b>Total</b>	<b>\$ 11,216,543</b>	<b>\$ 37,035,211</b>	<b>\$ 1,102,610</b>	<b>\$ 47,149,144</b>	<b>\$ 1,797,751</b>

\*net change is presented

**A. Compensated Absences**

The City's policies relating to compensated absences are described in Note 1. The liability in the amount of \$1,474,946 at June 30, 2025, is expected to be paid in future years from future resources.

**B. Claims and Judgments Payable**

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

**C. Successor Agency Settlement Agreement**

On September 24, 2018, the City agreed to a settlement agreement to transfer \$6,431,587 to the Successor Agency to the Goleta Redevelopment Agency. The payments will then be distributed out to the taxing agencies as consistent with California Health and Safety Code sections 34179.5 and 34179.6. The City paid \$1,000,000 within 90 days of the settlement date and then pays \$775,941 annually by June 30 of each fiscal year for seven years. As of June 30, 2025, the settlement was paid off.

# City of Goleta

## Notes to the Basic Financial Statements For the Year Ended June 30, 2025

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### NOTE 5 - LONG-TERM LIABILITIES (Continued)

#### D. IBank Lease Payable

On August 1, 2020, the City entered into a lease financing agreement with the California Infrastructure and Economic Development Bank or the IBank for \$10,000,000 at an interest rate of 2.64% to reimburse the City for \$10,000,000 of the total acquisition of the City Hall property of \$11,500,000. The City has a lease to IBank, and then IBank leases back the property upon which the City Hall and related improvements are located. The lease will be repaid in semi-annual payments for a term of 30 years through August 1, 2050. The future lease payments are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 247,209	\$ 119,765	\$ 366,974
2027	253,735	116,502	370,237
2028	260,434	113,153	373,587
2029	267,309	109,715	377,024
2030	274,366	106,187	380,553
2031-2035	1,484,381	474,659	1,959,040
2036-2040	1,690,941	371,378	2,062,319
2041-2045	1,926,246	253,726	2,179,972
2046-2050	2,194,294	119,702	2,313,996
2051	474,220	6,260	480,480
Total	<u>\$ 9,073,135</u>	<u>\$ 1,791,047</u>	<u>\$ 10,864,182</u>

#### E. Lease Liabilities

The City has entered into a lease (as the lessee) for equipment. The lease term range is for 60 months. Monthly payments range from \$839 to \$2,141 with an interest rate of 3.01%. Future payments on the total lease liabilities are as follows.

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 107,989	\$ 11,969	\$ 119,958
2027	89,373	2,737	92,110
2028	6,374	48	6,422
Total	<u>\$ 203,736</u>	<u>\$ 14,754</u>	<u>\$ 218,490</u>

See note 4 for the net book value of right to use assets acquired through leases.

Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025

**NOTE 5 - LONG-TERM LIABILITIES (Continued)**

F. Subscription Liabilities

The City has entered into subscriptions for the use of software packages. The subscription terms range from 29 to 36 months. Monthly payments range from \$1,083 to \$2,916 with an interest rates ranging from 2.63% to 4.38%. Future payments on the total subscription liabilities are as follows.

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	\$ 12,677	\$ 323	\$ 13,000
2027	6,465	35	6,500
Total	<u>\$ 19,142</u>	<u>\$ 358</u>	<u>\$ 19,500</u>

See note 4 for the net book value of right to use assets acquired through subscriptions.

G. Lease revenue bonds, Series 2025A

In May 2025, the Goleta Facilities Financing Authority issued the \$18,735,000 Lease Revenue Bonds Series, 2025A to finance a portion of certain street, traffic circulation and multipurpose pathway projects and to pay the incidental costs and expenses associated with the issuance of the bonds. The bonds are secured by a ground lease between the Authority and the City. The bonds are payable from and secured by the base rental payments.

The Series A bonds are payable in annual installments ranging from \$290,000 to \$1,090,000 commencing May 1, 2026. The final bond matures May 1, 2055. Interest is payable semi-annually on May 1 and November 1 at rates ranging from 4.00% to 5.00% per annum. Future payments on the bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	\$ 290,000	\$ 844,850	\$ 1,134,850
2027	305,000	830,350	1,135,350
2028	320,000	815,100	1,135,100
2029	335,000	799,100	1,134,100
2030	350,000	782,350	1,132,350
2031-2035	2,030,000	3,630,750	5,660,750
2036-2040	2,600,000	3,069,250	5,669,250
2041-2045	3,315,000	2,351,500	5,666,500
2046-2050	4,145,000	1,519,400	5,664,400
2051-2055	5,045,000	621,400	5,666,400
Total	<u>\$ 18,735,000</u>	<u>\$ 15,264,050</u>	<u>\$ 33,999,050</u>

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 5 - LONG-TERM LIABILITIES (Continued)**

H. Local Measure A Transportation Sales Tax Revenue Bonds Series, 2025

In May 2025, the Goleta Facilities Financing Authority issued the \$14,655,000 Local Measure A Transportation Sales Tax Revenue Bonds Series, 2025 to finance a portion of certain street, traffic circulation and multipurpose pathway projects, to purchase municipal bond insurance, and to pay the incidental costs and expenses associated with the issuance of the bonds. The bonds are secured and payable from future Measure A revenues.

The Series A bonds are payable in annual installments ranging from \$680,000 to \$1,345,000 commencing May 1, 2026. The final bond matures May 1, 2040. Interest is payable semi-annually on May 1 and November 1 at a rate of 5.00% per annum. Future payments on the bonds are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 680,000	\$ 732,750	\$ 1,412,750
2027	715,000	698,750	1,413,750
2028	750,000	663,000	1,413,000
2029	785,000	625,500	1,410,500
2030	825,000	586,250	1,411,250
2031-2035	4,790,000	2,269,750	7,059,750
2036-2040	6,110,000	946,500	7,056,500
Total	<u>\$ 14,655,000</u>	<u>\$ 6,522,500</u>	<u>\$ 21,177,500</u>

**NOTE 6 - PENSION PLAN**

***General Information about the Pension Plans***

*Plan Descriptions*

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City participates in two miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at [www.calpers.ca.gov](http://www.calpers.ca.gov).

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 6 - PENSION PLAN (Continued)**

***General Information about the Pension Plans (Continued)***

*Benefits Provided*

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

The Plan's provisions and benefits in effect as of June 30, 2025 are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-67+	52-67+
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.5%
Required employee contribution rates	7.00%	7.75%
Required employer contribution rates	12.52% + \$379,339	7.87% + \$16,057

**NOTE 6 - PENSION PLAN (Continued)**

***General Information about the Pension Plans (Continued)***

*Contributions*

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer contributions to the Plan for the fiscal year ended June 30, 2025 were \$1,638,882.

***Net Pension Liability***

The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2024, using an annual actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025

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**NOTE 6 - PENSION PLAN (Continued)**

***Net Pension Liability (Continued)***

*Actuarial Methods and Assumptions Used to Determine Total Pension Liability*

The collective total pension liability for the June 30, 2024 measurement period was determined by an actuarial valuation as of June 30, 2023, with update procedures used to roll forward the total pension liability to June 30, 2024. The collective total pension liability was based on the following assumptions:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Actuarial Cost Method
Asset Valuation Method	Fair Value of Assets
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Projected Salary Increase	Varies by Entry Age and Service
Mortality Rate Table <sup>(1)</sup>	Derived using CalPERS' membership data for all funds
Post Retirement Benefit Increase	Contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter.

<sup>(1)</sup> The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

*Long-term Expected Rate of Return*

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 6 - PENSION PLAN (Continued)**

***Net Pension Liability (Continued)***

The expected real rates of return by asset class are as follows:

Asset Class	New Strategic Allocation	Real Return <sup>1,2</sup>
Global equity - cap-weighted	30.00%	4.54%
Global equity - non-cap-weighted	12.00%	3.84%
Private equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed securities	5.00%	0.50%
Investment grade corporates	10.00%	1.56%
High yield	5.00%	2.27%
Emerging market debt	5.00%	2.48%
Private debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
Total	100.00%	

<sup>1</sup> An expected inflation of 2.30% used for this period.

<sup>2</sup> Figures are based on the 2021-22 Asset Liability Management study.

***Discount Rate***

The discount rate used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

***Subsequent Events***

There were no subsequent events that would materially affect the results presented in this disclosure.

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 6 - PENSION PLAN (Continued)**

***Net Pension Liability (Continued)***

*Pension Plan Fiduciary Net Position*

Information about the pension plan’s assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS’ audited financial statements, which are publicly available reports that can be obtained at CalPERS’ website, at [www.calpers.ca.gov](http://www.calpers.ca.gov). The plan’s fiduciary net position and additions to/deductions from the plan’s fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

***Proportionate Share of Net Pension Liability***

The following table shows the City’s proportionate share of the Plan’s net pension liability over the measurement period.

	Increase (Decrease)		
	Proportionate Share of Total Pension Liability	Proportionate Share of Fiduciary Net Position	Proportionate Share of Net Pension Liability
Balance at: 6/30/2023 (VD)	\$ 29,222,178	\$ 23,729,711	\$ 5,492,467
Balance at: 6/30/2024 (MD)	32,938,546	27,443,835	5,494,711
Net changes during 2023-24	<u>\$ 3,716,368</u>	<u>\$ 3,714,124</u>	<u>\$ 2,244</u>

Valuation Date (VD); Measurement Date (MD)

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 6 - PENSION PLAN (Continued)**

***Proportionate Share of Net Pension Liability (Continued)***

The City's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at [www.calpers.ca.gov](http://www.calpers.ca.gov). The City's proportionate share of the net pension liability for the miscellaneous Plan as of the June 30, 2023 and 2024 measurement dates was as follows:

	<u>Miscellaneous</u>
Proportion - June 30, 2023	0.10984%
Proportion - June 30, 2024	0.11361%
Change - Increase (Decrease)	<u>0.00377%</u>

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

The following presents the City's proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 6.9 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.9 percent) or 1 percentage-point higher (7.9 percent) than the current rate:

	<u>1% Decrease 5.90%</u>	<u>Current Discount Rate 6.90%</u>	<u>1% Increase 7.90%</u>
City's proportionate share of net pension plan liability (asset)	\$ 9,939,451	\$ 5,494,711	\$ 1,836,036

**NOTE 6 - PENSION PLAN (Continued)**

***Proportionate Share of Net Pension Liability (Continued)***

*Amortization of Deferred Outflows and Deferred Inflows of Resources*

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on pension plan investments	5-year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lives (EARSL) of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period

***Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions***

As of the start of the measurement period (July 1, 2023), the City's net pension liability was \$ 5,492,467. For the measurement period ending June 30, 2024 (the measurement date), the City incurred a pension expense of \$1,975,634.

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 6 - PENSION PLAN (Continued)**

***Pension Expense and Deferred Outflows and Deferred Inflows of Resources  
Related to Pensions (Continued)***

As of June 30, 2025, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of assumptions	\$ 141,226	\$ -
Differences between expected and actual experience	475,068	18,537
Net difference between projected and actual earnings on retirement plan investments	316,324	-
Differences between employer's contributions and proportionate share of contributions	438,993	10,625
Change in employer's proportion	506,589	-
City contributions subsequent to the measurement date	1,638,882	-
	<u>\$ 3,517,082</u>	<u>\$ 29,162</u>

The amounts above are net of outflows and inflows recognized in the 2023-24 measurement period expense. Contributions subsequent to the measurement date of \$1,638,882 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Fiscal Year Ending June 30,	Amount
2026	\$ 804,768
2027	1,006,561
2028	146,110
2029	(108,401)
2030	-
Thereafter	-

***Payable to the Pension Plan***

At June 30, 2025, the City reported a payable of \$-0- for the outstanding amount of contributions to the pension plan required for the year then ended.

Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025

**NOTE 7 - POSTEMPLOYMENT HEALTH CARE BENEFITS (OPEB)**

***Plan Description***

The City provides and agent multiple employer postemployment health care benefits through the CalPERS agent multiple employer health care program (PEMHCA) to eligible employees. The City pays the PEMHCA minimum of \$157/month for 2024 and \$158/month for 2025. To be eligible for postretirement health benefits, employees must complete at least 5 years of continuous service and be a minimum of 50 years of age. The City created a Section 115 Trust Fund with PARS in their Moderate Portfolio in the fiscal year ended June 30, 2022 to set aside funds restricted to use for the City's OPEB benefits.

***Employees Covered***

As of June 30, 2025, the following current and former employees were covered by the benefit terms under the City's Plan:

Active plan members	115
Inactive plan members or beneficiaries currently receiving benefits	14
Inactive plan members entitled to but not yet receiving benefits	21
Total	150

***Contributions***

The City currently finances benefits on a pay-as-you-go basis primarily from the City's General Fund. The City created a Section 115 Trust Fund to set aside funds restricted to use for the City's OPEB benefits. During the fiscal year ended June 30, 2025, the City contributed \$50,638 to the PARS Section 115 Trust Fund.

***Net OPEB Liability***

The City's net OPEB liability was measured as of June 30, 2025 and the net OPEB liability used to calculate the OPEB liability was determined by an actuarial valuation as of June 30, 2024.

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

Actuarial Assumptions	June 30, 2025 Measurement Date
Actuarial valuation date	June 30, 2024
Salary increases	Aggregate - 2.75% annually Merit - CalPERS 2000-2019 Experience Study
Discount rate	5.34% at June 30, 2025
Long-term expected rate of return on assets	5.50% at June 30, 2025
Mortality, retirement, disability, termination	CalPERS 2000-2019 Experience Study
Medical trend	Non-Medicare - 7.90% for 2026, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Non-Kaiser) - 6.90% for 2026 decreasing to an ultimate rate of 3.45% in 2076 Medicare (Kaiser) - 5.65% for 2026 decreasing to an ultimate rate of 3.45% in 2076

Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025

**NOTE 7 - POSTEMPLOYMENT HEALTH CARE BENEFITS (OPEB) (Continued)**

**Net OPEB Liability (Continued)**

Pre-retirement and post-retirement mortality rates were based on the CalPERS 2000-2019 experience study. Mortality improvement was projected fully generational with Scale MP-2021.

Actuarial assumptions used in the June 30, 2024 valuation were based on a review of plan experience during the period July 1, 2024 to June 30, 2025.

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

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

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

Reporting Date	Measurement Date	Long-Term Expected Return of Plan Investments (if any)	Municipal Bond 20 Year High Grade Rate Index	Discount Rate
June 30, 2025	June 30, 2025	5.50%	5.20%	5.34%
June 30, 2024	June 30, 2024	5.50%	3.93%	5.50%
June 30, 2023	June 30, 2023	5.50%	3.54%	5.50%

**Changes in the Net OPEB Liability**

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2024 (Valuation Date June 30, 2024)	\$ 1,097,950	\$ 349,988	\$ 747,962
Changes recognized for the measurement period:			
Service cost	139,917	-	139,917
Interest	66,697	-	66,697
Difference between expected and actual experience	-	-	-
Changes in assumptions	26,359	-	26,359
Contributions -employer	-	50,638	(50,638)
Net investment income	-	39,342	(39,342)
Administrative expense	-	(1,203)	1,203
Benefit payments	(50,356)	(50,356)	-
Net Changes	182,617	38,421	144,196
Balance at June 30, 2025 (Measurement Date June 30, 2025)	\$ 1,280,567	\$ 388,409	\$ 892,158

Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025

**NOTE 7 - POSTEMPLOYMENT HEALTH CARE BENEFITS (OPEB) (Continued)**

***Changes in the Net OPEB Liability (Continued)***

*Sensitivity of the OPEB liability to changes in the discount rate.* The following presents the OPEB liability, as well as what the OPEB liability would be if it were calculated using a disc discount rate that is 1 percentage point lower (4.34 percent) or 1 percentage point higher (6.34 percent) than the current discount rate:

	1% Decrease 4.34%	Discount Rate 5.34%	1% Increase 6.34%
Net OPEB Liability	\$ 1,077,015	\$ 892,158	\$ 740,374

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

	1% Decrease	Healthcare Trend Rate	1% Increase
Net OPEB Liability	\$ 696,397	\$ 892,158	\$ 1,141,763

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

For the fiscal year ended June 30, 2025, the City recognized OPEB (income) of \$(37,629). As of the fiscal year ended June 30, 2025, the City reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 186,818	\$ 530,433
Net difference between projected and actual earnings	-	18,595
Changes in assumptions	24,026	1,192,675
	<u>\$ 210,844</u>	<u>\$ 1,741,703</u>

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	Amount
2026	\$ (226,220)
2027	(234,091)
2028	(233,411)
2029	(230,405)
2030	(226,383)
Thereafter	(380,349)

Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025

NOTE 8 - FUND BALANCES

Nonspendable, Restricted, Committed, Assigned and Unassigned (deficit) fund balances consisted of the following at June 30, 2025:

	General Fund	Transportation Facilities DIF	Local STIP	TIRCP	Federal Transportation Program	Lease Revenue Bonds	Sales Tax Bonds	Other Governmental Funds	Total Governmental Funds
<b>Nonspendable</b>									
Prepaid items	\$ 109,384	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109,384
<b>Restricted</b>									
Public works	-	1,296,206	-	-	-	19,649,343	15,795,459	23,259,382	60,000,390
Library	-	-	-	-	-	-	-	1,683,643	1,683,643
Planning & environmental review	-	-	-	-	-	-	-	3,307,778	3,307,778
Neighborhood services	-	-	-	-	-	-	-	163,004	163,004
<b>Committed</b>									
Building maintenance	1,000,667	-	-	-	-	-	-	-	1,000,667
Capital equipment	866,245	-	-	-	-	-	-	-	866,245
Compensated leave	737,473	-	-	-	-	-	-	-	737,473
Risk management	200,000	-	-	-	-	-	-	-	200,000
Litigation defense	600,000	-	-	-	-	-	-	-	600,000
Contingency	13,981,390	-	-	-	-	-	-	-	13,981,390
City Hall solar removal	94,500	-	-	-	-	-	-	-	94,500
<b>Assigned</b>									
IT reserve	166,574	-	-	-	-	-	-	-	166,574
Sheriff's contract	150,000	-	-	-	-	-	-	-	150,000
CIP Projects	17,602,789	-	-	-	-	-	-	-	17,602,789
Encumbrances	8,056,800	-	-	-	-	-	-	-	8,056,800
FMV adjustment	148,220	-	-	-	-	-	-	-	148,220
<b>Unassigned (deficit)</b>	<b>9,467,780</b>	<b>-</b>	<b>(1,198,786)</b>	<b>(248,052)</b>	<b>(1,613,632)</b>	<b>-</b>	<b>-</b>	<b>(2,741,283)</b>	<b>3,666,027</b>
<b>Total</b>	<b>\$ 53,181,822</b>	<b>\$ 1,296,206</b>	<b>\$ (1,198,786)</b>	<b>\$ (248,052)</b>	<b>\$ (1,613,632)</b>	<b>\$ 19,649,343</b>	<b>\$ 15,795,459</b>	<b>\$ 25,672,524</b>	<b>\$ 112,534,884</b>

NOTE 9 - RISK MANAGEMENT

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

The City is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 126 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 lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

B. Primary Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. The total funding requirement for primary self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

**NOTE 9 - RISK MANAGEMENT (Continued)**

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

*Primary Liability Program*

Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$100,000 to \$500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$500,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses also have a \$50 million per occurrence limit. The coverage structure is composed of a combination of pooled self-insurance, reinsurance, and excess insurance. Additional information concerning the coverage structure is available on the Authority's website: <https://cjpia.org/coverage/risk-sharing-pools/>.

*Workers' Compensation Program*

Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$75,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$75,000 to \$200,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2024-25 the Authority's pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased through reinsurance policies, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

**NOTE 9 - RISK MANAGEMENT (Continued)**

C. Purchased Insurance

*Pollution Legal Liability Insurance*

The City participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City. Coverage is on a claims-made basis. There is a \$250,000 deductible. The Authority has an aggregate limit of \$20 million.

*Property Insurance*

The City of Goleta participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City property is currently insured according to a schedule of covered property submitted by the City of Goleta to the Authority. City property currently has all-risk property insurance protection in the amount of \$43,860,491. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

*Crime Insurance*

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

*Special Event Tenant User Liability Insurance*

The City further protects against liability damages by requiring tenant users of certain property to purchase low-cost tenant user liability insurance for certain activities on agency property. The insurance premium is paid by the tenant user and is paid to the City according to a schedule. The City then pays for the insurance. The insurance is facilitated by the Authority.

D. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2024-25.

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 10 - CONTINGENCIES AND COMMITMENTS**

A. Legal

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

B. Grant Programs

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

C. Construction and Other Significant Commitments

*Revenue Neutrality Commitment to County of Santa Barbara - Mitigation Obligation* After the City's incorporation on February 1, 2002, the County of Santa Barbara continues to have ongoing obligations to provide public services to the City and its residents. In order to ensure that the effect of incorporation was neutral as to the County, the parties agreed to have the following allocations of tax revenues in perpetuity:

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

All encumbrances include carryover budgets from the fiscal year ended June 30, 2024. Encumbrances as of June 30, 2025, are as shown in the following:

Major Funds:	
General Fund	\$ 23,187,301
Transportation Facilities DIF Special Revenue Fund	4,027,393
Local STIP (State Transportation Improvement Program)	4,765,968
TIRCP (Transit and Intercity Rail Capital Program)	9,182,606
Federal Transportation Program Fund	13,674,115
Lease Revenue Bonds, Series 2025A	19,448,355
Local Measure A Transportation Sales Tax Revenue Bonds, Series 2025	15,627,163
Other Governmental Funds	58,175,496
Total Encumbrances	<u>\$ 148,088,397</u>

*Construction*

Listed below are the projects for uncompleted contracts outstanding as of June 30, 2025.

FY 2024-25 Projects	\$ 37,536,362
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**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 11 - OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES**

Deficit Fund Balances

The following funds reported deficit fund balances at June 30, 2025:

Major Governmental Funds:	
Local STIP	\$ (1,198,786)
TIRCP	(248,052)
Federal Transportation Program	(1,613,632)
Nonmajor Governmental Funds:	
Measure A Grants	(111,407)
County Fire DIF	(299,417)
RSTP State Grant	(420,350)
Miscellaneous Grants	(130,538)
HSIP	(3,720)
HMGP	(12,074)
Active Transportation Program	(1,763,543)
Cal-Fire Grants	(234)

Excess Expenditures over Appropriations

The Comstock Plover Endowment reported excess expenditures \$(172) over appropriations as of June 30, 2025.

**NOTE 12 - SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY**

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

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

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

**Notes to the Basic Financial Statements  
For the Year Ended June 30, 2025**

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**NOTE 12 - SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY  
(Continued)**

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

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

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

A. Settlement Receivable - City of Goleta

The Agency had a settlement receivable from the City of Goleta that was paid off as of June 30, 2025. See Note 5(C) for further detail.

B. Long-Term Liabilities

In accordance with the provisions of ABX1 26 (Bill) and the California Supreme Court's decision to uphold the Bill, the obligations of the former redevelopment agency became vested with the funds established for the Successor Agency upon the date of dissolution, February 1, 2012. Former tax increment revenues pledged to fund the debts of the former redevelopment agency will be distributed to the Successor Agency subject to the reapportionment of such revenues as provided by the Bill. The 2011 Tax Allocation Bonds were refunded in full in the fiscal year ended June 30, 2020 with the issuance of the 2020 Tax Allocation Refunding Bonds by reducing the interest rate for a net present value of savings of \$8,874,835.

The debt of the Successor Agency as of June 30, 2025, is as follows:

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025	Due Within One Year
Tax allocation bonds	\$ 10,410,000	\$ -	\$ 325,000	\$ 10,085,000	\$ 345,000
Less deferred amount:					
Premium on bonds issued	1,200,155	-	61,811	1,138,344	61,811
Total	<u>\$ 11,610,155</u>	<u>\$ -</u>	<u>\$ 386,811</u>	<u>\$ 11,223,344</u>	<u>\$ 406,811</u>

# City of Goleta

## Notes to the Basic Financial Statements For the Year Ended June 30, 2025

### NOTE 12 - SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY (Continued)

#### B. Long-Term Liabilities (Continued)

##### *Tax Allocation Refunding Bonds 2020*

The annual requirements to amortize the Tax Allocation Bonds outstanding as of June 30, 2025, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 345,000	\$ 418,325	\$ 763,325
2027	365,000	400,575	765,575
2028	385,000	381,825	766,825
2029	400,000	362,200	762,200
2030	420,000	341,700	761,700
2031-2035	2,415,000	1,402,700	3,817,700
2036-2040	2,945,000	865,700	3,810,700
2041-2044	2,810,000	230,200	3,040,200
Total	<u>\$ 10,085,000</u>	<u>\$ 4,403,225</u>	<u>\$ 14,488,225</u>

### NOTE 13 - CHANGE WITHIN THE FINANCIAL REPORTING ENTITY

Per GASB 100, the City is required to restate its June 30, 2024 governmental funds' fund balance. The Transportation Facilities DIF Fund, Local STIP Fund, and TIRCP Fund were formerly reported as non-major and the Coronavirus State & Local Fiscal Recovery Fund was formerly reported as major. This qualifies as a change to or within the financial reporting entity, under the guidance of GASB 100.

Changes to governmental fund balances are as follows:

	Transportation Facilities DIF	Local STIP	TIRCP	Coronavirus State & Local Fiscal Recovery	Total Nonmajor Governmental Funds
Fund balance, beginning of year, as previously reported	\$ -	\$ -	\$ -	\$ -	\$ 33,803,612
Change from nonmajor to major fund	8,914,576	(4,309)	444	-	(8,910,711)
Fund balance, beginning of year, as restated	<u>\$ 8,914,576</u>	<u>\$ (4,309)</u>	<u>\$ 444</u>	<u>\$ -</u>	<u>\$ 24,892,901</u>

**REQUIRED SUPPLEMENTARY INFORMATION SECTION**

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# City of Goleta

## Required Supplementary Information Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual General Fund For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 44,252,300	\$ 44,049,500	\$ 46,278,447	\$ 2,228,947
Franchise fees	1,681,050	1,566,566	1,632,464	65,898
Intergovernmental	56,000	67,500	66,934	(566)
Charges for services	2,283,100	3,415,900	2,546,792	(869,108)
Licenses and permits	347,800	359,500	322,539	(36,961)
Fine and forfeitures	157,500	183,500	235,506	52,006
Use of money and property	1,012,000	1,026,200	2,125,162	1,098,962
Donations	80,000	584,709	591,862	7,153
Other	500	120,500	972,471	851,971
Total revenues	<u>49,870,250</u>	<u>51,373,875</u>	<u>54,772,177</u>	<u>3,398,302</u>
<b>EXPENDITURES:</b>				
Current:				
General government	13,396,045	14,761,137	12,629,111	2,132,026
Public safety	11,542,800	11,542,800	11,501,844	40,956
Public works	14,344,100	19,647,552	10,427,439	9,220,113
Library	629,400	1,162,075	940,849	221,226
Planning & environmental review	5,318,000	6,201,730	4,689,594	1,512,136
Neighborhood services	2,774,200	2,797,558	2,303,769	493,789
Capital outlay	2,001,900	17,856,509	2,784,112	15,072,397
Debt service:				
Principal	240,850	240,850	240,850	-
Interest	385,645	500,638	385,645	114,993
Total expenditures	<u>50,632,940</u>	<u>74,710,849</u>	<u>45,903,213</u>	<u>28,807,636</u>
Excess of revenues over (under) expenditures	<u>(762,690)</u>	<u>(23,336,974)</u>	<u>8,868,964</u>	<u>32,205,938</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	54,100	24,083	9,290	(14,793)
Transfers out	(808,200)	(848,200)	(703,042)	145,158
Subscription/lease acquisition	-	212,418	212,418	-
Total other financing sources (uses)	<u>(754,100)</u>	<u>(611,699)</u>	<u>(481,334)</u>	<u>130,365</u>
Net change in fund balance	(1,516,790)	(23,948,673)	8,387,630	32,336,303
Fund balance, beginning	<u>44,794,192</u>	<u>44,794,192</u>	<u>44,794,192</u>	<u>-</u>
Fund balance, ending	<u>\$ 43,277,402</u>	<u>\$ 20,845,519</u>	<u>\$ 53,181,822</u>	<u>\$ 32,336,303</u>

*City of Goleta*

**Required Supplementary Information  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Transportation Facilities DIF Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 85,000	\$ 85,000	\$ 209,862	\$ 124,862
Developer fees	3,056,400	1,499,400	2,393,166	893,766
Total revenues	<u>3,141,400</u>	<u>1,584,400</u>	<u>2,603,028</u>	<u>1,018,628</u>
<b>EXPENDITURES</b>				
Current:				
Public works	10,000	147,200	21,000	126,200
Capital outlay	3,300,000	14,108,432	10,197,239	3,911,193
Total expenditures	<u>3,310,000</u>	<u>14,255,632</u>	<u>10,218,239</u>	<u>4,037,393</u>
Excess of revenues over (under) expenditures	<u>(168,600)</u>	<u>(12,671,232)</u>	<u>(7,615,211)</u>	<u>5,056,021</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	(3,159)	(3,159)	-
Total other financing sources (uses)	<u>-</u>	<u>(3,159)</u>	<u>(3,159)</u>	<u>-</u>
Net change in fund balance	(168,600)	(12,674,391)	(7,618,370)	5,056,021
Fund balance, beginning	<u>8,914,576</u>	<u>8,914,576</u>	<u>8,914,576</u>	<u>-</u>
Fund balance, ending	<u>\$ 8,745,976</u>	<u>\$ (3,759,815)</u>	<u>\$ 1,296,206</u>	<u>\$ 5,056,021</u>

*City of Goleta*

**Required Supplementary Information  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Local STIP Special Revenue Fund  
 For the Year Ended June 30, 2025**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 11,386,694	\$ 5,411,556	\$ (5,975,138)
Total revenues	-	11,386,694	5,411,556	(5,975,138)
EXPENDITURES				
Capital outlay	-	11,372,000	6,606,033	4,765,967
Total expenditures	-	11,372,000	6,606,033	4,765,967
Net change in fund balance	-	14,694	(1,194,477)	(1,209,171)
Fund balance (deficit), beginning	(4,309)	(4,309)	(4,309)	-
Fund balance (deficit), ending	\$ (4,309)	\$ 10,385	\$ (1,198,786)	\$ (1,209,171)

*City of Goleta*

**Required Supplementary Information  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 TIRCP Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 14,858,500	\$ 5,427,842	\$ (9,430,658)
Total revenues	-	14,858,500	5,427,842	(9,430,658)
EXPENDITURES				
Capital outlay	-	14,858,944	5,676,338	9,182,606
Total expenditures	-	14,858,944	5,676,338	9,182,606
Net change in fund balance	-	(444)	(248,496)	(248,052)
Fund balance, beginning	444	444	444	-
Fund balance (deficit), ending	\$ 444	\$ -	\$ (248,052)	\$ (248,052)

*City of Goleta*

**Required Supplementary Information  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Federal Transportation Program Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 39,841,825	\$ 9,295,091	\$ (30,546,734)
Total revenues	-	39,841,825	9,295,091	(30,546,734)
EXPENDITURES				
Capital outlay	-	39,042,924	10,109,823	28,933,101
Total expenditures	-	39,042,924	10,109,823	28,933,101
Excess of revenues over (under) expenditures	-	798,901	(814,732)	(1,613,633)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	3,159	3,159	-
Total other financing sources (uses)	-	3,159	3,159	-
Net change in fund balance	-	802,060	(811,573)	(1,613,633)
Fund balance (deficit), beginning	(802,059)	(802,059)	(802,059)	-
Fund balance (deficit), ending	\$ (802,059)	\$ 1	\$ (1,613,632)	\$ (1,613,633)

# City of Goleta

## Schedule of Proportionate Share of Net Pension Liability and Related Ratios as of the Measurement Date Last Ten Years

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

Measurement Date	Employer's Proportion of the Collective Net Pension Liability <sup>1</sup>	Employer's Proportionate Share of the Collective Net Pension Liability	Covered Payroll	Employer's Proportionate Share of the Collective Net Pension Liability as a percentage of the Covered Payroll	Pension Plan's Fiduciary Net Position as a percentage of the Total Pension Liability
6/30/2015	0.02318%	\$ 1,590,804	\$ 4,778,639	33.29%	78.40%
6/30/2016	0.02565%	2,219,286	5,180,046	42.84%	74.06%
6/30/2017	0.02772%	2,749,352	5,464,417	50.31%	73.31%
6/30/2018	0.02760%	2,659,577	5,897,673	45.10%	75.26%
6/30/2019	0.02990%	3,064,002	6,613,453	46.33%	75.26%
6/30/2020	0.03250%	3,536,142	7,514,719	47.06%	75.10%
6/30/2021	0.01860%	1,005,978	7,906,471	12.72%	88.29%
6/30/2022	0.09958%	4,659,426	8,645,140	53.90%	76.68%
6/30/2023	0.10984%	5,492,467	10,758,400	51.05%	76.21%
6/30/2024	0.11361%	5,494,711	11,925,407	46.08%	78.08%

<sup>1</sup> Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

# City of Goleta

## Schedule of Pension Contributions Last Ten Years

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/2016	\$ 491,157	\$ (491,157)	\$ -	\$ 5,180,046	9.48%
6/30/2017	535,490	(535,490)	-	5,464,417	9.80%
6/30/2018	591,252	(591,252)	-	5,897,673	10.03%
6/30/2019	696,782	(696,782)	-	6,613,453	10.54%
6/30/2020	843,932	(843,932)	-	7,514,719	11.23%
6/30/2021	975,305	(975,305)	-	7,906,471	12.34%
6/30/2022	1,072,458	(1,072,458)	-	8,645,140	12.41%
6/30/2023	1,300,825	(1,300,825)	-	10,758,400	12.09%
6/30/2024	1,441,234	(1,441,234)	-	11,925,407	12.09%
6/30/2025	1,638,882	(1,638,882)	-	13,041,989	12.57%

### Notes to Schedule:

Changes in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees such as Golden Handshakes, service purchases, and other prior service costs. Employers that have done so may need to report this information as a separate liability in their financial statement as CalPERS considers such amounts to be separately financed employer-specific liabilities. These employers should consult with their auditors. Additionally, the figures above do not include any liability impact that occurred after the June 30, 2023, valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Change in Assumptions: There were no assumption changes in 2023 or 2024. Effective with the June 30, 2021, valuation date (June 30, 2022, measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017, through June 30, 2021, and 7.65% for measurement dates June 30, 2015, through June 30, 2016.

# City of Goleta

## Schedule of Changes in Net OPEB Liability and Related Ratios Last Ten Years\*

Measurement Period	2025	2024	2023	2022	2021
<b>Total OPEB Liability</b>					
Service cost	\$ 139,917	\$ 112,256	\$ 109,252	\$ 328,789	\$ 319,989
Interest on the total OPEB liability	66,697	62,714	56,126	69,274	54,866
Difference between expected and actual experience	-	(65,316)	-	(516,973)	(16,631)
Changes in assumptions	26,359	(15,721)	-	(1,679,171)	-
Changes in benefit terms	-	-	-	-	-
Benefit payments	(50,356)	(47,945)	(49,266)	(32,268)	(30,499)
Net change in total OPEB Liability	182,617	45,988	116,112	(1,830,349)	327,725
Total OPEB liability - beginning	1,097,950	1,051,962	935,850	2,766,199	2,438,474
Total OPEB liability - ending [A]	1,280,567	1,097,950	1,051,962	935,850	2,766,199
<b>Plan Fiduciary Net Position</b>					
Contributions - employer	50,638	48,316	49,607	365,823	-
Contributions - employee	-	-	-	-	-
Net Investment income (loss)	39,342	32,537	19,905	(32,007)	-
Administrative/trustee expenses	(1,203)	(2,279)	(2,111)	(324)	-
Benefit payments	(50,356)	(47,945)	(49,266)	(32,268)	-
Net change in plan fiduciary net position	38,421	30,629	18,135	301,224	-
Total plan fiduciary net position - beginning	349,988	319,359	301,224	-	-
Total plan fiduciary net position - ending [B]	388,409	349,988	319,359	301,224	-
<b>Net OPEB Liability - ([A]-[B])</b>	<b>\$ 892,158</b>	<b>\$ 747,962</b>	<b>\$ 732,603</b>	<b>\$ 634,626</b>	<b>\$ 2,766,199</b>
Plan fiduciary net position as a percentage of the total OPEB liability	30.33%	31.88%	30.36%	32.19%	0.00%
Total net OPEB liability as a percentage of covered payroll	\$ 12,992,843	\$ 11,901,296	\$ 12,013,770	\$ 10,242,422	\$ 8,897,999
<b>Measurement Period</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>		
<b>Total OPEB Liability</b>					
Service cost	\$ 348,492	\$ 318,822	\$ 290,904		
Interest on the total OPEB liability	84,042	67,773	48,449		
Difference between expected and actual experience	33,392	43,923	223,452		
Changes in assumptions	(237,684)	-	-		
Changes in benefit terms	-	-	-		
Benefit payments	(30,876)	(16,745)	(27,438)		
Net change in total OPEB Liability	197,366	413,773	535,367		
Total OPEB liability - beginning	2,241,108	1,827,335	1,291,968		
Total OPEB liability - ending [A]	2,438,474	2,241,108	1,827,335		
<b>Plan Fiduciary Net Position</b>					
Contributions - employer	-	-	-		
Contributions - employee	-	-	-		
Net Investment income (loss)	-	-	-		
Administrative/trustee expenses	-	-	-		
Benefit payments	-	-	-		
Net change in plan fiduciary net position	-	-	-		
Total plan fiduciary net position - beginning	-	-	-		
Total plan fiduciary net position - ending [B]	-	-	-		
<b>Net OPEB Liability - ([A]-[B])</b>	<b>\$ 2,438,474</b>	<b>\$ 2,241,108</b>	<b>\$ 1,827,335</b>		
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%		
Total net OPEB liability as a percentage of covered payroll	\$ 6,733,325	\$ 6,923,683	\$ 6,317,404		

\*The City opened a Section 115 Trust account administered through Public Agency Retirement Services (PARS) during the fiscal year ended June 30, 2022.

### Notes to Schedule:

Benefits are not based on a measure of pay, therefore covered payroll is used

For the fiscal year ended June 30, 2025:

Discount rate was updated based on municipal bond rate as of the measurement date and crossover test.

# City of Goleta

## Schedule of OPEB Contributions Last Ten Years\*

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

Fiscal year	Actuarially Determined Contribution (ADC)	Contributions in relation to the ADC	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
June 30, 2022	\$ 169,638	\$ (32,268)	\$ 137,370	\$ 10,242,422	0.32%
June 30, 2023	169,638	(49,607)	120,031	12,013,770	0.41%
June 30, 2024	175,642	(48,316)	127,326	11,901,296	0.41%
June 30, 2025	218,215	(50,638)	167,577	12,992,843	0.39%

Notes to Schedule:

\*The City opened a Section 115 Trust account administered through Public Agency Retirement Services (PARS) during the fiscal year ended June 30, 2022.

Through June 30, 2021, the plan was not administered through a qualified trust. Therefore, there was no Actuarially Determined Contribution (ADC). Benefit payments of \$30,499, \$30,876, \$16,745 and \$27,438 were made on a pay-as-you-go-basis for the fiscal years ended June 30, 2021, 2020, 2019, and 2018 respectively.

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## **Supplementary Information Section**

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*City of Goleta*

**Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual  
Lease Revenue Bond Capital Project Fund  
For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 200,988	\$ 200,988
Total revenues	-	-	200,988	200,988
<b>EXPENDITURES</b>				
Public works	-	17,887,097	-	17,887,097
Capital outlay	-	1,542,700	-	1,542,700
Debt service:				
Cost of issuance	-	334,969	316,411	18,558
Total expenditures	-	19,764,766	316,411	19,448,355
Excess of revenues over (under) expenditures	-	(19,764,766)	(115,423)	19,649,343
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from issuance of debt	-	18,735,000	18,735,000	-
Premium from issuance of debt	-	1,029,766	1,029,766	-
Total other financing sources (uses)	-	19,764,766	19,764,766	-
Net change in fund balance	-	-	19,649,343	19,649,343
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ 19,649,343	\$ 19,649,343

*City of Goleta*

**Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual  
Sales Tax Bonds Capital Project Fund  
For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 168,295	\$ 168,295
Total revenues	-	-	168,295	168,295
EXPENDITURES				
Capital outlay	-	16,270,203	657,789	15,612,414
Debt service:				
Cost of issuance	-	343,216	328,466	14,750
Total expenditures	-	16,613,419	986,255	15,627,164
Excess of revenues over (under) expenditures	-	(16,613,419)	(817,960)	15,795,459
OTHER FINANCING SOURCES (USES):				
Proceeds from issuance of debt	-	14,655,000	14,655,000	-
Premium from issuance of debt	-	1,958,419	1,958,419	-
Total other financing sources (uses)	-	16,613,419	16,613,419	-
Net change in fund balance	-	-	15,795,459	15,795,459
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ 15,795,459	\$ 15,795,459

## *City of Goleta*

### **Nonmajor Governmental Funds Special Revenue Funds - Descriptions For the Year Ended June 30, 2025**

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

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

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

Road Maintenance and Rehabilitation - This fund is used to account for the Road Maintenance and Rehabilitation additional gas tax funding as authorized by State Bill 1 which can be used for road maintenance and construction.

Measure A - This fund is used to account for funds received from one-half cent sales tax levied by the Santa Barbara County Association of Governments. The proceeds are restricted to transportation uses. Measure A was approved by the voters of Santa Barbara County by an election held on November 4, 2008. Tax levy is scheduled to expire March 2040, unless voters approve extension-renewal.

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

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

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

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

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

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

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

Storm Drain DIF - This fund is used to account for storm drain development impact fees.

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

## *City of Goleta*

### **Nonmajor Governmental Funds Special Revenue Funds - Descriptions For the Year Ended June 30, 2025**

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

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

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

Monarch Butterfly Habitat Management Plan - This fund is to account for state grant funds for the enhancement of the monarch butterfly habitat.

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 grant funds to local governments for use in transit and highway projects, including street and road projects.

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

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

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

Bicycle and Pedestrian DIF - This fund is used to account for bicycle and pedestrian development impact fees.

California Library Grants - This fund is used to account for state grants to fund library related programs.

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

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

## *City of Goleta*

### **Nonmajor Governmental Funds Special Revenue Funds - Descriptions For the Year Ended June 30, 2025**

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

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

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

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

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

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

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

\*Coronavirus State & Local Fiscal Recovery - This account is used to account for the funding from the American Rescue Plan Act to support expenditures or losses incurred due to the COVID-19 public health emergency.

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

HMGP - This fund for the Hazard Mitigation Grant Program is used for seismic retrofit to meet ADA standards.

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.

County Per Capita - Goleta Library - This fund is used for Funds received from the County of Santa Barbara on a per capita basis to support Goleta Library operations.

Buellton Library - This fund is used to account for funding received directly from the City of Buellton for Buellton Library operations.

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## *City of Goleta*

### **Nonmajor Governmental Funds Special Revenue Funds - Descriptions For the Year Ended June 30, 2025**

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County Per Capita - Buellton Library - This fund is used for Funds received from the County of Santa Barbara and a per capital basis to support Buellton Library operations.

Solvang Library - This fund is used to account for funding received directly from the City of Solvang for Solvang Library operations.

County Per Capita - Solvang Library - This fund is used for Funds received from the County of Santa Barbara and a per capital basis to support Solvang Library operations.

Miscellaneous Grants Library - This fund is used to account for various minor grants that support the Goleta, Buellton and Solvang Library branches.

Public Administration Facilities DIF - This fund accounts for the public administration facilities development impact fees.

Community Center - This fund is used to account for the operations of the City's Community Center.

Affordable Housing DIF - This fund is used to account for the affordable housing development impact fees.

Park DIF - This fund accounts for park development impact fees.

Active Transportation Program - This fund accounts for State grant funds for transportation projects.

Cal-Fire Grants - This fund is used to account for Cal-Fire grants for special capital improvement projects related to parks and open spaces.

Quimby - This fund is used to receive fees within the California Subdivision Map Act that requires developers to either contribute land or pay fees to the local municipal government to provide recreational facilities within the development area.

United States Department of Agriculture - This fund is to account for grant funding received from the U.S. Department of Agriculture, which provides federal funding for programs related to agriculture, natural resource conservation, rural development, and nutrition assistance.

*\* Note that no budget was adopted for this fund.*

*City of Goleta*

**Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2025**

	Special Revenue Funds				
	Gas Tax	Transportation	Road Maintenance and Rehabilitation	Measure A	Measure A Grants
<b>ASSETS</b>					
Cash and investments	\$ 149,756	\$ 183,160	\$ 675,530	\$ 4,741,370	\$ -
Receivables, net:					
Accounts	76,441	6,483	157,064	180,013	-
Interest	1,029	1,350	4,343	33,585	-
<b>TOTAL ASSETS</b>	<b>\$ 227,226</b>	<b>\$ 190,993</b>	<b>\$ 836,937</b>	<b>\$ 4,954,968</b>	<b>\$ -</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 22,402	\$ -	\$ 409,950	\$ 1,762
Accrued salaries and benefits	-	-	-	-	-
Retentions payable	-	31	-	13,085	8,508
Deposits payable	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Due to other funds	-	-	-	-	101,137
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>22,433</b>	<b>-</b>	<b>423,035</b>	<b>111,407</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenues	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICIT)</b>					
Restricted	227,226	168,560	836,937	4,531,933	-
Unassigned	-	-	-	-	(111,407)
<b>TOTAL FUND BALANCES (DEFICIT)</b>	<b>227,226</b>	<b>168,560</b>	<b>836,937</b>	<b>4,531,933</b>	<b>(111,407)</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 227,226</b>	<b>\$ 190,993</b>	<b>\$ 836,937</b>	<b>\$ 4,954,968</b>	<b>\$ -</b>

(Continued)

Special Revenue Funds						
Solid Waste Program	Public Safety Donations	County Fire DIF	Library Facilities DIF	Sheriff Facilities DIF	Housing In-Lieu	Storm Drain DIF
\$ 1,877,204	\$ -	\$ -	\$ 335,070	\$ 155,399	\$ 1,772,193	\$ 599,479
146,981	-	299,417	-	-	-	-
12,504	-	-	1,384	1,067	10,566	4,143
<u>\$ 2,036,689</u>	<u>\$ -</u>	<u>\$ 299,417</u>	<u>\$ 336,454</u>	<u>\$ 156,466</u>	<u>\$ 1,782,759</u>	<u>\$ 603,622</u>
\$ 395,471	\$ -	\$ -	\$ 53,499	\$ -	\$ -	\$ 38,842
20,431	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	299,417	-	-	-	-
<u>415,902</u>	<u>-</u>	<u>299,417</u>	<u>53,499</u>	<u>-</u>	<u>-</u>	<u>38,842</u>
-	-	299,417	-	-	-	-
-	-	299,417	-	-	-	-
1,620,787	-	-	282,955	156,466	1,782,759	564,780
-	-	(299,417)	-	-	-	-
<u>1,620,787</u>	<u>-</u>	<u>(299,417)</u>	<u>282,955</u>	<u>156,466</u>	<u>1,782,759</u>	<u>564,780</u>
<u>\$ 2,036,689</u>	<u>\$ -</u>	<u>\$ 299,417</u>	<u>\$ 336,454</u>	<u>\$ 156,466</u>	<u>\$ 1,782,759</u>	<u>\$ 603,622</u>

*City of Goleta*

**Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2025**

	Special Revenue Funds			
	Environmental Programs	Fire Facilities DIF	Long Range Development Plan	Public Safety
<b>ASSETS</b>				
Cash and investments	\$ 191,290	\$ 4,094,206	\$ 84,513	\$ -
Receivables, net:				
Accounts	-	-	-	-
Interest	1,313	27,140	-	-
<b>TOTAL ASSETS</b>	<b>\$ 192,603</b>	<b>\$ 4,121,346</b>	<b>\$ 84,513</b>	<b>\$ -</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 3,868	\$ 27,111	\$ -
Accrued salaries and benefits	-	-	-	-
Retentions payable	-	-	-	-
Deposits payable	-	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>3,868</b>	<b>27,111</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICIT)</b>				
Restricted	192,603	4,117,478	57,402	-
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES (DEFICIT)</b>	<b>192,603</b>	<b>4,117,478</b>	<b>57,402</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 192,603</b>	<b>\$ 4,121,346</b>	<b>\$ 84,513</b>	<b>\$ -</b>

(Continued)

Special Revenue Funds						
Monarch Butterfly Habitat Management Plan	Solid Waste Recycling	RSTP State Grant	Comstock Plover Endowment	Miscellaneous Grants	Developer Agreement	
\$ 5,955	\$ 134,794	\$ -	\$ 156,596	\$ -	\$ 2,069,923	
-	-	-	-	7,500	-	
-	-	-	1,076	-	-	
<u>\$ 5,955</u>	<u>\$ 134,794</u>	<u>\$ -</u>	<u>\$ 157,672</u>	<u>\$ 7,500</u>	<u>\$ 2,069,923</u>	
\$ 5,955	\$ 413	\$ -	\$ 7,172	\$ 2,820	\$ 544,904	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	150,500	-	-	
-	-	-	-	-	-	
-	-	420,350	-	127,718	-	
<u>5,955</u>	<u>413</u>	<u>420,350</u>	<u>157,672</u>	<u>130,538</u>	<u>544,904</u>	
-	-	-	-	7,500	-	
-	-	-	-	7,500	-	
-	134,381	-	-	-	1,525,019	
-	-	(420,350)	-	(130,538)	-	
-	134,381	(420,350)	-	(130,538)	1,525,019	
<u>\$ 5,955</u>	<u>\$ 134,794</u>	<u>\$ -</u>	<u>\$ 157,672</u>	<u>\$ 7,500</u>	<u>\$ 2,069,923</u>	

*City of Goleta*

**Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2025**

	Special Revenue Funds			
	Bicycle and Pedestrian DIF	California Library Grants	CDBG	HSIP
<b>ASSETS</b>				
Cash and investments	\$ 288,933	\$ 1,844,959	\$ -	\$ -
Receivables, net:				
Accounts	-	-	58,850	-
Interest	1,984	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 290,917</b>	<b>\$ 1,844,959</b>	<b>\$ 58,850</b>	<b>\$ -</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 98,865	\$ 24,846	\$ -
Accrued salaries and benefits	-	-	-	-
Retentions payable	-	-	-	-
Deposits payable	-	-	-	-
Unearned revenue	-	1,746,094	-	-
Due to other funds	-	-	30,494	3,720
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>1,844,959</b>	<b>55,340</b>	<b>3,720</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICIT)</b>				
Restricted	290,917	-	3,510	-
Unassigned	-	-	-	(3,720)
<b>TOTAL FUND BALANCES (DEFICIT)</b>	<b>290,917</b>	<b>-</b>	<b>3,510</b>	<b>(3,720)</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 290,917</b>	<b>\$ 1,844,959</b>	<b>\$ 58,850</b>	<b>\$ -</b>

(Continued)

Special Revenue Funds						
Street Lighting	PEG	LSTP	Housing & Community Development	Cal OES	FHWA - FEMA Reimbursement	OTS Public Safety
\$ 371,357	\$ 289,057	\$ 154,166	\$ -	\$ 14,231	\$ 58,107	\$ -
-	12,030	-	729,866	-	-	-
2,651	1,998	-	-	-	-	-
<u>\$ 374,008</u>	<u>\$ 303,085</u>	<u>\$ 154,166</u>	<u>\$ 729,866</u>	<u>\$ 14,231</u>	<u>\$ 58,107</u>	<u>\$ -</u>
\$ 30,578	\$ 2,713	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	729,866	-	-	-
<u>30,578</u>	<u>2,713</u>	<u>-</u>	<u>729,866</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
343,430	300,372	154,166	-	14,231	58,107	-
-	-	-	-	-	-	-
<u>343,430</u>	<u>300,372</u>	<u>154,166</u>	<u>-</u>	<u>14,231</u>	<u>58,107</u>	<u>-</u>
<u>\$ 374,008</u>	<u>\$ 303,085</u>	<u>\$ 154,166</u>	<u>\$ 729,866</u>	<u>\$ 14,231</u>	<u>\$ 58,107</u>	<u>\$ -</u>

# City of Goleta

## Combining Balance Sheet Nonmajor Governmental Funds June 30, 2025

	Special Revenue Funds			
	Coronavirus State & Local Fiscal Recovery (formerly major)	Certified Access Specialist	HMGP	Library Services
<b>ASSETS</b>				
Cash and investments	\$ -	\$ 58,809	\$ -	\$ 346,109
Receivables, net:				
Accounts	-	-	-	244,501
Interest	-	401	-	1,417
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 59,210</b>	<b>\$ -</b>	<b>\$ 592,027</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 158	\$ -	\$ 201
Accrued salaries and benefits	-	-	-	40,346
Retentions payable	-	-	-	-
Deposits payable	-	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	12,074	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>158</b>	<b>12,074</b>	<b>40,547</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICIT)</b>				
Restricted	-	59,052	-	551,480
Unassigned	-	-	(12,074)	-
<b>TOTAL FUND BALANCES (DEFICIT)</b>	<b>-</b>	<b>59,052</b>	<b>(12,074)</b>	<b>551,480</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ 59,210</b>	<b>\$ -</b>	<b>\$ 592,027</b>

(Continued)

Special Revenue Funds						
County Per Capita - Goleta Library	Buellton Library	County Per Capita - Buellton Library	Solvang Library	County Per Capita - Solvang Library	Miscellaneous Grants Library	Public Administration Facilities DIF
\$ 448,766	\$ 43,422	\$ 254,539	\$ 11,334	\$ 167,739	\$ 39,930	\$ 682,398
-	-	-	-	-	-	-
2,793	79	1,739	65	924	-	1,684
<u>\$ 451,559</u>	<u>\$ 43,501</u>	<u>\$ 256,278</u>	<u>\$ 11,399</u>	<u>\$ 168,663</u>	<u>\$ 39,930</u>	<u>\$ 684,082</u>
\$ 10,435	\$ 38	\$ 27,256	\$ 37	\$ 25,262	\$ 11,463	\$ 877
26,235	10,565	-	10,831	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>36,670</u>	<u>10,603</u>	<u>27,256</u>	<u>10,868</u>	<u>25,262</u>	<u>11,463</u>	<u>877</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
414,889	32,898	229,022	531	143,401	28,467	683,205
-	-	-	-	-	-	-
<u>414,889</u>	<u>32,898</u>	<u>229,022</u>	<u>531</u>	<u>143,401</u>	<u>28,467</u>	<u>683,205</u>
\$ 451,559	\$ 43,501	\$ 256,278	\$ 11,399	\$ 168,663	\$ 39,930	\$ 684,082

*City of Goleta*

**Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2025**

	Special Revenue Funds			
	Community Center	Affordable Housing DIF	Park DIF	Active Transportation Program
<b>ASSETS</b>				
Cash and investments	\$ 192,852	\$ 6,938	\$ 2,532,630	\$ -
Receivables, net:				
Accounts	4,946	-	-	-
Interest	-	48	39,138	-
<b>TOTAL ASSETS</b>	<b>\$ 197,798</b>	<b>\$ 6,986</b>	<b>\$ 2,571,768</b>	<b>\$ -</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 24,672	\$ -	\$ 48,993	\$ -
Accrued salaries and benefits	18,664	-	-	-
Retentions payable	-	-	202,087	-
Deposits payable	9,199	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	1,763,543
<b>TOTAL LIABILITIES</b>	<b>52,535</b>	<b>-</b>	<b>251,080</b>	<b>1,763,543</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICIT)</b>				
Restricted	145,263	6,986	2,320,688	-
Unassigned	-	-	-	(1,763,543)
<b>TOTAL FUND BALANCES (DEFICIT)</b>	<b>145,263</b>	<b>6,986</b>	<b>2,320,688</b>	<b>(1,763,543)</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 197,798</b>	<b>\$ 6,986</b>	<b>\$ 2,571,768</b>	<b>\$ -</b>

(Concluded)

Special Revenue Funds			
Cal-Fire Grants	Quimby	United State Department of Agriculture	Total Nonmajor Governmental Funds
\$ -	\$ 6,411,500	\$ -	\$ 31,444,214
543,940	-	1,794	2,469,826
-	22,406	-	176,827
<u>\$ 543,940</u>	<u>\$ 6,433,906</u>	<u>\$ 1,794</u>	<u>\$ 34,090,867</u>
\$ 495,324	\$ -	\$ -	\$ 2,315,887
-	-	-	127,072
-	-	-	223,711
-	-	-	159,699
-	-	-	1,746,094
48,850	-	1,794	3,538,963
<u>544,174</u>	<u>-</u>	<u>1,794</u>	<u>8,111,426</u>
-	-	-	306,917
-	-	-	306,917
-	6,433,906	-	28,413,807
<u>(234)</u>	<u>-</u>	<u>-</u>	<u>(2,741,283)</u>
<u>(234)</u>	<u>6,433,906</u>	<u>-</u>	<u>25,672,524</u>
<u>\$ 543,940</u>	<u>\$ 6,433,906</u>	<u>\$ 1,794</u>	<u>\$ 34,090,867</u>

*City of Goleta*

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2025**

	Special Revenue Funds				
	Gas Tax	Transportation	Road Maintenance and Rehabilitation	Measure A	Measure A Grants
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ 2,278,140	\$ -
Franchise fees	-	-	-	-	-
Intergovernmental	899,770	36,157	891,289	-	1,200,797
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	26,163	12,318	44,412	290,485	-
Developer fees	-	-	-	-	-
Donations	-	-	-	-	-
Other	-	-	-	-	-
Special assessments	-	-	-	-	-
Total revenues	<u>925,933</u>	<u>48,475</u>	<u>935,701</u>	<u>2,568,625</u>	<u>1,200,797</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	2,109,265	-	1,417,724	1,805,889	-
Library	-	-	-	-	-
Planning & environmental review	-	-	-	-	-
Neighborhood services	-	-	-	-	-
Capital outlay	84	152,730	-	1,279,013	71,129
Debt service:					
Interest	-	-	-	99,735	-
Total expenditures	<u>2,109,349</u>	<u>152,730</u>	<u>1,417,724</u>	<u>3,184,637</u>	<u>71,129</u>
Excess of revenues over (under) expenditures	<u>(1,183,416)</u>	<u>(104,255)</u>	<u>(482,023)</u>	<u>(616,012)</u>	<u>1,129,668</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,183,416)	(104,255)	(482,023)	(616,012)	1,129,668
Fund balances (deficit), beginning, as previously stated	1,410,642	272,815	1,318,960	5,147,945	(1,241,075)
Change within financial reporting entity (nonmajor to major)	-	-	-	-	-
Fund balances (deficit), beginning, as restated	1,410,642	272,815	1,318,960	5,147,945	(1,241,075)
Fund balances (deficit), ending	<u>\$ 227,226</u>	<u>\$ 168,560</u>	<u>\$ 836,937</u>	<u>\$ 4,531,933</u>	<u>\$ (111,407)</u>

(Continued)

Special Revenue Funds						
Solid Waste Program	Public Safety Donations	County Fire DIF	Library Facilities DIF	Sheriff Facilities DIF	Housing In-Lieu	Storm Drain DIF
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,432,990	-	-	-	-	-	-
-	-	-	-	-	-	-
10,736	-	-	-	-	-	-
-	-	-	-	-	-	-
81,681	-	-	8,885	7,327	72,381	29,366
-	-	-	203,861	-	-	108
-	-	-	-	-	-	-
25,000	-	-	-	-	-	-
-	-	-	-	-	-	-
1,550,407	-	-	212,746	7,327	72,381	29,474
-	-	-	-	-	-	-
-	11,748	-	-	-	-	-
1,518,049	-	-	-	-	-	38,819
-	-	-	117,748	-	-	-
-	-	-	-	-	25,000	-
-	-	-	-	-	-	-
-	-	-	-	-	-	35,318
-	-	-	-	-	-	-
1,518,049	11,748	-	117,748	-	25,000	74,137
32,358	(11,748)	-	94,998	7,327	47,381	(44,663)
-	-	-	-	-	250,000	-
-	-	-	-	-	-	-
-	-	-	-	-	250,000	-
32,358	(11,748)	-	94,998	7,327	297,381	(44,663)
1,588,429	11,748	(299,417)	187,957	149,139	1,485,378	609,443
-	-	-	-	-	-	-
1,588,429	11,748	(299,417)	187,957	149,139	1,485,378	609,443
\$ 1,620,787	\$ -	\$ (299,417)	\$ 282,955	\$ 156,466	\$ 1,782,759	\$ 564,780

*City of Goleta*

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2025**

	Special Revenue Funds			
	Environmental Programs	Fire Facilities DIF	Long Range Development Plan	Public Safety
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Franchise fees	-	-	-	-
Intergovernmental	-	-	-	194,663
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	9,000	184,898	-	-
Developer fees	-	246,047	-	-
Donations	575	-	-	-
Other	-	-	-	-
Special assessments	-	-	-	-
Total revenues	<u>9,575</u>	<u>430,945</u>	<u>-</u>	<u>194,663</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	194,663
Public works	-	54,000	-	-
Library	-	-	-	-
Planning & environmental review	-	-	-	-
Neighborhood services	-	-	-	-
Capital outlay	-	13,358	2,151,029	-
Debt service:				
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>67,358</u>	<u>2,151,029</u>	<u>194,663</u>
Excess of revenues over (under) expenditures	<u>9,575</u>	<u>363,587</u>	<u>(2,151,029)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	9,575	363,587	(2,151,029)	-
Fund balances (deficit), beginning, as previously stated	183,028	3,753,891	2,208,431	-
Change within financial reporting entity (nonmajor to major)	-	-	-	-
Fund balances (deficit), beginning, as restated	183,028	3,753,891	2,208,431	-
Fund balances (deficit), ending	<u>\$ 192,603</u>	<u>\$ 4,117,478</u>	<u>\$ 57,402</u>	<u>\$ -</u>

(Continued)

Special Revenue Funds						
Monarch Butterfly Habitat Management Plan	Solid Waste Recycling	RSTP State Grant	Comstock Plover Endowment	Miscellaneous Grants	Local STIP (formerly non- major)	Developer Agreement
\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
2,328,616	8,447	-	-	83,333		1,554,760
-	-	-	-	-		-
-	-	-	7,172	-		-
-	-	-	-	-		-
-	-	-	-	-		-
-	-	-	-	-		-
2,328,616	8,447	-	7,172	83,333		1,554,760
-	-	-	-	-		-
-	9,758	-	-	516		-
-	-	-	-	-		-
-	-	-	14,930	22,555		-
-	-	-	-	7,500		-
2,117,771	-	-	-	120,807		644,904
-	-	-	-	-		-
2,117,771	9,758	-	14,930	151,378		644,904
210,845	(1,311)	-	(7,758)	(68,045)		909,856
-	-	-	-	-		-
-	-	-	-	-		-
210,845	(1,311)	-	(7,758)	(68,045)		909,856
(210,845)	135,692	(420,350)	7,758	(62,493)	(4,309)	615,163
-	-	-	-	-	4,309	-
(210,845)	135,692	(420,350)	7,758	(62,493)	-	615,163
\$ -	\$ 134,381	\$ (420,350)	\$ -	\$ (130,538)	\$ -	\$ 1,525,019

*City of Goleta*

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2025**

	Special Revenue Funds			
	Bicycle and Pedestrian DIF	California Library Grants	CDBG	HSIP
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Franchise fees	-	-	-	-
Intergovernmental	-	379,086	125,020	371,244
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	13,619	-	-	-
Developer fees	93	-	-	-
Donations	-	-	-	-
Other	-	-	-	-
Special assessments	-	-	-	-
Total revenues	<u>13,712</u>	<u>379,086</u>	<u>125,020</u>	<u>371,244</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Library	-	-	-	-
Planning & environmental review	-	-	-	-
Neighborhood services	-	-	72,219	-
Capital outlay	-	379,086	40,001	19,985
Debt service:				
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>379,086</u>	<u>112,220</u>	<u>19,985</u>
Excess of revenues over (under) expenditures	<u>13,712</u>	<u>-</u>	<u>12,800</u>	<u>351,259</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	(9,290)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(9,290)</u>	<u>-</u>
Net change in fund balances	13,712	-	3,510	351,259
Fund balances (deficit), beginning, as previously stated	277,205	-	-	(354,979)
Change within financial reporting entity (nonmajor to major)	-	-	-	-
Fund balances (deficit), beginning, as restated	<u>277,205</u>	<u>-</u>	<u>-</u>	<u>(354,979)</u>
Fund balances (deficit), ending	<u>\$ 290,917</u>	<u>\$ -</u>	<u>\$ 3,510</u>	<u>\$ (3,720)</u>

(Continued)

Special Revenue Funds						
Street Lighting	PEG	LSTP	Housing & Community Development	Cal OES	FHWA - FEMA Reimbursement	OTS Public Safety
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	48,789	-	-	-	-	-
-	-	734,544	729,866	-	-	81,846
-	-	-	-	-	-	-
17,052	13,179	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
311,646	-	-	-	-	-	-
<u>328,698</u>	<u>61,968</u>	<u>734,544</u>	<u>729,866</u>	<u>-</u>	<u>-</u>	<u>81,846</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	50,201
308,931	28,971	339,209	-	-	-	18,091
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	729,866	-	-	-
-	-	-	-	-	-	-
<u>308,931</u>	<u>28,971</u>	<u>339,209</u>	<u>729,866</u>	<u>-</u>	<u>-</u>	<u>68,292</u>
<u>19,767</u>	<u>32,997</u>	<u>395,335</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,554</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
19,767	32,997	395,335	-	-	-	13,554
323,663	267,375	(241,169)	-	14,231	58,107	(13,554)
-	-	-	-	-	-	-
<u>323,663</u>	<u>267,375</u>	<u>(241,169)</u>	<u>-</u>	<u>14,231</u>	<u>58,107</u>	<u>(13,554)</u>
\$ 343,430	\$ 300,372	\$ 154,166	\$ -	\$ 14,231	\$ 58,107	\$ -

*City of Goleta*

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2025**

	Special Revenue Funds				
	Coronavirus State & Local Fiscal Recovery (formerly major)	Certified Access Specialist	TIRCP (formerly non-major)	HMGP	Library Services
<b>REVENUES</b>					
Taxes	\$ -	\$ -		\$ -	\$ 628,590
Franchise fees	-	-		-	-
Intergovernmental	1,051,360	-		59,608	-
Charges for services	-	-		-	-
Fines and forfeitures	-	-		-	-
Use of money and property	-	2,623		-	17,094
Developer fees	-	-		-	-
Donations	-	-		-	-
Other	-	-		-	-
Special assessments	-	53,790		-	-
<b>Total revenues</b>	<b>1,051,360</b>	<b>56,413</b>		<b>59,608</b>	<b>645,684</b>
<b>EXPENDITURES</b>					
Current:					
General government	-	-		-	-
Public safety	-	-		-	-
Public works	-	-		-	-
Library	-	311		-	685,512
Planning & environmental review	-	-		-	-
Neighborhood services	-	-		-	-
Capital outlay	1,051,360	-		-	-
Debt service:					
Interest	-	-		-	-
<b>Total expenditures</b>	<b>1,051,360</b>	<b>311</b>		<b>-</b>	<b>685,512</b>
Excess of revenues over (under) expenditures	-	56,102		59,608	(39,828)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-		-	-
Transfers out	-	-		-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>
Net change in fund balances	-	56,102		59,608	(39,828)
Fund balances (deficit), beginning, as previously stated	-	2,950	444	(71,682)	591,308
Change within financial reporting entity (nonmajor to major)	-	-	(444)	-	-
Fund balances (deficit), beginning, as restated	-	2,950	-	(71,682)	591,308
<b>Fund balances (deficit), ending</b>	<b>\$ -</b>	<b>\$ 59,052</b>	<b>\$ -</b>	<b>\$ (12,074)</b>	<b>\$ 551,480</b>

(Continued)

Special Revenue Funds						
County Per Capita - Goleta Library	County Per Capita - Buellton Library	County Per Capita - Buellton Library	Solvang Library	County Per Capita - Solvang Library	Miscellaneous Grants Library	Public Administration Facilities DIF
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
829,862	193,729	165,212	184,855	189,586	17,994	-
-	432	-	6,900	-	-	-
-	294	-	1,350	-	-	-
9,724	3,983	9,775	4,197	4,273	-	4,739
-	-	-	-	-	-	654,453
-	260	-	25,783	-	-	-
-	-	-	1	-	-	-
-	-	-	-	-	-	-
839,586	198,698	174,987	223,086	193,859	17,994	659,192
-	-	49,252	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	5,700
770,134	193,343	147,369	242,833	207,732	17,986	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	16,956
-	-	-	-	-	-	-
770,134	193,343	196,621	242,833	207,732	17,986	22,656
69,452	5,355	(21,634)	(19,747)	(13,873)	8	636,536
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
69,452	5,355	(21,634)	(19,747)	(13,873)	8	636,536
345,437	27,543	250,656	20,278	157,274	28,459	46,669
-	-	-	-	-	-	-
345,437	27,543	250,656	20,278	157,274	28,459	46,669
\$ 414,889	\$ 32,898	\$ 229,022	\$ 531	\$ 143,401	\$ 28,467	\$ 683,205

# City of Goleta

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended June 30, 2025

	Special Revenue Funds			
	Community Center	Affordable Housing DIF	Park DIF	Active Transportation Program
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Franchise fees	-	-	-	-
Intergovernmental	-	-	-	821,958
Charges for services	4,525	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	344,540	327	275,456	-
Developer fees	-	-	330	-
Donations	172	-	-	-
Other	-	-	-	-
Special assessments	-	-	-	-
Total revenues	<u>349,237</u>	<u>327</u>	<u>275,786</u>	<u>821,958</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Library	-	-	-	-
Planning & environmental review	-	-	-	-
Neighborhood services	617,016	-	-	-
Capital outlay	-	-	346,161	200,778
Debt service:				
Interest	-	-	-	-
Total expenditures	<u>617,016</u>	<u>-</u>	<u>346,161</u>	<u>200,778</u>
Excess of revenues over (under) expenditures	<u>(267,779)</u>	<u>327</u>	<u>(70,375)</u>	<u>621,180</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	413,042	-	-	40,000
Transfers out	-	-	(3,148,251)	-
Total other financing sources (uses)	<u>413,042</u>	<u>-</u>	<u>(3,148,251)</u>	<u>40,000</u>
Net change in fund balances	145,263	327	(3,218,626)	661,180
Fund balances (deficit), beginning, as previously stated	-	6,659	5,539,314	(2,424,723)
Change within financial reporting entity (nonmajor to major)	-	-	-	-
Fund balances (deficit), beginning, as restated	-	6,659	5,539,314	(2,424,723)
Fund balances (deficit), ending	<u>\$ 145,263</u>	<u>\$ 6,986</u>	<u>\$ 2,320,688</u>	<u>\$ (1,763,543)</u>

(Concluded)

Special Revenue Funds				
Cal-Fire Grants	Transportation Facilities DIF (formerly non- major)	Quimby	United State Department of Agriculture	Total Nonmajor Governmental Funds
\$ -		\$ -	\$ -	\$ 2,906,730
-		-	-	1,481,779
661,437		-	1,794	13,796,833
-		-	-	22,593
-		-	-	1,644
-		153,860	-	1,648,529
-		-	-	1,104,892
-		-	-	26,790
-		-	-	25,001
-		-	-	365,436
<u>661,437</u>		<u>153,860</u>	<u>1,794</u>	<u>21,380,227</u>
-		-	-	49,252
-		-	-	256,612
719,517		-	1,794	8,376,233
-		-	-	2,382,968
-		-	-	62,485
-		-	-	696,735
-		-	-	9,370,336
-		-	-	99,735
<u>719,517</u>		<u>-</u>	<u>1,794</u>	<u>21,294,356</u>
<u>(58,080)</u>		<u>153,860</u>	<u>-</u>	<u>85,871</u>
-		3,148,251	-	3,851,293
-		-	-	(3,157,541)
-		<u>3,148,251</u>	<u>-</u>	<u>693,752</u>
(58,080)		3,302,111	-	779,623
57,846	8,914,576	3,131,795	-	33,803,612
-	(8,914,576)	-	-	(8,910,711)
<u>57,846</u>	<u>-</u>	<u>3,131,795</u>	<u>-</u>	<u>24,892,901</u>
<u>\$ (234)</u>	<u>\$ -</u>	<u>\$ 6,433,906</u>	<u>\$ -</u>	<u>\$ 25,672,524</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Gas Tax Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 912,346	\$ 906,237	\$ 899,770	\$ (6,467)
Use of money and property	60,000	60,000	26,163	(33,837)
Total revenues	<u>972,346</u>	<u>966,237</u>	<u>925,933</u>	<u>(40,304)</u>
<b>EXPENDITURES</b>				
Current:				
Public works	876,000	2,219,467	2,109,265	110,202
Capital outlay	40,000	40,000	84	39,916
Total expenditures	<u>916,000</u>	<u>2,259,467</u>	<u>2,109,349</u>	<u>150,118</u>
Net change in fund balance	56,346	(1,293,230)	(1,183,416)	109,814
Fund balance, beginning	<u>1,410,642</u>	<u>1,410,642</u>	<u>1,410,642</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,466,988</u>	<u>\$ 117,412</u>	<u>\$ 227,226</u>	<u>\$ 109,814</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Transportation Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 36,400	\$ 36,400	\$ 36,157	\$ (243)
Use of money and property	8,000	8,000	12,318	4,318
Total revenues	<u>44,400</u>	<u>44,400</u>	<u>48,475</u>	<u>4,075</u>
<b>EXPENDITURES</b>				
Capital outlay	-	262,215	152,730	109,485
Total expenditures	<u>-</u>	<u>262,215</u>	<u>152,730</u>	<u>109,485</u>
Net change in fund balance	44,400	(217,815)	(104,255)	113,560
Fund balance, beginning	<u>272,815</u>	<u>272,815</u>	<u>272,815</u>	<u>-</u>
Fund balance, ending	<u>\$ 317,215</u>	<u>\$ 55,000</u>	<u>\$ 168,560</u>	<u>\$ 113,560</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Road Maintenance and Rehabilitation Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 846,786	\$ 824,666	\$ 891,289	\$ 66,623
Use of money and property	30,000	30,000	44,412	14,412
Total revenues	<u>876,786</u>	<u>854,666</u>	<u>935,701</u>	<u>81,035</u>
<b>EXPENDITURES</b>				
Current:				
Public works	808,000	1,801,327	1,417,724	383,603
Total expenditures	<u>808,000</u>	<u>1,801,327</u>	<u>1,417,724</u>	<u>383,603</u>
Net change in fund balance	68,786	(946,661)	(482,023)	464,638
Fund balance, beginning	<u>1,318,960</u>	<u>1,318,960</u>	<u>1,318,960</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,387,746</u>	<u>\$ 372,299</u>	<u>\$ 836,937</u>	<u>\$ 464,638</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Measure A Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 2,281,700	\$ 2,281,700	\$ 2,278,140	\$ (3,560)
Use of money and property	230,000	230,000	290,485	60,485
Total revenues	<u>2,511,700</u>	<u>2,511,700</u>	<u>2,568,625</u>	<u>56,925</u>
<b>EXPENDITURES</b>				
Current:				
Public works	1,020,000	2,093,399	1,805,889	287,510
Capital outlay	1,012,000	5,110,306	1,279,013	3,831,293
Debt service:				
Interest	-	99,735	99,735	-
Total expenditures	<u>2,032,000</u>	<u>7,303,440</u>	<u>3,184,637</u>	<u>4,118,803</u>
Net change in fund balance	479,700	(4,791,740)	(616,012)	4,175,728
Fund balance, beginning	<u>5,147,945</u>	<u>5,147,945</u>	<u>5,147,945</u>	-
Fund balance, ending	<u>\$ 5,627,645</u>	<u>\$ 356,205</u>	<u>\$ 4,531,933</u>	<u>\$ 4,175,728</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Measure A Grants Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 2,426,108	\$ 1,200,797	\$ (1,225,311)
Total revenues	<u>-</u>	<u>2,426,108</u>	<u>1,200,797</u>	<u>(1,225,311)</u>
EXPENDITURES				
Capital outlay	-	1,185,033	71,129	1,113,904
Total expenditures	<u>-</u>	<u>1,185,033</u>	<u>71,129</u>	<u>1,113,904</u>
Net change in fund balance	-	1,241,075	1,129,668	(111,407)
Fund balance (deficit), beginning	<u>(1,241,075)</u>	<u>(1,241,075)</u>	<u>(1,241,075)</u>	<u>-</u>
Fund balance (deficit), ending	<u>\$ (1,241,075)</u>	<u>\$ -</u>	<u>\$ (111,407)</u>	<u>\$ (111,407)</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Solid Waste Program Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Franchise fees	\$ 1,427,500	\$ 1,427,500	\$ 1,432,990	\$ 5,490
Charges for services	-	-	10,736	10,736
Use of money and property	55,000	55,000	81,681	26,681
Other	25,000	25,000	25,000	-
Total revenues	<u>1,507,500</u>	<u>1,507,500</u>	<u>1,550,407</u>	<u>42,907</u>
<b>EXPENDITURES</b>				
Current:				
General government	20,100	20,100	-	20,100
Public works	2,603,500	1,930,700	1,518,049	412,651
Capital outlay	-	222,000	-	222,000
Total expenditures	<u>2,623,600</u>	<u>2,172,800</u>	<u>1,518,049</u>	<u>654,751</u>
Net change in fund balance	(1,116,100)	(665,300)	32,358	697,658
Fund balance, beginning	<u>1,588,429</u>	<u>1,588,429</u>	<u>1,588,429</u>	<u>-</u>
Fund balance, ending	<u>\$ 472,329</u>	<u>\$ 923,129</u>	<u>\$ 1,620,787</u>	<u>\$ 697,658</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Public Safety Donations Special Revenue Fund  
 For the Year Ended June 30, 2025**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Total revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Current:				
Public safety	-	11,748	11,748	-
Total expenditures	-	11,748	11,748	-
Net change in fund balance	-	(11,748)	(11,748)	-
Fund balance, beginning	11,748	11,748	11,748	-
Fund balance, ending	\$ 11,748	\$ -	\$ -	\$ -

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 County Fire DIF Special Revenue Fund  
 For the Year Ended June 30, 2025**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 849,514	\$ -	\$ (849,514)
Total revenues	<u>-</u>	<u>849,514</u>	<u>-</u>	<u>(849,514)</u>
EXPENDITURES				
Capital outlay	-	550,097	-	550,097
Total expenditures	<u>-</u>	<u>550,097</u>	<u>-</u>	<u>550,097</u>
Net change in fund balance	-	299,417	-	(299,417)
Fund balance (deficit), beginning	<u>(299,417)</u>	<u>(299,417)</u>	<u>(299,417)</u>	<u>-</u>
Fund balance (deficit), ending	<u>\$ (299,417)</u>	<u>\$ -</u>	<u>\$ (299,417)</u>	<u>\$ (299,417)</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Library Facilities DIF Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 8,885	\$ 8,885
Developer fees	148,000	10,000	203,861	193,861
Total revenues	<u>148,000</u>	<u>10,000</u>	<u>212,746</u>	<u>202,746</u>
<b>EXPENDITURES</b>				
Current:				
Library	148,000	152,000	117,748	34,252
Capital outlay	-	50,000	-	50,000
Total expenditures	<u>148,000</u>	<u>202,000</u>	<u>117,748</u>	<u>84,252</u>
Net change in fund balance	-	(192,000)	94,998	286,998
Fund balance, beginning	<u>187,957</u>	<u>187,957</u>	<u>187,957</u>	<u>-</u>
Fund balance, ending	<u>\$ 187,957</u>	<u>\$ (4,043)</u>	<u>\$ 282,955</u>	<u>\$ 286,998</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Sheriff Facilities DIF Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 7,327	\$ 7,327
Developer fees	28,200	-	-	-
Total revenues	28,200	-	7,327	7,327
<b>EXPENDITURES</b>				
Capital outlay	-	168,002	-	168,002
Total expenditures	-	168,002	-	168,002
Net change in fund balance	28,200	(168,002)	7,327	175,329
Fund balance, beginning	149,139	149,139	149,139	-
Fund balance, ending	\$ 177,339	\$ (18,863)	\$ 156,466	\$ 175,329

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Housing In-Lieu Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 9,700	\$ 9,700	\$ 72,381	\$ 62,681
Total revenues	9,700	9,700	72,381	62,681
<b>EXPENDITURES</b>				
Current:				
Planning & environmental review	25,000	25,000	25,000	-
Total expenditures	25,000	25,000	25,000	-
Excess of revenues over (under) expenditures	(15,300)	(15,300)	47,381	62,681
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	250,000	250,000	250,000	-
Total other financing sources (uses)	250,000	250,000	250,000	-
Net change in fund balance	234,700	234,700	297,381	62,681
Fund balance, beginning	1,485,378	1,485,378	1,485,378	-
Fund balance, ending	\$ 1,720,078	\$ 1,720,078	\$ 1,782,759	\$ 62,681

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Storm Drain DIF Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ 4,000	\$ 4,000	\$ 29,366	\$ 25,366
Developer fees	180,000	130,100	108	(129,992)
Total revenues	<u>184,000</u>	<u>134,100</u>	<u>29,474</u>	<u>(104,626)</u>
EXPENDITURES				
Current:				
Public works	-	54,000	38,819	15,181
Capital outlay	-	743,920	35,318	708,602
Total expenditures	<u>-</u>	<u>797,920</u>	<u>74,137</u>	<u>723,783</u>
Net change in fund balance	184,000	(663,820)	(44,663)	619,157
Fund balance, beginning	<u>609,443</u>	<u>609,443</u>	<u>609,443</u>	<u>-</u>
Fund balance, ending	<u>\$ 793,443</u>	<u>\$ (54,377)</u>	<u>\$ 564,780</u>	<u>\$ 619,157</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Environmental Programs Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ 1,300	\$ 1,300	\$ 9,000	\$ 7,700
Donations	-	-	575	575
Total revenues	<u>1,300</u>	<u>1,300</u>	<u>9,575</u>	<u>8,275</u>
EXPENDITURES				
Current:				
Public works	9,400	9,400	-	9,400
Total expenditures	<u>9,400</u>	<u>9,400</u>	<u>-</u>	<u>9,400</u>
Net change in fund balance	(8,100)	(8,100)	9,575	17,675
Fund balance, beginning	<u>183,028</u>	<u>183,028</u>	<u>183,028</u>	<u>-</u>
Fund balance, ending	<u>\$ 174,928</u>	<u>\$ 174,928</u>	<u>\$ 192,603</u>	<u>\$ 17,675</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Fire Facilities DIF Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 26,200	\$ 26,200	\$ 184,898	\$ 158,698
Developer fees	318,700	51,700	246,047	194,347
Total revenues	<u>344,900</u>	<u>77,900</u>	<u>430,945</u>	<u>353,045</u>
<b>EXPENDITURES</b>				
Current:				
Public works	-	54,000	54,000	-
Capital outlay	-	4,201,368	13,358	4,188,010
Total expenditures	<u>-</u>	<u>4,255,368</u>	<u>67,358</u>	<u>4,188,010</u>
Net change in fund balance	344,900	(4,177,468)	363,587	4,541,055
Fund balance, beginning	<u>3,753,891</u>	<u>3,753,891</u>	<u>3,753,891</u>	<u>-</u>
Fund balance, ending	<u>\$ 4,098,791</u>	<u>\$ (423,577)</u>	<u>\$ 4,117,478</u>	<u>\$ 4,541,055</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Long Range Development Plan Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 3,889,883	\$ -	\$ (3,889,883)
Total revenues	-	3,889,883	-	(3,889,883)
EXPENDITURES				
Capital outlay	2,300,000	8,398,315	2,151,029	6,247,286
Total expenditures	2,300,000	8,398,315	2,151,029	6,247,286
Net change in fund balance	(2,300,000)	(4,508,432)	(2,151,029)	2,357,403
Fund balance, beginning	2,208,431	2,208,431	2,208,431	-
Fund balance, ending	\$ (91,569)	\$ (2,300,001)	\$ 57,402	\$ 2,357,403

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Public Safety Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 150,000	\$ 194,663	\$ 194,663	\$ -
Total revenues	<u>150,000</u>	<u>194,663</u>	<u>194,663</u>	<u>-</u>
EXPENDITURES				
Current:				
Public safety	150,000	194,663	194,663	-
Total expenditures	<u>150,000</u>	<u>194,663</u>	<u>194,663</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Monarch Butterfly Habitat Management Plan Special Revenue Fund  
 For the Year Ended June 30, 2025**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 2,328,616	\$ 2,328,616	\$ -
Total revenues	-	2,328,616	2,328,616	-
EXPENDITURES				
Capital outlay	-	2,117,771	2,117,771	-
Total expenditures	-	2,117,771	2,117,771	-
Net change in fund balance	-	210,845	210,845	-
Fund balance (deficit), beginning	(210,845)	(210,845)	(210,845)	-
Fund balance (deficit), ending	\$ (210,845)	\$ -	\$ -	\$ -

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Solid Waste Recycling Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 8,447	\$ 8,447	\$ -
Total revenues	-	8,447	8,447	-
EXPENDITURES				
Current:				
Public works	-	104,806	9,758	95,048
Total expenditures	-	104,806	9,758	95,048
Net change in fund balance	-	(96,359)	(1,311)	95,048
Fund balance, beginning	135,692	135,692	135,692	-
Fund balance, ending	\$ 135,692	\$ 39,333	\$ 134,381	\$ 95,048

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 RSTP Special Revenue Fund  
 For the Year Ended June 30, 2025**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 565,315	\$ -	\$ (565,315)
Total revenues	-	565,315	-	(565,315)
EXPENDITURES				
Capital outlay	-	10,150	-	10,150
Total expenditures	-	10,150	-	10,150
Net change in fund balance	-	555,165	-	(555,165)
Fund balance (deficit), beginning	(420,350)	(420,350)	(420,350)	-
Fund balance (deficit), ending	\$ (420,350)	\$ 134,815	\$ (420,350)	\$ (555,165)

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Comstock Plover Endowment Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 4,000	\$ 7,000	\$ 7,172	\$ 172
Total revenues	4,000	7,000	7,172	172
<b>EXPENDITURES</b>				
Current:				
Planning & environmental review	2,000	14,758	14,930	(172)
Total expenditures	2,000	14,758	14,930	(172)
Net change in fund balance	2,000	(7,758)	(7,758)	-
Fund balance, beginning	7,758	7,758	7,758	-
Fund balance, ending	\$ 9,758	\$ -	\$ -	\$ -

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Miscellaneous Grants Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 30,000	\$ 326,341	\$ 83,333	\$ (243,008)
Total revenues	<u>30,000</u>	<u>326,341</u>	<u>83,333</u>	<u>(243,008)</u>
<b>EXPENDITURES</b>				
Current:				
Public works	30,000	27,445	516	26,929
Planning & environmental review	-	22,555	22,555	-
Neighborhood services	-	7,500	7,500	-
Capital outlay	-	206,318	120,807	85,511
Total expenditures	<u>30,000</u>	<u>263,818</u>	<u>151,378</u>	<u>112,440</u>
Net change in fund balance	-	62,523	(68,045)	(130,568)
Fund balance (deficit), beginning	<u>(62,493)</u>	<u>(62,493)</u>	<u>(62,493)</u>	<u>-</u>
Fund balance (deficit), ending	<u>\$ (62,493)</u>	<u>\$ 30</u>	<u>\$ (130,538)</u>	<u>\$ (130,568)</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Developer Agreement Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 1,554,760	\$ 1,554,760	\$ -
Total revenues	-	1,554,760	1,554,760	-
EXPENDITURES				
Capital outlay	-	1,824,760	644,904	1,179,856
Total expenditures	-	1,824,760	644,904	1,179,856
Net change in fund balance	-	(270,000)	909,856	1,179,856
Fund balance, beginning	615,163	615,163	615,163	-
Fund balance, ending	\$ 615,163	\$ 345,163	\$ 1,525,019	\$ 1,179,856

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Bicycle and Pedestrian DIF Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 13,619	\$ 13,619
Developer fees	72,700	32,000	93	(31,907)
Total revenues	<u>72,700</u>	<u>32,000</u>	<u>13,712</u>	<u>(18,288)</u>
EXPENDITURES				
Current:				
Public works	-	54,000	-	54,000
Capital outlay	85,000	357,204	-	357,204
Total expenditures	<u>85,000</u>	<u>411,204</u>	<u>-</u>	<u>411,204</u>
Net change in fund balance	(12,300)	(379,204)	13,712	392,916
Fund balance, beginning	<u>277,205</u>	<u>277,205</u>	<u>277,205</u>	<u>-</u>
Fund balance, ending	<u>\$ 264,905</u>	<u>\$ (101,999)</u>	<u>\$ 290,917</u>	<u>\$ 392,916</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 California Library Grants Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 4,264,460	\$ 379,086	\$ (3,885,374)
Total revenues	-	4,264,460	379,086	(3,885,374)
EXPENDITURES				
Capital outlay	-	4,264,460	379,086	3,885,374
Total expenditures	-	4,264,460	379,086	3,885,374
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ -	\$ -

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 CDBG Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 292,918	\$ 561,971	\$ 125,020	\$ (436,951)
Total revenues	<u>292,918</u>	<u>561,971</u>	<u>125,020</u>	<u>(436,951)</u>
<b>EXPENDITURES</b>				
Current:				
Neighborhood services	48,421	78,438	72,219	6,219
Capital outlay	<u>190,397</u>	<u>459,450</u>	<u>40,001</u>	<u>419,449</u>
Total expenditures	<u>238,818</u>	<u>537,888</u>	<u>112,220</u>	<u>425,668</u>
Excess of revenues over (under) expenditures	<u>54,100</u>	<u>24,083</u>	<u>12,800</u>	<u>(11,283)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	<u>(54,100)</u>	<u>(24,083)</u>	<u>(9,290)</u>	<u>14,793</u>
Total other financing sources (uses)	<u>(54,100)</u>	<u>(24,083)</u>	<u>(9,290)</u>	<u>14,793</u>
Net change in fund balance	-	-	3,510	3,510
Fund balance, beginning	-	-	-	-
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,510</u>	<u>\$ 3,510</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 HSIP Special Revenue Fund  
 For the Year Ended June 30, 2025**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 3,120,100	\$ 371,244	\$ (2,748,856)
Total revenues	-	3,120,100	371,244	(2,748,856)
EXPENDITURES				
Capital outlay	-	2,759,485	19,985	2,739,500
Total expenditures	-	2,759,485	19,985	2,739,500
Net change in fund balance	-	360,615	351,259	(9,356)
Fund balance (deficit), beginning	(354,979)	(354,979)	(354,979)	-
Fund balance (deficit), ending	\$ (354,979)	\$ 5,636	\$ (3,720)	\$ (9,356)

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Street Lighting Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 17,052	\$ 17,052
Special assessments	308,000	308,000	311,646	3,646
Total revenues	<u>308,000</u>	<u>308,000</u>	<u>328,698</u>	<u>20,698</u>
<b>EXPENDITURES</b>				
Current:				
Public works	500,500	500,500	308,931	191,569
Total expenditures	<u>500,500</u>	<u>500,500</u>	<u>308,931</u>	<u>191,569</u>
Net change in fund balance	(192,500)	(192,500)	19,767	212,267
Fund balance, beginning	<u>323,663</u>	<u>323,663</u>	<u>323,663</u>	-
Fund balance, ending	<u>\$ 131,163</u>	<u>\$ 131,163</u>	<u>\$ 343,430</u>	<u>\$ 212,267</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 PEG Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Franchise fees	\$ 60,000	\$ 60,000	\$ 48,789	\$ (11,211)
Use of money and property	8,500	8,500	13,179	4,679
Total revenues	<u>68,500</u>	<u>68,500</u>	<u>61,968</u>	<u>(6,532)</u>
EXPENDITURES				
Current:				
Public works	60,000	60,000	28,971	31,029
Total expenditures	<u>60,000</u>	<u>60,000</u>	<u>28,971</u>	<u>31,029</u>
Net change in fund balance	8,500	8,500	32,997	24,497
Fund balance, beginning	<u>267,375</u>	<u>267,375</u>	<u>267,375</u>	<u>-</u>
Fund balance, ending	<u>\$ 275,875</u>	<u>\$ 275,875</u>	<u>\$ 300,372</u>	<u>\$ 24,497</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 LSTP Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 733,109	\$ 734,544	\$ 1,435
Total revenues	-	733,109	734,544	1,435
EXPENDITURES				
Current:				
Public works	-	491,496	339,209	152,287
Total expenditures	-	491,496	339,209	152,287
Net change in fund balance	-	241,613	395,335	153,722
Fund balance (deficit), beginning	(241,169)	(241,169)	(241,169)	-
Fund balance, ending	\$ (241,169)	\$ 444	\$ 154,166	\$ 153,722

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Housing and Community Development Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 729,866	\$ 729,866	\$ -
Total revenues	-	729,866	729,866	-
EXPENDITURES				
Capital outlay	-	729,866	729,866	-
Total expenditures	-	729,866	729,866	-
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ -	\$ -

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 FHWA-FEMA Reimbursement Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 87,746	\$ -	\$ (87,746)
Total revenues	-	87,746	-	(87,746)
EXPENDITURES				
Capital outlay	-	87,746	-	87,746
Total expenditures	-	87,746	-	87,746
Net change in fund balance	-	-	-	-
Fund balance, beginning	58,107	58,107	58,107	-
Fund balance, ending	\$ 58,107	\$ 58,107	\$ 58,107	\$ -

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 OTS Public Safety Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 88,187	\$ 81,846	\$ (6,341)
Total revenues	-	88,187	81,846	(6,341)
EXPENDITURES				
Current:				
Public safety	-	51,396	50,201	1,195
Public works	-	23,237	18,091	5,146
Total expenditures	-	74,633	68,292	6,341
Net change in fund balance	-	13,554	13,554	-
Fund balance (deficit), beginning	(13,554)	(13,554)	(13,554)	-
Fund balance, ending	\$ (13,554)	\$ -	\$ -	\$ -

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Certified Access Specialist Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 2,623	\$ 2,623
Special assessments	-	55,000	53,790	(1,210)
Total revenues	-	55,000	56,413	1,413
<b>EXPENDITURES</b>				
Current:				
Library	-	1,000	311	689
Total expenditures	-	1,000	311	689
Net change in fund balance	-	54,000	56,102	2,102
Fund balance, beginning	2,950	2,950	2,950	-
Fund balance, ending	\$ 2,950	\$ 56,950	\$ 59,052	\$ 2,102

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 HMGP Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 621,698	\$ 59,608	\$ (562,090)
Total revenues	-	621,698	59,608	(562,090)
EXPENDITURES				
Capital outlay	-	550,016	-	550,016
Total expenditures	-	550,016	-	550,016
Net change in fund balance	-	71,682	59,608	(12,074)
Fund balance (deficit), beginning	(71,682)	(71,682)	(71,682)	-
Fund balance (deficit), ending	\$ (71,682)	\$ -	\$ (12,074)	\$ (12,074)

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Library Services Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Taxes	\$ 626,400	\$ 626,400	\$ 628,590	\$ 2,190
Use of money and property	2,000	2,000	17,094	15,094
Total revenues	<u>628,400</u>	<u>628,400</u>	<u>645,684</u>	<u>17,284</u>
EXPENDITURES				
Current:				
Library	686,180	686,180	685,512	668
Capital outlay	-	180,000	-	180,000
Total expenditures	<u>686,180</u>	<u>866,180</u>	<u>685,512</u>	<u>180,668</u>
Excess of revenues over (under) expenditures	<u>(57,780)</u>	<u>(237,780)</u>	<u>(39,828)</u>	<u>197,952</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(50,000)	(50,000)	-	50,000
Total other financing sources (uses)	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>	<u>50,000</u>
Net change in fund balance	(107,780)	(287,780)	(39,828)	247,952
Fund balance, beginning	<u>591,308</u>	<u>591,308</u>	<u>591,308</u>	<u>-</u>
Fund balance, ending	<u>\$ 483,528</u>	<u>\$ 303,528</u>	<u>\$ 551,480</u>	<u>\$ 247,952</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 County Per Capita - Goleta Library Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 788,500	\$ 829,862	\$ 829,862	\$ -
Use of money and property	9,500	9,500	9,724	224
Total revenues	<u>798,000</u>	<u>839,362</u>	<u>839,586</u>	<u>224</u>
<b>EXPENDITURES</b>				
Current:				
Library	938,920	963,920	770,134	193,786
Capital outlay	-	180,000	-	180,000
Total expenditures	<u>938,920</u>	<u>1,143,920</u>	<u>770,134</u>	<u>373,786</u>
Excess of revenues over (under) expenditures	<u>(140,920)</u>	<u>(304,558)</u>	<u>69,452</u>	<u>374,010</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	100,000	100,000	-	(100,000)
Total other financing sources (uses)	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>
Net change in fund balance	(40,920)	(204,558)	69,452	274,010
Fund balance, beginning	<u>345,437</u>	<u>345,437</u>	<u>345,437</u>	<u>-</u>
Fund balance, ending	<u>\$ 304,517</u>	<u>\$ 140,879</u>	<u>\$ 414,889</u>	<u>\$ 274,010</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Buellton Library Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 193,729	\$ 193,729	\$ 193,729	\$ -
Charges for services	900	900	432	(468)
Fine and forfeitures	750	750	294	(456)
Use of money and property	-	-	3,983	3,983
Donations	100	100	260	160
Total revenues	<u>195,479</u>	<u>195,479</u>	<u>198,698</u>	<u>3,219</u>
<b>EXPENDITURES</b>				
Current:				
Library	279,500	223,021	193,343	29,678
Total expenditures	<u>279,500</u>	<u>223,021</u>	<u>193,343</u>	<u>29,678</u>
Net change in fund balance	(84,021)	(27,542)	5,355	32,897
Fund balance, beginning	<u>27,543</u>	<u>27,543</u>	<u>27,543</u>	<u>-</u>
Fund balance, ending	<u>\$ (56,478)</u>	<u>\$ 1</u>	<u>\$ 32,898</u>	<u>\$ 32,897</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 County Per Capita - Buellton Library Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 162,659	\$ 165,212	\$ 165,212	\$ -
Use of money and property	-	-	9,775	9,775
Total revenues	<u>162,659</u>	<u>165,212</u>	<u>174,987</u>	<u>9,775</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	56,479	49,252	7,227
Library	176,400	176,400	147,369	29,031
Total expenditures	<u>176,400</u>	<u>232,879</u>	<u>196,621</u>	<u>36,258</u>
Net change in fund balance	(13,741)	(67,667)	(21,634)	46,033
Fund balance, beginning	<u>250,656</u>	<u>250,656</u>	<u>250,656</u>	-
Fund balance, ending	<u>\$ 236,915</u>	<u>\$ 182,989</u>	<u>\$ 229,022</u>	<u>\$ 46,033</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Solvang Library Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 184,855	\$ 184,855	\$ 184,855	\$ -
Charges for services	1,700	1,700	6,900	5,200
Fine and forfeitures	1,000	1,000	1,350	350
Use of money and property	-	-	4,197	4,197
Donations	10,000	35,000	25,783	(9,217)
Other	-	-	1	1
Total revenues	<u>197,555</u>	<u>222,555</u>	<u>223,086</u>	<u>531</u>
<b>EXPENDITURES</b>				
Current:				
Library	<u>268,700</u>	<u>242,833</u>	<u>242,833</u>	<u>-</u>
Total expenditures	<u>268,700</u>	<u>242,833</u>	<u>242,833</u>	<u>-</u>
Net change in fund balance	(71,145)	(20,278)	(19,747)	531
Fund balance, beginning	<u>20,278</u>	<u>20,278</u>	<u>20,278</u>	<u>-</u>
Fund balance, ending	<u>\$ (50,867)</u>	<u>\$ -</u>	<u>\$ 531</u>	<u>\$ 531</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 County Per Capita Solvang Library Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 185,872	\$ 189,586	\$ 189,586	\$ -
Use of money and property	-	-	4,273	4,273
Total revenues	<u>185,872</u>	<u>189,586</u>	<u>193,859</u>	<u>4,273</u>
<b>EXPENDITURES</b>				
Current:				
Library	212,100	244,467	207,732	36,735
Total expenditures	<u>212,100</u>	<u>244,467</u>	<u>207,732</u>	<u>36,735</u>
Net change in fund balance	(26,228)	(54,881)	(13,873)	41,008
Fund balance, beginning	<u>157,274</u>	<u>157,274</u>	<u>157,274</u>	-
Fund balance, ending	<u>\$ 131,046</u>	<u>\$ 102,393</u>	<u>\$ 143,401</u>	<u>\$ 41,008</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Miscellaneous Grants Library Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 17,994	\$ 17,994	\$ -
Total revenues	<u>-</u>	<u>17,994</u>	<u>17,994</u>	<u>-</u>
EXPENDITURES				
Current:				
Library	-	46,453	17,986	28,467
Total expenditures	<u>-</u>	<u>46,453</u>	<u>17,986</u>	<u>28,467</u>
Net change in fund balance	-	(28,459)	8	28,467
Fund balance, beginning	<u>28,459</u>	<u>28,459</u>	<u>28,459</u>	<u>-</u>
Fund balance, ending	<u>\$ 28,459</u>	<u>\$ -</u>	<u>\$ 28,467</u>	<u>\$ 28,467</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Public Administration Facilities DIF Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 4,739	\$ 4,739
Developer fees	395,900	32,000	654,453	622,453
Total revenues	<u>395,900</u>	<u>32,000</u>	<u>659,192</u>	<u>627,192</u>
<b>EXPENDITURES</b>				
Current:				
Public works	-	54,000	5,700	48,300
Capital outlay	722,000	781,309	16,956	764,353
Total expenditures	<u>722,000</u>	<u>835,309</u>	<u>22,656</u>	<u>812,653</u>
Net change in fund balance	(326,100)	(803,309)	636,536	1,439,845
Fund balance, beginning	46,669	46,669	46,669	-
Fund balance, ending	<u>\$ (279,431)</u>	<u>\$ (756,640)</u>	<u>\$ 683,205</u>	<u>\$ 1,439,845</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Community Center Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ -	\$ -	\$ 4,525	\$ 4,525
Use of money and property	323,000	323,000	344,540	21,540
Donations	-	-	172	172
Total revenues	<u>323,000</u>	<u>323,000</u>	<u>349,237</u>	<u>26,237</u>
<b>EXPENDITURES</b>				
Current:				
Neighborhood services	878,600	878,600	617,016	261,584
Capital outlay	-	50,000	-	50,000
Total expenditures	<u>878,600</u>	<u>928,600</u>	<u>617,016</u>	<u>311,584</u>
Excess of revenues over (under) expenditures	<u>(555,600)</u>	<u>(605,600)</u>	<u>(267,779)</u>	<u>337,821</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	<u>508,200</u>	<u>508,200</u>	<u>413,042</u>	<u>(95,158)</u>
Total other financing sources (uses)	<u>508,200</u>	<u>508,200</u>	<u>413,042</u>	<u>(95,158)</u>
Net change in fund balance	(47,400)	(97,400)	145,263	242,663
Fund balance, beginning	-	-	-	-
Fund balance, ending	<u>\$ (47,400)</u>	<u>\$ (97,400)</u>	<u>\$ 145,263</u>	<u>\$ 242,663</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Affordable Housing DIF Special Revenue Fund  
 For the Year Ended June 30, 2025**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 327	\$ 327
Developer fees	332,900	357,000	-	(357,000)
Total revenues	<u>332,900</u>	<u>357,000</u>	<u>327</u>	<u>(356,673)</u>
<b>EXPENDITURES</b>				
Current:				
Public works	-	54,000	-	54,000
Total expenditures	<u>-</u>	<u>54,000</u>	<u>-</u>	<u>54,000</u>
Net change in fund balance	332,900	303,000	327	(302,673)
Fund balance, beginning	<u>6,659</u>	<u>6,659</u>	<u>6,659</u>	<u>-</u>
Fund balance, ending	<u>\$ 339,559</u>	<u>\$ 309,659</u>	<u>\$ 6,986</u>	<u>\$ (302,673)</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Park DIF Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 65,000	\$ 65,000	\$ 275,456	\$ 210,456
Developer fees	2,052,000	123,143	330	(122,813)
Total revenues	<u>2,117,000</u>	<u>188,143</u>	<u>275,786</u>	<u>87,643</u>
<b>EXPENDITURES</b>				
Public works	-	54,000	-	54,000
Capital outlay	-	4,287,796	346,161	3,941,635
Total expenditures	<u>-</u>	<u>4,341,796</u>	<u>346,161</u>	<u>3,995,635</u>
Excess of revenues over (under) expenditures	<u>2,117,000</u>	<u>(4,153,653)</u>	<u>(70,375)</u>	<u>4,083,278</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	(3,148,251)	(3,148,251)	-
Total other financing sources (uses)	<u>-</u>	<u>(3,148,251)</u>	<u>(3,148,251)</u>	<u>-</u>
Net change in fund balance	2,117,000	(7,301,904)	(3,218,626)	4,083,278
Fund balance, beginning	<u>5,539,314</u>	<u>5,539,314</u>	<u>5,539,314</u>	<u>-</u>
Fund balance, ending	<u>\$ 7,656,314</u>	<u>\$ (1,762,590)</u>	<u>\$ 2,320,688</u>	<u>\$ 4,083,278</u>

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Active Transportation Program Special Revenue Fund  
 For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 2,669,000	\$ 821,958	\$ (1,847,042)
Total revenues	-	2,669,000	821,958	(1,847,042)
EXPENDITURES				
Capital outlay	-	284,277	200,778	83,499
Total expenditures	-	284,277	200,778	83,499
Excess of revenues over (under) expenditures	-	2,384,723	621,180	(1,763,543)
OTHER FINANCING SOURCES (USES):				
Transfers out	-	40,000	40,000	-
Total other financing sources (uses)	-	40,000	40,000	-
Net change in fund balance	-	2,424,723	661,180	(1,763,543)
Fund balance (deficit), beginning	(2,424,723)	(2,424,723)	(2,424,723)	-
Fund balance (deficit), ending	\$ (2,424,723)	\$ -	\$ (1,763,543)	\$ (1,763,543)

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Cal-Fire Grants Special Revenue Fund  
 For the Year Ended June 30, 2025**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 1,421,887	\$ 661,437	\$ (760,450)
Total revenues	-	1,421,887	661,437	(760,450)
EXPENDITURES				
Current:				
Public works	-	1,479,733	719,517	760,216
Total expenditures	-	1,479,733	719,517	760,216
Net change in fund balance	-	(57,846)	(58,080)	(234)
Fund balance, beginning	57,846	57,846	57,846	-
Fund balance (deficit), ending	\$ 57,846	\$ -	\$ (234)	\$ (234)

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 Quimby Special Revenue Fund  
 For the Year Ended June 30, 2025**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 153,860	\$ 153,860
Developer fees	-	1,751,000	-	(1,751,000)
Total revenues	-	1,751,000	153,860	(1,597,140)
Excess of revenues over (under) expenditures	-	1,751,000	153,860	(1,597,140)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	3,148,251	3,148,251	-
Total other financing sources (uses)	-	3,148,251	3,148,251	-
Net change in fund balance	-	4,899,251	3,302,111	(1,597,140)
Fund balance, beginning	3,131,795	3,131,795	3,131,795	-
Fund balance, ending	\$ 3,131,795	\$ 8,031,046	\$ 6,433,906	\$ (1,597,140)

*City of Goleta*

**Nonmajor Governmental Funds  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 United States Department of Agriculture Special Revenue Fund  
 For the Year Ended June 30, 2025**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 1,000,000	1,794	\$ (998,206)
Total revenues	-	1,000,000	1,794	(998,206)
EXPENDITURES				
Current:				
Public works	-	1,000,000	1,794	998,206
Total expenditures	-	1,000,000	1,794	998,206
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ -	\$ -

## STATISTICAL SECTION

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**STATISTICAL SECTION**

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

<b>Contents</b>	<b><u>Pages</u></b>
Financial Trends These schedules contain trend information to help the reader understand how the City's performance financial and well-being have changed over time.	159-165
Revenue Capacity These schedules contain information to help assess the City's most significant local revenue source, the property tax and transit occupancy tax.	166-172
Debt Capacity These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	173-176
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	177-178
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	179-182

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

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# City of Goleta

## Net Position by Component Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities:										
Net investment in capital assets	\$ 181,519,215	\$ 180,871,756	\$ 189,886,349	\$ 191,612,268	\$ 202,170,314	\$ 196,120,737	\$ 215,354,867	\$ 199,419,212	\$ 217,892,824	\$ 255,043,621
Restricted	28,429,446	36,891,364	34,623,415	34,490,037	35,223,059	40,085,550	39,874,157	35,667,016	38,412,267	29,100,401
Unrestricted	15,465,702	19,440,126	6,765,954	13,891,718	6,697,065	21,525,728	14,028,509	30,728,544	34,145,370	42,002,713
Total governmental activities net position	\$ 225,414,363	\$ 237,203,246	\$ 231,275,718	\$ 239,994,023	\$ 244,090,438	\$ 257,732,015	\$ 269,257,533	\$ 263,001,325	\$ 290,450,461	\$ 326,146,735

Source: City of Goleta, Finance Department

# City of Goleta

## Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)

Primary Government - Governmental Activities	Fiscal Year Ended June 30,			
	2017	2018	2019	2020
<b>Expenses:</b>				
General government	\$ 5,910,221	\$ 6,755,208	\$ 12,562,598	\$ 6,819,954
Public safety	7,611,834	7,741,361	8,582,868	8,046,890
Public works	9,350,254	10,965,391	18,234,912	12,815,994
Community development	44,509	49,858	425,086	756,848
Community services	4,363,053	6,359,917	5,273,153	6,148,076
Library	-	-	-	-
Planning & Environmental Review	-	-	-	-
Neighborhood Services	-	-	-	-
Interest and other charges	-	-	-	-
Total expenses	<u>27,279,871</u>	<u>31,871,735</u>	<u>45,078,617</u>	<u>34,587,762</u>
<b>Program revenues:</b>				
<b>Charges for services:</b>				
General government	32,874	18,929	464	18,431
Public safety	156,125	129,051	125,000	-
Public works	1,258,930	1,338,942	737,673	718,392
Community development	2,156,101	2,234,166	1,268,821	1,023,206
Community services	17,799	18,419	-	5,433
Library	-	-	-	-
Planning & Environmental Review	-	-	-	-
Neighborhood Services	-	-	-	-
<b>Operating grants and contributions:</b>				
General government	-	-	-	15,336
Public safety	114,671	424,256	191,248	150,690
Public works	2,117,379	3,289,699	937,123	640,432
Community development	-	-	-	-
Community services	-	-	-	1,037,379
Library	-	-	-	-
Planning & Environmental Review	-	-	-	-
Neighborhood Services	-	-	-	-
<b>Capital grants and contributions:</b>				
Public safety	243,648	71,579	688,348	524,047
Public works	10,947,335	13,029,843	6,045,265	4,184,252
Community development	373,338	21,517	634,694	1,057,706
Community services	156,033	59,491	130,502	995,705
Library	-	-	-	-
Planning & Environmental Review	-	-	-	-
Neighborhood Services	-	-	-	-
Total program revenues	<u>17,574,233</u>	<u>20,635,892</u>	<u>10,759,138</u>	<u>10,371,009</u>
Net revenues (expenses)	<u>(9,705,638)</u>	<u>(11,235,843)</u>	<u>(34,319,479)</u>	<u>(24,216,753)</u>
<b>General revenues and other changes in net position:</b>				
<b>Taxes:</b>				
Property taxes, levied for general purpose	5,719,552	6,051,805	6,504,431	6,954,616
Sales and use taxes	6,216,442	6,491,121	7,976,472	8,629,829
Transient lodging tax	8,175,456	8,615,207	10,117,460	11,564,512
Franchise taxes	1,241,017	1,202,162	1,325,238	1,409,104
Other taxes	292,277	246,876	1,253,424	1,716,932
Use of money and property	126,310	148,899	747,399	1,264,583
Other general revenues	433,820	781,108	851,175	610,827
Transfer in from City of Santa Barbara	-	-	-	341,749
Total general revenues	<u>22,204,874</u>	<u>23,537,178</u>	<u>28,775,599</u>	<u>32,492,152</u>
Changes in net position	<u>\$ 12,499,236</u>	<u>\$ 12,301,335</u>	<u>\$ (5,543,880)</u>	<u>\$ 8,275,399</u>

Source: City of Goleta, Finance Department.

Fiscal Year Ended June 30,					
2021	2022	2023	2023	2024	2025
\$ 6,574,206	\$ 6,552,687	\$ 7,637,311	\$ 10,376,662	\$ 10,655,510	\$ 12,341,129
7,646,327	7,262,255	8,695,216	9,349,732	10,975,712	11,763,039
12,253,012	12,255,501	16,520,360	22,540,161	18,786,893	27,189,941
486,631	463,691	1,014,887	-	-	-
7,854,597	8,394,651	7,051,170	-	-	-
-	-	-	2,588,836	2,610,354	3,195,776
-	-	-	4,056,009	4,628,681	4,838,240
-	-	-	2,650,927	2,832,847	3,391,633
-	227,333	258,610	281,218	275,752	1,126,943
<u>34,814,773</u>	<u>35,156,118</u>	<u>41,177,554</u>	<u>51,843,545</u>	<u>50,765,749</u>	<u>63,846,701</u>
73,238	75,473	98,700	111,780	104,992	172,528
-	-	-	-	-	-
925,703	959,250	1,467,664	1,118,930	980,970	879,745
1,239,522	1,020,686	1,103,385	-	-	-
7,121	1,250	6,704	-	-	-
-	-	-	25,846	34,243	21,325
-	-	-	1,124,373	1,711,307	2,446,705
-	-	-	107,070	84,161	52,625
60,538	44,375	3,020,465	1,536,995	8,759,234	13,004,164
-	6,348	-	-	-	-
743,838	927,972	762,120	765,187	3,124,298	853,519
50,543	273,575	-	-	-	-
1,883,517	1,555,802	1,581,633	-	-	-
-	-	-	1,577,883	1,894,322	1,670,357
-	-	-	1,183,612	1,514,638	6,111,359
-	-	-	100,097	173,753	111,050
264,511	489,217	714,138	297,603	356,997	740,127
2,412,918	10,437,978	4,352,804	4,152,611	10,120,955	17,906,907
486,569	161,376	298,779	-	-	-
40,028	346,613	15,869	-	-	-
-	-	-	177	13,208	203,861
-	-	-	-	-	-
-	-	-	209,949	456,696	125,020
<u>8,188,046</u>	<u>16,299,915</u>	<u>13,422,261</u>	<u>12,312,113</u>	<u>29,329,774</u>	<u>44,299,292</u>
<u>(26,626,727)</u>	<u>(18,856,203)</u>	<u>(27,755,293)</u>	<u>(39,531,432)</u>	<u>(21,435,975)</u>	<u>(19,547,409)</u>
7,323,010	7,578,502	8,299,838	8,878,497	9,491,929	9,930,390
8,359,879	9,391,156	10,733,246	10,992,006	15,972,669	23,581,549
9,197,440	9,239,079	14,341,129	13,884,890	14,234,251	14,110,059
1,431,693	1,478,848	1,577,968	1,693,236	1,730,737	1,681,254
1,892,658	4,054,191	3,437,524	1,460,097	953,844	934,589
1,531,668	310,821	(314,219)	1,229,802	2,894,764	3,424,614
986,794	445,183	1,205,325	763,590	793,470	1,581,228
-	-	-	-	-	-
<u>30,723,142</u>	<u>32,497,780</u>	<u>39,280,811</u>	<u>38,902,118</u>	<u>46,071,664</u>	<u>55,243,683</u>
<u>\$ 4,096,415</u>	<u>\$ 13,641,577</u>	<u>\$ 11,525,518</u>	<u>\$ (629,314)</u>	<u>\$ 24,635,689</u>	<u>\$ 35,696,274</u>

*City of Goleta*

**Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)**

	Fiscal Year Ended June 30,			
	2016	2017	2018	2019
General fund:				
Nonspendable	\$ 82,990	\$ 135,766	\$ 50,197	\$ 126,660
Committed	12,410,719	14,007,924	10,717,463	10,468,732
Assigned	3,985,059	6,356,024	4,448,640	5,351,819
Unassigned	1,326,160	938,971	4,286,175	8,144,887
Total general fund	<u>\$ 17,804,928</u>	<u>\$ 21,438,685</u>	<u>\$ 19,502,475</u>	<u>\$ 24,092,098</u>
All other governmental funds:				
Nonspendable	\$ 100,074	\$ 112,700	\$ 13,045	\$ 30,055
Restricted	28,329,372	36,792,174	34,623,070	33,573,116
Assigned	-	-	-	-
Unassigned	(729,923)	(1,084,155)	(3,582,604)	(1,078,759)
Total all other governmental funds	<u>\$ 27,699,523</u>	<u>\$ 35,820,719</u>	<u>\$ 31,053,511</u>	<u>\$ 32,524,412</u>

Source: City of Goleta, Finance Department

Fiscal Year Ended June 30,					
2020	2021	2022	2023	2024	2025
\$ 74,711	\$ 25,674	\$ 26,176	\$ 15,049	\$ 92,635	\$ 109,384
11,087,037	12,617,011	12,753,580	14,180,140	17,472,816	17,480,275
3,269,986	2,517,302	7,006,229	14,063,142	20,366,170	26,124,383
<u>2,846,216</u>	<u>17,632,671</u>	<u>19,482,955</u>	<u>11,110,926</u>	<u>6,862,571</u>	<u>9,467,780</u>
<u>\$ 17,277,950</u>	<u>\$ 32,792,658</u>	<u>\$ 39,268,940</u>	<u>\$ 39,369,257</u>	<u>\$ 44,794,192</u>	<u>\$ 53,181,822</u>
\$ 908	\$ -	\$ 1,545	\$ 3,000	\$ 80	\$ -
35,222,459	40,085,550	39,873,176	37,178,898	39,148,208	28,413,807
-	-	-	-	-	-
<u>(2,397,034)</u>	<u>(2,531,901)</u>	<u>(2,621,092)</u>	<u>(4,202,542)</u>	<u>(6,143,735)</u>	<u>(4,354,915)</u>
<u>\$ 32,826,333</u>	<u>\$ 37,553,649</u>	<u>\$ 37,253,629</u>	<u>\$ 32,979,356</u>	<u>\$ 33,004,553</u>	<u>\$ 24,058,892</u>

# City of Goleta

## Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2016	2017	2018	2019
<b>Revenues:</b>				
Taxes	\$ 23,649,455	\$ 24,631,621	\$ 26,900,090	\$ 29,929,836
Franchise Fees	-	-	-	-
Intergovernmental	1,923,771	2,358,692	3,175,254	6,221,465
Charges for services	2,864,921	2,963,297	2,131,958	1,765,462
Licenses and permits	2,436	16,713	276,935	345,157
Fines and forfeitures	156,125	129,051	157,573	211,003
Use of money and property	346,146	414,124	747,399	1,264,583
Developer fees	10,426,271	11,877,652	6,269,163	2,230,638
Donations	-	-	-	272,945
Other	433,922	781,110	693,602	399,824
Special Assessments	-	-	-	-
<b>Total revenues</b>	<b>39,803,047</b>	<b>43,172,260</b>	<b>40,351,974</b>	<b>42,640,913</b>
<b>Expenditures</b>				
Current:				
General government	6,434,016	6,703,041	6,172,071	7,841,267
Public safety	7,564,633	7,713,313	8,545,945	8,031,031
Public works	4,433,051	5,778,897	12,361,238	7,187,008
Community development	26,703	32,271	405,516	747,001
Community services	4,558,781	6,482,998	4,846,289	5,865,827
Library	-	-	-	-
Planning & Environmental Review	-	-	-	-
Neighborhood Services	-	-	-	-
Pass-through to other agencies	-	-	-	-
Capital outlay	2,896,848	4,706,787	14,639,100	7,250,004
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Cost of issuance	-	-	-	-
<b>Total expenditures</b>	<b>37,440,713</b>	<b>25,914,032</b>	<b>31,417,307</b>	<b>46,970,159</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>4,308,950</b>	<b>13,889,015</b>	<b>11,754,953</b>	<b>(6,618,185)</b>
<b>Other financing sources (uses):</b>				
Lease Proceeds	-	-	-	-
Transfer from City of Santa Barbara	-	-	-	341,749
Transfers in	1,323,699	67,038	19,919	23,182
Transfers out	(1,323,699)	(67,038)	(19,919)	(23,182)
Subscriptions/Lease Acquisition	-	-	-	-
Proceeds from issuance of debt	-	-	-	-
Premiums from issuance of debt	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>341,749</b>
<b>Net change in fund balances, before extraordinary item</b>	<b>4,308,950</b>	<b>13,889,015</b>	<b>11,754,953</b>	<b>(6,618,185)</b>
<b>Net change in fund balances</b>	<b>\$ 4,308,950</b>	<b>\$ 13,889,015</b>	<b>\$ 11,754,953</b>	<b>\$ (6,618,185)</b>
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%

Source: City of Goleta Finance Department

Fiscal Year Ended June 30,						
2020	2021	2022	2023	2024	2025	
\$ 27,863,962	\$ 31,247,854	\$ 37,873,993	\$ 35,774,267	\$ 41,256,269	\$ 49,185,177	
-	-	-	2,986,699	3,091,078	3,114,243	
4,433,794	7,585,636	6,362,724	7,196,296	18,956,991	33,998,256	
2,245,584	2,056,659	2,676,453	1,850,433	2,359,402	2,569,385	
340,718	374,896	515,712	549,197	525,476	322,539	
170,392	119,026	169,201	170,961	160,567	237,150	
1,531,668	310,821	(314,219)	1,922,814	4,148,176	4,352,836	
1,149,944	6,852,979	1,342,764	27,180	4,324,118	3,498,058	
93,482	69,883	73,325	119,841	104,810	618,652	
816,402	445,183	1,036,124	311,166	166,720	997,472	
-	-	-	305,377	307,831	365,436	
<u>38,645,946</u>	<u>49,062,937</u>	<u>49,736,077</u>	<u>51,214,231</u>	<u>75,401,438</u>	<u>99,259,204</u>	
6,995,184	6,873,224	8,920,674	11,912,545	11,207,272	12,678,363	
7,608,120	7,235,324	8,668,285	9,322,801	10,948,781	11,758,456	
6,448,010	6,357,423	11,352,463	16,934,678	16,961,656	18,824,672	
473,415	455,937	1,014,887	-	-	-	
7,425,212	7,993,126	7,822,195	-	-	-	
-	-	-	2,454,031	2,532,325	3,323,817	
-	-	-	3,852,658	4,500,883	4,752,079	
-	-	-	2,577,336	2,804,868	3,000,504	
-	-	-	-	-	-	
16,208,232	9,788,546	5,297,511	7,931,040	20,687,571	45,401,670	
-	-	222,740	228,620	234,655	240,850	
-	117,333	261,060	284,434	277,633	485,380	
-	-	-	-	-	644,877	
<u>36,922,138</u>	<u>45,158,173</u>	<u>38,820,913</u>	<u>43,559,815</u>	<u>70,155,644</u>	<u>101,110,668</u>	
5,718,775	(6,512,227)	10,242,024	6,176,262	5,245,794	(1,851,464)	
-	10,000,000	-	-	-	-	
-	-	-	-	-	-	
29,983	33,316	124,704	242,464	643,106	3,863,742	
(29,983)	(33,316)	(124,704)	(242,464)	(643,106)	(3,863,742)	
-	-	-	119,201	38,545	212,418	
-	-	-	-	-	33,390,000	
-	-	-	-	-	2,988,185	
-	10,000,000	-	119,201	38,545	36,590,603	
6,060,524	(6,512,227)	20,242,024	6,176,262	5,284,339	34,739,139	
<u>\$ 6,060,524</u>	<u>\$ (6,512,227)</u>	<u>\$ 20,242,024</u>	<u>\$ 6,176,262</u>	<u>\$ 5,284,339</u>	<u>\$ 34,739,139</u>	
0.00%	0.00%	0.40%	1.26%	1.11%	68.14%	

# City of Goleta

## Assessed Value and Actual Value of Taxable Property Last Ten Fiscal Years

Fiscal Year Ended June 30,	City			Redevelopment Agency			Total Direct Tax Rate (A)
	Secured and Unsecured	Less: Exemptions	Taxable Assessed Value	Secured and Unsecured	Less: Exemptions	Taxable Assessed Value (A)	
2016	\$ 6,089,379,285	\$ 218,841,848	\$ 5,870,537,437	\$ 1,278,194,953	\$ 161,350,968	\$ 1,116,843,985	1.03768%
2017	6,399,862,393	241,333,422	6,158,528,971	1,331,787,175	167,186,201	1,164,600,974	1.03373%
2018	6,840,489,088	310,162,712	6,530,326,376	1,436,831,839	220,447,902	1,216,383,937	1.04378%
2019	7,443,733,341	343,551,969	7,100,181,372	1,536,947,763	231,427,714	1,305,520,049	1.04055%
2020	7,765,046,350	326,660,076	7,438,386,274	1,611,933,172	217,376,249	1,394,556,923	1.04010%
2021	8,248,711,546	357,716,937	7,890,994,609	1,763,413,461	228,144,193	1,535,269,268	1.03921%
2022	8,495,241,471	329,120,264	8,166,121,207	1,831,054,657	222,258,769	1,608,795,888	1.05745%
2023	9,035,530,759	324,635,677	8,710,373,052	1,939,990,804	223,988,797	1,716,002,007	1.05429%
2024	9,735,794,333	362,999,526	9,372,794,807	2,155,776,311	228,216,372	1,927,559,939	1.05155%
2025	10,193,893,737	376,999,056	9,816,894,681	2,162,088,134	235,258,674	1,926,829,460	1.04804%

Note:

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

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

Source: Santa Barbara County Assessor

# City of Goleta

## Direct and Overlapping Governments Property Tax Rates Last Ten Fiscal Years (rate per \$100 of taxable value)

	Fiscal Year Ended June 30,			
	2016	2017	2018	2019
City Direct Rates:				
City of Goleta Basic Levy (1)	1.00000	1.00000	1.00000	1.00000
Overlapping Rates (2):				
Goleta Unified School District	0.01248	0.01061	0.00955	0.00907
Santa Barbara City College	0.00850	0.00731	0.00731	0.00731
Santa Barbara High School District	0.01670	0.01581	0.02692	0.02417
Total Direct and Overlapping Tax Rates	<u>1.04159</u>	<u>1.03768</u>	<u>1.03373</u>	<u>1.04378</u>
City's Share of 1% Levy Per Prop 13 (3)	<u>0.04903</u>	<u>0.04903</u>	<u>0.04903</u>	<u>0.04903</u>
Redevelopment Rate (4)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Direct Rate (5)	<u>0.05094</u>	<u>0.05095</u>	<u>0.05090</u>	<u>0.05081</u>

### Notes:

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

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

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Fiscal Year Ended June 30,					
2020	2021	2022	2023	2024	2025
1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
0.00862	0.00776	0.02621	0.02124	0.01977	0.01711
0.00731	0.00731	0.00709	0.00688	0.00654	0.00713
0.02417	0.02414	0.02415	0.02617	0.02524	0.02380
1.04055	1.04010	1.03921	1.05429	1.05155	1.04804
0.04903	0.04903	0.04903	0.04903	0.04903	0.04903
-	-	-	-	-	-
0.05080	0.04835	0.04840	0.04840	0.04850	0.04850

# City of Goleta

## Principal Property Tax Payers Current Fiscal Year and Nine Years Ago

Taxpayer	Primary Use	2025	
		Taxable Assessed Value	Percent of Total City Taxable Assessed Value
Ruby SB Hotel LLC	Commercial	\$ 521,253,786	5.31%
Goleta Hollister Apartments LLC	Residential	136,900,452	1.39%
SP Maravilla LLC	Institutional	134,924,396	1.37%
Deckers Cabrillo LLC	Commercial	132,812,191	1.35%
Raytheon Company	Unsecured	122,164,064	1.24%
Google Inc	Commercial	118,798,366	1.21%
Camino Real II Limited Liability Company	Commercial	112,672,164	1.15%
Goleta Energy Storage LLC	Industrial	105,525,340	1.07%
FLIR Commercial Vision Systems Inc	Commercial	104,685,477	1.07%
Willow Springs LP	Residential	79,727,610	0.81%
Top Ten Total		<u>\$ 1,569,463,846</u>	<u>15.97%</u>
Taxpayer	Primary Use	2016	
		Taxable Assessed Value	Percent of Total City Taxable Assessed Value
BRS Investment Properties LLC	Residential	\$ 189,646,318	3.23%
SP Maravilla, LLC	Institutional	113,651,022	1.94%
Camino Real II Limited Liability Company	Commercial	91,388,925	1.56%
RCS Los Carneros LLC	Industrial	90,319,410	1.54%
FLIR Commercial Vision Systems Inc	Unsecured	79,533,638	1.36%
Deckers Cabrillo LLC	Commercial	79,399,403	1.35%
Raytheon Company	Industrial	73,818,632	1.26%
Citrix Systems Inc	Unsecured	64,680,489	1.10%
Lockheed Martin Missiles and Fire Control	Unsecured	50,927,280	0.87%
Nassau Land Company LP	Commercial	49,625,365	0.85%
Top Ten Total		<u>\$ 882,990,482</u>	<u>15.06%</u>

Note: The amounts shown above include assessed value data for both the City and the Redevelopment Agency.  
Source: Santa Barbara County Assessor

# City of Goleta

## Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date (1)	
		Amount	Percent of Levy		Amount	Percent of Levy
2016	\$ 2,752,953	\$ 2,752,953	100.00%	-	\$ 2,752,953	100.00%
2017	2,904,565	2,904,565	100.00%	-	2,904,565	100.00%
2018	3,093,044	3,093,044	100.00%	-	3,093,044	100.00%
2019	3,375,135	3,375,135	100.00%	-	3,375,135	100.00%
2020	3,545,819	3,545,819	100.00%	-	3,545,819	100.00%
2021	3,790,194	3,790,194	100.00%	-	3,790,194	100.00%
2022	3,922,347	3,922,347	100.00%	-	3,922,347	100.00%
2023	4,189,395	4,189,395	100.00%	-	4,189,395	100.00%
2024	4,503,412	4,503,412	100.00%	-	4,503,412	100.00%
2025	4,718,308	4,718,308	100.00%	-	4,718,308	100.00%

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

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

Source: City of Goleta, Finance Department

*City of Goleta*

**Revenue and Rate of Transient Occupancy Tax  
Last Ten Fiscal Years**

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<u>Fiscal Year Ended June 30,</u>	<u>Transient Occupancy Taxes for the Fiscal Year</u>	<u>Transient Occupancy Tax Rate</u>
2016	\$ 8,175,456	12%
2017	8,615,207	12%
2018	10,117,460	12%
2019	11,564,512	12%
2020	9,197,440	12%
2021	9,239,079	12%
2022	14,341,129	12%
2023	13,884,890	12%
2024	14,234,251	12%
2025	14,110,060	12%

Source: City of Goleta, Finance Department

# *City of Goleta*

## **Principal Transient Occupancy Tax Payers Current Fiscal Year and Nine Years Ago**

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2025

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Ritz Carlton Bacara  
Hilton Garden Inn  
Residence Inn by Marriott  
The Leta (Goodland)  
Courtyard by Marriott  
South Coast Inn (Best Western)  
Goleta Hampton Inn  
Pacifica Suites (The Steward)  
Motel 6

2016

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Bacara Resort & Spa  
The Goodland  
Hampton Inn  
Marriott Courtyard  
Motel 6  
Pacifica Suites  
South Coast Inn  
Super 8 Motel

**Note:**

Top transient occupancy tax payers are listed in alphabetical order.

Source: City of Goleta, Finance Department

# City of Goleta

## Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year Ended June 30,	Capital Leases	Leases (1)	SBITA (1)	Lease Revenue and Sales Tax Bonds	Other	Total Governmental Activities	Percentage of Personal Income	Debt per Capita
2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	-
2017	-	-	-	-	-	-	0.00%	-
2018	-	-	-	-	-	-	0.00%	-
2019	-	-	-	-	4,655,646	4,655,646	0.40%	142
2020	-	-	-	-	3,879,705	3,879,705	0.32%	120
2021	10,000,000	-	-	-	3,103,764	13,103,764	1.05%	405
2022	9,777,260	-	-	-	2,327,823	12,105,083	0.90%	371
2023	9,548,641	38,051	65,201	-	1,551,882	11,203,775	0.77%	345
2024	9,313,985	30,484	65,795	-	775,941	10,186,205	0.63%	313
2025	9,073,135	212,418	39,166	36,378,185	-	39,607,057	2.30%	1,209

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.  
The amount of outstanding debt by type reported above is net of related premiums and discounts.  
(1) The City adopted GASB 87 and GASB 96 in FY 2022-23 and prior year amounts were not restated.

Source: City of Goleta, Finance Department

# City of Goleta

## Direct and Overlapping Governmental Activities Debt For the Year Ended June 30, 2025

2024-2025 Assessed Valuations:

\$9,816,907,721

	Total Outstanding Debt 6/30/2025	Percentage Applicable (1)	City's Share of Overlapping Debt 6/30/2025
<u>Direct and Overlapping Tax and Assessment Debt</u>			
Santa Barbara Community College District	\$ 45,740,000	12.670%	\$ 5,795,258
Santa Barbara Unified School District	145,920,000	14.401%	21,013,939
Goleta Union School District	78,275,000	53.013%	41,495,926
Santa Barbara High School District	56,159,327	14.401%	8,087,505
<b>City of Goleta</b>	-	<b>100.000%</b>	-
Total Direct and Overlapping Tax and Assessment Debt			<u>\$ 76,392,628</u>
<u>Overlapping General Fund Debt</u>			
Santa Barbara County General Fund Obligations	\$ 113,330,000	8.525%	\$ 9,661,383
City of Goleta General Fund Obligation	\$ 27,808,135	100.000%	\$ 27,808,135
Goleta West Sanitary District General Fund Obligation	\$ 12,684,000	77.274%	\$ 9,801,434
Total Gross Overlapping General Fund Debt			\$ 47,270,952
Less: Santa Barbara County supported obligations			<u>63,085</u>
Total Net Overlapping General Fund Debt			<u>\$ 47,207,867</u>
<u>Overlapping Tax Increment Debt (Successor Agency)</u>	\$ 10,085,000	100.000%	\$ 10,085,000
<b>Total Direct Debt</b>			<b>\$ 27,808,135.00</b>
Total Gross Overlapping Debt			\$ 105,940,445
Total Net Overlapping Debt			\$ 105,877,360
Gross Combined Total Debt			\$ 133,748,580 (2)
Net Combined Total Debt			\$ 133,685,495

Ratios to 2024-2025 Assessed Valuations:

<b>Direct Debt</b>	<b>0.78%</b>
Total Direct and Overlapping Tax and Assessment Debt	0.28%
Gross Combined Total Debt	1.36%
Net Combined Total Debt	1.36%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$1,468,331,433):

Total Overlapping Tax Increment Debt	0.69%
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Notes:

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: County of Santa Barbara

# City of Goleta

## Computation of Legal Debt Margin Last Ten Fiscal Years

	Fiscal Year Ended June 30,			
	2016	2017	2018	2019
Assessed valuation	\$ 6,089,379,285	\$ 6,399,862,393	\$ 6,840,494,388	\$ 7,443,765,341
Conversion percentage	25%	25%	25%	25%
Adjusted assessed valuation	1,522,344,821	1,599,965,598	1,710,123,597	1,860,941,335
Debt limit percentage	15%	15%	15%	15%
Debt limit	228,351,723	239,994,840	256,518,540	279,141,200
Total net debt applicable to limitation	-	-	-	-
Legal debt margin	\$ 228,351,723	\$ 239,994,840	\$ 256,518,540	\$ 279,141,200
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%

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

Source: City of Goleta, Finance Department

Fiscal Year Ended June 30,					
2020	2021	2022	2023	2024	2025
\$ 7,765,120,920	\$ 8,248,711,546	\$ 8,495,247,271	\$ 9,035,530,759	\$ 9,735,800,733	\$ 10,193,900,777
25%	25%	25%	25%	25%	25%
1,941,280,230	2,062,177,887	2,123,811,818	2,258,882,690	2,433,950,183	2,548,475,194
15%	15%	15%	15%	15%	15%
291,192,035	309,326,683	318,571,773	338,832,403	365,092,527	382,271,279
-	-	-	-	-	-
<u>\$ 291,192,035</u>	<u>\$ 309,326,683</u>	<u>\$ 318,571,773</u>	<u>\$ 338,832,403</u>	<u>\$ 365,092,527</u>	<u>\$ 382,271,279</u>
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

# City of Goleta

## Demographic and Economic Statistics Last Ten Fiscal Years

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Fiscal Year Ended June 30,	Population (1) City of Goleta	Santa Barbara County	City of Goleta		
		Population (1) (in thousands)	Personal Income (2) (in thousands)	Per Capita Income (2) (in thousands)	Unemployment Rate (3)
2016	31,235	447	\$ 1,015,220	32.5	3.10%
2017	31,760	451	1,085,697	34.2	3.00%
2018	31,949	453	1,110,756	34.8	3.60%
2019	32,759	447	1,168,689	35.7	2.40%
2020	32,223	452	1,217,385	37.8	2.30%
2021	32,339	441	1,250,318	38.7	6.30%
2022	32,591	443	1,351,637	41.5	3.90%
2023	32,442	442	1,451,177	44.7	2.30%
2024	32,515	443	1,607,802	49.4	2.70%
2025	32,747	442	1,719,968	52.5	2.90%

Sources:

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

# City of Goleta

## Principal Employers Current Fiscal Year and Nine Fiscal Years Ago

Employer	2025		Employer	2016	
	Number of Employees	Employment % to Total Population		Number of Employees	Employment % to Total Population
University of California, Santa Barbara (1)	6,613	20.29%	Raytheon	1,150	3.68%
AppFolio	1,700	5.22%	Sansum Clinic	1,020	3.27%
Raytheon	1,400	4.30%	Bacara Resorts	600	1.92%
Sansum Clinc	1,200	3.68%	Citrix Online	600	1.92%
The Ritz-Carlton Bacara	650	1.99%	Tecolote Research	570	1.82%
Deckers Brands	600	1.84%	Goleta Union School District	565	1.81%
Goleta Union School District	547	1.68%	Jordano's	561	1.80%
Teledyne FLIR LLC	514	1.58%	Deckers Outdoors	545	1.74%
Karl Storz Imaging	400	1.23%	Yardi Systems	535	1.71%
Jordano's	350	1.07%	FLIR Commercial Vision Systems	450	1.44%
Bruker Nano	300	0.92%	AppFolio	400	1.28%
Inogen	270	0.83%	Karl Storz Imaging	350	1.12%
Communify	268	0.82%	Goleta Valley Cottage Hospital	348	1.11%
			Curvature	315	1.01%
			Medtronic	250	0.80%
			Costco	233	0.75%
			Santa Barbara Focalplane	219	0.70%
			Inogen Inc	180	0.58%
			The Home Depot	161	0.52%

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

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

Source: City of Goleta

*City of Goleta*

**Full-Time and Part-Time City Employees by Function  
Last Ten Fiscal Years**

Function	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government	16.30	16.30	16.40	15.65	15.65	17.65	16.90	17.65	18.90	19.00
General Services	-	-	-	-	-	-	3.00	5.00	6.00	7.00
Library Department (1)	-	-	9.38	9.38	15.38	15.38	16.13	17.13	17.13	17.13
Administrative Services (2)	-	-	-	-	-	-	-	-	-	-
Finance Department	6.00	6.00	6.00	7.00	7.00	7.00	10.00	12.00	12.00	12.00
Planning and Environmental Services	14.80	15.80	15.00	15.00	15.50	17.50	18.50	18.50	20.50	19.50
Neighborhood Services and Public Safety	4.00	5.00	5.00	5.00	6.00	6.00	6.50	9.50	10.50	11.00
Public Works	22.90	22.90	21.90	22.90	25.90	25.90	29.00	36.00	36.50	39.00
<b>Total</b>	<b>55.70</b>	<b>64.00</b>	<b>66.00</b>	<b>73.68</b>	<b>74.93</b>	<b>85.43</b>	<b>89.43</b>	<b>100.03</b>	<b>121.53</b>	<b>124.63</b>

(1) In fiscal year 2019-2020; the City Council approved the transition to assume management and operations of the Buellton and Solvang Libraries beginning on July 1, 2019.

Source: City of Goleta, Finance Department

# City of Goleta

## Operating Indicators by Function Last Ten Fiscal Years

Function	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police (1):										
Calls for Service	25,025	23,894	22,690	21,802	21,933	20,281	22,359	21,218	19,953	21,332
Citations	1,033	871	834	1,073	550	858	1,564	997	958	1,333
Reports Taken	3,238	3,329	3,218	3,204	3,170	2,881	3,402	2,938	2,684	2,664
Fire (2):										
Calls for Service	3,856	3,962	4,140	5,184	4,113	5,109	4,424	3,453	3,337	3,629
Public works (3):										
Street resurfacing (miles)	-	6.7	6.8	3.3	1.8	1.2	3.8	2.7	0.4	0.3

Sources:

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

# City of Goleta

## Capital Asset Statistics by Function Last Ten Fiscal Years

Function	Fiscal Year Ended June 30,			
	2016	2017	2018	2019
<b>Public Safety:</b>				
Police Stations (1)	-	-	-	-
Fire Stations (2)	3	3	3	3
<b>Community Development and Community Services:</b>				
Parks and Open Space - Acreage	477	477	477	477
Community Center	1	1	1	1
Library	1	1	1	1
Historic Stowe House	1	1	1	1
Amtrak Restrooms	1	1	1	1
Elementary Schools (K - 6)	5	5	5	5
Middle Schools (6 - 8)	1	1	1	1
High Schools (9 - 12)	1	1	1	1
Private Schools	4	4	4	4
Special Needs Schools	-	-	-	-
<b>Public Works:</b>				
Area of City (Square Miles)	8.0	8.0	8.0	8.0
Miles of Streets	174.0	174.0	174.0	174.0
Number of Streetlights (3)	103	103	103	103
Number of Vehicles (City-wide)	18	21	21	21
Corporation Yard	1	1	1	1

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

Source: Various City of Goleta Departments

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Fiscal Year Ended June 30,					
2020	2021	2022	2023	2024	2025
-	-	-	-	-	-
3	3	3	3	3	3
550	550	550	550	550	550
1	1	1	1	1	1
3	3	3	3	3	3
1	1	1	1	1	1
1	1	1	1	1	1
5	5	5	5	5	5
1	1	1	1	1	1
1	1	1	1	1	1
4	4	4	4	4	4
-	-	-	-	-	-
8.0	8.0	8.0	8.0	8.0	8.0
174.0	174.0	174.0	187.2	187.2	187.2
1,433	1,433	1,433	1,464	1,464	1,464
21	22	24	31	31	26
1	1	1	1	1	1

## **ATTACHMENT 2**

Generally Accepted Government Auditing Standards Letter

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

*Independent Auditor's Report*

To the Honorable Mayor and Members of the City Council  
City of Goleta, California

We have audited, in accordance with the 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 (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Goleta (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 22, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Rogers, Anderson, Malody & Scott, LLP.*

San Bernardino, California  
December 22, 2025

## **ATTACHMENT 3**

### Statement of Auditing Standards Letter

December 22, 2025

To the Honorable Mayor and Members of the City Council  
City of Goleta, California

We have audited the financial statements of the City of Goleta (the City) as of and for the year ended June 30, 2025, and have issued our report thereon dated December 22, 2025. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated April 8, 2025, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of the system of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, as part of our audit, we considered the system of internal control of the City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

We have evaluated whether certain nonattest services performed by our firm during the audit have created a significant threat to our independence in relation to the entity. We have identified a threat to our independence (preparation of the entity's financial statements, creating a self-review threat) that if not reduced to an acceptable level, would impair our independence. In order to reduce the threat to an acceptable level, we have applied the following safeguard:

Prior to the issuance of the entity's financial statements, another partner or manager, independent of the engagement, will review the financial statements.

### **Significant Risks Identified**

We have identified the possibility of the following significant risks:

*Management's override of internal controls over financial reporting* – Management override of internal controls is the intervention by management in handling financial information and making decisions contrary to internal control policy.

*Revenue recognition* – Revenue recognition is a generally accepted accounting principle that refers to the conditions under which an entity can recognize a transaction as revenue. Auditing standards indicate that recognizing revenue is a presumed fraud risk and usually classified as a significant risk in most audits.

These significant risks are presumptive in most audits and merit attention by the auditors due to the direct impact over financial reporting and internal control processes. Although identified as significant risks, we noted no matters of management override of controls or deviations from generally accepted accounting principles which caused us to modify our audit procedures or any related matters which are required to be communicated to those charged with governance due to these identified risks.

### **Qualitative Aspects of the Entity's Significant Accounting Practices**

#### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the entity is included in Note 1 to the financial statements. The City adopted GASB Statement No. 101, *Compensated Absence*, and GASB Statement No. 102, *Certain Risk Disclosures* during 2025. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

#### *Significant Accounting Estimates and Related Disclosures*

Accounting estimates and related disclosures are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the City's financial statements are:

Management's estimate of the net pension liability and related deferred inflows and outflows of resources are based on actuarial reports by independent actuaries. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Management's estimate of the liability for other post-employment benefits (OPEB) and related deferred inflows and outflows of resources are based on actuarial reports provided by independent actuaries. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users.

The most sensitive disclosures affecting the City's financial statements relate to:

The disclosure of fair value of investments in the basic financial statements represents amounts susceptible to market fluctuations.

The disclosure of capital assets (and related accumulated depreciation) in the basic financial statements is based on historical information which could differ from actual lives of each capitalized item.

The disclosure of net pension liability and related deferred inflows and outflows of resources in the basic financial statements is based on actuarial assumptions. Actual future liabilities and actuarial deferred inflows and outflows may vary from disclosed estimates.

The disclosures of the other post-employment benefits (OPEB) liability and related deferred inflows and outflows of resources in the basic financial statements is based on actuarial assumptions. Actual future liabilities and actuarial deferred inflows and outflows may vary from disclosed estimates.

The disclosure of leases and subscription liabilities, right-to-use assets, and asset amortization in the basic financial statements is based on certain terms and assumptions in the agreements which could differ from actual amounts.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no uncorrected misstatements noted.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion unit.

## **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

## **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated December 22, 2025.

## **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

## **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the entity, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the entity's auditors.

## Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the entity's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have:

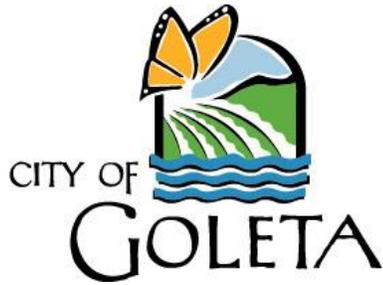
Read the transmittal letter and statistical section and considered whether a material inconsistency existed between the other the information and the basic financial statements, or the other information otherwise appears to be materially misstated. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the City Council and management of the entity and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*Rogers, Anderson, Malody & Scott, LLP.*



December 22, 2025

**CITY COUNCIL**

Paula Perotte  
*Mayor*

Luz Reyes-Martín  
*Mayor Pro Tempore  
District 1*

Stuart Kasdin  
*Councilmember*

James Kyriaco  
*Councilmember  
District 2*

Kyle Richards  
*Councilmember*

**CITY MANAGER**

Rogers, Anderson, Malody & Scott, LLP  
735 E. Carnegie Drive, Suite 100  
San Bernardino, California, 92408

RE: Management Representation Letter

This representation letter is provided in connection with your audit of the financial statements of the City of Goleta (the City) which comprise the statement of financial position as of June 30, 2025, and the respective change in financial position governmental activities, each major fund, and the aggregate remaining fund information of the City for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the financial statements of the various opinion units are presented fairly, in all material respects, in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information such that, in the light of surrounding circumstances, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of December 22, 2025:

**Financial Statements**

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 8, 2025, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- The financial statements refer to above have been fairly presented in accordance with U.S. GAAP and include all properly classified funds, required supplementary information, and noted to the basic financial statements.
- We acknowledge our responsibility for the design, implementation, and maintenance of the system of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- The methods, data and significant assumptions used by us in making accounting estimates and their related disclosures, are appropriate to achieve

recognition, measurement, or disclosure that is reasonable in the context of U.S. GAAP.

- All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- All component units, as well as joint ventures with an equity interest, if any, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus as amended*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- Nonexchange and exchange financial guarantees, either written or oral, under which it is more likely than not that a liability exists have been properly recorded, or if we are obligated in any manner, are disclosed
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have reviewed and approved the various adjusting journal entries that were proposed by you for recording in our books and records and reflected in the financial statements.
- We have evaluated all of our lease and subscription agreements and have given you our assessment as to whether each agreement is subject to GASB Statement No. 87, *Leases* and GASB Statement No. 96, *Subscription Based Information Technology Arrangements*.
- With regard to investments and other instruments reported at fair value:
  - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
  - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.

- The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
- There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- With regard to pensions and OPEB:
  - We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
  - We are unable to determine the possibility of a withdrawal liability from the Plan, and are not currently contemplating withdrawing from the Plan.
  - Increases in benefits, elimination of benefits and all similar amendments have been disclosed in accordance with U.S. GAAP and are included in the most recent actuarial valuation, or disclosed as a subsequent event.
- We have conducted a comprehensive risk assessment and disclosed all material concentrations and constraints in accordance with GASB Statement No. 102, *Certain Risk Disclosures*. These disclosures provide sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government’s vulnerability to the risk of a substantial impact associated with the concentration or constraint, if applicable.
- We have evaluated the concentrations and constraints, including those that occur subsequent to the statement of net position date but before the financial statements are issued and have been properly disclosed in the financial statements as subsequent events.
- With respect to preparation of the financial statements, we have performed the following:
  - Made all management decisions and performed all management functions;
  - Assigned a competent individual to oversee the services;
  - Evaluated the adequacy of the services performed;
  - Evaluated and accepted responsibility for the result of the service performed; and
  - Established and maintained internal controls, a process to monitor the system of internal controls.
- There have been no changes or updates to legal information disclosed to you by our attorneys since the date of such legal response and now.

**Information Provided**

- We have provided you with:
  - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
  - Additional information that you have requested from us for the purpose of the audit; and
  - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
  - A written acknowledgement of all the documents that we expect to issue that will be included in the annual report and the planned timing and method of issuance of that annual report;
  - A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor’s report.
- The financial statements and any other information included in the annual report are consistent with one another, and the other information does not contain any material misstatements.
- All information provided in electronic form are true representations of the original documents.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

- We have provided to you our analysis of the entity's ability to continue as a going concern, including significant conditions and events present, concentrations and constraints, and we believe that our use of the going concern basis of accounting is appropriate.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - Management;
  - Employees who have significant roles in internal control; or
  - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors (contractors), analysts, regulators, or others.
- We have no knowledge of any instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- We have no knowledge of any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- We have a process to track the status of audit findings and recommendations.
- We have identified for you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of all the City's related parties and the nature of all the related party relationships and transactions of which we are aware.
- We have disclosed to you all communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The entity has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- We are not aware of any pending or threatened litigation, claims, or assessments, or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial*

*Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements (FASB Accounting Standards Codification™ (ASC) 450, Contingencies), and we have not consulted a lawyer concerning litigation, claims, or assessments.*

- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- There are no:
  - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
  - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
  - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
  - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

### **Use of a Specialist**

- We agree with the findings of specialists in evaluating the entity's net pension and net other post-employment benefit liabilities and related deferred amounts and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.

### **Cybersecurity**

- There have been no cybersecurity breaches or other cyber events whose effects should be considered for disclosure in the financial statements, as a basis for recording a loss contingency, or otherwise considered when preparing the financial statements.

### **Supplementary Information in Relation to the Financial Statements as a Whole**

With respect to supplementary information accompanying the financial statements:

- We acknowledge our responsibility for the presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America.
- We believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America.
- The methods of measurement or presentation have not changed from those used in the prior period.
- We believe any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.

- When the supplementary information is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the City of the supplementary information and the auditor's report thereon.
- We acknowledge our responsibility to include the auditor's report on the supplementary information in any document containing the supplementary information and that indicates the auditor reported on such supplementary information.
- We acknowledge our responsibility to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the City of the supplementary information and the auditor's report thereon.

### Required Supplementary Information

With respect to the required supplementary information accompanying the financial statements:

- We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP.
- We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with U.S. GAAP.
- The methods of measurement or presentation have not changed from those used in the prior period.
- We believe the significant assumptions or interpretations underlying the measurement or presentation of the required supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.

### Accounting Estimates and Related Disclosures

- The significant judgments made in making the accounting estimates have taken into account all relevant information of which we are aware.
- We have consistently and appropriately selected and applied methods, assumptions, and data when making accounting estimates.
- The assumptions we used in making and disclosing accounting estimates appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity, when relevant to the accounting estimates and disclosures.
- The disclosures related to accounting estimates, including those disclosures describing estimation uncertainty, are complete and are reasonable in the context of the applicable financial reporting framework.
- We have obtained and applied appropriate specialized skills and expertise in making accounting estimates, if needed.
- We are not aware of any events subsequent to the date of the financial statements that require adjustment to our accounting estimates and related disclosures included in the financial statements.

DocuSigned by:  
  
315E85E134FF432  
\_\_\_\_\_  
Luke Rioux, Finance Director

## **ATTACHMENT 4**

Independent Accountant's Report on GANN Spending Limit

*Independent Accountant's Report*

To the Honorable City Council  
City of Goleta, California

We have performed the procedures enumerated below to the accompanying Appropriations Limit Worksheet of the City of Goleta, California (the City) for the year ended June 30, 2025. The management of the City is responsible for the accompanying Appropriations Limit Worksheet.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting the requirements of Section 1.5 of Article XIII-B of the California Constitution. These procedures, which were suggested by the League of California Cities and presented in the publication entitled *Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution*, were performed solely to assist you in meeting the requirements. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. We obtained the completed worksheets and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned documents to those that were selected by a recorded vote of the City Council.

Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit Worksheet, we added last year's limit to total adjustments and agreed the resulting amount to this year's limit.

Finding: No exceptions were noted as a result of our procedures.

3. We agreed the current year information presented in the accompanying Appropriations Limit Worksheet to the other documents referenced in number one above.

Finding: No exceptions were noted as a result of our procedures.

4. We agreed the prior year appropriations limit presented in the accompanying Appropriations Limit Worksheet to the prior year appropriations limit adopted by the City Council during the prior year.

Finding: No exceptions were noted as a result of our procedures.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on accompanying Appropriations Limit Worksheet for the year ended June 30, 2025. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City Council and management of the City of Goleta, California, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

*Rogers, Anderson, Malody & Scott, LLP.*

San Bernardino, California  
December 22, 2025

**City of Goleta  
 APPROPRIATIONS LIMIT WORKSHEET  
 2024 – 2025**

Change in California Per Capita Personal Income	3.62%
Change in the Population for the County	0.28%
Change in California Per Capita Personal Income Converted to a Ratio	1.036200
Change in County Population Converted to a Ratio	1.002800
Calculation of Growth Factor (1.036200 x 1.002800)	1.039101
Fiscal Year 2023 - 2024 Limit	<u>\$ 75,864,694</u>
Fiscal Year 2024 - 2025 Limit (\$75,864,694 x 1.039101)	<u>\$ 78,831,106</u>

## **ATTACHMENT 5**

Presentation



# Annual Comprehensive Financial Report (ACFR) for the Year Ended June 30, 2025

City Council Meeting  
February 17, 2026

# Presentation Outline

- ▶ ACFR Background
- ▶ ACFR Reporting Model
- ▶ ACFR Financial Highlights
- ▶ Certificates of Achievement
- ▶ Auditors Communication and Summary Results

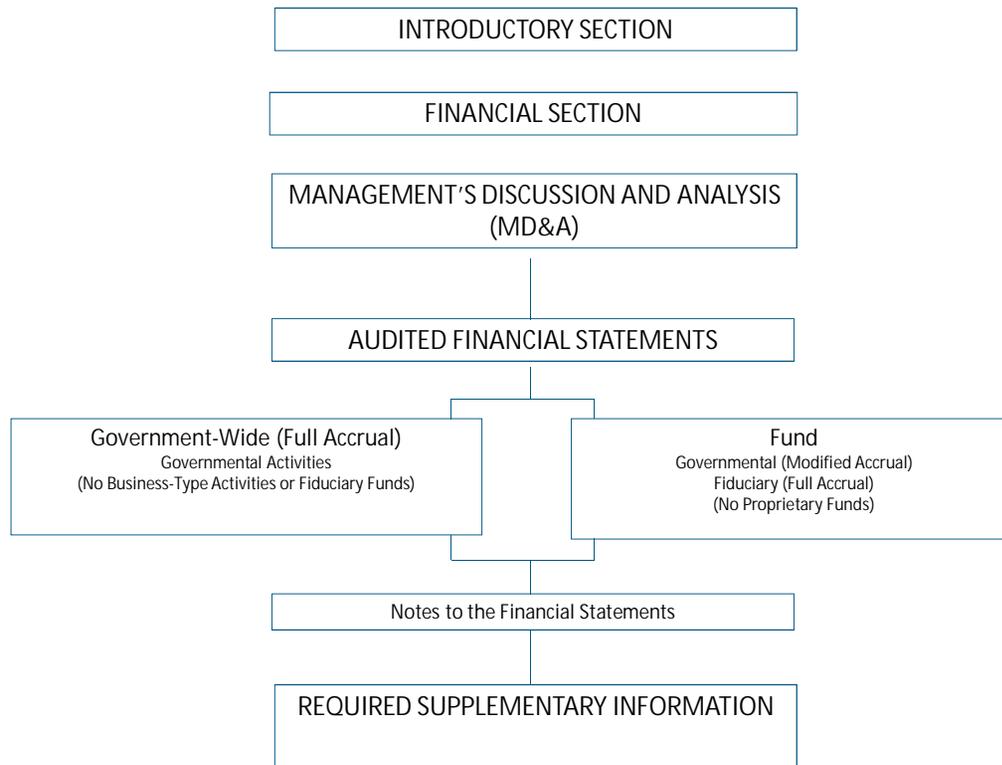


# ACFR Background

- ▶ Annual audit required; contract with independent CPA firm
- ▶ Annual financial report prepared in accordance with nationally recognized accounting principles and financial reporting standards
- ▶ Communicates and presents the financial condition and results of operations of the City as a whole and for individual funds
- ▶ “Comprehensive” because it includes information not required by financial reporting regulations
- ▶ Received an unmodified (“clean”) opinion for FY 2024/25
- ▶ Single Audit is required for FY 2024/25, due to exceeding \$750k threshold (approximately \$12 million). The Single Audit will be completed by March 2025.



# ACFR Reporting Model



# ACFR Reporting Model

The ACFR is organized in three major sections: Introductory, Financial and Statistical:

## Introductory Section

- Transmittal Letter
- Principal City Officials
- Organizational Structure
- Certificate of Achievement

## Statistical Section

- Selected financial trends and demographic information

## Financial Section

- Independent Auditor's Report
- Management's Discussion and Analysis
- Government-Wide and Fund Financial Statements
- Notes to the Financial Statements
- Required Supplementary Information
- Combining Financial Statements and Schedules



# ACFR Financial Highlights

## ▶ Financial Condition of the City at June 30, 2025:

### ▶ Net position totaled \$326.15 million

▶ Increase of approximately \$35.7 million or 12.3% from the prior fiscal year of \$290.45 million.

### ▶ Overall total revenues from all sources equaled approximately \$99.54 million

▶ Increase of approximately \$24.1 million or 32% from the \$75.40 million in revenues the previous fiscal year.

### ▶ The City’s overall total expenditures were \$63.85 million for the fiscal year

▶ Decrease of approximately \$13.1 million or 2.1% when compared to last fiscal year.

### ▶ General Fund Balance:

**Fund Balance:**

Non-spendable:

Prepaid Items	\$	109,384
Committed		17,480,275
Assigned		26,124,383
Unassigned		9,467,780

**Total Fund Balance**                      \$        **53,181,822**



Thank you!

