

FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements

Proprietary Fund Financial Statements

Fiduciary Fund Financial Statements

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

General Fund - The General Fund is used to account for all revenues and expenditures that are not required to be accounted for in another fund.

Other Intergovernmental Grants Fund (Special Revenue) – To account for federal, state and other governmental agencies grant funding that supplements local funding.

The Redevelopment Agency Fund (Special Revenue) – To account for the accumulation of, and the payments of, redevelopment activities within the project areas and to account for the general redevelopment operation of the Redevelopment Agency of the City.

Capital Improvements Projects Fund (Capital Projects Fund) – To account for capital improvements for the City.

Public Financing Authority (Debt Service) Fund - To account for the payment of interest and principal on tax allocation bonds and other debt issued to finance city and redevelopment activities.

Redevelopment Agency (Debt Service) Fund - To account for the accumulation of resources for, and the payment of, interest and principal on tax allocation bonds and other debt issued to finance redevelopment activities within the project areas.

Other Non-Major Governmental Funds is the aggregate of all the non-major governmental funds.

CITY OF REDONDO BEACH

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2008

	Special Revenue Funds			Capital	Debt Service Funds		Other Governmental Funds	Total Governmental Funds
	Other	Redevelopment Agency	Projects Fund Capital Improvement Projects	Public Financing Authority	Redevelopment Agency			
	Intergovernmental Grants							
General								
Assets:								
Pooled cash and investments	\$ 7,057,928	\$ -	\$ 5,634,609	\$ 14,338,834	\$ 370,508	\$ 951,793	\$11,547,319	\$ 39,900,991
Receivables:								
Accounts	847,910	70,664	-	-	20,917	-	29,282	968,773
Taxes	4,071,092	-	26,528	-	-	50,660	459,250	4,607,530
Notes and loans	17,478	-	6,356,228	-	-	-	512,063	6,885,769
Accrued interest	457,165	1,836	59,687	-	1,759	-	82,381	602,828
Prepaid costs	73,727	-	-	-	-	-	-	73,727
Due from other governments	344,004	1,721,444	134	-	-	-	1,176,464	3,242,046
Due from other funds	2,689,227	-	256,441	-	148,105	-	215	3,093,988
Advances to other funds	-	-	-	-	8,946,799	-	-	8,946,799
Restricted assets:								
Cash and investments with fiscal agents	-	-	-	-	3,507,146	7,751	-	3,514,897
Receivables (net of uncollectibles)	-	-	-	-	-	-	-	-
Due from external parties	133,198	-	-	-	-	-	-	133,198
Total Assets	\$15,691,729	\$ 1,793,944	\$ 12,333,627	\$ 14,338,834	\$ 12,995,234	\$ 1,010,204	\$13,806,974	\$ 71,970,546
Liabilities and Fund Balances:								
Liabilities:								
Accounts payable	\$ 564,386	\$ 111,017	\$ -	\$ 208,040	\$ -	\$ -	\$ 741,417	\$ 1,624,860
Accrued liabilities	1,150,165	8,873	-	3,646	-	-	92,475	1,255,159
Deferred revenues	745,632	1,635,568	831,634	-	-	-	806,727	4,019,561
Unearned revenues	558,091	263,964	-	-	-	-	16,210	838,265
Deposits payable	79,715	-	-	-	-	-	-	79,715
Due to other governments	5,442	-	1,174	-	-	192,412	1,661	200,689
Due to other funds	6,539	1,525,485	23,708	-	414,148	194,026	1,202,905	3,366,811
Advances from other funds	-	-	-	-	-	17,248,233	-	17,248,233
Total Liabilities	3,109,970	3,544,907	856,516	211,686	414,148	17,634,671	2,861,395	28,633,293

CITY OF REDONDO BEACH

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2008

	Special Revenue Funds		Capital	Debt Service Funds		Other Governmental Funds	Total Governmental Funds	
	Other Intergovernmental Grants	Redevelopment Agency	Projects Fund Capital Improvement Projects	Public Financing Authority	Redevelopment Agency			
	General							
Fund Balances:								
Reserved:								
Reserved for encumbrances	811,676	617,859	-	1,786,855	-	-	1,897,192	5,113,582
Reserved for prepaid costs	73,727	-	-	-	-	-	-	73,727
Reserved for notes and loans	17,478	-	5,524,594	-	-	-	-	5,542,072
Reserved for advances to other funds	-	-	-	-	8,946,799	-	-	8,946,799
Reserved for low income programs	-	-	2,385,036	-	-	-	-	2,385,036
Unreserved:								
Unreserved, reported in nonmajor:								
Special revenue funds	-	-	-	-	-	-	7,429,282	7,429,282
Capital projects funds	-	-	-	-	-	-	1,614,077	1,614,077
Debt service funds	-	-	-	-	-	-	5,028	5,028
Designated for future years' appropriation	2,569,817	-	-	-	-	-	-	2,569,817
Designated for contingencies	5,773,725	-	-	-	-	-	-	5,773,725
Designated for compensated absences	179,361	-	-	-	-	-	-	179,361
Designated for petty cash	16,800	-	-	-	-	-	-	16,800
Designated for continuing appropriations	1,265,352	-	3,567,481	8,926,207	-	-	-	13,759,040
Designated for labor relations	840,000	-	-	-	-	-	-	840,000
Designated for health insurance premiums	186,000	-	-	-	-	-	-	186,000
Designated for economic contingency	332,897	-	-	-	-	-	-	332,897
Designated for street landscaping & lighting	200,000	-	-	-	-	-	-	200,000
Undesignated	314,926	(2,368,822)	-	3,414,086	3,634,287	(16,624,467)	-	(11,629,990)
Total Fund Balances	12,581,759	(1,750,963)	11,477,111	14,127,148	12,581,086	(16,624,467)	10,945,579	43,337,253
Total Liabilities and Fund Balances	\$ 15,691,729	\$ 1,793,944	\$ 12,333,627	\$ 14,338,834	\$ 12,995,234	\$ 1,010,204	\$ 13,806,974	\$ 71,970,546

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CITY OF REDONDO BEACH

**GOVERNMENTAL FUNDS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2008**

Fund balances of governmental funds	\$ 43,337,253
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets net of depreciation have not been included as financial resources in governmental fund activity	130,811,211
Bond issuance cost is an expenditure in the governmental funds, but it is a deferred charge in the statement of net assets	275,374
Long-term debt and compensated absences that have not been included in the governmental fund activity:	
Long-term liabilities	(27,552,800)
Compensated Absences	(1,637,784)
Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds	(139,735)
Revenues reported as deferred revenue in the governmental funds and recognized in the Statement of Activities.	4,019,561
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net assets	<u>5,509,981</u>
Net assets of governmental activities	<u><u>\$ 154,623,061</u></u>

CITY OF REDONDO BEACH

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2008

	Special Revenue Funds			Capital Projects Fund	Debt Service Funds		Other Governmental Funds	Total Governmental Funds
	General	Other	Redevelopment Agency	Capital Improvement Projects	Public Financing Authority	Redevelopment Agency		
		Intergovernmental Grants						
Revenues:								
Taxes	\$50,734,975	\$ -	\$ 763,627	\$ -	\$ -	\$ 1,525,088	\$ 28,800	\$ 53,052,490
Interdepartmental	6,314,750	-	-	-	-	-	-	6,314,750
Licenses and permits	1,306,025	-	-	-	-	-	-	1,306,025
Intergovernmental	515,186	2,384,971	-	1,085,612	-	-	12,674,599	16,660,368
Charges for services	4,871,735	-	-	-	-	-	1,942,532	6,814,267
Use of money and property	3,381,912	-	441,617	-	1,621,813	48,038	786,272	6,279,652
Fines and forfeitures	1,984,683	-	-	-	-	-	-	1,984,683
Miscellaneous	266,220	-	14,802	13,000	-	-	265,071	559,093
Total Revenues	69,375,486	2,384,971	1,220,046	1,098,612	1,621,813	1,573,126	15,697,274	92,971,328
Expenditures:								
Current:								
General government	9,033,018	-	-	-	-	-	-	9,033,018
Public safety	40,290,495	564,702	-	-	-	-	54,716	40,909,913
Housing and community development	1,663,311	9,671	922,585	-	315,956	47,924	11,011,032	13,970,479
Cultural and leisure services	9,780,910	-	-	-	-	-	-	9,780,910
Public works	7,136,226	148,091	-	115,369	-	-	3,647,085	11,046,771
Capital outlay	18,304	1,490,530	-	755,426	-	-	1,857,452	4,121,712
Debt service:								
Principal retirement	-	-	-	-	1,339,952	186,859	-	1,526,811
Interest and fiscal charges	-	-	-	-	1,320,770	1,581,991	-	2,902,761
Total Expenditures	67,922,264	2,212,994	922,585	870,795	2,976,678	1,816,774	16,570,285	93,292,375
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,453,222	171,977	297,461	227,817	(1,354,865)	(243,648)	(873,011)	(321,047)

CITY OF REDONDO BEACH

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2008

	Special Revenue Funds			Capital Projects Fund	Debt Service Funds		Other Governmental Funds	Total Governmental Funds
	Other		Redevelopment Agency	Capital Improvement Projects	Public			
	General	Intergovernmental Grants			Financing Authority	Redevelopment Agency		
Other Financing Sources (Uses):								
Transfers in	2,112,024	-	-	4,575,295	1,801,530	675,192	1,910,511	11,074,552
Transfers out	(2,122,325)	-	-	(1,294,124)	(675,192)	(1,801,530)	(737,100)	(6,630,271)
Refunding bonds issued	-	-	-	-	7,645,000	-	-	7,645,000
Other debts issued	-	-	-	-	-	648,720	-	648,720
Bond premium	-	-	-	-	227,862	-	-	227,862
Refunded bonds redeemed	-	-	-	-	(7,645,000)	-	-	(7,645,000)
Total Other Financing Sources (Uses)	(10,301)	-	-	3,281,171	1,354,200	(477,618)	1,173,411	5,320,863
Net Change in Fund Balances	1,442,921	171,977	297,461	3,508,988	(665)	(721,266)	300,400	4,999,816
Fund Balances, Beginning of Year, as previously reported	11,138,838	(1,922,940)	11,257,938	10,618,160	12,581,751	(15,903,201)	10,708,110	38,478,656
Restatements	-	-	(78,288)	-	-	-	(62,931)	(141,219)
Fund Balances, Beginning of Year, as restated	11,138,838	(1,922,940)	11,179,650	10,618,160	12,581,751	(15,903,201)	10,645,179	38,337,437
Fund Balances, End of Year	\$12,581,759	\$ (1,750,963)	\$ 11,477,111	\$ 14,127,148	\$ 12,581,086	\$ (16,624,467)	\$ 10,945,579	\$ 43,337,253

CITY OF REDONDO BEACH

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
JUNE 30, 2008**

Net change in fund balances - total governmental funds	\$ 4,999,816
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period	
Capital outlay	2,815,272
Depreciation expense	(3,322,820)
Loss on disposal of capital asset	(4,985)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets	
Principal payments on long-term debt	1,526,811
Refunded bonds redeemed	7,645,000
The issuance of long-term debt is an other financing source in the governmental funds, but the issuance increases long-term liabilities in the statement of net assets.	
Issuance of refunding bonds	(7,645,000)
Bond premium	(208,873)
Issuance of other long-term debt	(648,720)
Debt issuance costs are expenditures in governmental funds, but these costs are capitalized on the statement of net assets	
	275,374
Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.	
	195,378
Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
	265,290
Revenues reported as deferred revenue in the governmental funds and recognized in the Statement of Activities.	
	(91,180)
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities	
	(4,331,260)
Change in net assets of governmental activities	\$ 1,470,103

CITY OF REDONDO BEACH

**BUDGETARY COMPARISON STATEMENT
GENERAL FUND
YEAR ENDED JUNE 30, 2008**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 11,138,838	\$ 11,138,838	\$ 11,138,838	\$ -
Resources (Inflows):				
Taxes	49,551,000	49,545,000	50,734,975	1,189,975
Interdepartmental	6,314,750	6,314,750	6,314,750	-
Licenses and permits	1,530,050	1,470,050	1,306,025	(164,025)
Intergovernmental	757,182	709,769	515,186	(194,583)
Charges for services	5,042,200	5,026,459	4,871,735	(154,724)
Use of money and property	2,914,090	3,017,090	3,381,912	364,822
Fines and forfeitures	1,673,850	1,709,850	1,984,683	274,833
Miscellaneous	177,000	188,441	266,220	77,779
Transfers in	338,100	338,100	2,112,024	1,773,924
Amounts Available for Appropriation	79,437,060	79,458,347	82,626,348	3,168,001
Charges to Appropriation (Outflow):				
General government	8,449,632	9,717,351	9,033,018	684,333
Public safety	40,428,510	41,824,049	40,290,495	1,533,554
Housing and community development	1,988,919	2,204,579	1,663,311	541,268
Cultural and leisure services	9,350,923	9,693,228	9,780,910	(87,682)
Public works	7,273,255	7,823,307	7,136,226	687,081
Capital outlay	310,000	331,657	18,304	313,353
Transfers out	1,169,500	1,340,200	2,122,325	(782,125)
Total Charges to Appropriations	68,970,739	72,934,371	70,044,589	2,889,782
Budgetary Fund Balance, June 30	\$ 10,466,321	\$ 6,523,976	\$ 12,581,759	\$ 6,057,783

CITY OF REDONDO BEACH

BUDGETARY COMPARISON STATEMENT
OTHER INTERGOVERNMENTAL GRANTS
YEAR ENDED JUNE 30, 2008

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$(1,922,940)	\$ (1,922,940)	\$(1,922,940)	\$ -
Resources (Inflows):				
Intergovernmental	1,462,526	4,581,889	2,384,971	(2,196,918)
Amounts Available for Appropriation	(460,414)	2,658,949	462,031	(2,196,918)
Charges to Appropriation (Outflow):				
Public safety	268,905	867,899	564,702	303,197
Housing and community development	8,480	16,959	9,671	7,288
Public works	64,141	618,569	148,091	470,478
Capital outlay	1,121,000	4,631,336	1,490,530	3,140,806
Total Charges to Appropriations	1,462,526	6,134,763	2,212,994	3,921,769
Budgetary Fund Balance, June 30	\$(1,922,940)	\$ (3,475,814)	\$(1,750,963)	\$ 1,724,851

CITY OF REDONDO BEACH

**BUDGETARY COMPARISON STATEMENT
REDEVELOPMENT AGENCY - SPECIAL REVENUE
YEAR ENDED JUNE 30, 2008**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$11,179,650	\$11,179,650	\$ 11,179,650	\$ -
Resources (Inflows):				
Taxes	762,000	762,000	763,627	1,627
Use of money and property	178,000	178,000	441,617	263,617
Miscellaneous	-	-	14,802	14,802
Amounts Available for Appropriation	12,119,650	12,119,650	12,399,696	280,046
Charges to Appropriation (Outflow):				
Housing and community development	662,777	715,877	922,585	(206,708)
Total Charges to Appropriations	662,777	715,877	922,585	(206,708)
Budgetary Fund Balance, June 30	\$11,456,873	\$11,403,773	\$ 11,477,111	\$ 73,338

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PROPRIETARY FUND FINANCIAL STATEMENTS

Harbor Tidelands Fund - To account for the operations of small boat harbor facilities available to the general public, including related pier activities. The use of this fund is restricted under the City Tidelands Trust Agreement with the State of California.

Harbor Uplands Fund - To account for the operations of small boat harbor facilities available to the general public, including related pier activities. The use of this fund is subject only to the decisions of the City Council.

Wastewater Fund - To account for the capital facility charge, more commonly referred to as a sewer user fee. The capital facility charge is designed to reimburse the City's wastewater system for the capital costs to provide wastewater capacity to new system users. This charge is associated with the expansion of the system required over time to address increases in wastewater flow generated by new development.

Other Enterprise Funds – Solid Waste (non-major) - To account for revenues and expenditures related to the City's comprehensive solid waste program, including AB 939 funds.

Internal Service Funds - These funds are used to account for interdepartmental operations where it is the stated intent that costs of providing services to the departments of the City on a continuing basis be financed or recovered primarily by charges to the user departments.

CITY OF REDONDO BEACH

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 JUNE 30, 2008

	Business-Type Activities - Enterprise Funds				Totals	Governmental Activities- Internal Service Funds
	Harbor Tidelands	Harbor Uplands	Wastewater	Other Enterprise Fund - Solid Waste		
Assets:						
Current:						
Cash and investments	\$ 11,550,924	\$ 3,743,211	\$ 2,589,668	\$ 1,581,603	\$ 19,465,406	\$ 20,108,900
Receivables:						
Accounts	386,425	96,596	65,319	61,871	610,211	1,979
Taxes	-	-	36,912	50,206	87,118	-
Notes and loans	281,134	-	-	-	281,134	-
Accrued interest	106,880	35,685	-	321	142,886	-
Prepaid costs	250	-	-	-	250	113
Due from other governments	-	-	-	10,706	10,706	48
Due from other funds	413,177	-	-	-	413,177	-
Deferred Charges	-	-	330,545	-	330,545	-
Restricted:						
Cash with fiscal agent	-	-	7,103,771	-	7,103,771	-
Total Current Assets	12,738,790	3,875,492	10,126,215	1,704,707	28,445,204	20,111,040
Noncurrent:						
Advances to other funds	6,276,941	2,024,493	-	-	8,301,434	-
Capital assets - net of accumulated depreciation	18,302,462	13,605,443	8,239,550	65,019	40,212,474	3,777,771
Total Noncurrent Assets	24,579,403	15,629,936	8,239,550	65,019	48,513,908	3,777,771
Total Assets	\$ 37,318,193	\$ 19,505,428	\$ 18,365,765	\$ 1,769,726	\$ 76,959,112	\$ 23,888,811

CITY OF REDONDO BEACH

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 JUNE 30, 2008

	Business-Type Activities - Enterprise Funds				Totals	Governmental Activities- Internal Service Funds
	Harbor Tidelands	Harbor Uplands	Wastewater	Other Enterprise Fund - Solid Waste		
Liabilities and Net Assets:						
Liabilities:						
Current:						
Accounts payable	\$ 345,205	\$ 314,707	\$ 72,992	\$ 13,259	\$ 746,163	\$ 462,958
Accrued liabilities	77,422	81,219	17,821	17,416	193,878	136,421
Unearned revenues	175,561	165	9,200	27,650	212,576	-
Deposits payable	29,048	-	-	-	29,048	-
Due to other governments	-	-	-	-	-	28
Due to other funds	-	-	-	-	-	140,354
Accrued compensated absences	38,759	25,481	15,244	2,964	82,448	118,511
Accrued claims and judgments	-	-	-	-	-	1,280,329
Bonds, notes, and capital leases	237,927	-	197,626	-	435,553	11,010
Total Current Liabilities	903,922	421,572	312,883	61,289	1,699,666	2,149,611
Noncurrent:						
Accrued compensated absences	10,996	7,230	4,325	841	23,392	33,619
Accrued claims and judgments	-	-	-	-	-	16,161,392
Bonds, notes, and capital leases	3,715,553	-	9,325,646	-	13,041,199	34,208
Total Noncurrent Liabilities	3,726,549	7,230	9,329,971	841	13,064,591	16,229,219
Total Liabilities	4,630,471	428,802	9,642,854	62,130	14,764,257	18,378,830
Net Assets:						
Invested in capital assets, net of related debt	17,432,697	13,605,443	5,820,049	65,019	36,923,208	3,732,553
Unrestricted	15,255,025	5,471,183	2,902,862	1,642,577	25,271,647	1,777,428
Total Net Assets	32,687,722	19,076,626	8,722,911	1,707,596	62,194,855	5,509,981
Total Liabilities and Net Assets	\$ 37,318,193	\$ 19,505,428	\$ 18,365,765	\$ 1,769,726	\$ 76,959,112	\$ 23,888,811

CITY OF REDONDO BEACH

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2008

	Business-Type Activities - Enterprise Funds				Totals	Governmental Activities- Internal Service Funds
	Harbor Tidelands	Harbor Uplands	Wastewater	Other Enterprise Fund - Solid Waste		
Operating Revenues:						
Sales and service charges	\$ -	\$ -	\$ 1,739,468	\$ 2,845,736	\$ 4,585,204	\$ 15,951,840
Harbor rentals	5,383,417	2,618,853	-	-	8,002,270	-
Miscellaneous	11,330	1,885	-	137,763	150,978	59,631
Use of Property	693,945	1,780,077	-	-	2,474,022	-
Total Operating Revenues	6,088,692	4,400,815	1,739,468	2,983,499	15,212,474	16,011,471
Operating Expenses:						
Administration and general	1,335,009	1,126,365	242,927	276,147	2,980,448	6,109,154
Personnel services	2,458,007	2,808,599	547,159	546,319	6,360,084	4,616,544
Contractual services	638,053	1,102,830	281,536	2,302,199	4,324,618	4,134,472
Depreciation expense	456,350	378,225	259,290	4,672	1,098,537	919,526
Total Operating Expenses	4,887,419	5,416,019	1,330,912	3,129,337	14,763,687	15,779,696
Operating Income (Loss)	1,201,273	(1,015,204)	408,556	(145,838)	448,787	231,775
Nonoperating Revenues (Expenses):						
Intergovernmental	-	-	-	70,150	70,150	-
Interest revenue	792,537	275,702	261,683	-	1,329,922	-
Interest expense	(188,152)	-	(481,900)	-	(670,052)	(6,779)
Gain (loss) on disposal of capital assets	-	-	(40,394)	-	(40,394)	34,735
Total Nonoperating Revenues (Expenses)	604,385	275,702	(260,611)	70,150	689,626	27,956

CITY OF REDONDO BEACH

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2008

	Business-Type Activities - Enterprise Funds				Totals	Governmental Activities- Internal Service Funds
	Harbor Tidelands	Harbor Uplands	Wastewater	Other Enterprise Fund - Solid Waste		
Income (Loss) Before Transfers	1,805,658	(739,502)	147,945	(75,688)	1,138,413	259,731
Transfers in	61,057	61,647	12,500	11,506	146,710	179,304
Transfers out	-	-	-	-	-	(4,770,295)
Changes in Net Assets	1,866,715	(677,855)	160,445	(64,182)	1,285,123	(4,331,260)
Net Assets:						
Beginning of Year	30,821,007	19,754,481	8,562,466	1,771,778	60,909,732	9,841,241
End of Fiscal Year	\$ 32,687,722	\$ 19,076,626	\$ 8,722,911	\$ 1,707,596	\$ 62,194,855	\$ 5,509,981

CITY OF REDONDO BEACH

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2008

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Harbor Tidelands	Harbor Uplands	Wastewater	Other Enterprise Fund - Solid Waste	Totals	
Cash Flows from Operating Activities:						
Cash received from customers and users	\$ 6,093,358	\$ 4,374,833	\$ 1,721,497	\$ 3,049,297	\$ 15,238,985	\$ 16,020,888
Cash paid to suppliers for goods and services	(1,892,399)	(2,082,451)	(763,144)	(2,766,690)	(7,504,684)	(10,182,368)
Cash paid to employees for services	(2,444,840)	(2,806,887)	(546,011)	(537,556)	(6,335,294)	(4,562,286)
Net Cash Provided (Used) by Operating Activities	1,756,119	(514,505)	412,342	(254,949)	1,399,007	1,276,234
Cash Flows from Non-Capital Financing Activities:						
Cash transfers out	-	-	-	-	-	(4,770,295)
Cash transfers in	61,057	61,647	12,500	11,506	146,710	179,304
Repayment received from other funds	-	-	-	-	-	67,964
Repayment made to other funds	(2,953)	-	-	-	(2,953)	-
Advance from other funds	8,254	-	-	-	8,254	-
Advance to other funds	-	(95,670)	-	-	(95,670)	-
Subsidy from grants	-	-	-	59,444	59,444	-
Net Cash Provided (Used) by Non-Capital Financing Activities	66,358	(34,023)	12,500	70,950	115,785	(4,523,027)
Cash Flows from Capital and Related Financing Activities:						
Proceeds from capital debt	-	-	-	-	-	55,050
Acquisition and construction of capital assets	(284,989)	-	(859,811)	-	(1,144,800)	(889,906)
Principal paid on capital debt	(227,682)	-	(195,000)	-	(422,682)	(10,751)
Interest paid on capital debt	(188,152)	-	(466,812)	-	(654,964)	(6,779)
Proceeds from sales of capital assets	-	-	-	-	-	58,371
Net Cash Provided (Used) by Capital and Related Financing Activities	(700,823)	-	(1,521,623)	-	(2,222,446)	(794,015)
Cash Flows from Investing Activities:						
Loan collections	21,837	-	-	-	21,837	-
Interest received	793,889	283,354	261,683	5	1,338,931	-
Net Cash Provided (Used) by Investing Activities	815,726	283,354	261,683	5	1,360,768	-
Net Increase (Decrease) in Cash and Cash Equivalents	1,937,380	(265,174)	(835,098)	(183,994)	653,114	(4,040,808)
Cash and Cash Equivalents at Beginning of Year	9,613,544	4,008,385	10,528,537	1,765,597	25,916,063	24,149,708
Cash and Cash Equivalents at End of Year	\$ 11,550,924	\$ 3,743,211	\$ 9,693,439	\$ 1,581,603	\$ 26,569,177	\$ 20,108,900

See Notes to Financial Statements

CITY OF REDONDO BEACH

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2008

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Harbor Tidelands	Harbor Uplands	Wastewater	Other Enterprise Fund - Solid Waste	Totals	
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:						
Operating income (loss)	\$ 1,201,273	\$ (1,015,204)	\$ 408,556	\$ (145,838)	\$ 448,787	\$ 231,775
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:						
Depreciation	456,350	378,225	259,290	4,672	1,098,537	919,526
(Increase) decrease in accounts receivable	(170,895)	173,853	(25,460)	28,202	5,700	9,257
(Increase) decrease in taxes receivable	-	-	(1,711)	37,473	35,762	-
(Increase) decrease in due from other governments	-	-	-	-	-	160
(Increase) decrease in prepaid expense	-	-	-	-	-	(113)
Increase (decrease) in accounts payable	80,663	146,744	(238,681)	(188,344)	(199,618)	(621,605)
Increase (decrease) in due to other governments	-	-	-	-	-	28
Increase (decrease) in deposits payable	-	(200,000)	-	-	(200,000)	-
Increase (decrease) in accrued liabilities	77,422	81,219	17,821	17,416	193,878	136,421
Increase (decrease) in claims and judgments	-	-	-	-	-	682,948
Increase (decrease) in compensated absences	(64,255)	(79,507)	(16,673)	(8,653)	(169,088)	(82,163)
Increase (decrease) in unearned revenue	175,561	165	9,200	123	185,049	-
Total Adjustments	554,846	500,699	3,786	(109,111)	950,220	1,044,459
Net Cash Provided (Used) by Operating Activities	\$ 1,756,119	\$ (514,505)	\$ 412,342	\$ (254,949)	\$ 1,399,007	\$ 1,276,234
Non-Cash Investing, Capital, and Financing Activities:						
Gain/(Loss) on disposition of capital assets	\$ -	\$ -	\$ (40,394)	\$ -	\$ (40,394)	\$ 34,735
Increase in Fair Value of Investments	-	-	12,714	-	12,714	-
Amortization of bond discount	-	-	2,374	-	2,374	-

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FIDUCIARY FUND FINANCIAL STATEMENTS

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They are used to account for assets held in an agency capacity for others and, therefore, cannot be used to support the City's program.

CITY OF REDONDO BEACH

STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
JUNE 30, 2008

	<u>Agency Funds</u>
Assets:	
Pooled cash and investments	\$ 178,012
Receivables:	
Accounts	32,805
Accrued interest	1,272
Restricted assets:	
Cash and investments	<u>59,813,693</u>
Total Assets	<u><u>\$ 60,025,782</u></u>
Liabilities:	
Accounts payable	\$ 16,276
Accrued liabilities	58,887,137
Deposits payable	989,171
Due to external parties	<u>133,198</u>
Total Liabilities	<u><u>\$ 60,025,782</u></u>