

**CALIFORNIA STATE UNIVERSITY  
CHANNEL ISLANDS  
SITE AUTHORITY**

**Financial Statements and Supplementary  
Information for the Year Ended June 30, 2016  
and Independent Auditors' Report**

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS  
SITE AUTHORITY  
TABLE OF CONTENTS**

**Page**

**FINANCIAL STATEMENTS**

Independent Auditors' Report	1
Management's Discussion and Analysis (Unaudited)	3
Statement of Net Position	7
Statement of Revenues, Expenses, and Changes in Net Position	8
Statement of Cash Flows	9
Notes to Financial Statements	10

**SUPPLEMENTARY INFORMATION**

GASB Schedule of Net Position	22
GASB Schedule of Revenues, Expenses and Changes in Net Position	23
Other Information	24
Schedule 1 – Supplementary Schedule of Net Position (Deficit) by Program – (Unaudited)	37
Schedule 2 – Supplementary Schedule of Revenues, Expenses, and Changes in Net Position (Deficit) by Program (Unaudited)	38

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
California State University Channel Islands  
Site Authority  
Camarillo, California

We have audited the accompanying financial statements of California State University Channel Islands Site Authority as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the organization's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of California State University Channel Islands Site Authority as of June 30, 2016, and the respective changes in financial position, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## INDEPENDENT AUDITORS' REPORT - Continued

### *Report on Summarized Comparative Information*

We previously audited California State University Channel Islands Site Authority's 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 15, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

The summary financial statements do not contain all the disclosures required by accounting principles generally accepted in the United States of America. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of California State University Channel Islands Site Authority.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 3 through 6 to be presented to supplement the basic financial statements. Such information, 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 auditing standards generally accepted in the United States of America, 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.

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The GASB Schedule of Net Position, GASB Schedule of Revenues, Expenses and Changes in Net Position, Other Information, Schedule 1 – Supplementary Schedule of Net Position (Deficit) by Program – (Unaudited), and Schedule 2 – Supplementary Schedule of Revenues, Expenses, and Changes in Net Position (Deficit) by Program (Unaudited) are presented for purposes of additional analysis and are not a required part of the basic financial statements. The GASB Schedule of Net Position, GASB Schedule of Revenues, Expenses and Changes in Net Position, Other Information, Schedule 1 – Supplementary Schedule of Net Position (Deficit) by Program – (Unaudited), and Schedule 2 – Supplementary Schedule of Revenues, Expenses, and Changes in Net Position (Deficit) by Program (Unaudited) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the GASB Schedule of Net Position, GASB Schedule of Revenues, Expenses and Changes in Net Position, Other Information, Schedule 1 – Supplementary Schedule of Net Position (Deficit) by Program – (Unaudited), and Schedule 2 – Supplementary Schedule of Revenues, Expenses, and Changes in Net Position (Deficit) by Program (Unaudited) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*V. ... , H. ... + Co.*

Calabasas, California  
September 15, 2016

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY SITE AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2016**

This section of California State University Channel Islands University Site Authority (the Site Authority) annual financial report presents our discussion and analysis of the financial performance of the Site Authority for the fiscal year ended June 30, 2016. This discussion has been prepared by management and should be read in conjunction with the financial statements and notes.

**Introduction to the Financial Statements**

This annual report consists of a series of financial statements prepared in accordance with the Governmental Accounting Standards Board (GASB) Statements No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*, No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, and No. 38, *Certain Financial Statement Note Disclosures*. For reporting purposes, the University is considered a special-purpose government engaged only in business-type activities, which best represent the activities of the Site Authority.

The financial statements include the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows. These statements are supported by the notes to the financial statements and this section. All sections must be considered together to obtain a complete understanding of the financial picture of the Site and Financing Authority.

**Statement of Net Position** – The statement of net position includes all assets and liabilities. Assets and liabilities are reported at their book value, on an accrual basis, as of the statement date. It also identifies major categories of restrictions on the net position of the Site and Financing Authority.

**Statement of Revenues, Expenses, and Changes in Net Position** – The statement of revenues, expenses, and changes in net position presents the revenues earned and expenses incurred during the year on an accrual basis.

**Statement of Cash Flows** – The statement of cash flows presents the inflows and outflows of cash for the year and is summarized by operating, noncapital financing, capital and related financing, and investing activities. The statement is prepared using the direct method of cash flows and, therefore, presents gross rather than net amounts for the year's activities.

**Analytical Overview**

**Summary**

The following discussion highlights management's understanding of the key financial aspects of the Site Authority financial activities. Included are an analysis of current year activities and balances, and a summary of operations.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY SITE AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2016**

The Site Authority summary of net position as of June 30, 2016 and 2015 are as follows:

Condensed Summary of Net Position

	Year ended June 30,		\$ Change	% Change
	2016	2015		
<b>Assets:</b>				
Current assets	\$ 7,260,213	\$ 4,495,299	2,764,914	61.5%
Other noncurrent assets	112,508,006	115,883,403	(3,375,397)	-2.9%
Total assets	<u>119,768,219</u>	<u>120,378,702</u>	<u>(610,483)</u>	<u>-0.5%</u>
<b>Liabilities:</b>				
Current liabilities	9,425,220	6,178,288	3,246,932	52.6%
Other noncurrent liabilities	186,930,949	190,167,663	(3,236,714)	-1.7%
Total liabilities	<u>196,356,169</u>	<u>196,345,951</u>	<u>10,218</u>	<u>0.0%</u>
<b>Net position</b>				
Invested in capital assets, net of related debt	(26,948,626)	(23,758,187)	(3,190,439)	13.4%
<b>Restricted for:</b>				
Debt Service	6,092	6,092	-	0.0%
Maintenance Reserves	5,811,262	4,280,572	1,530,690	35.8%
Unrestricted	(55,456,678)	(56,495,726)	1,039,048	-1.8%
Total net position	<u>\$ (76,587,950)</u>	<u>\$ (75,967,249)</u>	<u>(620,701)</u>	<u>0.8%</u>

*Assets*

Total assets decreased by \$610K or 0.5% compared to prior year. This change is attributed primarily to the continued accumulated depreciation of buildings (\$3.2M or 10%) and infrastructure (\$1.5M or 9.2%), and an increase in cash (\$3.9M or 68.9%).

*Liabilities*

Total liabilities decreased by \$10K and thus were flat to prior year. Current Liabilities increased due to increased activity with related party payables of \$2.8M and Other Noncurrent Liabilities decreased due to the continued pay down of debt related to capitalized lease obligations and loans payable of \$2.7M.

*Net Position*

Total net position increased by \$621K or 0.8% compared to the prior year. This change is a result of accumulated depreciation and the pay down of debt.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY SITE AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2016**

The Site Authority condensed summary of revenues, expenses, and changes in net position for the years ended June 30, 2016 and 2015 is as follows:

Condensed Summary of Revenues, Expenses, and Changes in Net Position:

	Year ended June 30,		\$ Change	% Change
	2016	2015		
<b>Operating Revenues:</b>				
Home Sales	\$ 705,670	\$ 54,785	\$ 650,885	1188.1%
Energy Sales	11,160,718	13,043,356	(1,882,638)	-14.4%
Rental Income	9,541,070	8,991,044	550,026	6.1%
Other Income	1,098,370	1,121,018	(22,648)	-2.0%
Total Operating Revenues	<u>22,505,828</u>	<u>23,210,203</u>	<u>(704,375)</u>	<u>-3.0%</u>
<b>Operating Expenses:</b>				
Cost of Energy Sales	\$ 8,868,714	\$ 10,812,094	\$ (1,943,380)	-18.0%
Rental Housing Operations	3,852,098	2,833,154	1,018,944	36.0%
Depreciation and amortization	4,920,863	4,845,956	74,907	1.5%
Other Operating Expenses	930,126	579,026	351,100	60.6%
Total Operating Expenses	<u>18,571,801</u>	<u>19,070,230</u>	<u>(498,429)</u>	<u>-2.6%</u>
Operating Income (loss)	3,934,027	4,139,973	(205,946)	-5.0%
<b>Nonoperating Revenues (Expenses):</b>				
Interest, Net	\$ (9,355,427)	\$ (8,309,712)	\$ (1,045,715)	12.6%
Property/Sales Tax	985,642	1,264,822	(279,180)	-22.1%
Other	60,057	(353,327)	413,384	-117.0%
Contributions for Debt Service	<u>3,755,000</u>	<u>5,625,665</u>	<u>(1,870,665)</u>	<u>-33.3%</u>
Nonoperating Revenues (Expenses), Net	(4,554,728)	(1,772,552)	(2,782,176)	157.0%
Increase (Decrease) in Net Position	(620,701)	2,367,421	(2,988,122)	-126.2%
Beginning Net Position	<u>(75,967,249)</u>	<u>(78,334,670)</u>	<u>2,367,421</u>	<u>-3.0%</u>
Ending Net Position	<u>\$ (76,587,950)</u>	<u>\$ (75,967,249)</u>	<u>(620,701)</u>	<u>0.8%</u>

**Operating Revenues and Expenses**

Operating revenues and expenses come from sources that are connected directly to the Site Authority business function. Revenues come primarily from energy sales and rental income. Expense comes from cost of energy sales, depreciation and amortization, and rental housing operations.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2016**

*Operating Revenues*

Total revenues decreased by \$704K or 3.0% compared to prior year due to a decrease in energy sales of \$1.9M due to cycling of the Cogeneration Plant to meet operational plans. Home sales and rental income increased a cumulative \$1.2M due to favorable market conditions and the sale of two townhomes.

*Operating Expenses*

Total operating expenses decreased by \$498K or 2.6% compared to prior year. Cost of energy sales decreased by \$1.9M due to a decrease in commodity expenses paid to the Department of General Services. Rental housing operations increased \$1.0M due to an increased demand in rental housing.

**Non-operating Revenues (Expenses)**

Non-operating revenues (expenses) come from sources that are not part of the Site Authority primary business functions. Included in this classification are categories such as interest on bonds and loans payable, revenues from sales and property tax, and contributions to debt service.

Total non-operating revenues (expenses) decreased \$2.8M or 157% primarily due to a reduction in the debt service contribution paid by the CSU Chancellor's Office in the amount of \$1.9M and an increase in interest expense of \$1.0M.



**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2016**  
**(WITH COMPARATIVE TOTALS FOR 2015)**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 3,678,523	\$ 1,335,447
Accounts receivable	3,247,145	3,070,316
Related party receivables	95,500	87,381
Due from CSUCI Financing Authority – restricted	239,045	2,155
Total current assets	<u>7,260,213</u>	<u>4,495,299</u>
Noncurrent assets:		
Restricted cash	5,817,354	4,286,664
Real estate inventory	4,953,413	4,953,413
Capital assets, net	101,737,239	106,643,326
Total noncurrent assets	<u>112,508,006</u>	<u>115,883,403</u>
Total assets	<u>\$ 119,768,219</u>	<u>\$ 120,378,702</u>
<b>Liabilities and Net Deficit</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 1,039,032	\$ 1,171,608
Interest payable to CSU Systemwide Revenue Bond Program	1,564,819	1,579,111
Deferred revenue	53,646	87,450
Related party payables	3,527,723	680,119
Capitalized lease obligations, current portion	1,945,000	1,715,000
Loans payable – current portion	1,295,000	945,000
Total current liabilities	<u>9,425,220</u>	<u>6,178,288</u>
Noncurrent liabilities:		
Security deposit	221,671	217,737
Capitalized lease obligations, net of current portion	131,694,278	133,639,926
Loans payable, net of current portion	55,015,000	56,310,000
Total noncurrent liabilities	<u>186,930,949</u>	<u>190,167,663</u>
Total liabilities	196,356,169	196,345,951
Net position (deficit):		
Invested in capital assets, net of related debt	(26,948,626)	(23,758,187)
Restricted for:		
Debt service	6,092	6,092
Maintenance reserves	5,811,262	4,280,572
Unrestricted	<u>(55,456,678)</u>	<u>(56,495,726)</u>
Total net deficit	<u>(76,587,950)</u>	<u>(75,967,249)</u>
Total liabilities and net deficit	<u>\$ 119,768,219</u>	<u>\$ 120,378,702</u>

See accompanying auditors' report and notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2016  
(WITH COMPARATIVE TOTALS FOR 2015)**

	<u>2016</u>	<u>2015</u>
Operating revenues:		
Home sales	\$ 705,670	54,785
Energy Sales	11,160,718	13,043,356
Rental income	9,541,070	8,991,044
Miscellaneous revenues	415,845	458,834
Maintenance rent	682,525	662,184
Total operating revenues	<u>22,505,828</u>	<u>23,210,203</u>
Operating expenses:		
Cost of energy sales	8,868,714	10,812,094
Rental housing operations	3,852,098	2,833,154
Depreciation and amortization	4,920,863	4,845,956
General, administrative, and other operating costs	930,126	579,026
Total operating expenses	<u>18,571,801</u>	<u>19,070,230</u>
Operating surplus/(loss)	<u>3,934,027</u>	<u>4,139,973</u>
Nonoperating revenue (expense):		
Interest, net	(6,545,802)	(6,430,847)
Property taxes	474,272	736,392
Sales taxes	—	34,863
Contributions for debt service from CSU Chancellor's Office	3,755,000	5,625,665
Interest on loan payable to CSU Channel Islands	(2,809,625)	(1,878,865)
Special taxes	511,370	493,567
Other expense	60,057	(353,327)
Total nonoperating expense, net	<u>(4,554,728)</u>	<u>(1,772,552)</u>
Changes in net deficit	<u>(620,701)</u>	<u>2,367,421</u>
Net deficit, beginning of year	<u>(75,967,249)</u>	<u>(78,334,670)</u>
Net deficit, end of year	<u>\$ (76,587,950)</u>	<u>(75,967,249)</u>

See accompanying auditors' report and notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(WITH COMPARATIVE TOTALS FOR 2015)**

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Home sales	\$ 705,670	\$ 54,785
Rental income	9,559,472	9,013,186
Energy Sales	11,369,923	13,367,808
Other receipts (payments)	2,580,200	677,249
Payments to vendors	(13,793,872)	(15,501,295)
Maintenance rent	682,525	54,845
Net cash provided by operating activities	<u>11,103,918</u>	<u>7,666,578</u>
Cash flows from noncapital financing activities:		
Interest paid	(6,560,094)	(9,423,445)
Property and sales taxes	999,934	34,310
Interest on loan payable to CSU, Channel Islands	(2,809,625)	(4,688,628)
Contributions to Debt Service	3,755,000	11,591,815
Other Income (expense)	60,057	517,966
Net cash used in noncapital financing activities	<u>(4,554,728)</u>	<u>(1,967,982)</u>
Cash flows from capital and related financing activities:		
Receipts of amounts due from CSUCI Financing Authority	236,890	509,279
Payments on long-term debt obligations	(2,897,538)	(5,380,648)
Capital Expenditures	(14,776)	(1,010,173)
Net cash used in capital and related financing activities	<u>(2,675,424)</u>	<u>(5,881,542)</u>
Net increase(decrease) in cash and cash equivalents	<u>3,873,766</u>	<u>(191,946)</u>
Cash and cash equivalents at beginning of year	<u>5,622,111</u>	<u>5,814,057</u>
Cash and cash equivalents at end of year	<u>\$ 9,495,877</u>	<u>\$ 5,622,111</u>
Reconciliation of net operating Income to net cash provided by operating activities:		
Operating profit/(loss)	\$ 3,934,027	\$ 4,139,973
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization expense	4,920,863	4,845,956
Change in assets and liabilities:		
Accounts receivable	(176,829)	(258,833)
Related party receivables	(8,119)	23,650
Due from CSUCI Financing Authority - restricted	(236,890)	—
Accounts payable and accrued expenses	(132,576)	210,968
Interest payable to CSU Systemwide	(14,292)	—
Deferred revenue	(33,804)	79,085
Related party payables	2,847,604	(1,361,241)
Security deposit	3,934	(12,980)
Net cash provided by operating activities	<u>\$ 11,103,918</u>	<u>\$ 7,666,578</u>

See accompanying auditors' report and notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

**1. ORGANIZATION**

The California State University Channel Islands Site Authority (the Site Authority) was formed on September 28, 1998 for the purpose of providing a specific reuse plan that will finance and support the transition of the property previously known as the Camarillo State Hospital (the Property) from its former use to the California State University campus and other compatible uses. The Site Authority is governed by a board of seven members comprising four representatives of the trustees of the California State University and three representatives from the County of Ventura.

The Property comprises two major sectors: the West Campus and East Campus. The West Campus consists of developed space on 42 acres of what was formerly the Camarillo State Hospital. This portion of the Campus is centered on academic uses and houses the California State University Channel Islands (the Campus). The East Campus comprises 162 acres of developable land, which is expected to contain 900 residential units and approximately 31,000 square feet of retail commercial uses. The development of the East Campus began in October 2000. To date, 658 residential units and all retail space has been built.

The Site Authority is an integral part of the California State University Channel Islands (CSUCI), and the financial transactions of the Site Authority are also included in the financial statements of the CSUCI as a discretely presented component unit.

**2. SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Accounting and Reporting*

The accompanying financial statements for the Site Authority have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

*Financial Statement Presentation*

The financial statements include a statement of net position (deficit), a statement of revenues, expenses, and changes in net position (deficit), and a statement of cash flows. The Site Authority is considered a special-purpose government under the provisions of GASB Statement No. 34. The Site Authority records revenue primarily from housing sales, apartment rentals, and tax increment revenues and, accordingly, has chosen to present its financial statements using the reporting model for special-purpose governments. This model allows all financial information for the Site Authority to be reported in a single column in each of the financial statements. In accordance with the business-type activities reporting model, the Site Authority prepares its statement of cash flows using the direct method.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

**2. SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Election of Applicable FASB Statements*

The Site Authority has elected to follow private-sector standards of accounting and financial reporting issued by the Financial Accounting Standards Board (FASB) prior to November 30, 1989, unless those standards conflict with or contradict guidance of the GASB. The Site Authority also has the option of following subsequent private-sector guidance subject to the same limitation. The Site Authority has elected not to follow subsequent private-sector guidance.

*Financial Reporting Entity*

The financial statements include the accounts of the Site Authority. The Site Authority is a government organization under accounting principles generally accepted in the United States of America and is also a component unit of the University, a public university under the California State University system. The Site Authority has chosen to use the reporting model for special-purpose governments engage only in business type activities.

*Classification of Current and Noncurrent Assets (Other Than Investments) and Liabilities*

The Site Authority considers assets to be current that can reasonably be expected, as part of its normal business operations, to be converted to cash and be available for liquidation of current liabilities within 12 months of the statement of net position date. Liabilities that reasonably can be expected, as part of normal business operations, to be liquidated within 12 months of the statement of net position date are considered to be current. All other assets and liabilities are considered to be noncurrent.

*Net Position (Deficit)*

The Site Authority's net assets are classified into the following categories:

***Invested in capital assets, net of related debt*** - Capital assets, net of accumulated depreciation, amortization, and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.

***Restricted*** - Net assets subject to externally imposed conditions that can be fulfilled by the actions of the Site Authority or the passage of time.

***Unrestricted*** - All other categories of net assets (deficit). In addition, unrestricted net assets may be designated for use by the Site Authority.

The Site Authority has adopted a policy of utilizing restricted funds, when available, prior to unrestricted funds.

*Cash and Cash Equivalents*

The Site Authority considers highly liquid investments with an original maturity of three months or less to be cash equivalents.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

**2. SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Real Estate Inventory*

Real estate inventory is stated at cost. These costs include capitalized interest related to a project until development is substantially complete; such costs are charged to cost of home sales at the time residential units are sold. Additionally, the real estate inventory balance includes costs related to the purchase of real estate, which is carried at the lower of cost or fair market value.

*Revenue Recognition*

Revenues from home sales are recognized as homes are sold, title passes, and escrow closes. Rental revenues are recognized as amounts are earned and coincide with the lease agreement. Maintenance rent is recognized monthly upon receipt from homeowners and retail tenants. Tax increment revenues are recognized when the taxes are levied and sales tax revenues are recognized upon receipt. Energy sales are recognized as energy is provided to customers.

*Classification of Revenues and Expenses*

The Site Authority considers operating revenues and expenses in the statement of revenues, expenses, and changes in net position (deficit) to be those revenues and expenses that result from exchange transactions or other activities that are connected directly to the Site Authority's primary functions. Exchange transactions include charges for services rendered and the acquisition of goods and services. Nonexchange transactions include the collection of tax increment and sales tax revenues, which are reported as nonoperating revenues and expenses. Certain other transactions are reported as nonoperating activities and primarily include the Site Authority's investment income, interest expense, pass-through agency taxes, contribution for debt service, and transfers between the Site Authority and the CSUCI Financing Authority and other California State University (CSU) funds.

*Property and Equipment*

Capital assets are stated at cost and are capitalized over \$5,000, and depreciation is calculated using the straight-line method over the following estimated useful lives of the respective assets:

Infrastructure	40 years
Buildings and building improvements	30 years
Improvement other than buildings	10 years
Equipment	5 years

*Maintenance Reserves*

Maintenance reserve activities are based on the various ground subleases and retail leases reserve payments come from three sources: (1) homeowners, (2) leased units, and (3) retail tenants. Reserve contribution amounts are determined after review of the reserve study conducted by an outside firm every two to three years. Reserve expenditures consist of nonoperating and major repairs, which extend the life of an asset. Some examples include street repairs, roof replacement, and major repairs to the exteriors of townhomes and rental properties.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

**2. SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Property Taxes*

All jurisdictions within California derive their taxing authority from the State Constitution and various legislative provisions contained in the State Government Code and Revenue and Taxation Codes. Property is originally assessed at 100% of full cash or market value at the date of transfer or completion of construction pursuant to Article XIII(A) of the California State Constitution and statutory provisions by the County Assessor and State Board of Equalization.

Pursuant to the Community Development Area Specific Reuse Plan adopted June 5, 2000, the Site Authority is permitted to collect a maximum of \$250,000,000 of tax increment revenues. Tax increment revenues are derived from property taxes that result from increases in assessed property values. The Site Authority is required to deposit 20% of the tax increment revenues into a Low and Moderate Income Housing Fund to provide affordable housing for households with moderate and low incomes. The tax increment revenues required to be deposited in the Low and Moderate Income Housing Fund may be pledged to repay that portion of the capitalized lease obligation to Systemwide Revenue Bonds (SRB) related to infrastructure construction financing, and accordingly, all of the tax increment revenues are pledged to repay this portion of the capitalized lease.

Property taxes are levied on both real and personal property. The County Assessor levies taxes on all property developed by the Site Authority, including rental units. Secured property taxes become a lien on the property on January 1 or the date on which title to the property transfers or improvements to the property are completed. Secured property taxes are levied July 1 and payable in two equal installments; the first payment is generally due on November 1 and delinquent with penalties after December 10; the second payment is generally due on February 1 and delinquent with penalties after April 10. Tax increment revenues are recognized in the period in which they are levied, net of amounts determined to be uncollectible.

Supplemental property tax assessments/refunds associated with changes in assessed valuations due to transfers of title and completed property improvements are levied in two equal installments and have variable due dates based on the date of title transfer and/or completion of the property improvements.

*Income Taxes*

The Site Authority was formed pursuant to Articles 1 – 4, Chapter 5, division 7, title 1 of the Government Code of the State of California and, as a governmental entity, is not subject to federal or state income taxes.

*Use of Estimates*

The preparation of these financial statements requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates. Management also determines the accounting principles to be used in the preparation of the financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

**2. SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Fair Value Measurements*

The Site Authority reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value in accordance with GASB 72, *Fair Value Measurement and Application*. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal or most advantageous market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. GASB 72 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

- *Level 1* - Quoted prices for identical assets or liabilities in active markets to which the Organization has access at the measurement date.
- *Level 2* - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include
  - quoted prices for similar assets or liabilities in active markets;
  - quoted prices for identical or similar assets in markets that are not active;
  - observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
  - inputs derived principally from, or corroborated by, observable market data by correlation or by other means.
- *Level 3* - Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

The carrying amounts of cash and cash equivalents, accounts receivable and related party receivables approximate fair value because of the terms and relatively short maturity of these financial instruments.

The carrying amounts of current liabilities, approximate fair value because of the relatively short maturity of these financial instruments.

When available, the Site Authority measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.



**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(CONTINUED)**

**3. CASH AND CASH EQUIVALENTS**

The Site Authority's cash and cash equivalents as of June 30, 2016 are classified in the accompanying statement of net position as follows:

Cash and cash equivalents	\$ 3,678,523
Restricted cash and cash equivalents	<u>5,817,354</u>
Total cash and cash equivalents	<u>\$ 9,495,877</u>

*(a) Cash and Cash Equivalents*

The Site Authority's total cash at June 30, 2016 was \$9,495,877 and consisted of demand deposits held at financial institutions. The bank balance was \$9,939,294 at June 30, 2016. The Site Authority's cash balance includes \$3,678,523 in unrestricted cash and \$5,817,354 in restricted cash for debt service and maintenance reserves. The difference is related solely to outstanding checks.

*(b) Custodial Credit Risk for Deposits*

Custodial credit risk for deposits is the risk that the Site Authority will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The California Government Code and Education Code do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the provision that a financial institution must 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. This risk is mitigated as the Site Authority's deposits are maintained at financial institutions that are fully insured or collateralized as required by state law.

**4. REAL ESTATE INVENTORY**

Real estate inventory at June 30, 2016 consists of the following:

Construction In Progress	\$ 4,953,413
Total real estate inventory	<u>\$ 4,953,413</u>

The construction in progress relates to site development and infrastructure improvements for the as-yet-unbuilt 242 residential units.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**5. CAPITAL ASSETS**

Capital assets for the year ended June 30, 2016 consists of the following:

	Beginning of Year 7/1/15	Additions	Deletions	End of Year 6/30/16
Buildings and Improvements	\$ 95,196,529	\$ -	\$ -	\$ 95,196,529
Accumulated depreciation	<u>(32,491,194)</u>	<u>(3,243,210)</u>	-	<u>(35,734,404)</u>
	62,705,335	(3,243,210)	-	59,462,125
Other Improvements	43,641	-	-	43,641
Accumulated depreciation	<u>(39,759)</u>	<u>(2,607)</u>	-	<u>(42,366)</u>
	3,882	(2,607)	-	1,275
Infrastructure	59,041,650	-	-	59,041,650
Accumulated depreciation	<u>(15,958,346)</u>	<u>(1,476,041)</u>	-	<u>(17,434,387)</u>
	43,083,304	(1,476,041)	-	41,607,263
Property and Equipment	1,595,743	14,776	-	1,610,519
Accumulated depreciation	<u>(744,938)</u>	<u>(199,005)</u>	-	<u>(943,943)</u>
	<u>850,805</u>	<u>(184,229)</u>	-	<u>666,576</u>
Net Property and Equipment	<u>\$106,643,326</u>	<u>\$(4,906,087)</u>	<u>\$ -</u>	<u>\$101,737,239</u>

Depreciation expense for the year ended June 30, 2016 was \$4,920,863.

**6. DUE FROM CSUCI FINANCING AUTHORITY**

The due from CSUCI Financing Authority balance at June 30, 2016, \$239,045 consists of special tax receipts yet to be transferred to the Site Authority to ultimately be used for capitalized lease payments.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**7. CAPITALIZED LEASE OBLIGATIONS**

On March 14, 2007, the California State University (CSU) Trustees (the Trustees), Site Authority, and Financing Authority authorized the use of the Systemwide Revenue Bonds (SRB) Program to provide funds to refinance certain of the outstanding Financing Authority Bonds.

Concurrent with the defeasance of the bonds, the Site Authority entered into a capitalized lease arrangement with the Trustees of the CSU on March 14, 2007. The lease of \$139,670,000 will be repaid from revenues received by the Site Authority. Interest ranging from original 4.00% to 5.45% is paid semiannually on May 1 and November 1. The principal payments are paid on November 1 of each year beginning November 1, 2009 with the final payment due November 1, 2044.

In connection with the issuance of the lease, the Site Authority recorded a lease premium of \$6,424,084, which is being amortized on a straight-line basis over the life of the leases. At June 30, 2016, \$2,314,246 has been amortized.

The Site Authority incurred a loss on refunding of the bonds of \$6,268,778, which is being amortized on a straight-line basis over the life of the leases. At June 30, 2016, \$2,308,219 has been amortized.

Future minimum lease payments under capital leases having remaining terms as of June 30, 2016 are as follows:

<u>Year ending June 30,</u>	
2017	\$ 8,459,031
2018	8,776,156
2019	8,989,156
2020	9,180,281
2021	9,471,656
2022-2026	52,065,029
2027-2031	58,783,154
2032-2036	30,235,282
2037-2041	22,474,355
2042-2045	<u>17,972,125</u>
Total Minimum Lease Payments	226,406,225
Less Interest	<u>(92,916,225)</u>
Present Value of Future Minimum Lease Payments	133,490,000
Unamortized net premium (discount)	149,278
Total capital lease obligation	<u>\$ 133,639,278</u>

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**8. LOANS PAYABLE**

Loans payable for the year ended June 30, 2016 are as follows:

<b>Description</b>	<u>Interest Rate</u>	<u>Fiscal Year Maturity Date</u>	<u>Original Issue Amount</u>	<u>Amount Outstanding June 30, 2016</u>
Other:				
California State University, Channel Islands – 2013A Refunded	2.00%-5.00%	2026	\$ 21,765,000	\$ 20,785,000
Channel Islands – 2014A Refunded	2.00%-5.00%	2037	<u>35,525,000</u>	<u>35,525,000</u>
<b>Total debt:</b>			<u>\$ 57,290,000</u>	<u>\$ 56,310,000</u>

On April 1, 2005, the Site Authority entered into an agreement with the Campus to pay the Campus's debt service on revenue bonds issued to build and renovate certain Campus buildings. The original loan amount was \$61,945,000, and has since been refinanced in 2013 and 2014 to \$57,290,000. Interest ranging from 2.0% to 5.0% is paid semiannually on May 1 and November 1. The principal payments are paid on November 1 of each year beginning November 1, 2009 with the final payment due November 1, 2037.

Long-term debt activity for the year ended June 30, 2016 was as follows:

	<u>Beginning Balance as of July 1, 2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance as of June 30, 2016</u>	<u>Current Portion</u>
Capitalized lease obligations:					
Gross balance	\$ 135,205,000	\$ -	\$ (1,715,000)	\$ 133,490,000	\$ 1,945,000
Unamortized lease premium	4,358,904	-	(249,067)	4,109,837	-
Unamortized loss on refunding	<u>(4,208,978)</u>	-	<u>248,419</u>	<u>(3,960,559)</u>	-
Total capitalized lease obligations:	135,354,926	-	(1,715,648)	133,639,278	1,945,000
Loans:					
CSU Channel Islands	<u>57,255,000</u>	-	<u>(945,000)</u>	<u>56,310,000</u>	<u>1,295,000</u>
Total loans, net	<u>57,255,000</u>	-	<u>(945,000)</u>	<u>56,310,000</u>	<u>1,245,000</u>
Total long-term debt obligations, net	<u>\$ 192,609,926</u>	<u>\$ -</u>	<u>\$ (2,660,648)</u>	<u>\$ 189,949,278</u>	<u>\$ 3,240,000</u>

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

**8. LOANS PAYABLE - Continued**

The loans mature as follows:

	<u>Principal</u>	<u>Interest</u>
2017	\$ 1,295,000	\$ 2,771,875
2018	1,355,000	2,716,875
2019	1,530,000	2,644,750
2020	1,725,000	2,563,375
2021	1,820,000	2,474,750
2022-2026	10,600,000	10,873,995
2027-2031	13,185,000	7,903,625
2032-2036	16,810,000	4,183,250
2037-2040	<u>7,990,000</u>	<u>404,500</u>
Total	<u>\$ 56,310,000</u>	<u>\$ 36,536,995</u>

**9. NET POSITION**

The Site Authority has a total net deficit of \$76,587,950 as of June 30, 2016. The net deficit is due to a net deficit in net position - invested in capital assets, net of related debt of \$26,948,626 and an unrestricted net deficit of \$55,456,678. The net deficit in net position invested in capital assets, net of related debt, is driven by the differences in timing of the depreciation of the assets as compared to the timing of the payments to liquidate the capital lease liability related to those assets. The Site Authority generates sufficient cash flows to support debt service payments on its capital lease liabilities. In 2005, the Site Authority agreed to pay the Campus' debt-service on certain revenue bonds to renovate certain campus buildings, but the ownership of the said assets was not transferred to the Site Authority. The amount outstanding on the loan payable to the Campus as of June 30, 2016 is \$56,310,000 resulting in the net deficit. Although the Site Authority has not generated sufficient cash flows to satisfy the debt-service obligations for this loan, the CSU Chancellor's Office has funded the shortfall in payment. Further, in August 2010, the Site Authority leased the Campus' cogeneration plant and signed an energy service agreement with the Campus, entitling the Site Authority to the net revenues of the cogeneration plan primarily to assist with those debt-services payments. As a result, there is not a significant risk of the Site Authority's ability to continue as a going concern.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**10. RELATED PARTY TRANSACTIONS**

The Site Authority receives its financing and contributions from the CSU Trustees and the Financing Authority and has also entered into certain transactions with the Campus and recognized auxiliary organizations of the Campus relating to infrastructure, residential, commercial developments, and personnel cost reimbursement. The accompanying financial statements include the transaction with the CSU Trustees, the Financing Authority, the Campus and a recognized auxiliary organization of the Campus as of and for the year ended June 30, 2016.

Related party receivables consist of the following:

	<u>June 30, 2016</u>
California State University Channel Islands	\$ 86,751
University Glen Corporation	<u>8,749</u>
Total	<u>\$ 95,500</u>

Related party payables consist of the following:

	<u>June 30, 2016</u>
Associated Students of CSU Channel Islands, Inc.	\$ 4,000
California State University Channel Islands	3,378,035
University Glen Corporation	<u>145,688</u>
Total:	<u>\$ 3,527,723</u>

The related party receivables/payable net amount at June 30, 2016 was (\$3,432,223).

**11. RENTAL INCOME**

The Site Authority leases its building and building improvements under operating lease agreements for residential and commercial purposes. Total rental income for the year ended June 30, 2016 amounted to \$9,541,070. The cost and carrying amount of building and building improvements at June 30, 2016 are \$95,196,529 and \$59,462,125, respectively. The carrying amount is net of accumulated depreciation of \$35,734,404.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**12. MAINTENANCE RENT**

The CSUCI Site Authority manages the common area for homeowners, renters, and the Town Center tenants. Common area charges include all costs and expenses incurred by the CSUCI Site Authority in the operation, maintenance, replacement, and repair of the common areas during the term of the sublease. Common area expenses are allocated among all units based on type, such as single-family residence, townhome, rental property, or retail space. Maintenance rent for the year ended June 30, 2016 was \$682,525.

**13. ENERGY SALES**

In August 2010, the Site Authority subleased the Campus's cogeneration plant and entered into an energy services agreement with the Campus. The Site Authority makes quarterly payments of \$440,650 to the Campus to sublease the cogeneration plant. Under the terms of the agreement, the Site Authority is the operator of the plant, which includes being responsible for the costs of the plant's operations as well as entitling the Site Authority to the plant's net earnings. Revenue is recognized as energy is provided to the plant's customers, who primarily consist of Southern California Edison and the Campus. Total energy sales for the year ended June 30, 2016 are \$11,160,718.

**14. CONTINGENCY**

During the year ended June 30, 2016 the Site Authority was involved in a Tax Increment dispute with the County of Ventura (County) which, among other issues, involves collection of an existing claim receivable of \$1,206,190. Counsel for the Site Authority has indicated that the matter remains unasserted by the County and, accordingly, Management has deemed the ultimate resolution of this issue not susceptible to reasonable estimation.

**15. SUBSEQUENT EVENTS**

The Site Authority has evaluated events subsequent to June 30, 2016, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through September 15, 2016, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required. In August 2016 the Site Authority sold 100% of its leasehold interest in certain residential and commercial properties to a real estate investment company. The related agreement includes a leaseback provision to the Site Authority with a term of twenty years for certain designated units. No other subsequent events occurred that require recognition or additional disclosure in the financial statements.

**SUPPLEMENTARY INFORMATION**



**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY**  
**GASB SCHEDULE OF NET POSITION**  
**JUNE 30, 2016**

Assets:	
Current assets:	
Cash and cash equivalents	\$ 3,678,523
Short-term investments	—
Accounts receivable, net	3,581,690
Leases receivable, current portion	—
Notes receivable, current portion	—
Pledges receivable, net	—
Prepaid expenses and other current assets	—
Total current assets	<u>7,260,213</u>
Noncurrent assets:	
Restricted cash and cash equivalents	5,817,354
Accounts receivable, net	—
Leases receivable, net of current portion	—
Notes receivable, net of current portion	—
Student loans receivable, net	—
Pledges receivable, net	—
Endowment investments	—
Other long-term investments	—
Capital assets, net	101,737,239
Other assets	4,953,413
Total noncurrent assets	<u>112,508,006</u>
Total assets	<u>119,768,219</u>
Deferred outflows of resources:	
Unamortized loss on debt refunding	—
Net pension liability	—
Others	—
Total deferred outflows of resources	<u>—</u>
Liabilities:	
Current liabilities:	
Accounts payable	1,039,032
Accrued salaries and benefits	—
Accrued compensated absences, current portion	—
Unearned revenue	53,646
Capitalized lease obligations, current portion	1,945,000
Long-term debt obligations, current portion	1,295,000
Claims liability for losses and loss adjustment expenses, current portion	—
Depository accounts	—
Other liabilities	5,092,542
Total current liabilities	<u>9,425,220</u>
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	—
Unearned revenue	—
Grants refundable	—
Capitalized lease obligations, net of current portion	131,694,278
Long-term debt obligations, net of current portion	55,015,000
Claims liability for losses and loss adjustment expenses, net of current portion	—
Depository accounts	—
Other postemployment benefits obligations	—
Net pension liability	—
Other liabilities	221,671
Total noncurrent liabilities	<u>186,930,949</u>
Total liabilities	<u>196,356,169</u>
Deferred inflows of resources:	
Service concession arrangements	—
Net pension liability	—
Unamortized gain on debt refunding	—
Nonexchange transactions	—
Others	—
Total deferred inflows of resources	<u>—</u>
Net Position:	
Net investment in capital assets	(26,948,626)
Restricted for:	
Nonexpendable – endowments	—
Expendable:	
Scholarships and fellowships	—
Research	—
Loans	—
Capital projects	—
Debt service	6,092
Others	5,811,262
Unrestricted	<u>(55,456,678)</u>
Total net position	<u>\$ (76,587,950)</u>

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
GASB SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2016**

Revenues:

Operating revenues:		
Student tuition and fees (net of scholarship allowances of \$ _____)	\$	—
Grants and contracts, noncapital:		
Federal		—
State		—
Local		—
Nongovernmental		—
Sales and services of educational activities		—
Sales and services of auxiliary enterprises (net of scholarship allowances of \$ _____)		—
Other operating revenues		22,505,828
		<u>22,505,828</u>
Total operating revenues		<u>22,505,828</u>

Expenses:

Operating expenses:		
Instruction		—
Research		—
Public service		—
Academic support		—
Student services		—
Institutional support		—
Operation and maintenance of plant		—
Student grants and scholarships		—
Auxiliary enterprise expenses		13,650,938
Depreciation and amortization		4,920,863
		<u>18,571,801</u>
Total operating expenses		<u>18,571,801</u>
Operating income (loss)		<u>3,934,027</u>

Nonoperating revenues (expenses):

State appropriations, noncapital		—
Federal financial aid grants, noncapital		—
State financial aid grants, noncapital		—
Local financial aid grants, noncapital		—
Nongovernmental and other financial aid grants, noncapital		—
Other federal nonoperating grants, noncapital		—
Gifts, noncapital		—
Investment income (loss), net		—
Endowment income (loss), net		—
Interest expense		(6,545,802)
Other nonoperating revenues (expenses)		1,991,074
		<u>(4,554,728)</u>
Net nonoperating revenues (expenses)		<u>(4,554,728)</u>
Income (loss) before other revenues (expenses)		(620,701)

State appropriations, capital		—
Grants and gifts, capital		—
Additions (reductions) to permanent endowments		—
		<u>(620,701)</u>
Increase (decrease) in net position		(620,701)

Net position:

Net position at beginning of year, as previously reported		(75,967,249)
Restatements		—
Net position at beginning of year, as restated		<u>(75,967,249)</u>
Net position at end of year	\$	<u>(76,587,950)</u>

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016**

<b>1</b>	<b>Restricted cash and cash equivalents at June 30, 2016:</b>	
	Portion of restricted cash and cash equivalents related to endowments	\$ —
	All other restricted cash and cash equivalents	<u>5,817,354</u>
	Total restricted cash and cash equivalents	<u><u>\$ 5,817,354</u></u>

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**2.1 Composition of investments at June 30, 2016:**

	Current Unrestricted	Current Restricted	Total Current	Noncurrent Unrestricted	Noncurrent Restricted	Total Noncurrent	Total
State of California Surplus Money Investment Fund (SMIF)	\$ —	—	—	—	—	—	—
State of California Local Agency Investment Fund (LAIF)	—	—	—	—	—	—	—
Corporate bonds	—	—	—	—	—	—	—
Certificates of deposit	—	—	—	—	—	—	—
Mutual funds	—	—	—	—	—	—	—
Money Market funds	—	—	—	—	—	—	—
Repurchase agreements	—	—	—	—	—	—	—
Commercial paper	—	—	—	—	—	—	—
Asset backed securities	—	—	—	—	—	—	—
Mortgage backed securities	—	—	—	—	—	—	—
Municipal bonds	—	—	—	—	—	—	—
U.S. agency securities	—	—	—	—	—	—	—
U.S. treasury securities	—	—	—	—	—	—	—
Equity securities	—	—	—	—	—	—	—
Exchange traded funds (ETFs)	—	—	—	—	—	—	—
Alternative investments:							
Private equity (including limited partnerships)	—	—	—	—	—	—	—
Hedge funds	—	—	—	—	—	—	—
Managed futures	—	—	—	—	—	—	—
Real estate investments (including REITs)	—	—	—	—	—	—	—
Commodities	—	—	—	—	—	—	—
Derivatives	—	—	—	—	—	—	—
Other alternative investment types	—	—	—	—	—	—	—
Other external investment pools (excluding SWIFT)							
Add description	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—
Other major investments:							
Add description	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—
Total investments	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Less endowment investments (enter as negative number)	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total investments	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**2.2 Investments held by the University under contractual agreements at June 30, 2016:**

Portion of investments in note 2.1 held by the University under contractual agreements at June 30, 2016 :

— — — — — — — —

**2.3 Restricted current investments at June 30, 2016 related to:**

	<b>Amount</b>
Add description	\$ —
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
<b>Total restricted current investments at June 30, 2016</b>	<b>\$ —</b>

**2.4 Restricted noncurrent investments at June 30, 2016 related to:**

	<b>Amount</b>
Endowment investment	\$ —
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
<b>Total restricted noncurrent investments at June 30, 2016</b>	<b>\$ —</b>

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**2.5 Fair value hierarchy in investments at June 30, 2016:**

	Total	Fair Value Measurements Using			Net Asset Value (NAV)
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
State of California Surplus Money Investment Fund (SMIF)	\$ —	—	—	—	—
State of California Local Agency Investment Fund (LAIF)	—	—	—	—	—
Corporate bonds	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Mutual funds	—	—	—	—	—
Money Market funds	—	—	—	—	—
Repurchase agreements	—	—	—	—	—
Commercial paper	—	—	—	—	—
Asset backed securities	—	—	—	—	—
Mortgage backed securities	—	—	—	—	—
Municipal bonds	—	—	—	—	—
U.S. agency securities	—	—	—	—	—
U.S. treasury securities	—	—	—	—	—
Equity securities	—	—	—	—	—
Exchange traded funds (ETFs)	—	—	—	—	—
Alternative investments:					
Private equity (including limited partnerships)	—	—	—	—	—
Hedge funds	—	—	—	—	—
Managed futures	—	—	—	—	—
Real estate investments (including REITs)	—	—	—	—	—
Commodities	—	—	—	—	—
Derivatives	—	—	—	—	—
Other alternative investment types	—	—	—	—	—
Other external investment pools (excluding SWIFT)					
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Other major investments:					
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
<b>Total investments</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY**  
**OTHER INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(CONTINUED)**

**3.1 Composition of capital assets at June 30, 2016:**

	Balance June 30, 2015	Prior period Adjustments	Reclassifications	Balance June 30, 2015 (restated)	Additions	Reductions	Transfers of Completed CWIP	Balance June 30, 2016
Nondepreciable/nonamortizable capital assets:								
Land and land improvements	\$ —	—	—	—	—	—	—	—
Works of art and historical treasures	—	—	—	—	—	—	—	—
Construction work in progress (CWIP)	—	—	—	—	—	—	—	—
Intangible assets:								
Rights and easements	—	—	—	—	—	—	—	—
Patents, copyrights and trademarks	—	—	—	—	—	—	—	—
Internally generated intangible assets in progress	—	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Other intangible assets:	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
<b>Total intangible assets</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total nondepreciable/nonamortizable capital assets</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Depreciable/amortizable capital assets:								
Buildings and building improvements	95,196,529	—	—	95,196,529	—	—	—	95,196,529
Improvements, other than buildings	43,641	—	—	43,641	—	—	—	43,641
Infrastructure	59,041,650	—	—	59,041,650	—	—	—	59,041,650
Leasehold improvements	—	—	—	—	—	—	—	—
Personal property:								
Equipment	1,595,743	—	—	1,595,743	14,776	—	—	1,610,519
Library books and materials	—	—	—	—	—	—	—	—
Intangible assets:								
Software and websites	—	—	—	—	—	—	—	—
Rights and easements	—	—	—	—	—	—	—	—
Patents, copyright and trademarks	—	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Other intangible assets:	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
<b>Total intangible assets</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total depreciable/amortizable capital assets</b>	<b>155,877,563</b>	<b>—</b>	<b>—</b>	<b>155,877,563</b>	<b>14,776</b>	<b>—</b>	<b>—</b>	<b>155,892,339</b>
<b>Total capital assets</b>	<b>155,877,563</b>	<b>—</b>	<b>—</b>	<b>155,877,563</b>	<b>14,776</b>	<b>—</b>	<b>—</b>	<b>155,892,339</b>
Less accumulated depreciation/amortization:								
Buildings and building improvements	(32,491,194)	—	—	(32,491,194)	(3,243,210)	—	—	(35,734,404)
Improvements, other than buildings	(39,759)	—	—	(39,759)	(2,607)	—	—	(42,366)
Infrastructure	(15,958,346)	—	—	(15,958,346)	(1,476,041)	—	—	(17,434,387)
Leasehold improvements	—	—	—	—	—	—	—	—
Personal property:								
Equipment	(744,938)	—	—	(744,938)	(199,005)	—	—	(943,943)
Library books and materials	—	—	—	—	—	—	—	—
Intangible assets:								
Software and websites	—	—	—	—	—	—	—	—
Rights and easements	—	—	—	—	—	—	—	—
Patents, copyright and trademarks	—	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Other intangible assets:	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
<b>Total intangible assets</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total accumulated depreciation/amortization</b>	<b>(49,234,237)</b>	<b>—</b>	<b>—</b>	<b>(49,234,237)</b>	<b>(4,920,863)</b>	<b>—</b>	<b>—</b>	<b>(54,155,100)</b>
<b>Total capital assets, net</b>	<b>\$ 106,643,326</b>	<b>—</b>	<b>—</b>	<b>106,643,326</b>	<b>(4,906,087)</b>	<b>—</b>	<b>—</b>	<b>101,737,239</b>

**3.2 Detail of depreciation and amortization expense for the year ended June 30, 2016:**

Depreciation and amortization expense related to capital assets	\$ 4,920,863
Amortization expense related to other assets	—
<b>Total depreciation and amortization</b>	<b>\$ 4,920,863</b>

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY**  
**OTHER INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(CONTINUED)**

**4 Long-term liabilities activity schedule:**

	Balance June 30, 2015	Prior period adjustments	Reclassifications	Balance June 30, 2015 (restated)	Additions	Reductions	Balance June 30, 2016	Current portion	Long-term portion
Accrued compensated absences	\$ —	—	—	—	—	—	—	—	—
Claims liability for losses and loss adjustment expenses	—	—	—	—	—	—	—	—	—
Capitalized lease obligations:									
Gross balance	135,205,000	—	—	135,205,000	—	(1,715,000)	133,490,000	1,945,000	131,545,000
Unamortized premium / (discount) on capitalized lease obligations	149,926	—	—	149,926	—	(648)	149,278	—	149,278
Total capitalized lease obligations	135,354,926	—	—	135,354,926	—	(1,715,648)	133,639,278	1,945,000	131,694,278
Long-term debt obligations:									
Auxiliary revenue bonds	—	—	—	—	—	—	—	—	—
Commercial paper	—	—	—	—	—	—	—	—	—
Notes payable related to SRB	—	—	—	—	—	—	—	—	—
Others: (list by type)									
Debt service on bonds for campus	57,255,000	—	—	57,255,000	—	(945,000)	56,310,000	1,295,000	55,015,000
	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—
Total long-term debt obligations	57,255,000	—	—	57,255,000	—	(945,000)	56,310,000	1,295,000	55,015,000
Unamortized bond premium / (discount)	—	—	—	—	—	—	—	—	—
Total long-term debt obligations, net	57,255,000	—	—	57,255,000	—	(945,000)	56,310,000	1,295,000	55,015,000
Total long-term liabilities	\$ 192,609,926	—	—	192,609,926	—	(2,660,648)	189,949,278	3,240,000	186,709,278



**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY**  
**OTHER INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(CONTINUED)**

5 Future minimum lease payments - capitalized lease obligations:

	Capitalized lease obligations related to SRB			All other capitalized lease obligations			Total capitalized lease obligations		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
Year ending June 30:									
2017	1,945,000	6,514,031	8,459,031	—	—	—	1,945,000	6,514,031	8,459,031
2018	2,370,000	6,406,156	8,776,156	—	—	—	2,370,000	6,406,156	8,776,156
2019	2,710,000	6,279,156	8,989,156	—	—	—	2,710,000	6,279,156	8,989,156
2020	3,045,000	6,135,281	9,180,281	—	—	—	3,045,000	6,135,281	9,180,281
2021	3,500,000	5,971,656	9,471,656	—	—	—	3,500,000	5,971,656	9,471,656
2022 - 2026	25,550,000	26,515,029	52,065,029	—	—	—	25,550,000	26,515,029	52,065,029
2027 - 2031	40,515,000	18,268,154	58,783,154	—	—	—	40,515,000	18,268,154	58,783,154
2032 - 2036	20,630,000	9,605,282	30,235,282	—	—	—	20,630,000	9,605,282	30,235,282
2037 - 2041	16,775,000	5,699,355	22,474,355	—	—	—	16,775,000	5,699,355	22,474,355
2042 - 2046	16,450,000	1,522,125	17,972,125	—	—	—	16,450,000	1,522,125	17,972,125
2047 - 2051	—	—	—	—	—	—	—	—	—
2052 - 2056	—	—	—	—	—	—	—	—	—
2057 - 2061	—	—	—	—	—	—	—	—	—
2062 - 2066	—	—	—	—	—	—	—	—	—
Total minimum lease payments	133,490,000	92,916,225	226,406,225	—	—	—	133,490,000	92,916,225	226,406,225
Less amounts representing interest									(92,916,225)
Present value of future minimum lease payments									133,490,000
Unamortized net premium (discount)									149,278
Total capitalized lease obligations									133,639,278
Less: current portion									(1,945,000)
<b>Capitalized lease obligation, net of current portion</b>									<b>\$ 131,694,278</b>

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY**  
**OTHER INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(CONTINUED)**

6 Long-term debt obligation schedule

	Auxiliary revenue bonds			All other long-term debt obligations			Total long-term debt obligations		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
Year ending June 30:									
2017	\$ —	—	—	1,295,000	2,771,875	4,066,875	1,295,000	2,771,875	4,066,875
2018	—	—	—	1,355,000	2,716,875	4,071,875	1,355,000	2,716,875	4,071,875
2019	—	—	—	1,530,000	2,644,750	4,174,750	1,530,000	2,644,750	4,174,750
2020	—	—	—	1,725,000	2,563,375	4,288,375	1,725,000	2,563,375	4,288,375
2021	—	—	—	1,820,000	2,474,750	4,294,750	1,820,000	2,474,750	4,294,750
2022 - 2026	—	—	—	10,600,000	10,873,995	21,473,995	10,600,000	10,873,995	21,473,995
2027 - 2031	—	—	—	13,185,000	7,903,625	21,088,625	13,185,000	7,903,625	21,088,625
2032 - 2036	—	—	—	16,810,000	4,183,250	20,993,250	16,810,000	4,183,250	20,993,250
2037 - 2041	—	—	—	7,990,000	404,500	8,394,500	7,990,000	404,500	8,394,500
2042 - 2046	—	—	—	—	—	—	—	—	—
2047 - 2051	—	—	—	—	—	—	—	—	—
2052 - 2056	—	—	—	—	—	—	—	—	—
2057 - 2061	—	—	—	—	—	—	—	—	—
2062 - 2066	—	—	—	—	—	—	—	—	—
Total minimum payments	—	—	—	56,310,000	36,536,995	92,846,995	56,310,000	36,536,995	92,846,995
Less amounts representing interest									(36,536,995)
Present value of future minimum payments									56,310,000
Unamortized net premium (discount)									—
Total long-term debt obligations									56,310,000
Less: current portion									(1,295,000)
<b>Long-term debt obligations, net of current portion</b>									<b>\$ 55,015,000</b>

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**7 Calculation of net position**

**7.1 Calculation of net position - net investment in capital assets**

Capital assets, net of accumulated depreciation	\$	101,737,239
Capitalized lease obligations, current portion		(1,945,000)
Capitalized lease obligations, net of current portion		(131,694,278)
Long-term debt obligations, current portion		(1,295,000)
Long-term debt obligations, net of current portion		(55,015,000)
Portion of outstanding debt that is unspent at year-end		—
Other adjustments: (please list)		
Real estate inventory as capital assets		4,953,413
Debt service on revenue bonds for campus		56,310,000
		—
		—
		—
Net position - net investment in capital asset	\$	(26,948,626)

**7.2 Calculation of net position - restricted for nonexpendable - endowments**

Portion of restricted cash and cash equivalents related to endowments	\$	—
Endowment investments		—
Other adjustments: (please list)		
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Net position - Restricted for nonexpendable - endowments per SNP	\$	—

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**8 Transactions with related entities**

	<u>Amount</u>
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ —
Payments to University for other than salaries of University personnel	8,576,324
Payments received from University for services, space, and programs	1,948,565
Gifts-in-kind to the University from discretely presented component units	—
Gifts (cash or assets) to the University from discretely presented component units	—
Accounts (payable to) University (enter as negative number)	(3,378,035)
Other amounts (payable to) University (enter as negative number)	—
Accounts receivable from University	86,750
Other amounts receivable from University	—

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**9 Other postemployment benefits obligation (OPEB)**

Annual required contribution (ARC)	\$	—	
Contributions during the year		—	
		<u>—</u>	
Increase (decrease) in net OPEB obligation (NOO)		—	
Other adjustments		—	
NOO - beginning of year		<u>—</u>	
NOO - end of year	\$	<u>—</u>	

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**10 Pollution remediation liabilities under GASB Statement No. 49:**

<u>Description</u>	<u>Amount</u>
Add description	\$ —
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
	<hr/>
Total pollution remediation liabilities	\$ —
Less: current portion	—
	<hr/>
Pollution remediation liabilities, net of current portion	<hr/> —

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**11 The nature and amount of the prior period adjustment(s) recorded to beginning net position**

	Net Position Class	Amount Dr. (Cr.)
Net position as of June 30, 2015, as previously reported		\$ (75,967,249)
Prior period adjustments:		
1 (list description of each adjustment)		—
2 (list description of each adjustment)		—
3 (list description of each adjustment)		—
4 (list description of each adjustment)		—
5 (list description of each adjustment)		—
6 (list description of each adjustment)		—
7 (list description of each adjustment)		—
8 (list description of each adjustment)		—
9 (list description of each adjustment)		—
10 (list description of each adjustment)		—
Net position as of June 30, 2015, as restated		\$ (75,967,249)

**Provide a detailed breakdown of the journal entries (at the financial statement line item level) booked to record each prior period adjustment:**

	Debit	Credit
Net position class: _____		
1 (breakdown of adjusting journal entry)	\$ —	—
Net position class: _____		
2 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
3 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
4 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
5 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
6 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
7 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
8 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
9 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
10 (breakdown of adjusting journal entry)	—	—

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY**  
**SCHEDULE 1 – SUPPLEMENTARY SCHEDULE OF**  
**NET POSITION (DEFICIT) BY PROGRAM – (UNAUDITED)**  
**JUNE 30, 2016**

	<b>All Other Funds</b>	<b>Low and Moderate Income Housing</b>	<b>Total</b>
<b>Assets:</b>			
Cash and cash equivalents	\$ 9,494,655	\$ 1,222	\$ 9,495,877
Accounts receivable	3,099,111	243,534	3,342,645
Real estate inventory	4,953,413	-	4,953,413
Due from CSUCI Financing Authority – restricted	239,045	-	239,045
Capital assets, net	101,737,239	-	101,737,239
Total assets	\$ 119,523,463	\$ 244,756	\$ 119,768,219
<b>Liabilities:</b>			
Accounts payable	\$ 1,043,032	\$ -	\$ 1,043,032
Security Deposits	221,671	-	221,671
Interest payable to CSU Systemwide Revenue Bonds	1,564,819	-	1,564,819
Deferred Revenue	53,646	-	53,646
Due to CSU, Channel Islands	3,378,035	-	3,378,035
Due to University Glen Corporation	145,688	-	145,688
Loan from CSU Office of the Chancellor	56,310,000	-	56,310,000
Capitalized lease obligations, net	133,639,278	-	133,639,278
Total liabilities	\$ 196,356,169	\$ -	\$ 196,356,169
Net position (deficit)	(76,832,706)	244,756	(76,587,950)
Total liabilities and net assets	\$ 119,523,463	\$ 244,756	\$ 119,768,219



**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS SITE AUTHORITY**  
**SCHEDULE 2 – SUPPLEMENTARY SCHEDULE OF**  
**REVENUES, EXPENSES, AND CHANGES IN**  
**NET POSITION (DEFICIT) BY PROGRAM (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	Common Area Maintenance	CI Power	For Sale Housing	General Operations	CI Power and Maintenance Reserves	Rental Housing	Low and Moderate Income Housing	Total
<b>Operating revenues:</b>								
Home sales	\$ -	\$ -	\$ 705,670	\$ -	\$ -	\$ -	\$ -	\$ 705,670
Energy Sales	-	11,160,718	-	-	-	-	-	11,160,718
Rental income	-	-	-	-	-	9,541,070	-	9,541,070
Miscellaneous revenues	11,772	-	-	-	37,694	366,379	-	415,845
Maintenance rent	682,525	-	-	-	-	-	-	682,525
Total operating revenues	<u>\$ 694,297</u>	<u>\$ 11,160,718</u>	<u>\$ 705,670</u>	<u>\$ -</u>	<u>\$ 37,694</u>	<u>\$ 9,907,449</u>	<u>\$ -</u>	<u>\$ 22,505,828</u>
<b>Operating expenses:</b>								
Cost of home sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost of Energy Sales	-	8,868,714	-	-	-	-	-	8,868,714
Rental housing operations	-	-	-	-	-	3,852,098	-	3,852,098
Depreciation of capital assets	-	192,498	177,277	4,544,901	833	5,354	-	4,920,863
General, administrative, and other expenses	671,504	-	23,854	1,168	234,248	(648)	-	930,126
Total operating expenses	<u>\$ 671,504</u>	<u>\$ 9,061,212</u>	<u>\$ 201,131</u>	<u>\$ 4,546,069</u>	<u>\$ 235,081</u>	<u>\$ 3,856,804</u>	<u>\$ -</u>	<u>\$ 18,571,801</u>
Operating income (loss)	<u>\$ 22,793</u>	<u>\$ 2,099,506</u>	<u>\$ 504,539</u>	<u>\$ (4,546,069)</u>	<u>\$ (197,387)</u>	<u>\$ 6,050,645</u>	<u>\$ -</u>	<u>\$ 3,934,027</u>
<b>Nonoperating revenue (expense):</b>								
Interest, net (expense)	\$ -	\$ -	\$ -	\$ -	\$ -	(6,545,802)	\$ -	\$ (6,545,802)
Property taxes	-	-	-	474,272	-	-	-	474,272
Sales tax revenue	-	-	-	-	-	-	-	-
Contribution for debt service	-	1,573,311	-	2,181,689	-	-	-	3,755,000
Local agency pass-through taxes	-	-	-	-	-	-	-	-
Interest on loan payable to CSU, Channel Islands	-	-	-	(2,809,625)	-	-	-	(2,809,625)
Special taxes	-	-	-	511,370	-	-	-	511,370
Other expense	-	-	-	60,057	-	-	-	60,057
Total nonoperating revenue (expense)	<u>\$ -</u>	<u>\$ 1,573,311</u>	<u>\$ -</u>	<u>\$ 417,763</u>	<u>\$ -</u>	<u>\$ (6,545,802)</u>	<u>\$ -</u>	<u>\$ (4,554,728)</u>
Income (loss) before transfers (to) from other CSU funds	<u>\$ 22,793</u>	<u>\$ 3,672,817</u>	<u>\$ 504,539</u>	<u>\$ (4,128,306)</u>	<u>\$ (197,387)</u>	<u>\$ (495,157)</u>	<u>\$ -</u>	<u>\$ (620,701)</u>
<b>Transfer (to) from CSUCI Financing Authority</b>								
Transfer (to) from other programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer (to) from reserves	145,733	806,392	-	60,056	(1,542,163)	529,982	-	-
Total transfers	<u>\$ 145,733</u>	<u>\$ 806,392</u>	<u>\$ -</u>	<u>\$ 60,056</u>	<u>\$ (1,542,163)</u>	<u>\$ 529,982</u>	<u>\$ -</u>	<u>\$ -</u>
Changes in net assets	168,526	4,479,209	504,539	(4,068,250)	(1,739,550)	34,825	-	(620,701)
Net position (deficit), beginning of year	\$ 78,146	\$ 5,349,678	\$ 10,148,713	\$ (22,041,438)	\$ 3,645,461	\$ (73,148,994)	\$ 1,185	\$ (75,967,249)
Net position (deficit), end of year	<u>\$ 246,672</u>	<u>\$ 9,828,887</u>	<u>\$ 10,653,252</u>	<u>\$ (26,109,688)</u>	<u>\$ 1,905,911</u>	<u>\$ (73,114,169)</u>	<u>\$ 1,185</u>	<u>\$ (76,587,950)</u>