

# Comprehensive Annual Financial Report

FY 2013-2014  
Fiscal Year Ended  
June 30, 2014



Finance Department  
[CityofOxnard.org](http://CityofOxnard.org)





**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
Fiscal Year Ended June 30, 2014**

Prepared by  
Finance Department  
James Cameron  
Chief Financial Officer

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# INTRODUCTORY SECTION





300 West Third Street, Oxnard, CA 93030

December 29, 2014

To the Honorable Mayor, Members of the City Council,  
and Residents of the City of Oxnard, California

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Oxnard, California (City) for the fiscal year ended June 30, 2014. State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements.

White Nelson Diehl Evans LLP, a firm of licensed certified public accountants, has issued an unmodified opinion on the City's financial statements for the year ended June 30, 2014. The independent auditor's report is located on page 1 in the financial section of this report. White Nelson Diehl Evans LLP also performed the federally mandated "Single Audit", the results of which are presented under separate cover.

Following the independent auditor's report is management's discussion and analysis (MD&A), which provides an overview and analysis of the basic financial statements. The MD&A compliments this letter of transmittal and should be read in conjunction with it.

### **Profile of the City of Oxnard**

The City, incorporated in 1903, is located in western Ventura County (County) on the shores of the Pacific Ocean. The City is approximately 65 miles northwest of the City of

Los Angeles. Oxnard is the financial hub and the largest city in the County, with a population of 203,645 in 2014, representing 24% of the County's population.

The City operates under the Council-Manager form of government. The City Council, elected at large on a non-partisan basis, consists of the mayor, directly elected for a two-year term, and four council members, elected for four-year staggered terms. The City Treasurer and City Clerk are also elected for four-year terms. The City Manager is appointed by the City Council for the administration of City affairs, including appointment of the heads of various departments, day-to-day operations, and implementation of the City Council policies. The City Attorney is also appointed by and reports directly to the City Council. Additionally, the City Council members, in separate session, serve as the governing boards of the City of Oxnard Financing Authority, Oxnard Community Development Commission (Redevelopment Agency), and with two tenant members as the Oxnard Housing Authority.

The City provides a full range of municipal services from a variety of funding sources. Services funded from general fund sources include police and fire protection, parks and recreational activities, library services, and cultural events. In addition, the City funds the construction and maintenance of streets, parks, and other public buildings. The City operates municipal water and wastewater treatment systems, refuse collection and a solid waste transfer and recycling facility, and a municipal golf course. In addition, the City oversees the Performing Arts and Convention Center. This report includes all funds of the City, as well as all governmental organizations and activities for which the City Council has financial accountability. These organizations include the Oxnard Housing Authority and the City of Oxnard Financing Authority.

The Oxnard Community Development Commission (CDC), previously a component unit of the City has been dissolved pursuant to California State Assembly Bill AB 1X 26 as modified by AB 1484, effective February 1, 2012. Activities of the CDC Successor Agency are reported as part of fiduciary funds, including all assets and liabilities. The exception is the housing set aside fund, which continue to be reported in the City's financial statements under a separate successor agency.

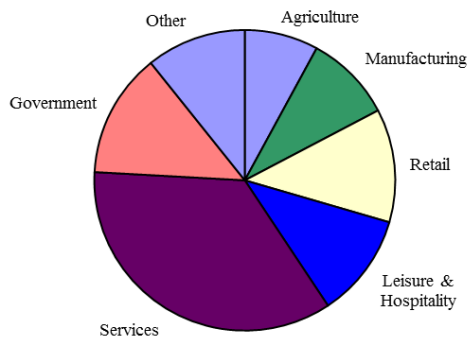
The annual budget, adopted by resolution of the City Council, serves as the foundation for the City's financial planning and control. The City Council approves operating and capital appropriations at the fund and department levels. Budgetary control is maintained at the department level and the department head may transfer resources within a department. While the City Manager may approve the transfer of funds between departments, special approval by the Council is required for adjustments to fund budgets. Although the budget must be adopted annually, the Council approves a balanced two-year operating budget and capital improvement plan. As part of the annual budget resolution, the Council reauthorizes appropriations for continuing projects and activities.



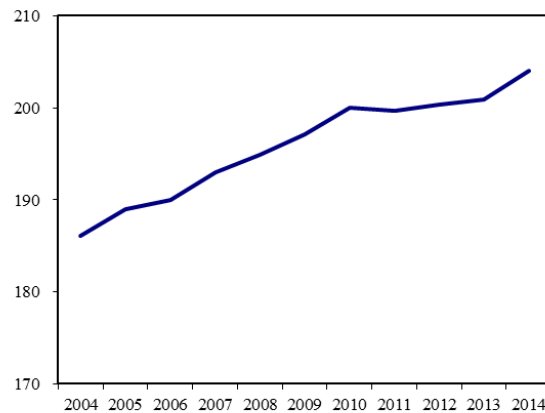
## Local Economy

The City of Oxnard enjoys a diversified economic base composed of agriculture and related businesses, retail, various services, and governmental agencies. The services group provides the largest source of employment with agriculture providing an important source of employment in the City of Oxnard. Unemployment continues to be a concern, however, there has been significant improvement in the last fiscal year, averaging 8.6% compared to 14.2% three years ago. Employment in the metro area increased 1.6% as of September compared to a year ago. Increased employment in various service sectors, leisure & hospitality, and construction was partially offset by minor reductions in manufacturing, financial activities, and government. Population growth in Oxnard has averaged just under 1% over the last ten years.

**Oxnard Metro Area Employment**

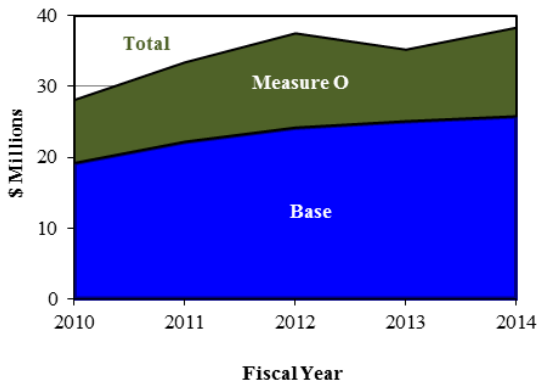


**Oxnard Population**

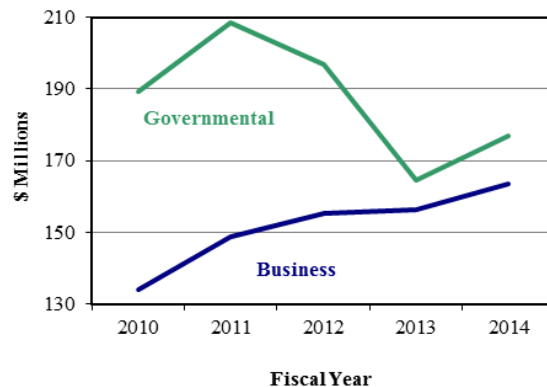


The improving economy was reflected in revenue growth for both governmental and business-type activities. General fund revenues increased 5.8%, including solid growth in Measure O ½ cent sales tax revenues. Base property taxes grew 2.2% while base sales tax revenues grew just under 3%. Developer related fees increased as did business license and transient occupancy taxes. Total governmental revenues grew 6.5% while business-type revenues grew a more modest 4.5%.

**Sales Tax**



**Revenues**



## Long-term Financial Planning

The City has various long-term planning initiatives to support the financial management of City resources. As part of the biennial budget process, the City prepares a five-year financial forecast and presents a five-year capital program. The City is in the process of updating master plans for water, wastewater, and transportation. These activities help the City anticipate and plan for future financial trends.

Because it is difficult to fully anticipate dramatic changes in the national and local economies, the Council has set a general fund unassigned fund balance goal of 18% of the general fund's operating expenditures. The City ended the fiscal year at 13% or \$13.9 million, an increase of \$2.5 million due to solid revenue growth and controlled spending.

## Major Initiatives

In November of 2008, the voters of Oxnard approved a ½ cent sales tax increase (Measure O). Fiscal year 2014 was the fifth full year of collecting the sales tax, which began in April of 2009. While this is a general purpose tax, the City's policy is to use this additional revenue to improve services to the community by adding and improving City facilities and programs. This initiative includes a citizen oversight committee and requires that revenues and the projects and programs funded from the ½ cent sales tax be audited and reported annually to the community. The ½ cent sales tax will require reauthorization by the voters in 2028.

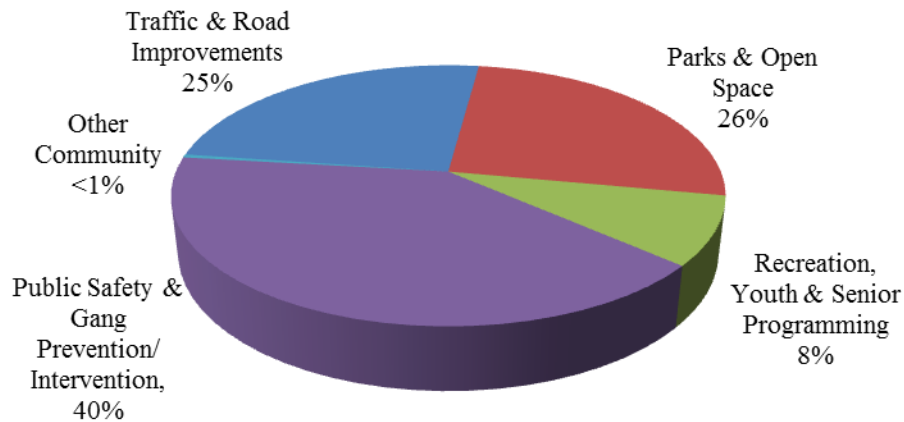
The following table and pie chart summarize program funding approved by Council.

**Measure "O" 1/2 Cent Sales Tax  
City Council Approved Programs & Projects  
(\$ millions)**

	<b>Amount</b>
Traffic & Road Improvements	\$ 19.1
Parks & Open Space	19.8
Recreation, Youth & Senior Programming	6.5
Public Safety & Gang Prevention/Intervention*	31.0
Other Community Improvements	0.3
<b>Total Projects/Programs</b>	<b><u>\$ 76.7</u></b>

- Public Safety includes \$14.5 million for Fire Station 8 construction which will be paid through future annual lease payments.

## Measure O Percent Allocation



The City has initiated a comprehensive Organizational Assessment and Strategic Planning Process, Oxnard 2020. The first phase was initiated in October 2014 with consulting services provided by Management Partners. Phase 1 includes:

- corporate systems and practices
- organizational structure
- policies and procedures

The purpose of this effort is improve processes, decision-making, and overall organizational performance to set the City on a strong path to accountability and effective service delivery, and build trust in the community and pride among City employees.

### Single Audit

In accordance with the Single Audit Act of 1997, the City's grant programs, which utilize federal funds, either directly or passed through from State agencies, are subject to the audit requirements of the Federal Office of Management and Budget (OMB) Circular A-133. This includes tests of compliance with federal laws and regulations. The results of the single audit performed by White Nelson Diehl Evans LLP are available under separate cover.

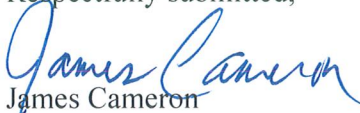
### Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2013. This was the 25th consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized CAFR, whose content conforms to program standards.

This report must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City believes the current CAFR continues to conform to the Certificate of Achievement Program's requirements and is submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to Marichu Maramba and to all members of the department as well as staff from other departments who contributed to the preparation of this annual financial report. We would also like to acknowledge the Mayor and Council Members, the City Manager's staff, and department directors for their consistent support in maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

A handwritten signature in blue ink that reads "James Cameron". The signature is written in a cursive style with a large initial "J".

James Cameron  
Chief Financial Officer



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Oxnard  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**

Executive Director/CEO

# City of Oxnard, California

## CITY COUNCIL



CARMEN RAMIREZ  
Mayor Pro Tem



TIM FLYNN  
Mayor



BRYAN A. MACDONALD  
Councilman



DORINA PADILLA  
Councilmember



BERT E. PERELLO  
Councilmember



GREG NYHOFF  
City Manager

## City of Oxnard Organization Chart

<b>Residents</b>		
<p style="text-align: center;"><b>City Treasurer</b> Danie Navas</p> <p style="text-align: center;"><b>Customer Service</b> Business Licensing Utility Billing</p>	<p style="text-align: center;"><b>City Council</b></p> <p style="text-align: center;">Tim Flynn, Mayor Carmen Ramirez, Mayor Pro Tem Bryan A. MacDonald, Councilman Dorina Padilla, Councilmember Bert E. Perello, Councilmember</p>	<p style="text-align: center;"><b>City Clerk</b> Daniel Martinez</p> <p style="text-align: center;">Elections Information Resources</p>
<p style="text-align: center;"><b>City Attorney</b> Stephen Fischer (Interim)</p> <p style="text-align: center;">Debt Collection Legal Assistance Special Litigation</p>	<p style="text-align: center;"><b>City Manager</b> Greg Nyhoff</p> <p style="text-align: center;"><b>Assistant City Manager</b> Karen Burnham</p>	<p style="text-align: center;"><b>CDC / Successor Agency</b></p>



Police	Fire	Housing	Finance	City Manager	Human Resources	Development Services	Library	Public Works
Jeri Williams	James A. Williams II	Bill Wilkins	Jim Cameron	Greg Nyhoff	Michelle Tellez	Matt Winegar	Barbara Murray	Rob Roshanian (Acting)
<b>Administrative Services</b> Emergency Communications Professional Standards Support Services  <b>Field Operations</b> Code Compliance Community Patrol  <b>Investigative Services</b> Investigative Services Special Services	<b>CUPA</b>  <b>Disaster Preparedness</b>  <b>Emergency Services</b>  <b>Fire Prevention</b>	<b>Administrative Services</b>  <b>Affordable Housing</b>  <b>Capital Fund Asset Management</b>  <b>Grants Management</b>  <b>Housing Assistance</b>	<b>Budget and Grants Management</b> Budget Grants Management  <b>Financial Resources</b> Debt & Property Management Liability Management  <b>General Accounting</b> Accounting Accounts Payable Payroll  <b>Purchasing</b> Mail Service Purchasing	<b>Assistant City Manager</b> (Karen Burnham)  <b>Deputy City Manager</b> (Grace Magistrale Hoffman)  <b>Deputy City Manager</b> (Martin Erickson)  Cable Television Community Relations Legislative Affairs Neighborhood Services Public Information Special Projects	Employee Benefits Employee Training Human Resources Labor Negotiations Safety & Wellness Workers' Compensation	Development Support Transportation Planning & Services  <b>Building and Engineering</b> Building and Engineering  <b>Planning</b> Planning & Environmental Services	Branch Services Circulation Services Community Outreach Public Services Support Services	<b>Administration</b>  <b>Construction and Design Services</b> Construction Services Design  <b>Environmental Resources</b>  <b>Street Maintenance &amp; Repair</b> Traffic Signs & Markings  <b>Water &amp; Wastewater</b>

<b>City Manager</b>		
Divisions		
<p style="text-align: center;"><b>Recreation &amp; Community Services</b> Terrel Harrison (Interim)</p> <p style="text-align: center;">Recreation Services Senior/Special Population Services South Oxnard Center Special Events Youth Development</p> <p style="text-align: center;"><b>Performing Arts And Convention Center</b></p>	<p style="text-align: center;"><b>General Services</b> Michael Henderson</p> <p style="text-align: center;">Facilities Maintenance Fleet Services Landscape Assessment &amp; Graffiti Removal Park/Facility Development Parks Maintenance River Ridge Golf Course Street Lighting</p>	<p style="text-align: center;"><b>Information Systems</b> Grace Magistrale Hoffman</p> <p style="text-align: center;">Citywide Network Support Document Publishing Services Geographic Information Systems Help Desk Municipal Software Support Telecommunications Support</p>

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# FINANCIAL SECTION



## INDEPENDENT AUDITORS' REPORT

To the Honorable City Council  
City of Oxnard, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oxnard (the City), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City'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 opinions on these financial statements based on our audit. We did not audit the financial statements of the Oxnard Housing Authority Enterprise Fund, a major fund, which represents 3.5 percent, 5.3 percent, and 16.4 percent, respectively, of the total assets, net position and revenues of the City's business-type activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Oxnard Housing Authority Enterprise Fund, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic 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 auditors consider internal control relevant to the City'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 City'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 opinions.

## **Opinions**

In our opinion, based on our audit and the report of other auditors, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oxnard, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matters**

As discussed in Note I. B. to the basic financial statements, the City has changed its method for accounting and reporting certain items previously reported as assets or liabilities during fiscal year 2013-2014 due to the adoption of Governmental Accounting Standards Board's Statement No. 65, "*Items Previously Reported as Assets and Liabilities*". The adoption of this standard required retrospective application resulting in \$159,060 and \$789,588, respectively, of reductions of previously reported net position of the business-type activities and private purpose trust fund, respectively. Our opinions are not modified with respect to this matter.

As discussed in Notes I.O., V.C. and V.D. to the financial statements, the net position of the governmental activities, business activities, the Oxnard Community Development Successor Agency Private Purpose Trust Fund and the Retirement Enhancement Defined Benefit Pension Trust Fund were restated as of July 1, 2013. Our opinions are not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of funding progress, and the budgetary comparison schedule, as listed in the table of contents, as required supplementary information, 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 management's discussion and analysis and schedules of funding progress 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 the audit of the basic financial statements. We do not express an opinion or provide any assurance on the management's discussion and analysis and schedules of funding progress because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on them. The budgetary comparison schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements of the City or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedule is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

## **Other Matters (Continued)**

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining statements and individual fund schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining statements and individual fund schedules, as listed in the table of contents, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and individual fund schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2014, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*White Nelson Nick Evans LLP*

Irvine, California  
December 26, 2014

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# **MANAGEMENT DISCUSSION AND ANALYSIS**



## Management's Discussion and Analysis

This section of the City of Oxnard's annual financial report presents management's discussion and analysis of the financial performance of the City for the fiscal year ended June 30, 2014. Please read this information in conjunction with the transmittal letter, which can be found in the introductory section of this report (pages i to v), and the City's financial statements, beginning on page 21.

### Financial Highlights

- The assets of the City exceeded its liabilities, including deferred outflows and inflows of resources, by just over \$1.8 billion (net position) at the close of the fiscal year. In the previous year, the net position of the City was slightly under \$1.8 billion.
- As of the close of the fiscal year, the City's governmental activities reported a net position of \$1.45 billion, \$3.4 million less than the prior fiscal year.
- At the end of the fiscal year, the unassigned fund balance of the General Fund was \$13.9 million, which is 13% of the general fund's operating expenditures and transfers excluding Measure O expenditures.
- The City's total debt (excluding compensated absences) decreased by \$18.5 million during the current fiscal year primarily in business-type activities (\$15.1 million). Total debt in governmental funds was reduced \$3.4 million.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition, this report contains other supplementary and statistical information.

**Government-wide financial statements.** The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector business. The statement of net position includes all of the City's assets and liabilities as well as deferred outflows and inflows with the difference reported as net position. Over time, increases or decreases in the City's net position serves as a useful indicator of whether the financial health of the City is improving or deteriorating. Fiscal year revenues and expenses are reported in the statement of activities regardless of when cash is received or paid. The statement of activities summarizes the basis for the change in net assets.

The two government-wide financial statements distinguish between activities that are primarily supported by taxes and intergovernmental revenues (governmental activities) and business type activities that are intended to recover all or a significant part of their costs.

- *Governmental activities* include most of the City's basic services, such as general government, public safety, public works, parks, recreation, and library services. Property and sales taxes, franchise fees, user fees, interest income, and State and Federal grants finance these activities.

- *Business-type activities* consist of the City's water and wastewater systems, environmental resources, housing services, and the operations of the Performing Arts and Convention Center and River Ridge Golf Course. The City charges fees to customers to recover the cost of these services.

The government-wide financial statements can be found on pages 21 through 23.

**Fund financial statements.** A fund is an accountability unit used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used by state and local governments to meet legal requirements and enhance management of financial resources. The City's funds have been divided into three categories:

- *Governmental funds.* As with the governmental activities reported in the government wide financial statements, most of the City's basic services are reported in governmental funds. Governmental fund statements use the modified accrual basis of accounting and focus on the flow of financial resources to and from those funds and the balances of spendable resources that are available at year-end. As a result, governmental funds provide a short-term view that can be used to evaluate near-term requirements for financial resources. Because governmental fund statements do not encompass the long-term focus of the government-wide statements, a reconciliation of these statements is included following the governmental funds statements. The basic governmental fund financial statements begin on page 24.
- *Proprietary funds.* The City maintains two types of proprietary funds to report services for which customer fees are intended to finance the costs of operations. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds report activities that provide supplies and services for the City's programs and services. Internal service funds include the City's self-insurance, utility customer services, information services, facilities maintenance and equipment maintenance services. While these internal service funds are combined into a single presentation for the proprietary funds financial statements, they are allocated to the appropriate function in the government-wide financial statements. The major funds of the enterprise funds are presented separately in the proprietary funds financial statements. Proprietary funds financial statements use similar accounting methods and focus, both long-term and short-term, as the government-wide statements. The basic proprietary fund financial statements begin on page 28.
- *Fiduciary funds.* The City is the trustee, or fiduciary, for certain funds established to account for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, and other governmental units. The method of accounting for these funds is similar to that of proprietary funds. The City's fiduciary activities are reported in a separate Statement of Fiduciary Net Assets. These activities are excluded from the City's government-wide financial statements because they do not support the City's own programs and operations. The basic fiduciary fund financial statements begin on page 36.

**Notes to the financial statements.** The notes provide additional information to the government-wide and fund financial statements that are important in fully understanding the data presented in the financial statements. The notes to the financial statements begin on page 38.



## Government-wide Financial Analysis

As shown in the following table, the City of Oxnard's assets exceeded liabilities by \$1.8 billion at the close of the fiscal year. The net position of the City increased \$7.8 million.

### Summary of Net Position (\$thousands)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current assets	\$ 130,065	\$ 131,845	\$ 95,647	\$ 97,317	\$ 225,712	\$ 229,162
Capital assets (net of accumulated depreciation)	1,466,110	1,472,765	616,164	615,643	2,082,274	2,088,408
Properties held for resale	105	105	-	-	105	105
Other assets	33	145	142	261	175	406
<b>Total assets</b>	<b>1,596,313</b>	<b>1,604,860</b>	<b>711,953</b>	<b>713,221</b>	<b>2,308,266</b>	<b>2,318,081</b>
Deferred outflows of resources	5,878	5,919	5,858	3,912	11,736	9,831
<b>Total assets and deferred outflows of resources</b>	<b>1,602,191</b>	<b>1,610,779</b>	<b>717,811</b>	<b>717,133</b>	<b>2,320,002</b>	<b>2,327,912</b>
Current liabilities	40,281	55,639	22,462	21,574	62,743	77,213
Non-current liabilities	106,993	96,820	346,274	359,087	453,267	455,907
<b>Total liabilities</b>	<b>147,274</b>	<b>152,459</b>	<b>368,736</b>	<b>380,661</b>	<b>516,010</b>	<b>533,120</b>
<b>Net position</b>						
Net Investment in Capital Assets	1,400,890	1,407,061	287,650	285,475	1,688,540	1,692,536
Restricted*	45,802	49,392	17,096	16,578	62,898	65,970
Unrestricted*	8,226	1,867	44,329	34,419	52,555	36,286
<b>Net position</b>	<b>\$ 1,454,918</b>	<b>\$ 1,458,320</b>	<b>\$ 349,075</b>	<b>\$ 336,472</b>	<b>\$ 1,803,993</b>	<b>\$ 1,794,792</b>

\* Certain governmental activities unrestricted moved to restricted for 2013 to be consistent with reclassification in 2014.

Total assets decreased \$9.8 million. While Cash and investments increased \$10.4 million, receivables decreased \$13.3 million. Capital assets net of depreciation decreased \$6.1 million. Deferred outflows increased due to a reclassification of \$1.9 million from water bond refunding unamortized losses.

Total Liabilities and deferred inflows of resources decreased \$17.1 million, primarily in bonds and capital leases which decreased \$16.4 million (net of the \$1.9 million reclassification described above). Compensated absence (accrued leave) increased \$0.5 million to \$21 million while other post-employment retirement payable (Other Post Employment Benefits or OPEB) increased \$0.9 million to \$9 million (net obligation). Other liabilities included an additional \$3.4 million to recognize underfunding of the Cities supplemental retirement program. Deferred inflows reflect grant receivables that are not anticipated to be collected within one year.

A significant portion of the City's net position (94%) reflects its investment in capital assets net of accumulated depreciation, less any related debt outstanding used to acquire those assets. Because capital assets are tied up in land, buildings, equipment, and other infrastructure that

supports the services provided to citizens, these amounts are not available for future spending. The remainder of net position is made up of restricted (3%) and unrestricted (3%) categories. Restricted net position decreased \$3.1 million while the unrestricted portion increased \$16.3 million. Certain unrestricted categories were reclassified to restricted, such as gas tax and assessment districts (2013 was adjusted as well for consistency). The net investment in capital assets decreased \$4 million.

The following table presents a summary of the changes in the City's net position for the year ended June 30, 2014.

**Summary of Changes in Net Position**  
(Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Program revenues:						
Charges for services	\$ 30,134	\$ 25,433	\$ 139,484	\$ 134,404	\$ 169,618	\$ 159,837
Operating grants and contributions	32,351	27,406	20,338	18,595	52,689	46,001
Capital grants and contributions	7,487	8,314	671	966	8,158	9,280
General revenues:						
Taxes	106,931	103,286	-	-	106,931	103,286
Interest on investments	1,166	(21)	2,997	2,445	4,163	2,424
Sale of capital assets	114	119	-	-	114	119
<b>Total revenues</b>	<b>178,183</b>	<b>164,537</b>	<b>163,490</b>	<b>156,410</b>	<b>341,673</b>	<b>320,947</b>
Expenses:						
General government	17,852	18,129	-	-	17,852	18,129
Public safety	105,887	103,079	-	-	105,887	103,079
Transportation	10,151	10,332	-	-	10,151	10,332
Community development	16,445	21,162	-	-	16,445	21,162
Culture and leisure	20,090	19,335	-	-	20,090	19,335
Libraries	4,901	4,917	-	-	4,901	4,917
Interest on long-term debt	2,792	2,973	-	-	2,792	2,973
Water	-	-	44,840	44,763	44,840	44,763
Wastewater	-	-	34,958	34,397	34,958	34,397
Environmental Resource	-	-	39,083	40,601	39,083	40,601
Performing Arts and Convention Center	-	-	1,543	1,534	1,543	1,534
Oxnard Housing Authority	-	-	25,618	25,397	25,618	25,397
Municipal Golf Course	-	-	6,399	6,150	6,399	6,150
<b>Total expenses</b>	<b>178,118</b>	<b>179,927</b>	<b>152,441</b>	<b>152,842</b>	<b>330,559</b>	<b>332,769</b>
Change in Net Assets before Transfers	65	(15,390)	11,049	3,568	11,114	(11,822)
Transfers	(2,207)	(2,166)	2,207	2,166	-	-
<b>Changes in net assets</b>	<b>(2,142)</b>	<b>(17,556)</b>	<b>13,256</b>	<b>5,734</b>	<b>11,114</b>	<b>(11,822)</b>
Net Position - July 1	1,458,320	1,463,646	336,472	332,611	1,794,792	1,796,257
Prior Period Adjustment	(1,260)	12,230	(653)	(1,873)	(1,913)	10,357
<b>Net Position - June 30</b>	<b>\$ 1,454,918</b>	<b>\$ 1,458,320</b>	<b>\$ 349,075</b>	<b>\$ 336,472</b>	<b>\$ 1,803,993</b>	<b>\$ 1,794,792</b>

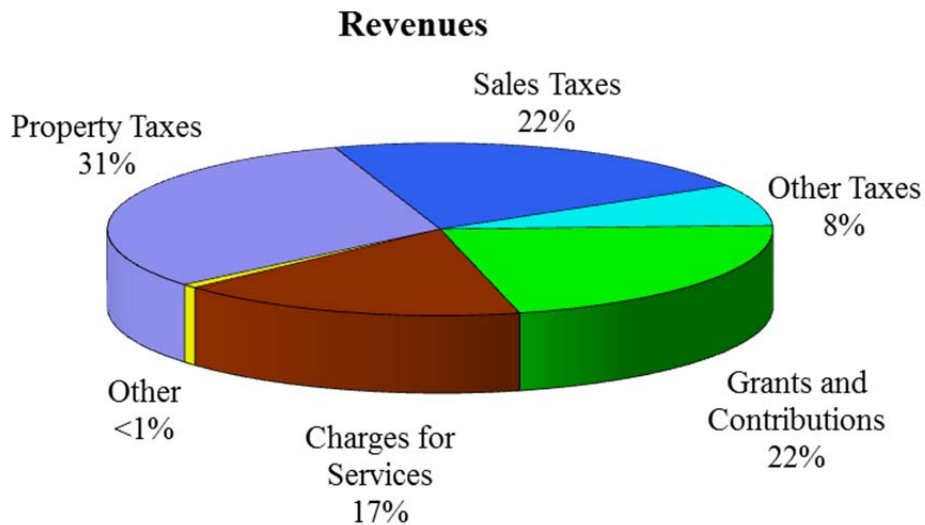
The net position of the City increased \$9.2 million after prior period adjustments. Total revenues increased \$20.7 million while expenditures decreased \$2.2 million. Fifty percent of revenue

increases where in Charges for Services, \$9.8 million, with grants adding another \$5.6 million. General revenues made up the remaining \$5.4 million.

**Governmental Activities.** Governmental Activities make up 81% of the City’s Net Position. The net position of governmental activities decreased \$3.4 million during the fiscal year as total revenues were \$0.6 million less than expenses with the remaining difference resulting from \$2.2 million net transfers to business-type activities and a prior period adjustment to recognize underpayment of the City’s supplemental retirement program.

Revenues increased \$13.6 million to \$178.1 million as follows:

- Taxes, which make up the largest source of governmental revenues at 61%, increased \$3.6 million largely due to a \$3.1 million increase in sales taxes. Business licenses and Transient Occupancy Taxes increased a combined \$1.0 million as a result of the improving economy. Property taxes decreased \$0.4 million due to a reduction in Redevelopment Property Tax Trust Fund distributions from the County.
- Charges for services, which include various building permits and other development related fees as well as user fees make up 17% of governmental revenues. Increases of \$4.7 million included \$1.9 million from development related fees and permits. Miscellaneous charges increased \$2.4 million including one-time reimbursements of \$1.9 million in transportation, Finance, and City Attorney.
- Grants and contributions for both capital and operating purposes make up 22% of revenues with other minor revenues making up less than 1%. Grants and contributions increased \$4.1 million primarily due to increased gas tax and LTAF funding for transportation purposes as well as public safety human service grants.

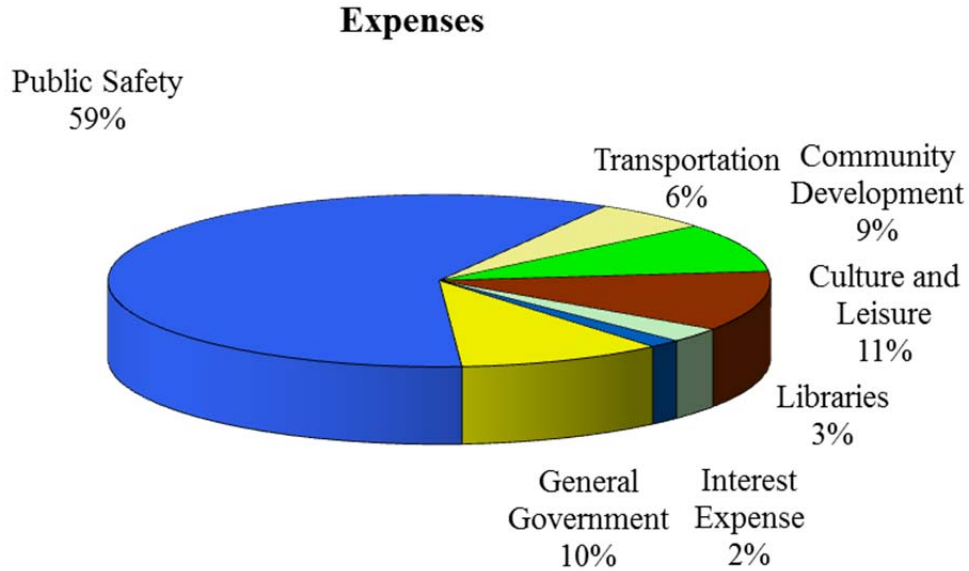


Of the \$178.1 million in total governmental expenses, 88% supports programs that provide direct services to the community.

- At 59%, Public Safety, which includes Police and Fire, receives the largest share of governmental funding, increasing \$2.8 million due to higher personnel costs and grant funding.

- Other service programs include Community Development (excluding CDCSA) at 9%, Culture and Leisure at 11%, Transportation at 6%, and Library at 3%. Expenses in these areas decreased \$4.2 million primarily due to one-time payments from the Housing Successor agency for low-moderate income housing projects in the prior fiscal year.
- The remaining 12% includes General Government, which decreased \$0.3 million and Interest Expenses, which decreased \$0.2 million.

Total expenses decreased \$1.8 million.



**Business-type Activities.** Business-type activities increased the City’s net position by \$12.6 million after prior period adjustments. Total revenues of \$163.5 million reflect an increase of \$7.1 million from the prior year. Expenses decreased \$0.4 million to \$152.4 million. The prior period adjustment of \$0.7 million recognizes an adjustment for the City’s supplemental retirement program. A more detailed explanation is presented in the section on Proprietary Funds (page 12).

**Financial Analysis of the Government’s Funds**

As discussed earlier, the City uses fund accounting to comply with finance-related legal requirements; however, governmental funds use a modified accrual basis of accounting, while proprietary funds generally follow full accrual. Major funds are reported separately.

**Governmental Funds.** The focus of the City’s governmental funds is to provide information on near-term inflows and outflows and balances of spendable resources. At the end of the fiscal year, the City’s governmental funds reported combined ending fund balances of \$89.5 million, an increase of \$7.4 million from the prior year. The following table summarizes the government funds balance sheet.

**Governmental Funds Balance Sheet Summary**  
(\$ thousands)

	General Fund		Other Governmental		Total	
	2014	2013	2014	2013	2014	2013
Assets	\$ 48,987	\$ 43,569	69,656	83,561	\$ 118,643	\$ 127,130
Deferred Outflows of Resources	-	-	-	-	-	-
<b>Total Assets and Deferred Outflows</b>	<b>\$ 48,987</b>	<b>\$ 43,569</b>	<b>\$ 69,656</b>	<b>\$ 83,561</b>	<b>\$ 118,643</b>	<b>\$ 127,130</b>
<b>Liabilities and Fund Balance</b>						
Liabilities	11,907	11,354	17,136	33,703	29,043	45,057
Deferred Inflows of Resources	134	-	-	-	134	-
<b>Fund Balances</b>						
Nonspendable	4,620	4,714	-	3,305	4,620	8,019
Restricted*	-	1,483	49,084	47,910	49,084	49,393
Assigned	18,410	14,658	5,498	4,457	23,908	19,115
Unassigned*	13,916	11,360	(2,062)	(5,815)	11,854	5,546
Total fund balances	36,946	32,215	52,520	49,857	89,466	82,073
<b>Total Liabilities and Fund Balance</b>	<b>\$ 48,987</b>	<b>\$ 43,569</b>	<b>\$ 69,656</b>	<b>\$ 83,560</b>	<b>\$ 118,643</b>	<b>\$ 127,130</b>

\* Other Governmental unassigned moved to restricted for 2013 to be consistent with reclassification in 2014.

The fund balance of the combined governmental funds is made up of the following:

- \$4.6 million of non-spendable balances related to loans made to the former CDC.
- \$49.1 million is restricted for public safety retirement funds (\$3.0 million), infrastructure development purposes (\$15.8 million) and repayment of debt (\$3.7 million) with the remainder for other purposes including gas tax, assessment districts, and Housing Successor Agency.
- \$23.9 million is assigned for Measure O programming (\$18.3 million), capital projects (\$5.5 million), and the remainder for other minor purposes.
- \$11.8 million is unassigned with \$13.9 million in the general fund and a negative 2.1 million in grant funds for which work has been competed, but payment not received.

Certain unassigned categories were reclassified to restricted, such as gas tax and assessment districts (2013 was adjusted as well for consistency).

The only major governmental fund is the General Fund. The General Fund is the primary operating fund of the City. At the end of the fiscal year, the fund balance of the General Fund was \$36.9 million. The unassigned fund balance of the General Fund was \$13.9 million, which is 13% of the general fund's operating expenditures and transfers excluding Measure O expenditures.

The following table summarizes the revenues, expenditures and changes in fund balances for governmental funds.

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
(\$thousands)

	General Fund		Other Governmental		Total	
	2014	2013	2014	2013	2014	2013
<b>Revenues</b>						
Taxes	\$ 93,953	\$ 89,360	\$ 12,936	\$ 13,926	\$ 106,889	\$ 103,286
Other Revenues	29,773	27,612	44,638	38,121	74,411	65,733
<b>Total revenues</b>	<b>123,726</b>	<b>116,972</b>	<b>57,574</b>	<b>52,047</b>	<b>181,300</b>	<b>169,019</b>
<b>Expenditures</b>						
Current	109,378	108,495	42,160	45,242	151,538	153,737
Capital outlay	2,213	7,199	11,770	26,698	13,983	33,897
Debt service	-	-	6,542	6,438	6,542	6,438
<b>Total expenditures</b>	<b>111,591</b>	<b>115,694</b>	<b>60,472</b>	<b>78,378</b>	<b>172,063</b>	<b>194,072</b>
Excess of revenues over (under) expenditures	<b>12,135</b>	<b>1,278</b>	<b>(2,898)</b>	<b>(26,331)</b>	<b>9,237</b>	<b>(25,053)</b>
<b>Other Financing Sources (Uses)</b>						
Proceeds from sale of bonds	-	-	363	654	363	654
Net Transfers	(5,952)	(5,292)	3,745	3,126	(2,207)	(2,166)
<b>Total other financing sources (uses)</b>	<b>(5,952)</b>	<b>(5,292)</b>	<b>4,108</b>	<b>3,780</b>	<b>(1,844)</b>	<b>(1,512)</b>
<b>Net change in fund balances</b>	<b>6,183</b>	<b>(4,014)</b>	<b>1,210</b>	<b>(22,551)</b>	<b>7,393</b>	<b>(26,565)</b>
Fund balances, July 1	32,215	33,760	49,858	63,737	82,073	97,497
Prior period adjustment	(1,452)	2,469	1,452	8,672	-	11,141
<b>Fund balances, June 30</b>	<b>\$ 36,946</b>	<b>\$ 32,215</b>	<b>\$ 52,520</b>	<b>\$ 49,858</b>	<b>\$ 89,466</b>	<b>\$ 82,073</b>

General fund operating revenues exceeded expenditures by \$12.1 million. Total operating revenues increased \$6.7 million, including \$2.7 million from Measure O. General fund expenditures reflected a net decrease of \$4.1 million, however, current operating expenditures increased \$0.9 million with capital outlays decreasing \$5.0 million, primarily in Measure O projects.

- Taxes increased \$4.6 million reflecting a local economy in a modest recovery. Increases include \$0.9 million in property taxes and \$3.1 million in sales taxes include \$2.4 million from Measure O. Other taxes had a combined increase of \$0.6 million with increases in transient occupancy and business license taxes of a combined \$1.0 million partially offset by reduced franchise fees. Other revenues increased \$2.2 million due to increased development related charges, interest earnings, and one-time reimbursements in city attorney and finance departments.
- The net increase in operating expenditures of \$0.9 million was primarily in public safety, \$1.5 million, and culture and leisure, \$0.6 million, less savings in general government and transportation of \$0.6 million each.

- Net transfers decreased \$0.7 million primarily the result of an increase in transfers to the debt service fund.

For other governmental funds, revenues increased \$5.5 million as follows:

- \$2.4 million increase in Development and related fees due to an improving housing market
- \$3.3 million primarily due to increased gas tax and LTAF funding for transportation purposes,
- \$0.2 million net decreases in HUD funding, Public Safety Retirement transfers, and various increases in non-major funds.

Other Governmental fund expenditures decreased \$17.9 million primarily due to reduced capital projects (\$14.9 million) and a reduction in Housing Successor Agency expenditures due to one-time distributions in the prior year.

Fund balances increased \$7.4 million primarily due to improved general fund financial performance.

Because Measure O is a general purpose tax it is reported as a part of the General Fund; however, the Measure O is tracked in a sub-fund within the General Fund in order to report annual revenues and uses to the community. The following tables provide the balance sheet and statement of revenues, expenditures and changes in fund balance for Measure O.

**Measure O 1/2 Cent Sales Tax Balance Sheet Summary**  
**(\$thousands)**

	<b>2014</b>	<b>2013</b>
Assets	\$ 19,190	\$ 15,119
<b>Liabilities and fund balances</b>		
Liabilities	928	461
Fund balances		
Assigned	18,262	14,658
Total fund balances	18,262	14,658
Total liabilities and fund balances	<b>\$ 19,190</b>	<b>\$ 15,119</b>

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**(\$thousands)**

	<b>2014</b>	<b>2013</b>
<b>Revenues</b>		
Taxes	\$ 12,510	\$ 10,092
Other Revenues	257	(59)
<b>Total revenues</b>	<b>12,767</b>	<b>10,033</b>
<b>Expenditures</b>		
Current		
General government	72	81
Public safety	4,212	3,812
Transportation	827	626
Community Development	364	454
Culture and leisure	1,542	1,375
Library Services	74	15
Capital Outlay	1,903	7,106
<b>Total expenditures</b>	<b>8,994 -</b>	<b>13,469</b>
Excess of revenues over (under) expenditures	3,773 -	(3,436)
<b>Other Financing Sources (Uses)</b>		
Net Transfers	(169)	-
<b>Total other financing sources (uses)</b>	<b>(169)</b>	
<b>Net change in fund balances</b>	<b>3,604</b>	<b>(3,436)</b>
Fund balances, July	14,658	18,094
Fund balances, June 30	<b>\$ 18,262</b>	<b>\$ 14,658</b>

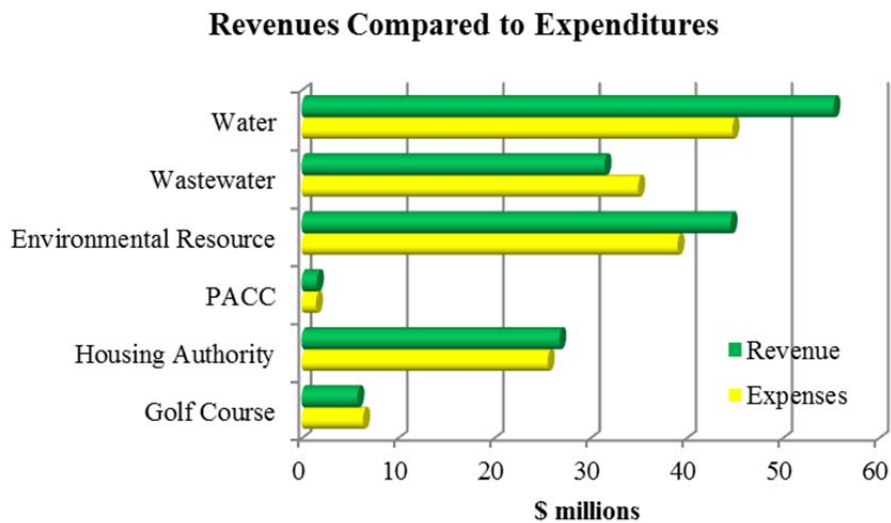
**Proprietary Funds.** The City’s proprietary funds use the same focus and basis of accounting as the government-wide financial statements. Proprietary fund statements provide additional detail not found in the government-wide statements. The City’s enterprise utilities consist of Water, Wastewater, and Environmental Resources. Cultural and recreation activities include the River Ridge Golf Course and the Performing Arts and Convention Center (PACC). The Oxnard Housing Authority is also included in this category.

- Water – Revenues of \$55.3 million exceeded expenditures of \$44.8 million. Revenues increased \$2.0 million primarily in charges for services from water customers of \$1.6 million. Additional revenue growth resulted from connection fees and interest earnings. Expenditures were slightly higher than in the prior year with a \$0.4 million increase in operations offset by lower interest expense.

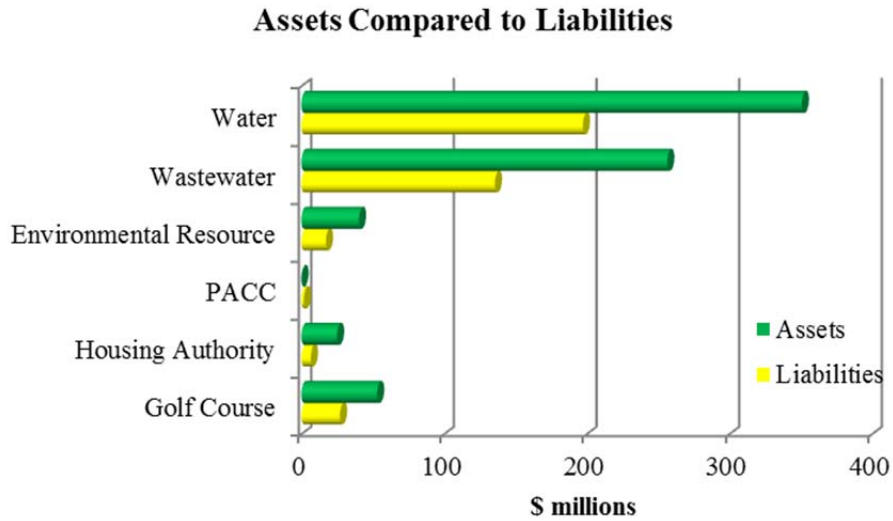


- Wastewater – While revenues of \$31.5 million covered operating costs of \$27.8 million, interest expense of \$7.0 million resulted in a shortfall of \$3.3 million. Revenues increased \$0.4 million due to rate increases net of reduced connection fees. Prior year charges for services from customers included a one-time \$2.1 million payment for desalter treatment discharges while FY 2014 included an increase in reimbursements in a similar amount. Expenditures increased \$0.6 million primarily in contracted services for master planning and to provide operational evaluation and assistance.
- Environmental Resources - Revenues of \$44.7 million exceed expenditures of \$38.9 million. Revenues increased \$2.0 million primarily in charges for services from residential and business customers of \$1.7 million. Expenditures decreased \$1.5 million due to the change in operation of the recycling facility to from a contract operator to City operation in February 2014. Reduced contract costs of \$4.9 million were partially offset by increased staffing and supplies.
- Performing Arts and Convention Center (PACC) – The PACC is funded by a combination of operating revenues, \$0.7 million, and a subsidy from the general fund of \$0.9 million. The combination of these sources was adequate to cover operating costs. Prior year shortfalls have resulted in a negative fund balance (net assets) of \$1.7 million.
- Housing Authority – Total revenues of \$26.8 million exceeded expenditures of \$25.6 million. While revenues increased \$2.1 million, expenditures were stable with only a \$0.2 million increase.
- Golf Course – While total revenues of the Golf Course increased \$0.3 million, total revenues of \$4.5 million plus the general fund transfer related to the 2011 bond debt service of \$1.4 million, were not adequate to cover both operating and interest expenditures of \$6.4 million. The golf course has accrued a \$4.4 million fund shortfall.

The following chart compares revenues plus net transfers to expenses by business activity:



The following chart compares total assets to liabilities by business activity:



Internal service fund balances decreased \$2.1 million due to a jump in insurance related costs and payments.

### General Fund Budgetary Highlights

The following table is a comparison of the original adopted budget, final or revised budget, and actual revenues and expenditures. In the general fund, the primary changes are for the carryover of project funds from Measure O fund balance.

Revenues exceed the final budget by \$3.9 million or 3.25%, including \$1.7 million from Measure O. Property taxes exceeded budget by \$0.5 million primarily due to the distribution of RPTTF revenues in excess of budget. Sales taxes also exceeded budget by \$0.5 million due to higher Measure O sales tax revenues of \$1.5 million. Base sales taxes were \$1 million under budget due to a reallocation to another City by the State Board of Equalization. Transient occupancy tax, Business license revenues, and franchise taxes each exceeded budget by \$0.2 million. Development related fees increased \$0.5 million. Revenue budgets were only increased to recognize new revenue sources of \$0.2 million.

General Fund appropriations were increased \$17.0 million, almost entirely for Measure O projects. Actual expenditures were \$14.4 million lower than the final budget, again primarily due to Measure O projects which ended the year \$14.2 million under budget. Most of these funds will be rebudgeted in the new fiscal year. While most departments experienced minor variances, public Safety expenditures net of Measure O were \$1.1 million over budget due to high overtime costs. Surpluses in other departments were largely due to savings due to unfilled positions.

**General Fund Budgetary Summary**  
(\$thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Taxes	\$ 92,344	\$ 92,344	\$ 93,953	\$ 1,609
Other Revenues	27,250	27,483	29,773	2,290
<b>Total revenues</b>	<b><u>119,594</u></b>	<b><u>119,827</u></b>	<b><u>123,726</u></b>	<b><u>3,899</u></b>
<b>Expenditures</b>				
Current	107,959	110,888	109,378	(1,510)
Capital outlay	825	15,105	2,213	(12,892)
<b>Total expenditures</b>	<b><u>108,784</u></b>	<b><u>125,993</u></b>	<b><u>111,591</u></b>	<b><u>(14,402)</u></b>
Excess of revenues over (under) expenditures	10,810	(6,166)	12,135	18,301
<b>Other Financing Sources (Uses)</b>				
Net Transfers	(6,152)	(6,147)	(5,952)	195
<b>Total other financing sources (uses)</b>	<b><u>(6,152)</u></b>	<b><u>(6,147)</u></b>	<b><u>(5,952)</u></b>	<b><u>195</u></b>
<b>Net change in fund balances</b>	<b><u>\$ 4,658</u></b>	<b><u>\$ (12,313)</u></b>	<b><u>\$ 6,183</u></b>	<b><u>\$ 18,496</u></b>

**Capital Assets and Debt Administration**

**Capital assets.** The City's investments in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2014, were \$1.47 billion and \$0.62 billion respectively. Governmental capital assets decreased \$6.7 million based on the addition of \$14.1 million from new projects such as the Rice-101 interchange, less depreciation of \$20.8 million. Business-type assets increased \$0.5 million based on \$16.4 million primarily from construction in progress related to GREAT program projects, less depreciation of \$15.9 million. More detailed information about the City's capital assets activity is presented in Note II-E to the financial statements, beginning on page 60.

**Capital Assets**  
**Net of Accumulated Depreciation**  
(\$thousands)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 988,371	\$ 988,371	\$ 47,730	\$ 47,730	\$ 1,036,101	\$ 1,036,101
Buildings	67,197	66,095	32,892	34,721	100,089	100,816
Other improvements	73,925	75,686	21,981	22,482	95,906	98,168
Machinery and equipment	8,162	7,211	2,205	2,117	10,367	9,328
Infrastructure	223,110	232,242	361,637	374,001	584,747	606,243
Construction in progress	105,344	103,160	149,719	134,591	255,063	237,751
<b>Total</b>	<b>\$1,466,109</b>	<b>\$1,472,765</b>	<b>\$ 616,164</b>	<b>\$ 615,642</b>	<b>\$2,082,273</b>	<b>\$2,088,407</b>

**Long-term debt.** The City uses a variety of revenue bonds and lease indebtedness to finance various capital acquisitions. As of June 30, 2014, the City's long-term debt outstanding was \$418 million, a decrease of \$18.6 million. Of this total, \$66.9 million was in governmental activities and \$351 million in business-type activities. More detailed information about the City's long-term liabilities is presented in Note II-F to the financial statements, beginning on page 62. The following provides a breakdown of the City's outstanding indebtedness adjusted for unamortized premiums and discounts (excludes compensated absences):

**Outstanding Debt**  
(\$thousands)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenue Bonds	32,454	34,147	348,922	363,601	381,376	397,748
Capital Leases	9,944	11,101	2,094	2,621	12,038	13,722
Certificates of Participation	24,552	25,081	-	-	24,552	25,081
<b>Total</b>	<b>\$ 66,950</b>	<b>\$ 70,329</b>	<b>\$351,016</b>	<b>\$ 366,222</b>	<b>\$ 417,966</b>	<b>\$ 436,551</b>

Revenue bonds are used to finance projects for public parking, civic center, water, wastewater, environmental resources, and public housing. Debt service on these issues is paid from the revenues of the appropriate enterprise funds, the general fund, and other governmental funds.

The City carry's an "AA-" general obligation bond rating from S&P. Specific ratings are as follow:

Governmental revenue bonds	A+
Water revenue bonds	A+
Wastewater revenue bonds	BBB
Solid Waste revenue bonds	A-

The total outstanding debt is limited by statute to 15% of assessed valuation, or \$2.43 billion.

## **Economic Factors and Next Year's Budgets and Rates**

Oxnard's diverse economy continues to support moderate growth in City revenues. The unemployment rate continues to trend down below 9% compared to 13% two years ago. In addition, housing prices continue to recover, which along with new construction, have supported higher property tax revenues. The Collections at Riverpark continues to add stores and restaurants providing an upscale shopping experience and drawing from many areas of the County as well as outside the county.

The fiscal year 2015 budget was developed based on modest economic growth. Taxes were budgeted based on FY 2013 trends. While City utility rates were not adjusted in FY 2014, the City has initiated comprehensive master plans and facility assessments for water and wastewater which will provide a basis for future rate adjustments. As part of the latest CDCSA ROPS, the State Department of Finance (DOF) approved repayment of various loans made in the past from the City's general fund to the former CDC. This will result in annual repayments of \$0.8 million to the general fund and \$0.2 million to the Housing Successor Agency. CDC-SA has submitted the Long Range Property Management Plan to the DOF which will allow for the sale or transfer of CDCSA properties.

## **Contacting the City's Financial Management**

This Management's Discussion and Analysis is designed to provide the City's residents, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about this document, separate reports of the City's component units, or wish additional financial information, contact the Office of the Chief Financial Officer at 300 West Third Street, Oxnard, California, 93030.

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# **BASIC FINANCIAL STATEMENTS**



**City of Oxnard, California**  
**STATEMENT OF NET POSITION**  
**June 30, 2014**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 87,265,998	\$ 61,381,110	\$ 148,647,108
Investments with fiscal agents	5,408,289	19,581,157	24,989,446
Accounts and other receivables (net of allowance for uncollectibles)	12,162,335	18,995,446	31,157,781
Notes receivable	2,050,000	1,113,697	3,163,697
Internal balances	5,424,594	(5,424,594)	-
Due from other government	8,199,554	-	8,199,554
Due from Successor Agency	9,554,825	-	9,554,825
Properties held for resale	104,736	-	104,736
Other assets	32,900	141,632	174,532
Capital assets not being depreciated:			
Land	988,370,375	47,730,214	1,036,100,589
Construction in progress	105,344,402	149,718,652	255,063,054
Capital assets, net of accumulated depreciation:			
Buildings	67,197,068	32,892,490	100,089,558
Other improvements	73,925,434	21,981,047	95,906,481
Machinery and equipment	8,162,409	2,204,665	10,367,074
Infrastructure	223,110,219	361,636,979	584,747,198
Total assets	<u>1,596,313,138</u>	<u>711,952,495</u>	<u>2,308,265,633</u>
<b>Deferred outflow of resources</b>			
Deferred amount on refunding	-	2,095,855	2,095,855
Derivatives instrument-swap agreement	5,878,294	3,762,201	9,640,495
Total deferred outflow of resources	<u>5,878,294</u>	<u>5,858,056</u>	<u>11,736,350</u>
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Accounts payable	5,968,077	5,048,794	11,016,871
Other liabilities	10,881,249	3,133,481	14,014,730
Unearned revenues	2,671,949	-	2,671,949
Notes payable	-	269,710	269,710
Self insurance claims - due within one year	6,639,695	-	6,639,695
Compensated absences payable - current	9,352,000	1,407,268	10,759,268
Bonds and capital leases	3,943,288	12,602,468	16,545,756
Early retirement incentive payable	824,485	-	824,485
<b>Noncurrent liabilities:</b>			
Interest rate swap liability	5,878,294	3,762,201	9,640,495
Other liabilities	-	75,973	75,973
Unearned revenues	9,195,725	-	9,195,725
Self insurance claims	9,248,327	-	9,248,327
Compensated absences payable	8,799,168	1,425,417	10,224,585
Post employment retirement payable	7,638,126	1,629,739	9,267,865
Supplemental retirement payable	2,471,659	968,029	3,439,688
Early retirement incentive payable	755,287	-	755,287
Bonds and capital leases	63,006,441	338,413,071	401,419,512
Total liabilities	<u>147,273,770</u>	<u>368,736,151</u>	<u>516,009,921</u>
<b>Net position</b>			
Net investment in capital assets	1,400,890,107	287,649,591	1,688,539,698
Restricted for:			
Debt service	3,707,764	16,059,396	19,767,160
Housing	2,154,736	1,036,679	3,191,415
Public safety retirement	3,023,577	-	3,023,577
Developments	15,797,398	-	15,797,398
Other purposes	21,117,920	-	21,117,920
Unrestricted	8,226,160	44,328,734	52,554,894
Total net position	<u>\$ 1,454,917,662</u>	<u>\$ 349,074,400</u>	<u>\$ 1,803,992,062</u>

See independent auditors' report and notes to financial statements.



**City of Oxnard, California**  
**Statement of Activities**  
**For the Year Ended June 30, 2014**

FUNCTIONS/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 17,851,478	\$ 8,808,647	\$ 14,205,497	\$ -
Public safety	105,886,922	4,878,804	4,325,622	-
Transportation	10,151,437	3,345,515	8,375,072	7,486,869
Community development	16,445,165	7,767,004	5,411,104	-
Culture and leisure	20,089,724	4,889,702	25,721	-
Libraries	4,901,223	444,458	7,500	-
Interest on long-term debt	2,792,053	-	-	-
<b>Total governmental activities</b>	<b>178,118,002</b>	<b>30,134,130</b>	<b>32,350,516</b>	<b>7,486,869</b>
<b>Business-type activities:</b>				
Water	44,839,558	52,742,289	-	-
Wastewater	34,959,148	31,335,380	-	-
Environmental resource	39,083,017	44,392,421	53,734	-
Performing arts and convention center	1,543,601	666,820	-	-
Oxnard Housing Authority	25,617,591	5,875,068	20,283,917	671,012
Municipal golf course	6,399,227	4,471,706	-	-
<b>Total business-type activities</b>	<b>152,442,142</b>	<b>139,483,684</b>	<b>20,337,651</b>	<b>671,012</b>
<b>Total primary government</b>	<b>330,560,144</b>	<b>169,617,814</b>	<b>52,688,167</b>	<b>8,157,881</b>

**General revenues:**

Taxes:

- Property tax
- Sales tax
- Transient occupancy tax
- Franchise tax
- Deed transfer tax
- Business license tax
- Penalties and interest
- Interest on investments
- Sale of capital assets
- Transfers

**Total general revenues and transfers**

Change in net assets

**Net position - July 1**

**Prior period adjustment**

**Net position - June 30**

See independent auditors' report and notes to financial statements.

City of Oxnard, California  
Statement of Activities  
For the Year Ended June 30, 2014

<b>Net (Expenses) Revenues and Changes in Net Assets</b>		
<b>Primary Government</b>		
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ 5,162,666	\$ -	\$ 5,162,666
(96,682,496)	-	(96,682,496)
9,056,019	-	9,056,019
(3,267,057)	-	(3,267,057)
(15,174,301)	-	(15,174,301)
(4,449,265)	-	(4,449,265)
(2,792,053)	-	(2,792,053)
<u>(108,146,487)</u>	<u>-</u>	<u>(108,146,487)</u>
-	7,902,731	7,902,731
-	(3,623,768)	(3,623,768)
-	5,363,138	5,363,138
-	(876,781)	(876,781)
-	1,212,406	1,212,406
-	(1,927,521)	(1,927,521)
-	<b>8,050,205</b>	<b>8,050,205</b>
<u>(108,146,487)</u>	<u>8,050,205</u>	<u>(100,096,282)</u>
54,783,756	-	54,783,756
38,330,268	-	38,330,268
4,239,111	-	4,239,111
3,775,233	-	3,775,233
519,093	-	519,093
5,125,801	-	5,125,801
157,998	-	157,998
1,165,783	2,997,078	4,162,861
114,348	-	114,348
(2,207,463)	2,207,463	-
<u>106,003,928</u>	<u>5,204,541</u>	<u>111,208,469</u>
<u>(2,142,559)</u>	<u>13,254,746</u>	<u>11,112,187</u>
<b>1,458,320,395</b>	<b>336,472,262</b>	<b>1,794,792,657</b>
<b>(1,260,174)</b>	<b>(652,608)</b>	<b>(1,912,782)</b>
<u><b>\$ 1,454,917,662</b></u>	<u><b>\$ 349,074,400</b></u>	<u><b>\$ 1,803,992,062</b></u>

**City of Oxnard, California**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2014**

	<b>General</b>	<b>Non Major</b>	<b>Total Governmental</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 24,986,652	\$ 46,672,046	\$ 71,658,698
Investments with fiscal agents	-	5,408,289	5,408,289
Accounts and other receivables	1,752,191	10,393,570	12,145,761
Notes receivable	-	2,050,000	2,050,000
Due from other funds	6,645,417	2,875,285	9,520,702
Due from Successor Agency	7,643,860	1,910,965	9,554,825
Due from other government	7,958,839	240,715	8,199,554
Properties held for resale	-	104,736	104,736
<b>Total assets</b>	<b>\$ 48,986,959</b>	<b>\$ 69,655,606</b>	<b>\$ 118,642,565</b>
<b>LIABILITIES</b>			
Liabilities:			
Accounts payable	3,479,546	2,042,766	5,522,312
Other liabilities	5,385,144	1,078,402	6,463,546
Due to other funds	-	5,189,288	5,189,288
Unearned revenues	3,042,356	8,825,318	11,867,674
Total liabilities	11,907,046	17,135,774	29,042,820
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenues	133,911	-	133,911
Total deferred inflows of resources	133,911	-	133,911
Fund balances			
<b>Nonspendable:</b>			
Long-term receivable	4,620,492	-	4,620,492
<b>Restricted for:</b>			
Debt service	-	3,707,764	3,707,764
Transportation	-	896,232	896,232
Maintenance Districts	-	13,717,244	13,717,244
Streets and Traffic improvements/maintenance	-	6,504,444	6,504,444
Infrastructure developments	-	15,797,398	15,797,398
Housing	-	5,437,295	5,437,295
Public safety retirement	-	3,023,577	3,023,577
<b>Assigned to:</b>			
Capital projects	-	5,498,036	5,498,036
Measure "O" service enhancement	18,261,567	-	18,261,567
Other purposes	147,850	-	147,850
<b>Unassigned:</b>	13,916,093	(2,062,158)	11,853,935
<b>Total fund balances</b>	<b>36,946,002</b>	<b>52,519,832</b>	<b>89,465,834</b>
<b>Total liabilities and fund balances</b>	<b>\$ 48,986,959</b>	<b>\$ 69,655,606</b>	<b>\$ 118,642,565</b>

See independent auditors' report and notes to financial statements.

**City of Oxnard, California**  
**Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position**  
**June 30, 2014**

Fund balances of governmental funds	\$ 89,465,834
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets of \$1,855,654,539 net of accumulated depreciation of (\$392,400,161) are not financial resources and, therefore, are not reported in the funds.	1,463,254,378
Long term liabilities, claims and compensated absences have not been included in the governmental fund activity:	
Long-term liabilities of \$67,108,095 net of unamortized discount (\$203,178)	(66,904,917)
Self insurance claims	(15,888,022)
Compensated absences	(17,187,708)
Accrued interest payable for the current portion of interest due on long-term liabilities has not been reported in the governmental funds	(531,297)
Other post employment liability, other long term liability, not due and payable in the current period	(10,562,515)
Certain revenues in the governmental funds are unavailable, because they are not collected within the prescribed time period after year end. However, the revenues are included on the accrual basis of accounting used in the government-wide financial statements.	133,911
Internal service funds are used by management to charge the costs of certain activities, such as insurance, information services, facilities and equipment maintenance. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets	13,137,998
<b>Net Position of governmental activities</b>	<b>\$ 1,454,917,662</b>

See independent auditors' report and notes to financial statements.

**City of Oxnard**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2014**

	<u>General</u>	<u>Non Major</u>	<u>Total Governmental</u>
<b>REVENUES</b>			
Taxes	\$ 93,952,457	\$ 12,935,974	\$ 106,888,431
Licenses and permits	2,456,359	1,172,557	3,628,916
Intergovernmental	13,168,255	27,792,414	40,960,669
Growth and development fees	-	3,512,534	3,512,534
Charges for services	8,871,669	745,976	9,617,645
Fines and forfeitures	444,099	255,422	699,521
Interest on investments	411,506	754,277	1,165,783
Special assessments	-	8,022,913	8,022,913
Miscellaneous	4,421,389	2,381,985	6,803,374
<b>Total revenues</b>	<b><u>123,725,734</u></b>	<b><u>57,574,052</u></b>	<b><u>181,299,786</u></b>
<b>EXPENDITURES</b>			
Current:			
General government	9,541,347	384,677	9,926,024
Public safety	70,075,583	23,799,556	93,875,139
Transportation	3,464,755	6,031,051	9,495,806
Community Development	9,069,503	6,426,063	15,495,566
Culture and leisure	13,004,072	5,500,215	18,504,287
Library Services	4,222,264	19,081	4,241,345
Capital outlay	2,213,224	11,770,319	13,983,543
Debt service:			
Principal	-	3,764,935	3,764,935
Interest and fiscal charges	-	2,776,612	2,776,612
<b>Total expenditures</b>	<b><u>111,590,748</u></b>	<b><u>60,472,509</u></b>	<b><u>172,063,257</u></b>
Excess of revenues over (under) expenditures	<u>12,134,986</u>	<u>(2,898,457)</u>	<u>9,236,529</u>
<b>OTHER FINANCING SOURCES(USES)</b>			
Issuance of debt	-	363,387	363,387
Transfers in	37,000	5,533,120	5,570,120
Transfers out	(5,989,482)	(1,788,101)	(7,777,583)
<b>Total other financing sources (uses)</b>	<b><u>(5,952,482)</u></b>	<b><u>4,108,406</u></b>	<b><u>(1,844,076)</u></b>
Net change in fund balances	6,182,504	1,209,949	7,392,453
Fund balances, July 1	32,215,045	49,858,336	82,073,381
Prior period adjustment	(1,451,547)	1,451,547	-
<b>Fund balances, June 30</b>	<b><u>\$ 36,946,002</u></b>	<b><u>\$ 52,519,832</u></b>	<b><u>\$ 89,465,834</u></b>

See independent auditors' report and notes to financial statements.

**City of Oxnard, California**  
**Reconciliation of the Change in Fund Balances of the Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2014**

Amounts reported for governmental activities in the statement of activities are different because:

<b>Net change in fund balances - total governmental funds</b>	<b>\$ 7,392,453</b>
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense (\$20,520,825) exceeded capital outlay \$13,983,543 in the current period.	(6,537,282)
In the statement of activities, the loss on disposal of assets is reported whereas in the governmental funds, the proceeds from the sale increase financial resources. The change in net assets differs from the change in fund balance by the cost of the assets disposed \$726,158 net of accumulated depreciation (\$721,668)	(4,490)
Some expenses reported in the statement of activities do not require the use of financial resources and are not reported as expenditures in governmental funds. These include the decrease in accrued interest \$35,353 net increase in compensated absences (\$458,069) other post employment benefits (\$464,481) and supplemental retirement (\$951,847)	(1,839,044)
The proceeds of debt issuances provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure and payments to refunded debt escrow agents are other financing uses in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which principal repayments of \$3,764,935 exceeded bond proceeds of (\$363,387) and bond discount (\$50,794).	3,350,754
Revenue in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	(3,112,390)
Net expenditures of internal service funds of \$1,540,232 is reported with governmental activities, \$348,554 allocated to business-type activities.	(1,392,560)
<b>Change in net position of governmental activities</b>	<b><u><u>\$ (2,142,559)</u></u></b>

See independent auditors' report and notes to financial statements.

**City of Oxnard, California**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2014**

	<u>Water</u>	<u>Wastewater</u>	<u>Environmental Resource</u>	<u>Performing Arts and Convention Center</u>
<b>Assets</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 38,035,930	\$ 7,458,868	\$ 7,059,372	\$ -
Cash with fiscal agent	16,448,631	8,747	2,497,759	-
Accounts and other receivable (net of allow for unc)	7,152,765	6,205,266	5,177,283	2,307
Due from other funds	87,395	-	65,105	-
Notes receivable	-	-	-	-
Other assets	-	-	-	-
<b>Total currents assets</b>	<u>61,724,721</u>	<u>13,672,881</u>	<u>14,799,519</u>	<u>2,307</u>
<b>Noncurrent assets:</b>				
Notes receivable	-	1,102,600	-	-
Advances to other funds	7,818,759	-	-	-
<b>Capital assets:</b>				
Land	3,883,110	3,145,160	3,851,164	-
Construction in progress	144,257,466	838,735	3,440,082	-
Buildings	14,517,008	6,582,587	22,859,740	-
Improvements	-	-	-	-
Machinery and equipment	3,111,784	18,355,985	22,389,931	15,370
Infrastructure	185,192,876	345,910,640	3,586,781	42,615
Less accumulated depreciation	<u>(69,786,822)</u>	<u>(133,215,541)</u>	<u>(30,595,073)</u>	<u>(23,748)</u>
<b>Total capital assets (net of accum depr)</b>	<u>281,175,422</u>	<u>241,617,566</u>	<u>25,532,625</u>	<u>34,237</u>
<b>Total noncurrent assets</b>	<u>288,994,181</u>	<u>242,720,166</u>	<u>25,532,625</u>	<u>34,237</u>
<b>Total assets</b>	<u>350,718,902</u>	<u>256,393,047</u>	<u>40,332,144</u>	<u>36,544</u>
<b>Deferred outflow of resources</b>				
Derivatives instrument-swap agreement	-	3,762,201	-	-
Deferred amount on refunding	2,095,855	-	-	-
<b>Total deferred outflow of resources</b>	<u>2,095,855</u>	<u>3,762,201</u>	<u>-</u>	<u>-</u>
<b>Liabilities</b>				
<b>Current liabilities:</b>				
Accounts payable	3,371,656	1,608,883	2,864,427	83,165
Other liabilities	1,634,204	648,070	395,184	2,585
Due to other funds	-	-	-	1,587,365
Compensated absences payable - current	321,000	511,000	495,000	46,000
Self insurance claims - due within one year	-	-	-	-
Notes payable - current	-	-	-	-
Revenue bonds and capital leases payable-current	4,018,334	4,193,609	2,813,055	-
<b>Total current liabilities</b>	<u>9,345,194</u>	<u>6,961,562</u>	<u>6,567,666</u>	<u>1,719,115</u>
<b>Noncurrent liabilities:</b>				
Interest rate swap liability	-	3,762,201	-	-
Revenue bonds, net of current portion and discount	187,115,748	123,589,701	1,590,392	-
Compensated absences payable	224,067	166,460	434,895	23,706
Other liabilities	-	-	-	-
Advances from other funds	-	-	6,470,482	-
Self insurance claims	-	-	-	-
Capital leases payable	24,669	234,237	1,287,440	-
Supplemental retirement payable	247,264	362,964	322,699	30,806
Post employment retirement payable	319,323	518,601	523,798	12,786
<b>Total noncurrent liabilities</b>	<u>187,931,071</u>	<u>128,634,164</u>	<u>10,629,706</u>	<u>67,298</u>
<b>Total liabilities</b>	<u>197,276,265</u>	<u>135,595,726</u>	<u>17,197,372</u>	<u>1,786,413</u>
<b>Net Position</b>				
Net investment in capital assets	106,991,836	113,600,019	21,972,338	34,237
Restricted for housing	-	-	-	-
Restricted for debt service	13,928,796	-	2,130,600	-
Unrestricted	34,617,860	10,959,503	(968,166)	(1,784,106)
<b>Total net position</b>	<u>\$ 155,538,492</u>	<u>\$ 124,559,522</u>	<u>\$ 23,134,772</u>	<u>\$ (1,749,869)</u>

See independent auditors' report and notes to financial statements.

**City of Oxnard, California**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2014**

Oxnard Housing Authority	Municipal Golf Course	Totals Current Year	Governmental Activities- Internal Service Funds	
\$ 8,826,940	\$ -	\$ 61,381,110	\$ 15,607,300	<b>Assets</b>
626,018	2	19,581,157	-	Current assets:
457,825	-	18,995,446	16,574	Cash and cash equivalents
-	-	152,500	-	Cash with fiscal agent
11,097	-	11,097	-	Accounts and other receivable (net of allow for unc)
141,632	-	141,632	32,900	Due from other funds
<u>10,063,512</u>	<u>2</u>	<u>100,262,942</u>	<u>15,656,774</u>	Notes receivable
-	-	1,102,600	-	Other assets
-	-	7,818,759	1,093,180	Total currents assets
8,920,208	27,930,572	47,730,214	595,500	Noncurrent assets:
255,056	927,313	149,718,652	1,629,337	Notes receivable
42,768,075	3,926,962	90,654,372	-	Advances to other funds
-	25,461,641	25,461,641	-	Capital assets:
2,041,254	13,950	45,928,274	3,884,396	Land
-	-	534,732,912	-	Construction in progress
(39,140,748)	(5,300,086)	(278,062,018)	(3,253,704)	Buildings
<u>14,843,845</u>	<u>52,960,352</u>	<u>616,164,047</u>	<u>2,855,529</u>	Improvements
<u>14,843,845</u>	<u>52,960,352</u>	<u>625,085,406</u>	<u>3,948,709</u>	Machinery and equipment
<u>24,907,357</u>	<u>52,960,354</u>	<u>725,348,348</u>	<u>19,605,483</u>	Infrastructure
-	-	3,762,201	-	Less accumulated depreciation
-	-	2,095,855	-	Total capital assets (net of accum depr)
-	-	5,858,056	-	Total noncurrent assets
-	-	-	-	Total assets
419,539	25,593	8,373,263	445,765	<b>Deferred outflow of resources</b>
357,791	95,647	3,133,481	239,502	Derivatives instrument-swap agreement
-	2,896,549	4,483,914	-	Deferred amount on refunding
34,268	-	1,407,268	625,000	Total deferred outflow of resources
-	-	-	6,639,695	
269,710	-	269,710	-	
280,000	1,297,470	12,602,468	29,657	<b>Liabilities</b>
<u>1,361,308</u>	<u>4,315,259</u>	<u>30,270,104</u>	<u>7,979,619</u>	<b>Current liabilities:</b>
-	-	3,762,201	-	Accounts payable
3,215,000	21,355,884	336,866,725	-	Other liabilities
576,289	-	1,425,417	338,460	Due to other funds
75,973	-	75,973	-	Compensated absences payable - current
1,093,180	1,348,277	8,911,939	-	Self insurance claims - due within one year
-	-	-	9,248,327	Notes payable - current
-	-	1,546,346	15,155	Revenue bonds and capital leases payable-current
-	4,296	968,029	529,712	Total current liabilities
255,231	-	1,629,739	597,330	Noncurrent liabilities:
<u>5,215,673</u>	<u>22,708,457</u>	<u>355,186,369</u>	<u>10,728,984</u>	Interest rate swap liability
<u>6,576,981</u>	<u>27,023,716</u>	<u>385,456,473</u>	<u>18,708,603</u>	Revenue bonds, net of current portion and discount
14,744,163	30,306,998	287,649,591	2,810,717	Compensated absences payable
1,036,679	-	1,036,679	-	Other liabilities
-	-	16,059,396	-	Advances from other funds
2,549,534	(4,370,360)	41,004,265	(1,913,837)	Self insurance claims
<u>\$ 18,330,376</u>	<u>\$ 25,936,638</u>	<u>\$ 345,749,931</u>	<u>\$ 896,880</u>	Capital leases payable
				Post employment retirement payable
				Total noncurrent liabilities
				Total liabilities
				<b>Net Position</b>
				Net investment in capital assets
				Restricted for housing
				Restricted for debt service
				Unrestricted
				<b>Total net position</b>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds 3,324,469  
Net position of business-type activities \$ 349,074,400



**City of Oxnard, California**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For Fiscal Year Ended June 30, 2014**

	<u>Water</u>	<u>Waste Water</u>	<u>Environmental Resource</u>	<u>Performing Arts &amp; Convention Center</u>
Operating revenues:				
Charges for services	\$ 51,331,480	\$ 27,593,808	\$ 43,919,821	\$ 559,436
Connection Fees	1,376,435	1,221,482	74,658	-
Housing Assistance payments	-	-	-	-
Grant revenue for operations	-	-	-	-
Miscellaneous and reimbursements	34,374	2,520,090	397,942	107,384
<b>Total operating revenues</b>	<b><u>52,742,289</u></b>	<b><u>31,335,380</u></b>	<b><u>44,392,421</u></b>	<b><u>666,820</u></b>
Operating expenses:				
Salaries and wages	5,017,944	6,656,578	7,552,590	998,492
Contractual services	1,022,533	1,555,648	10,728,423	178,336
Operating supplies	24,405,114	1,670,068	2,524,531	321
Utilities	533,764	5,366,152	6,854,546	149,146
Depreciation & amortization	4,608,550	8,420,952	1,129,393	2,275
General and administrative	5,027,666	3,665,923	4,335,567	188,436
Repairs and maintenance	476,080	491,920	4,787,483	11,138
Claims expenses	-	-	-	-
<b>Total operating expenses</b>	<b><u>41,091,651</u></b>	<b><u>27,827,241</u></b>	<b><u>37,912,533</u></b>	<b><u>1,528,144</u></b>
Operating income (loss)	<u>11,650,638</u>	<u>3,508,139</u>	<u>6,479,888</u>	<u>(861,324)</u>
Nonoperating revenues (expenses):				
Intergovernmental	-	-	53,734	-
Miscellaneous income	-	-	-	-
Other expenses	-	-	-	-
Interest on investments	2,598,468	160,831	223,879	-
Interest expense	(3,669,073)	(7,015,995)	(958,099)	(15,457)
Net nonoperating revenues (expenses)	<u>(1,070,605)</u>	<u>(6,855,164)</u>	<u>(680,486)</u>	<u>(15,457)</u>
Income (loss) before contributions and transfers	10,580,033	(3,347,025)	5,799,402	(876,781)
Capital contributions	-	-	-	-
Transfers in	-	-	-	905,160
Transfers out	-	-	(62,347)	-
Changes in net position	10,580,033	(3,347,025)	5,737,055	28,379
Net position - July 1	145,084,527	128,091,603	17,612,076	(1,762,542)
Prior period adjustment	(126,068)	(185,056)	(214,359)	(15,706)
<b>Net position - June 30</b>	<b><u>\$ 155,538,492</u></b>	<b><u>\$ 124,559,522</u></b>	<b><u>\$ 23,134,772</u></b>	<b><u>\$ (1,749,869)</u></b>

See independent auditors' report and notes to financial statements.

**City of Oxnard, California**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For Fiscal Year Ended June 30, 2014**

Oxnard Housing Authority	Municipal Golf Course	Totals Current Year	Governmental Activities- Internal Service Fund	
\$ -	\$ 4,455,242	\$ 127,859,787	\$ 25,950,506	Operating revenues:
-	-	2,672,575	-	Charges for services
4,517,065	-	4,517,065	-	Connection Fees
20,203,917	-	20,203,917	-	Housing Assistance payments
614,891	16,464	3,691,145	639,910	Grant revenue for operations
<b>25,335,873</b>	<b>4,471,706</b>	<b>158,944,489</b>	<b>26,590,416</b>	Miscellaneous and reimbursements
				<b>Total operating revenues</b>
				Operating expenses:
3,031,408	62,928	23,319,940	8,918,681	Salaries and wages
62,740	4,212,199	17,759,879	865,358	Contractual services
16,087,959	-	44,687,993	4,811,032	Operating supplies
967,998	1,897	13,873,503	1,461,132	Utilities
1,116,595	590,588	15,868,353	259,446	Depreciation & amortization
1,796,056	197,701	15,211,349	2,669,788	General and administrative
2,088,572	55,191	7,910,384	1,323,046	Repairs and maintenance
-	-	-	8,296,297	Claims expenses
<b>25,151,328</b>	<b>5,120,504</b>	<b>138,631,401</b>	<b>28,604,780</b>	<b>Total operating expenses</b>
184,545	(648,798)	20,313,088	(2,014,364)	Operating income (loss)
				Nonoperating revenues (expenses):
-	-	53,734	-	Intergovernmental
823,112	-	823,112	-	Miscellaneous income
(298,094)	-	(298,094)	-	Other expenses
13,900	-	2,997,078	216,365	Interest on investments
(168,169)	(1,278,543)	(13,105,336)	(1,872)	Interest expense
370,749	(1,278,543)	(9,529,506)	214,493	Net nonoperating revenues (expenses)
555,294	(1,927,341)	10,783,582	(1,799,871)	Income (loss) before contributions and transfers
671,012	-	671,012	-	Capital contributions
-	1,364,650	2,269,810	-	Transfers in
-	-	(62,347)	-	Transfers out
1,226,306	(562,691)	13,662,057	(1,799,871)	Changes in net position
17,213,299	26,501,519		2,966,824	Net position - July 1
(109,229)	(2,190)		(270,073)	Prior period adjustment
<b>\$ 18,330,376</b>	<b>\$ 25,936,638</b>		<b>\$ 896,880</b>	<b>Net position - June 30</b>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				(407,311)
Change in net position of business-type activities				<b>\$ 13,254,746</b>

**City of Oxnard, California**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For Fiscal Year Ended 2014**

	<u>Water</u>	<u>Wastewater</u>	<u>Environmental Resource</u>	<u>Performing Arts and Convention Center</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	54,340,303	29,903,852	45,352,360	665,887
Receipts from operating grants	-	-	-	-
Payments to suppliers	(33,361,088)	(11,993,393)	(28,738,764)	(549,145)
Payments to employees	(4,867,215)	(6,352,031)	(7,229,997)	(1,014,801)
Payments for housing assistance	-	-	-	-
Cash paid to claimants	-	-	-	-
<b>Net cash provided(used) by operating activities</b>	<b>16,112,000</b>	<b>11,558,428</b>	<b>9,383,599</b>	<b>(898,059)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Cash received from other funds	-	-	-	-
Due from other funds	-	-	-	(26,644)
Advances to other funds	2,642,445	-	-	-
Advances from other funds	-	(1,671,260)	(971,185)	-
Received from grants	-	-	53,734	-
Cash received on notes and mortgages receivable	-	-	-	-
Transfer from other funds	-	-	-	905,160
Transfer to other funds	-	-	(62,347)	-
<b>Net cash provided (used) by capital and related financing activities</b>	<b>2,642,445</b>	<b>(1,671,260)</b>	<b>(979,798)</b>	<b>878,516</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchases of capital assets	(14,521,400)	(469,075)	(1,135,207)	-
Receipt from developers	-	-	-	-
Received from grants	-	-	-	-
Principal paid on long-term debt	(41,767,842)	(25,453,183)	(2,771,813)	-
Interest and issuance cost paid on long-term debt	(3,669,073)	(7,015,995)	(1,007,930)	(15,457)
Proceeds from issuance of long-term debt	35,025,340	21,384,064	-	-
<b>Net cash used in capital and related financing activities</b>	<b>(24,932,975)</b>	<b>(11,554,189)</b>	<b>(4,914,950)</b>	<b>(15,457)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on investments	2,598,468	160,831	223,879	-
<b>Net cash provided by investing activities</b>	<b>2,598,468</b>	<b>160,831</b>	<b>223,879</b>	<b>-</b>
Net increase (decrease) in cash and cash equivalents	(3,580,062)	(1,506,190)	3,712,730	(35,000)
<b>Cash and cash equivalents, July 1</b>	<b>58,064,623</b>	<b>8,973,805</b>	<b>5,844,401</b>	<b>35,000</b>
<b>Cash and cash equivalents, June 30</b>	<b>\$ 54,484,561</b>	<b>\$ 7,467,615</b>	<b>\$ 9,557,131</b>	<b>\$ -</b>

See independent auditors' report and notes to financial statements.

**City of Oxnard, California**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For Fiscal Year Ended 2014**

<b>Oxnard Housing Authority</b>	<b>Municipal Golf Course</b>	<b>Total</b>	<b>Governmental Activities- Internal Service Funds</b>	
				<b>CASH FLOW FROM OPERATING ACTIVITIES</b>
4,674,458	4,471,706	139,408,566	26,679,205	Receipts from customers and users
20,465,305	-	20,465,305	-	Receipts from operating grants
(3,441,788)	(4,408,161)	(82,492,339)	(11,461,012)	Payments to suppliers
(4,297,588)	(60,822)	(23,822,454)	(8,566,251)	Payments to employees
(16,048,623)	-	(16,048,623)	-	Payments for housing assistance
-	-	-	(7,076,068)	Cash paid to claimants
<b>1,351,764</b>	<b>2,723</b>	<b>37,510,455</b>	<b>(424,126)</b>	<b>Net cash provided(used) by operating activities</b>
				<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>
-	3,934,754	3,934,754	-	Cash received from other funds
-	-	(26,644)	-	Due from other funds
-	-	2,642,445	-	Advances to other funds
-	-	(2,642,445)	-	Advances from other funds
80,000	-	133,734	-	Received from grants
6,913	-	6,913	-	Cash received on notes and mortgages receivable
-	(1,348,277)	(443,117)	-	Transfer from other funds
-	-	(62,347)	-	Transfer to other funds
<b>86,913</b>	<b>2,586,477</b>	<b>3,543,293</b>	<b>-</b>	<b>Net cash provided (used) by capital and related financing activities</b>
				<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>
(444,545)	(89,239)	(16,659,466)	(146,521)	Purchases of capital assets
369,948	-	369,948	-	Receipt from developers
671,012	-	671,012	-	Received from grants
(270,000)	(1,221,417)	(71,484,255)	(28,808)	Principal paid on long-term debt
(168,169)	(1,258,707)	(13,135,331)	(1,872)	Interest and issuance cost paid on long-term debt
-	-	56,409,404	-	Proceeds from issuance of long-term debt
<b>158,246</b>	<b>(2,569,363)</b>	<b>(43,828,688)</b>	<b>(177,201)</b>	<b>Net cash used in capital and related financing activities</b>
				<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>
13,900	(19,837)	2,977,241	216,365	Interest on investments
<b>13,900</b>	<b>(19,837)</b>	<b>2,977,241</b>	<b>216,365</b>	<b>Net cash provided by investing activities</b>
1,610,823	-	202,301	(384,962)	Net increase (decrease) in cash and cash equivalents
7,842,135	2	80,759,966	15,992,262	<b>Cash and cash equivalents, July 1</b>
<b>\$ 9,452,958</b>	<b>\$ 2</b>	<b>\$ 80,962,267</b>	<b>\$ 15,607,300</b>	<b>Cash and cash equivalents, June 30</b>

**City of Oxnard, California**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For Fiscal Year Ended 2014**

	<u>Water</u>	<u>Wastewater</u>	<u>Environmental Resource</u>	<u>Performing Arts and Convention Center</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
<b>Operating income (loss)</b>	11,650,638	3,508,139	6,479,888	(861,324)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization	4,608,550	8,420,952	1,129,393	2,275
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable and due from other funds	1,598,014	(1,431,528)	860,277	(933)
(Increase) decrease in other assets	-	-	99,662	-
Increase (decrease) in accounts payable	(1,897,871)	814,105	470,650	(19,610)
Increase (decrease) in other liabilities	123,136	120,121	179,307	12,942
Increase (decrease) in compensated absences & OPEB	29,533	126,639	164,422	(31,409)
Increase (decrease) in self-insurance liabilities	-	-	-	-
<b>Net cash provided by (used) in operating activities</b>	<u>16,112,000</u>	<u>11,558,428</u>	<u>9,383,599</u>	<u>(898,059)</u>

See independent auditors' report and notes to financial statements.

**City of Oxnard, California  
Statement of Cash Flows  
Proprietary Funds  
For Fiscal Year Ended 2014**

<u>Oxnard Housing Authority</u>	<u>Municipal Golf Course</u>	<u>Total</u>	<u>Governmental Activities-Internal Service Funds</u>	
184,545	(648,798)	20,313,088	(2,014,364)	<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>
				<b>Operating income (loss)</b>
				Adjustments to reconcile operating income (loss) to net cash provided by operating activities:
1,116,595	590,588	15,868,353	259,446	Depreciation and amortization
				Changes in assets and liabilities:
32,762	-	1,058,592	88,789	(Increase) decrease in accounts receivable and due from other funds
(56,883)	-	42,779	-	(Increase) decrease in other assets
188,535	20,938	(423,253)	(330,656)	Increase (decrease) in accounts payable
(122,208)	39,995	353,293	259,639	Increase (decrease) in other liabilities
8,418	-	297,603	92,791	Increase (decrease) in compensated absences & OPEB
-	-	-	1,220,229	Increase (decrease) in self-insurance liabilities
<u>1,351,764</u>	<u>2,723</u>	<u>37,510,455</u>	<u>(424,126)</u>	<b>Net cash provided by (used) in operating activities</b>

**City of Oxnard, California**  
**Statement of Fiduciary Net Position**  
**June 30, 2014**

	<b>Oxnard Community Development Commission Successor Agency Private Purpose Trust Fund</b>	<b>Retirement Enhancement Defined Benefit Pension Trust Fund</b>	<b>Agency Fund</b>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 3,586,725	\$ -	\$ 4,570,600
Investment with fiscal agents	13,396,060	50,547,186	3,337,718
Accounts and other receivables	787,077	456,498	-
Notes receivable, net of uncollectible	609,199	-	-
Properties held for resale	6,963,050	-	-
Other Assets	6,393	-	-
<b>Capital Assets:</b>			
Land	1,221,289	-	-
Construction in progress	15,491,722	-	-
Building (net of depreciation)	442,120	-	-
Improvements other than building (net of depreciation)	37,342,445	-	-
Equipment and machinery (net of depreciation)	399	-	-
<b>Total assets</b>	<b>79,846,479</b>	<b>51,003,684</b>	<b>\$ 7,908,318</b>
<b>LIABILITIES;</b>			
Accounts payable	1,646,047	-	\$ 7,908,318
Due to City of Oxnard	9,554,825	-	-
<b>Long-term debt:</b>			
Due within one year	1,520,000	-	-
Due in more than one year	39,261,311	-	-
<b>Total liabilities</b>	<b>51,982,183</b>	<b>-</b>	<b>\$ 7,908,318</b>
<b>NET POSITION:</b>			
Held in trust for Successor Agency	27,864,296	-	-
Held in trust for pension benefits	-	51,003,684	-
<b>Total net position</b>	<b>\$ 27,864,296</b>	<b>\$ 51,003,684</b>	<b>\$ -</b>

See independent auditors' report and notes to financial statements.

**City of Oxnard, California**  
**Statement of Changes in Fiduciary Net Position**  
**For the Period ended June 30, 2014**

	<b>Oxnard Community Development Successor Agency Private Purpose Trust Fund</b>	<b>Retirement Enhancement Defined Benefit Pension Trust Fund</b>
<b>ADDITIONS:</b>		
Taxes	\$ 9,114,469	\$ -
Contributions:		
Employer	-	1,058,317
Plan member	-	2,950,014
Investment income	119,263	6,746,977
Rental income	47,676	-
Miscellaneous	50,323	-
<b>Total additions</b>	<b>\$ 9,331,731</b>	<b>\$ 10,755,308</b>
<b>DEDUCTIONS:</b>		
<b>Administrative Costs:</b>		
Salaries and wages	475,101	-
Assessment district payment	141,137	-
Benefit distributions	-	2,538,344
Administrative costs	228,193	67,742
Professional services	616,744	-
Depreciation	1,191,549	-
<b>Capital Outlay:</b>		
Project improvements	2,747,761	-
<b>Debt service:</b>		
Interest and fiscal charges	1,993,974	-
<b>Total deductions</b>	<b>7,394,459</b>	<b>2,606,086</b>
<b>Change in net position</b>	<b>1,937,272</b>	<b>8,149,222</b>
Net position - July 1, 2013	24,947,018	-
Prior period adjustment	980,006	42,854,462
<b>Net position - June 30, 2014</b>	<b>\$ 27,864,296</b>	<b>\$ 51,003,684</b>

See independent auditors' report and notes to financial statements.



**City of Oxnard**  
**Notes to the Financial Statements**  
**June 30, 2014**

**I. Summary of Significant Accounting Policies**

**A. Reporting Entity**

The City of Oxnard, California (City) was incorporated as a general law city on June 30, 1903, and operates under the council-manager form of government. The City is governed by an elected Mayor and four Council members. Other elected positions include the City Clerk and City Treasurer. The accompanying basic financial statements present the financial position and results of operations of the City (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational and financial relationships with the City. Although these entities are legally separate, the City's elected officials have a continuing financial responsibility and accountability for fiscal matters of these other entities. Financial accountability includes the appointment of governing bodies, budget authority, approval of tax levies and responsibility for funding deficits.

**Blended Component Units**

City of Oxnard Financing Authority. The Oxnard Financing Authority (Authority) is a separate government entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. The Authority has the power to purchase bonds issued by any local agency at public or negotiated sales and may sell such bonds to public or private purchasers at public or negotiated sales. The Authority is controlled by the City and has the same governing body as the City. City staff perform all accounting and administrative functions of the Authority. The debt service of the Authority is included in the Golf Course Enterprise Fund, Environmental Resources Enterprise Fund, Water Enterprise Fund, Wastewater Enterprise Fund, and Debt Service Fund.

Housing Authority of the City of Oxnard. The Housing Authority of the City of Oxnard (the Housing Authority) was established in April, 1945 by ordinance of the City Council. The Housing Authority is a public entity which was organized under the laws of the State of California's Health and Safety Code for the purpose of providing safe, decent, and sanitary housing for qualified economically disadvantaged and elderly individuals in areas where a shortage of such housing exists. To accomplish this purpose, the Housing Authority entered into Annual Contributions Contracts with the U.S. Department of Housing and Urban Development (HUD) to operate assisted housing programs, such as Local Housing Authority Owned Housing, Section 8, and Modernization. The City Council and two tenant representatives serve as the governing board of the Housing Authority. The Housing Authority's governing body is substantively the same as the governing body of the City. The Housing Authority's operations have been included in the City's business-type activities in the accompanying government-wide financial

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statements. The Housing Authority prepares separate financial statements, which can be obtained from the Housing Authority's Financial Services Division.

## **B. New Pronouncements**

**GASB Statement No. 65** – In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. Concepts Statement No. 4, Elements of Financial Statements, introduced and defined the elements included in the financial statements, including deferred outflow of resources or a deferred inflow of resources. In addition, Concept Statement No. 4 provides that reporting a deferred outflow of resources or a deferred inflow of resources should be limited to those instances identified by the Board in authoritative pronouncements that are established after applicable due process. Prior to the issuance of this Statement, only two such pronouncements have been issued. Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, requires the reporting of a deferred outflow of resources or a deferred inflow of resources for the changes in fair value of hedging derivative instruments, and Statement No. 60, Accounting and Financial Reporting for Service Concession Arrangements, requires a deferred inflow of resources to be reported by a transferor government in a qualifying service concession arrangement. This Statement amends the financial statement element classification of certain items previously reported as assets and liabilities to be consistent with the definitions in Concepts Statement 4. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in financial statement presentations. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. This Statement was implemented effective July 1, 2013. With the implementation of this Statement the City has written off Environmental Resource, Housing Authority and Successor Agency Fiduciary Funds unamortized costs of issuance amounting to \$49,831, \$109,229 and \$789,588 respectively.

**GASB Statement No. 66** – In March 2012, the GASB issued Statement No. 66, *Technical Corrections-2012-an amendment of GASB Statements No. 10 and No. 62*. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement was required to be in the current year and did not impact the City's financial statements.

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**GASB Statement No. 67** – In June 2012, the GASB issued Statement No. 67, *Financial Reporting for Pensions Plans – an amendment of GASB Statement No. 25*. This Statement replaces the requirements of Statements No. 25, Financial Reporting for Defined Pension Plans and Note Disclosures for Defined Contributions Plans, and No. 50, Pension Disclosures, as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements 25 and 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to defined contribution plans that provide postemployment benefits other than pensions. This Statement was implemented effective July 1, 2013.

**GASB Statement No. 70** – In April 2013, the GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. Some governments extend financial guarantees for the obligations of another government, a not-for-profit entity, or a private entity without directly receiving equal or approximately equal value in exchange (a nonexchange transaction). As a part of this nonexchange financial guarantee, a government commits to indemnify the holder of the obligation if the entity that issued the obligation does not fulfill its payment requirements. Also, some governments issue obligations that are guaranteed by other entities in a nonexchange transaction. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This Statement was required to be implemented in the current year and did not impact the City's financial statements.

### **C. Financial Statements Presentation**

In accordance with Governmental Accounting Standards Board Statement No. 34, the City's basic financial statements consist of the following:

- Government-wide financial statements;
- Fund financial statements; and
- Notes to the basic financial statements.

#### **Government-Wide Financial Statements**

The City's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present financial information for the City as a whole, while distinguishing between governmental and business-type activities. Fiduciary activities of the City are not included in these statements.

Most of the City's basic services are considered to be governmental activities, including general government, public safety, transportation, community development, culture and leisure, and library services. Property tax, sales tax, transient occupancy tax, franchise tax, business license tax, and user fees and charges financially support these activities.

The City's enterprise operations are classified as business-type activities. These operations consist of water, wastewater, environmental resources, housing, the River

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Ridge Golf Course, and the Performing Arts and Convention Center (PACC). These activities generally recover the cost of providing services from customer fees and charges; however, the Golf fund and the PACC have been subsidized by the General fund.

Government-wide financial statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets, deferred outflows of resources, liabilities and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues for the City are reported in three categories: (1) charges for services; (2) grants and other contributions; and (3) capital grants and contributions.

The statement of activities demonstrates the degree to which expenses, both direct and indirect, of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect expenses are allocated based on the City’s cost allocation plan. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) operating and capital grants and contributions, including special assessments, that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Certain eliminations have been made in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated, with the exception of those representing balances between the governmental activities and the business-type activities. In the Statement of Activities, net internal service fund transactions have been allocated back to the governmental and business-type activities generating the net income or loss. In the Statement of Net Position, internal service assets and liabilities have been combined with the governmental funds and presented as governmental activities.

A reconciliation of the difference between the fund financial statements and the government-wide financial statements is provided as part of the fund financial statements.

## **Fund Financial Statements**

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

### ***Governmental Fund Financial Statements***

Governmental Fund Financial Statements include a Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances for the major governmental funds. Non-major governmental funds are combined for presentation in governmental fund statements. The following fund has been determined to be the City's major governmental fund:

- **General Fund:** This fund is always a major fund and is used to account for all financial resources traditionally associated with government activities which are not legally required to be accounted for in another fund.

Governmental funds are accounted for using a "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. The City considers revenues available if they are collected within 60 days after year-end with the exception of sales tax which is based on the California Board of Equalization reporting period through June of the fiscal year for which payment is received in September. Property tax, sales tax, intergovernmental revenues and other taxes are accrued as appropriate. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. The availability period for revenue recognition for Grants receivable is one year after the year-end. Expenditures are recorded in the accounting period in which the related fund liability is incurred, except for unmatured principal and interest on long-term debt, which is recognized when due.

### ***Proprietary Fund Financial Statements***

Proprietary Fund Financial Statements include a Statement of Net Position, Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major fund. A column representing Internal Service Funds in total is also presented in these statements.

See independent auditors' report.

The proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises wherein the cost of goods and services to the general public are financed or recovered primarily through user charges. The following enterprise funds have been determined to be the City's major proprietary funds:

- **Water Fund:** This fund is used to account for all activities of the City's water production, treatment and distribution system. Revenues are derived mainly from metered water services, connection fees, and installation charges.
- **Wastewater Fund:** This fund is used to account for all sewer activities related to conveyance and treatment services. Revenues are derived mainly from sewer service charges, connection fees, and treatment plant charges.
- **Environmental Resources Fund:** This fund is used to account for the activities related to collection and disposal of refuse throughout the City.
- **Performing Arts and Convention Center Fund:** This fund is used to account for the operations and maintenance of the City's Performing Arts and Convention Center.
- **Oxnard Housing Authority:** This fund is used to account for the receipts and disbursements of funds received from the U.S. Department of Housing and Urban Development (HUD) to provide housing assistance, such as the rental assistance programs for low income residents and senior citizens under Section 8 of the Federal Housing Act of 1937, as amended.
- **Municipal Golf Course Fund:** This fund is used to account for the operation and maintenance of the City's River Ridge golf course.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or non-current) are included within the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with proprietary funds principal ongoing operations. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use the restricted resources first, then unrestricted resources as they are needed.

### ***Internal Service Funds***

Internal service funds account for services to other departments on a cost-recovery basis. Internal service funds include workers' compensation, public liability and property damage, utility customer services, information systems, facilities maintenance, and fleet services. Internal service funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Internal service funds are reported in total on the proprietary funds statements.

### ***Fiduciary Fund Financial Statements***

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. The City's fiduciary funds consist of a private purpose trust fund, pension trust fund and an agency fund. The trust funds are as follows:

- Oxnard Community Development Commission Successor Agency Private Purpose Trust Fund: This fund accounts for the assets and activities of the former redevelopment agency pursuant to AB 1X 26.
- Retirement Enhancement Defined Benefit Pension Trust Fund: This fund accounts for the assets and activities of the Public Agency Retirement System Enhancement plan.

The trust funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting.

The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. However, the agency funds do utilize the accrual basis of accounting. The City's agency funds are as follows:

- Artworks Fund: This fund is used to account for donations from private parties to pay for Carnegie Art Museum artwork related expenditures.
- Improvement Districts Fund: This fund is used to account for various limited obligation improvement bonds issued by the City, wherein bond proceeds are used to finance land acquisition and public improvements of the various assessment districts within the City. Neither the faith, credit, nor the taxing power of the City or any of its political subdivisions is pledged to the payment of the bonds. Property owners within the assessment district are assessed through the County property tax bills and the money collected is used to pay off the annual debt service requirements.
- Oxnard Downtown Management District Fund: This fund accounts for property tax collected within the downtown area for downtown improvements and revitalizations.

## **D. Cash and Investments**

### **Cash and Cash Equivalents**

For reporting purposes, cash and cash equivalents include cash in bank accounts and investments held by the City Treasurer in a cash management pool. These amounts are readily available for use by the respective funds.

### **Investment Policy**

The City's investment policy is intended to provide guidelines for the prudent investment of City funds, and to outline the policies for maximizing the efficiency of the City's cash management system. The policy of the City is to invest public funds in a manner which will provide high investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds. The investment policy applies to the City's pooled investment fund which encompasses all monies under the direct oversight of the City Treasurer. These include the General Fund, Special Revenue Funds, Capital Project Funds, Enterprise Funds, Internal Service Funds and Fiduciary Funds.

### **Investments**

The City's investments are stated at fair value.

The City Treasurer's investment pool is comprised of pooled deposits and investments and the State of California Local Agency Investment Fund (LAIF) investments. The City is a voluntary participant in LAIF which is considered an external investment pool. The City Treasurer's pooled investments are carried at fair value. The fair value is determined utilizing SunGard Securities Systems, the vendor providing investment reporting capability for the City Treasurer's Office, which provides pricing data from multiple industry sources. The fair value of LAIF is determined by allocating the City's share of LAIF's fair value as reported by LAIF.

LAIF is part of the State's Pooled Money Investment Account (PMIA), which was established in 1953. Oversight of PMIA is provided by the Pooled Money Investment Board (PMIB) and an in-house Investment Committee. The PMIB members are the State Treasurer, Director of Finance, and State Controller.

Direct oversight for LAIF is provided by the Local Agency Investment Advisory Board. The board consists of five members as designated by statute. The Chairman is the State Treasurer or his designated representative. Two members qualified by training and experience in the field of investment or finance and two members who are treasurers, finance or fiscal officers, or business managers employed by any county, city, or local district or municipal corporation of this state, are appointed by the State Treasurer. LAIF is required to invest in accordance with state statute.



## Investment Income

Investment income earned on pooled cash and investments is allocated monthly to the General Fund and those other funds for which such allocation is a legal contractual requirement based on the average month-end cash balances. Investment income from cash and investments with fiscal agents is credited directly to the related fund. Income from non-pooled investments is recorded in the appropriate fund based on the specific investments held by the trustee of the fund. Changes in the fair value of investments are recognized in Investment income at the end of each year.

## E. Utility Revenue

Utility revenue is recorded when earned. Customers are billed monthly. The estimated value of services provided, but unbilled at year-end is included in the accompanying basic financial statements.

## F. Capital Assets

The City's assets for governmental, business-type and fiduciary activities are capitalized at historical cost or estimated historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. City policy has set the capitalization threshold at \$5,000. Contributions of capital assets are recorded at fair market value when received. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

<b>Buildings</b>	45 years
<b>Improvements:</b>	
Paving, curbs, lighting	40 years
Parks Improvements	25 years
Sports Courts	40 years
Landscaping	50 years
<b>Equipment and Machinery</b>	5-20 years
<b>Infrastructure Assets:</b>	
Roadway network	25-100 years
Waterways/seawalls	75 years
Storm drain system	50-100 years

Infrastructure assets are defined as "long lived capital assets that are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams and lighting systems. Infrastructure assets have been included using the basic approach methodology. Land is valued at original cost without depreciation.

## **G. Risk Management**

The City provides general liability and workers' compensation insurance under self-insurance programs with an annual limit per occurrence of \$1 million for each program. Excess insurance in the layer of \$1 million to \$25 million is purchased for general liability and \$200 million per year for workers' compensation. The City contracts with outside service agencies to assist in the administration of the self-insurance programs. Estimated liabilities related to outstanding workers' compensation and public liability claims, including estimates for incurred but not reported claims, are based upon actuarial studies and are recorded in internal service funds.

In August 1988, the City adopted a resolution to execute a Joint Powers Agreement (JPA) creating the Big Independent Cities Excess Pool Joint Powers Authority (BICEP), a risk management pool. Through BICEP, five cities share the cost of insuring catastrophic general liability losses incurred by the members for claims between \$1 million and \$25 million, thereby eliminating the need for individual excess commercial insurance policies. The purpose of this JPA is to jointly fund the purchase of reinsurance and the provision of necessary administrative services. Such administrative services may include, but shall not be limited to, risk management consulting, loss prevention and control, centralized loss reporting, actuarial consulting, claims adjustment and legal defense service. BICEP is governed by a five-member board of directors representing each member city. Each member is appointed and serves at the pleasure of the member city council.

The agreement with BICEP may be terminated with advanced notice provided that no bonds or other obligations of BICEP are outstanding. Upon termination of this agreement, all assets of BICEP shall (after payment of all unpaid costs, expenses and charges incurred under the agreement) be distributed among the parties in accordance with the respective contributions of each participating city.

## **H. Compensated Absences**

Vacation leave and annual leave compensation time pay is recorded as a liability when incurred within the government-wide and proprietary funds financial statements. Sick leave, which does not vest, is recorded in all funds when leave is taken. A liability for these amounts is reported in the governmental funds financial statements only if they have matured and are paid by the City subsequent to year-end.

The accrual for compensated absences was reported as follows as of June 30, 2014:

	<b>Governmental</b>		
	<b>Activities</b>	<b>Business Type</b>	<b>Total</b>
Beginning Balance	\$ 17,695,451	\$ 2,750,497	\$ 20,445,948
Additions	9,603,697	1,764,298	11,367,995
Payments	(9,147,980)	(1,682,110)	(10,830,090)
Ending Balance	18,151,168	2,832,685	20,983,853
<b>Current Portions</b>	<b>\$ 9,352,000</b>	<b>\$ 1,407,268</b>	<b>\$ 10,759,268</b>

Compensated absences are liquidated by the fund that has recorded the liability. The long-term portion of governmental activities compensated absences is liquidated primarily by the General Fund.

## I. Property Taxes

Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Valuation Date	March 1
Property Tax Year	July 1 to June 30
Due Dates	November 1 (first installment) and February 1 (second installment)
Delinquent Dates	December 10 (first installment) and April 10 (second installment), August 3 (unsecured)

Property taxes in the State of California are administered for all local agencies at the county level and consist of secured, unsecured, and utility tax rolls.

### Property Valuation

Valuations are established by the Assessor of the County for the secured and unsecured property tax rolls; the utility property tax roll is valued by the State Board of Equalization. Under the provisions of Article XIII A of the State Constitution, properties are assessed at 100 percent of full value. The value of real taxable property is based on fiscal year 1976 levels. From this base of assessment, subsequent annual increases in valuation are limited to a maximum of 2 percent. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

### Tax Levies

The county-wide tax levy for general revenue purposes is limited to 1 percent of full value, for a tax rate of \$1.00 per \$100 of assessed valuation. Tax rates for voter-

approved indebtedness prior to passage of Proposition 13 are excluded from this limitation. Taxes are levied July 1 for both real and unsecured personal property based upon the assessed valuation as of the previous January 1 (lien date).

Property taxes are recognized as revenue in the period for which the taxes are levied. Therefore, the City recognizes revenue and a receivable, less any allowance for doubtful accounts deemed appropriate, for the entire tax levy in the period for which the taxes are levied. Accordingly, at June 30, 2014, the City has recorded property taxes receivable of \$672,717, which is included in due from other governments in the accompanying balance sheet.

### **Tax Lien Dates**

All lien dates attach annually on January 1 preceding the fiscal year for which the taxes are levied. Liens against real estate, and taxes on personal property, are not relieved by subsequent renewal or change in ownership.

### **Tax Collections**

The County Treasurer-Tax Collector is responsible for all property tax collections. Taxes and assessments on the secured and utility rolls, which constitute a lien against the property, may be paid in two installments: the first installment is due on November 1 of the fiscal year and is delinquent if not paid by December 10; the second installment is due on February 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the taxes become delinquent. Payment must be paid in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed for late payments.

### **Tax Apportionments and Special District Augmentation Fund (SDAF)**

Due to the nature of the county-wide maximum levy, it is not possible to identify general purpose tax rates for specific entities. Apportionments to local agencies are made by the County Auditor-Controller, based primarily on the ratio that each agency represented of the total county-wide levy for the three years prior to fiscal year 1979. The SDAF was established in order to provide greater flexibility in the allocation of the total levy to special districts under this basic apportionment method. Each special district makes a contribution from its base tax levy apportionment to the SDAF. Oversight governments of the special districts (cities or the county) can then reallocate this pool among special districts based on financing needs.

## J. Use of Estimates

The preparation of the City's basic financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and the disclosure of contingent assets and liabilities at the date of the basic financial statements, and revenues and expenses during the reported period. Actual results could differ from those estimates.

## K. Budgets and Budgetary Accounting

The City develops and presents a two-year budget to the City Council, including a capital improvement plan. Annual operating and capital improvement expenditures are adopted by resolution. This resolution constitutes the authorized expenditures for the fiscal year. The second year of the two-year budget is updated and adopted for that year. The City's annual budget is the legally adopted expenditure control document of the City. Budgets are prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP).

The City Council generally reauthorizes appropriations for continuing projects and activities. The City Council has the legal authority to amend the budget of any fund at any time during the fiscal year. The budgetary legal level of control (the level on which expenditures may not legally exceed appropriations) is generally at the fund level. Budgeted expenditures may be reallocated within a fund by the City Manager and within a department by the department director.

## L. Encumbrances

Appropriations in governmental fund types are encumbered upon issuance of purchase orders for goods and/or services. Even though unencumbered appropriations lapse at the end of the fiscal year, unfilled purchase orders of the current year are carried forward and the next year's appropriations are likewise encumbered. As of June 30, 2013, the following outstanding significant governmental fund encumbrances are not reflected in the committed or assigned fund balances nor require the use of existing fund resources.

<b>Governmental Funds</b>		<b>Proprietary Funds</b>	
General fund*	\$ 3,229,683	Water funds	\$ 3,285,653
Other non-major funds	7,627,295	Wastewater funds	956,360
<b>Total governmental funds</b>	<b><u>\$ 10,856,978</u></b>	Environmental resources funds	1,299,171
		Golf course funds	67,694
		Internal service funds	170,892
		<b>Total proprietary funds</b>	<b><u>\$ 5,779,770</u></b>

\* Includes \$2,405,780 of Measure "O" encumbrances.

## **M. Fund Equity**

The accompanying financial statements report the components of fund balances for governmental funds consistent with GASB 54.

*Nonspendable fund balance* – this includes amounts that cannot be spent because they are either not spendable in form (such as prepaid items) or legally or contractually required to be maintained intact (such as endowments).

*Restricted fund balance* – this includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

*Committed fund balance* – this includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the City Council. Commitments may be changed or removed by the City by a resolution.

*Assigned fund balance* – this includes amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The City Council delegated, per Resolution No. 14,102, the Chief Financial Officer to assign fund balance. Use of this component would be based on related Council documents that identifies an intent to use funds for a specific purpose that was not part of the formal resolution or ordinance of the Council.

*Unassigned fund balance* – this includes all amounts not included in other classifications.

In the government-wide financial statements, net position of the City includes the following categories:

*Net investment in capital assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

*Restricted net position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

*Unrestricted net position* – This resulting category presents the remaining City net position and this measure of equity is unrestricted, legally or otherwise.

The accounting policies of the City consider restricted fund balance spent first when expenditure is incurred for purposes for which both restricted and unrestricted fund balance are available. When an expenditure is incurred for purpose for which amounts

in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

#### **N. Deferred Outflows/Inflows of Resources**

In addition to assets, the statements of net position and balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category. It is the adjustment to fair value for the derivative swap agreement reported in the government-wide and proprietary fund statements of net position.

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The City has one item that qualifies for the reporting in this category. Accordingly, the item, *unavailable revenues*, is reported only on the governmental fund balance sheet. The governmental funds report unavailable revenues from four sources: investment income, taxes, grants and miscellaneous charges for services. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

#### **O. Prior Period Adjustments**

At July 1, 2013 the City made restatements to the net position and fund balance as follows:

**Net Position - Governmental Activities**

To recognize FY12-13 Public Agency Retirement System deficiency in actuarially determined annual required employer contributions	\$ (1,260,174)
<b>Total</b>	<b>\$ (1,260,174)</b>

**Fund Balance-General Fund**

To transfer accounting of PEG Fees to Special Revenue fund	\$ (1,451,547)
<b>Total</b>	<b>\$ (1,451,547)</b>

**Fund Balance-Non-major Fund**

To transfer accounting of PEG Fees from General Fund	\$ 1,451,547
<b>Total</b>	<b>\$ 1,451,547</b>

**Net Position -Business-type Activities**

To write off Environmental Resource debt issuance unamortized cost in compliance with GASB 65 pronouncement	\$ (49,831)
To recognize FY12-13 Public Agency Retirement System deficiency in actuarially determined annual required employer contributions	\$ (493,548)
To write off Housing Authority's debt issuance unamortized cost in compliance with GASB 65 pronouncement	(109,229)
<b>Total</b>	<b>\$ (652,608)</b>

**II. Detailed Notes on All Funds**

**A. Cash and Investments**

The City's cash and cash equivalents and investments consist of the following at June 30, 2014:

Petty Cash	\$ 50,675
Deposits	26,295,561
Investments	130,458,197
Cash and cash equivalents	156,804,433
Cash and Investments with Fiscal Agents	92,270,410
	<u>\$ 249,074,843</u>

The City's deposits and investments are reflected in the accompanying basic financial statements as follows:

	<u>Governmental</u> <u>Activities</u>	<u>Business Type</u> <u>Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash and Cash				
Equivalents	\$ 87,265,998	\$ 61,381,110	\$ 8,157,325	\$ 156,804,433
Cash and Investments				
with Fiscal Agents	5,408,289	19,581,157	67,280,964	92,270,410
<b>Total</b>	<u>\$ 92,674,287</u>	<u>\$ 80,962,267</u>	<u>\$ 75,438,289</u>	<u>\$ 249,074,843</u>

See independent auditors' report.



## Deposits Custodial Credit Risks

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's deposit policy requires deposits to be covered by federal depository insurance and collateral having a market value of 110 percent of the uninsured deposit. As of June 30, 2014, the City has a bank balance of \$24,192,249 (carrying amount of \$23,545,683); of the bank balance, \$250,000 was insured and the balance was secured by collateral held by the City's agent in the agent's name. Deposits held by the Housing Authority are also insured or secured by collateral held by the Housing Authority's agent in the agent's name. The Housing Authority book balance as of June 30, 2014 was \$2,157,885. In addition, the Performing Arts & Convention Center retained an insured and/or collateralized bank balance of \$30,184 (carrying value of \$35,000).

## Authorized Investments

The City's investments are managed by the City Treasurer, fiscal agents (Bond trustees acting in accordance with bond covenants), and authorized representatives of the Housing Authority. Investments managed by the City Treasurer and the Housing Authority are invested in accordance with the City and Housing Authority's investment policies, respectively. Investments managed by bond trustees are invested in accordance by provisions of the respective bond agreements. Investments in the City's retirement enhance defined benefit pension trust fund, Public Agency Retirement System Retirement Enhancement Plan (PARS Trust Pool) are not subject to the City's investment policy.

The City's investments by investments manager are as follows:

City Treasurer	\$ 123,789,392
Fiscal Agents:	
Bond trustees for the City and its component units	41,723,224
PARS Trust Pool	50,547,186
Other Agency (includes investment held by fiscal agents)	6,668,805
	<u>\$ 222,728,607</u>

The City Treasurer has direct oversight over the City's pooled investment fund which covers cash and cash equivalents of the City's governmental funds, proprietary funds (except for the Housing Authority), and trust and agency funds which are invested in accordance with the City's investment policy. Allowable investments are detailed in the following table. The exception is the PARS Trust Pool which is not subject to the Government Code Section 53601.

<b>Investment Types Authorized by Section 53601</b>	<b>Authorized by Investment Policy</b>	<b>Maximum Maturity (Years)</b>	<b>Maximum Percentage of Portfolio</b>	<b>Maximum Investment in One Issuer</b>	<b>Minimum Ratings</b>
U.S. Treasury and Agencies	Yes	5	None	None	None
Local Agency bonds, notes	Yes	N/A	15%	None	None
Other Bonds, Notes or Evidences of Indebtedness	Yes	N/A	15%	None	None
Bankers acceptances	Yes	180 days	40%	30%	None
Commercial Paper	Yes	270 days	15%	10%	P1/A1
Negotiable CDs	Yes	N/A	30%	None	Aa/AA-
Certificate of Deposits (CDs)	Yes	N/A	40%	15%	A
Repurchase Agreements	Yes	90 days	None	None	None
Medium Term Notes	Yes	5	30%	None	A
Mutual Funds	Yes	N/A	15%	None	None
LAIF	Yes	N/A	None	None	None

The Housing Authority's investment policy, which is substantially the same as the City's, and related disclosures regarding its investments at June 30, 2014, is more fully disclosed in the financial statements for the Housing Authority, which may be obtained from the Housing Authority's Financial Services Division.

Investments with fiscal agents are investments held by the bond trustee on behalf of the City or its component units and the PARS Trust Pool. In the case of bond trustees, the City selects the investment under the terms of the applicable trust agreement, directs the bond trustee to acquire the investment and the bond trustee then holds the investment on behalf of the City and/or its component units. Proceeds of bonds administered by bond trustees are also generally covered under the City Treasurer's investment policy; however, specific provisions of each issuance are usually used in managing such investments. Several of the major differences are as follows:

- Allowance of investments in guaranteed investment contracts
- Allowance of investment maturities in excess of five years

For the PARS Trust Pool, the specific investments are managed by the trustee for the pool under guidelines approved by the City as follows:

Risk tolerance	Market risk
Time horizon	Long-term
Income or liquidity needs	As requested
Account of Trust restrictions	None
Unique needs and circumstances	None
Investment objective	Balanced

Strategic Ranges	0-20% Cash 25-45% Fixed income 50-70% Equity
Acceptable investments	Individual stocks Individual bonds Trustee funds External funds Index based securities including Exchange Traded Funds (ETF)
Fixed income guidelines	Maturity range 2-15 years Duration range 4-7 years Investment grade – minimum credit Quality
Equity Guidelines	The core portion of the equity Allocation will consist of individual issues. Actively managed mutual funds will be utilized for other market segments in accordance with the trustee’s tactical strategy.

The primary goals of the Balanced investment objective are growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of the total return, although growth through capital appreciation is equally important.

***Interest Rate Risk***

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

Information about the sensitivity of the fair value of the City’s investments (including investments held by bond trustees) to market interest rate fluctuation is provided by the following table that shows the distribution of the City’s investments by maturity:

	Investment Maturities (in Years)			Total
	Less than 1	1-5	More than 5	
Federal Agency Securities	\$ -	\$ 69,025,572	\$ -	\$ 69,025,572
Corporate Bonds	-	4,028,820	-	4,028,820
California Local Agency Investment Fund	56,668,805	-	-	56,668,805
Negotiable CD	-	735,000	-	735,000
Held by trustee:				
Money Market Fund	37,522,894	-	-	37,522,894
California Local Agency Investment Fund	2,069,730	-	-	2,069,730
Guaranteed investment contracts	-	2,130,600	-	2,130,600
<b>Total Investments</b>	<b>\$ 96,261,429</b>	<b>\$ 75,919,992</b>	<b>\$ -</b>	<b>172,181,421</b>
PARS Trust Pool				50,547,186
Cash in Banks and on hand				26,346,236
<b>Total Cash and Investments</b>				<b>\$ 249,074,843</b>

The investment agreements listed above are GICs held by fiscal agents (bond trustees) and are restricted for construction projects and debt service requirements. The maturities of a GIC are normally pegged to the maturities of the related debt; however, the City may incur a loss if the debt is paid prior to its normal maturity.

### ***Credit Risk***

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investments that are not rated include the negotiable CD and GICs which are contract that guarantee repayment of principal and a fixed or floating interest rate for a predetermined period of time. Although GICs are not rated, the City has only entered into GICs with institutions that carry a high credit rating.

Presented below are the Standard and Poor's ratings for each investment type as of June 30, 2014:

Investment Type	AAA	AA+	AA	A+	Total
Federal agency securities	-	69,025,572	-	-	69,025,572
Corporate Bonds (Disney)	-	-	1,990,560	-	1,990,560
Corporate Bonds (GECC BE)	-	2,038,260	-	-	2,038,260
Money Market Fund	37,522,894	-	-	-	37,522,894
<b>Totals</b>	<b>37,522,894</b>	<b>71,063,832</b>	<b>1,990,560</b>	<b>-</b>	<b>110,577,286</b>
<i>Not rated:</i>					
California Local Agency Investment Fund					58,738,535
Guaranteed investment contracts					2,130,600
PARS Trust Pool					50,547,186
Negotiable CD					735,000
<b>Total Investments</b>					<b>222,728,607</b>
Cash in Banks and on hand					26,346,236
<b>Total</b>					<b>249,074,843</b>

See independent auditors' report.

### ***Concentration of Credit Risk***

Investments in the securities of any individual issuer, other than U.S. Treasury securities, mutual funds, and external investment funds that represent 5 percent or more of total entity-wide investments are as follows at June 30, 2014:

<u>Issuer</u>	<u>Type of Investments</u>	<u>Amounts</u>
Federal National Mortgage Assn.	Federal National Mortgage Assn.	9,910,660
Federal Home Loan Bank	Federal Home Loan Bank	9,891,180
Federal Farm Credit Bank	Federal Farm Credit Bank	37,245,792

### ***Custodial Credit Risk***

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure of custodial credit risk for deposits or investments, other than the provisions for deposits in the California Government Code that require that financial institutions secure deposits made by state local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having value of 150% of the secured public deposits.

For investments identified herein as held by fiscal agent, the trustee selects the investment under the terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

### ***Interest rate swap***

The City has entered into 3 floating-to-fixed interest rate swaps with a notional amount totalling \$49,720,000. The City pays the counterparty a fixed amount of 3.530 percent, 4.017 percent and 4.037 percent on each swap agreements, respectively, and receives variable payments computed as 68 percent of the 1-month London Interbank Offered Rate (LIBOR). At June 30, 2014, this interest rate swap had a fair value of a negative \$9,640,495. Other applicable risks (credit risk, basis risk and termination risk) associated with these derivative instruments are described in note F.

## B. Receivables and Payables

Accounts receivables and other receivables as of June 30, 2014 included in the accompanying Statement of Net Position primarily consist of the following:

<b>Accounts Receivables</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Utilities Receivable	\$ 18,154	\$ 14,300,277
Grants receivable	4,217,807	-
Accounts Receivable Billed and Accrued	1,935,700	5,058,351
Other Receivables	7,012,674	-
Sub-Total	13,184,335	19,358,628
Allowance for Uncollectible Receivables	(1,022,000)	(363,182)
Total	\$ 12,162,335	\$ 18,995,446

Accounts payable and other liabilities as of June 30, 2014 reported on the Statement of Net Position primarily consist of the following:

<b>Accounts Payable and Other Liabilities</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Accounts Payable (due to vendors)	\$ 5,968,077	\$ 5,048,794
Other liabilities:		
Accrued Payroll	3,308,200	536,959
Other Accrued Expenses	249,773	12,006
Other Payables	7,323,276	2,584,516
Total Other liabilities	10,881,249	3,133,481
Total	\$ 16,849,326	\$ 8,182,275

## C. Interfund Receivables and Payables

Total interfund receivables and payables at June 30, 2014, which are included in the Fund Financial Statements as due from/to other funds and advances to/from other funds, before eliminations, consist of the following:

	<b>Interfund Receivable</b>	<b>Interfund Payable</b>	<b>Interfund Balance</b>
<b>Governmental Activities:</b>			
General Fund	\$ 6,645,417	-	\$ 6,645,417
Non-Major Governmental Funds	2,875,285	5,189,288	(2,314,003)
Internal Service Fund	1,093,180	-	1,093,180
<b>Total governmental activities</b>	<b>\$ 10,613,882</b>	<b>\$ 5,189,288</b>	<b>\$ 5,424,594</b>
<b>Business type Activities:</b>			
Water	7,906,154	-	7,906,154
Environmental Resource	65,105	6,470,482	(6,405,377)
PACC	-	1,587,365	(1,587,365)
Oxnard Housing Authority	-	1,093,180	(1,093,180)
Municipal Golf Course	-	4,244,826	(4,244,826)
<b>Total business type activities</b>	<b>7,971,259</b>	<b>13,395,853</b>	<b>(5,424,594)</b>
<b>Total</b>	<b>\$ 18,585,141</b>	<b>\$ 18,585,141</b>	<b>\$ -</b>

The interfund balances at June 30, 2014 are loans to cover temporary cash deficits in various funds. All interfund balances outstanding at June 30, 2014 are expected to be repaid within one year except Environmental Resources and Golf loans from Water and Oxnard Housing Authority from Worker's Compensation-Internal Service Fund.

See independent auditors' report.

## D. Interfund Transfers

Interfund transfers generally fall within one of the following categories:

- debt service payments made from a debt service fund but funded from an operating fund,
- program support that generally reflects subsidies and allocations between funds.

The net transfers of \$2,207,463 from governmental activities to business-type activities in the Statement of Activities primarily relates to operational subsidy from the General Fund to the Performing Arts and to Municipal Golf Course Fund for debt service payment. There were no transfers during Fiscal Year 2013-2014 that were either non-routine in nature or inconsistent with the activities of the fund making the transfer.

The following transfers in and out are reflected in the Fund Financial Statements for the year ended June 30, 2014:

	Description	Transfers In	Transfers Out	Net Transfers
<b>Governmental Activities:</b>				
General Fund	Program support	\$ 37,000	\$ 1,343,998	\$ (1,306,998)
General Fund	Debt service	-	4,645,484	(4,645,484)
Non-Major Governmental Funds	Debt service	5,094,282	-	5,094,282
Non-Major Governmental Funds	Program support	334,004	1,788,101	(1,454,097)
State & Federal Grant	Program support	104,834	-	104,834
<b>Total governmental activities</b>		<b>5,570,120</b>	<b>7,777,583</b>	<b>(2,207,463)</b>
<b>Business type Activities:</b>				
Environmental Resource	Program support	-	37,000	(37,000)
Environmental Resource	Debt service	-	25,347	(25,347)
Performing Arts and Convention Center	Program support	905,160	-	905,160
Golf Course	Debt service	1,364,650	-	1,364,650
<b>Total business type activities</b>		<b>2,269,810</b>	<b>62,347</b>	<b>2,207,463</b>
<b>Total government-wide statements</b>		<b>\$ 7,839,930</b>	<b>\$ 7,839,930</b>	<b>\$ -</b>

## E. Capital Assets

Changes in the City's capital assets for the year ended June 30, 2014 consisted of the following:

	BALANCE JULY 1, 2013	INCREASES	DECREASES	BALANCE JUNE 30, 2014
<b>Governmental Activities</b>				
Capital assets, not being depreciated:				
Land	\$ 988,370,375	\$ -	\$ -	\$ 988,370,375
Construction in progress	103,160,331	10,898,527	(8,714,456)	105,344,402
<b>Total capital assets, not being depreciated</b>	<b>1,091,530,706</b>	<b>10,898,527</b>	<b>(8,714,456)</b>	<b>1,093,714,777</b>
Capital assets, being depreciated:				
Buildings	92,805,338	3,086,997	-	95,892,335
Improvements other than buildings	94,192,287	582,909	-	94,775,196
Equipment and machinery	45,694,664	3,453,531	(726,158)	48,422,037
Infrastructure	524,153,419	4,806,008	-	528,959,427
<b>Total capital assets, being depreciated</b>	<b>756,845,708</b>	<b>11,929,445</b>	<b>(726,158)</b>	<b>768,048,995</b>
Less: Accumulated depreciation				
Buildings	(26,710,370)	(1,984,897)	-	(28,695,267)
Improvements other than buildings	(18,506,351)	(2,343,411)	-	(20,849,762)
Equipment and machinery	(38,483,405)	(2,514,438)	738,215	(40,259,628)
Infrastructure	(291,911,684)	(13,937,524)	-	(305,849,208)
<b>Total accumulated depreciation</b>	<b>(375,611,810)</b>	<b>(20,780,270)</b>	<b>738,215</b>	<b>(395,653,865)</b>
<b>Total capital assets, being depreciated, net</b>	<b>381,233,898</b>	<b>(8,850,825)</b>	<b>12,057</b>	<b>372,395,130</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 1,472,764,604</b>	<b>\$ 2,047,702</b>	<b>\$ (8,702,399)</b>	<b>\$ 1,466,109,907</b>

See independent auditors' report.

	BALANCE			BALANCE
	JULY 1, 2013	INCREASES	DECREASES	
<b>Business-type Activities</b>				
Capital assets, not being depreciated:				
Land	\$ 47,730,214	\$ -	\$ -	\$ 47,730,214
Construction in progress	134,590,658	15,432,337	(304,343)	149,718,652
<b>Total capital assets, not being depreciated</b>	<b>182,320,872</b>	<b>15,432,337</b>	<b>(304,343)</b>	<b>197,448,866</b>
Capital assets, being depreciated:				
Buildings	90,533,993	120,379	-	90,654,372
Municipal Golf Course improvements	25,461,641	-	-	25,461,641
Equipment and machinery	44,966,323	1,127,968	(166,017)	45,928,274
Infrastructure	534,719,502	13,410	-	534,732,912
<b>Total capital assets, being depreciated</b>	<b>695,681,459</b>	<b>1,261,757</b>	<b>(166,017)</b>	<b>696,777,199</b>
Less: Accumulated depreciation				
Buildings	(55,812,906)	(1,948,975)	-	(57,761,881)
Golf improvements	(2,979,265)	(501,329)	-	(3,480,594)
Equipment and machinery	(42,849,254)	(1,040,373)	166,017	(43,723,610)
Infrastructure	(160,718,262)	(12,377,671)	-	(173,095,933)
<b>Total accumulated depreciation</b>	<b>(262,359,687)</b>	<b>(15,868,348)</b>	<b>166,017</b>	<b>(278,062,018)</b>
<b>Total capital assets, being depreciated, net</b>	<b>433,321,772</b>	<b>(14,606,591)</b>	<b>-</b>	<b>418,715,181</b>
<b>Business-type activities capital assets, net</b>	<b>615,642,644</b>	<b>825,746</b>	<b>(304,343)</b>	<b>616,164,047</b>
<b>Total</b>	<b>\$ 2,088,407,248</b>	<b>\$ 2,873,448</b>	<b>\$ (9,006,742)</b>	<b>\$ 2,082,273,954</b>

For the year ended June 30, 2014 depreciation expense on capital assets was charged as follows:

**Governmental Activities:**

Legislative	\$ 62,322
Administration and support	5,953,823
Public safety	9,578,956
Transportation (Highways and streets)	413,228
Community development	732,245
Culture and leisure	1,369,827
Libraries	535,655
Capital improvement projects, including depreciation of general infrastructure assets	1,874,768
Capital assets held by the City's internal service fund	259,446
<b>Total governmental activities depreciation expense</b>	<b>\$ 20,780,270</b>

**Business-type Activities:**

Water	\$ 4,608,550
Wastewater	8,420,952
Environmental Resources	1,129,393
Performing Arts and Convention Center	2,275
Oxnard Housing Authority	1,116,595
Municipal Golf Course	590,588
<b>Total business-type activities depreciation expense</b>	<b>\$ 15,868,353</b>

See independent auditors' report.



## F. Long-term Liabilities

The following is a summary of changes in long-term liabilities. Certain long-term liabilities provide financing to both governmental and business-type activities. The following table present balances and activity for the City's fiscal year ended June 30, 2014.

	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due within one year
<b>Governmental Activities:</b>					
Revenue Bonds:					
Lease revenue refunding bonds, series 2003 A	\$ 2,126,715	\$ -	\$ 682,776	\$ 1,443,939	\$ 707,530
Variable rate demand lease revenue, series 2003 B	11,145,000	-	420,000	10,725,000	430,000
Variable rate demand lease revenue bonds, series 2006	20,875,000	-	590,000	20,285,000	610,000
Capital Leases:					
2009 CIP lease purchase, draw #1	666,906	-	90,300	576,606	94,472
2009 CIP lease purchase, draw #2	10,215	-	6,751	3,464	3,464
2009 CIP lease purchase, draw #3	21,489	-	14,199	7,290	7,290
2009 CIP lease purchase, draw #6	144,766	-	71,092	73,674	73,674
2009 CIP lease purchase, draw #7	75,286	-	29,469	45,817	30,446
2009 CIP lease purchase, draw #8	20,180	-	7,889	12,291	8,133
2009 CIP lease purchase, draw #10	810,180	-	94,495	715,685	98,292
2009 CIP lease purchase, draw #11	73,620	-	28,808	44,812	29,657
2009 CIP lease purchase, draw #12	51,649	-	16,671	34,978	17,334
2009 CIP lease purchase, draw #13	2,484,999	-	571,577	1,913,422	589,735
2009 CIP lease purchase, draw #14	243,194	-	75,449	167,745	77,610
2009 CIP lease purchase, draw #15	14,445	-	3,051	11,394	3,140
2009 CIP lease purchase, draw #16	35,359	-	7,429	27,930	7,691
2009 CIP lease purchase, draw #17	119,761	-	25,323	94,438	26,043
2009 CIP lease purchase, draw #19	1,099,999	-	147,918	952,081	150,892
2009 CIP lease purchase, draw #20	-	363,387	34,853	328,534	70,675
2012 Lease Purchase	5,229,500	-	295,693	4,933,807	307,210
Gas tax revenue certificate of participation	25,335,000	-	580,000	24,755,000	600,000
Compensated absences	17,695,451	9,603,697	9,147,980	18,151,168	9,352,000
Unamortized discounts	(253,972)	-	(50,794)	(203,178)	-
<b>Total Governmental Activities</b>	<b>88,024,742</b>	<b>9,967,084</b>	<b>12,890,929</b>	<b>85,100,897</b>	<b>13,295,288</b>

See independent auditors' report.

	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due within one year
<b>Business-Type Activities:</b>					
<b>Water fund</b>					
Water revenue refunding bonds, series 2004	\$ 38,990,000	\$ -	\$ 38,990,000	\$ -	\$ -
Water revenue project bonds, series 2006	50,389,998	-	965,000	49,424,998	1,015,000
Water revenue project bonds, series 2010A	13,985,000	-	1,300,000	12,685,000	1,340,000
Water revenue project bonds, series 2010B	83,670,000	-	-	83,670,000	-
Water revenue refunding bonds, series 2012	8,955,000	-	400,000	8,555,000	410,000
Water revenue refunding bonds, series 2014	-	35,025,340	-	35,025,340	1,208,135
2009 CIP lease purchase, draw #4	17,279	-	8,417	8,862	8,862
2009 CIP lease purchase, draw #5	28,847	-	14,060	14,787	14,787
2009 CIP lease purchase, draw #8	37,656	-	14,719	22,937	15,175
2009 CIP lease purchase, draw #9	29,446	-	6,164	23,282	6,375
Add: Unamortized bond premium	2,740,486	-	232,402	2,508,084	-
Less: Unamortized discounts	(811,468)	-	(31,929)	(779,539)	-
Sub Total	<u>198,032,244</u>	<u>35,025,340</u>	<u>41,898,833</u>	<u>191,158,751</u>	<u>4,018,334</u>
Compensated absences	564,900	312,791	332,624	545,067	321,000
<b>Total Water fund</b>	<b><u>\$ 198,597,144</u></b>	<b><u>\$ 35,338,131</u></b>	<b><u>\$ 42,231,457</u></b>	<b><u>\$ 191,703,818</u></b>	<b><u>\$ 4,339,334</u></b>
<b>Wastewater fund</b>					
Wastewater revenue refunding bonds, series 2003	\$ 21,205,000	\$ -	\$ 21,205,000	\$ -	-
Wastewater revenue bonds, series 2004A	80,000,000	-	-	80,000,000	-
Wastewater revenue bonds, series 2004B	19,650,000	-	940,000	18,710,000	965,000
Wastewater revenue bonds, series 2006	10,910,000	-	280,000	10,630,000	295,000
Wastewater revenue refunding bonds, series 2013	-	\$ 21,384,064	\$ 3,020,000	\$ 18,364,064	\$ 2,854,299
2009 CIP lease purchase, draw #7	67,509	-	26,425	41,084	27,301
2009 CIP lease purchase, draw #12	25,759	-	8,432	17,327	8,645
2009 CIP lease purchase, draw #18	297,181	-	42,109	255,072	43,364
Less: Unamortized discounts	(68,783)	-	(68,783)	0	-
Sub Total	<u>132,086,666</u>	<u>21,384,064</u>	<u>25,453,183</u>	<u>128,017,547</u>	<u>4,193,609</u>
Compensated absences	633,397	509,802	465,739	677,460	511,000
<b>Total Wastewater fund</b>	<b><u>\$ 132,720,063</u></b>	<b><u>\$ 21,893,866</u></b>	<b><u>\$ 25,918,922</u></b>	<b><u>\$ 128,695,007</u></b>	<b><u>\$ 4,704,609</u></b>
<b>Environmental resources fund</b>					
Solid waste revenue refunding bonds, series 2005	\$ 6,165,000	\$ -	\$ 2,275,000	\$ 3,890,000	\$ 2,390,000
Capital Lease					
Lease purchase trash containers	1,893,119	-	348,317	1,544,802	362,851
2009 CIP lease purchase, draw #5	18,131	-	8,838	9,293	9,293
2009 CIP lease purchase, draw #9	152,319	-	31,876	120,443	32,971
2009 CIP lease purchase, draw #12	53,347	-	17,390	35,957	17,940
Add: Unamortized bond premium	208,025	-	104,012	104,013	-
Less: Unamortized discounts	(27,241)	-	(13,620)	(13,621)	-
Sub Total	<u>8,462,700</u>	<u>0</u>	<u>2,771,813</u>	<u>5,690,887</u>	<u>2,813,055</u>
Compensated absences	848,947	532,722	451,774	929,895	495,000
<b>Total Environmental resources fund</b>	<b><u>\$ 9,311,647</u></b>	<b><u>\$ 532,722</u></b>	<b><u>\$ 3,223,587</u></b>	<b><u>\$ 6,620,782</u></b>	<b><u>\$ 3,308,055</u></b>
<b>Performing arts and convention center fund (PACC)</b>					
Compensated absences	\$ 101,115	\$ 34,452	\$ 65,861	\$ 69,706	\$ 46,000
<b>Total PACC</b>	<b><u>\$ 101,115</u></b>	<b><u>\$ 34,452</u></b>	<b><u>\$ 65,861</u></b>	<b><u>\$ 69,706</u></b>	<b><u>\$ 46,000</u></b>
<b>Oxnard housing authority fund</b>					
2004 Capital Fund Revenue Bonds	\$ 3,765,000	\$ -	\$ 270,000	\$ 3,495,000	\$ 280,000
Compensated Absences	602,138	321,327	312,908	610,557	34,268
<b>Total Oxnard housing authority fund</b>	<b><u>\$ 4,367,138</u></b>	<b><u>\$ 321,327</u></b>	<b><u>\$ 582,908</u></b>	<b><u>\$ 4,105,557</u></b>	<b><u>\$ 314,268</u></b>
<b>Municipal golf course fund</b>					
Revenue Refunding Bonds Series 2003	\$ 3,028,293	\$ -	\$ 972,222	\$ 2,056,071	\$ 1,007,470
Lease Revenue Refunding Bonds Series 2011	21,095,000	-	260,000	20,835,000	290,000
Less: Unamortized discounts	(248,522)	-	(10,805)	(237,717)	-
<b>Total Municipal golf course fund</b>	<b><u>\$ 23,874,771</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,221,417</u></b>	<b><u>\$ 22,653,354</u></b>	<b><u>\$ 1,297,470</u></b>
<b>Total Business-Type Activities</b>	<b><u>\$ 368,971,878</u></b>	<b><u>\$ 58,120,498</u></b>	<b><u>\$ 73,244,152</u></b>	<b><u>\$ 353,848,224</u></b>	<b><u>\$ 14,009,736</u></b>
<b>Total</b>	<b><u>\$ 456,996,620</u></b>	<b><u>\$ 68,087,582</u></b>	<b><u>\$ 86,135,081</u></b>	<b><u>\$ 438,949,121</u></b>	<b><u>\$ 27,305,024</u></b>

Internal Service Funds long-term obligations are included as part of the above totals for the governmental activities. Changes in long-term obligations for the internal service funds for the year ended June 30, 2014 are as follows:

	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due within one year
<b>Internal service funds:</b>					
Compensated absences	\$ 965,812	\$ 651,414	\$ 653,766	\$ 963,460	\$ 625,000
2009 CIP lease purchase, draw #11	73,620	-	28,808	44,812	29,657
<b>Total</b>	<b><u>\$ 1,039,432</u></b>	<b><u>\$ 651,414</u></b>	<b><u>\$ 682,574</u></b>	<b><u>\$ 1,008,272</u></b>	<b><u>\$ 654,657</u></b>

See independent auditors' report.

## **Description of Long-term Debt**

### ***Lease Revenue Refunding Bonds, Series 2003A.***

Lease Revenue Refunding Bonds, Series 2003A were issued on May 22, 2003 in the amount of \$18,640,000. These are thirteen-year bonds maturing in various amounts through June 1, 2016, with a net interest cost of 3.5904 percent. The bonds were issued to refinance the outstanding Lease Revenue Refunding Bonds Series 1993, 1988 Civic Center Library bonds, 1986 River Ridge Golf Course bonds, land acquisition bonds, 1966 Auditorium Authority bonds, and 1972 parking authority bonds, and to prepay the Zions Bank leases for the Old Oxnard High School and 300 West Third Street. The refunding resulted in an economic gain of \$921,361 and an overall cash savings of \$4,922,193. The total balance outstanding as of June 30, 2014 is \$3,500,010, of which \$1,443,939 is recorded within governmental activities and \$2,056,071 is recorded within business-type activities in the accompanying statement of net position. The lease payments on these bonds constitute obligations of the City's general fund. Such obligation exists through the maturity date of the bonds at June 1, 2016.

### ***Variable Rate Demand Lease Revenue Bonds, Series 2003B***

Variable Rate Demand Lease Revenue Bonds, Series 2003B in the amount of \$14,750,000 were issued on December 1, 2003, maturing in various amounts through June 1, 2033. The bond's variable rate coupons track The Securities Industry Financial Markets Association (SIFMA) Municipal Swap Index. These bonds were issued to finance the Downtown Parking Structure and a new Library. The City entered into an interest rate exchange agreement with respect to the bonds with Royal Bank of Canada. The swap agreement terminates by its term on June 1, 2033. On August 26, 2008, the bonds were remarketed with the issuance of an irrevocable, direct-pay letter of credit by Union Bank of California, N.A. Union Bank renewed the letter of credit through August 26, 2016 on July 17, 2013. The balance outstanding as of June 30, 2014 is \$10,725,000. The lease payments on these bonds constitute obligations of the City's general fund. Such obligation exists through the maturity date of the bonds at June 1, 2033.

### ***Variable Rate Demand Lease Revenue Bonds (Civic Center Phase 2 Project), Series 2006***

Variable Rate Demand Lease Revenue Bonds (Civic Center Phase 2 Project), Series 2006 were issued on December 1, 2006 in the amount of \$24,205,000 to finance the acquisition, construction, and improvement of certain public facilities constituting the Civic Center Phase 2 Project. The bond's variable rate coupons track The Securities Industry Financial Markets Association (SIFMA) Municipal Swap Index. The City entered into an interest rate exchange agreement with respect to the bonds with Royal Bank of Canada (the "Swap Provider") consisting of an International Swap Dealers Association, Inc. (ISDA) Master Agreement, dated December 1, 2006, including related schedule, Credit Support Annex, and Confirmation pertaining to the "Swap Agreement." The Swap Agreement terminates by its term on June 1, 2036. As of March 3, 2007, the swap rate was 3.53 percent. On August 26, 2008, the bonds were remarketed with the issuance of an irrevocable, direct-pay letter of credit by Union

Bank of California, N.A. Union Bank renewed the letter of credit through August 26, 2016 on July 17, 2013. The outstanding balance as of June 30, 2014 is \$20,285,000. The lease payments on these bonds constitute obligations of the City's general fund. Such obligation exists through the maturity date of the bonds at June 1, 2036.

### ***Capital Lease Obligations – Governmental Activities***

On September 1, 2009, the City entered into a Master Equipment Lease Purchase Line of Credit Agreement with Bank of America in an amount not to exceed \$10 million for the purpose of acquiring vehicles and other capital assets. Total machinery and equipment acquired under this lease was \$9,075,849. As of June 30, 2014, the total outstanding balance on this line of credit was \$5,010,161. Lease payments constitute obligations of the City's general fund. Such obligation exists through the maturity date of the lease at October 1, 2020.

### ***Gas Tax Revenue Certificates of Participation (2007 Street Improvement Program)***

Gas Tax Revenue Certificates of Participation were issued on December 18, 2007 in the amount of \$27,675,000. Proceeds from the sale of the certificates are to be used to reconstruct various streets throughout the City. The certificates are secured solely by gas tax revenues received from the State of California. Yields on the certificates range from 2.97 percent to 4.87 percent with a final maturity of September 1, 2037. The outstanding balance as of June 30, 2014 is \$24,755,000. The installment payments that secure these bonds constitute obligations of the City's gas tax special revenue fund. Such obligation exists through the maturity date of the bonds at September 1, 2037.

### ***2012 Lease/Purchase Agreement***

On August 1, 2012, the City entered into a Lease Purchase Agreement with Capital One Public Funding, LLC in the amount of \$5,570,838, for the purpose of refinancing 1999 Certificate of Participation, with interest rate of 3.54% and final maturity date on June 1, 2028. The refunding resulted in an overall cash flow savings of \$ 658,975 and economic gain of \$566,623, percentage savings of 9.3%. The outstanding balance as of June 30, 2014 is \$4,933,807. These lease payments constitute obligations of the City's general fund. Such obligation exists through the maturity date of the lease at June 1, 2028.

### ***Water Revenue Refunding Bonds, Series 2014***

The City has pledged all net water revenues and all amounts on deposit in the Revenue Fund for the payment of the 2014 Installment Payments and the outstanding parity Obligations. Parity obligations as described on these bonds are 2012 Installment Payments, 2010 Installment Payments and 2006 Installment Payments. The installment payments on these bonds are secured by a first priority lien on the Net System Revenues of the City's water Fund. These bonds were issued on June 3, 2014 in the amount of \$35,025,340. These bonds carry a net interest cost of 3.8 percent and mature

on June 01, 2034. A portion of the proceeds were used to advance refund all the outstanding principal amount of \$37,840,000 of the Water Revenue Project Bonds, Series 2004. This refunding resulted in an economic gain of \$3,308,313 (difference between the present value of the old bonds and the present value of the new bonds) and a cash flow saving of \$3,808,815. The balance outstanding as of June 30, 2014 is \$35,025,340.

#### ***Water Revenue Project Bonds, Series 2006***

The City has pledged all net water system revenues and all amount on deposit in the Revenue Fund for the payment of Water Revenue Project Bonds, Series 2006 and the outstanding Parity Obligations. Parity Obligations as described on these bonds are 2004 Installment Payments and 2001 Installment Payments. These bonds were issued on April 20, 2006 in the amount of \$54,600,000. These bonds carry a net interest cost of 4.805 percent and mature on June 1, 2036. The proceeds from the sale of the bonds were used to pay for the costs of reconstruction, repair or replacement to the water system, including SCADA system improvement, industrial lateral reconnection, aquifer storage and recovery wells, Blending Station No. 3 expansion project, downtown cast iron replacement, hydraulic deficiencies and the GREAT Program. The balance outstanding as of June 30, 2014 is \$49,424,998. The installment payments on these bonds are secured by a first priority lien on the Net System Revenues (as defined in the trust indenture) of the City's water fund. Such obligation exists through the maturity date of the bonds at June 1, 2036.

#### ***Water Revenue Project Bonds, Series 2010A***

The City has pledged all net water revenues and all amount on deposit in the Revenue Fund for the payment of the 2010 Installment Payments and the outstanding Parity Obligations. Parity Obligations as described on these bonds are 2006 Installment Payments, 2004 Installment Payments and 2012 Installment Payments. These bonds were issued on February 11, 2010 in the amount of \$16,455,000. These bonds carry a net interest cost of 3.3729 percent and mature on June 1, 2022. The proceeds from the sale of the bonds will be used to finance a portion of the cost of certain capital improvements related to the GREAT program. The balance outstanding as of June 30, 2014 is \$12,685,000. The installment payments on these bonds are secured by a first priority lien on the Net System Revenues (as defined in the trust indenture) of the City's water fund. Such obligation exists through the maturity date of the bonds at June 1, 2022.

#### ***Water Revenue Project Bonds, Series 2010B***

The City has pledged all net water revenues and all amount on deposit in the Revenue Fund for the payment of the 2010 Installment Payments and the outstanding Parity Obligations. Parity Obligations as described on these bonds are 2006 Installment Payments, 2004 Installment Payments and 2012 Installment Payments. These bonds were issued on February 11, 2010 in the amount of \$83,670,000. These bonds, issued as Federally Taxable Build America Bonds under the American Recovery and

Reinvestment Act of 2008, carry a net interest cost of 4.5287 percent and mature on June 1, 2040. The City receives an interest subsidy directly from the United States Treasury equal to 35 percent of each interest payment. The proceeds from the sale of the bonds will be used to finance a portion of the cost of certain capital improvements related to the GREAT program. The balance outstanding as of June 30, 2014 is \$83,670,000. The installment payments on these bonds are secured by a first priority lien on the Net System Revenues (as defined in the trust indenture) of the City's water fund. Such obligation exists through the maturity date of the bonds at June 1, 2040.

### ***Water Revenue Refunding Bonds, Series 2012***

The City has pledged all net water revenues and all amount on deposit in the Revenue Fund for the payment of the 2012 Installment Payments and the outstanding Parity Obligations. Parity Obligations as described on these bonds are 2010 Installment Payments, 2006 Installment Payments and 2004 Installment Payments. These bonds were issued on April 4, 2012 in the amount of \$9,345,000. These bonds carry a net interest cost of 3.6196 percent and mature on June 1, 2022. A portion of the proceeds were used to advance refund all the outstanding principal amount of \$9,725,000 of the Water Revenue Refunding Bonds Series 2001. This refunding resulted in an economic gain of \$1,093,681 (difference between the present value of the old bonds and the present value of the new bonds) and a cash flow savings of \$1,446,323. The balance outstanding as of June 30, 2014 is \$8,555,000. The installment payments on these bonds are secured by a first priority lien on the Net System Revenues (as defined in the trust indenture) of the City's water fund. Such obligation exists through the maturity date of the bonds at June 1, 2022.

### ***Wastewater Revenue Refunding Bonds, Series 2013***

The City has pledged all Net System Revenues to the payment of the Wastewater Revenue Refunding Bonds, Series 2013. Bonds were issued on October 30, 2013 in the amount of \$21,384,064 to refund \$21,205,000 in outstanding wastewater bonds issued on March 1, 2003. These bonds carry a net interest cost of 2.78 percent and mature on June 01, 2020. This refunding resulted in an economic gain of \$1,935,850 (difference between the present value of the old bonds and the present value of the new bonds) and a cash flow saving of \$2,115,161. The balance outstanding as of June 30, 2014 is \$18,364,064. The pledge constitutes a first lien on the Net System Revenues for the payment of the Wastewater Revenue Refunding Bonds, Series 2013.

### ***Wastewater Revenue Bonds, Series 2004A***

Wastewater Revenue Bonds, Series 2004A were issued on June 22, 2004 in the amount of \$80,000,000. These bonds carry a net interest cost of 5.149 percent and mature on June 30, 2034. The purpose of these bonds is to pay for the costs of the Redwood Trunk Sewer and Headworks Projects. The balance outstanding as of June 30, 2014 is \$80,000,000. The installment payments on these bonds are secured by a first priority lien on the Net System Revenues (as defined in the trust indenture) of the City's

wastewater fund. Such obligation exists through the maturity date of the bonds at June 30, 2034.

***Wastewater Revenue Bonds, Series 2004B***

Variable Rate Demand Wastewater Revenue Bonds, Series 2004B were issued on November 1, 2004 in the amount of \$23,975,000 and mature on June 1, 2034. The bond's variable rate coupons track The Securities Industry Financial Markets Association (SIFMA) Municipal Swap Index. The bond proceeds were used to finance the cost of certain capital improvements to the City's wastewater system (Headworks and Septic System Conversion Projects). The City entered into an interest rate exchange agreement with respect to the bonds with Royal Bank of Canada. The swap agreement terminates by its term on June 1, 2034. On August 26, 2008, the bonds were remarketed with the issuance of an irrevocable, direct-pay letter of credit by Union Bank of California, N.A. Union Bank renewed the letter of credit through August 26, 2016 on July 17, 2013. The balance outstanding as of June 30, 2014 is \$18,710,000. The installment payments on these bonds are secured by a first priority lien on the Net System Revenues (as defined in the trust indenture) of the City's wastewater fund. Such obligation exists through the maturity date of the bonds at June 1, 2034.

***Wastewater Revenue Bonds, Series 2006***

Wastewater Revenue Bonds, Series 2006 were issued on April 27, 2006 in the amount of \$12,575,000. These bonds carry a net interest cost of 4.788 percent and mature on June 1, 2036. The proceeds from the sale of the bonds were used to finance the cost of certain capital improvements to the City's wastewater system (the "Headworks Project") to address master-planned increases in sewer capacity needs in the north and northwest portions of the City, and to correct existing wastewater system deficiencies. The balance outstanding as of June 30, 2014 is \$10,630,000. The installment payments on these bonds are secured by a first priority lien on the Net System Revenues (as defined in the trust indenture) of the City's wastewater fund. Such obligation exists through the maturity date of the bonds at June 1, 2036.

***Solid Waste Revenue Refunding Bonds, Series 2005***

Solid Waste Revenue Refunding Bonds, Series 2005 were issued on April 15, 2005 in the amount of \$20,955,000. These bonds carry a net interest cost of 4.25 percent and mature in various amounts on May 1, 2016. The proceeds of the bonds were used to refund the Solid Waste Revenue Bonds, Series 1995 and to purchase various Solid Waste equipment such as commercial front-end loader trucks, green waste collection, refuse tractors, trailers, compactors, pickup trucks and others. The 1995 bonds were issued to finance the construction of the Del Norte Regional Recycling and Transfer Station. The refunding of the 1995 Bonds provided a net present value savings of \$1,200,000. The outstanding balance as of June 30, 2014 is \$3,890,000. The installment payments on these bonds are secured by a first priority lien on the Net System Revenues (as defined in the trust indenture) of the City's environmental resources fund. Such obligation exists through the maturity date of the bonds at May 1, 2016.

### ***Debt with Pledged Revenue***

The City has pledged all net water system revenues and all amounts on deposit in the Revenue Fund for the payment of the bond installment payments and the outstanding Parity Obligations. The water net system revenues will not be used for any other purpose while any of the installment payments remain unpaid, provided, however, that out of the net water system revenues, there may be apportioned such sums for such purposes as permitted by the Installment Purchase Agreements. Principal and interest paid for the current year and net water revenue were \$14,697,246 and \$18,978,852, respectively.

The City has pledged all net wastewater system revenues and all amounts on deposit in the Revenue Fund for the payment of the bond installment payments and the outstanding Parity Obligations. The wastewater net system revenues will not be used for any other purpose while any of the installment payments remain unpaid, provided, however, that out of the net wastewater system revenues, there may be apportioned such sums for such purposes as permitted by the Installment Purchase Agreements. Principal and interest paid for the current year and net wastewater revenue were \$11,055,655 and \$12,267,830, respectively.

The City has pledged all net solidwaste system revenues and all amounts on deposit in the Revenue Fund for the payment of the bond installment payments. The solidwaste net system revenues will not be used for any other purpose while any of the installment payments remain unpaid, provided, however, that out of the net solidwaste system revenues, there may be apportioned such sums for such purposes as permitted by the Installment Purchase Agreements. Principal and interest paid for the current year and net solidwaste revenue were \$3,433,567 and \$8,045,065, respectively.

### ***Golf Course Lease Revenue Refunding Bonds, Series 2011***

Golf Course Lease Revenue Refunding Bonds, Series 2011 were issued on June 9, 2011 in the amount of \$21,580,000. These bonds carry a net interest cost of 5.47 percent and mature on June 1, 2036. The proceeds of the bonds were used to pay the principal of and interest on the Bond Anticipation Notes, Series 2010. The outstanding balance as of June 30, 2014 is \$20,835,000. The lease payments on these bonds constitute obligations of the City's general fund. Such obligation exists through the maturity date of the bonds at June 1, 2036.



### ***Housing Authority 2004 Capital Fund Revenue Bonds***

The Affordable Housing Agency issued Affordable Housing Agency Certificates of Participation, Series 2004 (Oxnard's Santa Clara Projects) on April 26, 2004 in the amount of \$10,370,000, evidencing a proportionate ownership interest in debt service payments to be made with respect to certain Capital Fund Revenue Bonds, Series 2004, issued by the Oxnard and Santa Clara Housing Authorities in the amounts of \$5,820,000 and \$4,550,000, respectively. Each certificate represents a proportionate ownership interest of the holder in the right to receive debt service payments made with respect to the bonds. The obligation of the housing authorities under their respective bond indentures are independent and neither is obligated for the payment of principal or interest on the bonds of the other housing authority. The bonds were issued to finance certain capital projects of the Housing Authority, with interest ranging from 2.00 percent to 4.95 percent, maturing on or after April 1, 2012. The outstanding balance as of June 30, 2014 is \$3,495,000.

### ***Capital Lease Obligations – Business-type Activities***

On April 23, 2008, the City entered into a Lease Purchase Agreement with Upton & Oliver Funding Corporation for the purpose of acquiring trash containers, costing \$3,436,273, associated with the conversion to a three-cart residential container service. The lease purchase carries an interest rate of 4.13 percent, with a final maturity of April 23, 2018. The outstanding balance as of June 30, 2014 is \$1,544,802. The lease payments on these bonds constitute obligations of the City's Environmental Resources Fund. Such obligation exists through the maturity date of the bonds at April 23, 2018.

On September 1, 2009, the City entered into a Master Equipment Lease Purchase Line of Credit Agreement with Bank of America in an amount not to exceed \$10 million for the purpose of acquiring vehicles and other capital assets. Total machinery and equipment acquired under this lease was \$1,066,683. As of June 30, 2014, the total outstanding balance on this line of credit was \$549,044. Such obligation exists through the maturity date of the lease at October 1, 2020.

### ***Compensated Absences***

The long-term portion of the liability was \$8,799,168 for governmental activities and \$1,425,417 for business-type activities at June 30, 2014, which is expected to be paid in future years from future resources.

### ***Interest Rate Swaps***

The City of Oxnard has entered into interest rate swaps to hedge its variable rate bond exposure. All 3 interest rate swaps qualify for treatment as Hedging Derivative Instruments. Gains or losses on Hedging Derivative Instruments are reported as deferrals in the Statement of Net Position.

## **1. City of Oxnard Financing Authority Variable Rate Demand Lease Revenue Bonds, (Civic Center Phase 2 Project), Series 2006.** As a result of a decline in

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interest rates since execution of the swap, the swap has a negative fair value of \$3,629,655 as of June 30, 2014. The goal of the swap is to effectively fix the cost of debt over the term of the bonds, not for speculative purposes such as capturing the positive fair value at any point in time. The coupons on the City's variable-rate bonds adjust to changing interest rates, and therefore the bonds do not have a corresponding fair value increase. The fair value of the swap was estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

- a. Objectives. As a means to lower borrowing costs, when compared against fixed-rated bonds at the time of issuance in December 2006, the City entered into a floating-to-fixed interest rate swap in connection with its \$24,205,000 City of Oxnard Financing Authority Variable Rate Demand Lease Revenue Bonds, (Civic Center Phase 2 Project), Series 2006. The intention of the swap was to effectively change the City's variable interest rate on the bonds to an expected synthetic fixed rate of 3.53 percent. The contract provides that the City of Oxnard pay a fixed interest rate of 3.53 percent to the swap counterparty, the Royal Bank of Canada, in exchange for receiving a variable interest rate based upon 68 percent of the 1-month London Interbank Offered Rate (LIBOR). The swap is consistent with the guidelines contained within the City of Oxnard Master Swap Policy adopted on November 21, 2006.
- b. Terms. The bonds and the related swap agreement mature on June 1, 2036, and as of June 30, 2014 the swap's notional amount of \$20,285,000 matches the \$20,285,000 in variable-rate bonds. The swap was entered at the same time the bonds were issued (December 2006) and terminates at the same time that the bonds mature (June 2036). The notional value of the swap declines annually at the same rate and amount as the associated principal balance of the bonds. Pursuant to the swap agreement, the City pays the counterparty a fixed payment of 3.53 percent and receives a variable payment computed as 68 percent of 1-month LIBOR. The bond's variable rate coupons track The Securities Industry Financial Markets Association (SIFMA) Municipal Swap Index.
- c. Risks. The following represent the applicable risks that could give rise to financial loss:
  - i. Credit Risk. The swap counterparty carries a senior debt rating of 'Aa3' by Moody's and "AA-" by Standard & Poor's as of June 30, 2014. To mitigate the potential for credit risk, if the counterparty's credit quality falls below 'AA-' by Standard & Poor's or 'Aa' by Moody's, then the fair value of the swap will be collateralized by the swap counterparty with U.S. government securities. Collateral would

be posted with a third-party custodian. As of June 30, 2014, the City is not adversely exposed to credit risk due to the negative fair value of the swap.

- ii. *Basis Risk.* The swap exposes the City to basis risk should the relationship between LIBOR and the SIFMA Municipal Swap Index converge, potentially affecting the synthetic rate on the bonds. If a change occurs in which 68 percent of 1-month LIBOR is greater than the SIFMA swap index, the expected cost savings may be reduced. As of June 30, 2014, the SIFMA Municipal Swap Index rate was 0.06 percent, whereas 68 percent of 1-month LIBOR was 0.10 percent.
- iii. *Termination Risk.* The City or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. The swap may be terminated by the City in the event that the swap counterparty's credit rating falls below investment grade (e.g., 'BBB' by Standard & Poor's or 'Baa' by Moody's). If the swap is terminated, the City would be exposed to interest rate risk. Also, if at the time of termination the swap has a negative fair value, the City would be liable to the counterparty for a payment equal to the swap's fair value.

**2. City of Oxnard Financing Authority Variable Rate Demand Wastewater Revenue Bonds (Headworks and Septic System Conversion Program), 2004 Series B.**

As a result of a decline in interest rates since execution of the swap, the swap has a negative fair value of \$3,762,201 as of June 30, 2014. The goal of the swap is to effectively fix the cost of debt over the term of the bonds, not for speculative purposes such as capturing the positive fair value at any point in time. The coupons on the City's variable-rate bonds adjust to changing interest rates, and therefore the bonds do not have a corresponding fair value increase. The fair value of the swap was estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

- a. *Objectives.* As a means to fix its borrowing costs, in June 2007 the City entered into a floating-to-fixed interest rate swap in connection with its \$23,975,000 City of Oxnard Financing Authority Variable Rate Demand Wastewater Revenue Bonds (Headworks and Septic System Conversion Program), 2004 Series B. The intention of the swap was to effectively change the City's variable interest rate on the bonds to an expected synthetic fixed rate of 4.017 percent. The contract provides that the City of Oxnard pay a fixed interest rate of 4.017 percent to the swap counterparty, the Royal Bank of Canada, in exchange for receiving a variable interest rate based upon 68 percent of the 1-month London Interbank Offered Rate (LIBOR). The swap is

consistent with the guidelines contained within the City of Oxnard Master Swap Policy adopted on November 21, 2006.

- b. Terms. The bonds and the related swap agreement mature on June 1, 2034, and as of June 30, 2014 the swap's notional amount of \$18,710,000 matches the \$18,710,000 in variable-rate bonds. The swap was entered into in June 2007 and terminates at the same time that the bonds mature (June 2034). The notional value of the swap declines annually at the same rate and amount as the associated principal balance of the bonds. Pursuant to the swap agreement, the City pays the counterparty a fixed payment of 4.017 percent and receives a variable payment computed as 68 percent of 1-month LIBOR. The bond's variable rate coupons track The Securities Industry Financial Markets Association (SIFMA) Municipal Swap Index.
- c. Risks. The following represent the applicable risks that could give rise to financial loss:
  - i. *Credit Risk*. The swap counterparty carries a senior debt rating of 'Aa3' by Moody's and "AA-" by Standard & Poor's as of June 30, 2014. To mitigate the potential for credit risk, if the counterparty's credit quality falls below 'AA-' by Standard & Poor's or 'Aa' by Moody's, then the fair value of the swap will be collateralized by the swap counterparty with U.S. government securities. Collateral would be posted with a third-party custodian. As of June 30, 2014, the City is not adversely exposed to credit risk due to the negative fair value of the swap.
  - ii. *Basis Risk*. The swap exposes the City to basis risk should the relationship between LIBOR and the SIFMA Municipal Swap Index converge, potentially affecting the synthetic rate on the bonds. If a change occurs in which 68 percent of 1-month LIBOR is greater than the SIFMA swap index, the expected cost savings may be reduced. As of June 30, 2014, the SIFMA Municipal Swap Index rate was 0.06 percent, whereas 68 percent of 1-month LIBOR was 0.10 percent.
  - iii. *Termination Risk*. The City or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. The swap may be terminated by the City in the event that the swap counterparty's credit rating falls below investment grade (e.g., 'BBB' by Standard & Poor's or 'Baa' by Moody's). If the swap is terminated, the City would be exposed to interest rate risk. Also, if at the time of termination the swap has a negative fair value, the City would be liable to the counterparty for a payment equal to the swap's fair value.

**3. City of Oxnard Financing Authority Variable Rate Demand Lease Revenue Bonds 2003 Series B.** As a result of a decline in interest rates since execution of the

swap, the swap has a negative fair value of \$2,248,639 as of June 30, 2014. The goal of the swap is to effectively fix the cost of debt over the term of the bonds, not for speculative purposes such as capturing the positive fair value at any point in time. The coupons on the City's variable-rate bonds adjust to changing interest rates, and therefore the bonds do not have a corresponding fair value increase. The fair value of the swap was estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

- a. Objectives. As a means to fix its borrowing costs, in June 2007 the City entered into a floating-to-fixed interest rate swap in connection with its \$14,750,000 City of Oxnard Financing Authority Variable Rate Demand Lease Revenue Bonds 2003 Series B. The intention of the swap was to effectively change the City's variable interest rate on the bonds to an expected synthetic fixed rate of 4.037 percent. The contract provides that the City of Oxnard pay a fixed interest rate of 4.037 percent to the swap counterparty, the Royal Bank of Canada, in exchange for receiving a variable interest rate based upon 68 percent of the 1-month London Interbank Offered Rate (LIBOR). The swap is consistent with the guidelines contained within the City of Oxnard Master Swap Policy adopted on November 21, 2006.
- b. Terms. The bonds and the related swap agreement mature on June 1, 2033, and as of June 30, 2014 the swap's notional amount of \$10,725,000 matches the \$10,725,000 in variable-rate bonds. The swap was entered into in June 2007 and terminates at the same time that the bonds mature (June 2033). The notional value of the swap declines annually at the same rate and amount as the associated principal balance of the bonds. Pursuant to the swap agreement, the City pays the counterparty a fixed payment of 4.037 percent and receives a variable payment computed as 68 percent of 1-month LIBOR. The bond's variable rate coupons track The Securities Industry Financial Markets Association (SIFMA) Municipal Swap Index.
- c. Risks. The following represent the applicable risks that could give rise to financial loss:
  - i. Credit Risk. The swap counterparty carries a senior debt rating of 'Aa3' by Moody's and "AA-" by Standard & Poor's as of June 30, 2014. To mitigate the potential for credit risk, if the counterparty's credit quality falls below 'AA-' by Standard & Poor's or 'Aa' by Moody's, then the fair value of the swap will be collateralized by the swap counterparty with U.S. government securities. Collateral would be posted with a third-party custodian. As of June 30, 2014, the City

is not adversely exposed to credit risk due to the negative fair value of the swap.

- ii. *Basis Risk.* The swap exposes the City to basis risk should the relationship between LIBOR and the SIFMA Municipal Swap Index converge, potentially affecting the synthetic rate on the bonds. If a change occurs in which 68 percent of 1-month LIBOR is greater than the SIFMA swap index, the expected cost savings may be reduced. As of June 30, 2014, the SIFMA Municipal Swap Index rate was 0.06 percent, whereas 68 percent of 1-month LIBOR was 0.10 percent.
- iii. *Termination Risk.* The City or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. The swap may be terminated by the City in the event that the swap counterparty's credit rating falls below investment grade (e.g., 'BBB' by Standard & Poor's or 'Baa' by Moody's). If the swap is terminated, the City would be exposed to interest rate risk. Also, if at the time of termination the swap has a negative fair value, the City would be liable to the counterparty for a payment equal to the swap's fair value.

#### **Hedging derivatives instrument payments and hedged debt**

As of June 30, 2014, debt service requirements of the City's variable-rate debt and net receipts/payments on associated hedging derivatives are as follows. These amounts assume that current interest rates on variable-rate bonds and the current reference rate of hedging derivative instruments will remain the same for their term. As interest rates vary, interest payments on variable-rate bonds and net receipts/payments on the hedging derivative instruments will vary.

Fiscal Year Ending 30-Jun	Principal	Interest	Hedging Derivatives, Net	Total
2015	\$ 2,005,000	\$ 124,300	\$ 1,776,309	\$ 3,905,609
2016	2,070,000	119,288	1,703,666	3,892,953
2017	2,135,000	114,113	1,628,693	3,877,806
2018	2,200,000	108,775	1,551,367	3,860,142
2019	2,275,000	103,275	1,471,710	3,849,985
2020	2,340,000	97,588	1,389,347	3,826,935
2021	2,005,000	91,738	1,304,680	3,401,418
2022	2,075,000	86,725	1,232,751	3,394,476
2023	2,140,000	81,538	1,158,328	3,379,866
2024	2,215,000	76,188	1,081,600	3,372,787
2025	2,280,000	70,650	1,002,188	3,352,838
2026	2,355,000	64,950	920,471	3,340,421
2027	2,430,000	59,063	836,096	3,325,159
2028	2,510,000	52,988	749,063	3,312,050
2029	2,590,000	46,713	659,183	3,295,895
2030	2,675,000	40,238	566,456	3,281,694
2031	2,765,000	33,550	470,718	3,269,268
2032	2,845,000	26,638	371,780	3,243,418
2033	2,935,000	19,525	270,021	3,224,546
2034	2,285,000	12,188	165,062	2,462,250
2035	1,270,000	6,475	84,952	1,361,427
2036	1,320,000	3,300	43,296	1,366,596
<b>Total</b>	<b>\$ 49,720,000</b>	<b>\$ 1,439,806</b>	<b>\$ 20,437,737</b>	<b>\$ 71,597,539</b>

## Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. During the current year, the City performed calculations of excess investment earnings on various bonds and financings. Liabilities were calculated for the issues and rebate payments were made as appropriate.

## Debt Service

The annual debt service requirements are shown below for all long-term debt:

Fiscal Year	Governmental Activities		Business - Type Activities	
	Principal	Interest	Principal	Interest
2015	\$ 3,943,288	\$ 2,661,816	\$ 12,602,468	\$ 17,931,394
2016	3,965,076	2,518,307	12,050,491	17,440,220
2017	3,210,909	2,397,455	9,805,270	16,983,832
2018	2,745,006	2,232,573	10,165,003	16,616,043
2019	2,693,301	2,129,664	10,125,045	16,229,758
2020-2024	12,742,512	9,192,992	58,762,103	74,265,528
2025-2029	14,387,816	6,520,294	72,043,720	58,637,490
2030-2034	14,730,000	3,575,214	91,760,326	38,319,148
2035-2039	8,735,000	668,778	59,694,998	16,137,179
2040-2042	-	-	12,425,000	869,750
<b>Totals</b>	<b>\$ 67,152,907</b>	<b>\$ 31,897,093</b>	<b>\$ 349,434,425</b>	<b>\$ 273,430,341</b>

Fiscal Year	Gas Tax Revenue Cert. of Participation Issued 2008 (1)		Water Revenue Refunding Bonds Series 2012 (2)	
	Principal	Interest	Principal	Interest
2015	\$ 600,000	\$ 1,107,050	\$ 410,000	\$ 325,819
2016	630,000	1,079,450	415,000	313,519
2017	655,000	1,050,475	430,000	301,069
2018	690,000	1,020,300	445,000	288,169
2019	720,000	992,100	455,000	274,819
2020-2024	4,055,000	4,486,220	2,575,000	1,075,445
2025-2029	5,005,000	3,462,975	3,125,000	535,795
2030-2034	6,255,000	2,216,250	700,000	28,875
2035-2039	6,145,000	530,757	-	-
<b>Totals</b>	<b>\$ 24,755,000</b>	<b>\$ 15,945,577</b>	<b>\$ 8,555,000</b>	<b>\$ 3,143,510</b>

Fiscal Year	Water Revenue Project Bonds Series 2006 (2)		Water Revenue Project Bonds Series 2014 (2)	
	Principal	Interest	Principal	Interest
2015	\$ 1,015,000	\$ 2,413,385	\$ 1,208,135	\$ 1,323,569
2016	1,060,000	2,370,248	1,244,870	1,285,054
2017	1,105,000	2,322,548	1,295,245	1,237,749
2018	1,150,000	2,275,585	1,344,671	1,188,529
2019	1,215,000	2,218,085	1,392,368	1,137,432
2020-2024	6,955,000	10,188,435	7,806,005	4,851,495
2025-2029	8,770,000	8,378,988	9,403,720	3,251,782
2030-2034	14,655,000	5,725,250	11,330,326	1,323,676
2035-2039	13,499,998	1,020,750	-	-
<b>Totals</b>	<b>\$ 49,424,998</b>	<b>\$ 36,913,274</b>	<b>\$ 35,025,340</b>	<b>\$ 15,599,286</b>

- (1) Governmental activity debt  
(2) Business-type activity debt

See independent auditors' report.



**Wastewater Revenue Bonds**

<b>Series 2004 A (2)</b>			<b>2012 Lease Purchase (1)</b>	
<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2015	\$ -	\$ 4,087,725	\$ 307,210	\$ 174,657
2016	-	4,087,725	318,123	163,782
2017	-	4,087,725	328,710	152,520
2018	-	4,087,725	343,958	140,884
2019	-	4,087,725	353,797	128,708
2020-2024	17,555,000	19,175,375	1,694,193	465,417
2025-2029	27,355,000	13,447,375	1,587,816	142,902
2030-2034	35,090,000	5,714,888	-	-
2035-2039	-	-	-	-
<b>Totals</b>	<b>\$ 80,000,000</b>	<b>\$ 58,776,263</b>	<b>\$ 4,933,807</b>	<b>\$ 1,368,870</b>

**Wastewater Revenue Refunding**

<b>Bonds - Series 2013 (2)</b>			<b>Wastewater Revenue Bonds Series 2006 (2)</b>	
<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2015	\$ 2,854,299	\$ 510,521	\$ 295,000	\$ 504,330
2016	2,935,324	431,171	305,000	492,530
2017	3,013,176	349,569	315,000	480,330
2018	3,101,192	265,803	330,000	466,942
2019	3,183,905	179,590	345,000	452,756
2020-2024	3,276,168	91,077	1,965,000	2,021,753
2025-2029	-	-	2,460,000	1,528,738
2030-2034	-	-	3,130,000	856,250
2035-2039	-	-	1,485,000	112,250
<b>Totals</b>	<b>\$ 18,364,064</b>	<b>\$ 1,827,731</b>	<b>\$ 10,630,000</b>	<b>\$ 6,915,879</b>

**Solid Waste Revenue Refunding Bonds**

<b>Series 2005 (2)</b>			<b>Adjustable Lease Revenue Bonds Series 2003 B (1)</b>		
<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Swap Interest *1</b>
2015	\$ 2,390,000	\$ 194,500	\$ 430,000	\$ 432,968	\$ 421,852
2016	1,500,000	75,000	440,000	415,609	404,940
2017	-	-	455,000	397,846	387,632
2018	-	-	470,000	379,478	369,736
2019	-	-	485,000	360,504	351,248
2020-2024	-	-	2,630,000	1,498,738	1,460,264
2025-2029	-	-	3,045,000	934,968	910,964
2030-2034	-	-	2,770,000	283,195	275,924
2035-2039	-	-	-	-	-
<b>Totals</b>	<b>\$ 3,890,000</b>	<b>\$ 269,500</b>	<b>\$ 10,725,000</b>	<b>\$ 4,703,306</b>	<b>\$ 4,582,560</b>

**Lease Revenue Refunding**

<b>Bonds Series 2003 A (1) and (2)</b>			<b>Variable Rate Demand Lease Revenue Bonds Series 2006 (1)</b>		
<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Swap Interest *1</b>
2015	\$ 1,715,000	\$ 136,570	\$ 610,000	\$ 716,061	\$ 695,040
2016	1,785,008	71,400	635,000	694,528	674,136
2017	-	-	655,000	672,112	652,380
2018	-	-	680,000	648,990	629,936
2019	-	-	705,000	624,986	606,640
2020-2024	-	-	3,955,000	2,731,514	2,651,328
2025-2029	-	-	4,750,000	1,979,449	1,921,336
2030-2034	-	-	5,705,000	1,075,769	1,044,184
2035-2039	-	-	2,590,000	138,021	133,972
<b>Totals</b>	<b>\$ 3,500,008</b>	<b>\$ 207,970</b>	<b>\$ 20,285,000</b>	<b>\$ 9,281,430</b>	<b>\$ 9,008,952</b>

(1) Governmental activity debt

(2) Business-type activity debt

See independent auditors' report.

Water Revenue Project Bonds Series 2010A (2)			Wastewater Revenue Bonds Series 2004 B (2)		
Fiscal Year	Principal	Interest	Principal	Interest	Swap Interest *1
2015	\$ 1,340,000	\$ 631,325	\$ 965,000	\$ 751,581	\$ 732,192
2016	1,410,000	564,325	995,000	712,817	694,428
2017	1,460,000	507,925	1,025,000	672,848	655,488
2018	1,535,000	434,925	1,050,000	631,673	615,376
2019	1,610,000	358,175	1,085,000	589,495	605,104
2020-2024	5,330,000	580,175	4,190,000	2,370,231	2,484,012
2025-2029	-	-	4,370,000	1,546,947	1,673,356
2030-2034	-	-	5,030,000	617,212	792,848
2035-2039	-	-	-	-	-
Totals	\$ 12,685,000	\$ 3,076,850	\$ 18,710,000	\$ 7,892,804	\$ 8,252,804

Water Revenue Project Bonds Series 2010B (2)			Golf Course Lease Revenue Bonds Series 2011 (2)	
Fiscal Year	Principal	Interest	Principal	Interest
2015	\$ -	\$ 5,786,173	\$ 290,000	\$ 1,086,045
2016	-	5,786,173	330,000	1,075,895
2017	-	5,786,173	370,000	1,065,995
2018	-	5,786,173	410,000	1,051,195
2019	-	5,786,173	455,000	1,034,795
2020-2024	4,030,000	28,796,529	3,100,000	4,820,589
2025-2029	11,735,000	26,025,628	4,825,000	3,922,237
2030-2034	14,575,000	21,656,897	7,250,000	2,396,100
2035-2039	40,905,000	14,671,830	3,805,000	332,349
2040-2042	12,425,000	869,750	-	-
Totals	\$ 83,670,000	\$ 120,951,499	\$ 20,835,000	\$ 16,785,200

2004 Capital Fund Revenue Bonds Housing Authority (2)		
Fiscal Year	Principal	Interest
2015	\$ 280,000	\$ 160,170
2016	295,000	148,690
2017	310,000	136,300
2018	320,000	122,970
2019	335,000	108,890
2020-2024	1,955,000	294,055
Totals	\$ 3,495,000	\$ 971,075

2009 Master Equipment Lease Purchase (1) and (2)			Purchase Agreement Issue 2008 (2)	
Fiscal Year	Principal	Interest	Principal	Interest
2015	\$ 1,473,261	\$ 190,669	\$ 362,851	\$ 60,092
2016	1,339,250	145,659	377,992	44,952
2017	1,205,284	130,924	393,764	29,179
2018	629,993	46,525	410,195	12,750
2019	478,276	25,189	-	-
2020	433,249	11,472	-	-
Totals	\$ 5,559,313	\$ 550,438	\$ 1,544,802	\$ 146,973

\*1 Variable rate used was LIBOR rate .1524% as of June 30, 2014.

- (1) Governmental activity debt
- (2) Business-type activity debt

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Management believes the City complies with all significant covenants related to its debt issues as of June 30, 2014.

**Special Assessment Bonds**

There are various 1915 Act Improvement Districts and Mello-Roos Community Facilities Districts within the City, which have issued special assessment or special tax debt. The debt is secured by liens of special assessments or special taxes on the properties in the districts and is paid by the property owners. The City is not liable under any circumstance for the repayment of the debt, but is only acting as agent for the property owners in collecting the assessments and special taxes, forwarding the collections to fiscal agents to pay the bondholders, and initiating foreclosure proceedings when appropriate.

Accordingly, such special assessment debt is not reflected in the accompanying basic financial statements. Special assessment debt outstanding at June 30, 2014 is as follows:

<b>Rice Avenue/Highway 101 Interchange Assessment District:</b>	\$ 11,420,000
Local Obligation Revenue Bonds (2012 Special District Bond Refinancing to refund 1915 Act Limited Obligation Bonds).	
<b>Rose Avenue/Highway 101 Assessment District:</b>	1,920,000
1915 Act Improvement Bonds issued November 1, 1996; original amount \$8,560,000; average rate of 5.50%; maturing in 2016	
<b>City of Oxnard Community Facilities District 1 (Westport):</b>	8,575,000
Local Obligation Revenue Bonds (2012 Special District Bond Refinancing to refund CFD No. 2000-3 Bonds).	
<b>Oxnard Boulevard Interchange Community Facilities District 2000-3:</b>	7,695,000
Local Obligation Revenue Bonds (2012 Special District Bond Refinancing to refund CFD No. 1 Bonds).	
<b>Oxnard Boulevard/Highway 101 Interchange Assessment District 2000-1:</b>	1,915,000
1915 Act Improvement Limited Obligation Bonds issued on August 14, 2003; original amount \$2,335,000; interest rate varies; the maximum rate of 6.15%; maturing 2033	
<b>Community Facilities District No. 3 - Seabridge/Mandalay:</b>	<u>27,870,000</u>
<b>Total</b>	<u><u>\$59,395,000</u></u>

**III. Defined Benefit Pension Plans and Other Post Employment Benefits**

**A. Retirement Plan Description**

The City contributes to the California Public Employees’ Retirement System (“CalPERS”), an agent multiple-employer public employee defined benefit plan, which acts as a common investment and administrative agent for participating public entities within the State of California. CalPERS provides retirement and disability benefits,

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annual cost of living allowance adjustments, and death benefits to plan members and beneficiaries. The City participates in the single-employer plan for its Miscellaneous 2% at 55, 2% at 62 and Police 3% at 50 and 2.7 at 57 and in the risk pool sharing plan for its Fire 3% at 50 and 2.7% at 57. CalPERS issues a separate comprehensive annual financial report. Copies of PERS annual financial report may be obtained from the PERS Executive Office, 400 “P” Street, Sacramento, CA 95814 or from the PERS website <http://www.calpers.ca.gov>.

### Funding Policy

During the year ended June 30, 2013, the California’s Public Employees’ Pension Reform Act (PEPRA) went into effect. Employees hired after January 1, 2013 who are new to the CalPERS system are required to pay the employee’s portion of the rate. Employees who were CalPERS members before January 1, 2013 are considered “classic members”. The City makes all of the contributions required of classic members on their behalf and for their account. The employee portion of the rates is set by statute and therefore remains unchanged from year to year. The rates are:

Category	Member Rates as a Percentage of Wages
Classic Miscellaneous members	7%
PEPRA Miscellaneous members	6.75%
Classic Police members	9%
PEPRA Police members	15%
Classic Fire members	9%
PEPRA Fire members	12.25%

The City is required to contribute the remaining amounts necessary to fund the benefits for its members, using the actuarial basis recommended by the PERS actuaries and actuarial consultants and adopted by the PERS Board of Administration. The required employer contribution rates for fiscal year 2013-14 were 13.45% for Miscellaneous members, 35.881% for Police members and 36.07% for Fire members of annual covered payroll.

The City’s contribution to CalPERS for the Fire risk pool members for the past three years, which were equal to the required contribution each year, were as follows:

Fiscal Year Ended June 30	Fire	
	3% at 50 Pool	2.7% at 57 Pool
2012	\$ 4,340,052	\$ -
2013	4,296,252	-
2014	4,618,406	119,393

### Annual Pension Cost

For Fiscal Year 2013-2014, the City’s annual pension cost (APC) of \$21,328,778 for PERS was equal to the City’s required and actual contribution. The required

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contribution was determined as part of the June 30, 2011 actuarial assumptions, using the entry age normal cost method.

Significant actuarial assumptions across all three plans included (1) 7.50% investment rate of return (net of administrative expenses), (2) projected annual salary increases ranging from 3.3% to 14.2% depending on age, service and type of employment, (3) 3% per year across-the-board real salary increases, and (4) inflation of 2.75%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a fifteen-year period. In addition, actuarial gains/losses in any given year are amortized over a thirty year period. PERS unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis.

### Trend Information by Plan

	Fiscal Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
Police	2012	\$ 10,741,912	100%	\$ -
Police	2013	11,069,994	100%	-
Police	2014	10,753,225	100%	-
Police - PEPRA	2012	\$ -	100%	\$ -
Police - PEPRA	2013	-	100%	-
Police - PEPRA	2014	279,236	100%	-
Miscellaneous	2012	\$ 9,589,913	100%	\$ -
Miscellaneous	2013	9,614,167	100%	-
Miscellaneous	2014	9,779,160	100%	-
Miscellaneous - PEPRA	2012	\$ -	100%	\$ -
Miscellaneous - PEPRA	2013	6,096	100%	-
Miscellaneous - PEPRA	2014	427,157	100%	-

### Funded Status and Funding Progress

The funded status of each plan as of June 30, 2013, the most recent actuarial valuation is as follows (dollar amounts in thousands):

	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)-Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a percentage of Covered Payroll
Police	\$ 200,724	\$ 273,804	\$ 73,080	73.3%	\$ 23,986	304.7%
Miscellaneous	\$ 276,208	\$ 361,628	\$ 85,420	76.4%	\$ 49,382	173.0%

See independent auditors' report.

Valuations as of June 30, 2011 are based on the following assumptions:

Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Asset Valuation Method	Market Value
Discount Rate	7.50% (net of administrative expenses)
Projected Salary Increases	3.30% to 14.20% depending on Age, Service, and type of employment
Inflation	2.75%
Payroll Growth	3.00%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 2.75% and an annual production growth of 0.25%

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

## **B. Public Agency Retirement System Retirement Enhancement Plan**

### **Plan Description**

The City established a Public Agency Retirement System Retirement Enhancement Plan (PARS), an agent multiple-employer plan, effective January 1, 2003 for selected groups of miscellaneous employees (non-safety), Service Employees International Union (SEIU), International Union of Operating Engineers (IUOE), Management, and one of the two groups of Confidential employees. PARS is defined benefit 401 (a) tax-qualified multiple agency trust. It meets the requirements of a pension trust under California Government code. The plan provides supplemental retirement benefits in addition to PERS. Phase II Systems is the PARS Trust Administrator. For employees meeting the eligibility requirements, the plan provides a benefit equal to the “3% at 60” plan factor (formula is a static 3% at age 60 and older), less the PERS “2% at 55” plan factors for all years of City service plus any military service purchased through PERS (prior to July 1, 2003) while an employee of the City of Oxnard.

Eligibility for an immediate benefit is defined as reaching age 50, completing five years of Oxnard service, and retiring concurrently from both the City and PERS after leaving City employment. In addition, a deferred benefit would be available to participants who complete five years of service. The City has full discretionary authority to control, amend, modify or terminate this plan at any time. PARS does not issue a publicly available financial report. As a result, PARS is reported as a pension trust fund in the fiduciary fund financial statements of the City.

Below is the PARS participant data as of June 30, 2013 (latest available):

See independent auditors’ report.

Retirees and beneficiaries receiving benefits	216
Active plan members	<u>669</u>
<b>Total PARS participants</b>	<b>885</b>

**Funding Policy**

Employees and the City contribute a total of 8 percent of eligible employees’ gross wages. Current employee and city contributions by employee groups are as follows:

	<u>City Contributions</u>	<u>Employee Contributions</u>
IUOE	2.7%	5.3%
SEIU	3.5%	4.5%
Management and confidential	3.0%	5.0%

In addition, the City is required to contribute the remaining amounts necessary to fund the benefit to its members using the actuarial basis recommended by PARS actuarial consultants. This contribution for the fiscal year ended June 30, 2014, was 7.80 percent of eligible employee gross wages. The City’s payroll for employees covered by PARS for the year ended June 30, 2014, was \$36,875,169. PARS issues a separate comprehensive annual financial report. Copies of PARS annual financial report may be obtained from the PARS Executive Office, 3961 MacArthur Boulevard, Suite 200, Newport Beach, CA 92660.

PARS uses an entry age normal actuarial cost method, which is a projected benefit cost method. The actual value of assets used in the June 30, 2013 valuation is the investment gains or losses spread over a five year rolling period and not less than 80 percent nor more than 120 percent of the market value. The present value of plan benefits earned prior to the valuation date is called the actuarial liability. The present value of plan benefits to be earned after the valuation date is called the present value of future normal costs.

**Annual Pension Costs**

For fiscal year 2013-2014, the City’s annual pension cost (APC) of \$5,694,297, for PARS was equal to the City’s required contribution. The required contribution was determined as part of the June 30, 2013, actuarial assumptions and retained the entry age actuarial cost method.

Contributions to PARS for the fiscal year ended June 30, 2014 are shown below:

	<u>City Contributions</u>	<u>Employee Contributions</u>	<u>Total</u>
Miscellaneous employees	<u>\$ 1,058,317</u>	<u>\$ 2,950,014</u>	<u>\$ 4,008,331</u>

See independent auditors’ report.

## Trend Information

The three year trend for fiscal years ending June 30 is as follows:

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2012	\$ 4,154,047	100.00%	\$ -
2013	\$ 5,923,148	70.39%	1,753,722
2014	\$ 5,694,297	70.39%	3,439,688

## Funded Status and Funding Progress

As of June 30, 2013, the most recent actuarial valuation date, the plan was 52.7% funded. The actuarial accrued liability for benefits was \$79,206,000, and the actuarial value of assets was \$41,765,000, resulting in an unfunded actuarial accrued liability (UAAL) of \$37,441,000. The covered payroll (annual payroll of active employees covered by the plan) was \$33,532,000, and the ratio of the UAAL to the covered payroll was 111.66%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability of benefits.

### C. Early Retirement Incentive Plan

The City adopted through resolution number 13,893 a supplemental retirement plan to forty eight (48) eligible employees, this plan is administered by Phase II Systems, PARS Trust Administrator. The level of benefit is seven percent (7%) of the employee's final base pay, payable through the employee's lifetime, with an option of payment for five (5) to ten (10) years, at the employee's election.

### D. Post-employment Health Care Benefits

#### Plan Description

The City participates in the CALPERS medical program, which is a cost-sharing multiple employer defined benefit health care plan administered by CALPERS. Employees who retire from the City and receive a CalPERS pension are eligible for post employment medical benefits. Retirees can enroll in any of the available CalPERS medical plans. This benefit continues for the life of the retiree and surviving spouse. Benefit provisions for CalPERS are established by the Public Employees Retirement Law (Part 3 of the California Government Code, Section 20000 et seq.).

CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS



annual financial report may be obtained from the CalPERS Executive Office, 400 “P” Street, Sacramento, California 95814.

**Funding Policy**

The City contributes the minimum amount allowed under Government Code Section 22825 of the Public Employees Medical and Hospital Care Act. The City’s required monthly contribution for calendar year 2014 was \$119. The required contribution is based on pay-as-you-go financing requirements. Retirees must contribute any premium amounts in excess of the City Contribution.

The City’s annual OPEB cost and the net OPEB obligation for fiscal year 2013-2014 is as follows:

	<u>FY 2014</u>
Annual Required Contribution (ARC)	\$ 1,667,490
Interest on Net OPEB Obligation	325,939
Amortization adjustment to ARC	<u>(471,227)</u>
Annual OPEB Cost	1,522,202
Employer Contribution	<u>(402,813)</u>
Change in OPEB Obligation	1,119,389
Net OPEB Obligation, 6/30/13	8,148,476
Net OPEB Obligation, 6/30/14	<u><u>\$ 9,267,865</u></u>

**Annual OPEB Cost and Net OPEB Obligation**

For fiscal 2013-2014 the City’s annual OPEB cost of \$1,522,202 was higher than the actual contribution. The City’s annual OPEB cost, actual contribution, percentage of annual OPEB cost contributed, and the net OPEB obligation for the current year and prior fiscal year were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Actual Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2012	\$ 1,352,923	\$ 412,537	30.5%	\$ 7,176,043
6/30/2013	\$ 1,339,137	\$ 366,704	27.4%	\$ 8,148,476
6/30/2014	\$ 1,522,202	\$ 402,813	26.5%	\$ 9,267,865

See independent auditors’ report.

## Funded Status and Funding Progress

The funded status of the plan as of July 1, 2013, was as follows:

Actuarial accrued liability (AAL)	\$	16,060,096
Actuarial value of plan assets		-
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$</u>	<u>16,060,096</u>
Funded ratio (actuarial value of plan assets/AAL)		0%
Covered payroll (active plan members)	\$	85,208,027
UAAL as a percentage of covered payroll		18.848%

Valuations as of July 1, 2013 are based on the following assumptions:

Actuarial Cost Method	Projected Unit Credit	
Amortization Method	30-year level dollar, open period	
Discount Rate	4.00% per annum	
Return on Assets	4.00% per annum	
Pre-retirement Turnover	According to the Crocker-Sarason Table T-5 less mortality, without adjustment	
Pre-retirement Mortality	RP-2000 Combined Mortality, static projection to 2012 by scale AA	
Post-retirement Mortality	RP-2000 Combined Mortality, static projection to 2012 by scale AA	
Retirement Rates	Age	Percent Retiring
	50-51	4.0
	52	5.0
	53	6.0
	54	8.0
	55	10.0
	56	12.0
	57-59	7.0
	60-61	12.0
	62	20.0
	63-64	15.0
	65	25.0
	66	20.0
	67	100.0
Trend Rate	Healthcare costs were assumed to increase according to the following schedule:	
	FYB	Medical/Rx    Medical CPI
	2013	8.0%            4.0%
	2014	7.0%            4.0%
	2015	6.0%            4.0%
	2016+	5.0%            4.0%
Percent Waiving Coverage	Police – 10% (applies to future retirees only)	

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	All other groups – 40% (applies to future retirees only)
Percent of Retirees with Spouses	Future retirees: 60% of future retirees were assumed to have spouses at the time of retirement. Female spouses assumed three years younger than male spouses. Current retirees: Based on actual spousal data
PEMHCA Administrative Fee	0.33% of PEMHCA premium, paid by City

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress is presented as RSI following the notes to the financial statements.

#### **IV. Risk Management**

All funds of the City participate in general liability and workers’ compensation insurance programs and make payments to internal service funds on the basis of loss experience and exposure. The total unpaid claims and claims adjustment expense liability (long-term obligations) of \$15,888,022 recorded at June 30, 2014, is based on results of actuarial studies and includes an estimate for claims incurred but not reported at the balance sheet date. Claims liabilities are calculated considering the effects of inflation, recent claims settlement trends including frequency and amount of payouts, and other economic and societal factors. General liability and workers’ compensation liabilities are carried at present value using a discount rate of 3.5 percent. In addition, the City is in compliance with the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated.

##### **A. General Liability**

The City is self-insured for general liability claims up to \$1,000,000. The City is covered through Big Independent Cities Excess Pool (BICEP) for claims between \$1,000,000 and \$25,000,000. Self-insured general liability claims are administered through a third-party administrator, with the City Attorney’s approval required for settlements over \$15,000. Litigated claims are settled directly through the City Attorney’s Office.

The City’s contribution to BICEP for general liability coverage in Fiscal Year 2013-2014 was \$683,392 which included a dividend credit of \$80,445. During the past five-year period, the average claims filed each year for general liability amounted to 186 claims totaling \$1,520,179 per year (an average of \$8,173 per claim). In addition, there have been no insurance settlements that have exceeded the City’s insurance coverage for each of the past three years. Information concerning the BICEP pooled liability insurance program can

See independent auditors’ report.

be obtained at 801 South Figueroa Street, Suite 1050, Los Angeles, CA 90017, telephone number (213) 896-8900.

The total unpaid claims and claims adjustment expense liability (long-term obligations) recorded at June 30, 2014 was \$3,706,141. The following schedule presents the changes in self-insurance claims liabilities for the past two years:

	Public Liability and Property Damage	
	FY 13-14	FY 12-13
Unpaid claims and claims adjustment expenses-July 1	\$ 3,339,435	\$ 3,721,307
Incurring claims and claims adjustment expenses:		
Increase/decrease in provision for insured events	366,706	(601,837)
Increase/decrease in actuarially incurred but not reported claims (IBNR)	-	219,965
Total incurred claims and claims adjustment expenses	366,706	(381,872)
Unpaid claims and claims adjustment expenses-June 30	3,706,141	3,339,435
Claims and judgements due within one year	\$ 2,316,272	\$ 2,316,272

## B. Workers' Compensation

The City is self-insured for workers' compensation claims up to \$1,000,000. For claims over \$1,000,000, the City has purchased excess workers' compensation insurance through BICEP. The claims are processed by a third party administrator similar to general liability claims.

Within the City's self-insured program for workers' compensation, there has been an average of 217 claims filed per year for the past five years, with an average of approximately \$2,579,624 per year in total reported losses (an average of \$16,404 per claim). In addition, there have been no insurance settlements that have exceeded the City's insurance coverage for each of the past three years.

The total unpaid claims and claims adjustment expense liability (long-term obligations) recorded at June 30, 2014 was \$12,181,880.

The following schedule presents the changes in self-insurance claims liabilities for the past two years:

	Worker's Compensation	
	FY 13-14	FY 12-13
Unpaid claims and claims adjustment expenses-July 1	\$ 11,328,358	\$ 8,216,393
Incurred claims and claims adjustment expenses:		
Increase/decrease in provision for insured events	1,116,530	2,893,499
Increase/decrease in actuarially incurred but not reported claims (IBNR)	(263,006)	218,466
Total incurred claims and claims adjustment expenses	853,524	3,111,965
Unpaid claims and claims adjustment expenses-June 30	12,181,881	11,328,358
Claims and judgements due within one year	\$ 4,323,423	\$ 4,231,808

## V. Other Information

### A. Commitments and Contingencies

There are various lawsuits and claims pending against the City. In the opinion of the City Attorney and management, none of these cases except as discussed below, nor the aggregate thereof, represents any substantial exposure to the City. At June 30, 2014 the City has recorded a general litigation reserve of \$1,000,000 to cover any potential exposure, which has been recorded within self-insurance claims liabilities in the accompanying basic financial statements.

The City has received several Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to request for reimbursements to grantor agencies for expenditures disallowed under terms of the grant. Based upon prior experience, the City believes such disallowance, if any, would be immaterial.

### B. Subsequent Event

#### **Issuance of \$21,500,000 City of Oxnard Financing Authority Lease Revenue Project and Refunding Bonds, Series 2014**

On November 20, 2014, the City issued bonds in the aggregate amount of \$21,500,000 to finance the construction of roadway improvements, refund the Lease Revenue Bonds Series 2003, and pay cost of issuance. The bonds were sold as a public offering with J.P. Morgan the underwriter. The bonds carried a net interest cost of 3.23 percent and mature on June 1, 2029. The refunding resulted in an economic gain of \$83,668 and a cash flow saving of \$85,886.

#### **Issuance of \$73,235,000 City of Oxnard Financing Authority Wastewater Revenue Refunding Bonds, 2014**

On November 25, 2014, the City issued bonds in the aggregate amount of \$73,235,000 to refund the \$80,000,000 in outstanding Wastewater Revenue Bonds 2004, Series A issued on June 22, 2004 in the aggregate principal amount of \$80,000,000 and pay cost of issuance. These bonds were sold as a public offering with RBC Capital Market the

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underwriter. The bonds carried a net interest cost of 4.07 percent and mature on June 1, 2034. The refunding resulted in an economic gain of \$10,640,663 and a cash flow saving of \$15,691,538.

### **Public Works Reorganization**

On September 30, 2014, the City Manager informed City Council of the reorganization of the Public Works Department. The Water and Wastewater Enterprises have been grouped under a new Utilities Department with Environmental Resources separately reporting to the Deputy City Manager. Streets functions have been transferred to General Services.

## C. Notes to the Financial Statements – Successor Agency

### a. Reporting Entity

On January 10, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with AB 1X 26 as part of City resolution number 14135, to oversee the winding down of the agency's affairs and liquidation of the agency's assets effective February 1, 2012. AB 1484 essentially transferred authority over the successor agency to the oversight board, also established pursuant to AB 1X 26 and the California Department of Finance. Oversight Boards are composed of one member each appointed by the county board of supervisors, mayor, the largest special district by property tax share, the county supervisor of education, the Chancellor of the California Community Colleges, a public member appointed by the county board of supervisors and a member representing employees of the former redevelopment agency appointed by the mayor or chair of the county board of Supervisors.

Oversight boards direct the staff of the Successor Agency, have fiduciary responsibilities to holders of enforceable obligations, approves actions of the Successor Agency and establishes the Recognized Payment Obligation Payment Schedule.

### b. Prior period adjustments

At July 1, 2013 the Successor Agency's cash and due from City of Oxnard balances were restated to correct errors in recording. The restatement consisted of the following:

To adjust due from other governments of the former redevelopment agency	\$	1,557,687
To adjust payables of the former redevelopment agency		211,907
To write off debt issuance unamortized issuance cost in compliance with GASB65		(789,588)
Total	\$	<u>980,006</u>

### c. Cash and Investments

Cash and cash equivalents and investments with fiscal agents of the Successor Agency are comprised of the following at June 30, 2014:

	<b>Fair Value</b>
Deposits and investments	\$ 3,586,725
Investments with fiscal agents	13,396,060
<b>Total</b>	<b>\$ <u>16,982,785</u></b>

See independent auditors' report.

Detail notes on cash and cash investments can be found on the City's Notes to the financial statement.

**d. Payables**

Accounts payable and other liabilities as of June 30, 2014 primarily consist of the following:

Due to vendors	\$ 1,026,400
Accrued interest	619,647
<b>Total</b>	<b>\$ 1,646,047</b>

**d. Capital Assets**

Changes in the Successor Agency's capital assets for the year ended June 30, 2014 are as follows:

	<u>Balance July 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2014</u>
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 1,221,289	\$ -	\$ -	\$ 1,221,289
Construction in progress	15,491,722	-	-	15,491,722
Total capital assets, not being depreciated	<u>16,713,011</u>	<u>-</u>	<u>-</u>	<u>16,713,011</u>
Capital assets, being depreciated				
Buildings	905,636	-	-	905,636
Improvement other than buildings	46,919,371	-	-	46,919,371
Equipment and machinery	89,082	-	-	89,082
Total capital assets, being depreciated	<u>47,914,089</u>	<u>-</u>	<u>-</u>	<u>47,914,089</u>
Less accumulated depreciation for:				
Buildings	(446,035)	(17,481)	-	(463,516)
Improvement other than buildings	(8,403,157)	(1,173,769)	-	(9,576,926)
Equipment and machinery	(88,383)	(300)	-	(88,683)
Total accumulated depreciation	<u>(8,937,575)</u>	<u>(1,191,550)</u>	<u>-</u>	<u>(10,129,125)</u>
Total capital assets, being depreciated, net	<u>38,976,514</u>	<u>(1,191,550)</u>	<u>-</u>	<u>37,784,964</u>
<b>Total</b>	<u>\$ 55,689,525</u>	<u>\$ (1,191,550)</u>	<u>\$ -</u>	<u>\$ 54,497,975</u>

See independent auditors' report.



**f. Long-Term Obligations**

The following is a summary of changes in the Successor Agency’s long-term obligations for the year ended June 30, 2014:

	<u>Balance July 1, 2013</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2014</u>	<u>Due within One Year</u>
Tax allocation refunding bonds series 2004A	\$ 13,220,000	-	\$ 780,000	\$ 12,440,000	\$ 810,000
Tax allocation bond financing series 2006:	18,090,000	-	480,000	17,610,000	495,000
HERO project tax allocation bonds series 2008:	11,070,000	-	200,000	10,870,000	215,000
Less: Unamortized Discounts	(206,158)	-	(67,469)	(138,689)	-
<b>Total long-term indebtedness</b>	<u>\$ 42,173,842</u>	<u>\$ -</u>	<u>\$ 1,392,531</u>	<u>\$ 40,781,311</u>	<u>\$ 1,520,000</u>

**Description of Long-term Debt**

***Tax Allocation Refunding Bonds, Series 2004A***

Tax Allocation Refunding Bonds, Series 2004A were issued on May 4, 2004 in the amount of \$19,185,000. These are twenty-two-year bonds with a net interest cost of 4.58 percent. The bonds were issued to refinance the Tax Allocation Refunding Bonds, Series 1994A and to finance additional redevelopment activities within the Central City Revitalization and Downtown Project Area. The balance outstanding as of June 30, 2014 is \$12,440,000.

***2006 Tax Allocation Bond Financings***

Local Obligation Revenue Bonds (2006 Tax Allocation Bond Financings) in the amount of \$20,530,000 were issued on December 1, 2006 to purchase the following obligations being issued simultaneously for 1) the Oxnard Community Development Commission Ormond Beach Project Area Tax Allocation Bonds, Series 2006 in the amount of \$5,750,000, 2) the Oxnard Community Development Commission Southwinds Project Area Tax Allocation Bonds, Series 2006 in the amount of \$3,290,000, and 3) the Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2006 in the amount of \$11,490,000. The bonds were issued to finance redevelopment activities (street improvement projects) in the Ormond Beach Project Area, Southwinds Project Area and the HERO Redevelopment Project Areas. These bonds carry a net interest cost of 4.424 percent, maturing on September 1, 2036. The outstanding balance as of June 30, 2014 is \$17,610,000.

See independent auditors’ report.

### ***Tax Allocation Bonds, Series 2008***

Tax Allocation Bonds, Series 2008 were issued on July 1, 2008 in the amount of \$11,790,000 for the Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area. Proceeds from the sale of bonds are to be used to finance a 500-space parking structure to service a mixed-use retail/commercial development located within the RiverPark Specific Plan Area. These bonds carry a net interest cost of 4.849 percent, with a final maturity of September 1, 2038. The outstanding balance as of June 30, 2014 is \$10,870,000.

### **Arbitrage**

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. During the current year, the City performed calculations of excess investment earnings on various bonds and financings. Liabilities were calculated for the issues and rebate payments were made as appropriate.

The Successor Agency is in compliance with all significant covenants related to its debt issues. The annual debt service requirements for the Successor Agency's long-term obligations are as follows:

Fiscal Year	Tax Allocation Refunding Bonds		Tax Allocation Bonds		HERO Project Tax Allocation Bonds	
	2004 A		Series 2006		Series 2008	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 810,000	\$ 555,458	\$ 495,000	\$ 817,363	\$ 215,000	\$ 501,738
2016	840,000	523,268	515,000	798,555	215,000	493,138
2017	870,000	488,525	540,000	778,808	220,000	483,338
2018	910,000	451,471	555,000	758,673	235,000	473,138
2019	945,000	411,240	580,000	737,611	240,000	462,437
2020 - 2024	4,745,000	1,400,760	3,235,000	3,325,245	1,385,000	2,144,418
2025 - 2029	3,320,000	251,708	3,945,000	2,586,859	1,715,000	1,805,624
2030 - 2034	-	-	4,865,000	1,651,906	2,165,000	1,344,625
2035- 2039	-	-	2,880,000	314,937	4,480,000	658,113
<b>Totals</b>	<b>\$ 12,440,000</b>	<b>\$ 4,082,430</b>	<b>\$ 17,610,000</b>	<b>\$ 11,769,957</b>	<b>\$ 10,870,000</b>	<b>\$ 8,366,569</b>

**g. Commitments and Contingencies**

The Successor Agency is a defendant in various claims and legal actions arising in the normal course of operations. In the opinion of the Successor Agency Attorney and Oversight Board, the ultimate liability from such actions and claims will not have a material adverse effect on the Successor Agency’s financial position or operations.

**h. Subsequent Events**

On September 10, 2014, September 18, and November 19, the Successor Agency, the Oversight Board, and the California Department of Finance (DOF) approved the Recognized Obligation Payment Schedule (ROPS) 14-15B covering the period of January 1, 2015 – June 30, 2015, respectively. The primary changes issued by the (DOF) include various exclusions totaling (\$583,192) primarily for agreements with expired contracts.

**D. Notes to the Financial Statements – Retirement Enhancement Defined Benefit Retirement Trust Fund**

**a. Reporting Entity**

The City joined the Public Agency Retirement System Retirement Enhancement Plan (PARS) effective January 1, 2003 for selected employee groups (see page 82 for additional information on PARS). Investments for the benefit of eligible employees are in a segregated account and invested under the guidelines authorized by the City (see page 54).

See independent auditors’ report.

**b. Prior period adjustments**

At July 1, 2013 the Retirement Enhancement Defined Benefit Retirement Trust Fund was restated to recognize trust balances of \$42,854,462.

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**REQUIRED  
SUPPLEMENTARY  
INFORMATION**



**Required Supplementary Information  
Schedule of Funding Progress  
For the Year Ended June 30, 2014  
(Dollars in Thousands)**

**California Public Employee's Retirement System Plan**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability (AAL)-Entry Age</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as a percentage of Covered Payroll</b>
<b>Police</b>						
6/30/11	\$ 199,852	\$ 241,155	\$ 41,303	82.9%	\$ 24,008	172.0%
6/30/12	\$ 212,195	\$ 258,372	\$ 46,177	82.1%	\$ 23,524	196.3%
6/30/13	\$ 200,724	\$ 273,804	\$ 73,080	73.3%	\$ 23,986	304.7%
<b>Miscellaneous</b>						
6/30/11	\$ 286,637	\$ 332,651	\$ 46,014	86.2%	\$ 49,433	93.1%
6/30/12	\$ 299,531	\$ 347,813	\$ 48,282	86.1%	\$ 49,497	97.5%
6/30/13	\$ 276,208	\$ 361,628	\$ 85,420	76.4%	\$ 49,382	173.0%

**Public Agency Retirement System Retirement Enhancement Plan**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability (AAL)- Entry Age</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as a percentage of Covered Payroll</b>
7/1/05	\$ 7,357	\$ 32,328	\$ 24,971	22.76%	\$ 33,043	75.57%
7/1/07	\$ 16,294	\$ 41,103	\$ 24,809	39.64%	\$ 42,159	58.85%
6/30/11	\$ 32,859	\$ 71,388	\$ 38,529	46.00%	\$ 40,114	95.30%
6/30/13	\$ 41,765	\$ 79,206	\$ 37,441	52.70%	\$ 33,532	111.66%

See independent auditors' report.

**Required Supplementary Information  
Schedule of Funding Progress  
For the Year Ended June 30, 2014  
(Dollars in Thousands)**

**Other Post Employment Benefit – CalPERS Plan**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability (AAL)- Entry Age</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as a percentage of Covered Payroll</b>
7/1/09	\$ -	\$ 11,081	\$ 11,081	0%	\$ 85,873	12.9%
7/1/11	\$ -	\$ 12,772	\$ 12,772	0%	\$ 82,501	15.5%
7/1/13	\$ -	\$ 16,061	\$ 16,061	0%	\$ 85,208	18.9%

See independent auditors' report.



**City of Oxnard**  
**Schedule Of Changes In Net Pension Liability And Investment Returns**  
**For the year ended June 30, 2014**

**Retirement Enhancement Pension Plan**  
**(dollar amounts in thousands)**

	2014
Total Pension Liability:	
Service cost	\$ 2,469
Interest	5,148
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments, including refunds of member contributions	(2,538)
Net change in total pension liability	5,079
Total pension liability - beginning	79,206
Total pension liability - ending (a)	\$ 84,285
Plan Fiduciary Net Position:	
Contributions - employer	\$ 1,058
Contributions - plan members	2,950
Net investment income	6,747
Benefit payments, including refunds of member contributions	(2,538)
Administrative expense	(68)
Net change in plan fiduciary net position	8,149
Plan fiduciary net position - beginning	42,855
Plan fiduciary net position - ending (b)	\$ 51,004
City's net pension liability - ending (a)-(b)	\$ 33,281
Plan fiduciary net position as a percentage of the total pension liability	60.51%
Covered-employee payroll	\$ 36,875
City's net pension liability as a percentage of covered-employee payroll	90.25%
Annual money-weighted rate of return, net of investment expense	15.08%

**Notes to Schedule:**

Governmental Accounting Standards Board Statement No. 67 has been implemented in 2014. Until a full 10-year trend is compiled, this pension plan will only present information for those years for which information is available.

See independent auditors' report.

**City of Oxnard**  
**Schedule of Actuarially Determined Contributions**  
**For the year ended June 30, 2014**

**Retirement Enhancement Pension Plan**

	2014
Actuarially determined contribution	\$ 5,694,297
Contributions in relation to the actuarially determined contribution	4,008,331
Contribution deficiency (excess)	\$ 1,685,966
Covered-employee payroll	\$ 36,875,169
Contributions as a percentage of covered-employee payroll	10.87%

**Notes to Schedule**

**Valuation date:**

Actuarially determined contribution rates are calculated as of June 30, two years prior to the beginning of the fiscal year in which contributions are reported.

**Methods and assumptions used to determine contribution rates:**

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll
Remaining amortization period	UAAL from prior valuation: 20-year from 1/1/2003 (10.5 years remaining on 6/30/12); 15-year closed for gains and losses, plan amendments, assumption changes, and method changes; 12-year fresh start beginning 6/30/12
Asset valuation method	5-year rolling period; not less than 80% nor more than 120% of market
Inflation	3.00%
Salary increases	3.25% aggregate; merit increases: CalPERS 1997-2007 Experience Study
Investment rate of return	6.50%
Retirement age	CalPERS 1997-2007 Experience Study (PERS Benefit 3.0% @ 60, PERS Hire Age - 31, Expected Retirement Age - 58)
Mortality	CalPERS 1997-2007 Experience Study (Fully generational scale AA applied to post-retirement mortality)

Governmental Accounting Standards Board Statement No. 67 has been implemented in 2014. Until a full 10-year trend is compiled, this pension plan will only present information for those years for which information is available.

See independent auditors' report.

**City of Oxnard, California**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Fiscal Year Ended June 30, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Taxes:				
Property	\$ 41,616,000	\$ 41,616,000	\$ 42,115,585	\$ 499,585
Sales	37,751,000	37,751,000	38,287,439	536,439
Transient occupancy	4,035,000	4,035,000	4,239,110	204,110
Business license (net of refund)	4,918,000	4,918,000	5,125,801	207,801
Franchise	3,273,000	3,273,000	3,507,431	234,431
Other taxes	751,000	751,000	677,091	(73,909)
Licenses and permits	1,967,000	1,967,000	2,456,359	489,359
Intergovernmental	13,033,816	13,033,816	13,168,255	134,439
Charges for services	8,481,000	8,639,000	8,871,669	232,669
Fines and forfeitures	591,000	591,000	444,099	(146,901)
Investment earnings	193,000	193,000	411,506	218,506
Miscellaneous	2,984,000	3,059,000	4,421,389	1,362,389
Total revenues	<u>119,593,816</u>	<u>119,826,816</u>	<u>123,725,734</u>	<u>3,898,918</u>
<b>EXPENDITURES</b>				
General government:				
Legislative				
City council	343,773	343,773	350,994	(7,221)
City treasurer	1,188,087	1,188,087	1,079,596	108,491
City clerk	377,390	379,590	387,086	(7,496)
Administrative and support services				
City manager	1,652,098	1,659,598	1,392,213	267,385
City attorney	1,383,341	1,383,341	1,100,847	282,494
Financial services	3,150,768	3,135,768	2,975,186	160,582
Human resources	1,008,605	1,008,605	1,090,567	(81,962)
Non-departmental	1,666,881	1,776,130	1,164,858	611,272
Public safety:				
Police	52,540,335	53,124,393	52,987,822	136,571
Fire	15,126,236	16,767,082	17,087,761	(320,679)
Transportation	3,243,658	3,431,226	3,464,755	(33,529)
Community development:				
Development services	5,410,282	5,618,282	5,336,997	281,285
Economic development and tourism service	856,348	856,348	856,324	24
Housing services	193,492	193,492	201,976	(8,484)
Community service	2,802,165	2,772,547	2,674,206	98,341
Culture and leisure:				
Recreation services	4,364,146	4,536,500	4,759,680	(223,180)
Park and public grounds	8,343,750	8,349,345	8,244,392	104,953
Library services	4,307,459	4,364,060	4,222,264	141,796
Capital outlay	825,000	15,104,946	2,213,224	12,891,722
Total expenditures	<u>108,783,814</u>	<u>125,993,113</u>	<u>111,590,748</u>	<u>14,402,365</u>
Excess (deficiency) of revenues over expenditures	<u>10,810,002</u>	<u>(6,166,297)</u>	<u>12,134,986</u>	<u>18,301,283</u>
Other financing sources (uses)				
Transfers in	37,000	37,000	37,000	-
Transfers out	(6,188,644)	(6,184,358)	(5,989,482)	194,876
Net other financing sources (uses)	<u>(6,151,644)</u>	<u>(6,147,358)</u>	<u>(5,952,482)</u>	<u>194,876</u>
Net change in fund balances	4,658,358	(12,313,655)	6,182,504	18,496,159
Fund balances, July 1	32,215,045	32,215,045	32,215,045	-
Prior period adjustment	-	-	(1,451,547)	(1,451,547)
Fund balances, June 30	<u>\$ 36,873,403</u>	<u>\$ 19,901,390</u>	<u>\$ 36,946,002</u>	<u>\$ 17,044,612</u>

**Notes to Budgetary Comparison Schedule:**

Budgets are prepared on the modified accrual basis of accounting consistent with generally accepted accounting principles (GAAP).

See independent auditors' report.

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# **SUPPLEMENTARY INFORMATION**



# **NON-MAJOR GOVERNMENTAL FUNDS**



## **Non-Major Governmental Funds**

### **Special Revenue Funds**

Special revenue funds are used to account for the proceeds of specific revenue sources (other than capital projects funds) that are legally restricted to expenditures for particular purposes.

**Development Fees Fund** – This fund includes fees that the City collects on new development to provide resources for special projects such as parks, storm drainage facilities, traffic improvements, utility undergrounding and community developments.

**HUD Home Loan Fund** – This fund is used to account for federal entitlement that is used to provide housing loan to low/moderate income families.

**CDBG Entitlement Fund** – This fund is used to account for community development block grants to develop viable urban communities.

**State and Federal Grants Fund** – This fund is used to account for state and federal grants.

**Public Safety Retirement Fund** – This fund is used to account for voter-approved property tax for public safety uniformed employees' retirement.

**Debt Service Fund** – This fund accounts for the accumulation of resources and payments of principal and interest of the City's general long-term debt.

**Capital Outlay Funds** – This fund accounts for financing and construction of general government capital projects.

**State Gas Tax Fund** – This fund is used to account for the allocated share of Gas Tax Revenue. Spending of gas tax is legally restricted to be used for maintenance and improvement of public streets.

**Traffic Safety Fund** – This fund is used to account for shared revenues received from fines and forfeitures under the State of California Vehicle Code. Fund is restricted to be expended only for improvement and maintenance of traffic control equipment/devices.

**Transportation Development Fund** – This fund is used to account for Transportation Development Act revenues and to be used for street maintenance and road improvements, and construction of pedestrian and bike facilities.

**Maintenance Assessment District** – This fund is used to account for assessment revenues and expenditures related to waterways and landscape maintenance of various district areas in the City.

City of Oxnard, California  
Combining Balance sheet  
Non-Major Governmental Funds  
June 30, 2014

	Development Fees Fund	HUD and CDBG Grants Fund	State and Federal Grants Fund	Public Safety Retirement	Debt Service Fund	Capital Outlay Fund	Housing Successor
<b>ASSETS</b>							
Cash and cash equivalents	\$ 12,906,468	\$ -	\$ -	\$ 3,286,067	\$ 414,947	\$ 5,650,583	\$ 2,153,095
Investments with fiscal agents	-	-	-	-	1,867,183	1,425,634	-
Accounts and other receivables	773,374	5,725,183	3,885,854	-	-	-	-
Notes receivable	-	-	-	-	-	-	2,050,000
Due from other funds	2,875,285	-	-	-	-	-	-
Due from other government	-	-	-	200,434	-	-	-
Due from Successor Agency	-	-	-	-	-	-	1,910,965
Properties held for resale	-	-	-	-	-	-	104,736
<b>Total assets</b>	<b>\$ 16,555,127</b>	<b>\$ 5,725,183</b>	<b>\$ 3,885,854</b>	<b>\$ 3,486,501</b>	<b>\$ 2,282,130</b>	<b>\$ 7,076,217</b>	<b>\$ 6,218,796</b>
<b>LIABILITIES</b>							
Accounts payable	\$ 465,957	\$ 44,974	\$ 1,013,662	\$ -	\$ -	\$ 47	\$ 16,697
Other liabilities	291,772	20,992	163,998	462,924	-	-	4,216
Due to other funds	-	266,436	4,770,352	-	-	152,500	-
Unearned revenues	-	5,392,781	-	-	-	-	760,588
Total liabilities	757,729	5,725,183	5,948,012	462,924	-	152,547	781,501
<b>FUND BALANCES</b>							
<b>Restricted for:</b>							
Debt service	-	-	-	-	2,282,130	1,425,634	-
Transportation	-	-	-	-	-	-	-
Maintenance Districts	-	-	-	-	-	-	-
Streets and Traffic improvements/maintenance	-	-	-	-	-	-	-
Infrastructure developments	15,797,398	-	-	-	-	-	-
Housing	-	-	-	-	-	-	5,437,295
Public safety retirement	-	-	-	3,023,577	-	-	-
<b>Assigned to:</b>							
Capital projects	-	-	-	-	-	5,498,036	-
<b>Unassigned</b>							
Total fund balances	15,797,398	-	(2,062,158)	3,023,577	2,282,130	6,923,670	5,437,295
<b>Total liabilities and fund balances</b>	<b>\$ 16,555,127</b>	<b>\$ 5,725,183</b>	<b>\$ 3,885,854</b>	<b>\$ 3,486,501</b>	<b>\$ 2,282,130</b>	<b>\$ 7,076,217</b>	<b>\$ 6,218,796</b>



City of Oxnard, California  
 Combining Balance sheet  
 Non-Major Governmental Funds  
 June 30, 2013

State Gas Tax	Traffic Safety	Transportation Development Fund	Maintenance Assessment District Fund	Total Non-major Governmental Funds	
\$ 4,309,534	\$ 328,457	\$ 3,613,147	\$ 14,009,748	\$ 46,672,046	<b>ASSETS</b>
2,115,472	-	-	-	5,408,289	Cash and cash equivalents
784	-	8,325	-	10,393,520	Investments with fiscal agents
-	-	-	-	2,050,000	Accounts and other receivables
-	-	-	-	2,875,285	Notes receivable
-	40,331	-	-	240,765	Due from other funds
-	-	-	-	1,910,965	Due from other government
-	-	-	-	104,736	Due from Successor Agency
<b>\$ 6,425,790</b>	<b>\$ 368,788</b>	<b>\$ 3,621,472</b>	<b>\$ 14,009,748</b>	<b>\$ 69,655,606</b>	Properties held for resale
					<b>Total assets</b>
\$ 210,097	\$ -	\$ 45,508	\$ 245,824	\$ 2,042,766	<b>LIABILITIES</b>
78,175	1,862	7,783	46,680	1,078,402	Accounts payable
-	-	-	-	5,189,288	Other liabilities
-	-	2,671,949	-	8,825,318	Due to other funds
288,272	1,862	2,725,240	292,504	17,135,774	Unearned revenues
					Total liabilities
					<b>FUND BALANCES</b>
					<b>Restricted for:</b>
				3,707,764	Debt service
		896,232		896,232	Transportation
			13,717,244	13,717,244	Maintenance Districts
6,137,518	366,926			6,504,444	Streets and Traffic improvements/maintenance
				15,797,398	Infrastructure developments
				5,437,295	Housing
				3,023,577	Public safety retirement
				5,498,036	<b>Assigned to:</b>
				(2,062,158)	Capital projects
6,137,518	366,926	896,232	13,717,244	52,519,832	<b>Unassigned</b>
<b>\$ 6,425,790</b>	<b>\$ 368,788</b>	<b>\$ 3,621,472</b>	<b>\$ 14,009,748</b>	<b>\$ 69,655,606</b>	Total fund balances
					<b>Total liabilities and fund balances</b>

City of Oxnard, California  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the Year Ended June 30, 2014**

	Development Fees Fund	HUD and CDBG Grants Fund	State and Federal Grants Fund	Public Safety Retirement	Debt Service Fund	Capital Outlay Fund	Housing Successor
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ 12,668,171	\$ -	\$ 267,803	\$ -
Licenses and permits	1,172,557	-	-	-	-	-	-
Intergovernmental	-	2,164,705	17,252,637	-	-	-	-
Growth and development fees	3,512,534	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeitures	-	-	35,780	-	-	-	-
Interest	293,008	-	9,506	15,613	89,066	26,745	77,231
Special assessments	-	-	-	-	-	-	-
Miscellaneous	380,584	-	191,953	-	-	1,365,610	171,412
Total revenues	<u>5,358,683</u>	<u>2,164,705</u>	<u>17,489,876</u>	<u>12,683,784</u>	<u>89,066</u>	<u>1,660,158</u>	<u>248,643</u>
<b>EXPENDITURES</b>							
Current:							
General government	249,253	-	-	-	-	10,240	-
Public safety	875,741	200,003	4,470,347	15,300,311	-	-	-
Transportation	588,948	-	5,435	-	-	-	-
Community Development	449,073	1,528,029	4,283,493	-	-	-	165,430
Culture and leisure	59,749	15,970	72,499	-	-	-	-
Library services	-	-	19,081	-	-	-	-
Capital outlay	1,779,151	420,703	4,992,994	-	-	425,612	251,499
Debt service:							
Principal	-	-	-	-	3,184,935	580,000	-
Bond issuance cost	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	1,642,962	1,133,650	-
Total expenditures	<u>4,001,915</u>	<u>2,164,705</u>	<u>13,843,849</u>	<u>15,300,311</u>	<u>4,827,897</u>	<u>2,149,502</u>	<u>416,929</u>
Excess of revenues over (under) expenditures	<u>1,356,768</u>	<u>-</u>	<u>3,646,027</u>	<u>(2,616,527)</u>	<u>(4,738,831)</u>	<u>(489,344)</u>	<u>(168,286)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Issuance of debt	-	-	-	-	-	363,387	-
Bond premium	-	-	-	-	-	-	-
Payment to refunded debt escrow agent	-	-	-	-	-	-	-
Transfers in	-	-	104,834	-	5,094,282	-	-
Transfers out	(1,788,101)	-	-	-	-	-	-
Net other financing sources (uses)	<u>(1,788,101)</u>	<u>-</u>	<u>104,834</u>	<u>-</u>	<u>5,094,282</u>	<u>363,387</u>	<u>-</u>
Net change in fund balances	(431,333)	-	3,750,861	(2,616,527)	355,451	(125,957)	(168,286)
Fund balances, July 1	16,228,731	-	(5,813,019)	5,640,104	1,926,679	5,598,080	5,605,581
Prior period adjustment	-	-	-	-	-	1,451,547	-
Fund balances, June 30	<u>\$ 15,797,398</u>	<u>\$ -</u>	<u>\$ (2,062,158)</u>	<u>\$ 3,023,577</u>	<u>\$ 2,282,130</u>	<u>\$ 6,923,670</u>	<u>\$ 5,437,295</u>

**City of Oxnard, California**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the Year Ended June 30, 2013**

State Gas Tax	Traffic Safety	Transportation Development Fund	Maintenance Assessment Districts Fund	Total Non-major Governmental Funds	
\$ -	\$ -	\$ -	\$ -	\$ 12,935,974	<b>REVENUES</b>
-	-	-	-	1,172,557	Taxes
6,074,320	-	2,300,752	-	27,792,414	Licenses and permits
-	-	-	-	3,512,534	Intergovernmental
778,895	-	37,311	-	816,206	Growth and development fees
-	219,642	-	-	255,422	Charges for services
50,006	-	29,873	163,229	754,277	Fines and forfeitures
-	-	-	8,022,913	8,022,913	Interest
9,705	-	172,218	20,273	2,311,755	Special assessments
6,912,926	219,642	2,540,154	8,206,415	57,574,052	Miscellaneous
					Total revenues
					<b>EXPENDITURES</b>
					Current:
3,625	-	-	121,559	384,677	General government
-	227,666	-	2,725,488	23,799,556	Public safety
4,610,024	-	671,211	155,433	6,031,051	Transportation
38	-	-	-	6,426,063	Community Development
-	-	-	5,351,997	5,500,215	Culture and leisure
-	-	-	-	19,081	Library services
1,701,964	41,403	1,749,090	407,903	11,770,319	Capital outlay
-	-	-	-	3,764,935	Debt service:
-	-	-	-	-	Principal
-	-	-	-	-	Bond issuance cost
-	-	-	-	2,776,612	Interest and fiscal charges
6,315,651	269,069	2,420,301	8,762,380	60,472,509	Total expenditures
597,275	(49,427)	119,853	(555,965)	(2,898,457)	Excess of revenues over (under) expenditures
					<b>OTHER FINANCING SOURCES (USES)</b>
-	-	-	-	363,387	Issuance of debt
-	-	-	-	-	Bond premium
-	-	-	-	-	Payment to refunded debt escrow agent
-	300,000	-	34,004	5,533,120	Transfers in
-	-	-	-	(1,788,101)	Transfers out
-	300,000	-	34,004	4,108,406	Net other financing sources (uses)
597,275	250,573	119,853	(521,961)	1,209,949	Net change in fund balances
5,540,243	116,353	776,379	14,239,205	49,858,336	Fund balances, July 1
-	-	-	-	1,451,547	Prior period adjustment
<b>\$ 6,137,518</b>	<b>\$ 366,926</b>	<b>\$ 896,232</b>	<b>\$ 13,717,244</b>	<b>\$ 52,519,832</b>	Fund balances, June 30

**City of Oxnard, California**  
**Non-Major - Development Fees Special Revenue Funds**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**

	<u>Original Budget</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Licenses and permits	\$ 804,000	\$ 804,000	\$ 1,172,557	\$ 368,557
Growth and development fees	2,717,000	3,262,061	3,512,534	250,473
Interest	114,000	114,000	293,008	179,008
Miscellaneous	344,100	351,650	380,584	28,934
Total revenues	<u>3,979,100</u>	<u>4,531,711</u>	<u>5,358,683</u>	<u>826,972</u>
<b>EXPENDITURES</b>				
General government	120,713	120,713	249,253	(128,540)
Public safety	810,345	810,345	875,741	(65,396)
Transportation	168,000	203,320	588,948	(385,628)
Community development	-	223,418	449,073	(225,655)
Culture and leisure	-	-	59,749	(59,749)
Capital Outlay	1,619,580	12,591,561	1,779,151	10,812,410
Total expenditures	<u>2,718,638</u>	<u>13,949,357</u>	<u>4,001,915</u>	<u>9,947,442</u>
Excess (deficiency) of revenues over expenditures	<u>1,260,462</u>	<u>(9,417,646)</u>	<u>1,356,768</u>	<u>10,774,414</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(1,788,101)</u>	<u>(1,788,101)</u>	<u>(1,788,101)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,788,101)</u>	<u>(1,788,101)</u>	<u>(1,788,101)</u>	<u>-</u>
Net change in fund balances	(527,639)	(11,205,747)	(431,333)	10,774,414
Fund balance, July 1	16,228,731	16,228,731	16,228,731	-
<b>Fund balance, June 30</b>	<b><u>\$ 15,701,092</u></b>	<b><u>\$ 5,022,984</u></b>	<b><u>\$ 15,797,398</u></b>	<b><u>\$ 10,774,414</u></b>

**City of Oxnard**  
**Non-Major - CDBG & HUD**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual**  
**For the Year Ended June 30, 2014**

	<u>Original Budget</u>	<u>Final Budgeted Amount</u>	<u>Actual Amount</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Intergovernmental	\$ 3,022,948	\$ 3,022,948	\$ 2,164,705	\$ (858,243)
Total revenues	<u>3,022,948</u>	<u>3,022,948</u>	<u>2,164,705</u>	<u>(858,243)</u>
<b>EXPENDITURES</b>				
Public safety	208,560	200,000	200,003	(3)
Community Development	1,520,784	2,444,385	1,528,029	916,356
Culture and leisure	37,940	17,020	15,970	1,050
Capital Outlay	<u>1,026,317</u>	<u>2,323,781</u>	<u>420,703</u>	<u>1,903,078</u>
Total expenditures	<u>2,793,601</u>	<u>4,985,186</u>	<u>2,164,705</u>	<u>2,820,481</u>
Excess(deficiency) of revenues over (under) expenditures	<u>229,347</u>	<u>(1,962,238)</u>	<u>-</u>	<u>1,962,238</u>
Net change in fund balances	229,347	(1,962,238)	-	1,962,238
Fund balances-July 1	-	-	-	-
Fund balances-June 30	<u><u>\$ 229,347</u></u>	<u><u>\$ (1,962,238)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,962,238</u></u>

**City of Oxnard, California**  
**Non-Major - State and Federal Grant Funds**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**

	<b>Original Budget</b>	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
<b>REVENUES</b>				
Intergovernmental	\$ 245,437	\$ 8,957,796	\$ 17,252,637	\$ 8,294,841
Fines and forfeitures	-	-	35,780	35,780
Interest	-	-	9,506	9,506
Miscellaneous	-	99,049	191,953	92,904
Total revenues	<u>245,437</u>	<u>9,056,845</u>	<u>17,489,876</u>	<u>8,433,031</u>
<b>EXPENDITURES</b>				
Public safety	-	7,231,861	4,470,347	2,761,514
Transportation	-	250,000	5,435	244,565
Community development	259,214	7,286,634	4,283,493	3,003,141
Culture and leisure	10,000	175,564	72,499	103,065
Library services	-	67,570	19,081	48,489
Capital Outlay	-	12,135,836	4,992,994	7,142,842
Total expenditures	<u>269,214</u>	<u>27,147,465</u>	<u>13,843,849</u>	<u>13,303,616</u>
Excess (deficiency) of revenues over expenditures	<u>(23,777)</u>	<u>(18,090,620)</u>	<u>3,646,027</u>	<u>21,736,647</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	83,714	104,834	21,120
Total other financing sources (uses)	<u>-</u>	<u>83,714</u>	<u>104,834</u>	<u>21,120</u>
Net change in fund balances	<u>(23,777)</u>	<u>(18,006,906)</u>	<u>3,750,861</u>	<u>21,757,767</u>
Fund balance, July 1	(5,813,019)	(5,813,019)	(5,813,019)	-
<b>Fund balance, June 30</b>	<b><u><u>\$ (5,836,796)</u></u></b>	<b><u><u>\$ (23,819,925)</u></u></b>	<b><u><u>\$ (2,062,158)</u></u></b>	<b><u><u>\$ 21,757,767</u></u></b>

**City of Oxnard, California**  
**Non-Major - Public Safety Retirement**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**

	<u>Original Budget</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Taxes	\$ 12,000,000	\$ 12,000,000	\$ 12,668,171	\$ 668,171
Investment income	-	-	15,613	15,613
Total revenues	<u>12,000,000</u>	<u>12,000,000</u>	<u>12,683,784</u>	<u>683,784</u>
<b>EXPENDITURES</b>				
Public safety	<u>17,171,515</u>	<u>17,171,515</u>	<u>15,300,311</u>	<u>1,871,204</u>
Total expenditures	<u>17,171,515</u>	<u>17,171,515</u>	<u>15,300,311</u>	<u>1,871,204</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,171,515)</u>	<u>(5,171,515)</u>	<u>(2,616,527)</u>	<u>2,554,988</u>
Net change in fund balances	<u>(5,171,515)</u>	<u>(5,171,515)</u>	<u>(2,616,527)</u>	<u>2,554,988</u>
Fund balance, July 1	<u>5,640,104</u>	<u>5,640,104</u>	<u>5,640,104</u>	<u>-</u>
<b>Fund balance, June 30</b>	<b><u><u>\$ 468,589</u></u></b>	<b><u><u>\$ 468,589</u></u></b>	<b><u><u>\$ 3,023,577</u></u></b>	<b><u><u>\$ 2,554,988</u></u></b>

**City of Oxnard**  
**Non-Major - Debt Service Funds**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual**  
**For Fiscal Year Ended June 30, 2014**

	<u>Original Budget</u>	<u>Final Budgeted Amount</u>	<u>Actual Amount</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Interest	\$ 31,413	\$ 31,413	\$ 89,066	\$ 57,653
Total revenues	<u>31,413</u>	<u>31,413</u>	<u>89,066</u>	<u>57,653</u>
<b>EXPENDITURES</b>				
Debt Service:				
Principal	3,554,322	3,554,322	3,184,935	369,387
Interest	<u>2,766,179</u>	<u>2,766,179</u>	<u>1,642,962</u>	<u>1,123,217</u>
Total expenditures	<u>6,320,501</u>	<u>6,320,501</u>	<u>4,827,897</u>	<u>1,492,604</u>
Excess(deficiency) of revenues over (under) expenditures	<u>(6,289,088)</u>	<u>(6,289,088)</u>	<u>(4,738,831)</u>	<u>1,550,257</u>
<b>OTHER FINANCING SOURCES(USES)</b>				
Transfers in	<u>6,489,684</u>	<u>6,489,684</u>	<u>5,094,282</u>	<u>(1,395,402)</u>
Total other financing uses	<u>6,489,684</u>	<u>6,489,684</u>	<u>5,094,282</u>	<u>(1,395,402)</u>
Net changes in fund balances	200,596	200,596	355,451	154,855
Fund balance-July 1	<u>1,926,679</u>	<u>1,926,679</u>	<u>1,926,679</u>	<u>-</u>
<b>Fund balance-June 30</b>	<u><b>\$ 2,127,275</b></u>	<u><b>\$ 2,127,275</b></u>	<u><b>\$ 2,282,130</b></u>	<u><b>\$ 154,855</b></u>



**City Of Oxnard, California**  
**Non-Major - Capital Outlay Funds**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**

	<u>Original Budget</u>	<u>Final Budgeted Amount</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ 267,803	\$ 267,803
Interest	-	-	26,745	26,745
Charges for services	-	-	-	-
Miscellaneous	-	-	1,365,610	1,365,610
Total revenues	<u>-</u>	<u>-</u>	<u>1,660,158</u>	<u>1,660,158</u>
<b>EXPENDITURES</b>				
General government	-	-	10,240	(10,240)
Capital Outlay	-	2,615,687	425,612	2,190,075
Debt service:				
Principal	-	-	580,000	(580,000)
Interest	-	-	1,133,650	(1,133,650)
Total expenditures	<u>-</u>	<u>2,615,687</u>	<u>2,149,502</u>	<u>466,185</u>
Excess (deficiency) of revenues over(under) expenditures	<u>-</u>	<u>(2,615,687)</u>	<u>(489,344)</u>	<u>2,126,343</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of bonds	-	-	363,387	363,387
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>363,387</u>	<u>363,387</u>
Net change in fund balances	-	(2,615,687)	(125,957)	2,489,730
<b>Fund balance, July 1</b>	5,598,080	5,598,080	5,598,080	-
Prior period adjustment	-	-	1,451,547	-
<b>Fund balance, June 30</b>	<u>\$ 5,598,080</u>	<u>\$ 2,982,393</u>	<u>\$ 6,923,670</u>	<u>\$ 2,489,730</u>

**City Of Oxnard, California**  
**Non-Major - Housing Successor**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**

	<u>Original Budget</u>	<u>Final Budgeted Amount</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ 77,231	\$ 77,231
Miscellaneous	-	-	171,412	171,412
Total revenues	<u>-</u>	<u>-</u>	<u>248,643</u>	<u>248,643</u>
<b>EXPENDITURES</b>				
Community development	-	-	165,430	(165,430)
Capital Outlay	-	-	251,499	(251,499)
Total expenditures	<u>-</u>	<u>-</u>	<u>416,929</u>	<u>(416,929)</u>
Excess (deficiency) of revenues over(under) expenditures	<u>-</u>	<u>-</u>	<u>(168,286)</u>	<u>(168,286)</u>
Net change in fund balances	-	-	(168,286)	(168,286)
Fund balance, July 1	5,605,581	5,605,581	5,605,581	-
<b>Fund balance, June 30</b>	<u><b>\$ 5,605,581</b></u>	<u><b>\$ 5,605,581</b></u>	<u><b>\$ 5,437,295</b></u>	<u><b>\$ (168,286)</b></u>

**City of Oxnard, California**  
**Non-Major - State Gas Tax Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**

	<u>Original Budget</u>	<u>Final Budgeted Amount</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Intergovernmental	\$ 4,950,000	\$ 4,950,000	\$ 6,074,320	\$ 1,124,320
Charges for services	880,000	880,000	778,895	(101,105)
Interest	24,000	24,000	50,006	26,006
Miscellaneous	7,000	7,000	9,705	2,705
Total revenues	<u>5,861,000</u>	<u>5,861,000</u>	<u>6,912,926</u>	<u>1,051,926</u>
<b>EXPENDITURES</b>				
General government	5,125	5,125	3,625	1,500
Transportation	4,906,673	4,906,673	4,610,024	296,649
Community development	9,400	9,400	38	9,362
Capital Outlay	-	2,765,559	1,701,964	1,063,595
Debt service:				
Principal	580,000	-	-	-
Interest	1,133,650	-	-	-
Total expenditures	<u>6,634,848</u>	<u>7,686,757</u>	<u>6,315,651</u>	<u>1,371,106</u>
Excess(deficiency) of revenues over(under) expenditures	<u>(773,848)</u>	<u>(1,825,757)</u>	<u>597,275</u>	<u>2,423,032</u>
Net change in fund balances	<u>(773,848)</u>	<u>(1,825,757)</u>	<u>597,275</u>	<u>2,423,032</u>
Fund balance, July 1	<u>5,540,243</u>	<u>5,540,243</u>	<u>5,540,243</u>	<u>-</u>
<b>Fund balance, June 30</b>	<b><u>\$ 4,766,395</u></b>	<b><u>\$ 3,714,486</u></b>	<b><u>\$ 6,137,518</u></b>	<b><u>\$ 2,423,032</u></b>

**City of Oxnard, California**  
**Non-Major - Traffic Safety**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**

	<u>Original Budget</u>	<u>Final Budgeted Amount</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Charges for services	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Fines and forfeitures	320,000	320,000	219,642	(100,358)
Total revenues	<u>330,000</u>	<u>330,000</u>	<u>219,642</u>	<u>(110,358)</u>
<b>EXPENDITURES</b>				
Public safety	321,462	272,964	227,666	45,298
Capital Outlay	-	48,498	41,403	7,095
Total expenditures	<u>321,462</u>	<u>321,462</u>	<u>269,069</u>	<u>52,393</u>
Excess(deficiency) of revenues over(under) expenditures	<u>8,538</u>	<u>8,538</u>	<u>(49,427)</u>	<u>(57,965)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	300,000	300,000	300,000	-
Total other financing sources (uses)	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
Net change in fund balances	308,538	308,538	250,573	(57,965)
Fund balance, July 1	116,353	116,353	116,353	-
<b>Fund balance, June 30</b>	<b><u>\$ 424,891</u></b>	<b><u>\$ 424,891</u></b>	<b><u>\$ 366,926</u></b>	<b><u>\$ (57,965)</u></b>

**City of Oxnard, California**  
**Non-Major - Transportation Development**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**

	<u>Original Budget</u>	<u>Final Budgeted Amount</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Intergovernmental	\$ 595,000	\$ 595,000	\$ 2,300,752	\$ 1,705,752
Charges for services	20,000	20,000	37,311	17,311
Interest	18,000	18,000	29,873	11,873
Miscellaneous	180,000	180,000	172,218	(7,782)
Total revenues	<u>813,000</u>	<u>813,000</u>	<u>2,540,154</u>	<u>1,727,154</u>
<b>EXPENDITURES</b>				
Transportation	661,689	976,899	671,211	305,688
Capital Outlay	50,000	2,172,934	1,749,090	423,844
Total expenditures	<u>711,689</u>	<u>3,149,833</u>	<u>2,420,301</u>	<u>729,532</u>
Excess(deficiency) of revenues over(under) expenditures	<u>101,311</u>	<u>(2,336,833)</u>	<u>119,853</u>	<u>2,456,686</u>
Net change in fund balances	101,311	(2,336,833)	119,853	2,456,686
Fund balance, July 1	776,379	776,379	776,379	-
<b>Fund balance, June 30</b>	<b><u>\$ 877,690</u></b>	<b><u>\$ (1,560,454)</u></b>	<b><u>\$ 896,232</u></b>	<b><u>\$ 2,456,686</u></b>

**City of Oxnard, California**  
**Non-Major - Maintenance Assessment District**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**

	<u>Original Budget</u>	<u>Final Budgeted Amount</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Special assessments	\$ 9,133,079	\$ 9,133,079	\$ 8,022,913	\$ (1,110,166)
Interest	123,988	123,988	163,229	39,241
Miscellaneous	23,400	23,400	20,273	(3,127)
Total revenues	<u>9,280,467</u>	<u>9,280,467</u>	<u>8,206,415</u>	<u>(1,074,052)</u>
<b>EXPENDITURES</b>				
General government	131,009	131,009	121,559	9,450
Public safety	2,629,209	2,710,189	2,725,488	(15,299)
Transportation	869,070	827,245	155,433	671,812
Community development	95,100	95,100	-	95,100
Culture and leisure	5,078,098	5,119,923	5,351,997	(232,074)
Capital Outlay	50,000	1,546,914	407,903	1,139,011
Total expenditures	<u>8,852,486</u>	<u>10,430,380</u>	<u>8,762,380</u>	<u>1,668,000</u>
Excess(deficiency) of revenues over(under) expenditures	<u>427,981</u>	<u>(1,149,913)</u>	<u>(555,965)</u>	<u>593,948</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	250,000	250,000	34,004	(215,996)
Total other financing sources (uses)	<u>250,000</u>	<u>250,000</u>	<u>34,004</u>	<u>(215,996)</u>
Net change in fund balances	677,981	(899,913)	(521,961)	377,952
Fund balance, July 1	14,239,205	14,239,205	14,239,205	-
<b>Fund balance, June 30</b>	<b><u>\$ 14,917,186</u></b>	<b><u>\$ 13,339,292</u></b>	<b><u>\$ 13,717,244</u></b>	<b><u>\$ 377,952</u></b>

# **INTERNAL SERVICE FUNDS**



## **Internal Service Funds**

Internal Service Funds are established to account for goods and services provided by one City department to other City department or related entities, generally on a cost recovery basis.

**Public Liability and Property Damage Fund**-This fund is used to account for the City's self-insurance program of providing public liability and property damage insurance coverage and claims adjustment services to the City's operating funds.

**Workers' Compensation Fund**-This fund is used to account for the City's self-insurance program for workers' compensation claims.

**Utility Customer Services Fund**-This fund is used to account for the costs associated with administering the operation of the Customer Services Division and to distribute these costs to the various City utilities such as water, sewer and refuse.

**Information Services Fund**-This fund is used to account for the costs associated with the City's data/word processing and financial systems and to distribute these costs to the departments using the systems on a pro-rata basis. Included are costs for hardware and software maintenance, computer operation costs and some centralized supplies.

**Facilities Maintenance Fund**-This fund is used to account for the operation and maintenance of City facilities, properties and capital projects.

**Equipment Maintenance Fund**-This fund is used to account for automotive fleet maintenance and services provided to City departments.



City of Oxnard, California  
Statement of Net Position  
Internal Service Funds  
June 30, 2014

	<b>Public Liability / Property Damage</b>	<b>Worker's Compensation</b>	<b>Utility Customer Service</b>	<b>Information Services</b>	<b>Facilities Maintenance</b>	<b>Equipment Maintenance</b>	<b>Total</b>
<b>ASSETS</b>							
Cash and cash equivalents	\$ 3,885,118	\$ 8,749,738	\$ 514,014	\$ 2,319,289	\$ 110,521	\$ 28,620	\$ 15,607,300
Accounts and other receivable (net of allowance for uncollectibles)	16,383	-	-	-	191	-	16,574
Other assets	-	-	32,900	-	-	-	32,900
Advances to other funds	-	1,093,180	-	-	-	-	1,093,180
<b>Capital assets:</b>							
Land	595,500	-	-	-	-	-	595,500
Machinery and equipment	62,621	56,827	42,507	2,115,017	621,981	985,443	3,884,396
Construction in progress	21,188	-	-	1,330,799	-	277,350	1,629,337
Total capital assets	679,309	56,827	42,507	3,445,816	621,981	1,262,793	6,109,233
Less accumulated depreciation	(55,954)	(56,827)	(42,507)	(1,890,051)	(576,362)	(632,003)	(3,253,704)
Net capital assets	623,355	-	-	1,555,765	45,619	630,790	2,855,529
Total assets	<b>4,524,856</b>	<b>9,842,918</b>	<b>546,914</b>	<b>3,875,054</b>	<b>156,331</b>	<b>659,410</b>	<b>19,605,483</b>
<b>LIABILITIES</b>							
<b>Current liabilities:</b>							
Accounts payable	26,077	24,818	49,135	129,643	17,482	198,610	445,765
Other liabilities	1,569	10,785	13,558	48,941	62,942	101,707	239,502
Capital lease payable - current	-	-	-	-	-	29,657	29,657
Compensated absences payable - current	-	10,500	19,500	153,000	169,000	273,000	625,000
Self insurance claims - due within one year	2,316,272	4,323,423	-	-	-	-	6,639,695
Total current liabilities	2,343,918	4,369,526	82,193	331,584	249,424	602,974	7,979,619
<b>Noncurrent liabilities:</b>							
Compensated absences payable	-	10,209	19,345	60,883	93,427	154,596	338,460
Self insurance claims	1,389,870	7,858,457	-	-	-	-	9,248,327
Other post employment payable	106,755	14,307	49,005	101,949	147,266	178,048	597,330
Capital lease payable	-	-	-	-	-	15,155	15,155
Other liabilities	3,897	23,404	30,786	115,472	146,904	209,249	529,712
Total noncurrent liabilities	1,500,522	7,906,377	99,136	278,304	387,597	557,048	10,728,984
Total liabilities	<b>3,844,440</b>	<b>12,275,903</b>	<b>181,329</b>	<b>609,888</b>	<b>637,021</b>	<b>1,160,022</b>	<b>18,708,603</b>
<b>NET POSITION</b>							
Net investment in capital assets	623,355	-	-	1,555,765	45,619	585,978	2,810,717
Unrestricted	57,061	(2,432,985)	365,585	1,709,401	(526,309)	(1,086,590)	(1,913,837)
Total net position	<b>\$ 680,416</b>	<b>\$ (2,432,985)</b>	<b>\$ 365,585</b>	<b>\$ 3,265,166</b>	<b>\$ (480,690)</b>	<b>\$ (500,612)</b>	<b>\$ 896,880</b>

The notes to the financial statements are an integral part to this statement.

City of Oxnard, California  
Internal Service Funds  
Combining Statement of Revenues, Expenses and Changes in Net Position  
For Fiscal Year Ended June 30, 2014

	Public Liability/Property Damage	Workers' Compensation	Utility Customer Services	Information Services	Facilities Maintenance	Equipment Maintenance	Total
<b>OPERATING REVENUES:</b>							
Charges for services	\$ 2,734,416	\$ 4,861,931	\$ 1,539,972	\$ 3,710,108	\$ 3,487,304	\$ 9,616,775	\$ 25,950,506
Miscellaneous	256,213	311,263	-	-	54,049	18,385	639,910
Total operating income	<u>2,990,629</u>	<u>5,173,194</u>	<u>1,539,972</u>	<u>3,710,108</u>	<u>3,541,353</u>	<u>9,635,160</u>	<u>26,590,416</u>
<b>OPERATING EXPENSES:</b>							
Salaries and wages	59,335	382,441	502,337	1,792,585	2,433,400	3,748,583	8,918,681
Contractual services	183,331	308,068	73,929	115,502	102,710	81,818	865,358
Operating supplies	-	-	-	119,553	291,417	4,400,062	4,811,032
Utilities	-	2,496	8,047	882,545	550,418	17,626	1,461,132
Depreciation	1,667	-	-	166,462	15,243	76,074	259,446
General and administrative	161,331	475,871	922,469	352,040	242,510	515,567	2,669,788
Repairs and maintenance	5,411	24,612	13,184	338,819	101,417	839,603	1,323,046
Claims expenses	3,355,876	4,940,421	-	-	-	-	8,296,297
Total operating expenses	<u>3,766,951</u>	<u>6,133,909</u>	<u>1,519,966</u>	<u>3,767,506</u>	<u>3,737,115</u>	<u>9,679,333</u>	<u>28,604,780</u>
Operating income (loss)	<u>(776,322)</u>	<u>(960,715)</u>	<u>20,006</u>	<u>(57,398)</u>	<u>(195,762)</u>	<u>(44,173)</u>	<u>(2,014,364)</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>							
Interest income	57,223	117,069	4,740	31,051	2,336	3,946	216,365
Interest (expense)	-	-	-	-	-	(1,872)	(1,872)
Total non-operating revenues (expenses)	<u>57,223</u>	<u>117,069</u>	<u>4,740</u>	<u>31,051</u>	<u>2,336</u>	<u>2,074</u>	<u>214,493</u>
Income (loss) before contributions and transfers	<u>(719,099)</u>	<u>(843,646)</u>	<u>24,746</u>	<u>(26,347)</u>	<u>(193,426)</u>	<u>(42,099)</u>	<u>(1,799,871)</u>
Changes in net position	<u>(719,099)</u>	<u>(843,646)</u>	<u>24,746</u>	<u>(26,347)</u>	<u>(193,426)</u>	<u>(42,099)</u>	<u>(1,799,871)</u>
Net Position - July 1	1,401,502	(1,577,406)	356,535	3,350,386	(212,365)	(351,828)	2,966,824
Prior period adjustment	(1,987)	(11,933)	(15,696)	(58,873)	(74,899)	(106,685)	(270,073)
Net Position - June 30	<u>\$ 680,416</u>	<u>\$ (2,432,985)</u>	<u>\$ 365,585</u>	<u>\$ 3,265,166</u>	<u>\$ (480,690)</u>	<u>\$ (500,612)</u>	<u>\$ 896,880</u>

The notes to the financial statements are an integral part to this statement.

City of Oxnard, California  
Internal Service Funds  
Combining Statement of Cash Flows  
For the Year Ended June 30, 2014

	<u>Public Liability/ Property Damage</u>	<u>Worker's Compensation</u>	<u>Utility Customer Service</u>	<u>Information Services</u>	<u>Facilities Maintenance</u>	<u>Equipment Maintenance</u>	<u>Total</u>
<b>Cash flows from operating activities :</b>							
Receipts from customers	\$ 3,000,550	\$ 5,248,495	\$ 1,539,972	\$ 3,710,108	\$ 3,544,920	\$ 9,635,160	\$ 26,679,205
Payments to suppliers	(447,024)	(806,300)	(992,577)	(1,778,923)	(1,333,872)	(6,102,316)	(11,461,012)
Payments to employees	(57,425)	(367,907)	(475,883)	(1,734,246)	(2,356,222)	(3,574,568)	(8,566,251)
Claims paid	(2,989,169)	(4,086,899)	-	-	-	-	(7,076,068)
Net cash flows from operating activities	<u>(493,068)</u>	<u>(12,611)</u>	<u>71,512</u>	<u>196,939</u>	<u>(145,174)</u>	<u>(41,724)</u>	<u>(424,126)</u>
<b>Cash flows from capital financing activities:</b>							
Acquisitions(Disposals) of capital assets	(21,189)	-	-	(56,803)	0	(68,529)	(146,521)
Interest paid on long-term debt	-	-	-	-	-	(1,872)	(1,872)
Principal paid on long-term debt	-	-	-	-	-	(28,808)	(28,808)
Net cash flows from capital financing activities	<u>(21,189)</u>	<u>-</u>	<u>-</u>	<u>(56,803)</u>	<u>-</u>	<u>(99,209)</u>	<u>(177,201)</u>
<b>Cash flows from investing activities:</b>							
Interest on investments	57,223	117,069	4,740	31,051	2,336	3,946	216,365
Cash flows from investing activities	<u>57,223</u>	<u>117,069</u>	<u>4,740</u>	<u>31,051</u>	<u>2,336</u>	<u>3,946</u>	<u>216,365</u>
Net increase (decrease) in cash and cash equivalents	<u>(457,034)</u>	<u>104,458</u>	<u>76,252</u>	<u>171,187</u>	<u>(142,838)</u>	<u>(136,987)</u>	<u>(384,962)</u>
Cash and cash equivalents-July 1	4,342,152	8,645,280	437,762	2,148,102	253,359	165,607	15,992,262
<b>Cash and cash equivalents-June 30</b>	<u><b>\$ 3,885,118</b></u>	<u><b>\$ 8,749,738</b></u>	<u><b>\$ 514,014</b></u>	<u><b>\$ 2,319,289</b></u>	<u><b>\$ 110,521</b></u>	<u><b>\$ 28,620</b></u>	<u><b>\$ 15,607,300</b></u>
Reconciliation of operating income (loss) to net cash used by operating activities:							
Operating income (loss)	\$ (776,322)	\$ (960,715)	\$ 20,006	\$ (57,398)	\$ (195,762)	\$ (44,173)	\$ (2,014,364)
<b>Adjustment to reconcile operating income to net cash provided by operating activities:</b>							
Depreciation and amortization	1,667			166,462	15,243	76,074	259,446
Loss on Disposal of Capital Assets							
<b>Changes in assets and liabilities:</b>							
Decrease (increase) in accounts receivable	9,921	75,301	0	0	3,567	0	88,789
Increase (decrease) in accounts payable	(96,951)	4,747	25,052	29,536	(45,400)	(247,640)	(330,656)
Increase (decrease) in self insurance liability	366,707	853,522	0	0	0	0	1,220,229
Increase (decrease) in compensated absences	1,910	14,534	26,454	58,339	77,178	174,015	352,430
<b>Cash flows from operating activities</b>	<u><b>\$ (493,068)</b></u>	<u><b>\$ (12,611)</b></u>	<u><b>\$ 71,512</b></u>	<u><b>\$ 196,939</b></u>	<u><b>\$ (145,174)</b></u>	<u><b>\$ (41,724)</b></u>	<u><b>\$ (424,126)</b></u>

The notes to the financial statements are an integral part of this statement.

# FIDUCIARY FUNDS



**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**June 30, 2014**

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2014</u>
<b>ARTWORKS FUND</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 53,221	\$ 495	\$ -	\$ 53,716
<b>Total Assets</b>	<u>\$ 53,221</u>	<u>\$ 495</u>	<u>\$ -</u>	<u>\$ 53,716</u>
<b>Liabilities:</b>				
Trust and Agency Payables	\$ 53,221	\$ 495	\$ -	\$ 53,716
<b>Total Liabilities</b>	<u>\$ 53,221</u>	<u>\$ 495</u>	<u>\$ -</u>	<u>\$ 53,716</u>
<b>IMPROVEMENT DISTRICTS FUND</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 4,881,505	\$ 4,869,941	\$ 5,473,470	\$ 4,277,976
Investments with Fiscal Agents	15,102,049	301,051	12,065,382	3,337,718
<b>Total Assets</b>	<u>\$ 19,983,554</u>	<u>\$ 5,170,992</u>	<u>\$ 17,538,852</u>	<u>\$ 7,615,694</u>
<b>Liabilities:</b>				
Trust and Agency Payables	\$ 19,983,554	\$ 5,170,992	\$ 17,538,852	\$ 7,615,694
<b>Total Liabilities</b>	<u>\$ 19,983,554</u>	<u>\$ 5,170,992</u>	<u>\$ 17,538,852</u>	<u>\$ 7,615,694</u>
<b>ODMD</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 14,627	\$ 531,471	\$ 307,190	\$ 238,908
<b>Total Assets</b>	<u>\$ 14,627</u>	<u>\$ 531,471</u>	<u>\$ 307,190</u>	<u>\$ 238,908</u>
<b>Liabilities:</b>				
Trust and Agency Payables	\$ 14,627	\$ 531,471	\$ 307,190	\$ 238,908
<b>Total Liabilities</b>	<u>\$ 14,627</u>	<u>\$ 531,471</u>	<u>\$ 307,190</u>	<u>\$ 238,908</u>
<b>TOTAL - ALL FIDUCIARY FUNDS</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 4,949,353	\$ 5,401,907	\$ 5,780,660	\$ 4,570,600
Investments with Fiscal Agents	15,102,049	301,051	12,065,382	3,337,718
<b>Total Assets</b>	<u>\$ 20,051,402</u>	<u>\$ 5,702,958</u>	<u>\$ 17,846,042</u>	<u>\$ 7,908,318</u>
<b>Liabilities:</b>				
Trust and Agency Payables	\$ 20,051,402	\$ 5,702,958	\$ 17,846,042	\$ 7,908,318
<b>Total Liabilities</b>	<u>\$ 20,051,402</u>	<u>\$ 5,702,958</u>	<u>\$ 17,846,042</u>	<u>\$ 7,908,318</u>

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# STATISTICAL SECTION



**Statistical Section  
(Unaudited)**

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## City of Oxnard, California

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

	Fiscal Year				
	2005	2006	2007	2008	2009
<b>Governmental activities</b>					
Net investment in capital asset	\$131,874,401	\$1,313,161,486	\$1,329,023,654	\$1,357,202,580	\$1,371,345,945
Restricted	16,183,475	15,902,180	33,774,265	48,175,216	12,852,498
Unrestricted	80,742,442	95,688,754	94,848,663	79,025,330	111,642,569
Total governmental activities net assets	<u>\$228,800,318</u>	<u>\$1,424,752,420</u>	<u>\$1,457,646,582</u>	<u>\$1,484,403,126</u>	<u>\$1,495,841,012</u>
<b>Business-type activities</b>					
Net investment in capital asset	\$97,741,991	\$154,777,148	\$225,311,825	\$229,468,962	\$238,066,640
Restricted	7,696,523	13,405,164	12,508,465	8,782,553	7,811,268
Unrestricted	138,793,254	83,556,063	46,954,212	47,628,743	55,267,595
Total business-type activities net assets	<u>\$244,231,768</u>	<u>\$251,738,375</u>	<u>\$284,774,502</u>	<u>\$285,880,258</u>	<u>\$301,145,503</u>
<b>Primary government</b>					
Net investment in capital asset	\$229,616,392	\$1,467,938,634	\$1,554,335,479	\$1,586,671,542	\$1,609,412,585
Restricted	23,879,998	29,307,344	46,282,730	56,957,769	20,663,766
Unrestricted	219,535,696	179,244,817	141,802,875	126,654,073	166,910,164
Total primary government net assets	<u>\$473,032,086</u>	<u>\$1,676,490,795</u>	<u>\$1,742,421,084</u>	<u>\$1,770,283,384</u>	<u>\$1,796,986,515</u>

Source: Finance Department, City of Oxnard

## City of Oxnard, California

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

		Fiscal Year			
2010	2011	2012	2013	2014	
					Governmental activities
\$1,377,784,811	\$1,411,737,702	\$1,386,189,664	\$1,407,060,810	\$1,400,890,107	Net investment in capital asset
25,080,711	72,142,274	18,707,789	28,720,391	45,801,395	Restricted
97,095,180	41,934,961	58,748,720	22,539,194	8,226,160	Unrestricted
<u>\$1,499,960,702</u>	<u>\$1,525,814,937</u>	<u>\$1,463,646,173</u>	<u>\$1,458,320,395</u>	<u>\$1,454,917,662</u>	Total governmental activities net assets
					Business-type activities
\$250,720,062	\$265,617,506	\$264,692,784	\$285,475,430	\$287,649,591	Net investment in capital asset
17,706,319	18,417,110	17,602,552	16,577,898	17,096,075	Restricted
38,725,334	43,239,167	50,315,899	34,418,934	44,328,734	Unrestricted
<u>\$307,151,715</u>	<u>\$327,273,783</u>	<u>\$332,611,235</u>	<u>\$336,472,262</u>	<u>\$349,074,400</u>	Total business-type activities net assets
					Primary government
\$1,628,504,873	\$1,677,355,208	\$1,650,882,448	\$1,692,536,240	\$1,688,539,698	Net investment in capital asset
42,787,030	90,559,384	36,310,341	45,298,289	62,897,470	Restricted
135,820,514	85,174,128	109,064,619	56,958,128	52,554,894	Unrestricted
<u>\$1,807,112,417</u>	<u>\$1,853,088,720</u>	<u>\$1,796,257,408</u>	<u>\$1,794,792,657</u>	<u>\$1,803,992,062</u>	Total primary government net assets

## City of Oxnard, California

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

	Fiscal Year				
	2005	2006	2007	2008	2009
<b>Expenses</b>					
<b>Governmental activities:</b>					
General government	\$13,646,432	\$18,360,819	\$19,130,468	\$21,898,728	\$19,717,999
Public safety	68,542,046	75,789,982	80,579,263	88,547,776	86,249,353
Transportation	9,912,068	10,341,829	9,893,618	10,847,730	10,600,127
Community development	18,937,934	22,614,813	19,369,860	27,123,076	26,989,828
Culture and leisure	12,018,761	15,345,765	16,015,957	18,162,564	20,945,072
Libraries	3,919,671	4,654,234	5,025,580	5,517,965	5,341,028
Interest on long-term debt	2,299,356	1,904,516	3,263,821	4,701,143	6,519,008
Total governmental activities expenses	<u>129,276,268</u>	<u>149,011,958</u>	<u>153,278,567</u>	<u>176,798,982</u>	<u>176,362,415</u>
<b>Business-type activities:</b>					
Water	23,152,648	26,636,150	30,683,509	33,417,143	29,837,359
Wastewater	25,482,133	27,939,236	29,033,021	24,009,381	22,337,575
Environmental resource	37,117,879	38,535,592	39,817,351	45,329,486	41,117,534
Performing arts and convention center	1,565,920	1,590,321	1,761,156	1,829,853	1,799,861
Oxnard housing authority	25,507,125	24,724,889	23,494,108	23,758,739	26,153,807
Municipal golf course	4,028,435	3,983,695	4,433,702	3,794,080	7,601,054
Total business-type activities expenses	<u>116,854,140</u>	<u>123,409,883</u>	<u>129,222,847</u>	<u>132,138,682</u>	<u>128,847,190</u>
Total primary government expenses	<u>\$246,130,408</u>	<u>\$272,421,841</u>	<u>\$282,501,414</u>	<u>\$308,937,664</u>	<u>\$305,209,605</u>
<b>Program Revenues</b>					
<b>Governmental activities:</b>					
Charges for services:					
General government	\$8,516,015	\$7,864,784	\$17,237,868	\$8,515,014	\$9,765,771
Public safety	5,306,818	6,513,674	6,114,255	4,921,670	5,017,708
Transportation	2,468,510	4,369,882	4,217,846	4,050,457	4,042,492
Community development	23,822,460	24,448,745	11,095,658	15,030,222	11,825,981
Culture and leisure	2,725,055	928,054	3,903,705	4,401,090	5,273,551
Libraries	209,622	169,339	320,939	246,576	260,577
Operating grants and contributions	20,254,587	30,436,511	25,025,965	23,207,919	25,875,331
Capital grants and contributions	-	16,758,901	6,804,709	12,902,805	9,420,033
Total governmental activities program revenues	<u>63,303,067</u>	<u>91,489,890</u>	<u>74,720,945</u>	<u>73,275,753</u>	<u>71,481,444</u>

Source: Finance Department, City of Oxnard

## City of Oxnard, California

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

Fiscal Year					
2010	2011	2012	2013	2014	
					<b>Expenses</b>
					<b>Governmental activities:</b>
\$18,695,220	\$20,845,702	\$18,680,585	\$18,129,124	\$17,851,478	General government
92,554,917	92,702,882	98,603,456	103,079,427	105,886,922	Public safety
10,321,184	10,521,098	11,030,990	10,331,822	10,151,437	Transportation
32,863,176	26,225,688	33,705,121	21,162,624	16,445,165	Community development
19,016,619	19,047,037	18,858,694	19,334,566	20,089,724	Culture and leisure
5,176,704	5,230,252	5,203,318	4,916,628	4,901,223	Libraries
5,583,856	5,503,330	3,532,902	2,973,016	2,792,053	Interest on long-term debt
<u>184,211,676</u>	<u>180,075,989</u>	<u>189,615,066</u>	<u>179,927,207</u>	<u>178,118,002</u>	Total governmental activities expenses
					<b>Business-type activities:</b>
36,797,806	34,062,940	37,910,096	44,762,850	44,839,558	Water
24,205,554	23,052,505	29,078,392	34,396,819	34,959,148	Wastewater
39,296,115	41,405,568	41,581,865	40,601,250	39,083,017	Environmental resource
1,651,658	1,606,129	1,587,496	1,534,353	1,543,601	Performing arts and convention center
25,259,519	24,911,450	24,398,669	25,397,453	25,617,591	Oxnard housing authority
4,507,360	6,104,614	6,048,938	6,150,325	6,399,227	Municipal golf course
<u>131,718,012</u>	<u>131,143,206</u>	<u>140,605,456</u>	<u>152,843,050</u>	<u>152,442,142</u>	Total business-type activities expenses
<u>\$315,929,688</u>	<u>\$311,219,195</u>	<u>\$330,220,522</u>	<u>\$332,770,257</u>	<u>\$330,560,144</u>	Total primary government expenses
					<b>Program Revenues</b>
					<b>Governmental activities:</b>
					Charges for services:
\$10,203,810	\$8,422,050	\$9,471,575	\$8,408,578	\$8,808,647	General government
4,202,162	4,246,985	4,426,984	4,460,425	4,878,804	Public safety
5,068,843	2,131,535	2,145,431	3,152,660	3,345,515	Transportation
6,366,499	7,198,058	12,576,655	4,316,880	7,767,004	Community development
5,237,167	5,037,380	5,605,866	4,667,879	4,889,702	Culture and leisure
428,872	399,582	378,004	427,152	444,458	Libraries
24,380,018	27,293,717	30,155,325	27,406,424	32,350,516	Operating grants and contributions
17,106,111	35,331,568	16,598,931	8,313,758	7,486,869	Capital grants and contributions
<u>72,993,482</u>	<u>90,060,875</u>	<u>81,358,771</u>	<u>61,153,756</u>	<u>69,971,515</u>	Total governmental activities program revenues

## City of Oxnard, California

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

	Fiscal Year				
	2005	2006	2007	2008	2009
<b>Business-type activities:</b>					
Charges for services:					
Water	\$34,334,436	\$32,150,667	\$36,855,486	\$35,378,947	\$38,477,754
Wastewater	33,709,319	26,139,278	24,503,133	27,621,114	24,846,717
Environmental resource	36,071,999	36,704,264	40,122,057	42,795,069	39,695,711
Performing arts and convention center	468,732	483,475	517,766	485,548	483,371
Oxnard housing authority	21,411,579	23,197,945	23,137,523	23,785,335	6,105,106
Municipal golf course	3,119,621	3,899,645	3,999,148	3,234,074	4,398,074
Operating grants and contributions	-	-	-	-	19,635,556
Capital grants and contributions	-	1,306,910	-	-	543,140
Total business-like activities program revenues	<u>129,115,686</u>	<u>123,882,184</u>	<u>129,135,113</u>	<u>133,300,087</u>	<u>134,185,429</u>
Total primary government program revenues	<u>\$192,418,753</u>	<u>\$215,372,074</u>	<u>\$203,856,058</u>	<u>\$206,575,840</u>	<u>\$205,666,873</u>
Net (expense) revenue					
Governmental activities	(65,973,201)	(57,522,068)	(78,557,622)	(103,523,229)	(104,880,971)
Business-like activities	12,261,546	472,301	(87,734)	1,161,405	5,338,239
Total primary government net expense	<u>(\$53,711,655)</u>	<u>(\$57,049,767)</u>	<u>(\$78,645,356)</u>	<u>(\$102,361,824)</u>	<u>(\$99,542,732)</u>
<b>General Revenues and Other Changes in Net Assets</b>					
<b>Governmental activities:</b>					
Taxes					
Property taxes	\$49,096,920	\$58,537,770	\$68,429,117	\$75,726,666	\$76,681,392
Sales taxes	23,212,641	23,985,182	25,783,808	24,205,622	24,043,286
Transient occupancy taxes	2,445,468	3,309,716	3,550,903	3,618,611	3,328,803
Franchise taxes	4,572,206	3,914,317	3,686,627	3,986,567	4,635,616
Deed transfer taxes	1,196,393	1,230,768	880,370	860,378	573,882
Business license taxes	3,967,972	4,470,841	4,504,455	4,662,658	5,059,323
Penalties on delinquent taxes	126,250	132,403	129,679	123,956	145,945
Investment earnings	3,911,106	4,860,461	6,653,231	7,561,978	5,556,004
Sale of capital assets	-	7,146,270	-	4,351,772	59,319
Transfers	(1,882,942)	(2,280,393)	(2,166,406)	5,181,566	(3,764,713)
Extraordinary loss	-	-	-	-	-
Contributions to other government	-	-	-	-	-
Total governmental activities	<u>86,646,014</u>	<u>105,307,335</u>	<u>111,451,784</u>	<u>130,279,774</u>	<u>116,318,857</u>
<b>Business-type activities:</b>					
Investment earnings	4,486,577	4,753,913	7,480,785	5,125,917	3,299,336
Sale of capital assets	-	-	23,476,670	-	2,862,957
Transfers	1,481,242	2,280,393	2,166,406	(5,181,566)	3,764,713
Total business-type activities	<u>5,967,819</u>	<u>7,034,306</u>	<u>33,123,861</u>	<u>(55,649)</u>	<u>9,927,006</u>
Total primary government	<u>\$92,613,833</u>	<u>\$112,341,641</u>	<u>\$144,575,645</u>	<u>\$130,224,125</u>	<u>\$126,245,863</u>
<b>Change in Net Assets</b>					
Governmental activities	20,672,813	47,785,267	32,894,162	26,756,545	11,437,886
Business-type activities	18,229,365	7,506,607	33,036,127	1,105,756	15,265,245
Total primary government	<u>\$38,902,178</u>	<u>\$55,291,874</u>	<u>\$65,930,289</u>	<u>\$27,862,301</u>	<u>\$26,703,131</u>

Source: Finance Department, City of Oxnard

**City of Oxnard, California**

**SCHEDULE II**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year					
2010	2011	2012	2013	2014		
						<b>Business-type activities:</b>
						Charges for services:
\$38,439,653	\$43,170,566	\$46,769,748	\$51,056,102	\$52,742,289		Water
22,566,372	25,157,094	31,528,171	30,998,260	31,335,380		Wastewater
40,468,627	45,047,154	44,217,775	42,535,271	44,392,421		Environmental resource
513,857	439,653	545,270	483,778	666,820		Performing arts and convention center
4,686,681	4,786,715	5,157,388	5,173,132	26,158,985		Oxnard housing authority
4,278,241	3,905,224	4,063,299	4,157,668	4,471,706		Municipal golf course
20,781,204	20,524,235	18,727,259	18,595,158	53,734		Operating grants and contributions
192,400	2,308,206	1,002,582	966,935	671,012		Capital grants and contributions
<u>131,927,035</u>	<u>145,338,847</u>	<u>152,011,492</u>	<u>153,966,304</u>	<u>160,492,347</u>		Total business-like activities program revenues
<u>\$204,920,517</u>	<u>\$235,399,722</u>	<u>\$233,370,263</u>	<u>\$215,120,060</u>	<u>\$230,463,862</u>		Total primary government program revenues
						Net (expense) revenue
(111,218,194)	(90,015,114)	(108,256,295)	(118,773,451)	(108,146,487)		Governmental activities
209,023	14,195,641	11,406,036	1,123,254	8,050,205		Business-like activities
<u>(\$111,009,171)</u>	<u>(\$75,819,473)</u>	<u>(\$96,850,259)</u>	<u>(\$117,650,197)</u>	<u>(\$100,096,282)</u>		Total primary government net expense
						<b>General Revenues and Other Changes in Net Assets</b>
						<b>Governmental activities:</b>
						Taxes
\$72,817,719	\$71,118,203	\$63,176,888	\$55,148,254	\$54,783,756		Property taxes
28,103,051	33,396,737	37,453,124	35,156,013	38,330,268		Sales taxes
3,061,163	3,301,864	3,402,793	3,826,954	4,239,111		Transient occupancy taxes
3,439,645	3,495,532	3,435,823	3,842,351	3,775,233		Franchise taxes
509,370	528,563	412,471	628,780	519,093		Deed transfer taxes
4,692,615	4,412,881	6,125,278	4,562,692	5,125,801		Business license taxes
136,565	105,158	126,609	121,064	157,998		Penalties on delinquent taxes
2,769,250	1,934,083	1,354,128	(21,216)	1,165,783		Investment earnings
694,185	141,123	57,768	119,184	114,348		Sale of capital assets
(885,679)	(2,564,795)	(2,184,229)	(2,166,145)	(2,207,463)		Transfers
-	-	(65,066,037)	-	-		Extraordinary loss
-	-	(14,627)	-	-		Contributions to other government
<u>115,337,884</u>	<u>115,869,349</u>	<u>48,279,989</u>	<u>101,217,931</u>	<u>106,003,928</u>		Total governmental activities
						<b>Business-type activities:</b>
1,911,510	3,361,632	3,168,662	2,445,183	2,997,078		Investment earnings
-	-	-	-	-		Sale of capital assets
885,679	2,564,795	2,184,229	2,166,145	2,207,463		Transfers
<u>2,797,189</u>	<u>5,926,427</u>	<u>5,352,891</u>	<u>4,611,328</u>	<u>5,204,541</u>		Total business-type activities
<u>\$118,135,073</u>	<u>\$121,795,776</u>	<u>\$53,632,880</u>	<u>\$105,829,259</u>	<u>\$111,208,469</u>		Total primary program
						<b>Change in Net Assets</b>
4,119,690	25,854,235	(59,976,306)	(17,555,520)	(2,142,559)		Governmental activities
3,006,212	20,122,068	16,758,927	5,734,582	13,254,746		Business-type activities
<u>\$7,125,902</u>	<u>\$45,976,303</u>	<u>(\$43,217,379)</u>	<u>(\$11,820,938)</u>	<u>\$11,112,187</u>		Total primary government

## City of Oxnard, California

### SCHEDULE III Fund Balances of Governmental Funds Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year				
	2005	2006	2007	2008	2009
General Fund					
Reserved	\$ 4,201,060	\$ 3,658,849	\$ 3,573,245	\$ 344,987	\$ -
Unreserved	19,197,335	23,523,456	21,424,406	20,108,117	23,794,737
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total general fund	<u>\$23,398,395</u>	<u>\$27,182,305</u>	<u>\$24,997,651</u>	<u>\$20,453,104</u>	<u>\$23,794,737</u>
All other governmental funds					
Reserved	\$ 11,982,415	\$ 12,243,331	\$ 30,201,020	\$ 11,148,128	\$ 12,852,498
Unreserved, reported in:					
Special revenue funds	53,104,087	58,172,246	51,516,503	61,096,986	61,924,849
Capital projects funds	22,103,670	26,320,799	47,966,047	81,877,539	72,705,295
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>\$87,190,172</u>	<u>\$96,736,376</u>	<u>\$129,683,570</u>	<u>\$154,122,653</u>	<u>\$147,482,642</u>

Note: Effective fiscal year 2011, City implemented GASB54, new classification of fund balances.

Source: Finance Department, City of Oxnard

## City of Oxnard, California

### SCHEDULE III Fund Balances of Governmental Funds Last Ten Fiscal Years (accrual basis of accounting)

2010	2011	Fiscal Year 2012	2013	2014	
					General Fund
\$ -	\$ -	\$ -	\$ -	\$ -	Reserved
29,726,794	-	-	-	-	Unreserved
-	-	-	4,714,203	4,620,492	Nonspendable
-	-	-	1,482,872	-	Restricted
-	17,472,751	18,093,783	14,658,123	18,409,417	Assigned
-	15,648,084	15,666,268	11,359,847	13,916,093	Unassigned
<u>\$29,726,794</u>	<u>\$ 33,120,835</u>	<u>\$ 33,760,051</u>	<u>\$ 32,215,045</u>	<u>\$ 36,946,002</u>	Total general fund
					All other governmental funds
\$ 13,811,524	\$ -	\$ -	\$ -	\$ -	Reserved
					Unreserved, reported in:
61,896,005	-	-	-	-	Special revenue funds
59,395,831	-	-	-	-	Capital projects funds
-	13,230,067	-	3,305,113	-	Nonspendable
-	34,500,580	18,707,789	27,237,519	49,083,954	Restricted
-	80,823,243	51,415,603	4,456,543	5,498,036	Assigned
-	(2,764,967)	(6,386,154)	14,859,161	(2,062,158)	Unassigned
<u>\$135,103,360</u>	<u>\$ 125,788,923</u>	<u>\$ 63,737,238</u>	<u>\$ 49,858,336</u>	<u>\$ 52,519,832</u>	Total all other governmental funds



## City of Oxnard, California

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

	Fiscal Year				
	2005	2006	2007	2008	2009
<b>Revenues</b>					
Taxes	\$84,617,850	\$95,580,997	\$106,964,959	\$113,184,458	\$114,468,247
Licenses and permits	2,116,934	5,937,172	3,434,727	2,792,191	2,470,865
Intergovernmental	27,036,948	31,543,392	31,830,674	36,110,724	32,290,549
Growth and development fees	10,061,956	9,616,234	4,984,467	5,724,940	7,210,668
Charges for services	15,358,432	14,721,778	11,418,999	12,877,753	10,705,908
Fines and forfeitures	1,248,242	1,320,782	1,383,780	1,350,628	1,408,066
Interest	3,911,106	4,860,461	6,653,231	7,561,978	5,556,004
Special assessments	2,240,492	2,346,088	14,967,993	9,014,090	8,611,926
Contributions from property owners	-	1,085,000	-	-	-
Rental income	-	-	-	-	-
Investment income	-	-	-	-	-
Miscellaneous	5,240,064	10,352,424	6,700,305	9,757,199	5,837,966
<b>Total revenues</b>	<b>151,832,024</b>	<b>177,364,328</b>	<b>188,339,135</b>	<b>198,373,961</b>	<b>188,560,199</b>
<b>Expenditures</b>					
General government	11,788,754	11,994,048	12,283,152	12,390,389	11,883,205
Public safety	64,312,956	69,405,713	75,815,578	80,409,884	74,877,737
Transportation	9,709,306	10,254,324	10,136,221	10,642,590	9,829,554
Community development	18,597,956	22,100,626	18,962,172	26,158,572	25,832,640
Culture and leisure	11,520,103	14,366,317	15,141,511	16,894,790	19,348,413
Library services	3,731,437	4,214,038	4,558,864	4,950,293	4,755,540
Capital outlay	29,924,300	41,227,891	56,309,445	52,283,436	43,704,965
Debt Service:					
Principal	2,999,393	7,983,492	2,251,795	2,754,823	3,168,595
Cost of issuance	-	-	-	-	-
Interest	2,072,111	1,920,662	2,411,174	3,810,737	5,574,369
<b>Total expenditures</b>	<b>154,656,316</b>	<b>183,467,111</b>	<b>197,869,912</b>	<b>210,295,514</b>	<b>198,975,018</b>
Excess of revenues over (under) expenditures	(2,824,292)	(6,102,783)	(9,530,777)	(11,921,553)	(10,414,819)
<b>Other Financing Sources (Uses)</b>					
Proceeds from loans payable	-	-	-	-	-
Proceeds from financing sources	-	-	-	-	-
Payment to escrow agent	-	14,567,020	-	-	-
Proceeds from sale of property	-	1,885,649	-	-	-
Proceeds from sale of bonds	-	-	42,459,723	26,634,523	11,790,000
Bond discount	-	-	-	-	(116,979)
Transfers in	10,770,253	13,659,615	13,159,636	14,107,966	10,573,077
Transfers out	(12,653,195)	(10,679,387)	(15,326,042)	(8,926,400)	(14,337,790)
<b>Total other financing sources (uses)</b>	<b>(1,882,942)</b>	<b>19,432,897</b>	<b>40,293,317</b>	<b>31,816,089</b>	<b>7,908,308</b>
<b>Special items:</b>					
Contributions from other funds	-	-	-	-	-
Contributions to other funds	-	-	-	-	-
Capital contributions	-	-	-	-	-
Extraordinary loss	-	-	-	-	-
<b>Total special items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(\$4,707,234)</b>	<b>\$13,330,114</b>	<b>\$30,762,540</b>	<b>\$19,894,536</b>	<b>(\$2,506,511)</b>
Debt service as a percentage of noncapital expenditures	4.07%	6.96%	3.29%	4.16%	5.63%

Source: Finance Department, City of Oxnard

## City of Oxnard, California

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

		Fiscal Year			
2010	2011	2012	2013	2014	
					<b>Revenues</b>
\$112,760,128	\$116,358,938	\$114,132,986	\$103,286,108	\$106,888,431	Taxes
2,267,581	2,002,416	3,662,851	2,702,302	3,628,916	Licenses and permits
42,232,125	58,971,454	39,321,626	38,740,617	40,960,669	Intergovernmental
1,502,781	2,663,779	5,979,605	1,828,294	3,512,534	Growth and development fees
11,007,992	10,668,661	9,967,288	9,175,312	9,617,645	Charges for services
1,213,655	1,233,733	1,311,689	977,098	699,521	Fines and forfeitures
2,769,250	1,934,083	1,105,534	(21,216)	1,165,783	Interest
9,168,150	9,013,480	8,084,122	7,971,903	8,022,913	Special assessments
-	-	-	-	-	Contributions from property owners
-	-	148,993	-	-	Rental income
-	-	248,594	-	-	Investment income
8,268,073	3,673,052	8,304,617	4,359,097	6,803,374	Miscellaneous
<u>191,189,735</u>	<u>206,519,596</u>	<u>192,267,905</u>	<u>169,019,515</u>	<u>181,299,786</u>	Total revenues
					<b>Expenditures</b>
11,145,722	11,041,050	10,355,408	10,438,952	9,926,024	General government
84,818,990	84,439,008	86,218,656	91,190,673	93,875,139	Public safety
10,137,568	10,338,211	10,347,787	9,659,263	9,495,806	Transportation
32,073,825	24,803,125	22,357,237	20,333,591	15,495,566	Community development
17,751,755	17,789,287	17,175,797	17,779,933	18,504,287	Culture and leisure
4,632,177	4,682,033	4,553,275	4,334,991	4,241,345	Library services
34,739,151	54,785,588	46,868,230	33,897,212	13,983,543	Capital outlay
					Debt Service:
3,743,020	3,926,631	4,362,740	3,451,261	3,764,935	Principal
-	-	-	-	-	Cost of issuance
5,230,494	5,151,761	4,061,894	2,941,600	2,776,612	Interest
<u>204,272,702</u>	<u>216,956,694</u>	<u>206,301,024</u>	<u>194,027,476</u>	<u>172,063,257</u>	Total expenditures
<u>(13,082,967)</u>	<u>(10,437,098)</u>	<u>(14,033,119)</u>	<u>(25,007,961)</u>	<u>9,236,529</u>	Excess of revenues over (under) expenditures
					<b>Other Financing Sources (Uses)</b>
-	-	-	-	-	Proceeds from loans payable
-	-	-	-	-	Proceeds from financing sources
-	-	-	(6,197,285)	-	Payment to escrow agent
-	-	-	-	-	Proceeds from sale of property
1,395,646	1,295,771	3,680,714	6,802,986	363,387	Proceeds from sale of bonds
-	-	-	48,238	-	Bond discount/premium
10,550,390	11,718,345	6,108,518	5,869,128	5,570,120	Transfers in
<u>(5,310,294)</u>	<u>(8,497,414)</u>	<u>(8,292,747)</u>	<u>(8,035,273)</u>	<u>(7,777,583)</u>	Transfers out
<u>6,635,742</u>	<u>4,516,702</u>	<u>1,496,485</u>	<u>(1,512,206)</u>	<u>(1,844,076)</u>	Total other financing sources (uses)
					<b>Special items:</b>
-	-	76,891,362	-	-	Contributions from other funds
-	-	(76,891,362)	-	-	Contributions to other funds
-	-	(14,627)	-	-	Capital contributions
-	-	(48,861,208)	-	-	Extraordinary loss
-	-	<u>(48,875,835)</u>	-	-	Total special items
<u>(\$6,447,225)</u>	<u>(\$5,920,396)</u>	<u>(\$61,412,469)</u>	<u>(\$26,520,167)</u>	<u>\$7,392,453</u>	Net change in fund balances
5.29%	5.60%	5.28%	3.99%	4.14%	Debt service as a percentage of noncapital expenditures

## City of Oxnard, California

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**SCHEDULE V**  
 Governmental Activities Tax Revenues by Source  
 Last Ten Fiscal Years  
*(modified accrual basis of accounting)*

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<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales Tax</b>	<b>Transient Occupancy Tax</b>	<b>Franchise Tax</b>	<b>Deed Transfer Tax</b>	<b>Business License</b>	<b>Penalties and Interest</b>	<b>Total</b>
2005	49,096,920	23,212,641	2,445,468	4,572,206	1,196,393	3,967,972	126,250	84,617,850
2006	58,537,770	23,985,182	3,309,716	3,914,317	1,230,768	4,470,841	132,403	95,580,997
2007	68,429,117	25,783,808	3,550,903	3,686,627	880,370	4,504,455	129,679	106,964,959
2008	75,726,666	24,205,622	3,618,611	3,986,567	860,378	4,662,658	123,956	113,184,458
2009	76,681,392	24,043,286	3,328,803	4,635,616	573,882	5,059,323	145,945	114,468,247
2010	72,817,719	28,103,051	3,061,163	3,439,645	509,370	4,692,615	136,565	112,760,128
2011	71,118,203	33,396,737	3,301,864	3,495,532	528,563	4,412,881	105,158	116,358,938
2012	63,176,888	37,453,124	3,402,793	3,435,823	412,471	6,125,278	126,609	114,132,986
2013	55,148,254	35,156,013	3,826,954	3,842,351	628,780	4,562,692	121,064	103,286,108
2014	54,783,756	38,287,439	4,239,111	3,775,233	519,093	5,125,801	157,998	106,888,431

**City of Oxnard, California**

**SCHEDULE VI**  
**Assessed Value and Estimated Value of Taxable Property**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Land</b>	<b>Improvements</b>	<b>Personal Property</b>	<b>Less: Tax Exempt Real Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Assessed Value as a Percentage of Actual Value</b>
2005	4,320,681,588	6,818,196,522	484,878,479	1,537,114,090	10,086,642,499	1.19624%	10,086,642,499	100.00%
2006	5,266,423,145	7,510,814,807	564,046,351	1,835,609,239	11,505,675,064	1.17614%	11,505,675,064	100.00%
2007	6,122,287,297	8,427,981,083	598,530,800	2,126,175,049	13,022,624,131	1.16564%	13,022,624,131	100.00%
2008	7,043,458,754	8,801,081,711	608,929,391	2,299,830,016	14,153,639,840	1.17864%	14,153,639,840	100.00%
2009	7,364,501,802	8,753,745,455	637,023,113	2,692,759,267	14,062,511,103	1.19334%	14,062,511,103	100.00%
2010	6,699,090,916	8,441,834,476	648,608,797	654,220,264	15,135,313,925	1.20384%	15,135,313,925	100.00%
2011	6,524,818,244	8,540,793,743	618,870,116	654,216,502	15,030,265,601	1.22054%	15,030,265,601	100.00%
2012	6,423,814,010	8,584,579,684	596,771,651	673,465,559	14,931,699,786	1.20544%	14,931,699,786	100.00%
2013	6,304,938,777	8,677,033,769	617,612,672	422,079,822	15,177,505,396	1.20424%	15,177,505,396	100.00%
2014	6,551,413,092	9,120,556,468	638,670,637	694,237,291	15,616,402,906	1.23154%	15,616,402,906	100.00%

NOTE: The County does not provide the breakdown of residential and commercial assessed values to the cities. The City also no longer have the information available for the residential and commercial assessed values. The personal property amounts include assessed values for boats and aircraft.

Source: County of Ventura, Office of the Auditor-Controller  
 Finance Department, City of Oxnard

**City of Oxnard, California**

**SCHEDULE VII**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>City Direct Rates</b>			<b>Overlapping Rates</b>			<b>Total Direct &amp; Overlapping Rates</b>
	<b>Basic (1)</b>	<b>Debt Service</b>	<b>Total Direct</b>	<b>School Districts</b>	<b>Water Districts</b>	<b>Total Overlapping</b>	
2005	1.00000%	0.19624%	1.19624%	0.08410%	0.04224%	0.12634%	1.32258%
2006	1.00000%	0.17614%	1.17614%	0.09850%	0.03691%	0.13541%	1.31155%
2007	1.00000%	0.16564%	1.16564%	0.08220%	0.03272%	0.11492%	1.28056%
2008	1.00000%	0.17864%	1.17864%	0.10500%	0.02922%	0.13422%	1.31286%
2009	1.00000%	0.19334%	1.19334%	0.11160%	0.01290%	0.12450%	1.31784%
2010	1.00000%	0.20384%	1.20384%	0.11470%	0.01290%	0.12760%	1.33144%
2011	1.00000%	0.22054%	1.22054%	0.11990%	0.01110%	0.13100%	1.35154%
2012	1.00000%	0.20544%	1.20544%	0.12200%	0.01110%	0.13310%	1.33854%
2013	1.00000%	0.20424%	1.20424%	0.11980%	0.00000%	0.11980%	1.32404%
2014	1.00000%	0.23154%	1.23154%	0.14140%	0.00000%	0.14140%	1.37294%

NOTE: (1) The passage of Proposition 13 on June 6, 1978 established a maximum countywide levy of 1% of market value or \$1.00 per \$100 of assessed value.

Source: County of Ventura, Office of the Auditor-Controller

## City of Oxnard, California

### SCHEDULE VIII Principal Property Taxpayers Current Year and Nine Years Ago

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Proctor & Gamble Paper Products	318,375,847	1	2.02%	260,096,649	1	2.27%
Essex Arbors LP	202,081,727	2	1.28%			
SOCM I LLC	116,023,164	3	0.74%			
Genon Energy West LP-Mandalay	112,900,000	4	0.72%			
Capri of KW Serenade LLC	84,691,280	5	0.54%			
Prime Peninsula LP	84,540,000	6	0.54%			
Haas Automation Inc	78,059,700	7	0.50%			
BG Terminal California LLC	74,726,336	8	0.47%			
New-Indy Oxnard LLC	69,467,684	9	0.44%			
St Johns Regional Medical Center				196,605,247	2	1.71%
SI VIII LLC				71,558,454	3	0.62%
Duesenberg Investment Company	68,471,332	10	0.43%	60,254,119	4	0.53%
Weyerhaeuser Company				56,538,900	5	0.49%
Fred Kavli				56,433,705	6	0.49%
Seminis Inc				51,047,509	7	0.44%
Essex Tierra Vista				47,214,603	8	0.41%
Centro Watt Operating Partners LLC				47,184,000	9	0.41%
First Security Bank				36,594,117	10	0.32%
Other taxpayers	14,545,411,612		92.32%	10,589,641,180		92.30%
<b>Totals</b>	<b>15,754,748,682</b>		<b>100.00%</b>	<b>11,473,168,483</b>		<b>100.00%</b>

Source: HdL Coren & Cone, Ventura County Assessor 2013/14 Combined Tax Rolls and the SBE Non Unitary Tax Roll

## City of Oxnard, California

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### SCHEDULE IX Property Tax Levies and Collections Last Ten Fiscal Years

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Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	46,496,506	46,356,420	99.70%	126,250	46,482,670	99.97%
2006	54,511,910	53,889,833	98.86%	132,403	54,022,236	99.10%
2007	62,871,775	62,416,666	99.28%	129,679	62,546,345	99.48%
2008	73,234,168	71,707,923	97.92%	121,075	71,828,998	98.08%
2009	71,489,249	71,034,625	99.36%	145,945	71,180,570	99.57%
2010	75,929,128	71,755,189	94.50%	136,565	71,891,754	94.68%
2011	72,434,536	71,118,203	98.18%	105,158	71,223,361	98.33%
2012	70,330,200	63,176,888	89.83%	126,609	63,303,497	90.01%
2013	53,833,600	52,537,321	97.59%	121,064	52,658,385	97.82%
2014	53,716,000	53,412,671	99.44%	456,769	53,869,440	100.29%

NOTE: City used original budget for the total tax levy for the fiscal year.

Source: Finance Department, City of Oxnard

**City of Oxnard, California**

**SCHEDULE X**  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-type Activities		Total Primary Government	(1) Percentage of Personal Income	(2) Per Capita
	Revenue Bonds	Certificates of Participation	Tax Allocation Bonds	Capital Leases	Revenue Bonds	Capital Leases			
2005	21,607,009	7,835,000	18,635,000	1,412,398	236,943,314	2,469,070	288,901,791	9.339%	1,554
2006	19,975,756	7,620,000	18,030,000	1,086,013	298,559,567	2,010,676	347,282,012	10.649%	1,850
2007	43,109,750	7,395,000	37,940,000	749,911	292,625,260	1,536,788	383,356,709	10.970%	2,025
2008	41,746,367	34,835,000	37,040,000	493,471	286,428,643	4,603,874	405,147,355	11.009%	2,112
2009	40,337,356	34,350,000	47,755,000	293,886	278,427,654	4,053,370	405,217,266	10.800%	2,090
2010	38,877,717	33,600,000	46,475,000	1,436,151	370,257,293	3,632,411	494,278,572	13.333%	2,510
2011	37,359,198	32,820,000	45,155,000	2,552,594	383,230,810	3,623,668	504,741,270	13.498%	2,524
2012	35,781,802	32,010,000	-	5,665,006	372,713,206	2,963,438	449,133,452	11.319%	2,241
2013	34,146,715	25,335,000	-	11,101,548	361,808,291	2,620,593	435,012,147	10.825%	2,166
2014	32,453,939	24,755,000	-	9,943,968	347,340,473	2,093,846	416,587,226	10.252%	2,046

NOTE: (1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.  
(2) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Source: Finance Department, City of Oxnard



## City of Oxnard, California

### SCHEDULE XI Direct and Overlapping Governmental Activities Debt As of June 30, 2014

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>City of Oxnard Overlapping Debt:</b>			
Metropolitan Water District	132,275,000	0.714%	944,444
Ventura County Community College District	300,628,714	14.595%	43,876,761
Ventura County Superintendent of Schools - Certificates of Participation	11,160,000	14.590%	1,628,244
Ventura County General Fund Obligations	398,360,000	14.590%	58,120,724
Oxnard Union High School District	138,907,016	45.917%	63,781,935
Oxnard Union High School District - Certificates of Participation	6,820,000	45.917%	3,131,539
Oxnard School District	159,868,139	91.914%	146,941,201
Oxnard School District - Certificates of Participation	4,600,800	91.914%	4,228,779
Rio School District	14,040,000	85.740%	12,037,896
Rio School District - Certificates of Participation	7,145,000	85.740%	6,126,123
Hueneme School District	25,464,135	44.017%	11,208,549
Ocean View School District	15,280,247	42.460%	6,487,993
Ocean View School District - Certificates of Participation	1,426,700	42.460%	605,777
Rio School District - Community Facilities District 1	57,260,000	100.000%	57,260,000
City of Oxnard - Rose Avenue/Hwy 101 Assessment District 96-1	1,920,000	100.000%	1,920,000
City of Oxnard - Rice Avenue/Hwy 101 Assessment District 2001-1	11,420,000	100.000%	11,420,000
City of Oxnard - Oxnard Blvd/Hwy 101 Assessment District 2000-1	1,915,000	100.000%	1,915,000
City of Oxnard Community Facilities District 1	8,575,000	100.000%	8,575,000
City of Oxnard Community Facilities District 3	27,870,000	100.000%	27,870,000
Oxnard Boulevard Interchange Community District	7,695,000	100.000%	7,695,000
Successor Agency - Tax Increment Debt	40,920,000	100.000%	40,920,000
Subtotal - Overlapping Debt	1,373,550,751		516,694,965
<b>City of Oxnard Direct Debt:</b>			
City of Oxnard Financing Authority			67,152,907
Subtotal - Direct Debt			67,152,907
<b>Total direct and overlapping debt</b>			<b>583,847,872</b>

The method used to calculate the overlapping debt is based on the percentage of the overlapping agency's assessed valuation located within boundaries of the City

Capital lease payable amount were added to the numbers provided by California Municipal Statistics.

Source: California Municipal Statistics, Inc.

**City of Oxnard, California**

**SCHEDULE XII**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
*(in thousands)*

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	1,726,418	1,983,111	2,250,164	2,449,824	2,493,677	2,349,884	2,333,523	2,322,196	2,319,396	2,427,380
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	1,726,418	1,983,111	2,250,164	2,449,824	2,493,677	2,349,884	2,333,523	2,322,196	2,319,396	2,427,380
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Legal Debt Margin Calculation for Fiscal Year 2014**

Assessed value	13,309,290
Add back: exempt real property	2,873,246
Total assessed value	<u>16,182,536</u>
Debt limit (15% of total assessed value)	2,427,380
Debt applicable to limit:	
General obligation bonds	404,549
Less: assets in debt service funds for principal payments	
Revenue bonds - governmental activities	(32,454)
Revenue bonds - business-type activities	(347,340)
Tax allocation bonds-community development commission	
Certificates of participation	(24,755)
Total net debt applicable limit	<u>0</u>
Legal debt margin	<u>2,427,380</u>

Source: Finance Department, City of Oxnard

## City of Oxnard, California

### SCHEDULE XIII Pledged Revenue Coverage Last Ten Fiscal Years

<b>Water Revenue Bonds</b>						
Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Interest	Coverage
2005	34,609,573	18,351,471	16,258,102	1,150,000	2,682,330	4.24
2006	34,212,012	21,865,005	12,347,007	1,202,083	2,699,580	3.16
2007	40,719,155	22,674,080	18,045,075	1,205,000	2,625,730	4.71
2008	38,369,885	27,732,616	10,637,269	1,235,000	5,253,315	1.64
2009	40,395,380	25,883,824	14,511,556	2,040,000	5,149,575	2.02
2010	39,764,998	28,681,992	11,083,006	2,105,000	8,049,790	1.09
2011	46,118,265	29,910,426	16,207,839	2,209,809	11,621,908	1.17
2012	49,580,413	30,309,016	19,271,397	3,195,568	11,858,798	1.28
2013	53,306,397	36,096,926	17,209,471	3,479,490	10,524,675	1.23
2014	55,340,757	36,361,905	18,978,852	3,858,359	10,838,887	1.29

<b>Environmental Resources Revenue Bonds</b>						
Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Interest	Coverage
2005	36,529,711	34,228,035	2,301,676	19,001,588	1,155,331	0.11
2006	36,878,690	36,342,348	536,342	2,033,392	1,117,677	0.17
2007	40,322,484	38,170,528	2,151,956	2,142,556	1,036,405	0.68
2008	42,986,155	43,113,155	(127,000)	2,102,040	943,620	(0.04)
2009	39,901,815	38,055,524	1,846,291	2,335,505	970,779	0.56
2010	40,614,642	37,258,502	3,356,140	2,447,346	885,840	1.01
2011	45,243,032	39,058,556	6,184,476	2,534,094	1,178,081	1.67
2012	44,403,042	38,874,986	5,528,056	2,651,878	929,973	1.54
2013	42,668,594	38,235,619	4,432,975	2,729,777	763,442	1.27
2014	44,670,034	36,624,969	8,045,065	2,681,421	752,146	2.34

Note: The above operating expenses figures do not include depreciation and debt service expenses  
The City's bond obligations are secured by the pledge of the net system revenues.

Source: Finance Department, City of Oxnard

## City of Oxnard, California

### SCHEDULE XIII Pledged Revenue Coverage Last Ten Fiscal Years

<b>Wastewater Revenue Bonds</b>						
Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Interest	Coverage	Fiscal Year
36,892,293	14,715,076	22,177,217	1,815,000	5,969,101	2.85	2005
28,512,017	16,185,708	12,326,309	1,885,000	6,682,905	1.44	2006
27,322,064	16,956,481	10,365,583	2,135,000	7,259,743	1.10	2007
29,054,646	17,562,559	11,492,087	2,260,000	7,418,756	1.19	2008
28,762,308	16,268,395	12,493,913	3,155,000	7,282,032	1.20	2009
23,165,658	17,588,757	5,576,901	3,255,000	7,284,462	0.53	2010
25,373,362	16,484,729	8,888,633	3,367,079	7,359,648	0.83	2011
31,680,309	18,146,959	13,533,350	3,532,784	7,060,378	1.28	2012
31,045,715	18,763,458	12,282,257	3,709,555	6,882,148	1.16	2013
31,496,211	19,228,381	12,267,830	4,316,967	6,738,688	1.11	2014

<b>Oxnard Housing Authority Revenue Bonds</b>						
Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Interest	Coverage	Fiscal Year
21,515,845	23,235,370	(1,719,525)	205,000	231,660	(3.94)	2005
23,321,917	22,699,304	622,613	205,000	227,758	1.44	2006
22,616,071	21,496,289	1,119,782	215,000	243,407	2.44	2007
23,956,893	21,916,273	2,040,620	220,000	218,233	4.66	2008
25,784,589	24,427,197	1,357,392	225,000	209,945	3.12	2009
24,847,419	23,750,482	1,096,937	235,000	212,903	2.45	2010
25,312,733	23,531,077	1,781,656	240,000	198,220	4.07	2011
23,905,239	23,029,780	875,459	250,000	189,204	1.99	2012
23,782,397	23,948,254	(165,857)	260,000	180,456	(0.38)	2013
26,172,885	24,332,827	1,840,058	270,000	168,169	4.20	2014

## City of Oxnard, California

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**SCHEDULE XIV**  
Demographic and Economic Statistics  
Last Ten Fiscal Years

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Fiscal Year	(1) Population	(2) Personal Income (in thous)	(2) Per Capita Income	(3) Median Age	(4) School Enrollment	(5) Unemployment Rate
2005	188,941	3,093,466	16,645	30	38,372	7.0%
2006	189,990	3,261,107	17,376	28	37,196	6.2%
2007	192,997	3,494,586	18,463	31	37,956	6.1%
2008	194,905	3,680,019	19,185	36	37,703	7.4%
2009	197,067	3,751,908	19,352	30	38,911	11.0%
2010	200,004	3,707,181	18,829	29.7	39,135	14.4%
2011	199,722	3,739,475	18,697	30.5	38,595	14.2%
2012	200,390	3,968,123	19,802	30.3	39,231	13.0%
2013	200,855	4,018,506	20,007	30.1	38,813	10.1%
2014	203,645	4,063,329	19,953	30.3	39,418	8.6%

Sources: (1) California Department of Finance, Demographic Research Unit  
(2) HdL Coren & Cone  
(3) HdL Coren & Cone  
(4) Oxnard School Districts (Elementary) and Oxnard Union High School District  
(5) State Employment Development Department (data is based on annual average)

## City of Oxnard, California

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**SCHEDULE XV**  
Full-Time Equivalent City Government Employees by Function  
Last Ten Fiscal Years

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<b>Function</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
General government	211	217	214	186	234	234	234	228	227	230
Public Safety										
Police										
Officers	229	235	236	236	293	237	237	236	252	249
Civilians	138	152	151	151	95	151	151	151	155	159
Fire										
Firefighters & officers	91	100	102	103	100	103	103	101	101	110
Civilians	4	4	5	4	7	3	3	3	3	3
Transportation	36	45	56	84	50	50	50	49	49	44
Community development	57	57	59	67	66	66	66	66	60	58
Culture and recreation	79	74	83	85	85	85	85	83	83	83
Utilities										
Water	44	48	47	46	45	51	51	51	51	50
Wastewater	72	72	72	74	72	72	72	70	76	79
Environmental Resources	80	81	81	76	78	78	78	79	79	80
Housing	80	80	81	81	81	81	81	83	82	82
<b>Total</b>	<b>1,121</b>	<b>1,165</b>	<b>1,187</b>	<b>1,193</b>	<b>1,206</b>	<b>1,211</b>	<b>1,211</b>	<b>1,200</b>	<b>1,217</b>	<b>1,226</b>

Source: Finance Department, City of Oxnard

**City of Oxnard, California**

**SCHEDULE XVI**  
**Operating Indicators by Function**  
**Last Nine Fiscal Years**

<b>Function</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Police</b>									
Physical arrests	8,162	8,835	8,425	7,842	7,794	8,116	7,278	6,790	6,169
Parking violations	28,533	31,462	51,046	37,968	35,346	35,091	34,914	32,120	25,130
Traffic violations	19,590	20,525	16,673	23,305	25,288	25,517	22,294	15,800	17,775
<b>Fire</b>									
Number of calls answered	10,631	11,212	12,210	13,310	13,417	13,813	13,381	14,127	14,770
Inspections	3,109	3,693	3,190	4,244	4,777	5,614	4,212	5,000	3,588
<b>Highways and streets</b>									
Potholes repaired	10,545	12,200	12,375	12,300	12,650	13,000	14,000	13,000	13,500
<b>Sanitation</b>									
Total number of customers	44,941	45,731	43,489	37,195	37,124	43,991	44,034	44,312	44,677
Refuse/recyclables collected (tons/day)	708	681	581	571	570	577	558	569	582
Recyclables collected (tons/day)	30	13	13	95	91	93	98	98	101
<b>Culture and recreation</b>									
Community center admissions	43,849	42,831	43,230	51,872	27,934	29,655	33,751	29,910	22,980
<b>Water</b>									
Total number of customers	38,053	38,816	39,531	40,206	40,756	40,785	41,064	41,019	41,319
Average daily consumption	29,000,000	29,000,000	29,326,500	25,781,331	23,246,924	23,293,140	23,094,489	23,578,792	24,041,322
<b>Wastewater</b>									
Total number of customers	35,188	35,646	36,484	37,251	38,081	38,158	38,379	38,712	38,971
Average daily sewerage treatment	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000	19,700,000

Source: Various departments, City of Oxnard

**City of Oxnard, California**

**SCHEDULE XVII**  
 Capital Assets by Function  
 Last Nine Fiscal Years

<b>Function</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Public safety</b>									
Police									
Stations	1	1	1	1	1	1	1	1	1
Police vehicles	261	345	269	223	171	264	275	268	263
Fire									
Stations	7	7	7	7	7	7	7	7	7
Hydrants	5,200	5,000	5,150	6,282	5,413	5,413	5,430	5,500	5,500
<b>Sanitation</b>									
Collection trucks	48	57	52	52	52	52	51	51	50
<b>Highways and streets</b>									
Streets (miles)	400	400	400	400	400	400	400	400	400
City-owned streetlights	650	650	654	654	674	674	674	974	974
SCE-owned streetlights	9,120	9,258	9,314	9,371	9,943	9,943	10,005	10,067	10,192
<b>Culture and recreation</b>									
Parks acreage	469	469	494	550	550	550	550	550	550
Parks	49	49	55	58	58	58	58	58	58
Ball diamonds	30	30	30	30	30	37	37	37	37
Basketball courts	19	19	24	29	29	47	47	47	47
Craft/Activity buildings	8	8	8	8	8	10	10	10	10
Gymnasium	3	3	3	2	2	2	2	2	2
Swimming pools	1	1	1	1	1	1	1	1	1
Tennis courts	31	31	32	31	31	30	30	30	30
Community centers	3	3	3	3	3	3	3	3	3
<b>Library</b>									
Number of books	361,713	433,008	355,151	353,455	356,456	356,624	362,753	337,015	325,906
Number of microfilms	8,394	8,473	8,510	8,525	8,572	8,634	8,708	8,726	8,729
Number of audiotapes	18,200	20,284	21,055	20,864	21,345	22,105	21,676	20,060	20,423
Number of videotapes	12,917	14,709	15,582	15,318	16,045	16,015	17,288	14,688	15,025
Number of CD-ROMS (data disk)	708	808	755	632	689	617	620	438	447
<b>Water</b>									
Water mains (miles)	525	600	601	663	592	592	597	600	600
Maximum daily treatment capacity	18,000,000	18,000,000	18,600,000	18,600,000	18,600,000	18,600,000	18,600,000	18,600,000	18,600,000
<b>Sewer</b>									
Miles of sewer lines	435	440	445	445	445	445	445	445	430

Source: Various departments, City of Oxnard



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