

Comprehensive Annual Financial Report

FY 2012-2013
Fiscal Year Ended
June 30, 2013



Finance Department
CityofOxnard.org





**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
Fiscal Year Ended June 30, 2013**

Prepared by
Finance Department
James Cameron
Chief Financial Officer

*Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2013
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INTRODUCTORY SECTION





300 West Third Street, Oxnard, CA 93030

December 30, 2013

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, 2013. 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 unqualified opinion on the City's financial statements for the year ended June 30, 2013. 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 200,855 in 2013, representing 24 percent 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.

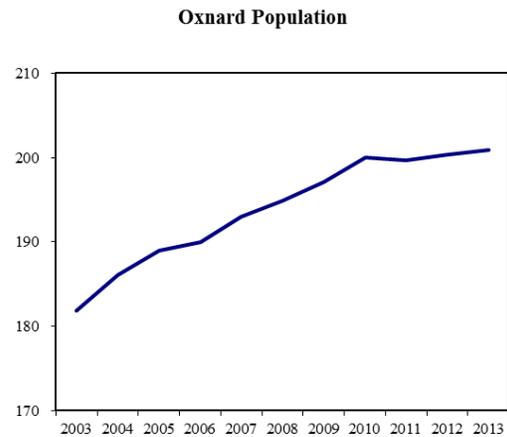
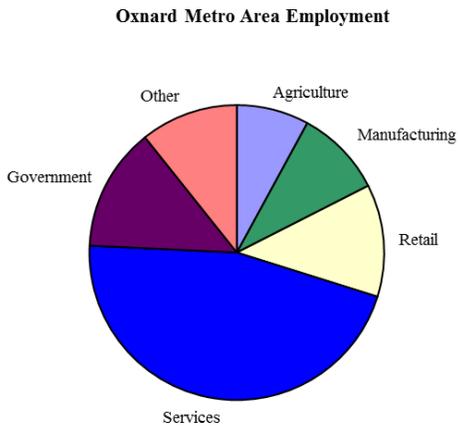
The City provides a full range of municipal services from a variety of funding sources. Services funded from general fund sources include police and fire protection, parks and recreational activities, library services, and cultural events. In addition, the City funds the construction and maintenance 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 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.

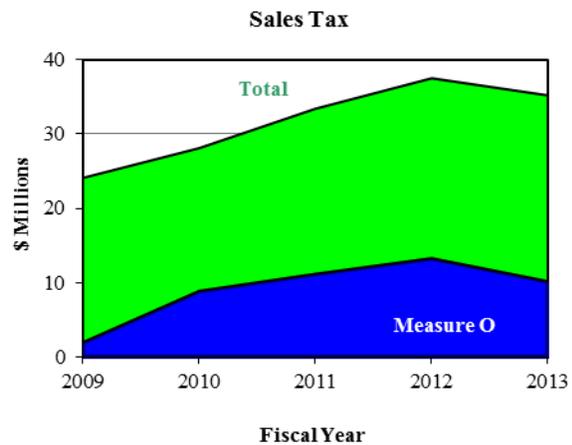
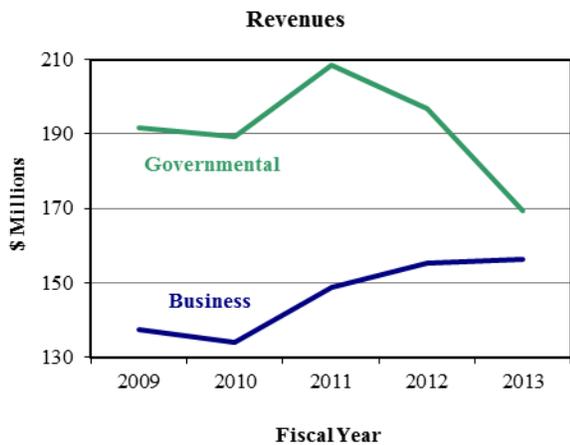
The annual budget, adopted by resolution of the City Council, serves as the foundation for the City's financial planning and control. The City Council approves operating and capital appropriations at the fund and department levels. Budgetary control is maintained at the department level and the department 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. While population growth in Oxnard has flattened over the last two years, growth has averaged just over 1% over the last ten years as a result of employment opportunities and low housing costs relative to other regions of the State. Unemployment continues to be a concern, however, there has been significant improvement in the last fiscal year, averaging 10.1% compared to 14.2% two years ago. Ventura County's unemployment rate declined from 9.5% a year ago to 7.8% as of August 2013. Employment in the metro area increased 1.4% as of August compared to a year ago. Increased employment in hospitality and leisure as well as trade transportation and utilities were partially offset by minor reductions in manufacturing and financial activities. Construction and educational and health services also showed modest gains.



While business activities experienced moderate revenue growth in 2013, governmental revenues decreased due to the change in accounting for CDC to a fiduciary fund. In addition, grant reimbursements were lower as projects were completed. Even with moderate economic growth, general fund revenues were flat except for a decrease in Measure O $\frac{1}{2}$ cent sales tax revenues caused by a timing issue at the State. Base property taxes were relatively flat even though valuations have begun to increase slightly. Redistribution of redevelopment tax increment provided a modest increase overall. Developer related fees decreased as several development projects were initiated last fiscal year. Business activity revenues increased due to modest rate adjustments.



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. Last year the City Council adopted the update to the general plan through 2030 and the various utilities have begun updates to long-term master plans. 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 10% or \$11.6 million. While the Council appropriate \$0.8 million from fund balance, the remaining decrease from the prior year was due to changes in accounting treatment of certain items related to receivables.

Major Initiatives

In November of 2008, the voters of Oxnard approved a ½ cent sales tax increase (Measure O). Fiscal year 2013 was the fourth 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.

GASB standards require that these funds be reported as a part of the General Fund; however, revenues and uses of the Measure O ½ cent sales tax are accounted for as a sub-fund within the General Fund. The following pages provide a summary of the financial status of this fund and a table listing the project and program funding approved by Council.

City of Oxnard
Measure O 1/2 Cent Sales Tax
Balance Sheet
June 30, 2013

ASSETS

Cash and cash equivalents	\$ 13,031,068
Due from other government	2,087,600
	\$ 15,118,668
Total assets	\$ 15,118,668

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts Payable	210,305
Other Liabilities	250,240
	460,545
Total liabilities	460,545
Fund balances	14,658,123
Total fund balances	14,658,123
Total liabilities and fund balances	\$ 15,118,668

Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended:

	June 30 2013	June 30 2012
REVENUES		
Taxes	\$ 10,091,602	\$ 13,268,841
Investment/Interest Earnings	93,796	187,282
Net Decrease in Fair Value of Investments	(152,522)	-
	10,032,876	13,456,123
Total revenues	10,032,876	13,456,123
EXPENDITURES		
Parks & Open Space	2,214,229	8,643,539
Traffic & Road Improvements	5,621,197	977,669
Public Safety & Gang Prevention/Intervention	4,796,143	2,605,211
Recreation & Youth Programming	768,037	608,673
Other Community Improvements	68,930	-
	13,468,536	12,835,091
Total expenditures	13,468,536	12,835,091
Excess of revenues over (under) expenditures	(3,435,660)	621,032
Net change in fund balances	(3,435,660)	621,032
Fund balances, July (adjusted for FY 2012)	18,093,783	17,472,751
Fund balances, June 30	\$ 14,658,123	\$ 18,093,783

**Measure "O" 1/2 Cent Sales Tax
City Council Approved Projects**

Public Safety & Gang Prevention/Intervention	
Alliance Safety Blueprint - Youth Development	200,000
TAGRS Graffiti Software System	100,000
Fire Station Asphalt Replacement (Stn. 1, 2 & 4)	305,000
City Corps Townkeeper Program	1,800,000
Enhanced Community Policing	6,620,850
Police & Fire CAD/RMS	3,400,000
Fire Training Academy - Station 8	2,059,669
Fire Ladder Truck	1,100,000
Traffic & Road Improvements	
Alley Reconstruction	2,000,000
ITS	3,700,000
Roadway Repair	6,662,000
Del Norte Blvd Improvements	1,600,000
Tierra Vista Neighborhood	2,000,000
Parks & Open Space	
Campus Park Phase I	380,000
Campus Park Phase II	470,000
College Park Project - Phase IC	14,286,400
Del Sol Park Walking Track	215,000
East Village Park	2,694,000
Sports Park Project	150,000
Durley Park Renovations	830,000
SW Community Park Parking Lot (Boys & Girls Club)	30,000
Lemonwood Park Environmental	15,000
Recreation, Youth, and Senior Programming	
PAL Youth Services	600,000
Preschool to You Program Enhancement	575,000
Community Based Organization Contributions	600,000
Community Center Park West - Snack Bar Demolition & Reconstruction	410,000
New Senior Center/Upgrades and Programming	200,000
Youth Center	100,000
Oxnard Tennis Center Courts Resurfacing	74,900
South Oxnard Center Floor Replacement	61,990
Day at the Park - Special Needs	22,000
Homework Center at Main Library	45,000
Library - WiFi	62,000
Senior Nutrition Program Enhancement	60,000
Mobile Activity Center Services	45,000
Other Community Improvements	
Farm Museum	50,000
Spanish Language Interpretation of Council Meetings	100,000
Total Projects/Programs	53,623,809

In addition Council has approved Fire Station 8 at College park as a Design-Build Finance at a cost of \$12,435,000 plus \$2,100,000 for apparatus and other related project costs.

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, 2012. This was the 24th 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,



Karen R. Burnham
Interim City Manager



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, 2012

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



KAREN BURNHAM
Interim City Manager

City of Oxnard Organization Chart

Residents		
<p><u>City Treasurer</u> Danie Navas Customer Service (Eden Alomeri) Business Licensing Utility Billing</p>	<p style="text-align: center;">City Council</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;"><u>City Clerk</u> Daniel Martinez Elections Information Resources</p>
<p><u>City Attorney</u> Alan Holmberg Debt Collection Legal Assistance Special Litigation</p>	<p style="text-align: center;"><u>City Manager</u> Karen Burnham (Interim) <u>Assistant City Manager</u> (Vacant)</p>	<p style="text-align: center;"><u>CDC / Successor Agency</u></p>



Police	Fire	Housing	Finance	City Manager	Human Resources	Development Services	Library	Public Works
Jeri Williams	James A. Williams II	Bill Wilkins	Jim Cameron	Karen Burnham (Interim)	Michelle Tellez	Matt Winegar	Barbara Murray	Rob Roshanian (Acting)
<p>Administrative Services (Jason Benites) Emergency Communications Professional Standards Support Services</p> <p>Field Operations (Scott Whitney) Code Compliance Community Patrol</p> <p>Investigative Services (Vacant) Investigative Services Special Services</p>	<p>Disaster Preparedness (Vacant)</p> <p>Emergency Services (Darwin Base) (Chris Donabedian)</p> <p>Fire Prevention (Gary Sugich)</p> <p>CUPA (Miguel Trujillo)</p>	<p>Administrative Services (Carrie Sabatini)</p> <p>Affordable Housing (Karl Lawson)</p> <p>Housing Assistance (Will Reed)</p> <p>Capital Fund Asset Management (Juan Jimenez)</p> <p>Grants Management (Norma Owens) Grants Assistance</p>	<p>Budget and Grants Management (Beth Vo) Budget Grants Management</p> <p>Financial Resources (Mike More) Debt & Property Management Liability Management</p> <p>General Accounting (Marichu Maramba) Accounting Accounts Payable Payroll</p> <p>Purchasing (Bruce Dandy) Mail Service Purchasing</p>	<p>Deputy City Manager (Grace Magistrale Hoffman)</p> <p>Deputy City Manager (Martin Erickson) Cable Television Community Relations Neighborhood Services Public Information Special Projects Legislative Affairs</p>	<p>Employee Benefits Employee Training Human Resources Labor Negotiations Safety & Wellness Workers' Compensation</p>	<p>Development Support Transportation Planning & Services</p> <p>Building and Engineering (Vacant) Building and Engineering</p> <p>Planning (Sue Martin) Planning & Environmental Services</p>	<p>Circulation Services Branch Services Community Outreach Public Services Support Services</p>	<p>Administration</p> <p>Construction and Design Services (Lou Balderrama) Construction Services Design Street Maintenance & Repair Traffic Signs & Markings</p> <p>Water (Anthony Emmert)</p> <p>Wastewater (Anthony Emmert)</p> <p>Environmental Resources (Todd Housley)</p>

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

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, 2013, 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 3.3 percent, 5.1 percent, and 15.8 percent, respectively, of the 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, and 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 financial statements are free from material misstatement.

Auditors' Responsibility (Continued)

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 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, 2013, 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.

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 budgetary comparison schedules, as listed in the table of contents, 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 schedules have 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 schedules are 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 30, 2013, 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 30, 2013

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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, 2013. 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 19.

Financial Highlights

- The assets of the City exceeded its liabilities by \$1.8 billion (net position) at the close of the fiscal year. In the previous year, the net position of the City was also \$1.8 billion.
- As of the close of the fiscal year, the City's governmental activities reported a net position of \$1.46 billion, the same as the prior fiscal year.
- At the end of the fiscal year, the unassigned fund balance of the General Fund was \$11.4 million, which is 10% of the general fund's operating expenditures excluding Measure O expenditures.
- The City's total debt (excluding compensated absences) decreased by \$14.1 million during the current fiscal year primarily in business-type activities (\$11.3 million). Total debt in governmental funds was reduced \$2.8 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 position.

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.

See independent auditors' report.

- *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 19 through 20.

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 21.
- *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 26.
- *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 Position. 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 34.

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 36.

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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.

Summary of Net Position (\$thousands)

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current assets	\$ 131,845	\$ 141,855	\$ 97,317	\$ 103,951	\$ 229,162	\$ 245,806
Capital assets (net of accumulated depreciation)	1,472,765	1,459,342	615,643	612,146	2,088,408	2,071,488
Properties held for resale	105	105	-	-	105	105
Other assets	145	9,402	261	7,058	406	16,460
Total assets	1,604,860	1,610,704	713,221	723,155	2,318,081	2,333,859
Deferred outflows of resources	5,920	-	3,912	-	9,832	-
Total assets and deferred outflows of resources	1,610,780	1,610,704	717,133	723,155	2,327,913	2,333,859
Current liabilities	55,639	45,660	21,574	18,149	77,213	63,809
Non-current liabilities	96,820	101,398	359,087	372,394	455,907	473,792
Total liabilities	152,459	147,058	380,661	390,543	533,120	537,601
Net position						
Net Investment in Capital Assets	1,407,061	1,386,190	285,475	264,693	1,692,536	1,650,883
Restricted	28,720	18,707	16,578	17,603	45,298	36,310
Unrestricted	22,540	58,749	34,419	50,316	56,959	109,065
Net position	\$ 1,458,321	\$ 1,463,646	\$ 336,472	\$ 332,612	\$ 1,794,793	\$ 1,796,258

Note: Adjusted FY 12 classification of current & non-current liabilities.

Total assets decreased \$15.8 million, including the transfer of the adjustment for interest rate swaps to Deferred Outflow of Resources from Other Assets. Cash and investments decreased \$17.9 million as amounts accumulated in previous years were expended on capital projects. Capital assets (net of depreciation) increased \$16.9 million.

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. Governmental Activities increased \$20.9 million and Business-Type Activities increased \$20.8 million. 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 remaining net position is made up of restricted (3%) and unrestricted (3%) categories.

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The net position of the City decreased \$1.5 million after prior period adjustments; however, Governmental Activities decreased \$5.3 million. The following table presents a summary of the changes in the City's net position for the year ended June 30, 2013.

Summary of Changes in Net Position
(\$thousands)

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Program revenues:						
Charges for services	\$ 25,434	\$ 34,605	\$ 134,404	\$ 132,282	\$ 159,838	\$ 166,887
Operating grants and contributions	27,406	30,155	18,595	18,727	46,001	48,882
Capital grants and contributions	8,314	16,598	967	1,002	9,281	17,600
General revenues:						
Taxes	103,286	114,133	-	-	103,286	114,133
Interest on investments	(21)	1,354	2,445	3,169	2,424	4,523
Sale of capital assets	119	58	-	-	119	58
Total revenues	164,538	196,903	156,411	155,180	320,949	352,083
Expenses:						
General government	18,129	18,681	-	-	18,129	18,681
Public safety	103,079	98,603	-	-	103,079	98,603
Transportation	10,332	11,031	-	-	10,332	11,031
Community development	21,162	33,705	-	-	21,162	33,705
Culture and leisure	19,335	18,859	-	-	19,335	18,859
Libraries	4,917	5,203	-	-	4,917	5,203
Interest on long-term debt	2,973	3,533	-	-	2,973	3,533
Water	-	-	44,763	37,910	44,763	37,910
Wastewater	-	-	34,397	29,078	34,397	29,078
Environmental Resource	-	-	40,601	41,582	40,601	41,582
Performing Arts and Convention Center	-	-	1,534	1,587	1,534	1,587
Oxnard Housing Authority	-	-	25,397	24,399	25,397	24,399
Municipal Golf Course	-	-	6,150	6,049	6,150	6,049
Total expenses	179,927	189,615	152,842	140,605	332,769	330,220
Change in Net Assets before Transfers	(15,389)	7,288	3,569	14,575	(11,820)	21,863
Transfers	(2,166)	(2,184)	2,166	2,184	-	-
Extraordinary loss	-	(65,066)	-	-	-	(65,066)
Contributions to other government	-	(15)	-	-	-	(15)
Changes in net assets	(17,555)	(59,977)	5,735	16,759	(11,820)	(43,218)
Net Position - July 1	1,463,646	1,525,815	332,611	327,274	1,796,257	1,853,089
Prior Period Adjustment	12,230	(2,192)	(1,874)	(11,421)	10,356	(13,613)
Net Position - June 30	\$ 1,458,321	\$ 1,463,646	\$ 336,472	\$ 332,612	\$ 1,794,793	\$ 1,796,258

Governmental revenue reductions of \$32.4 million included \$11.6 million previously collected by the Community Development Commission (CDC) during the first six months of fiscal year 2012. The remainder of the decrease was primarily grants and development related fees and permits. At the same time, governmental expenses decrease \$9.7 million again primarily due to

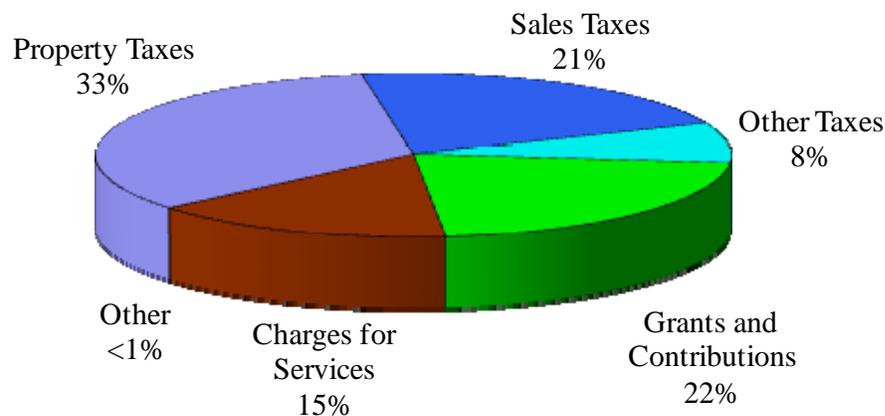
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the dissolution of the CDC. Prior period adjustments included the recognition of loans to the former Community Development Commission as well as amounts owed by the Housing Authority related to workers compensation to Governmental Activities.

Governmental Activities. The net position of governmental activities decreased by \$5.3 million during the fiscal year as reductions in revenues were partially offset by reduced expenditures and prior period adjustments. In addition, the following changes occurred:

- Taxes, which make up the largest source of governmental revenues at 62%, decreased \$10.8 million largely due to the dissolution of the CDC. Sales taxes decreased \$2.3 million due to a timing issue at the State for the Measure O ½ cent sales tax that resulted in a higher accrual to the prior fiscal year. Business licenses decreased \$1.6 million due to a timing change in collections which result in an increase to prior year collections by the same amount.
- Charges for services, which include various building permits and other development related fees as well as user fees make up 15% of governmental revenues. Decreases of \$9.2 million included \$7 million from development related fees and permits. Miscellaneous charges for services decreased \$2 million due to a one-time reimbursement in the prior year.
- Grants and contributions for both capital and operating purposes make up 22% of revenues with other minor revenues making up less than 1%. Grants decreased \$11 million primarily due to the completion of major grant funded projects.

Revenues



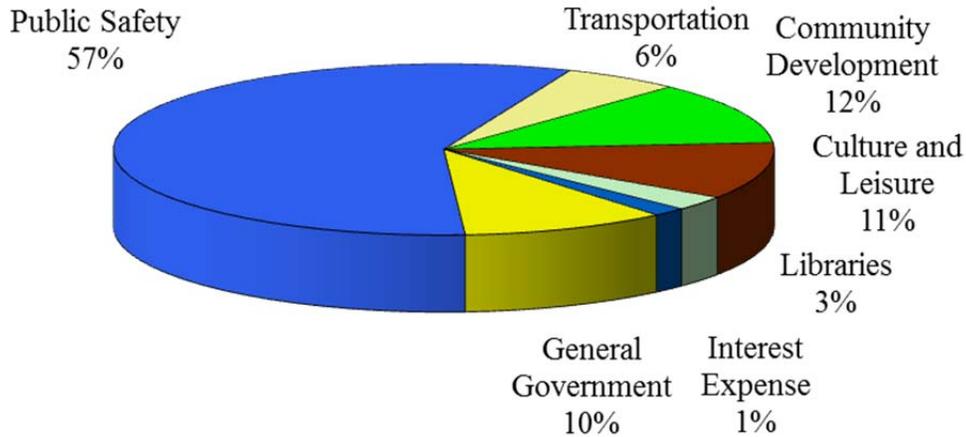
Of the \$179.9 million in total governmental expenses, 89% supports programs that provide direct services to the community.

- At 57%, Public Safety, which includes Police and Fire, receives the largest share of governmental revenues, increasing \$4.5 million due to higher personnel costs and grant funding.
- Other service programs include Community Development (excluding CDC) at 12%, Culture and Leisure at 11%, Transportation at 6%, and Library at 3%. Community Development decreased \$12.5 million primarily related to the dissolution of the CDC.
- The remaining 11% includes General Government, which decreased \$0.5 million and Interest Expenses, which decreased \$0.6 million.

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Total expenses increased \$9.7 million.

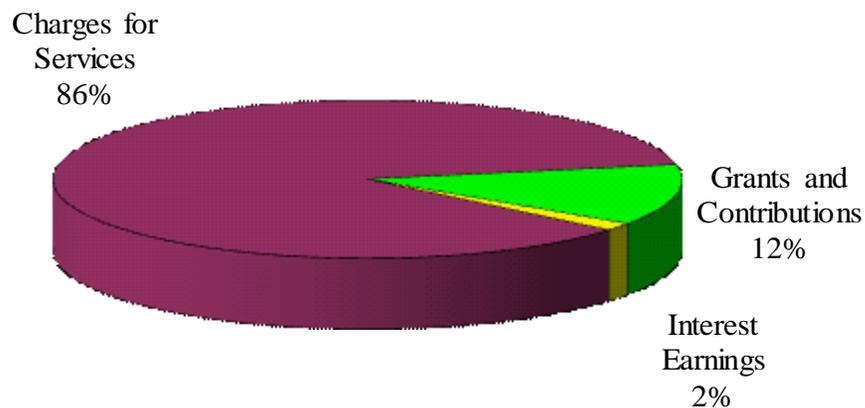
Expenses



Business-type Activities. Business-type activities increased the City’s net position by \$3.9 million after a \$1.9 million reduction for prior period adjustments.

- Charges for services, which make up 86% of business-type revenues, increased \$2.1 million. Higher revenues from rate payers were partially offset by lower developer related fees in Waste Water and lower recycling revenues in Environmental Resources.
- Other revenues including Grants and interest earning were down \$0.9 million.

Revenues

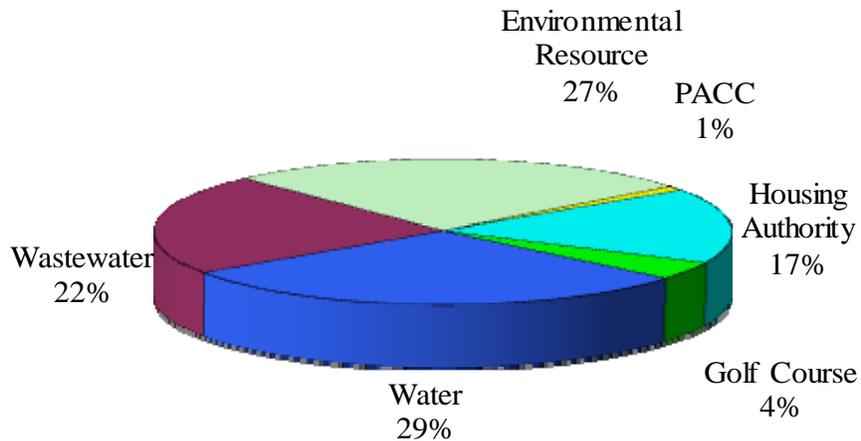


- Business-type activity expenses increased \$12.2 million. Water acquisition costs increased approximately \$3 million while depreciation expenses increased \$5 million for the various

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utility funds. Housing expenditures increased \$1 million due primarily to emergency repairs and maintenance in various housing complexes.

Expenses



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 \$82.1 million, a decrease of \$15.4 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	
	2013	2012	2013	2012	2013	2012
Assets	\$ 43,569	\$ 41,714	83,561	102,192	\$ 127,130	\$ 143,906
Liabilities and Fund Balance						
Liabilities	11,354	7,954	33,703	38,455	45,057	46,409
Fund Balances						
Nonspendable	4,714	-	3,305	-	8,019	-
Restricted	1,483	-	27,237	18,707	28,720	18,707
Assigned	14,658	18,094	4,457	51,416	19,115	69,510
Unassigned	11,360	15,666	14,859	(6,386)	26,219	9,280
Total fund balances	32,215	33,760	49,858	63,737	82,073	97,497
Total Liabilities and Fund Balance	\$ 43,569	\$ 41,714	\$ 83,561	\$ 102,192	\$ 127,130	\$ 143,906

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

- \$8.0 million of non-spendable balances related to loans made to the former CDC and Housing Successor loans for low-moderate income housing projects.
- \$28.7 million is restricted primarily for public safety retiree medical funds (\$5.4 million), developments (\$16.2 million) and repayment of debt (\$5.6 million).
- \$19.1 million is assigned for Measure O programming (\$14.7 million), capital projects (\$4.4 million), and the remainder for other purposes related to developer fees.
- \$26.2 million is unassigned including \$11.4 million in the general fund.

The major governmental funds are the General Fund and State and Federal Grant 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 \$32.2 million. The unassigned fund balance of the General Fund was \$11.4 million, which is 10% of general fund operating expenditures (excluding Measure O activities).

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	
	2013	2012	2013	2012	2013	2012
Revenues						
Taxes	\$ 89,360	\$ 90,974	\$ 13,926	\$ 23,159	\$ 103,286	\$ 114,133
Other Revenues	27,612	29,126	38,121	49,009	65,733	78,135
Total revenues	116,972	120,100	52,047	72,168	169,019	192,268
Expenditures						
Current	108,495	104,678	45,242	46,330	153,737	151,008
Capital outlay	7,199	9,818	26,698	37,050	33,897	46,868
Debt service	-	-	12,635	8,425	12,635	8,425
Total expenditures	115,694	114,496	84,575	91,805	200,269	206,301
Excess of revenues over (under) expenditures	1,278	5,604	(32,528)	(19,637)	(31,250)	(14,033)
Other Financing Sources (Uses)						
Proceeds from sale of bonds	-	-	6,851	3,680	6,851	3,680
Net Transfers	(5,292)	(4,965)	3,126	2,781	(2,166)	(2,184)
Total other financing sources (uses)	(5,292)	(4,965)	9,977	6,461	4,685	1,496
Special Items	-	-	-	(48,876)	-	(48,876)
Net change in fund balances	(4,014)	639	(22,551)	(62,052)	(26,565)	(61,413)
Fund balances, July 1	33,760	33,121	63,737	125,789	97,497	158,910
Prior period adjustment	2,469	-	8,672	-	11,141	-
Fund balances, June 30	\$ 32,215	\$ 33,760	\$ 49,858	\$ 63,737	\$ 82,073	\$ 97,497

General fund operating revenues exceeded expenditures by \$1.3 million. Total operating revenues decreased \$3.1 million due to a timing issue at the State for the Measure O ½ cent sales tax that resulted in a higher accrual to the prior fiscal year. General fund expenditures reflected a net increase of \$1.2 million, half of which was related to Measure O projects.

- Taxes decreased \$1.6 million; however, net of the \$3.2 million decrease in the Measure O ½ cent sales tax, taxes increased \$1.6 million. These increases reflected a local economy in a modest recovery. Increases include \$1.2 million in property taxes in part due to distribution of RPTTF funds, \$0.8 million in sales taxes (excluding Measure O). Other taxes had a combined increase of \$1 million with the exception of business license fees which decreased \$1.6 million due to a timing change in collections. Other revenues decreased \$1.6 million due to prior year one-time reimbursements.
- Excluding an \$0.6 million increase in the expenditure of Measure O funds, primarily in capital outlays, general fund expenditures increased \$0.6 million as the City continued its efforts to control costs.

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- Net transfers decreased \$0.3 million primarily the result of a modest increase in transfers to the debt service fund.

For other governmental funds, revenues decreased \$20.1 million as follows:

- \$11.6 million decrease for revenue previously collected by the Community Development Commission (CDC) during the first six months of fiscal year 2012,
- \$7 million decrease in Development fees due to reduced activity compared to a strong year in 2012,
- \$1.5 million in grant receipts and other non-major funds.

Other Governmental fund expenditures decreased \$7.2 million due to lower grant expenditures (\$7.5 million) and CDC-SA expenditures during the first six months of FY 2012 which were partially offset by increases in the use of Developer Fees on eligible projects.

Fund balances decreased \$15.0 million primarily due to the use of developer fees collected in prior years as well as the capital outlay fund on eligible projects.

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.

The enterprise utilities ended the fiscal year with combined unrestricted net position of \$34.1 million, a decrease of \$12.4 million. The net position increased \$7.2 million due to improved revenues combined with limited growth in the cost of providing services less \$0.8 million for a prior period adjustment.

- Enterprise utilities operating revenues increased \$2.1 million. Higher revenues from rate payers were partially offset by lower developer related fees in Waste Water and lower recycling revenues in Environmental Resources as well as lower grant receipts and interest earnings.
- Enterprise utilities operating expenses increased \$5.7 million including \$3 million in water acquisition costs and \$2.1 million in payments to wastewater for desalter discharges.

The net position of cultural and recreational activities continued to decline. While the PACC experienced a moderate decline, the golf course fund decreased \$0.7 million as the growth in contractual and utility costs continued to grow, while revenues continued to be impacted by a highly competitive environment.

The net position of the Housing Authority decreased \$1.7 million. Housing expenditures increased \$1 million due primarily to emergency repairs and maintenance in various housing complexes. In addition a prior period adjustment of \$1.1 million was made for worker's compensation requirements.

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Internal service fund balances decreased \$2.3 million due to a jump in insurance related costs and payments partially offset by the \$1.1 million prior period adjustment to workers compensation.

General Fund Budgetary Highlights

Revenues were \$2.9 million lower than budget and expenditures were \$8.1 million under final budget amounts as indicated in the following table.

General Fund Budgetary Summary (\$thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	\$ 88,912	\$ 88,912	\$ 89,360	\$ 448
Other Revenues	30,973	30,973	27,613	(3,360)
Total revenues	119,885	119,885	116,973	(2,912)
Expenditures				
Current	108,707	111,888	108,495	(3,393)
Capital outlay	775	11,867	7,199	(4,668)
Total expenditures	109,482	123,755	115,694	(8,061)
Excess of revenues over (under) expenditures	10,403	(3,870)	1,279	5,149
Other Financing Sources (Uses)				
Net Transfers	(5,392)	(5,493)	(5,292)	201
Total other financing sources (uses)	(5,392)	(5,493)	(5,292)	201
Net change in fund balances	\$ 5,011	\$ (9,363)	\$ (4,013)	\$ 5,350

Revenue budgets were not adjusted during the fiscal year. Measure O ½ cent sales tax revenues were lower by \$0.9 million due to a timing issue at the State. Excluding Measure O, taxes were \$1.3 million higher than budget, primarily due to the distribution of RPTTF revenues in excess of budget. Other revenues were lower due to charges for services primarily in support of projects as well as development related fees and interest earnings.

General Fund appropriations were increased \$14.3 million from the original budget of \$109.5 million (excluding transfers) and actual expenditures were \$8.1 million lower than the final budget. The change in budget was from the appropriation of Measure O projects not completed in the prior year. Actual expenditure variances from final budgets were primarily related to Measure O projects and programs that crossed fiscal years and not expended in 2013.

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, 2013, were \$1.5 billion and \$0.6 billion

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respectively. Governmental capital assets increased \$13.4 million due to continuing construction of major infrastructure projects such as the Rice-101 interchange. Business-type assets increased \$3.5 million, primarily related to the GREAT program projects such as the Advanced Water Purification Facility and Recycled Water Backbone. More detailed information about the City's capital assets activity is presented in Note II-E to the financial statements, beginning on page 56.

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

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 988,371	\$ 988,370	\$ 47,730	\$ 47,730	\$ 1,036,101	\$ 1,036,100
Buildings	66,095	68,039	34,721	36,120	100,816	104,159
Other improvements	75,686	78,015	22,482	22,952	98,168	100,967
Machinery and equipment	7,211	7,548	2,117	2,508	9,328	10,056
Infrastructure	232,242	246,131	374,001	386,413	606,243	632,544
Construction in progress	103,160	71,239	134,591	116,422	237,751	187,661
Total	\$1,472,765	\$1,459,342	\$ 615,642	\$ 612,145	\$2,088,407	\$2,071,487

Long-term debt. The City uses a variety of revenue bonds and lease indebtedness to finance various capital acquisitions. As of June 30, 2013, the City's long-term debt outstanding was \$434.3 million, a decrease of \$14.1 million. Of this total, \$70.3 million was in governmental activities and \$364 million was 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 57. The following provides a breakdown of the City's outstanding indebtedness adjusted for unamortized premiums, discounts and gains or losses on refundings (excludes compensated absences):

**Outstanding Debt
(\$thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenue Bonds	34,147	35,782	361,374	372,359	395,521	408,141
Capital Leases	11,101	5,665	2,621	2,963	13,722	8,628
Certificates of Participation	25,081	31,705	-	-	25,081	31,705
Total	\$ 70,329	\$ 73,152	\$363,995	\$ 375,322	\$ 434,324	\$ 448,474

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. Water are rated "A+"; however Wastewater revenue bonds were recently downgraded to

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“BBB+” and Solid Waste revenue bonds to “A-“ by S&P, while the other revenue bonds are “A” rated.

The total outstanding debt is limited by statute to 15% of assessed valuation, or \$2.32 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 11% compared to just below 12% a year ago. In addition, housing prices continue to recover, which should support stable if not higher property tax revenues. Federal budget issues continue to be a concern and sequestration has and will continue to impact certain federal revenue streams as well as the economy as a whole.

The fiscal year 2014 budget was developed based on modest economic growth. Taxes were budgeted based on FY 2013 trends. In FY 2013, City Council approved utility rate increases to address maintenance needs and to improve the financial viability of the wastewater fund as a first step to improving bond ratings. Dissolution of the CDC-SA continues to be a challenge and the general fund budget included funding to cover administration costs in excess of amounts allowed by the State Department of Finance (DOF). The DOF issued its final findings on the Low-Moderate Income House Fund and Other Funds due diligence reviews as well as the certificate of completion that allow the CDC-SA to develop the Long Range Property Management Plan.

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, 2013

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 75,192,836	\$ 47,387,815	\$ 122,580,651
Investments with fiscal agents	7,321,887	33,372,151	40,694,038
Accounts and other receivables (net of allowance for uncollectibles)	24,105,173	19,645,716	43,750,889
Notes receivable	2,700,000	1,216,810	3,916,810
Internal balances	4,305,091	(4,305,091)	-
Due from other government	8,688,772	-	8,688,772
Due from Successor Agency	9,531,095	-	9,531,095
Properties held for resale	104,736	-	104,736
Other assets	145,597	261,359	406,956
Capital assets not being depreciated:			
Land	988,370,375	47,730,214	1,036,100,589
Construction in progress	103,160,331	134,590,658	237,750,989
Capital assets, net of accumulated depreciation:			
Buildings	66,094,968	34,721,087	100,816,055
Other improvements	75,685,936	22,482,376	98,168,312
Machinery and equipment	7,211,259	2,117,069	9,328,328
Infrastructure	232,241,735	374,001,240	606,242,975
Total assets	<u>1,604,859,791</u>	<u>713,221,404</u>	<u>2,318,081,195</u>
Deferred outflow of resources			
Derivatives instrument-swap agreement	5,919,638	3,912,168	9,831,806
Total deferred outflow of resources	<u>5,919,638</u>	<u>3,912,168</u>	<u>9,831,806</u>
Liabilities			
Current liabilities:			
Accounts payable	13,773,847	5,277,040	19,050,887
Other liabilities	9,425,700	2,956,091	12,381,791
Unearned revenues	11,989,040	-	11,989,040
Self insurance claims - due within one year	6,548,080	-	6,548,080
Compensated absences payable - current	9,319,000	1,407,268	10,726,268
Bonds and capital leases	3,759,050	11,933,879	15,692,929
Early retirement incentive payable	824,485	-	824,485
Noncurrent liabilities:			
Interest rate swap liability	5,919,638	3,912,168	9,831,806
Notes payable	-	269,710	269,710
Self insurance claims	8,119,713	-	8,119,713
Compensated absences payable	8,376,451	1,343,229	9,719,680
Post employment retirement payable	6,647,207	1,501,269	8,148,476
Early retirement incentive payable	1,186,582	-	1,186,582
Bonds and capital leases	66,570,241	352,060,656	418,630,897
Total liabilities	<u>152,459,034</u>	<u>380,661,310</u>	<u>533,120,344</u>
Net position			
Net investment in capital assets	1,407,060,810	285,475,430	1,692,536,240
Restricted for:			
Debt service	5,368,684	16,059,396	21,428,080
Housing	-	518,502	518,502
Public safety retirement	5,640,104	-	5,640,104
Developments	16,228,731	-	16,228,731
Other purposes	1,482,872	-	1,482,872
Unrestricted	22,539,194	34,418,934	56,958,128
Total net position	<u>\$ 1,458,320,395</u>	<u>\$ 336,472,262</u>	<u>\$ 1,794,792,657</u>

See independent auditors' report and notes to financial statements.

City of Oxnard, California
Statement of Activities
For the Year Ended June 30, 2013

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets		Total
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	
Primary government:							
Governmental activities:							
General government	\$ 18,129,124	\$ 8,408,578	\$ 16,091,552	\$ 2,059,058	\$ 8,430,064	\$ -	\$ 8,430,064
Public safety	103,079,427	4,460,425	2,271,484	1,473,706	(94,873,812)	-	(94,873,812)
Transportation	10,331,822	3,152,660	4,692,651	4,750,994	2,264,483	-	2,264,483
Community development	21,162,624	4,316,880	4,350,737	-	(12,495,007)	-	(12,495,007)
Culture and leisure	19,334,566	4,667,879	-	30,000	(14,636,687)	-	(14,636,687)
Libraries	4,916,628	427,152	-	-	(4,489,476)	-	(4,489,476)
Interest on long-term debt	2,973,016	-	-	-	(2,973,016)	-	(2,973,016)
Total governmental activities	<u>179,927,207</u>	<u>25,433,574</u>	<u>27,406,424</u>	<u>8,313,758</u>	<u>(118,773,451)</u>	<u>-</u>	<u>(118,773,451)</u>
Business-type activities:							
Water	44,762,850	51,056,102	-	-	-	6,293,252	6,293,252
Wastewater	34,396,819	30,998,260	-	-	-	(3,398,559)	(3,398,559)
Environmental resource	40,601,250	42,535,271	-	-	-	1,934,021	1,934,021
Performing arts and convention center	1,534,353	483,778	-	-	-	(1,050,575)	(1,050,575)
Oxnard Housing Authority	25,397,453	5,173,132	18,595,158	966,935	-	(662,228)	(662,228)
Municipal golf course	6,150,325	4,157,668	-	-	-	(1,992,657)	(1,992,657)
Total business-type activities	<u>152,843,050</u>	<u>134,404,211</u>	<u>18,595,158</u>	<u>966,935</u>	<u>-</u>	<u>1,123,254</u>	<u>1,123,254</u>
Total primary government	<u>332,770,257</u>	<u>159,837,785</u>	<u>46,001,582</u>	<u>9,280,693</u>	<u>(118,773,451)</u>	<u>1,123,254</u>	<u>(117,650,197)</u>
General revenues:							
Taxes:							
Property tax					55,148,254	-	55,148,254
Sales tax					35,156,013	-	35,156,013
Transient occupancy tax					3,826,954	-	3,826,954
Franchise tax					3,842,351	-	3,842,351
Deed transfer tax					628,780	-	628,780
Business license tax					4,562,692	-	4,562,692
Penalties and interest					121,064	-	121,064
Interest on investments					(21,216)	2,445,183	2,423,967
Sale of capital assets					119,184	-	119,184
Transfers					(2,166,145)	2,166,145	-
Total general revenues and transfers					<u>101,217,931</u>	<u>4,611,328</u>	<u>105,829,259</u>
Change in net assets					(17,555,520)	5,734,582	(11,820,938)
Net position - July 1					<u>1,463,646,173</u>	<u>332,611,235</u>	<u>1,796,257,408</u>
Prior period adjustment					<u>12,229,742</u>	<u>(1,873,555)</u>	<u>10,356,187</u>
Net position - June 30					<u>\$ 1,458,320,395</u>	<u>\$ 336,472,262</u>	<u>\$ 1,794,792,657</u>

See independent auditors' report and notes to financial statements.

City of Oxnard, California
Balance Sheet
Governmental Funds
June 30, 2013

	General	State & Federal Grants	Non Major	Total Governmental
ASSETS				
Cash and cash equivalents	\$ 15,092,682	\$ -	\$ 44,107,892	\$ 59,200,574
Investments with fiscal agents	-	-	7,321,887	7,321,887
Accounts and other receivables	2,265,165	16,057,064	5,752,882	24,075,111
Notes receivable	-	-	2,700,000	2,700,000
Due from other funds	10,141,052	-	5,254,727	15,395,779
Due from Successor Agency	7,624,876	-	1,906,219	9,531,095
Due from other government	8,332,752	-	356,020	8,688,772
Properties held for resale	-	-	104,736	104,736
Other assets	112,697	-	-	112,697
Total assets	\$ 43,569,224	\$ 16,057,064	\$ 67,504,363	\$ 127,130,651
LIABILITIES				
Liabilities:				
Accounts payable	4,152,943	6,472,356	2,342,371	12,967,670
Other liabilities	3,813,978	45,806	735,306	4,595,090
Due to other funds	-	12,081,819	177,350	12,259,169
Deferred revenues	3,387,258	3,270,102	8,577,981	15,235,341
Total liabilities	11,354,179	21,870,083	11,833,008	45,057,270
Fund balances				
Nonspendable:				
Property held for resale	-	-	104,736	104,736
Prepayments	112,697	-	-	112,697
Long-term receivable	4,601,506	-	3,200,377	7,801,883
Restricted for:				
Debt service	-	-	5,368,684	5,368,684
Other purposes	1,482,872	-	-	1,482,872
Developments	-	-	16,228,731	16,228,731
Public safety retirement	-	-	5,640,104	5,640,104
Assigned to:				
Capital projects	-	-	4,456,543	4,456,543
Measure "O" service enhancement	14,658,123	-	-	14,658,123
Unassigned:	11,359,847	(5,813,019)	20,672,180	26,219,008
Total fund balances	32,215,045	(5,813,019)	55,671,355	82,073,381
Total liabilities and fund balances	\$ 43,569,224	\$ 16,057,064	\$ 67,504,363	\$ 127,130,651

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, 2013

Fund balances of governmental funds	\$	82,073,381
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets of \$1,842,397,154 net of accumulated depreciation of (\$372,601,004) are not financial resources and, therefore, are not reported in the funds.		1,469,796,150
Long term liabilities, claims and compensated absences have not been included in the governmental fund activity:		
Long-term liabilities of \$70,509,643 net of unamortized discount (\$253,972)		(70,255,671)
Self insurance claims		(14,667,793)
Compensated absences		(16,729,639)
Accrued interest payable for the current portion of interest due on long-term liabilities has not been reported in the governmental funds		(566,649)
Other post employment liability, other long term liability, not due and payable in the current period		(8,156,087)
Grants receivable that were not received within the availability period were recorded as deferred revenue in the governmental funds		3,246,301
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		13,580,402
Net Position of governmental activities	\$	1,458,320,395

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, 2013

	<u>General</u>	<u>State & Federal Grants</u>	<u>Non Major</u>	<u>Total Governmental</u>
REVENUES				
Taxes	\$ 89,360,382	\$ -	\$ 13,925,726	\$ 103,286,108
Licenses and permits	1,862,813	-	839,489	2,702,302
Intergovernmental	13,127,768	15,950,090	9,662,759	38,740,617
Growth and development fees	-	-	1,828,294	1,828,294
Charges for services	8,710,647	-	464,665	9,175,312
Fines and forfeitures	487,297	196,546	293,255	977,098
Interest on investments	15,104	16,057	(52,377)	(21,216)
Special assessments	-	-	7,971,903	7,971,903
Rental income	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	3,408,890	284,837	665,370	4,359,097
Total revenues	<u>116,972,901</u>	<u>16,447,530</u>	<u>35,599,084</u>	<u>169,019,515</u>
EXPENDITURES				
Current:				
General government	10,114,846	1,758	322,348	10,438,952
Public safety	68,591,284	3,144,071	19,455,318	91,190,673
Transportation	4,032,023	35	5,627,205	9,659,263
Community Development	9,079,931	3,237,289	8,016,371	20,333,591
Culture and leisure	12,371,602	206,529	5,201,802	17,779,933
Library Services	4,305,466	29,525	-	4,334,991
Capital outlay	7,198,960	9,418,671	17,279,581	33,897,212
Debt service:				
Principal	-	-	3,451,261	3,451,261
Bond issuance cost	-	-	45,002	45,002
Interest and fiscal charges	-	-	2,941,600	2,941,600
Total expenditures	<u>115,694,112</u>	<u>16,037,878</u>	<u>62,340,488</u>	<u>194,072,478</u>
Excess of revenues over (under) expenditures	<u>1,278,789</u>	<u>409,652</u>	<u>(26,741,404)</u>	<u>(25,052,963)</u>
OTHER FINANCING SOURCES(USES)				
Issuance of debt	-	-	6,802,986	6,802,986
Bond premium	-	-	48,238	48,238
Payment to refunded debt escrow agent	-	-	(6,197,285)	(6,197,285)
Transfers in	132,580	100,885	5,635,663	5,869,128
Transfers out	(5,424,980)	-	(2,610,293)	(8,035,273)
Total other financing sources (uses)	<u>(5,292,400)</u>	<u>100,885</u>	<u>3,679,309</u>	<u>(1,512,206)</u>
Net change in fund balances	(4,013,611)	510,537	(23,062,095)	(26,565,169)
Fund balances, July 1	33,760,051	(6,386,154)	70,123,392	97,497,289
Prior period adjustment	2,468,605	62,598	8,610,058	11,141,261
Fund balances, June 30	<u>\$ 32,215,045</u>	<u>\$ (5,813,019)</u>	<u>\$ 55,671,355</u>	<u>\$ 82,073,381</u>

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, 2013

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

Net change in fund balances - total governmental funds	\$ (26,565,169)
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 capital outlays \$33,897,212 exceeded depreciation expense (\$20,253,507) in the current period.	13,643,705
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 \$289,328 net of accumulated depreciation (\$266,321)	(23,007)
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 \$16,141 net increase in compensated absences (\$91,623) and other post employment benefits (\$227,526).	(303,008)
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 in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which repayments of \$9,648,546 exceeded bond proceeds of (\$6,802,986) and bond discount (\$50,793).	2,794,767
Revenue in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	(4,458,676)
Net expenditures of internal service funds of \$3,417,516 is reported with governmental activities, \$773,384 allocated to business-type activities.	(2,644,132)
Change in net position of governmental activities (page 20)	<u><u>\$ (17,555,520)</u></u>

See independent auditors' report and notes to financial statements.

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City of Oxnard, California
Statement of Net Position
Proprietary Funds
June 30, 2013

	<u>Water</u>	<u>Wastewater</u>	<u>Environmental Resource</u>	<u>Performing Arts and Convention Center</u>
Assets				
Current assets:				
Cash and cash equivalents	\$ 28,090,143	\$ 8,965,061	\$ 3,273,496	\$ 35,000
Cash with fiscal agent	29,974,480	8,744	2,570,905	-
Accounts and other receivable (net of allow for unc)	8,750,996	4,677,538	6,037,722	1,374
Due from other funds	87,178	-	64,943	-
Notes receivable	-	-	-	-
Other assets	-	-	99,662	-
Total currents assets	<u>66,902,797</u>	<u>13,651,343</u>	<u>12,046,728</u>	<u>36,374</u>
Noncurrent assets:				
Notes receivable	-	1,198,800	-	-
Advances to other funds	10,461,204	-	-	-
Capital assets:				
Land	3,883,110	3,145,160	3,851,164	-
Buildings	14,517,008	6,582,587	22,859,740	-
Improvements	-	-	-	-
Machinery and equipment	3,103,446	18,322,504	21,564,790	15,370
Construction in progress	129,757,815	403,142	3,295,487	-
Infrastructure	185,179,466	345,910,640	3,586,781	42,615
Less accumulated depreciation	(65,178,273)	(124,794,590)	(29,631,151)	(21,473)
Total capital assets (net of accum depr)	<u>271,262,572</u>	<u>249,569,443</u>	<u>25,526,811</u>	<u>36,512</u>
Total noncurrent assets	<u>281,723,776</u>	<u>250,768,243</u>	<u>25,526,811</u>	<u>36,512</u>
Total assets	<u>348,626,573</u>	<u>264,419,586</u>	<u>37,573,539</u>	<u>72,886</u>
Deferred outflow of resources				
Derivatives instrument-swap agreement	-	3,912,168	-	-
Total deferred outflow of resources	<u>-</u>	<u>3,912,168</u>	<u>-</u>	<u>-</u>
Liabilities				
Current liabilities:				
Accounts payable	5,269,527	794,778	2,393,777	102,775
Other liabilities	1,632,264	705,857	374,048	4,743
Due to other funds	-	-	-	1,614,009
Compensated absences payable - current	295,000	493,000	535,000	50,000
Self insurance claims - due within one year	-	-	-	-
Revenue bonds and capital leases payable-current	3,858,360	3,891,902	2,681,395	-
Total current liabilities	<u>11,055,151</u>	<u>5,885,537</u>	<u>5,984,220</u>	<u>1,771,527</u>
Noncurrent liabilities:				
Interest rate swap liability	-	3,912,168	-	-
Revenue bonds, net of current portion and discount	191,877,170	127,881,217	4,070,784	-
Compensated absences payable	269,900	140,397	313,947	51,115
Advances from other funds	-	1,671,260	7,441,667	-
Notes payable	-	-	-	-
Self insurance claims	-	-	-	-
Capital leases payable	69,868	313,547	1,710,521	-
Deferred revenue	-	-	-	-
Post employment retirement payable	269,957	436,025	440,324	12,786
Total noncurrent liabilities	<u>192,486,895</u>	<u>134,354,614</u>	<u>13,977,243</u>	<u>63,901</u>
Total liabilities	<u>203,542,046</u>	<u>140,240,151</u>	<u>19,961,463</u>	<u>1,835,428</u>
Net Position				
Net investment in capital assets	103,820,986	117,482,777	19,294,373	36,512
Restricted for housing	-	-	-	-
Restricted for debt service	13,928,796	-	2,130,600	-
Unrestricted	27,334,745	10,608,826	(3,812,897)	(1,799,054)
Total net position	<u>\$ 145,084,527</u>	<u>\$ 128,091,603</u>	<u>\$ 17,612,076</u>	<u>\$ (1,762,542)</u>

See independent auditors' report and notes to financial statements.

City of Oxnard, California
Statement of Net Position
Proprietary Funds
June 30, 2013

Oxnard Housing Authority	Municipal Golf Course	Totals Current Year	Governmental Activities- Internal Service Funds	
				Assets
				Current assets:
\$ 7,024,115	\$ -	\$ 47,387,815	\$ 15,992,262	Cash and cash equivalents
818,020	2	33,372,151	-	Cash with fiscal agent
178,086	-	19,645,716	30,062	Accounts and other receivable (net of allow for unc)
	-	152,121	-	Due from other funds
18,010	-	18,010	-	Notes receivable
161,697	-	261,359	32,900	Other assets
8,199,928	2	100,837,172	16,055,224	Total currents assets
				Noncurrent assets:
	-	1,198,800	-	Notes receivable
	-	10,461,204	1,168,481	Advances to other funds
				Capital assets:
8,920,208	27,930,572	47,730,214	595,500	Land
42,647,696	3,926,962	90,533,993	-	Buildings
-	25,461,641	25,461,641	-	Improvements
1,946,263	13,950	44,966,323	3,643,354	Machinery and equipment
296,140	838,074	134,590,658	1,740,406	Construction in progress
-	-	534,719,502	-	Infrastructure
(38,024,701)	(4,709,499)	(262,359,687)	(3,010,806)	Less accumulated depreciation
15,785,606	53,461,700	615,642,644	2,968,454	Total capital assets (net of accum depr)
15,785,606	53,461,700	627,302,648	4,136,935	Total noncurrent assets
23,985,534	53,461,702	728,139,820	20,192,159	Total assets
				Deferred outflow of resources
				Derivatives instrument-swap agreement
-	-	3,912,168	-	Total deferred outflow of resources
-	-	3,912,168	-	
				Liabilities
				Current liabilities:
443,308	4,655	9,008,820	806,177	Accounts payable
181,421	57,758	2,956,091	209,746	Other liabilities
-	1,674,722	3,288,731	-	Due to other funds
34,268	-	1,407,268	649,000	Compensated absences payable - current
-	-	-	6,548,080	Self insurance claims - due within one year
270,000	1,232,222	11,933,879	28,808	Revenue bonds and capital leases payable-current
928,997	2,969,357	28,594,789	8,241,811	Total current liabilities
				Noncurrent liabilities:
-	-	3,912,168	-	Interest rate swap liability
3,495,000	22,642,549	349,966,720	-	Revenue bonds, net of current portion and discount
567,870	-	1,343,229	316,812	Compensated absences payable
1,168,481	1,348,277	11,629,685	-	Advances from other funds
269,710	-	269,710	-	Notes payable
-	-	-	8,119,713	Self insurance claims
-	-	2,093,936	44,812	Capital leases payable
-	-	-	-	Deferred revenue
342,177	-	1,501,269	502,187	Post employment retirement payable
5,843,238	23,990,826	370,716,717	8,983,524	Total noncurrent liabilities
6,772,235	26,960,183	399,311,506	17,225,335	Total liabilities
				Net Position
15,253,853	29,586,929	285,475,430	2,894,834	Net investment in capital assets
518,502	-	518,502	-	Restricted for housing
-	-	16,059,396	-	Restricted for debt service
1,440,944	(3,085,410)	30,687,154	71,990	Unrestricted
\$ 17,213,299	\$ 26,501,519	\$ 332,740,482	\$ 2,966,824	Total net position
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds		3,731,780		
Net position of business-type activities		\$ 336,472,262		

City of Oxnard, California
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For Fiscal Year Ended June 30, 2013

	<u>Water</u>	<u>WasteWater</u>	<u>Environmental Resource</u>	<u>Performing Arts & Convention Center</u>
Operating revenues:				
Charges for services	\$ 49,714,083	\$ 28,729,237	\$ 42,229,122	\$ 465,734
Connection Fees	1,187,998	1,572,676	48,472	-
Miscellaneous and reimbursements	154,021	696,347	257,677	18,044
Total operating revenues	51,056,102	30,998,260	42,535,271	483,778
Operating expenses:				
Salaries and wages	4,525,892	6,193,837	6,969,210	1,054,956
Contractual services	816,995	1,036,397	15,617,695	128,783
Operating supplies	22,828,694	1,807,367	535,283	361
Utilities	2,489,873	5,940,405	6,695,330	139,509
Depreciation & amortization	4,637,036	8,462,344	1,239,483	2,275
General and administrative	5,059,435	3,464,702	3,769,539	180,518
Repairs and maintenance	376,037	320,750	4,648,562	18,380
Claims expenses	-	-	-	-
Total operating expenses	40,733,962	27,225,802	39,475,102	1,524,782
Operating income (loss)	10,322,140	3,772,458	3,060,169	(1,041,004)
Nonoperating revenues (expenses):				
Intergovernmental	-	-	-	-
Interest on investments	2,250,295	47,455	133,323	-
Interest expense	(3,879,201)	(6,950,929)	(722,881)	(9,571)
Net nonoperating revenues (expenses)	(1,628,906)	(6,903,474)	(589,558)	(9,571)
Income (loss) before contributions and transfers	8,693,234	(3,131,016)	2,470,611	(1,050,575)
Capital contributions	-	-	-	-
Transfers in	-	-	-	905,160
Transfers out	-	-	(62,360)	-
Changes in net position	8,693,234	(3,131,016)	2,408,251	(145,415)
Net position - July 1	136,391,293	132,007,693	15,203,825	(1,617,127)
Prior period adjustment	-	(785,074)	-	-
Net position - June 30	\$ 145,084,527	\$ 128,091,603	\$ 17,612,076	\$ (1,762,542)

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, 2013

Oxnard Housing Authority	Municipal Golf Course	Totals Current Year	Governmental Activities- Internal Service Fund	
\$ 4,514,615	\$ 4,128,427	\$ 129,781,218	\$ 26,647,221	Operating revenues:
-	-	2,809,146	-	Charges for services
658,517	29,241	1,813,847	192,116	Connection Fees
5,173,132	4,157,668	134,404,211	26,839,337	Miscellaneous and reimbursements
				Total operating revenues
				Operating expenses:
3,128,031	66,261	21,938,187	8,851,060	Salaries and wages
49,912	3,986,485	21,636,267	990,035	Contractual services
16,362,445	-	41,534,150	5,258,501	Operating supplies
915,330	2,189	16,182,636	1,551,116	Utilities
1,191,149	590,588	16,122,875	260,740	Depreciation & amortization
1,528,447	192,973	14,195,614	2,730,323	General and administrative
2,044,089	33,945	7,441,763	1,399,617	Repairs and maintenance
	-	-	9,112,538	Claims expenses
25,219,403	4,872,441	139,051,492	30,153,930	Total operating expenses
(20,046,271)	(714,773)	(4,647,281)	(3,314,593)	Operating income (loss)
				Nonoperating revenues (expenses):
18,595,158	-	18,595,158	-	Intergovernmental
14,107	3	2,445,183	(100,226)	Interest on investments
(178,050)	(1,277,542)	(13,018,174)	(2,697)	Interest expense
18,431,215	(1,277,539)	8,022,167	(102,923)	Net nonoperating revenues (expenses)
(1,615,056)	(1,992,312)	3,374,886	(3,417,516)	Income (loss) before contributions and transfers
966,935	-	966,935	-	Capital contributions
	1,323,345	2,228,505	-	Transfers in
	-	(62,360)	-	Transfers out
(648,121)	(668,967)	6,507,966	(3,417,516)	Changes in net position
18,949,901	27,170,486		5,295,859	Net position - July 1
(1,088,481)	-		1,088,481	Prior period adjustment
\$ 17,213,299	\$ 26,501,519		\$ 2,966,824	Net position - June 30
Adjustment to reflect the consolidation of				
internal service fund activities related to				
enterprise funds		(773,384)		
Change in net position of business-type activities		\$ 5,734,582		

City of Oxnard, California
Statement of Cash Flows
Proprietary Funds
For Fiscal Year Ended 2013

	<u>Water</u>	<u>Wastewater</u>	<u>Environmental Resource</u>	<u>Performing Arts and Convention Center</u>
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts from customers and users	48,874,157	30,390,742	42,331,025	484,740
Payments to suppliers	(29,686,463)	(12,413,743)	(30,965,030)	(417,917)
Payments to employees	(4,538,389)	(6,162,184)	(6,860,552)	(1,056,575)
Cash paid to claimants	-	-	-	-
Net cash provided(used) by operating activities	<u>14,649,305</u>	<u>11,814,815</u>	<u>4,505,443</u>	<u>(989,752)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Due to other funds	-	-	-	94,163
Due from other funds	(105)	-	(79)	-
Advances to other funds	393,922	-	-	-
Advances from other funds	-	(799,301)	(942,898)	-
Received from grants	-	-	-	-
Transfer from other funds	-	-	-	905,160
Transfer to other funds	-	-	(62,360)	-
Net cash provided (used) by capital and related financing activities	<u>393,817</u>	<u>(799,301)</u>	<u>(1,005,337)</u>	<u>999,323</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	(10,445,098)	(478,267)	(295,724)	-
Received from grants	-	-	-	-
Principal paid on long-term debt	(3,479,490)	(3,709,555)	(2,729,777)	-
Interest and issuance cost paid on long-term debt	(10,524,675)	(6,882,148)	(763,442)	(9,571)
Proceeds from issuance of long-term debt	-	318,059	-	-
Net cash used in capital and related financing activities	<u>(24,449,263)</u>	<u>(10,751,911)</u>	<u>(3,788,943)</u>	<u>(9,571)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	2,250,295	47,455	133,323	-
Net cash provided by investing activities	<u>2,250,295</u>	<u>47,455</u>	<u>133,323</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(7,155,846)	311,058	(155,514)	-
Cash and cash equivalents, July 1	<u>65,220,469</u>	<u>8,662,747</u>	<u>5,999,915</u>	<u>35,000</u>
Cash and cash equivalents, June 30	<u>\$ 58,064,623</u>	<u>\$ 8,973,805</u>	<u>\$ 5,844,401</u>	<u>\$ 35,000</u>

See independent auditors' report and notes to financial statements.

City of Oxnard, California
Statement of Cash Flows
Proprietary Funds
For Fiscal Year Ended 2013

<u>Oxnard Housing Authority</u>	<u>Municipal Golf Course</u>	<u>Total</u>	<u>Governmental Activities- Internal Service Funds</u>	
CASH FLOW FROM OPERATING ACTIVITIES				
5,341,764	4,157,668	131,580,096	26,879,735	Receipts from customers and users
(19,348,040)	(4,215,866)	(97,047,059)	(11,525,731)	Payments to suppliers
(4,596,332)	(66,261)	(23,280,293)	(8,765,280)	Payments to employees
-	-	-	(6,382,445)	Cash paid to claimants
<u>(18,602,608)</u>	<u>(124,459)</u>	<u>11,252,744</u>	<u>206,279</u>	Net cash provided(used) by operating activities
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
-	1,284,200	1,378,363	-	- Due to other funds
-	-	(184)	-	- Due from other funds
-	-	393,922	-	- Advances to other funds
-	-	(1,742,199)	-	- Advances from other funds
87,087	-	87,087	-	- Received from grants
-	1,323,345	2,228,505	-	- Transfer from other funds
-	-	(62,360)	-	- Transfer to other funds
<u>87,087</u>	<u>2,607,545</u>	<u>2,283,134</u>	<u>-</u>	Net cash provided (used) by capital and related financing activities
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
(992,223)	(51,439)	(12,262,751)	(62,940)	Purchases of capital assets
19,412,305	-	19,412,305	-	Received from grants
(260,000)	(1,164,913)	(11,343,735)	(27,984)	Principal paid on long-term debt
(180,456)	(1,266,737)	(19,627,029)	(2,697)	Interest and issuance cost paid on long-term debt
-	-	318,059	-	Proceeds from issuance of long-term debt
<u>17,979,626</u>	<u>(2,483,089)</u>	<u>(23,503,151)</u>	<u>(93,621)</u>	Net cash used in capital and related financing activities
CASH FLOWS FROM INVESTING ACTIVITIES				
14,108	3	2,445,184	(100,226)	Interest on investments
<u>14,108</u>	<u>3</u>	<u>2,445,184</u>	<u>(100,226)</u>	Net cash provided by investing activities
(521,787)	-	(7,522,089)	12,432	Net increase (decrease) in cash and cash equivalents
8,363,922	2	88,282,055	15,979,830	Cash and cash equivalents, July 1
<u>\$ 7,842,135</u>	<u>\$ 2</u>	<u>\$ 80,759,966</u>	<u>\$ 15,992,262</u>	Cash and cash equivalents, June 30

City of Oxnard, California
Statement of Cash Flows
Proprietary Funds
For Fiscal Year Ended 2013

	<u>Water</u>	<u>Wastewater</u>	<u>Environmental Resource</u>	<u>Performing Arts and Convention Center</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	10,322,140	3,772,458	3,060,169	(1,041,004)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization	4,637,036	8,462,344	1,239,483	2,275
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable and due from other funds	(2,181,945)	(607,518)	(204,246)	962
(Increase) decrease in other assets	-	-	-	-
Increase (decrease) in accounts payable	1,884,571	155,878	301,379	49,634
Increase (decrease) in other liabilities	-	-	-	-
Increase (decrease) in compensated absences & OPEB	(12,497)	31,653	108,658	(1,619)
Increase (decrease) in self-insurance liabilities	-	-	-	-
Net cash provided by (used) in operating activities	<u><u>14,649,305</u></u>	<u><u>11,814,815</u></u>	<u><u>4,505,443</u></u>	<u><u>(989,752)</u></u>

See independent auditors' report and notes to financial statements.

City of Oxnard, California
Statement of Cash Flows
Proprietary Funds
For Fiscal Year Ended 2013

<u>Oxnard Housing Authority</u>	<u>Municipal Golf Course</u>	<u>Total</u>	<u>Governmental Activities-Internal Service Funds</u>	
(20,046,271)	(714,773)	(4,647,281)	(3,314,593)	Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:
				Operating income (loss)
				Adjustments to reconcile operating income (loss) to net cash provided by operating activities:
1,191,150	590,588	16,122,876	260,740	Depreciation and amortization
				Changes in assets and liabilities:
182,560	-	(2,810,187)	40,398	(Increase) decrease in accounts receivable and due from other funds
73,080	-	73,080	-	(Increase) decrease in other assets
116,725	(274)	2,507,913	403,861	Increase (decrease) in accounts payable
-	-	-	-	Increase (decrease) in other liabilities
(119,852)	-	6,343	85,780	Increase (decrease) in compensated absences & OPEB
-	-	-	2,730,093	Increase (decrease) in self-insurance liabilities
<u>(18,602,608)</u>	<u>(124,459)</u>	<u>11,252,744</u>	<u>206,279</u>	Net cash provided by (used) in operating activities

City of Oxnard, California
Statement of Fiduciary Net Position
June 30, 2013

	Oxnard Community Development Commission Successor Agency Private Purpose Trust Fund	Agency Fund
ASSETS:		
Cash and cash equivalents	\$ 4,135,667	\$ 4,949,353
Investment with fiscal agents	10,937,313	15,102,049
Accounts and other receivables	625,107	-
Notes receivable, net of uncollectible	639,884	-
Properties held for resale	6,963,050	-
Other Assets	1,004,149	-
Capital Assets:		
Land	1,221,289	-
Construction in progress	15,491,722	-
Building (net of depreciation)	459,601	-
Improvements other than building (net of depreciation)	38,516,214	-
Equipment and machinery (net of depreciation)	699	-
Total assets	79,994,695	\$ 20,051,402
LIABILITIES;		
Accounts payable	1,578,893	\$ 20,051,402
Due to City of Oxnard	9,531,095	
Due to other governments	1,557,689	-
Long-term debt:		
Due within one year	1,460,000	-
Due in more than one year	40,920,000	-
Total liabilities	55,047,677	\$ 20,051,402
NET POSITION:		
Held in trust for Successor Agency	\$ 24,947,018	

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, 2013

	Oxnard Community Development Successor Agency Private Purpose Trust Fund
ADDITIONS:	
Taxes	\$ 17,747,916
Interest	291,469
Rental income	62,664
Miscellaneous	173,293
Total additions	\$ 18,275,342
DEDUCTIONS:	
Administrative Costs:	
Salaries and wages	697,554
Assessment district payment	141,136
Distribution to County of Ventura	15,724,978
Other administrative costs	916,023
Professional services	568,438
Depreciation	1,704,501
Capital Outlay:	
Project improvements	16,568,759
Debt service:	
Interest and fiscal charges	2,902,108
Total deductions	39,223,497
Change in net position	(20,948,155)
Net position - July 1, 2012	60,454,719
Prior period adjustment	(14,559,546)
Net position - June 30, 2013	\$ 24,947,018

See independent auditors' report and notes to financial statements.

City of Oxnard
Notes to the Financial Statements
June 30, 2013

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 operations have been included in the City's business-type activities in the accompanying government-wide financial statements. The Housing Authority prepares separate financial statements, which can be obtained from the Housing Authority's Financial Services Division.

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B. New Pronouncement

GASB Statement No. 63 – In June 2011, the GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*. This statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, Elements of Financial Statements, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Concepts Statement 4 also identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. This Statement is for periods beginning after December 15, 2011. The City implements this Statement for its fiscal year 2012-2013 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 Ridge Golf Course, and the Performing Arts and Convention Center (PACC). These activities generally recover the cost of providing services from customer fees and

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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 and liabilities, 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 as prescribed by GASB 34 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.

In accordance with GASB 34, 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, liabilities, 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.

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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 funds have been determined to be the City's major governmental funds:

- **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.
- **State and Federal Grants Fund:** This fund accounts for expenditures of grants from state and federal agencies.

Governmental funds are accounted for using a "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities 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 and, if paid within 60 days of year-end, 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.

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.

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- **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 and liabilities (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 reported in total on the proprietary funds statements.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position. The City's fiduciary funds consist of private purpose trust fund and an agency fund. A private purpose trust fund is 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.

The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. 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

In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and External Investment Pools," 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 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 and business-type 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:

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

GASB 34 requires states, local governments, and other public agencies to annually report the net value of all capital assets, including infrastructure assets, consistent with generally accepted accounting principles. GASB 34 defines infrastructure assets 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 in compliance with GASB 34 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. In accordance with GASB Statement No. 6, 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, 2013:

	Governmental		
	Activities	Business Type	Total
Beginning Balance	\$ 17,592,431	\$ 2,824,005	\$ 20,416,436
Additions	9,334,808	1,674,407	11,009,215
Payments	(9,231,788)	(1,747,915)	(10,979,703)
Ending Balance	<u>17,695,451</u>	<u>2,750,497</u>	<u>20,445,948</u>
Current Portions	<u>\$ 9,319,000</u>	<u>\$ 1,407,268</u>	<u>\$ 10,726,268</u>

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:

See independent auditors' report.

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).

Under GASB Statement No. 33, *Accounting and Reporting for Nonexchange Transactions*, 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, 2013, the City has recorded property taxes receivable of \$862,950, 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 and liabilities 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. Proprietary funds include all significant outstanding encumbrances.

Governmental Funds		Proprietary Funds	
General fund*	\$ 2,581,115	Water funds	\$ 4,608,927
State and federal grants	2,461,510	Wastewater funds	1,161,763
Other non-major funds	6,303,859	Environmental resources funds	738,769
Total governmental funds	<u>\$ 11,346,484</u>	Golf course funds	23,625
		Internal service funds	283,087
		Total proprietary funds	<u>\$ 6,816,171</u>

* Includes \$1,932,115 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.

See independent auditors’ report.

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 statement of net position 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 statement of net position.

In addition to liabilities, the statement of net position 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 does not have any items that qualify for reporting in this category under GASB 63.

O. Prior Period Adjustments

At July 1, 2012 the City's due from other agency, grants receivable, deferred revenue and other advances balances were restated to correct errors in recording. The restatement consisted of the following:

Net Assets - Governmental Activities

To book principal balance of CCRP's (former redevelopment agency) loan to General Fund dated March 15, 1994	\$ 3,433,467
To book principal balance of former redevelopment agency's loan to General Fund for R-108 Downtown Project, loan originated in 1966	304,572
To correct grants receivable balance	(307,485)
To correct deferred revenue balance	251,026
To recognize 2006 Tax Allocation Bond revenue earned	495,108
To record receivable from Housing Authority for workers compensation claims	1,088,481
To transfer cash back from Successor agency to Housing Successor	6,964,573
Total	\$ 12,229,742

Net Assets -Business-type Activities

To close out advances to other agency that was booked during accounting system conversion	\$ (839,716)
To close out due to other government that was booked during accounting system conversion	54,642
To record Housing Authority's payable to the City for Workers Compensation related claims	(1,088,481)
Total	\$ (1,873,555)

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, 2013:

Petty Cash	\$ 53,375
Deposits	28,650,400
Investments	102,961,896
Cash and cash equivalents	131,665,671
Cash and Investments with Fiscal Agents	66,733,400
	<u>\$ 198,399,071</u>

See independent auditors' report.

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

	Governmental Activities	Business-Type Activities	Fiduciary Funds	Grand Total
Cash and cash equivalents	\$ 75,192,836	\$ 47,387,815	\$ 9,085,020	\$ 131,665,671
Cash with fiscal agents	7,321,887	33,372,151	26,039,362	66,733,400
Total	\$ 82,514,723	\$ 80,759,966	\$ 35,124,382	\$ 198,399,071

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, 2013, the City has a bank balance of \$29,420,131 (carrying amount of \$28,317,173); 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, 2013 was \$1,562,377 (carrying value of \$1,562,377). In addition, the Performing Arts & Convention Center retained a bank balance of \$66,940 (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's investment policies. Investments managed by bond trustees are invested in accordance by provisions of the respective bond agreements.

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

City Treasurer	\$ 97,500,408
Fiscal Agents (Bond trustees for the City and its component units)	65,915,380
Other Agency (includes fiscal agents)	6,279,508
Total Investments	\$ 169,695,296

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,

and trust and agency funds which are invested in accordance with the City's investment policy. Allowable investments are detailed in the following table.

Investment Types Authorized by Section 53601	Authorized by Investment Policy	Maximum Maturity (Years)	Maximum Percentage of Portfolio	Maximum Investment in One Issuer	Minimum Ratings
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 and related disclosures regarding its investments at June 30, 2013, 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. 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

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. One of the ways the City manages its exposure to interest rate risk is by purchasing a combination of short-term and longer-term investments with maturities that 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:

See independent auditors' report.

	Investment Maturities (in Years)			Total
	Less than 1	1-5	More than 5	
Federal Agency Securities	\$ 4,018,660	\$ 64,422,027	\$ -	\$ 68,440,687
Corporate Bonds	-	8,060,540	-	8,060,540
LAIF	25,655,079	-	-	25,655,079
Municipal Bonds	1,000,000	-	-	1,000,000
Held by trustee:				
Investment Agreement	-	2,130,600	3,028,150	5,158,750
LAIF	2,370,352	-	-	2,370,352
Money Market Fund	59,010,707	-	-	59,010,707
Total Investments	\$ 92,054,798	\$ 74,613,167	\$ 3,028,150	169,696,115
Accrued discount				(819)
Total investments (net of accrued discount)				169,695,296
Cash in banks and on hand				28,703,775
Total Cash and Investments				\$ 198,399,071

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; in the event the City refunds or prepay its debt before the maturity, GICs are redeemed at par.

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 LAIF and GICs. Although GICs are not rated, the City has only entered into GICs with institutions that carry a high credit rating. In addition, in the event of a downgrade of the GIC provide below certain thresholds, the GIC provider is required to collateralize the GIC obligation with U.S. debt obligations.

Presented below are the actual ratings from Standard & Poor's for each investment type as of June 30, 2013:

Investment Type	AAA	AA+	AA	A+	Total
Federal agency securities	\$ -	\$ 68,440,687	\$ -	\$ -	\$ 68,440,687
Los Angeles Municipal Bonds	-	-	-	1,000,000	1,000,000
Corporate bonds (GECC)	-	2,086,820	-	-	2,086,820
Corporate bonds (Walmart)	-	-	2,038,820	-	2,038,820
Corporate bonds (Disney)	-	-	1,939,000	-	1,939,000
Corporate bonds (GECC BE)	-	1,995,900	-	-	1,995,900
Money Market Fund	59,010,707	-	-	-	59,010,707
Totals	\$ 59,010,707	\$ 72,523,407	\$ 3,977,820	\$ 1,000,000	136,511,934
Not rated:					
LAIF					28,025,431
GIC					5,158,750
Total Investments					169,696,115
Less accrued discount					(819)
Total investments (net of accrued discount)					169,695,296
Cash in banks and on hand					28,703,775
Total cash and investments					\$ 198,399,071

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, 2013:

Issuer	Type of Investments	Amounts
Federal National Mortgage Association	Federal Agency Securities	\$ 19,826,380
Federal Home Loan Bank	Federal Agency Securities	\$ 21,872,900
Federal Farm Credit Bank	Federal Agency Securities	\$ 18,860,167

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 (bond trustee), the bond 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 of \$51,670,000. The City pays the counterparty a fixed amount of 3.53 percent and 4.037 percent and receives variable payments computed as 68 percent of the 1-month London Interbank Offered Rate (LIBOR). At June 30, 2013, this interest rate swap had a fair value of a negative \$9,831,806. 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, 2013 included in the accompanying Statement of Net Position primarily consist of the following:

See independent auditors' report.

<u>Accounts Receivables</u>	Governmental Activities	Business-Type Activities
Utilities Receivable	\$ 15,235	\$ 15,261,856
Grants receivable	16,254,981	-
Accounts Receivable Billed and Accrued	2,541,697	4,739,350
Other Receivables	5,892,862	-
Sub-Total	<u>24,704,775</u>	<u>20,001,206</u>
Allowance for Uncollectible Receivables	(599,602)	(355,490)
Total	<u><u>\$ 24,105,173</u></u>	<u><u>\$ 19,645,716</u></u>

Accounts payable and other liabilities as of June 30, 2013 reported on the Statement of Net Position primarily consist of the following:

<u>Accounts Payable and Other Liabilities</u>	Governmental Activities	Business-Type Activities
Accounts Payable (due to vendors)	\$ 13,773,847	\$ 5,277,040
Other liabilities:		
Accrued Payroll	2,912,137	449,092
Other Accrued Expenses	252,650	58,493
Other Payables	<u>6,260,913</u>	<u>2,448,506</u>
Total Other liabilities	<u>9,425,700</u>	<u>2,956,091</u>
Total	<u><u>\$ 23,199,547</u></u>	<u><u>\$ 8,233,131</u></u>

Governmental funds record deferred revenue for revenues that are not yet earned as of year-end and grant drawdowns prior to meeting eligibility requirements. At June 30, 2013, deferred/unearned revenues are comprised of the following:

General Fund - interest on Successor Agency's loan	\$ 3,023,370
General Fund - reimbursement received in advance & A/R Billed	363,888
Housing Successor	755,842
HUD & CDBG	5,403,031
State & federal grants	3,270,102
Transportation development act	2,419,108
Total	<u><u>\$ 15,235,341</u></u>

Of this total, \$3,246,301 consists of deferred revenue not received within the availability period and unearned revenues recorded in the amount of \$11,989,040.

C. Interfund Receivables and Payables

Total interfund receivables and payables at June 30, 2013, 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:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>	<u>Interfund Balance</u>
Governmental Activities:			
General Fund	\$ 10,141,052	-	\$ 10,141,052
State and Federal Grants	-	12,081,819	(12,081,819)
Non-Major Governmental Funds	5,254,727	177,350	5,077,377
Internal Service Fund	1,168,481	-	1,168,481
Total governmental activities	<u>\$ 16,564,260</u>	<u>\$ 12,259,169</u>	<u>\$ 4,305,091</u>
Business type Activities:			
Water	10,548,382	-	10,548,382
Wastewater	-	1,671,260	(1,671,260)
Environmental Resource	64,943	7,441,667	(7,376,724)
PACC	-	1,614,009	(1,614,009)
Oxnard Housing Authority	-	1,168,481	(1,168,481)
Municipal Golf Course	-	3,022,999	(3,022,999)
Total business type activities	<u>10,613,325</u>	<u>14,918,416</u>	<u>(4,305,091)</u>
Total	<u>\$ 27,177,585</u>	<u>\$ 27,177,585</u>	<u>\$ -</u>

The interfund balances at June 30, 2013 are loans to cover temporary cash deficits in various funds. All interfund balances outstanding at June 30, 2013 are expected to be repaid within one year except Environmental Resources, Wastewater loans and Golf from Water and Oxnard Housing Authority from Worker's Compensation-Internal Service Fund.

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 \$2,166,145 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 2012-2013 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, 2013:

	Description	Transfers In	Transfers Out	Net Transfers
Governmental Activities:				
General Fund	Program support	\$ 132,580	\$ 1,306,045	\$ (1,173,465)
General Fund	Debt service	-	4,118,935	(4,118,935)
Non-Major Governmental Funds	Debt service	5,335,663	2,514,713	2,820,950
Non-Major Governmental Funds	Program support	300,000	95,580	204,420
State & Federal Grant	Program support	100,885	-	100,885
Total governmental activities		5,869,128	8,035,273	(2,166,145)
Business type Activities:				
Environmental Resource	Program support	-	37,000	(37,000)
Environmental Resource	Debt service	-	25,360	(25,360)
Performing Arts and Convention Center	Program support	905,160	-	905,160
Golf Course	Debt service	1,323,345	-	1,323,345
Total business type activities		2,228,505	62,360	2,166,145
Total government-wide statements		\$ 8,097,633	\$ 8,097,633	\$ -

E. Capital Assets

Changes in the City's capital assets for the year ended June 30, 2013 consisted of the following:

	BALANCE JULY 1, 2012	INCREASES	DECREASES	BALANCE JUNE 30, 2013
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 988,370,375	\$ -	\$ -	\$ 988,370,375
Construction in progress	71,238,956	33,945,102	(2,023,727)	103,160,331
Total capital assets, not being depreciated	1,059,609,331	33,945,102	(2,023,727)	1,091,530,706
Capital assets, being depreciated:				
Buildings	92,805,338	-	-	92,805,338
Improvements other than buildings	94,192,287	-	-	94,192,287
Equipment and machinery	43,945,215	2,038,777	(289,328)	45,694,664
Infrastructure	524,153,419	-	-	524,153,419
Total capital assets, being depreciated	755,096,259	2,038,777	(289,328)	756,845,708
Less: Accumulated depreciation				
Buildings	(24,766,759)	(1,943,611)	-	(26,710,370)
Improvements other than buildings	(16,177,519)	(2,328,832)	-	(18,506,351)
Equipment and machinery	(36,396,907)	(2,352,819)	266,321	(38,483,405)
Infrastructure	(278,022,699)	(13,888,985)	-	(291,911,684)
Total accumulated depreciation	(355,363,884)	(20,514,247)	266,321	(375,611,810)
Total capital assets, being depreciated, net	399,732,375	(18,475,470)	(23,007)	381,233,898
Governmental activities capital assets, net	\$ 1,459,341,706	\$ 15,469,632	\$ (2,046,734)	\$ 1,472,764,604
Business-type Activities				
Capital assets, not being depreciated:				
Land	\$ 47,730,214	\$ -	\$ -	\$ 47,730,214
Construction in progress	116,422,303	19,337,242	(1,168,887)	134,590,658
Total capital assets, not being depreciated	164,152,517	19,337,242	(1,168,887)	182,320,872
Capital assets, being depreciated:				
Buildings	89,897,013	636,980	-	90,533,993
Municipal Golf Course improvements	25,430,098	31,543	-	25,461,641
Equipment and machinery	44,286,522	772,765	(92,964)	44,966,323
Infrastructure	534,719,502	-	-	534,719,502
Total capital assets, being depreciated	694,333,135	1,441,288	(92,964)	695,681,459
Less: Accumulated depreciation				
Buildings	(53,776,760)	(2,036,146)	-	(55,812,906)
Golf improvements	(2,477,936)	(501,329)	-	(2,979,265)
Equipment and machinery	(41,779,003)	(1,163,215)	92,964	(42,849,254)
Infrastructure	(148,306,008)	(12,412,254)	-	(160,718,262)
Total accumulated depreciation	(246,339,707)	(16,112,944)	92,964	(262,359,687)
Total capital assets, being depreciated, net	447,993,428	(14,671,656)	-	433,321,772
Business-type activities capital assets, net	612,145,945	4,665,586	(1,168,887)	615,642,644
Total	\$ 2,071,487,651	\$ 20,135,218	\$ (3,215,621)	\$ 2,088,407,248

See independent auditors' report.

For the year ended June 30, 2013 depreciation expense on capital assets was charged as follows:

Governmental Activities:

Legislative	\$ 61,510
Administration and support	5,851,843
Public safety	9,454,175
Transportation (Highways and streets)	407,845
Community development	722,706
Culture and leisure	1,351,982
Libraries	528,677
Capital improvement projects, including depreciation of general infrastructure assets	1,874,769
Capital assets held by the City's internal service fund	260,740
Total governmental activities depreciation expense	<u><u>\$ 20,514,247</u></u>

Business-type Activities:

Water	\$ 4,637,036
Wastewater	8,462,344
Environmental Resources	1,239,483
Performing Arts and Convention Center	2,275
Oxnard Housing Authority	1,181,218
Municipal Golf Course	590,588
Total business-type activities depreciation expense	<u><u>\$ 16,112,944</u></u>

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, 2013.

	Balance July 1, 2012	Additions	Reductions	Balance June 30, 2013	Due within one year
Governmental Activities:					
Revenue Bonds:					
Lease revenue refunding bonds, series 2003 A	\$ 2,786,802	\$ -	\$ 660,087	\$ 2,126,715	\$ 682,776
Variable rate demand lease revenue, series 2003 B	11,550,000	-	405,000	11,145,000	420,000
Variable rate demand lease revenue bonds, series 2006	21,445,000	-	570,000	20,875,000	590,000
1999 Certificate of participation	6,120,000	-	6,120,000	-	-
Capital Leases:					
2009 CIP lease purchase, draw #1	753,218	-	86,312	666,906	90,300
2009 CIP lease purchase, draw #2	16,736	-	6,521	10,215	6,751
2009 CIP lease purchase, draw #3	35,199	-	13,710	21,489	14,199
2009 CIP lease purchase, draw #6	213,366	-	68,600	144,766	71,092
2009 CIP lease purchase, draw #7	103,810	-	28,524	75,286	29,469
2009 CIP lease purchase, draw #8	27,833	-	7,653	20,180	7,889
2009 CIP lease purchase, draw #10	899,252	-	89,072	810,180	94,495
2009 CIP lease purchase, draw #11	101,604	-	27,984	73,620	28,808
2009 CIP lease purchase, draw #12	67,888	-	16,239	51,649	16,778
2009 CIP lease purchase, draw #13	3,038,977	-	553,978	2,484,999	571,577
2009 CIP lease purchase, draw #14	347,008	-	103,814	243,194	75,449
2009 CIP lease purchase, draw #15	17,441	-	2,996	14,445	3,051
2009 CIP lease purchase, draw #16	42,674	-	7,315	35,359	7,481
2009 CIP lease purchase, draw #17	-	132,149	12,388	119,761	25,323
2009 CIP lease purchase, draw #19	-	1,099,999	-	1,099,999	147,919
2012 Lease Purchase	-	5,570,838	341,338	5,229,500	295,693
Gas tax revenue certificate of participation	25,890,000	-	555,000	25,335,000	580,000
Compensated absences	17,592,431	9,334,808	9,231,788	17,695,451	9,319,000
Unamortized discounts	(304,766)	-	(50,794)	(253,972)	-
Total Governmental Activities	<u><u>90,744,473</u></u>	<u><u>16,137,794</u></u>	<u><u>18,857,525</u></u>	<u><u>88,024,742</u></u>	<u><u>13,078,050</u></u>

See independent auditors' report.

	Balance July 1, 2012	Additions	Reductions	Balance June 30, 2013	Due within one year
Business-Type Activities:					
Water fund					
Water revenue refunding bonds, series 2004	\$ 40,085,000	\$ -	\$ 1,095,000	\$ 38,990,000	\$ 1,150,000
Water revenue project bonds, series 2006	51,310,000	-	920,002	50,389,998	965,000
Water revenue project bonds, series 2010A	15,240,000	-	1,255,000	13,985,000	1,300,000
Water revenue project bonds, series 2010B	83,670,000	-	-	83,670,000	-
Water revenue refunding bonds, series 2012	9,345,000	-	390,000	8,955,000	400,000
2009 CIP lease purchase, draw #4	25,263	-	7,984	17,279	8,417
2009 CIP lease purchase, draw #5	42,197	-	13,350	28,847	14,060
2009 CIP lease purchase, draw #8	51,934	-	14,278	37,656	14,719
2009 CIP lease purchase, draw #9	35,405	-	5,959	29,446	6,164
Add: Unamortized bond premium	2,972,889	-	232,403	2,740,486	-
Less: Unamortized loss on refunding	(2,357,837)	-	(130,991)	(2,226,846)	-
Unamortized discounts	(843,398)	-	(31,930)	(811,468)	-
Sub Total	199,576,453	-	3,771,055	195,805,398	3,858,360
Compensated absences	612,200	267,259	314,559	564,900	295,000
Total Water fund	\$ 200,188,653	\$ 267,259	\$ 4,085,614	\$ 196,370,298	\$ 4,153,360
Wastewater fund					
Wastewater revenue refunding bonds, series 2003	\$ 23,675,000	\$ -	\$ 2,470,000	\$ 21,205,000	\$ 2,595,000
Wastewater revenue bonds, series 2004A	80,000,000	-	-	80,000,000	-
Wastewater revenue bonds, series 2004B	20,565,000	-	915,000	19,650,000	940,000
Wastewater revenue bonds, series 2006	11,180,000	-	270,000	10,910,000	280,000
2009 CIP lease purchase, draw #7	93,087	-	25,578	67,509	26,425
2009 CIP lease purchase, draw #12	33,859	-	8,100	25,759	8,368
2009 CIP lease purchase, draw #18	-	318,059	20,878	297,181	42,109
Less: Unamortized discounts	(137,565)	-	(68,782)	(68,783)	-
Sub Total	135,409,381	318,059	3,640,774	132,086,666	3,891,902
Compensated absences	667,938	524,654	559,195	633,397	493,000
Total Wastewater fund	\$ 136,077,319	\$ 842,713	\$ 4,199,969	\$ 132,720,063	\$ 4,384,902
Environmental resources fund					
Solid waste revenue refunding bonds, series 2005	\$ 8,330,000	\$ -	\$ 2,165,000	\$ 6,165,000	\$ 2,275,000
Capital Lease					
Del Norte Blvd. improvement	42,094	-	42,094	-	-
Fifth and Del Norte improvement	132,303	-	132,303	-	-
Lease purchase trash containers	2,227,484	-	334,365	1,893,119	348,317
2009 CIP lease purchase, draw #5	26,523	-	8,392	18,131	8,838
2009 CIP lease purchase, draw #9	183,135	-	30,816	152,319	31,876
2009 CIP lease purchase, draw #12	70,154	-	16,807	53,347	17,364
Add: Unamortized bond premium	312,039	-	104,014	208,025	-
Less: Unamortized discounts	(40,862)	-	(13,621)	(27,241)	-
Sub Total	11,282,870	0	2,820,170	8,462,700	2,681,395
Compensated absences	802,388	548,451	501,892	848,947	535,000
Total Environmental resources fund	\$ 12,085,258	\$ 548,451	\$ 3,322,062	\$ 9,311,647	\$ 3,216,395
Performing arts and convention center fund (PACC)					
Compensated absences	\$ 102,734	\$ 48,855	\$ 50,474	\$ 101,115	\$ 50,000
Total PACC	\$ 102,734	\$ 48,855	\$ 50,474	\$ 101,115	\$ 50,000
Oxnard housing authority fund					
2004 Capital Fund Revenue Bonds	\$ 4,025,000	\$ -	\$ 260,000	\$ 3,765,000	\$ 270,000
Compensated Absences	638,745	285,188	321,795	602,138	34,268
Total Oxnard housing authority fund	\$ 4,663,745	\$ 285,188	\$ 581,795	\$ 4,367,138	\$ 304,268
Municipal golf course fund					
Revenue Refunding Bonds Series 2003	\$ 3,968,206	\$ -	\$ 939,913	\$ 3,028,293	\$ 972,222
Lease Revenue Refunding Bonds Series 2011	21,320,000	-	225,000	21,095,000	260,000
Less: Unamortized discounts	(259,327)	-	(10,805)	(248,522)	-
Total Municipal golf course fund	\$ 25,028,879	\$ -	\$ 1,154,108	\$ 23,874,771	\$ 1,232,222
Total Business-Type Activities	\$ 378,146,588	\$ 1,992,466	\$ 13,394,022	\$ 366,745,032	\$ 13,341,147
Total	\$ 468,891,061	\$ 18,130,260	\$ 32,251,547	\$ 454,769,774	\$ 26,419,197

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, 2013 are as follows:

See independent auditors' report.

	Balance July 1, 2012	Additions	Reductions	Balance June 30, 2013	Due within one year
Internal service funds:					
Compensated absences	\$ 954,415	\$ 623,396	\$ 611,999	\$ 965,812	\$ 649,000
2009 CIP lease purchase, draw #11	101,604	-	27,984	73,620	28,808
Total	\$ 1,056,019	\$ 623,396	\$ 639,983	\$ 1,039,432	\$ 677,808

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, 2013 is \$5,155,008, of which \$2,126,715 is recorded within governmental activities and \$3,028,293 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, 2013 is \$11,145,000. 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, 2013 is \$20,875,000. 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.

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, 2013 is \$25,335,000. 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, 2013 is \$5,229,500. 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 Project Bonds, Series 2004

The City has pledged all net water system revenues and all amount on deposit in the Revenue fund to the payment of the 2004 Installment Payments and the 2001 Installment Payments. These bonds were issued on February 1, 2004 in the amount of \$47,895,000. Net Water System revenue mean all income, rents, rates, fees, charges and other moneys derived from the ownership of or operation of the Water System less the Maintenance and Operation Costs. These bonds carry a net interest cost of 4.67 percent and mature on June 30, 2034. The proceeds from the sale of the bonds were used to pay for the costs of improvements to the Water System, including Cast Iron Pipe Replacement (Hydraulic Improvement), Hydrant Upgrades, Hydraulic

Deficiencies, Blending Station No. 3 Water Conditioning II, Blending Station No. 5, SCADA Upgrades, Phase I of the Groundwater Recovery Enhancement and Treatment Program, Automated Meter Reading Retrofit Program, and Water Well Improvement Program. The balance outstanding as of June 30, 2013 is \$38,990,000. 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 30, 2034.

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, 2013 is \$50,389,998. 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, 2013 is \$13,985,000. 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, 2013 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, 2013 is \$8,955,000. 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 2003

The City has pledged net system revenues, which means System Revenue less the Maintenance and Operations of the Wastewater System for the payment of Wastewater Revenue Refunding Bonds, Series 2003 issued on April 1, 2003 in the amount of \$43,785,000. These are seventeen-year bonds maturing in various amounts through June 1, 2020 with a net interest cost of 4.183 percent. The bonds were issued to refinance Wastewater Revenue Refunding Bonds, Series 1993, 1986 Wastewater Treatment Plant Expansion Bonds, 1985 Wastewater Treatment Plant Expansion Land Bonds, and 1977 Oxnard Port Hueneme Regional Wastewater Treatment Authority bonds. This refunding resulted in an economic gain of \$3,923,503 (difference between the present value of the old bonds and the present value of the new bonds) and a cash flow savings of \$4,922,193. The outstanding balance as of June 30, 2013 is \$21,205,000. 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, 2020.

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, 2013 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, 2013 is \$19,650,000. 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, 2013 is \$10,910,000. 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, 2013 is \$6,165,000. 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 \$14,004,165 and \$17,209,471, 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 \$10,591,703 and \$12,282,257, 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 \$3,493,219 and \$4,432,975, 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, 2013 is \$21,095,000. 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, 2013 is \$3,765,000.

Capital Lease Obligations

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, 2013 is \$1,893,119. 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 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 \$9,779,145. As of June 30, 2013, the total outstanding balance on this line of credit was \$6,599,522. The lease payments on these bonds constitute obligations of the City's general fund. Such obligation exists through the maturity date of the lease at 10/1/2020.

Compensated Absences

The long-term portion of the liability was \$8,376,451 for governmental activities and \$1,343,229 for business-type activities at June 30, 2013, 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' pursuant to the requirements of GASB Statement No. 53. 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 interest rates since execution of the swap, the swap has a negative fair value of \$3,605,567 as of June 30, 2013. 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, 2013 the swap's notional amount of \$20,875,000 matches the \$20,875,000 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, 2013. To mitigate the potential for credit risk, if the counterparty's credit quality falls below 'AA-' by Standard & Poor's or 'Aa' by

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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, 2013, 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, 2013, the SIFMA Municipal Swap Index rate was 0.07 percent, whereas 68 percent of 1-month LIBOR was 0.13 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 \$3,912,168 as of June 30, 2013. 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, 2013 the swap's notional amount of \$19,650,000 matches the \$19,650,000 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, 2013. 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, 2013, 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, 2013, the SIFMA Municipal Swap Index rate was 0.07 percent, whereas 68 percent of 1-month LIBOR was 0.13 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 \$2,314,071 as of June 30, 2013. 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, 2013 the swap's notional amount of \$11,145,000 matches the \$11,145,000 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, 2013. 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, 2013, 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, 2012, the SIFMA Municipal Swap Index rate was 0.07 percent, whereas 68 percent of 1-month LIBOR was 0.13 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, 2013, 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	Hedging			Total
	Principal	Interest	Derivatives, Net	
2014	\$ 1,950,000	\$ 129,175	\$ 1,846,977	\$ 3,926,152
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	3,295,896
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
Total	\$ 51,670,000	\$ 1,568,981	\$ 22,284,714	\$ 75,523,692

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
2014	\$ 3,759,050	\$ 2,794,711	\$ 11,933,879	\$ 19,377,808
2015	3,872,529	2,656,069	12,459,900	18,868,533
2016	3,893,065	2,513,872	11,980,415	18,307,869
2017	3,137,585	2,394,357	9,796,849	17,789,708
2018	2,670,268	2,230,836	10,224,140	17,354,361
2019-2023	12,743,386	9,677,861	54,488,702	79,331,662
2024-2028	14,287,381	7,089,961	67,080,000	63,857,743
2029-2033	14,895,000	4,191,016	87,755,000	43,825,922
2034-2038	11,325,000	1,127,754	52,154,998	20,233,947
2039-2042	-	-	46,555,000	2,571,447
Totals	\$ 70,583,263	\$ 34,676,437	\$ 364,428,884	\$ 301,519,000

Fiscal Year	Gas Tax Revenue Cert. of Participation Issued 2008		Water Revenue Refunding Bonds Series 2012	
	Principal	Interest	Principal	Interest
2014	\$ 580,000	\$ 1,133,650	\$ 400,000	\$ 333,819
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
2019-2023	3,895,000	4,650,840	2,480,000	1,174,195
2024-2028	4,795,000	3,682,361	3,000,000	655,145
2029-2033	5,980,000	2,500,038	1,375,000	85,594
2034-2038	7,510,000	855,063	-	-
Totals	\$ 25,335,000	\$ 17,079,227	\$ 8,955,000	\$ 3,477,329

Fiscal Year	Water Revenue Project Bonds Series 2006		Water Revenue Project Bonds Series 2004	
	Principal	Interest	Principal	Interest
2014	\$ 965,000	\$ 2,461,635	\$ 1,150,000	\$ 1,874,154
2015	1,015,000	2,413,385	1,190,000	1,833,904
2016	1,060,000	2,370,248	1,235,000	1,789,874
2017	1,105,000	2,322,548	1,285,000	1,742,944
2018	1,150,000	2,275,585	1,335,000	1,693,150
2019-2023	6,650,000	10,498,320	7,660,000	7,470,250
2024-2028	8,365,000	8,783,188	9,775,000	5,354,000
2029-2033	13,185,000	6,384,499	12,480,000	2,652,750
2034-2038	16,894,998	1,865,500	2,880,000	143,999
Totals	\$ 50,389,998	\$ 39,374,908	\$ 38,990,000	\$ 24,555,025

See independent auditors' report.

Wastewater Revenue Bonds				
Fiscal Year	Series 2004 A		2012 Lease Purchase	
	Principal	Interest	Principal	Interest
2014	\$ -	\$ 4,087,725	\$ 295,693	\$ 185,124
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
2019-2023	12,840,000	19,817,375	1,683,425	525,011
2024-2028	26,055,000	14,750,125	1,952,381	212,016
2029-2033	33,350,000	7,450,725	-	-
2034-2038	7,755,000	407,318	-	-
Totals	\$ 80,000,000	\$ 62,864,168	\$ 5,229,500	\$ 1,553,994

Fiscal Year	Wastewater Revenue Refunding Bonds - Series 2003		Wastewater Revenue Bonds Series 2006	
	Principal	Interest	Principal	Interest
2014	\$ 2,595,000	\$ 1,073,562	\$ 280,000	\$ 515,530
2015	2,730,000	937,325	295,000	504,330
2016	2,875,000	794,000	305,000	492,530
2017	3,015,000	650,250	315,000	480,330
2018	3,170,000	499,500	330,000	466,942
2019-2023	6,820,000	515,751	1,880,000	2,105,288
2024-2028	-	-	2,350,000	1,640,206
2029-2033	-	-	2,980,000	1,005,250
2034-2038	-	-	2,175,000	221,000
Totals	\$ 21,205,000	\$ 4,470,388	\$ 10,910,000	\$ 7,431,406

Fiscal Year	Solid Waste Revenue Refunding Bonds Series 2005		Adjustable Lease Revenue Bonds Series 2003 B		
	Principal	Interest	Principal	Interest	Swap Interest *1
2014	\$ 2,275,000	\$ 308,250	\$ 420,000	\$ 449,924	\$ 435,280
2015	2,390,000	194,500	430,000	432,968	418,880
2016	1,500,000	75,000	440,000	415,609	402,084
2017	-	-	455,000	397,846	384,900
2018	-	-	470,000	379,478	367,128
2019-2023	-	-	2,555,000	1,601,883	1,549,748
2024-2028	-	-	2,960,000	1,054,463	1,020,152
2029-2033	-	-	3,415,000	421,059	407,352
2034-2038	-	-	-	-	-
Totals	\$ 6,165,000	\$ 577,750	\$ 11,145,000	\$ 5,153,230	\$ 4,985,524

Fiscal Year	Lease Revenue Refunding Bonds Series 2003 A		Variable Rate Demand Lease Revenue Bonds Series 2006		
	Principal	Interest	Principal	Interest	Swap Interest *1
2014	\$ 1,655,000	\$ 197,805	\$ 590,000	\$ 736,888	\$ 709,464
2015	1,715,000	136,570	610,000	716,061	689,412
2016	1,785,008	71,400	635,000	694,528	668,680
2017	-	-	655,000	672,112	647,100
2018	-	-	680,000	648,990	624,836
2019-2023	-	-	3,810,000	2,866,008	2,759,348
2024-2028	-	-	4,580,000	2,141,121	2,061,440
2029-2033	-	-	5,500,000	1,269,919	1,222,652
2034-2038	-	-	3,815,000	272,691	262,540
Totals	\$ 5,155,008	\$ 405,775	\$ 20,875,000	\$ 10,018,318	\$ 9,645,472

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Fiscal Year	Series 2010A		Series 2004 B		
	Principal	Interest	Principal	Interest	Swap Interest *1
2014	\$ 1,300,000	\$ 670,325	\$ 940,000	\$ 789,341	\$ 763,524
2015	1,340,000	631,325	965,000	751,581	727,000
2016	1,410,000	564,325	995,000	712,817	689,504
2017	1,460,000	507,925	1,025,000	672,848	650,844
2018	1,535,000	434,925	1,050,000	631,673	611,016
2019-2023	6,940,000	938,350	4,470,000	2,549,790	2,466,400
2024-2028	-	-	4,250,000	1,717,669	1,661,492
2029-2033	-	-	4,895,000	813,844	787,228
2034-2038	-	-	1,060,000	42,578	41,188
Totals	\$ 13,985,000	\$ 3,747,175	\$ 19,650,000	\$ 8,682,141	\$ 8,398,196

Fiscal Year	Water Revenue Project Bonds Series 2010B		Golf Course Lease Revenue Bonds Series 2011	
	Principal	Interest	Principal	Interest
2014	\$ -	\$ 5,786,173	\$ 260,000	\$ 1,093,845
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
2019-2023	-	28,930,865	2,815,000	4,947,626
2024-2028	8,420,000	26,792,083	4,435,000	4,144,042
2029-2033	12,800,000	22,667,170	6,690,000	2,766,090
2034-2038	15,895,000	16,905,240	5,495,000	648,312
2039-2042	46,555,000	2,571,447	-	-
Totals	\$ 83,670,000	\$ 126,797,670	\$ 21,095,000	\$ 17,879,045

Fiscal Year	2004 Capital Fund Revenue Bonds Housing Authority	
	Principal	Interest
2014	\$ 270,000	\$ 170,835
2015	280,000	160,170
2016	295,000	148,690
2017	310,000	136,300
2018	320,000	122,970
2019-2023	1,860,000	381,660
2024-2028	430,000	21,285
Totals	\$ 3,765,000	\$ 1,141,910

Fiscal Year	2009 Master Equipment Lease Purchase		Purchase Agreement Issue 2008	
	Principal	Interest	Principal	Interest
2014	\$ 1,368,921	\$ 229,308	\$ 348,317	\$ 74,626
2015	1,402,368	184,922	362,851	60,092
2016	1,267,355	141,224	377,992	44,952
2017	1,131,960	127,826	393,764	29,179
2018	555,255	44,788	410,195	12,750
2019-2022	873,663	36,311	-	-
Totals	\$ 6,599,522	\$ 764,379	\$ 1,893,119	\$ 221,599

*1 Variable rate used was LIBOR rate as of June 30, 2013.

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Management believes the City complies with all significant covenants related to its debt issues as of June 30, 2013.

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, 2013 is as follows:

Rice Avenue/Highway 101 Assessment District:	\$ 11,835,000
Local Obligation Revenue Bonds (2012 Special District Bond Refinancing to refund 1915 Act Limited Obligation Bonds).	
Rose Avenue/Highway 101 Assessment District:	2,500,000
1915 Act Improvement Bonds issued November 1, 1996; original amount \$8,560,000; average rate of 5.50%; maturing in 2016	
City of Oxnard Community Facilities District I (Westport):	8,750,000
Local Obligation Revenue Bonds (2012 Special District Bond Refinancing to refund CFD No. 2000-3 Bonds).	
City of Oxnard Community Facilities District 88-1:	230,000
Oxnard Boulevard Interchange Community Facilities District 2000-03:	7,980,000
Local Obligation Revenue Bonds (2012 Special District Bond Refinancing to refund CFD No. 1 Bonds).	
Oxnard Boulevard/Highway 101 Interchange Assessment District 2000-01:	1,965,000
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 in 2033	
Community Facilities District No. 3 - Seabridge/Mandalay Bay	<u>30,810,000</u>
Total	<u><u>\$ 64,070,000</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 (“PERS”), a multiple-employer, public employee defined benefit plan, which acts as a common investment and administrative agent for participating public entities within the State of

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California. The City's membership is reported within three plans classified into two categories: safety members (police and fire) and miscellaneous members (all other regular employees). The City's payroll for employees covered by PERS for the year ended June 30, 2013, was \$83,461,612; the City's total payroll was \$101,510,481. PERS 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>.

All personnel are eligible to participate in PERS, becoming vested after five years of service. Employees who retire at or after age 50 with five years of credited service are entitled to retirement benefits. Monthly retirement benefits are payable for life in an amount equal to a specified percentage as follows:

Miscellaneous Employees 2% at age 55
(ranging from 1.426 percent for employees who retire at age 50 to 2.418 percent for employees who retire at age 63 or over)

Miscellaneous Employees under PEPRA 2% at age 62

Police Employees 3% at age 50

Police Employees under PEPRA 2.7% at age 57

Fire employees 3% at age 55

Fire employees under PEPRA 2.7% at age 57

The benefits are calculated at the highest consecutive 12 months for miscellaneous employees and safety employees.

Required employee contributions to PERS are 7 percent of compensation for miscellaneous employees and 9 percent of compensation for safety employees, which the City currently pays for regular employees. Under the California Public Employees' Pension Reform Act of 2013 (PEPRA), for new employees hired on or after January 1, 2013, the required employee contributions to PERS are 6.75 percent of compensation for miscellaneous employees, 15 percent of compensation for safety Police employees and 12.25 percent of compensation for safety Fire employees. 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.

PERS uses a modification of the entry age normal actuarial cost method, which is a projected benefit cost method. That is, it takes into account those benefits that are expected to be earned in the future as well as those already accrued.

Annual Pension Cost

For Fiscal Year 2012-2013, the City's annual pension cost (APC) of \$24,986,509 for PERS was equal to the City's required and actual contribution. The required

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 Ending June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
Police	2011	\$ 9,547,444	100%	\$ -
Police	2012	10,741,912	100%	-
Police	2013	11,069,994	100%	-
Fire	2011	\$ 3,713,081	100%	\$ -
Fire	2012	4,340,053	100%	-
Fire	2013	4,296,252	100%	-
Miscellaneous	2011	\$ 9,071,291	100%	\$ -
Miscellaneous	2012	9,589,913	100%	-
Miscellaneous	2013	9,620,263	100%	-

Contributions to PERS for the Fiscal Year ended June 30, 2013, are shown below:

	<u>City Contributions</u>	<u>Employee Contributions</u>	<u>Total</u>
Safety employees:			
Police	\$ 8,876,032	\$ 2,193,962	\$ 11,069,994
Fire	3,408,698	887,554	4,296,252
Total safety employees	12,284,730	3,081,516	15,366,246
Miscellaneous employees	6,174,972	3,445,291	9,620,263
Total	\$ 18,459,702	\$ 6,526,807	\$ 24,986,509

Funded Status and Funding Progress

The funded status of each plan as of June 30, 2012, the most recent actuarial valuation is as follows (dollar amounts in thousands):

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	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	\$ 212,195	\$ 258,372	\$ 46,177	82.1%	\$ 23,524	196.3%
Fire *	\$ 9,854,788	\$ 11,724,021	\$ 1,869,233	84.1%	\$ 947,735	197.2%
Miscellaneous	\$ 299,531	\$ 347,813	\$ 48,282	86.1%	\$ 49,497	97.5%

* Amounts reflect total risk pool valuations and liabilities.

Valuations as of June 30, 2012 are based on the following assumptions:

Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Asset Valuation Method	15 Year Smoothed Market
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) 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.

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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.

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</u> <u>Contributions</u>	<u>Employee</u> <u>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, 2013, was 7.80 percent of eligible employee gross wages. The City’s payroll for employees covered by PARS for the year ended June 30, 2013, was \$38,357,176. 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, 2011 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 2012-2013, the City’s annual pension cost (APC) of \$4,169,425, for PARS was equal to the City’s required actual contribution. The required contribution was determined as part of the June 30, 2011, actuarial assumptions and retained the entry age actuarial cost method.

Contributions to PARS for the fiscal year ended June 30, 2013 are shown below:

	<u>City Contributions</u>	<u>Employee Contributions</u>	<u>Total</u>
Miscellaneous employees	\$ 1,100,851	\$ 3,068,574	\$ 4,169,425

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>
2011	\$ 4,194,952	100%	\$ -
2012	\$ 4,154,047	100%	-
2013	\$ 4,169,425	100%	-

Funded Status and Funding Progress

As of June 30, 2011, the most recent actuarial valuation date, the plan was 36% funded. The actuarial accrued liability for benefits was \$71,388,000, and the actuarial value of assets was \$32,859,000, resulting in an unfunded actuarial accrued liability (UAAL) of \$38,529,000. The covered payroll (annual payroll of active employees covered by the plan) was \$40,414,00, and the ratio of the UAAL to the covered payroll was 95.3%.

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.

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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 2013 was \$115.00. The required contribution is based on pay-as-you-go financing requirements. Retirees must contribute any premium amounts in excess of the City Contribution.

Annual OPEB Cost and Net OPEB Obligation

For fiscal 2012-2013 the City's annual OPEB cost of \$1,339,137 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:

Fiscal Year Ended	Annual OPEB Cost	Actual Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2011	\$ 1,599,856	\$ 322,671	20.2%	\$ 6,235,657
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

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2011, was as follows:

Actuarial accrued liability (AAL)	\$ 12,772,079
Actuarial value of plan assets	-
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 12,772,079</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 82,501,012
UAAL as a percentage of covered payroll	15.481%

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

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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 \$14,667,793 recorded at June 30, 2013, 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 2012-2013 was \$591,468 which included a dividend credit of \$66,675. During the past five-year period, the average claims filed each year for general liability amounted to 194 claims totaling \$1,221,399 per year (an average of \$6,296 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 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, 2013 was \$3,339,435. The following schedule presents the changes in self-insurance claims liabilities for the past two years:

	Public Liability and Property Damage	
	FY 12-13	FY 11-12
Unpaid claims and claims adjustment expenses-July 1	\$ 3,721,307	\$ 3,871,295
Incurring claims and claims adjustment expenses:		
Increase/decrease in provision for insured events	(601,837)	(149,988)
Increase/decrease in actuarially incurred but not reported claims (IBNR)	219,965	-
Total incurred claims and claims adjustment expenses	(381,872)	(149,988)
Unpaid claims and claims adjustment expenses-June 30	3,339,435	3,721,307
Claims and judgements due within one year	\$ 2,316,272	\$ 1,992,000

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 212 claims filed per year for the past five years, with an average of approximately \$2,266,852 per year in total reported losses (an average of \$15,395 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, 2013 was \$11,328,358.

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

	Worker's Compensation	
	FY 12-13	FY 11-12
Unpaid claims and claims adjustment expenses-July 1	\$ 8,216,393	\$ 8,164,105
Incurring claims and claims adjustment expenses:		
Increase/decrease in provision for insured events	2,893,499	52,288
Increase/decrease in actuarially incurred but not reported claims (IBNR)	218,466	-
Total incurred claims and claims adjustment expenses	3,111,965	52,288
Unpaid claims and claims adjustment expenses-June 30	11,328,358	8,216,393
Claims and judgements due within one year	\$ 4,231,808	\$ 3,239,975

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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, 2013 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.

There is one case that is pending where the exposure has been determined to most likely exceed the City's \$1,000,000 reserve, the amount of the exposure cannot be determined at this time.

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 \$27,870,000 Community Facilities District No. 3 (Seabridge at Mandalay Bay) of the City of Oxnard 2013 Special Tax Refunding Bonds.

On August 8, 2013, the City issued bonds in the aggregate amount of \$27,870,000 ("2013 Bonds") to refund the outstanding Community Facilities District No. 3 (Seabridge at Mandalay Bay) of the City of Oxnard Special Tax Bonds ("2005 Bonds") and pay costs of issuance of the 2013 Bonds. The 2005 Bonds were issued by the City of November 15, 2005, in the aggregate principal amount of \$32,275,000, of which \$30,810,000 was outstanding as of June 30, 2013. The 2013 Bonds were sold as a private placement to Bank of Nevada/Western Alliance Bancorporation.

Issuance of \$21,384,064 City of Oxnard Financing Authority Wastewater Revenue Refunding Bonds, Series 2013

On October 30, 2013, the City issued bonds in the aggregate amount of \$21,384,064 to refund \$21,205,000 in outstanding wastewater bonds issued on March 1, 2003 in the aggregate principal amount of \$43,785,000, and pay costs of issuance. These bonds were sold as a private placement to Capital One Public Funding, LLC.

Repayment of Loans to the Former Community Development Commission

The Recognized Obligation Payment Schedule (ROPS) 13-14B covering the period of January 1, 2014 – June 30, 2014 approved on September 10, 2013 by Successor Agency included repayment of loans made to the former CDC with a combined value

of \$10.7 million including accrued interest. On September 19, the Oversight Board reviewed the ROPS and removed the repayment of these loans pending further review of the loan documents. It is the Successor Agencies intent to include these loan repayments on the ROPS 14-15A.

Lease Agreements with Oxnard Fire Station, LLC for Fire Station 8.

On June 1, 2013, the City Council 1) conducted a Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing in consideration of the issuance of tax exempt revenue bonds with a principal amount not to exceed \$15,750,000 by the California Municipal Finance Authority on behalf of Oxnard Fire Station Limited Liability Corporation (OFSLLC), an Arizona limited liability company whose sole member will be Community Finance Corporation, an Arizona non-profit corporation designated as an exempt organization under Section 501 of the Internal Revenue Code of 1986, for the purpose of developing a "turn-key" fire station. Such hearing constituted a public hearing under Section 6586.5 of the Government Code of the State of California; 2) adopted a resolution approving, authorizing, and directing execution of a site lease and a master lease for the purpose of TEFRA and approving the issuance of tax exempt revenue bonds with a principal amount not to exceed \$15,750,000 in one or more series by the California Municipal Finance Authority; 3) authorized the allocation of additional Measure O Funds as required to meet the annual lease payments for Fire Station No. 8 consistent with the alternatives and options approved as part of the above recommendation and related project costs; and 4) authorized the allocation of Measure O Funds for the acquisition of the necessary Fire vehicles at an estimated cost of \$1,193,748. The bonds are scheduled to be priced on December 18, 2013 contingent on favorable interest rates and demand. Otherwise, the bonds will be priced in January 2014. Annual lease payments will be based on the debt service on the bonds with a \$1,372,459 maximum. The master leased also provides for "additional rent" for payment of fees and taxes.

Golf Fund Restructuring

On July 23, 2013, the City Council discussed the restructuring of certain aspects of the Golf Fund. Discussion included refunding the outstanding debt, converting the operating agreement with High Tide and Green Grass, Inc. to a lease, and reclassification of the fund to General Fund. While City Council did not approve the debt restructuring at that time, they requested that staff work with the operator on restructuring the current agreement to a lease and to develop a plan to reclass the Golf Fund to the General Fund. Staff is currently in discussion with the operator and will develop additional options for addressing the financial structure of the Golf Fund, including reclassifying to General Fund for Council consideration in February 2014.

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, 2012 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:

Cash transferred to Housing Successor	\$	6,964,573
Recognize Tax Allocation Bond surplus revenue		17,463
Book principal long-term loan from City of Oxnard for R-108 Downtown Project		304,572
Book interest of long-term loan from City of Oxnard for R-108 Downtown Project		43,274
Book principal long-term loan from City of Oxnard		3,433,466
Book interest of long-term loan from City of Oxnard		3,735,938
Recognize allowance for uncollectible - Oxnard Theater Lease Guarantee payment		61,300
To adjust receivable from former redevelopment		(1,040)
Total	\$	<u>14,559,546</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, 2013:

	<u>Fair Value</u>
Deposits and investments	\$ 4,135,667
Investments with fiscal agents	10,937,313
Total	<u>\$ 15,072,980</u>

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, 2013 primarily consist of the following:

Due to vendors	\$ 932,123
Accrued interest	646,770
Total	<u>\$ 1,578,893</u>

e. Capital Assets

Changes in the Successor Agency's capital assets for the year-ended June 30, 2013 consisted of the following:

	Balance July 1, 2012	Increases	Decreases	Balance June 30, 2013
Governmental Activities:				
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	16,713,011	-	-	16,713,011
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	47,914,089	-	-	47,914,089
Less accumulated depreciation for:				
Buildings	(418,654)	(27,381)	-	(446,035)
Improvement other than buildings	(6,726,336)	(1,676,821)	-	(8,403,157)
Equipment and machinery	(88,084)	(299)	-	(88,383)
Total accumulated depreciation	(7,233,074)	(1,704,501)	-	(8,937,575)
Total capital assets, being depreciated, net	40,681,015	(1,704,501)	-	38,976,514
Total	\$ 57,394,026	\$ (1,704,501)	\$ -	\$ 55,689,525

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, 2013:

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2013</u>	<u>Due within One Year</u>
Tax allocation refunding bonds series 2004A	\$ 13,975,000	-	\$ 755,000	\$ 13,220,000	\$ 780,000
Tax allocation bond financing series 2006:	18,555,000	-	465,000	18,090,000	480,000
HERO project tax allocation bonds series 2008:	<u>11,260,000</u>	<u>-</u>	<u>190,000</u>	<u>11,070,000</u>	<u>200,000</u>
Total long-term indebtedness	<u>\$ 43,790,000</u>	<u>\$ -</u>	<u>\$ 1,410,000</u>	<u>\$ 42,380,000</u>	<u>\$ 1,460,000</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, 2013 is \$13,220,000.

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, 2013 is \$18,090,000.

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, 2013 is \$11,070,000.

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 2004 A		Tax Allocation Bonds Series 2006		HERO Project Tax Allocation Bonds Series 2008	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 780,000	\$ 585,279	\$ 480,000	\$ 834,580	\$ 200,000	\$ 510,038
2015	810,000	555,459	495,000	817,363	215,000	501,738
2016	840,000	523,269	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 - 2023	4,685,000	1,622,786	3,115,000	3,451,113	1,330,000	2,201,928
2024 - 2028	4,325,000	440,921	3,790,000	2,749,486	1,640,000	1,880,991
2029 - 2033			4,665,000	1,855,773	2,055,000	1,449,385
2034 - 2038			3,935,000	560,184	3,535,000	849,069
2038 - 2039					1,425,000	33,844
	<u>\$ 13,220,000</u>	<u>\$ 4,667,708</u>	<u>\$ 18,090,000</u>	<u>\$ 12,604,535</u>	<u>\$ 11,070,000</u>	<u>\$ 8,876,604</u>

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, 2013, the Successor Agency approved the Recognized Obligation Payment Schedule (ROPS) 13-14B covering the period of January 1, 2014 – June 30, 2014. On September 19, the Oversight Board reviewed ROPS and approved with certain changes. The primary change was to remove repayment of loans made to the former CDC with a combined value of \$10.7 million including accrued interest. The Oversight Board has requested that the Successor Agency provide additional documentation on the loans. It is the Successor Agencies intent to include these loan repayments on the ROPS 14-15A.

On November 14, 2013, the California Department of Finance (DOF) issued its determination on the ROPS 13-14B, excluding certain amounts (\$998,336) that were already included on the ROPS 13-14A, but included on 13-14B because of potential payment delays. In addition, the administrative allowance was reduced to \$203,696 based on these adjustments.

On June 4, 2013, the Successor Agency received its Finding of Completion pursuant to Section 34179.7 of AB 26 as amended by AB 1484 (collectively the “Dissolution Act”). Once the DOF issues a Finding of Completion, pursuant to Section 34191.5(b) of the Dissolution Act, the Successor Agency is required to prepare a Long-Range Property Management Plan (Plan) that addresses the disposition and use of certain real properties of the former CDC. The Plan must be submitted to the Oversight Board and the DOF for approval no later than 6 months following the issuance of the Finding of Completion to the Successor Agency. On November 5, 2013, the Plan was approved by the Successor Agency and is scheduled for review by the Oversight Board November 21, 2013.

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**REQUIRED
SUPPLEMENTARY
INFORMATION**



**Required Supplementary Information
Schedule of Funding Progress
For the Year Ended June 30, 2013
(Dollars in Thousands)**

California Public Employee's Retirement System Plan

Actuarial Valuation Date	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						
6/30/10	\$ 186,836	\$ 230,263	\$ 43,427	81.1%	\$ 23,898	181.7%
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%
Miscellaneous						
6/30/10	\$ 272,189	\$ 313,317	\$ 41,128	86.9%	\$ 52,770	77.9%
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%

* Fire amounts reflect total risk pool valuations and liabilities.

Public Agency Retirement System Retirement Enhancement Plan

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)- Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a percentage of Covered Payroll
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%

See independent auditors' report.

**Required Supplementary Information
Schedule of Funding Progress
For the Year Ended June 30, 2013
(Dollars in Thousands)**

Other Post Employment Benefit – CalPERS Plan

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)- Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a percentage of Covered Payroll
7/1/07	\$ -	\$ 23,751	\$ 23,751	0%	\$ 86,730	27.4%
7/1/09	\$ -	\$ 11,081	\$ 11,081	0%	\$ 85,873	12.9%
7/1/11	\$ -	\$ 12,772	\$ 12,772	0%	\$ 82,501	15.5%

See independent auditors' report.

City of Oxnard, California
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes:				
Property	\$ 40,198,000	\$ 40,198,000	\$ 41,224,088	\$ 1,026,088
Sales	36,245,000	36,245,000	35,156,013	(1,088,987)
Transient occupancy	3,621,000	3,621,000	3,826,954	205,954
Business license (net of refund)	4,775,000	4,775,000	4,562,692	(212,308)
Franchise	3,558,000	3,558,000	3,842,351	284,351
Other taxes	515,000	515,000	748,284	233,284
Licenses and permits	1,984,000	1,984,000	1,862,813	(121,187)
Intergovernmental	13,050,956	13,050,956	13,127,768	76,812
Charges for services	11,023,518	11,023,518	8,710,647	(2,312,871)
Fines and forfeitures	653,000	653,000	487,297	(165,703)
Investment earnings	306,000	306,000	15,104	(290,896)
Miscellaneous	3,956,000	3,956,000	3,408,890	(547,110)
Total revenues	<u>119,885,474</u>	<u>119,885,474</u>	<u>116,972,901</u>	<u>(2,912,573)</u>
EXPENDITURES				
General government:				
Legislative				
City council	343,327	343,327	336,910	6,417
City treasurer	1,173,964	1,173,964	1,189,011	(15,047)
City clerk	418,125	418,125	586,305	(168,180)
Administrative and support services				
City manager	1,557,120	1,677,120	1,574,816	102,304
City attorney	1,463,006	1,463,006	1,321,386	141,620
Financial services	3,426,077	3,426,077	3,154,562	271,515
Human resources	965,090	965,090	1,150,120	(185,030)
Non-departmental	1,204,481	1,307,703	749,695	558,008
Public safety:				
Police	51,729,240	53,590,027	51,705,477	1,884,550
Fire	14,880,400	15,225,057	16,885,807	(1,660,750)
Transportation	4,645,333	4,929,257	4,032,023	897,234
Community development:				
Development services	5,421,654	5,421,654	5,218,285	203,369
Economic development and tourism service	912,748	912,748	908,351	4,397
Housing services	195,492	195,492	298,113	(102,621)
Community services	3,355,628	3,559,901	2,735,021	824,880
Culture and leisure:				
Recreation services	4,456,564	4,606,190	4,464,240	141,950
Park and public grounds	8,286,124	8,326,124	7,879,564	446,560
Library services	4,272,386	4,347,386	4,305,466	41,920
Capital outlay	775,000	11,867,185	7,198,960	4,668,225
Total expenditures	<u>109,481,759</u>	<u>123,755,433</u>	<u>115,694,112</u>	<u>8,061,321</u>
Excess (deficiency) of revenues over expenditures	<u>10,403,715</u>	<u>(3,869,959)</u>	<u>1,278,789</u>	<u>5,148,748</u>
Other financing sources (uses)				
Transfers in	37,000	37,000	132,580	95,580
Transfers out	(5,429,175)	(5,530,060)	(5,424,980)	105,080
Net other financing sources (uses)	<u>(5,392,175)</u>	<u>(5,493,060)</u>	<u>(5,292,400)</u>	<u>200,660</u>
Net change in fund balances	5,011,540	(9,363,019)	(4,013,611)	5,349,408
Fund balances, July 1	33,760,051	33,760,051	33,760,051	-
Prior period adjustment	-	-	2,468,605	-
Fund balances, June 30	<u>\$ 38,771,591</u>	<u>\$ 24,397,032</u>	<u>\$ 32,215,045</u>	<u>\$ 5,349,408</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.

City of Oxnard
Federal & State Grants Special Revenue Funds
Budgetary Comparison Schedule
For Fiscal Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget</u>
REVENUES				
Intergovernmental	\$ 2,310,101	\$ 22,565,978	\$ 15,950,090	\$ (6,615,888)
Fines and forfeitures	-	-	196,546	196,546
Interest	-	-	16,057	16,057
Miscellaneous	-	98,116	284,837	186,721
Total revenues	<u>2,310,101</u>	<u>22,664,094</u>	<u>16,447,530</u>	<u>(6,216,564)</u>
EXPENDITURES				
Current:				
General government	-	-	1,758	(1,758)
Public safety	-	9,220,125	3,144,071	6,076,054
Transportation	-	-	35	(35)
Community Development	2,244,445	7,015,005	3,237,289	3,777,716
Culture and leisure	140,067	222,115	206,529	15,586
Library Services	-	89,596	29,525	60,071
Capital Outlay	-	18,798,853	9,418,671	9,380,182
Total expenditures	<u>2,384,512</u>	<u>35,345,694</u>	<u>16,037,878</u>	<u>19,307,816</u>
Excess of revenues over (under) expenditures	<u>(74,411)</u>	<u>(12,681,600)</u>	<u>409,652</u>	<u>13,091,252</u>
Other financing uses:				
Transfers in	<u>85,658</u>	<u>100,885</u>	<u>100,885</u>	<u>-</u>
Total other financing uses	<u>85,658</u>	<u>100,885</u>	<u>100,885</u>	<u>-</u>
Net changes in fund balances	11,247	(12,580,715)	510,537	13,091,252
Fund balances-July 1	(6,386,154)	(6,386,154)	(6,386,154)	-
Prior period adjustment	-	-	62,598	-
Fund balances-June 30	<u><u>\$ (6,374,907)</u></u>	<u><u>\$ (18,966,869)</u></u>	<u><u>\$ (5,813,019)</u></u>	<u><u>\$ 13,091,252</u></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.

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.

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 Fund – This fund accounts for financing and construction of general government capital projects.

Community Development Commission Fund – This fund accounts for tax increments collected.

Housing Successor Fund – This fund accounts for Low & Moderate Housing assets.

Tax Increments Fund – This fund accounts for Cooperation Agreement transactions.

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, 2013

	Development Fees Fund	HUD and CDBG Grants Fund	Public Safety Retirement	Debt Service Fund	Capital Outlay Fund	Housing Successor
ASSETS						
Cash and cash equivalents	\$ 11,257,180	\$ -	\$ 5,743,522	\$ 157,775	\$ 2,676,404	\$ 2,553,967
Investments with fiscal agents	-	-	-	1,768,904	3,442,005	-
Accounts and other receivables	123,374	5,625,249	-	-	-	-
Notes receivable	650,000	-	-	-	-	2,050,000
Due from other funds	5,254,727	-	-	-	-	-
Due from other government	-	-	278,616	-	-	-
Due from Successor Agency	-	-	-	-	-	1,906,219
Properties held for resale	-	-	-	-	-	104,736
Total assets	\$ 17,285,281	\$ 5,625,249	\$ 6,022,138	\$ 1,926,679	\$ 6,118,409	\$ 6,614,922
LIABILITIES						
Accounts payable	\$ 889,262	\$ 113,985	\$ -	\$ -	\$ 368,208	\$ 253,499
Other liabilities	167,288	83,004	382,034	-	-	-
Due to other funds	-	25,229	-	-	152,121	-
Unearned revenues	-	5,403,031	-	-	-	755,842
Total liabilities	1,056,550	5,625,249	382,034	-	520,329	1,009,341
FUND BALANCES						
Nonspendable:						
Property held for resale	-	-	-	-	-	104,736
Long-term receivable	-	-	-	-	-	3,200,377
Restricted for:						
Debt service	-	-	-	1,926,679	3,442,005	-
Public safety retirement	-	-	5,640,104	-	-	-
Assigned to:						
Capital projects	-	-	-	-	2,156,075	2,300,468
Other purposes	16,228,731	-	-	-	-	-
Unassigned						
Total fund balances	16,228,731	-	5,640,104	1,926,679	5,598,080	5,605,581
Total liabilities and fund balances	\$ 17,285,281	\$ 5,625,249	\$ 6,022,138	\$ 1,926,679	\$ 6,118,409	\$ 6,614,922

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	
\$ 3,763,647	\$ 42,929	\$ 3,354,481	\$ 14,557,987	\$ 44,107,892	ASSETS
2,110,978	-	-	-	7,321,887	Cash and cash equivalents
468	-	3,791	-	5,752,882	Investments with fiscal agents
-	-	-	-	2,700,000	Accounts and other receivables
-	-	-	-	5,254,727	Notes receivable
-	77,404	-	-	356,020	Due from other funds
-	-	-	-	1,906,219	Due from other government
-	-	-	-	104,736	Due from Successor Agency
\$ 5,875,093	\$ 120,333	\$ 3,358,272	\$ 14,557,987	\$ 67,504,363	Properties held for resale
					Total assets
\$ 273,913	\$ -	\$ 148,558	\$ 294,946	\$ 2,342,371	LIABILITIES
60,937	3,980	14,227	23,836	735,306	Accounts payable
-	-	-	-	177,350	Other liabilities
-	-	2,419,108	-	8,577,981	Due to other funds
334,850	3,980	2,581,893	318,782	11,833,008	Unearned revenues
					Total liabilities
					FUND BALANCES
					Nonspendable:
-	-	-	-	104,736	Property held for resale
-	-	-	-	3,200,377	Long-term receivable
					Restricted for:
-	-	-	-	5,368,684	Debt service
-	-	-	-	5,640,104	Public safety retirement
					Assigned to:
-	-	-	-	4,456,543	Capital projects
-	-	-	-	16,228,731	Other purposes
5,540,243	116,353	776,379	14,239,205	20,672,180	Unassigned
5,540,243	116,353	776,379	14,239,205	55,671,355	Total fund balances
\$ 5,875,093	\$ 120,333	\$ 3,358,272	\$ 14,557,987	\$ 67,504,363	Total liabilities and fund balances

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

	Development Fees Fund	HUD and CDBG Grants Fund	Public Safety Retirement	Debt Service Fund	Capital Outlay Fund	Housing Successor
REVENUES						
Taxes	\$ -	\$ -	\$ 13,924,166	\$ -	\$ -	\$ -
Licenses and permits	839,489	-	-	-	-	-
Intergovernmental	-	4,339,567	-	-	-	-
Growth and development fees	1,828,294	-	-	-	-	-
Charges for services	-	-	-	-	16,921	-
Fines and forfeitures	-	-	-	-	-	-
Interest	(47,976)	-	(67,203)	(6,138)	18,386	26,824
Special assessments	-	-	-	-	-	-
Miscellaneous	328,050	-	-	-	-	109,036
Total revenues	<u>2,947,857</u>	<u>4,339,567</u>	<u>13,856,963</u>	<u>(6,138)</u>	<u>35,307</u>	<u>135,860</u>
EXPENDITURES						
Current:						
General government	180,113	-	-	-	-	-
Public safety	841,975	200,001	15,483,256	-	-	-
Transportation	465,577	-	-	-	-	-
Community Development	1,780,371	1,722,366	-	-	-	4,513,420
Culture and leisure	48,830	37,940	-	-	2,757	-
Capital outlay	11,781,540	2,379,260	-	-	1,602,865	286,545
Debt service:						
Principal	-	-	-	2,896,261	555,000	-
Bond issuance cost	-	-	-	45,002	-	-
Interest and fiscal charges	-	-	-	1,785,250	1,156,350	-
Total expenditures	<u>15,098,406</u>	<u>4,339,567</u>	<u>15,483,256</u>	<u>4,726,513</u>	<u>3,316,972</u>	<u>4,799,965</u>
Excess of revenues over (under) expenditures	<u>(12,150,549)</u>	<u>-</u>	<u>(1,626,293)</u>	<u>(4,732,651)</u>	<u>(3,281,665)</u>	<u>(4,664,105)</u>
OTHER FINANCING SOURCES (USES)						
Issuance of debt	-	-	-	5,570,838	1,232,148	-
Bond premium	-	-	-	48,238	-	-
Payment to refunded debt escrow agent	-	-	-	(6,197,285)	-	-
Transfers in	-	-	-	5,335,663	-	-
Transfers out	(1,589,187)	-	-	-	(1,021,106)	-
Net other financing sources (uses)	<u>(1,589,187)</u>	<u>-</u>	<u>-</u>	<u>4,757,454</u>	<u>211,042</u>	<u>-</u>
Net change in fund balances	<u>(13,739,736)</u>	<u>-</u>	<u>(1,626,293)</u>	<u>24,803</u>	<u>(3,070,623)</u>	<u>(4,664,105)</u>
Fund balances, July 1	29,968,467	-	7,266,397	1,406,768	8,668,703	2,154,736
Prior period adjustment	-	-	-	495,108	-	8,114,950
Fund balances, June 30	<u>\$ 16,228,731</u>	<u>\$ -</u>	<u>\$ 5,640,104</u>	<u>\$ 1,926,679</u>	<u>\$ 5,598,080</u>	<u>\$ 5,605,581</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	
\$ -	\$ -	\$ -	\$ 1,560	\$ 13,925,726	REVENUES
-	-	-	-	839,489	Taxes
4,720,976	-	602,216	-	9,662,759	Licenses and permits
-	-	-	-	1,828,294	Intergovernmental
429,190	-	18,554	-	464,665	Growth and development fees
-	293,255	-	-	293,255	Charges for services
32,981	-	17,173	(26,424)	(52,377)	Fines and forfeitures
-	-	-	7,971,903	7,971,903	Interest
3,274	-	183,588	41,422	665,370	Special assessments
5,186,421	293,255	821,531	7,988,461	35,599,084	Miscellaneous
					Total revenues
					EXPENDITURES
					Current:
16,336	-	-	125,899	322,348	General government
-	343,398	-	2,586,688	19,455,318	Public safety
4,180,461	620	716,059	264,488	5,627,205	Transportation
214	-	-	-	8,016,371	Community Development
-	-	-	5,112,275	5,201,802	Culture and leisure
802,943	-	300,585	125,843	17,279,581	Capital outlay
-	-	-	-	3,451,261	Debt service:
-	-	-	-	45,002	Principal
-	-	-	-	2,941,600	Bond issuance cost
4,999,954	344,018	1,016,644	8,215,193	62,340,488	Interest and fiscal charges
186,467	(50,763)	(195,113)	(226,732)	(26,741,404)	Total expenditures
					Excess of revenues over (under) expenditures
					OTHER FINANCING SOURCES (USES)
-	-	-	-	6,802,986	Issuance of debt
-	-	-	-	48,238	Bond premium
-	-	-	-	(6,197,285)	Payment to refunded debt escrow agent
-	300,000	-	-	5,635,663	Transfers in
-	-	-	-	(2,610,293)	Transfers out
-	300,000	-	-	3,679,309	Net other financing sources (uses)
186,467	249,237	(195,113)	(226,732)	(23,062,095)	Net change in fund balances
5,353,776	(132,884)	971,492	14,465,937	70,123,392	Fund balances, July 1
-	-	-	-	8,610,058	Prior period adjustment
\$ 5,540,243	\$ 116,353	\$ 776,379	\$ 14,239,205	\$ 55,671,355	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, 2013

	<u>Original Budget</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Licenses and permits	\$ 755,314	\$ 755,314	\$ 839,489	\$ 84,175
Growth and development fees	1,808,100	1,808,100	1,828,294	20,194
Interest	478,720	478,720	(47,976)	(526,696)
Miscellaneous	405,100	405,100	328,050	(77,050)
Total revenues	<u>3,447,234</u>	<u>3,447,234</u>	<u>2,947,857</u>	<u>(499,377)</u>
EXPENDITURES				
General government	120,620	120,620	180,113	(59,493)
Public safety	796,006	796,006	841,975	(45,969)
Transportation	168,000	168,000	465,577	(297,577)
Community development	-	1,523,137	1,780,371	(257,234)
Culture and leisure	-	-	48,830	(48,830)
Capital Outlay	1,770,162	25,299,484	11,781,540	13,517,944
Total expenditures	<u>2,854,788</u>	<u>27,907,247</u>	<u>15,098,406</u>	<u>12,808,841</u>
Excess (deficiency) of revenues over expenditures	<u>592,446</u>	<u>(24,460,013)</u>	<u>(12,150,549)</u>	<u>12,309,464</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,788,471)	(1,788,471)	(1,589,187)	199,284
Total other financing sources (uses)	<u>(1,788,471)</u>	<u>(1,788,471)</u>	<u>(1,589,187)</u>	<u>199,284</u>
Net change in fund balances	(1,196,025)	(26,248,484)	(13,739,736)	12,508,748
Fund balance, July 1	29,968,467	29,968,467	29,968,467	-
Fund balance, June 30	<u>\$ 28,772,442</u>	<u>\$ 3,719,983</u>	<u>\$ 16,228,731</u>	<u>\$ 12,508,748</u>

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, 2013

	<u>Original Budget</u>	<u>Final Budgeted Amount</u>	<u>Actual Amount</u>	<u>Variance with Final Budget</u>
REVENUES				
Intergovernmental	\$ 3,071,307	\$ 3,071,307	\$ 4,339,567	\$ 1,268,260
Total revenues	<u>3,071,307</u>	<u>3,071,307</u>	<u>4,339,567</u>	<u>1,268,260</u>
EXPENDITURES				
Public safety	200,000	200,000	200,001	(1)
Community Development	1,355,953	2,055,290	1,722,366	332,924
Culture and leisure	37,940	37,940	37,940	-
Capital Outlay	1,477,414	3,083,555	2,379,260	704,295
Total expenditures	<u>3,071,307</u>	<u>5,376,785</u>	<u>4,339,567</u>	<u>1,037,218</u>
Excess(deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(2,305,478)</u>	<u>-</u>	<u>2,305,478</u>
Net change in fund balances	-	(2,305,478)	-	2,305,478
Fund balances-July 1	-	-	-	-
Fund balances-June 30	<u>\$ -</u>	<u>\$ (2,305,478)</u>	<u>\$ -</u>	<u>\$ 2,305,478</u>

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, 2013

	<u>Original Budget</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 13,516,600	\$ 13,516,600	\$ 13,924,166	\$ 407,566
Investment income	-	-	(67,203)	(67,203)
Total revenues	<u>13,516,600</u>	<u>13,516,600</u>	<u>13,856,963</u>	<u>340,363</u>
EXPENDITURES				
Public safety	<u>15,878,249</u>	<u>15,878,249</u>	<u>15,483,256</u>	<u>394,993</u>
Total expenditures	<u>15,878,249</u>	<u>15,878,249</u>	<u>15,483,256</u>	<u>394,993</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,361,649)</u>	<u>(2,361,649)</u>	<u>(1,626,293)</u>	<u>735,356</u>
Net change in fund balances	(2,361,649)	(2,361,649)	(1,626,293)	735,356
Fund balance, July 1	<u>7,266,397</u>	<u>7,266,397</u>	<u>7,266,397</u>	<u>-</u>
Fund balance, June 30	<u><u>\$ 4,904,748</u></u>	<u><u>\$ 4,904,748</u></u>	<u><u>\$ 5,640,104</u></u>	<u><u>\$ 735,356</u></u>

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, 2013

	<u>Original Budget</u>	<u>Final Budgeted Amount</u>	<u>Actual Amount</u>	<u>Variance with Final Budget</u>
REVENUES				
Interest	\$ 31,413	\$ 31,413	\$ (6,138)	\$ (37,551)
Total revenues	<u>31,413</u>	<u>31,413</u>	<u>(6,138)</u>	<u>(37,551)</u>
EXPENDITURES				
Debt Service:				
Principal	3,265,684	3,265,684	2,896,261	369,423
Bond issuance cost	-	-	45,002	(45,002)
Interest	<u>2,950,269</u>	<u>2,950,269</u>	<u>1,785,250</u>	<u>1,165,019</u>
Total expenditures	<u>6,215,953</u>	<u>6,215,953</u>	<u>4,726,513</u>	<u>1,489,440</u>
Excess(deficiency) of revenues over (under) expenditures	<u>(6,184,540)</u>	<u>(6,184,540)</u>	<u>(4,732,651)</u>	<u>1,451,889</u>
OTHER FINANCING SOURCES(USES)				
Bond issuance	-	-	5,570,838	5,570,838
Bond premium	-	-	48,238	48,238
Payment to refunded debt escrow agent	-	-	(6,197,285)	(6,197,285)
Transfers in	<u>6,035,798</u>	<u>6,035,798</u>	<u>5,335,663</u>	<u>(700,135)</u>
Total other financing uses	<u>6,035,798</u>	<u>6,035,798</u>	<u>4,757,454</u>	<u>(1,278,344)</u>
Net changes in fund balances	(148,742)	(148,742)	24,803	173,545
Fund balance-July 1	1,406,768	1,406,768	1,406,768	-
Prior period adjustment	-	-	495,108	-
Fund balance-June 30	<u>\$ 1,258,026</u>	<u>\$ 1,258,026</u>	<u>\$ 1,926,679</u>	<u>\$ 173,545</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, 2013

	<u>Original Budget</u>	<u>Final Budgeted Amount</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Interest	\$ -	\$ -	\$ 18,386	\$ 18,386
Charges for services	-	-	16,921	16,921
Total revenues	<u>-</u>	<u>-</u>	<u>35,307</u>	<u>35,307</u>
EXPENDITURES				
Culture and leisure	-	-	2,757	(2,757)
Capital Outlay	-	4,748,959	1,602,865	3,146,094
Debt service:	-	3,029,536	-	3,029,536
Principal	-	-	555,000	(555,000)
Interest	-	-	1,156,350	(1,156,350)
Total expenditures	<u>-</u>	<u>7,778,495</u>	<u>3,316,972</u>	<u>4,461,523</u>
Excess (deficiency) of revenues over(under) expenditures	<u>-</u>	<u>(7,778,495)</u>	<u>(3,281,665)</u>	<u>4,496,830</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers out	-	-	(1,021,106)	(1,021,106)
Proceeds from sale of bonds	-	1,719,423	1,232,148	(487,275)
Total other financing sources (uses)	<u>-</u>	<u>1,719,423</u>	<u>211,042</u>	<u>(1,508,381)</u>
Net change in fund balances	-	(6,059,072)	(3,070,623)	2,988,449
Fund balance, July 1	8,668,703	8,668,703	8,668,703	-
Fund balance, June 30	<u>\$ 8,668,703</u>	<u>\$ 2,609,631</u>	<u>\$ 5,598,080</u>	<u>\$ 2,988,449</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, 2013

	<u>Original Budget</u>	<u>Final Budgeted Amount</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Interest	\$ -	\$ -	\$ 26,824	\$ 26,824
Miscellaneous	-	-	109,036	109,036
Total revenues	<u>-</u>	<u>-</u>	<u>135,860</u>	<u>135,860</u>
EXPENDITURES				
Community development	-	-	4,513,420	(4,513,420)
Capital Outlay	-	-	286,545	(286,545)
Total expenditures	<u>-</u>	<u>-</u>	<u>4,799,965</u>	<u>(4,799,965)</u>
Excess (deficiency) of revenues over(under) expenditures	<u>-</u>	<u>-</u>	<u>(4,664,105)</u>	<u>(4,664,105)</u>
Net change in fund balances	-	-	(4,664,105)	(4,664,105)
Fund balance, July 1	2,154,736	2,154,736	2,154,736	-
Prior period adjustment	-	-	8,114,950	-
Fund balance, June 30	<u>\$ 2,154,736</u>	<u>\$ 2,154,736</u>	<u>\$ 5,605,581</u>	<u>\$ (4,664,105)</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, 2013

	<u>Original Budget</u>	<u>Final Budgeted Amount</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Intergovernmental	\$ 5,330,000	\$ 5,330,000	\$ 4,720,976	\$ (609,024)
Charges for services	193,800	193,800	429,190	235,390
Interest	34,400	34,400	32,981	(1,419)
Miscellaneous	2,700	2,700	3,274	574
Total revenues	<u>5,560,900</u>	<u>5,560,900</u>	<u>5,186,421</u>	<u>(374,479)</u>
EXPENDITURES				
General government	12,125	12,125	16,336	(4,211)
Transportation	4,357,478	4,359,478	4,180,461	179,017
Community development	9,400	9,400	214	9,186
Capital Outlay	960,000	1,991,537	802,943	1,188,594
Total expenditures	<u>5,339,003</u>	<u>6,372,540</u>	<u>4,999,954</u>	<u>1,372,586</u>
Excess(deficiency) of revenues over(under) expenditures	<u>221,897</u>	<u>(811,640)</u>	<u>186,467</u>	<u>998,107</u>
Net change in fund balances	221,897	(811,640)	186,467	998,107
Fund balance, July 1	5,353,776	5,353,776	5,353,776	-
Fund balance, June 30	<u><u>\$ 5,575,673</u></u>	<u><u>\$ 4,542,136</u></u>	<u><u>\$ 5,540,243</u></u>	<u><u>\$ 998,107</u></u>

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, 2013

	<u>Original Budget</u>	<u>Final Budgeted Amount</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Charges for services	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Fines and forfeitures	400,000	400,000	293,255	(106,745)
Total revenues	<u>410,000</u>	<u>410,000</u>	<u>293,255</u>	<u>(116,745)</u>
EXPENDITURES				
Public safety	295,801	295,801	343,398	(47,597)
Transportation	-	-	620	(620)
Total expenditures	<u>295,801</u>	<u>295,801</u>	<u>344,018</u>	<u>(48,217)</u>
Excess(deficiency) of revenues over(under) expenditures	<u>114,199</u>	<u>114,199</u>	<u>(50,763)</u>	<u>(164,962)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
Total other financing sources (uses)	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
Net change in fund balances	414,199	414,199	249,237	(164,962)
Fund balance, July 1	(132,884)	(132,884)	(132,884)	-
Fund balance, June 30	<u><u>\$ 281,315</u></u>	<u><u>\$ 281,315</u></u>	<u><u>\$ 116,353</u></u>	<u><u>\$ (164,962)</u></u>

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, 2013

	<u>Original Budget</u>	<u>Final Budgeted Amount</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Intergovernmental	\$ 494,300	\$ 494,300	\$ 602,216	\$ 107,916
Charges for services	45,300	45,300	18,554	(26,746)
Interest	14,800	14,800	17,173	2,373
Miscellaneous	168,600	168,600	183,588	14,988
Total revenues	<u>723,000</u>	<u>723,000</u>	<u>821,531</u>	<u>98,531</u>
EXPENDITURES				
Transportation	660,659	660,659	716,059	(55,400)
Capital Outlay	50,000	517,274	300,585	216,689
Total expenditures	<u>710,659</u>	<u>1,177,933</u>	<u>1,016,644</u>	<u>161,289</u>
Excess(deficiency) of revenues over(under) expenditures	<u>12,341</u>	<u>(454,933)</u>	<u>(195,113)</u>	<u>259,820</u>
Net change in fund balances	12,341	(454,933)	(195,113)	259,820
Fund balance, July 1	971,492	971,492	971,492	-
Fund balance, June 30	<u>\$ 983,833</u>	<u>\$ 516,559</u>	<u>\$ 776,379</u>	<u>\$ 259,820</u>

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, 2013

	<u>Original Budget</u>	<u>Final Budgeted Amount</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ -	\$ -	\$ 1,560	\$ 1,560
Interest	131,383	131,383	(26,424)	(157,807)
Special assessments	8,046,810	8,046,810	7,971,903	(74,907)
Miscellaneous	23,400	23,400	41,422	18,022
Total revenues	<u>8,201,593</u>	<u>8,201,593</u>	<u>7,988,461</u>	<u>(213,132)</u>
EXPENDITURES				
General government	131,009	131,009	125,899	5,110
Public safety	2,189,006	2,455,737	2,586,688	(130,951)
Transportation	760,285	768,764	264,488	504,276
Culture and leisure	4,733,938	4,794,758	5,112,275	(317,517)
Capital Outlay	395,000	1,395,000	125,843	1,269,157
Total expenditures	<u>8,209,238</u>	<u>9,545,268</u>	<u>8,215,193</u>	<u>(1,330,075)</u>
Excess(deficiency) of revenues over(under) expenditures	<u>(7,645)</u>	<u>(1,343,675)</u>	<u>(226,732)</u>	<u>(1,543,207)</u>
Net change in fund balances	(7,645)	(1,343,675)	(226,732)	(1,543,207)
Fund balance, July 1	14,465,937	14,465,937	14,465,937	-
Fund balance, June 30	<u>\$ 14,458,292</u>	<u>\$ 13,122,262</u>	<u>\$ 14,239,205</u>	<u>\$ (1,543,207)</u>

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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, 2013

	Public Liability / Property Damage	Worker's Compensation	Utility Customer Service	Information Services	Facilities Maintenance	Equipment Maintenance	Total
ASSETS							
Cash and cash equivalents	\$ 4,342,152	\$ 8,645,280	\$ 437,762	\$ 2,148,102	\$ 253,359	\$ 165,607	\$ 15,992,262
Accounts and other receivable (net of allowance for uncollectibles)	26,304	-	-	-	3,758	-	30,062
Other assets	-	-	32,900	-	-	-	32,900
Advances to other funds	-	1,168,481	-	-	-	-	1,168,481
Capital assets:							
Land	595,500	-	-	-	-	-	595,500
Machinery and equipment	62,621	56,827	42,507	2,095,970	638,528	746,901	3,643,354
Construction in progress	-	-	-	1,293,043	-	447,363	1,740,406
Total capital assets	658,121	56,827	42,507	3,389,013	638,528	1,194,264	5,979,260
Less accumulated depreciation	(54,288)	(56,827)	(42,507)	(1,723,589)	(577,666)	(555,929)	(3,010,806)
Net capital assets	603,833	-	-	1,665,424	60,862	638,335	2,968,454
Total assets	4,972,289	9,813,761	470,662	3,813,526	317,979	803,942	20,192,159
LIABILITIES							
Current liabilities:							
Accounts payable	123,188	21,933	26,207	104,726	65,334	464,789	806,177
Other liabilities	1,409	8,923	11,434	44,322	60,490	83,168	209,746
Capital lease payable - current	-	-	-	-	-	28,808	28,808
Compensated absences payable - current	-	10,000	19,000	155,000	195,000	270,000	649,000
Self insurance claims - due within one year	2,316,272	4,231,808	-	-	-	-	6,548,080
Total current liabilities	2,440,869	4,272,664	56,641	304,048	320,824	846,765	8,241,811
Noncurrent liabilities:							
Compensated absences payable	-	10,339	18,354	76,890	92,771	118,458	316,812
Self insurance claims	1,023,163	7,096,550	-	-	-	-	8,119,713
Other post employment payable	106,755	11,614	39,132	82,202	116,749	145,735	502,187
Capital lease payable	-	-	-	-	-	44,812	44,812
Total noncurrent liabilities	1,129,918	7,118,503	57,486	159,092	209,520	309,005	8,983,524
Total liabilities	3,570,787	11,391,167	114,127	463,140	530,344	1,155,770	17,225,335
NET POSITION							
Invested in capital assets, net of related debt	603,833	-	-	1,665,424	60,862	564,715	2,894,834
Unrestricted	797,669	(1,577,406)	356,535	1,684,962	(273,227)	(916,543)	71,990
Total net position	\$ 1,401,502	\$ (1,577,406)	\$ 356,535	\$ 3,350,386	\$ (212,365)	\$ (351,828)	\$ 2,966,824

City of Oxnard, California
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For Fiscal Year Ended June 30, 2013

	Public Liability/ Property Damage	Worker's Compensation	Utility Customer Services	Information Services	Facilities Maintenance	Equipment Maintenance	Total
OPERATING REVENUES:							
Charges for services	\$ 2,815,449	\$ 5,573,074	\$ 1,506,113	\$ 3,789,329	\$ 3,568,744	\$ 9,586,628	\$ 26,839,337
Total operating income	2,815,449	5,573,074	1,506,113	3,789,329	3,568,744	9,586,628	26,839,337
OPERATING EXPENSES:							
Salaries and wages	59,393	334,945	524,445	1,869,362	2,513,485	3,549,430	8,851,060
Contractual services	213,720	409,944	74,680	48,532	111,820	131,339	990,035
Operating supplies	-	-	-	243,477	271,582	4,743,442	5,258,501
Utilities	-	2,496	8,158	928,955	589,840	21,667	1,551,116
Depreciation	1,667	603	480	168,087	29,241	60,662	260,740
General and administrative	262,956	450,362	913,716	362,741	249,508	491,040	2,730,323
Repairs and maintenance	15,689	24,612	14,997	413,755	106,232	824,332	1,399,617
Claims expenses	2,607,311	6,505,227	-	-	-	-	9,112,538
Total operating expenses	3,160,736	7,728,189	1,536,476	4,034,909	3,871,708	9,821,912	30,153,930
Operating income (loss)	(345,287)	(2,155,115)	(30,363)	(245,580)	(302,964)	(235,284)	(3,314,593)
NON-OPERATING REVENUES (EXPENSES):							
Interest income	(26,869)	(53,782)	1,200	(25,146)	2,857	1,514	(100,226)
Interest (expense)	-	-	-	-	-	(2,697)	(2,697)
Total non-operating revenues (expenses)	(26,869)	(53,782)	1,200	(25,146)	2,857	(1,183)	(102,923)
Income (loss) before contributions and transfers	(372,156)	(2,208,897)	(29,163)	(270,726)	(300,107)	(236,467)	(3,417,516)
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Changes in net assets	(372,156)	(2,208,897)	(29,163)	(270,726)	(300,107)	(236,467)	(3,417,516)
Net Position - July 1	1,773,658	(456,990)	385,698	3,621,112	87,742	(115,361)	5,295,859
Prior period adjustment	-	1,088,481	-	-	-	-	1,088,481
Net Position - June 30	\$ 1,401,502	\$ (1,577,406)	\$ 356,535	\$ 3,350,386	\$ (212,365)	\$ (351,828)	\$ 2,966,824

City of Oxnard, California
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2013

	Public Liability/ Property Damage	Worker's Compensation	Utility Customer Service	Information Services	Facilities Maintenance	Equipment Maintenance	Total
Cash flows from operating activities :							
Receipts from customers	\$ 2,835,020	\$ 5,592,791	\$ 1,506,113	\$ 3,789,329	\$ 3,569,854	\$ 9,586,628	\$ 26,879,735
Payments to suppliers	(374,885)	(873,213)	(1,044,062)	(2,105,897)	(1,298,343)	(5,829,331)	(11,525,731)
Payments to employees	(59,393)	(329,743)	(511,406)	(1,860,385)	(2,488,455)	(3,515,898)	(8,765,280)
Claims paid	(2,989,182)	(3,393,263)	-	-	-	-	(6,382,445)
Net cash flows from operating activities	<u>(588,440)</u>	<u>996,572</u>	<u>(49,355)</u>	<u>(176,953)</u>	<u>(216,944)</u>	<u>241,399</u>	<u>206,279</u>
Cash flows from capital financing activities:							
Acquisitions(Disposals) of capital assets	(10,000)	-	-	0	(5,049)	(47,891)	(62,940)
Interest paid on long-term debt	-	-	-	-	-	(2,697)	(2,697)
Principal paid on long-term debt	-	-	-	-	-	(27,984)	(27,984)
Net cash flows from capital financing activities	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,049)</u>	<u>(78,572)</u>	<u>(93,621)</u>
Cash flows from investing activities:							
Interest on investments	(26,869)	(53,782)	1,200	(25,146)	2,857	1,514	(100,226)
Cash flows from investing activities	<u>(26,869)</u>	<u>(53,782)</u>	<u>1,200</u>	<u>(25,146)</u>	<u>2,857</u>	<u>1,514</u>	<u>(100,226)</u>
Net increase (decrease) in cash and cash equivalents	<u>(625,309)</u>	<u>942,790</u>	<u>(48,155)</u>	<u>(202,099)</u>	<u>(219,136)</u>	<u>164,341</u>	<u>12,432</u>
Cash and cash equivalents-July 1	4,967,461	7,702,490	485,917	2,350,201	472,495	1,266	15,979,830
Cash and cash equivalents-June 30	<u>\$ 4,342,152</u>	<u>\$ 8,645,280</u>	<u>\$ 437,762</u>	<u>\$ 2,148,102</u>	<u>\$ 253,359</u>	<u>\$ 165,607</u>	<u>\$ 15,992,262</u>
Reconciliation of operating income (loss) to net cash used by operating activities:							
Operating income (loss)	\$ (345,287)	\$ (2,155,115)	\$ (30,363)	\$ (245,580)	\$ (302,964)	\$ (235,284)	\$ (3,314,593)
Adjustment to reconcile operating income to net cash provided by operating activities:							
Depreciation and amortization	1,667	603	480	168,087	29,241	60,662	260,740
Loss on Disposal of Capital Assets							
Changes in assets and liabilities:							
Decrease (increase) in accounts receivable	19,571	19,717	0	0	1,110	0	40,398
Increase (decrease) in accounts payable	117,480	14,201	(32,511)	(108,437)	30,639	382,489	403,861
Increase (decrease) in self insurance liability	(381,871)	3,111,964	0	0	0	0	2,730,093
Increase (decrease) in compensated absences	0	5,202	13,039	8,977	25,030	33,532	85,780
Cash flows from operating activities	<u>\$ (588,440)</u>	<u>\$ 996,572</u>	<u>\$ (49,355)</u>	<u>\$ (176,953)</u>	<u>\$ (216,944)</u>	<u>\$ 241,399</u>	<u>\$ 206,279</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, 2013

	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
ARTWORKS FUND				
Assets:				
Cash and Cash Equivalents	\$ 52,904	\$ 320	\$ 3	\$ 53,221
Total Assets	\$ 52,904	\$ 320	\$ 3	\$ 53,221
Liabilities:				
Trust and Agency Payables	\$ 52,904	\$ 320	\$ 3	\$ 53,221
Total Liabilities	\$ 52,904	\$ 320	\$ 3	\$ 53,221
IMPROVEMENT DISTRICTS FUND				
Assets:				
Cash and Cash Equivalents	\$ 5,659,766	\$ 6,278,068	\$ 7,056,329	\$ 4,881,505
Investments with Fiscal Agents	15,480,457	1,546,433	1,924,841	15,102,049
Total Assets	\$ 21,140,223	\$ 7,824,501	\$ 8,981,170	\$ 19,983,554
Liabilities:				
Trust and Agency Payables	\$ 21,140,223	\$ 7,824,501	\$ 8,981,170	\$ 19,983,554
Total Liabilities	\$ 21,140,223	\$ 7,824,501	\$ 8,981,170	\$ 19,983,554
ODMD				
Assets:				
Cash and Cash Equivalents	\$ 84,084	\$ 548,532	\$ 617,989	\$ 14,627
Total Assets	\$ 84,084	\$ 548,532	\$ 617,989	\$ 14,627
Liabilities:				
Trust and Agency Payables	\$ 84,084	\$ 548,532	\$ 617,989	\$ 14,627
Total Liabilities	\$ 84,084	\$ 548,532	\$ 617,989	\$ 14,627
TOTAL - ALL FIDUCIARY FUNDS				
Assets:				
Cash and Cash Equivalents	\$ 5,796,754	\$ 6,826,920	\$ 7,674,321	\$ 4,949,353
Investments with Fiscal Agents	15,480,457	1,546,433	1,924,841	15,102,049
Total Assets	\$ 21,277,211	\$ 8,373,353	\$ 9,599,162	\$ 20,051,402
Liabilities:				
Trust and Agency Payables	\$ 21,277,211	\$ 8,373,353	\$ 9,599,162	\$ 20,051,402
Total Liabilities	\$ 21,277,211	\$ 8,373,353	\$ 9,599,162	\$ 20,051,402

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STATISTICAL SECTION



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City of Oxnard, California

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

	Fiscal Year				
	2004	2005	2006	2007	2008
Governmental activities					
Net investment in capital asset	\$104,613,981	\$131,874,401	\$1,313,161,486	\$1,329,023,654	\$1,357,202,580
Restricted	12,510,935	16,183,475	15,902,180	33,774,265	48,175,216
Unrestricted	91,002,589	80,742,442	95,688,754	94,848,663	79,025,330
Total governmental activities net position	<u>\$208,127,505</u>	<u>\$228,800,318</u>	<u>\$1,424,752,420</u>	<u>\$1,457,646,582</u>	<u>\$1,484,403,126</u>
Business-type activities					
Net investment in capital asset	\$59,252,770	\$97,741,991	\$154,777,148	\$225,311,825	\$229,468,962
Restricted	7,380,620	7,696,523	13,405,164	12,508,465	8,782,553
Unrestricted	159,369,013	138,793,254	83,556,063	46,954,212	47,628,743
Total business-type activities net position	<u>\$226,002,403</u>	<u>\$244,231,768</u>	<u>\$251,738,375</u>	<u>\$284,774,502</u>	<u>\$285,880,258</u>
Primary government					
Net investment in capital asset	\$163,866,751	\$229,616,392	\$1,467,938,634	\$1,554,335,479	\$1,586,671,542
Restricted	19,891,555	23,879,998	29,307,344	46,282,730	56,957,769
Unrestricted	250,371,602	219,535,696	179,244,817	141,802,875	126,654,073
Total primary government net position	<u>\$434,129,908</u>	<u>\$473,032,086</u>	<u>\$1,676,490,795</u>	<u>\$1,742,421,084</u>	<u>\$1,770,283,384</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					
2009	2010	2011	2012	2013	
					Governmental activities
\$1,371,345,945	\$1,377,784,811	\$1,411,737,702	\$1,386,189,664	\$1,407,060,810	Net investment in capital asset
12,852,498	25,080,711	72,142,274	18,707,789	28,720,391	Restricted
111,642,569	97,095,180	41,934,961	58,748,720	22,539,194	Unrestricted
<u>\$1,495,841,012</u>	<u>\$1,499,960,702</u>	<u>\$1,525,814,937</u>	<u>\$1,463,646,173</u>	<u>\$1,458,320,395</u>	Total governmental activities net position
					Business-type activities
\$238,066,640	\$250,720,062	\$265,617,506	\$264,692,784	\$285,475,430	Net investment in capital asset
7,811,268	17,706,319	18,417,110	17,602,552	16,577,898	Restricted
55,267,595	38,725,334	43,239,167	50,315,899	34,418,934	Unrestricted
<u>\$301,145,503</u>	<u>\$307,151,715</u>	<u>\$327,273,783</u>	<u>\$332,611,235</u>	<u>\$336,472,262</u>	Total business-type activities net position
					Primary government
\$1,609,412,585	\$1,628,504,873	\$1,677,355,208	\$1,650,882,448	\$1,692,536,240	Net investment in capital asset
20,663,766	42,787,030	90,559,384	36,310,341	45,298,289	Restricted
166,910,164	135,820,514	85,174,128	109,064,619	56,958,128	Unrestricted
<u>\$1,796,986,515</u>	<u>\$1,807,112,417</u>	<u>\$1,853,088,720</u>	<u>\$1,796,257,408</u>	<u>\$1,794,792,657</u>	Total primary government net position

City of Oxnard, California

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

	Fiscal Year				
	2004	2005	2006	2007	2008
Expenses					
Governmental activities:					
General government	\$12,911,930	\$13,646,432	\$18,360,819	\$19,130,468	\$21,898,728
Public safety	58,758,103	68,542,046	75,789,982	80,579,263	88,547,776
Transportation	8,595,630	9,912,068	10,341,829	9,893,618	10,847,730
Community development	18,590,562	18,937,934	22,614,813	19,369,860	27,123,076
Culture and leisure	11,177,403	12,018,761	15,345,765	16,015,957	18,162,564
Libraries	3,940,974	3,919,671	4,654,234	5,025,580	5,517,965
Interest on long-term debt	2,305,762	2,299,356	1,904,516	3,263,821	4,701,143
Total governmental activities expenses	<u>116,280,364</u>	<u>129,276,268</u>	<u>149,011,958</u>	<u>153,278,567</u>	<u>176,798,982</u>
Business-type activities:					
Water	23,636,082	23,152,648	26,636,150	30,683,509	33,417,143
Wastewater	18,960,096	25,482,133	27,939,236	29,033,021	24,009,381
Environmental resource	35,070,009	37,117,879	38,535,592	39,817,351	45,329,486
Performing arts and convention center	1,402,812	1,565,920	1,590,321	1,761,156	1,829,853
Oxnard housing authority	24,462,843	25,507,125	24,724,889	23,494,108	23,758,739
Municipal golf course	3,130,165	4,028,435	3,983,695	4,433,702	3,794,080
Total business-type activities expenses	<u>106,662,007</u>	<u>116,854,140</u>	<u>123,409,883</u>	<u>129,222,847</u>	<u>132,138,682</u>
Total primary government expenses	<u>\$222,942,371</u>	<u>\$246,130,408</u>	<u>\$272,421,841</u>	<u>\$282,501,414</u>	<u>\$308,937,664</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$8,044,319	\$8,516,015	\$7,864,784	\$17,237,868	\$8,515,014
Public safety	3,654,740	5,306,818	6,513,674	6,114,255	4,921,670
Transportation	1,455,304	2,468,510	4,369,882	4,217,846	4,050,457
Community development	16,712,568	23,822,460	24,448,745	11,095,658	15,030,222
Culture and leisure	1,772,109	2,725,055	928,054	3,903,705	4,401,090
Libraries	214,559	209,622	169,339	320,939	246,576
Operating grants and contributions	39,370,445	20,254,587	30,436,511	25,025,965	23,207,919
Capital grants and contributions	-	-	16,758,901	6,804,709	12,902,805
Total governmental activities program revenues	<u>71,224,044</u>	<u>63,303,067</u>	<u>91,489,890</u>	<u>74,720,945</u>	<u>73,275,753</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			
2009	2010	2011	2012	2013	
					Expenses
					Governmental activities:
\$19,717,999	\$18,695,220	\$20,845,702	\$18,680,585	\$18,129,124	General government
86,249,353	92,554,917	92,702,882	98,603,456	103,079,427	Public safety
10,600,127	10,321,184	10,521,098	11,030,990	10,331,822	Transportation
26,989,828	32,863,176	26,225,688	33,705,121	21,162,624	Community development
20,945,072	19,016,619	19,047,037	18,858,694	19,334,566	Culture and leisure
5,341,028	5,176,704	5,230,252	5,203,318	4,916,628	Libraries
6,519,008	5,583,856	5,503,330	3,532,902	2,973,016	Interest on long-term debt
<u>176,362,415</u>	<u>184,211,676</u>	<u>180,075,989</u>	<u>189,615,066</u>	<u>179,927,207</u>	Total governmental activities expenses
					Business-type activities:
29,837,359	36,797,806	34,062,940	37,910,096	44,762,850	Water
22,337,575	24,205,554	23,052,505	29,078,392	34,396,819	Wastewater
41,117,534	39,296,115	41,405,568	41,581,865	40,601,250	Environmental resource
1,799,861	1,651,658	1,606,129	1,587,496	1,534,353	Performing arts and convention center
26,153,807	25,259,519	24,911,450	24,398,669	25,397,453	Oxnard housing authority
7,601,054	4,507,360	6,104,614	6,048,938	6,150,325	Municipal golf course
<u>128,847,190</u>	<u>131,718,012</u>	<u>131,143,206</u>	<u>140,605,456</u>	<u>152,843,050</u>	Total business-type activities expenses
<u>\$305,209,605</u>	<u>\$315,929,688</u>	<u>\$311,219,195</u>	<u>\$330,220,522</u>	<u>\$332,770,257</u>	Total primary government expenses
					Program Revenues
					Governmental activities:
					Charges for services:
\$9,765,771	\$10,203,810	\$8,422,050	\$9,471,575	\$8,408,578	General government
5,017,708	4,202,162	4,246,985	4,426,984	4,460,425	Public safety
4,042,492	5,068,843	2,131,535	2,145,431	3,152,660	Transportation
11,825,981	6,366,499	7,198,058	12,576,655	4,316,880	Community development
5,273,551	5,237,167	5,037,380	5,605,866	4,667,879	Culture and leisure
260,577	428,872	399,582	378,004	427,152	Libraries
25,875,331	24,380,018	27,293,717	30,155,325	27,406,424	Operating grants and contributions
9,420,033	17,106,111	35,331,568	16,598,931	8,313,758	Capital grants and contributions
<u>71,481,444</u>	<u>72,993,482</u>	<u>90,060,875</u>	<u>81,358,771</u>	<u>61,153,756</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				
	2004	2005	2006	2007	2008
Business-type activities:					
Charges for services:					
Water	\$28,401,190	\$34,334,436	\$32,150,667	\$36,855,486	\$35,378,947
Wastewater	23,532,305	33,709,319	26,139,278	24,503,133	27,621,114
Environmental resource	32,965,746	36,071,999	36,704,264	40,122,057	42,795,069
Performing arts and convention center	371,553	468,732	483,475	517,766	485,548
Oxnard housing authority	23,024,813	21,411,579	23,197,945	23,137,523	23,785,335
Municipal golf course	7,487,215	3,119,621	3,899,645	3,999,148	3,234,074
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	-	-	1,306,910	-	-
Total business-like activities program revenues	<u>115,782,822</u>	<u>129,115,686</u>	<u>123,882,184</u>	<u>129,135,113</u>	<u>133,300,087</u>
Total primary government program revenues	<u>\$187,006,866</u>	<u>\$192,418,753</u>	<u>\$215,372,074</u>	<u>\$203,856,058</u>	<u>\$206,575,840</u>
Net (expense) revenue					
Governmental activities	(45,056,320)	(65,973,201)	(57,522,068)	(78,557,622)	(103,523,229)
Business-like activities	9,120,815	12,261,546	472,301	(87,734)	1,161,405
Total primary government net expense	<u>(\$35,935,505)</u>	<u>(\$53,711,655)</u>	<u>(\$57,049,767)</u>	<u>(\$78,645,356)</u>	<u>(\$102,361,824)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$35,245,432	\$49,096,920	\$58,537,770	\$68,429,117	\$75,726,666
Sales taxes	22,772,358	23,212,641	23,985,182	25,783,808	24,205,622
Transient occupancy taxes	2,222,553	2,445,468	3,309,716	3,550,903	3,618,611
Franchise taxes	3,718,917	4,572,206	3,914,317	3,686,627	3,986,567
Deed transfer taxes	1,159,215	1,196,393	1,230,768	880,370	860,378
Business license taxes	4,386,245	3,967,972	4,470,841	4,504,455	4,662,658
Penalties on delinquent taxes	181,655	126,250	132,403	129,679	123,956
Investment earnings	4,547,276	3,911,106	4,860,461	6,653,231	7,561,978
Sale of capital assets	-	-	7,146,270	-	4,351,772
Transfers	(1,778,579)	(1,882,942)	(2,280,393)	(2,166,406)	5,181,566
Extraordinary loss	-	-	-	-	-
Contributions to other government	-	-	-	-	-
Total governmental activities	<u>72,455,072</u>	<u>86,646,014</u>	<u>105,307,335</u>	<u>111,451,784</u>	<u>130,279,774</u>
Business-type activities:					
Investment earnings	2,080,206	4,486,577	4,753,913	7,480,785	5,125,917
Sale of capital assets	-	-	-	23,476,670	-
Transfers	1,488,793	1,481,242	2,280,393	2,166,406	(5,181,566)
Total business-type activities	<u>3,568,999</u>	<u>5,967,819</u>	<u>7,034,306</u>	<u>33,123,861</u>	<u>(55,649)</u>
Total primary program	<u>\$76,024,071</u>	<u>\$92,613,833</u>	<u>\$112,341,641</u>	<u>\$144,575,645</u>	<u>\$130,224,125</u>
Change in Net Position					
Governmental activities	27,398,752	20,672,813	47,785,267	32,894,162	26,756,545
Business-type activities	12,689,814	18,229,365	7,506,607	33,036,127	1,105,756
Total primary government	<u>\$40,088,566</u>	<u>\$38,902,178</u>	<u>\$55,291,874</u>	<u>\$65,930,289</u>	<u>\$27,862,301</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					
2009	2010	2011	2012	2013	
					Business-type activities:
					Charges for services:
\$38,477,754	\$38,439,653	\$43,170,566	\$46,769,748	\$51,056,102	Water
24,846,717	22,566,372	25,157,094	31,528,171	30,998,260	Wastewater
39,695,711	40,468,627	45,047,154	44,217,775	42,535,271	Environmental resource
483,371	513,857	439,653	545,270	483,778	Performing arts and convention center
6,105,106	4,686,681	4,786,715	5,157,388	5,173,132	Oxnard housing authority
4,398,074	4,278,241	3,905,224	4,063,299	4,157,668	Municipal golf course
19,635,556	20,781,204	20,524,235	18,727,259	18,595,158	Operating grants and contributions
543,140	192,400	2,308,206	1,002,582	966,935	Capital grants and contributions
134,185,429	131,927,035	145,338,847	152,011,492	153,966,304	Total business-like activities program revenues
<u>\$205,666,873</u>	<u>\$204,920,517</u>	<u>\$235,399,722</u>	<u>\$233,370,263</u>	<u>\$215,120,060</u>	Total primary government program revenues
					Net (expense) revenue
(104,880,971)	(111,218,194)	(90,015,114)	(108,256,295)	(118,773,451)	Governmental activities
5,338,239	209,023	14,195,641	11,406,036	1,123,254	Business-like activities
<u>(\$99,542,732)</u>	<u>(\$111,009,171)</u>	<u>(\$75,819,473)</u>	<u>(\$96,850,259)</u>	<u>(\$117,650,197)</u>	Total primary government net expense
					General Revenues and Other Changes in Net Position
					Governmental activities:
					Taxes
\$76,681,392	\$72,817,719	\$71,118,203	\$63,176,888	\$55,148,254	Property taxes
24,043,286	28,103,051	33,396,737	37,453,124	35,156,013	Sales taxes
3,328,803	3,061,163	3,301,864	3,402,793	3,826,954	Transient occupancy taxes
4,635,616	3,439,645	3,495,532	3,435,823	3,842,351	Franchise taxes
573,882	509,370	528,563	412,471	628,780	Deed transfer taxes
5,059,323	4,692,615	4,412,881	6,125,278	4,562,692	Business license taxes
145,945	136,565	105,158	126,609	121,064	Penalties on delinquent taxes
5,556,004	2,769,250	1,934,083	1,354,128	(21,216)	Investment earnings
59,319	694,185	141,123	57,768	119,184	Sale of capital assets
(3,764,713)	(885,679)	(2,564,795)	(2,184,229)	(2,166,145)	Transfers
-	-	-	(65,066,037)		Extraordinary loss
-	-	-	(14,627)		Contributions to other government
116,318,857	115,337,884	115,869,349	48,279,989	101,217,931	Total governmental activities
					Business-type activities:
3,299,336	1,911,510	3,361,632	3,168,662	2,445,183	Investment earnings
2,862,957	-	-	-		Sale of capital assets
3,764,713	885,679	2,564,795	2,184,229	2,166,145	Transfers
9,927,006	2,797,189	5,926,427	5,352,891	4,611,328	Total business-type activities
<u>\$126,245,863</u>	<u>\$118,135,073</u>	<u>\$121,795,776</u>	<u>\$53,632,880</u>	<u>\$105,829,259</u>	Total primary program
					Change in Net Position
11,437,886	4,119,690	25,854,235	(59,976,306)	(17,555,520)	Governmental activities
15,265,245	3,006,212	20,122,068	16,758,927	5,734,582	Business-type activities
<u>\$26,703,131</u>	<u>\$7,125,902</u>	<u>\$45,976,303</u>	<u>(\$43,217,379)</u>	<u>(\$11,820,938)</u>	Total primary government

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)*

	Fiscal Year				
	2004	2005	2006	2007	2008
General Fund					
Reserved	\$ 1,180,342	\$ 4,201,060	\$ 3,658,849	\$ 3,573,245	\$ 344,987
Unreserved	25,398,644	19,197,335	23,523,456	21,424,406	20,108,117
Nondspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total general fund	<u>\$26,578,986</u>	<u>\$23,398,395</u>	<u>\$27,182,305</u>	<u>\$24,997,651</u>	<u>\$20,453,104</u>
All other governmental funds					
Reserved	\$ 11,330,593	\$ 11,982,415	\$ 12,243,331	\$ 30,201,020	\$ 11,148,128
Unreserved, reported in:					
Special revenue funds	55,595,303	53,104,087	58,172,246	51,516,503	61,096,986
Capital projects funds	21,790,919	22,103,670	26,320,799	47,966,047	81,877,539
Nondspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>\$88,716,815</u>	<u>\$87,190,172</u>	<u>\$96,736,376</u>	<u>\$129,683,570</u>	<u>\$154,122,653</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)*

		Fiscal Year					
2009	2010	2011	2012	2013			
						General Fund	
\$ -	\$ -	\$ -	\$ -	\$ -		Reserved	
23,794,737	29,726,794	-	-	-		Unreserved	
-	-	-	-	4,714,203		Nonspendable	
-	-	-	-	1,482,872		Restricted	
-	-	17,472,751	18,093,783	14,658,123		Assigned	
-	-	15,648,084	15,666,268	11,359,847		Unassigned	
<u>\$23,794,737</u>	<u>\$29,726,794</u>	<u>\$ 33,120,835</u>	<u>\$ 33,760,051</u>	<u>\$ 32,215,045</u>		Total general fund	
						All other governmental funds	
\$ 12,852,498	\$ 13,811,524	\$ -	\$ -	\$ -		Reserved	
61,924,849	61,896,005	-	-	-		Unreserved, reported in:	
72,705,295	59,395,831	-	-	-		Special revenue funds	
-	-	13,230,067	-	3,305,113		Capital projects funds	
-	-	34,500,580	18,707,789	27,237,519		Nonspendable	
-	-	80,823,243	51,415,603	4,456,543		Restricted	
-	-	(2,764,967)	(6,386,154)	14,859,161		Assigned	
-	-	-	-	-		Unassigned	
<u>\$147,482,642</u>	<u>\$135,103,360</u>	<u>\$ 125,788,923</u>	<u>\$ 63,737,238</u>	<u>\$ 49,858,336</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				
	2004	2005	2006	2007	2008
Revenues					
Taxes	\$69,686,376	\$84,617,850	\$95,580,997	\$106,964,959	\$113,184,458
Licenses and permits	2,182,715	2,116,934	5,937,172	3,434,727	2,792,191
Intergovernmental	40,834,560	27,036,948	31,543,392	31,830,674	36,110,724
Growth and development fees	9,004,335	10,061,956	9,616,234	4,984,467	5,724,940
Charges for services	11,105,208	15,358,432	14,721,778	11,418,999	12,877,753
Fines and forfeitures	1,198,456	1,248,242	1,320,782	1,383,780	1,350,628
Interest	4,547,276	3,911,106	4,860,461	6,653,231	7,561,978
Special assessments	2,089,097	2,240,492	2,346,088	14,967,993	9,014,090
Contributions from property owners	-	-	1,085,000	-	-
Rental income	-	-	-	-	-
Investment income	-	-	-	-	-
Miscellaneous	4,809,675	5,240,064	10,352,424	6,700,305	9,757,199
Total revenues	145,457,698	151,832,024	177,364,328	188,339,135	198,373,961
Expenditures					
General government	11,444,213	11,788,754	11,994,048	12,283,152	12,390,389
Public safety	55,856,590	64,312,956	69,405,713	75,815,578	80,409,884
Transportation	8,108,305	9,709,306	10,254,324	10,136,221	10,642,590
Community development	17,912,245	18,597,956	22,100,626	18,962,172	26,158,572
Culture and leisure	10,824,801	11,520,103	14,366,317	15,141,511	16,894,790
Library services	3,818,769	3,731,437	4,214,038	4,558,864	4,950,293
Capital outlay	31,640,247	29,924,300	41,227,891	56,309,445	52,283,436
Debt Service:					
Principal	2,908,600	2,999,393	7,983,492	2,251,795	2,754,823
Cost of issuance	-	-	-	-	-
Interest	2,102,073	2,072,111	1,920,662	2,411,174	3,810,737
Total expenditures	144,615,843	154,656,316	183,467,111	197,869,912	210,295,514
Excess of revenues over (under) expenditures	841,855	(2,824,292)	(6,102,783)	(9,530,777)	(11,921,553)
Other Financing Sources (Uses)					
Proceeds from loans payable	-	-	-	-	-
Proceeds from financing sources	34,750,209	-	-	-	-
Payment to escrow agent	(13,601,060)	-	14,567,020	-	-
Proceeds from sale of property	-	-	1,885,649	-	-
Proceeds from sale of bonds	-	-	-	42,459,723	26,634,523
Bond discount	-	-	-	-	-
Transfers in	6,475,027	10,770,253	13,659,615	13,159,636	14,107,966
Transfers out	(8,253,606)	(12,653,195)	(10,679,387)	(15,326,042)	(8,926,400)
Total other financing sources (uses)	19,370,570	(1,882,942)	19,432,897	40,293,317	31,816,089
Special items:					
Contributions from other funds	-	-	-	-	-
Contributions to other funds	-	-	-	-	-
Capital contributions	-	-	-	-	-
Extraordinary loss	-	-	-	-	-
Total special items	-	-	-	-	-
Net change in fund balances	\$20,212,425	(\$4,707,234)	\$13,330,114	\$30,762,540	\$19,894,536
Debt service as a percentage of noncapital expenditures	4.44%	4.07%	6.96%	3.29%	4.16%

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			
2009	2010	2011	2012	2013	
					Revenues
\$114,468,247	\$112,760,128	\$116,358,938	\$114,132,986	\$103,286,108	Taxes
2,470,865	2,267,581	2,002,416	3,662,851	2,702,302	Licenses and permits
32,290,549	42,232,125	58,971,454	39,321,626	38,740,617	Intergovernmental
7,210,668	1,502,781	2,663,779	5,979,605	1,828,294	Growth and development fees
10,705,908	11,007,992	10,668,661	9,967,288	9,175,312	Charges for services
1,408,066	1,213,655	1,233,733	1,311,689	977,098	Fines and forfeitures
5,556,004	2,769,250	1,934,083	1,105,534	(21,216)	Interest
8,611,926	9,168,150	9,013,480	8,084,122	7,971,903	Special assessments
-	-	-	-	-	Contributions from property owners
-	-	-	148,993	-	Rental income
-	-	-	248,594	-	Investment income
5,837,966	8,268,073	3,673,052	8,304,617	4,359,097	Miscellaneous
<u>188,560,199</u>	<u>191,189,735</u>	<u>206,519,596</u>	<u>192,267,905</u>	<u>169,019,515</u>	Total revenues
					Expenditures
11,883,205	11,145,722	11,041,050	10,355,408	10,438,952	General government
74,877,737	84,818,990	84,439,008	86,218,656	91,190,673	Public safety
9,829,554	10,137,568	10,338,211	10,347,787	9,659,263	Transportation
25,832,640	32,073,825	24,803,125	22,357,237	20,333,591	Community development
19,348,413	17,751,755	17,789,287	17,175,797	17,779,933	Culture and leisure
4,755,540	4,632,177	4,682,033	4,553,275	4,334,991	Library services
43,704,965	34,739,151	54,785,588	46,868,230	33,897,212	Capital outlay
					Debt Service:
3,168,595	3,743,020	3,926,631	4,362,740	3,451,261	Principal
791,867	-	-	-	45,002	Cost of issuance
5,574,369	5,230,494	5,151,761	4,061,894	2,941,600	Interest
<u>199,766,885</u>	<u>204,272,702</u>	<u>216,956,694</u>	<u>206,301,024</u>	<u>194,072,478</u>	Total expenditures
<u>(11,206,686)</u>	<u>(13,082,967)</u>	<u>(10,437,098)</u>	<u>(14,033,119)</u>	<u>(25,052,963)</u>	Excess of revenues over (under) expenditures
					Other Financing Sources (Uses)
-	-	-	-	-	Proceeds from loans payable
-	-	-	-	-	Proceeds from financing sources
-	-	-	-	(6,197,285)	Payment to escrow agent
-	-	-	-	-	Proceeds from sale of property
11,790,000	1,395,646	1,295,771	3,680,714	6,802,986	Proceeds from sale of bonds
(116,979)	-	-	-	48,238	Bond discount/premium
10,573,077	10,550,390	11,718,345	6,108,518	5,869,128	Transfers in
<u>(14,337,790)</u>	<u>(5,310,294)</u>	<u>(8,497,414)</u>	<u>(8,292,747)</u>	<u>(8,035,273)</u>	Transfers out
<u>7,908,308</u>	<u>6,635,742</u>	<u>4,516,702</u>	<u>1,496,485</u>	<u>(1,512,206)</u>	Total other financing sources (uses)
					Special items:
-	-	-	76,891,362	-	Contributions from other funds
-	-	-	(76,891,362)	-	Contributions to other funds
-	-	-	(14,627)	-	Capital contributions
-	-	-	(48,861,208)	-	Extraordinary loss
-	-	-	(48,875,835)	-	Total special items
<u>(\$3,298,378)</u>	<u>(\$6,447,225)</u>	<u>(\$5,920,396)</u>	<u>(\$61,412,469)</u>	<u>(\$26,565,169)</u>	Net change in fund balances
6.11%	5.29%	5.60%	5.28%	4.02%	Debt service as a percentage of noncapital expenditures

City of Oxnard, California

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

Fiscal Year	Property Tax	Sales Tax	Transient Occupancy Tax	Franchise Tax	Deed Transfer Tax	Business License	Penalties and Interest	Total
2004	35,245,432	22,772,358	2,222,553	3,718,917	1,159,215	4,386,245	181,655	69,686,375
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

Source: Finance Department, City of Oxnard

City of Oxnard, California

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

Fiscal Year	Land	Improvements	Personal Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2004	3,613,674,889	6,152,956,699	580,195,155	1,346,099,223	9,000,727,520	1.20384%	9,000,727,520	100.00%
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%

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

Fiscal Year	City Direct Rates			Overlapping Rates			Total Direct & Overlapping Rates
	Basic (1)	Debt Service	Total Direct	School Districts	Water Districts	Total Overlapping	
2004	1.00000%	0.20384%	1.20384%	0.09770%	0.04476%	0.14246%	1.34630%
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%

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	2013			2004		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Proctor & Gamble Paper Products	268,098,003	1	1.75%	270,808,814	1	2.70%
St Johns Regional Medical Center	230,115,059	2	1.50%			
Essex Arbors LP	197,972,713	3	1.29%			
SOCM I LLC	91,198,200	4	0.60%			
Sunbelt Enterprises LLC	86,539,573	5	0.56%			
Capri of KW Serenade LLC	83,068,300	6	0.54%			
Haas Automation Inc	82,295,400	7	0.54%			
GS Paz Mar LP	70,530,594	8	0.46%			
Reliant Energy Ormond Beach, Inc				166,200,000	2	1.66%
SI VIII LLC				74,524,729	3	0.74%
Weyerhaeuser Company				59,789,800	4	0.60%
Duesenberg Investment Company	67,133,520	9	0.44%	59,179,100	5	0.59%
Genon Energy West LP-Mandalay	66,700,000	10	0.44%			
Channel Islands Harbor Investment Co LP				58,696,857	6	0.58%
Fred Kavli				51,850,693	7	0.52%
Reliant Energy Mandalay, Inc				51,476,532	8	0.51%
Seminis Inc				49,662,634	9	0.49%
GSA Vintage-Rose Apts LP				46,364,974	10	0.46%
Other taxpayers	14,074,261,994		91.88%	9,151,420,675		91.15%
Totals	15,317,913,356		100.00%	10,039,974,808		100.00%

Source: HdL Coren & Cone, Ventura County Assessor 2012/13 Combined Tax Rolls and the SBE Non Unitary Tax Roll

City of Oxnard, California

SCHEDULE IX Property Tax Levies and Collections Last Ten Fiscal Years

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
2004	35,432,169	34,937,526	98.60%	344,390	35,281,916	99.58%
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%

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			
2004	22,874,301	8,045,000	19,185,000	1,729,354	214,035,699	2,916,139	268,785,493	9.310%	1,479
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

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, 2013

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
City of Oxnard Overlapping Debt:			
Metropolitan Water District	165,085,000	0.722%	1,191,914
Ventura County Community College District	308,659,326	14.649%	45,215,505
Ventura County Superintendent of Schools - Certificates of Participation	11,510,000	14.643%	1,685,409
Ventura County General Fund Obligations	388,450,000	14.643%	56,880,734
Oxnard Union High School District	91,662,016	45.867%	42,042,617
Oxnard Union High School District - Certificates of Participation	7,680,000	45.867%	3,522,586
Oxnard School District	152,703,139	91.914%	140,355,563
Oxnard School District - Certificates of Participation	4,845,100	91.914%	4,453,325
Rio School District	14,675,000	86.381%	12,676,412
Rio School District - Certificates of Participation	7,420,000	86.381%	6,409,470
Hueneme School District	26,287,428	43.599%	11,461,056
Ocean View School District	11,410,247	41.084%	4,687,786
Ocean View School District - Certificates of Participation	1,521,500	41.084%	625,093
Rio School District - Community Facilities District 1	29,600,000	100.000%	29,600,000
City of Oxnard - Rose Avenue/Hwy 101 Assessment District 96-1	2,500,000	100.000%	2,500,000
City of Oxnard - Rice Avenue/Hwy 101 Assessment District 2001-1	11,835,000	100.000%	11,835,000
City of Oxnard - Oxnard Blvd/Hwy 101 Assessment District 2000-1	1,965,000	100.000%	1,965,000
City of Oxnard Community Facilities District 1	8,750,000	100.000%	8,750,000
City of Oxnard Community Facilities District 3	30,810,000	100.000%	30,810,000
City of Oxnard Community Facilities District 88-1	230,000	100.000%	230,000
Oxnard Boulevard Interchange Community District	7,980,000	100.000%	7,980,000
Successor Agency - Tax Increment Debt	42,380,000	100.000%	42,380,000
Subtotal - Overlapping Debt	1,327,958,756		467,257,470
City of Oxnard Direct Debt:			
City of Oxnard Financing Authority			70,583,263
Subtotal - Direct Debt			70,583,263
Total direct and overlapping debt			537,840,733

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)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	1,534,332	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
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>1,534,332</u>	<u>1,726,418</u>	<u>1,983,111</u>	<u>2,250,164</u>	<u>2,449,824</u>	<u>2,493,677</u>	<u>2,349,884</u>	<u>2,333,523</u>	<u>2,322,196</u>	<u>2,319,396</u>
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 2013

Assessed value	12,999,663
Add back: exempt real property	<u>2,462,977</u>
Total assessed value	15,462,640
Debt limit (15% of total assessed value)	2,319,396
Debt applicable to limit:	
General obligation bonds	421,290
Less: assets in debt service funds for principal payments	
Revenue bonds - governmental activities	(34,147)
Revenue bonds - business-type activities	(361,808)
Tax allocation bonds-community development commission	
Certificates of participation	<u>(25,335)</u>
Total net debt applicable limit	<u>0</u>
Legal debt margin	<u><u>2,319,396</u></u>

Source: Finance Department, City of Oxnard

City of Oxnard, California

SCHEDULE XIII Pledged Revenue Coverage Last Ten Fiscal Years

Water Revenue Bonds						
Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Interest	Coverage
2004	28,898,906	19,899,216	8,999,690	235,000	1,315,783	5.80
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

Environmental Resources Revenue Bonds						
Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Interest	Coverage
2004	33,200,540	30,574,399	2,626,141	1,433,833	1,216,797	0.99
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

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, detailed information is on the Notes to the financial statements.

Source: Finance Department, City of Oxnard

City of Oxnard, California

SCHEDULE XIII Pledged Revenue Coverage Last Ten Fiscal Years

Wastewater Revenue Bonds						
Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Interest	Coverage	Fiscal Year
23,182,456	12,958,128	10,224,328	1,750,000	1,924,827	2.78	2004
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

Oxnard Housing Authority Revenue Bonds						
Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Interest	Coverage	Fiscal Year
21,823,107	22,305,475	(482,368)	-	181,708	(2.65)	2004
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

City of Oxnard, California

SCHEDULE XIV
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	(1) Population	(2) Personal Income (in thous)	(2) Per Capita Income	(3) Median Age	(4) School Enrollment	(5) Unemployment Rate
2004	186,122	2,886,966	15,886	30	42,276	7.8%
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%

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

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

Function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General government	207	211	217	214	186	234	234	234	228	227
Public Safety										
Police										
Officers	220	229	235	236	236	293	237	237	236	252
Civilians	134	138	152	151	151	95	151	151	151	155
Fire										
Firefighters & officers	89	91	100	102	103	100	103	103	101	101
Civilians	5	4	4	5	4	7	3	3	3	3
Transportation	36	36	45	56	84	50	50	50	49	49
Community development	56	57	57	59	67	66	66	66	66	60
Culture and recreation	79	79	74	83	85	85	85	85	83	83
Utilities										
Water	44	44	48	47	46	45	51	51	51	51
Wastewater	67	72	72	72	74	72	72	72	70	76
Environmental Resources	80	80	81	81	76	78	78	78	79	79
Housing	80	80	80	81	81	81	81	81	83	82
Total	1,097	1,121	1,165	1,187	1,193	1,206	1,211	1,211	1,200	1,217

Source: Finance Department, City of Oxnard

City of Oxnard, California

SCHEDULE XVI
 Operating Indicators by Function
 Last Nine Fiscal Years

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police									
Physical arrests	6,492	8,162	8,835	8,425	7,842	7,794	8,116	7,278	6,790
Parking violations	36,240	28,533	31,462	51,046	37,968	35,346	35,091	34,914	32,120
Traffic violations	30,985	19,590	20,525	16,673	23,305	25,288	25,517	22,294	15,800
Fire									
Number of calls answered	11,117	10,631	11,212	12,210	13,310	13,417	13,813	13,381	14,127
Inspections	2,829	3,109	3,693	3,190	4,244	4,777	5,614	4,212	5,000
Highways and streets									
Potholes repaired	18,333	10,545	12,200	12,375	12,300	12,650	13,000	14,000	13,000
Sanitation									
Total number of customers	43,617	44,941	45,731	43,489	37,195	37,124	43,991	44,034	44,312
Refuse/recyclables collected (tons/day)	-	708	681	581	571	570	577	558	569
Recyclables collected (tons/day)	-	30	13	13	95	91	93	98	98
Culture and recreation									
Community center admissions	48,800	43,849	42,831	43,230	51,872	27,934	29,655	33,751	29,910
Water									
Total number of customers	37,276	38,053	38,816	39,531	40,206	40,756	40,785	41,064	41,019
Average daily consumption	29,000,000	29,000,000	29,000,000	29,326,500	25,781,331	23,246,924	23,293,140	23,094,489	23,578,792
Wastewater									
Total number of customers	34,694	35,188	35,646	36,484	37,251	38,081	38,158	38,379	38,712
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	23,000,000

Source: Various departments, City of Oxnard

City of Oxnard, California

SCHEDULE XVII
Capital Assets by Function
Last Nine Fiscal Years

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013
Public safety									
Police									
Stations	1	1	1	1	1	1	1	1	1
Police vehicles	223	261	345	269	223	171	264	275	268
Fire									
Stations	6	7	7	7	7	7	7	7	7
Hydrants	4,180	5,200	5,000	5,150	6,282	5,413	5,413	5,430	5,500
Sanitation									
Collection trucks	48	48	57	52	52	52	52	51	51
Highways and streets									
Streets (miles)	403	400	400	400	400	400	400	400	400
City-owned streetlights	650	650	650	654	654	674	674	674	974
SCE-owned streetlights	9,120	9,120	9,258	9,314	9,371	9,943	9,943	10,005	10,067
Culture and recreation									
Parks acreage	449	469	469	494	550	550	550	550	550
Parks	45	49	49	55	58	58	58	58	58
Ball diamonds	31	30	30	30	30	30	37	37	37
Basketball courts	20	19	19	24	29	29	47	47	47
Craft/Activity buildings	9	8	8	8	8	8	10	10	10
Gymnasium	2	3	3	3	2	2	2	2	2
Swimming pools	1	1	1	1	1	1	1	1	1
Tennis courts	33	31	31	32	31	31	30	30	30
Community centers	3	3	3	3	3	3	3	3	3
Library									
Number of books	336,518	361,713	433,008	355,151	353,455	356,456	356,624	362,753	337,015
Number of microfilms	8,299	8,394	8,473	8,510	8,525	8,572	8,634	8,708	8,726
Number of audiotapes	14,537	18,200	20,284	21,055	20,864	21,345	22,105	21,676	20,060
Number of videotapes	9,377	12,917	14,709	15,582	15,318	16,045	16,015	17,288	14,688
Number of CD-ROMS (data disk)	609	708	808	755	632	689	617	620	438
Water									
Water mains (miles)	500	525	600	601	663	592	592	597	600
Maximum daily treatment capacity	18,000,000	18,000,000	18,000,000	18,600,000	18,600,000	18,600,000	18,600,000	18,600,000	18,600,000
Sewer									
Miles of sewer lines	425	435	440	445	445	445	445	445	445

Source: Various departments, City of Oxnard

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