



**City of Oxnard
Single Audit Report
For the Fiscal Year Ended
June 30, 2006**

CITY OF OXNARD
Single Audit Report
For the Fiscal Year Ended June 30, 2006

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Mayer Hoffman McCann P.C.
An Independent CPA Firm

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Honorable City Council
City of Oxnard, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oxnard as of and for the year ended June 30, 2006, which collectively comprise the City of Oxnard's basic financial statement and have issued our report thereon dated October 18, 2006. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Oxnard's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

SOUTHERN CALIFORNIA LOCATIONS
11601 WILSHIRE BOULEVARD, SUITE 2300 • LOS ANGELES, CA 90025 • PH 310.268.2000 • FAX 310.268.2001
5060 CALIFORNIA AVENUE, SUITE 800 • BAKERSFIELD, CA 93309 • PH 661.325.7500 • FAX 661.325.7004
300 ESPLANADE DRIVE, SUITE 250 • OXNARD, CA 93036 • PH 805.988.3222 • FAX 805.988.3220
2 VENTURE, SUITE 455 • IRVINE, CA 92618 • PH 949.450.4400 • FAX 949.450.0694



Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Oxnard's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the City Council and management of the City of Oxnard, and the City's federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mayer Hoffman McLean P.C.

Oxnard, California
October 18, 2006



Mayer Hoffman McCann P.C.
An Independent CPA Firm

**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Honorable Council
City of Oxnard, California

Compliance

We have audited the compliance of the City of Oxnard with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2006. The City of Oxnard's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Oxnard's management. Our responsibility is to express an opinion on the City of Oxnard's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Oxnard's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City of Oxnard's compliance with those requirements.

In our opinion, the City of Oxnard complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006.

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Internal Control Over Compliance

The management of the City of Oxnard is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City of Oxnard's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the City of Oxnard, as of and for the year ended June 30, 2006, and have issued our report thereon dated October 18, 2006. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City of Oxnard's basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements of the City of Oxnard. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the audit committee, management, City Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mayer Hoffman McCann P.C.

Oxnard, California
October 18, 2006

CITY OF OXNARD
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Contract Number	Expenditures
Federal Grants			
U.S. Department of Housing and Urban Development			
FY2004 EDI-Special Project	14.246	B04SPCA0064	\$ 74,558
Total FY2004EDI-Special Project			74,558
Community Development Block Grant	14.218	B-05-MC-060534*	1,949,127
Community Development Block Grant	14.218	B-04-MC-060534*	919,903
Community Development Block Grant	14.218	B-03-MC-060534*	82,978
Community Development Block Grant	14.218	B-02-MC-060534*	5,914
Total CDBG			2,957,922
Emergency Shelter Grant	14.231	S-05-MC-06534	117,902
Emergency Shelter Grant	14.231	S-04-MC-06534	3,075
Total Emergency Shelter Grant			120,977
HOME	14.239	M-05-MC-06526*	295,858
HOME	14.239	M-04-MC-06526*	808,025
HOME	14.239	M-03-MC-06526*	210,269
HOME	14.239	M-03-MC-06526*	12,350
HOME	14.239	M-03-MC-06526*	32,573
Total HOME Program			1,359,075
Continuum of Care	14.235	CA16-B311-006	109,654
Continuum of Care	14.235	CA16-B311-005	51,361
Continuum of Care	14.235	CA16-B311-003	54,875
Continuum of Care	14.235	CA16-B111-004	60,929
Total Continuum of Care			276,819
Total Department of Housing and Urban Development			4,789,351
US Department of Justice			
Office of Criminal Justice Planning:			
Passed through State of California Bureau of Justice Assistance:			
Police BJA 04	16.592	2004LBBX1613	15,749
Total Police BJA			15,749
COPS Universal	16.710	2004ULWX0016	148,157
COPS in Schools	16.710	2003SHWX0127	14,188
Total COPS			162,345

CITY OF OXNARD
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2006

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Contract Number	Expenditures
Drug Free Communities Grant	16.729	2001JNFX0098	76,798
Total Office of Criminal Justice Planning			76,798
Office of Juvenile Justice and Delinquency			
Passed through the State of California			
Office of Criminal Justice and Planning:			
Gang Violence Suppression Grant	16.540	GV05017528	379,675
Total Office of Juvenile Delinquency			379,675
Total Department of Justice			634,567
US Department of Transportation			
Passed through the State of California/CalTrans:			
Bus bays and pedestrian paths	20.205	CML-5129(033)	668,210
Del Norte/Rice @US101 Slope Landscaping	20.205	STPLER-5129(042)	59,721
Pleasant Valley Rd Widening	20.205	RPSTPL-5129(034)	504,798
Pleasant Valley Rd Widening	20.205	RPSTPL-5129(034)	85,233
Pleasant Valley Rd Median Landscaping	20.205	RPSTPL-5129(044)	175,014
Pleasant Valley Rd Tree Program	20.205	STPLEE-5129(036)	77,258
East 4th St. Parking Lot	20.205	STPL-5129(045)	34,901
Oxnard Blv & Wooley & Saviers	20.205	STPL-5129(024)	6,661
Total Department of Transportation			1,611,796
Federal Emergency Management Administration			
January 2005 Winter Storms	97.036	None	131,672
February 2005 Winter Storms	97.036	None	83,818
Total Federal Emergency Management Administration			215,490
Corporation for National and Community Service:			
RSVP- Phase XXVII	94.002	04SRPCA010	53,352
Total Corporation for National and Community Service			53,352
Total Expenditures of Federal Awards			\$ 7,304,556

* Denotes Major Program


CITY OF OXNARD
Notes to the Schedule of Expenditures of Federal Awards
June 30, 2006


I. Summary of significant accounting policies

A. Basis of Accounting

Monies received under the grant programs have been recorded within the special revenue funds of the City of Oxnard. The City utilizes the modified accrual basis of accounting for governmental funds which is described in note 1 of the City's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards has been prepared accordingly.

B. Schedule of Expenditures of Federal Awards

The Schedule of Expenditures of Federal Awards is prepared from the accounts of the grant programs and, therefore, does not present the financial position or results of operations of the City of Oxnard. The City's reporting entity is defined in note 1 of the notes to the City's basic financial statements. All financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies to the City is included in the accompanying schedule.

C. Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree, in all material respects, with the amounts reported in related federal financial reports.



CITY OF OXNARD
Schedule of Audit Findings and Questioned Costs
For the Year Ended June 30, 2006

Section I – Summary of Auditors’ Results

a) Financial Statements

Type of auditors’ report issued:	<i>Unqualified</i>
Internal control over financial reporting:	
Material weaknesses identified?	No
Reporting conditions identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

b) Federal Awards

Internal control over major programs:	
Material weaknesses identified?	No
Reporting conditions identified not considered to be material weaknesses?	No
Type of auditors’ report issued on compliance for major programs:	<i>Unqualified</i>
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section. 510(a)	No

c) Identification of major programs

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
CFDA Number 14.239	HOME
CFDA Number 14.218	CDBG
Dollar threshold used to distinguish between Type A and Type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes



CITY OF OXNARD
Schedule of Audit Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2006

Section II – Financial Statement Findings

No matters were reported.

Section III – Federal Award Findings and Questioned Costs

No matters were reported.

Section IV – A Summary of Prior Year Audit Findings (June 30, 2005) and Current Year Status Follows:

No matters were reported.

Auditee Contact: Norma Owens, Grants Manager (805) 385-7477