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OXNARD

# Comprehensive Annual Financial Report

FY 2014-2015  
Fiscal Year Ended  
June 30, 2015

CITY OF  
**OXNARD**  
CALIFORNIA

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**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
Fiscal Year Ended June 30, 2015**

CITY OF OXNARD, CALIFORNIA  
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 JUNE 30, 2015

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# INTRODUCTORY SECTION





300 West Third Street, Oxnard, CA 930330

June 14, 2016

Honorable Mayor, Members of the City Council, City Manager, and Citizens of Oxnard:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Oxnard, California for the fiscal year ended June 30, 2015. The format and content of this CAFR comply with the principles and standards of accounting and financial reporting adopted by the Governmental Accounting Standards Board (GASB) and the report contains information needed for readers to gain a reasonable understanding of City of Oxnard's financial affairs.

## INTRODUCTION

This report was prepared by the City's Finance Department. Management assumes full responsibility for the completeness and reliability of the information contained in this report. That assumption of responsibility is based on a comprehensive review of the City's financial records undertaken when it became apparent to us that a comprehensive integrated framework of internal control had not been established or maintained at the City of Oxnard for several years.

Soon after taking office at the City of Oxnard last year the City Manager noticed unusual practices in the Finance and Human Resources functions. This prompted him to recommend City Council approval of a contract with a team of municipal management consultants and a labor law firm to perform an organizational assessment of governance and administrative functions (Assessment). Serious weaknesses in the internal controls and management practices of the City of Oxnard were identified.

The Assessment produced 128 recommendations intended to improve legal compliance, financial sustainability, planning and budgeting, collective bargaining and compensation and benefits management. Cumulatively the issues identified would result in material changes to the Fiscal 2014-2015 CAFR.

Material changes resulted from correction of practices that were not in compliance with state or federal laws and regulations including the California Constitution, Government Code, Revenue and Taxation Code and Streets and Highways Code and the Federal Internal Revenue Service Code. It is important to note that the reporting changes did not affect financial condition. Financial condition is more accurately reflected in this report.

In addition to legal non-compliance some accounting practices did not comply with generally accepted accounting principles (GAAP). These included accounting for capital assets, notes receivable, liabilities, cash deficits and interfund loans. Implementing appropriate reporting in these areas had significant impacts on reported results and condition.

Other impacts resulted from weak reconciliations practices in cash, payroll, notes receivable and capital assets and weak systems for capital project management. Many of the problems identified had existed for many years, compounding their effect. Poor record keeping and analysis covering many years was complicated by vacancies in key positions. This resulted in significant costs and delays in order to provide a reliable comprehensive review and analysis before this report could be completed.

The City's actions in response to these problems are reflected in this report in the form of prior period adjustments, transfers of General Fund cash to other funds, adjustment of balance sheet accounts and accrual of liabilities. Future actions to assure compliance across the organization result in higher costs, lower revenues and well managed processes.

Because the cost of the comprehensive review would otherwise be prohibitive the objective was to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. In the case of capital asset accounting the condition of the City's records limited our ability to produce auditable results. Where City records did not support values reported in the CAFR balances were adjusted to reflect confirmed amounts.

Increased attention to assessing risk, improving financial reporting systems, implementing a comprehensive integrated internal control framework, managing compliance and achieving objectives have been reflected in City Council's prioritization of strong administrative systems as one of its four strategic objectives. To reach that objective staffing in the Finance Department was increased by over 20% in Fiscal 2015-2016.

Recommendations relating to internal controls resulting from the work of the City's independent auditor revealed more detailed information about weakness in accounting and reconciliation controls. Those recommendations will inform plans for rebuilding the administrative and control infrastructure of the City. The city will incorporate the Assessment and the auditor's findings in a risk and priority driven effort to rapidly strengthen its administrative functions.

The City has assembled a new management team that is committed to major improvements in services to support the community. Budget priorities emphasize adequate staffing in administrative functions, expanded training and development opportunities for staff and improved transparency in information and processes. The City Council has approved contracts for analyses of assessment districts, indirect cost allocation and internal service fund charges. The city has issued a request for qualifications for consultants to analyze and improve its development impact fee systems.

Eadie and Payne, LLP, Certified Public Accountants, have issued unmodified opinions on the General Fund, Non-Major Governmental Funds, Housing Authority Fund, and aggregate remaining fund information, and qualified opinions on Governmental and Business-Type Activities, the Water Fund, the Wastewater Fund, the Environmental Resources Fund, and Private Purpose Trust Fund. The qualification relates to a limitation on the audit scope resulting from the inability of the City's capital asset accounting systems to provide information adequate to audit capital assets and construction in progress.

The independent auditors' report is located at the front of the financial section of this report. Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

**CITY OF OXNARD PROFILE**

The City of Oxnard is located on the "Gold Coast" of California, approximately halfway between Los Angeles and Santa Barbara, and is known as the gateway to the Channel Islands National Park. The City is named for the Oxnard brothers who began an agricultural business in the 1870's and incorporated the community that developed in the vicinity of their sugar beet factory in 1903. Today Oxnard is a thriving center of commerce, tourism and industry in Ventura County. Oxnard is the largest city in Ventura County with its population of 207,000 residents. Oxnard provides a full range of public services to its diverse population.

The City operates under a City Council - City Manager form of government and provides the following government and business type services:

<u>Government Services</u>	<u>Business Type Services</u>
Police	Water
Fire	Wastewater
Transportation	Integrated waste management
Affordable Housing	Housing Authority
Library	
Culture and Leisure	
Governance	

The City Council consists of four members and the Mayor. The community at large elects all Mayor and City Council terms are four years, with elections held every two years. The City Council appoints the City Manager and City Attorney. An organization chart listing the names of the City Council members and other City officials, as of June 30, 2015, is included at the back of the Introductory Section of the CAFR.

The City of Oxnard Code requires that "Before the beginning of each fiscal year for which the city council has not adopted a budget, the city manager shall submit to the city council a proposed operations and capital budget for the following fiscal year or for more than one of the following fiscal years." In addition the code provides that if the Council does not adopt the budget before the beginning of the fiscal year the proposed budget shall become effective without any action of the City Council. The budget resolution establishes the fund as the budgetary control level.

## ECONOMIC OUTLOOK

Major employers in the area include Naval Base Ventura County with 80 tenant commands and a base population of 19,000, Ventura County and Oxnard College. Diverse businesses have major operations in Oxnard including Procter & Gamble, Haas Automation, Inc., Boskovich Farms Inc. and St. John's Medical Center.

Channel Islands Harbor and the City's beaches, parks, festivals and golf courses support a strong tourism sector. The Dallas Cowboys and Los Angeles Rams will conduct their summer training camps in Oxnard in 2016 and Oxnard was a host city for the 2015 Special Olympics. In 2016 the North American Travel Journalist Association held its annual conference in Oxnard.

Businesses continue to expand in Oxnard and residential development has been strong. Businesses are locating at The Collection, a retail and entertainment complex in North Oxnard, and the adjacent Riverpark residential community is nearing completion. Another 1500 units of housing and related commercial space received approval at the former Wagon Wheel site. Oxnard offers housing in all categories from affordable apartments to beachfront luxury homes that are relatively affordable by Southern California Standards.

Strong Oxnard sales and property tax growth has helped offset some of the negative impacts of bringing the City into compliance with critical legal requirements. The City's tax consultants expect tax growth to continue in Fiscal 2017 then grow at a slower pace. A strong housing market and expansion plans by major retailers and manufacturers should stabilize and strengthen the City's financial base despite the difficult administrative problems that Oxnard encountered this year.

## FISCAL CONDITIONS

In addition to the issues described above the City continues to face fiscal challenges. Effective water conservation by the community has reduced revenues in the water and wastewater funds to the point that the City did not meet net revenue coverage requirements for the water and wastewater funds for fiscal 2014-2015. Past decisions delayed action on rate increases for years. As a result needed rate increases were significant and drew opposition. Critical rate increases approved for the Wastewater Fund in Fiscal 2016 are the subject of an initiative effort to rescind the new rates. The lack of a timely audit has delayed City Council action to approve water and solid waste rate increases.

Though the City continues to face challenges, a growing, diverse economy provides some resources to address long-term problems. Spending for fleet replacement, building maintenance and infrastructure repair has been deferred since the beginning of the Great Recession. City staff, with the City Council's support will implement programs to quantify problems and improve administrative infrastructure including an integrated internal control framework, technology, asset condition assessments and master plans for major asset systems.

Expect significant improvements in the coming year.

## ACKNOWLEDGEMENTS

This Comprehensive Annual Financial Report presented a huge challenge to the City this year. We want to acknowledge the support provided by the City Council in approving contracts for staff assistance needed to perform a comprehensive analysis. We also want to acknowledge the hard work of Controller Christine Williams, Management Accountant Pam Greer, Utility Finance Officer Licette Maldonado, Management Analyst Carol Venegas and other members of the Finance Department staff. In addition the work of expert consultants from M.V. Cheng & Associates, MuniServices, Inc., Urban Futures and Management Partners, Inc. was invaluable in the completion of this report. We also want to acknowledge the expertise, hard work and problem solving skills of the Eadie + Payne audit team.



Greg Nyhoff  
City Manager



Maria Hurtado  
Assistant City Manager



David Millican  
Chief Financial Officer

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# City of Oxnard, California

## CITY COUNCIL



CARMEN RAMIREZ  
Mayor Pro Tem



TIM FLYNN  
Mayor



BRYAN A. MACDONALD  
Councilman



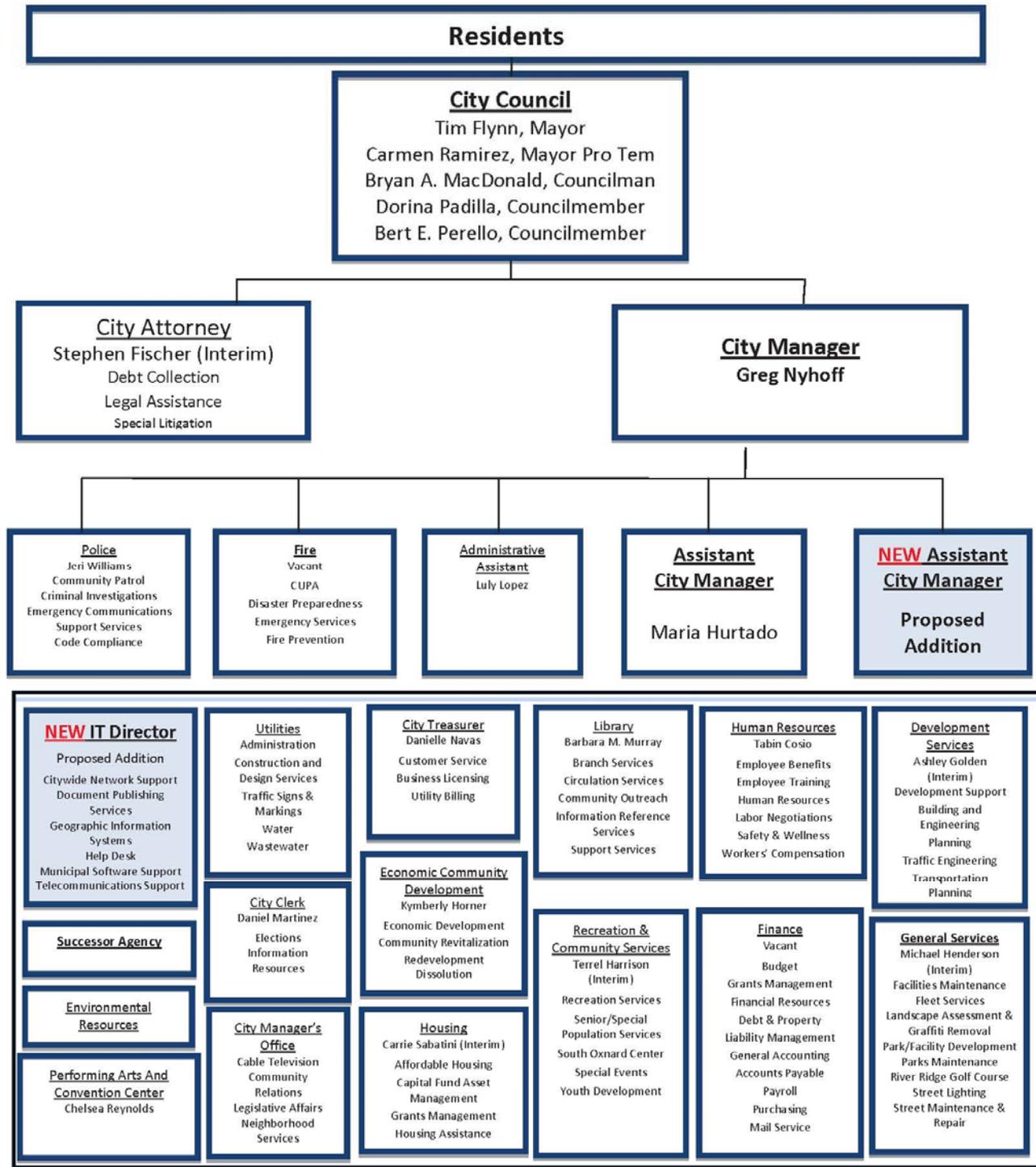
DORINA PADILLA  
Councilmember



BERT E. PERELLO  
Councilmember

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# City of Oxnard Citywide Organizational Chart



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# FINANCIAL SECTION





CERTIFIED  
PUBLIC  
ACCOUNTANTS  
& BUSINESS  
ADVISORS

## INDEPENDENT AUDITOR'S REPORT

To the City Council  
City of Oxnard  
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, California (City), as of and for the year ended June 30, 2015, 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.

## ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Oxnard Housing Authority, a blended component unit, which statements represent 1.0% and 0.6% of total government-wide assets and net position as of June 30, 2015 and 6.9% of total government-wide revenues for the year then ended. 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 Oxnard Housing Authority, 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## ***Summary of Opinions***

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Qualified
Business-type Activities	Qualified
General Fund	Unmodified
Water Fund	Qualified
Wastewater Fund	Qualified
Environmental Resources Fund	Qualified
Housing Authority Fund	Unmodified
Private Purpose Trust Fund	Qualified
Aggregate Remaining Fund Information	Unmodified

### ***Basis for Qualified Opinions***

The City's accounting systems do not provide the necessary information to audit capital assets and construction in progress. As such, we were unable to obtain sufficient audit evidence to support the capital asset and construction in progress balances and the related depreciation expense in the Governmental Activities, Business-type Activities, Water Fund, Wastewater Fund, Environmental Resources Fund, and Private Purpose Trust Fund. The effect on the assets, net position, and change in net position are not reasonably determinable.

### ***Qualified Opinions***

In our opinion, except for the possible effects of the matter described in the "Basis for Qualified Opinions" paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Governmental Activities, Business-type Activities, Water Fund, Wastewater Fund, Environmental Resources Fund, and Private Purpose Trust Fund of the City, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Unmodified 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 General Fund, the Housing Authority Fund, and the aggregate remaining fund information of the City, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Change in Accounting Principle***

As discussed in Note I.C. to the financial statements, the City adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* as amended by *GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date*, in 2015. Our opinion is not modified with respect to this matter.

### ***Change in Presentation***

As discussed in Note I.D. to the financial statements, the City transferred the assets and liabilities of the Municipal Golf Course Fund and Performing Arts and Convention Center Fund, both Enterprise Funds, into the General Fund. Our opinion is not modified with respect to this matter.

### ***Prior-period Adjustments***

As discussed in Note I.R. to the financial statements, the City recorded significant prior-period adjustments. As a result of the adjustments, total assets and net position of Governmental Activities increased by \$83,957,925 and decreased by \$124,753,973, respectively, and total assets and net position of Business-type Activities decreased by \$30,974,221 and \$67,599,868. Our opinion is not modified with respect to this matter.

### ***Uncertainty***

As discussed in Note V.B. to the financial statements, the City has letters of credit with one bank that expire on August 26, 2016 and are not expected to be renewed. The letters of credit were issued as liquidity and credit facility for the bonds, to pay the purchase of bonds that are subject to mandatory or optional tender for purchase, and to serve as additional security for the payment of principal of and interest on the bonds when due. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information for the General Fund, the schedules of changes in net pension liability and related ratios, schedule of proportionate share of the net pension liability and related ratios, the schedules of plan contributions, and the schedule of funding progress - other post-employment benefits plan on pages 7 through 24 and 133 through 141 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

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

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

The introductory and statistical sections 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 June 14, 2016, on our consideration of the City of Oxnard, California'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 the 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 City of Oxnard, California's internal control over financial reporting and compliance.

*Eddie and Payne LLP*

June 14, 2016  
Redlands, California

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**MANAGEMENT'S  
DISCUSSION AND  
ANALYSIS**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Our discussion and analysis of the City of Oxnard, California's (City) financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2015. Please read in conjunction with the transmittal letter on page i and the City's financial statements that begin on page 25.

The review of financial records and practices that followed the organizational assessments described in the transmittal letter resulted in numerous adjusting entries to the City records including prior period adjustments that reduced government wide net position by \$192 million at the end of fiscal 2014-2015. Of this amount recording the City's pension liability as required by GASB Statement 68 reduced net position by \$239 million. The net impact of prior-period entries was to increase government-wide net position if pension changes are excluded from the analysis. However net position was redistributed between governmental and business-type activities and differences in accounting methods between the two types of activities add further complexity to this analysis. As a result this comparison has limited usefulness because balances in the fiscal 2013-2014 CAFR cannot be considered accurate in many instances.

### **FINANCIAL HIGHLIGHTS**

#### **The City as a Whole**

- Reported net position at June 30, 2015 is \$187 million lower than at June 30, 2014 resulting from a \$5 million increase in net position resulting from revenues in excess of expenses and a \$192 million decrease in net position attributable to prior period adjustments.
- Prior period adjustments excluding those associated with implementation of GASB Statement 68 included increases in governmental assets totaling \$87 million consisting of \$56 million in previously unrecorded notes receivable and \$26 million in corrections to the cost and classification of construction in progress and capital assets net of accumulated depreciation. Prior period adjustments decreased net capital assets by \$31 million in business-type activities.
- \$1.7 Billion of the \$1.6 billion net position is invested in fixed assets and \$127 million is restricted, resulting in a deficit unrestricted balance of \$171 million. Pension and other post-employment benefits (OPEB) liabilities, deferred inflows, and deferred outflows totaled \$249 million at June 30, 2015 and restricted net position increased by \$65 million compared to the prior year because previously unrecorded notes receivable added to governmental activity assets were restricted.
- Net position for governmental activities dropped by \$108 million, while net position for business-type activities dropped by \$79 million at June 30, 2015 compared to the prior year.

## Fund financial statements

- Reported governmental fund balances grew by \$18 million at the close of fiscal 2014-2015. The General Fund decreased by \$12 million and other governmental funds increased by \$30 million.
- Total governmental fund revenue increased by \$13 million to \$194 million. The increase was attributable to growth in sales and property taxes of \$7 million, one time settlement payments of approximately \$7 million, and increased charges for services primarily attributable inclusion of golf course and PACC operations totaling \$1 million as part of the General Fund. We concluded that neither operation was likely to be able to contribute to their capital costs or successfully operate without significant subsidies and should not be considered business-type activities.
- Total governmental expenses increased by \$13 million for the fiscal year ended June 30, 2015. Part of the increase was attributable to expenses related to golf course and the PACC previously reported in business-type activities in the amount of \$6 million. General government expenditures increased by \$3 million and public safety expenditures increased by \$2 million.
- Neither the Water Fund nor the Wastewater Fund generated enough net revenue from operations to meet bond covenants relating to debt coverage at the end of Fiscal 2014-2015 due to revenue declines associated with water use reduction in response to the statewide drought emergency.
- The City Council approved rate increases for the Wastewater Fund in fiscal 2015-2016 and has delayed increases for the Water Fund and Environmental Services Fund (solid waste) pending completion of this CAFR. In 2015-2016 an initiative that would rescind the approval of rate increases qualified for the November 2016 election. We think that this initiative would impair the City's contract with its bondholders and would not be legal.
- \$16 Million of General Fund committed fund balance representing unspent proceeds of a voter approved general tax measure (Measure O) were used to make transfers to funds with deficit cash balances or interfund loans from the General Fund that were not collectible in a reasonable period of time. Funds receiving transfers accumulated cash deficits as a result of problems with legal compliance attributable to misinterpretation of provisions of state law. Future costs will be incurred to reach compliance and mitigate the impact of the noncompliance.

## **USING THIS ANNUAL REPORT**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to basic financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

### **Reporting the City as a Whole**

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The statement of net position presents information on all of the City's assets and deferred outflows, and liabilities and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the current fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid (e.g., earned but unused vacation leave or uncollected taxes).

Government-wide financial statements distinguish City governmental activities that are principally supported by taxes and intergovernmental revenues from other business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities of the City include general government, public safety, transportation, community development, library and culture and leisure. Business-type activities of the City include water, wastewater, and solid waste management. The government wide financial statements can be found on pages 25-27 of this report.

## **Fund financial statements**

Fund financial statements are designed to report information about groupings of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. City funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains several individual governmental funds organized by their type (special revenue, debt service, and capital projects funds). The City does not have any governmental funds, other than the general fund, classified as major funds, requiring separate presentation in the basic financial statements. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements shown on pages 144-147. The City adopts an appropriated budget for its General Fund and special revenue funds. Budgetary comparison statements have been provided to demonstrate compliance with this budget on pages 140-141 and pages 149-158.

The basic governmental funds financial statements can be found on pages 28-31 of this report. Proprietary funds are generally used to account for services for which the City charges outside customers or internal departments of the City.

**Proprietary funds** provide the same type of information as shown in the government-wide statements, only in more detail. The City maintains the following two types of proprietary funds:

- **Enterprise Funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses proprietary funds to account for the operations of water, wastewater, solid waste management and the Oxnard Housing Authority component unit.
- The Oxnard Housing Authority is audited separately and the reader should contact the Authority at Housing Administrative Services 435 South D Street, Oxnard CA 93030, (805) 385-8041 for more information.
- **Governmental activities internal service funds** are used to report activities that provide internal services for the City. The City uses internal service funds to account for its liability, workers' compensation, and vision insurance coverage. Because internal service funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements found on pages 161-163.

The basic proprietary funds financial statements can be found on pages 32-39 of this report.

### **The City as Trustee**

**Fiduciary funds** are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements, because the resources of those funds are not available to support the City's own programs.

The City is the trustee, or *fiduciary*, for an employee pension plan and the component unit Community Development Commission (CDC) Successor Agency (Successor Agency) funds. The basic fiduciary funds financial statements can be found on pages 40-41 of this report.

### **Notes to basic financial statements**

The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 42-131 of this report.

## Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information (RSI) concerning the City's net pension liabilities and progress in funding its obligation to other post-employment benefits to its hourly and full-time employees. RSI can be found on pages 133-139 of this report.

Footnotes providing additional detail about the Oxnard Community Development Commission (CDC) can be found on pages 126-131. In addition, further discussion of uncertainties affecting the City appears at page 125.

Combining statements for non-major governmental funds, internal service funds, and agency funds are presented immediately following the RSI. Combining financial statements and schedules can be found on pages 144-165 of this report. Statistical tables regarding: fiscal trends, revenue capacity, debt capacity, demographic and economic information, and operating information can be found on pages 168-191 of this report.

## Net Position

### SUMMARY OF NET POSITION (\$THOUSANDS)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2015	2014	2015	2014	2015	2014
Current assets	\$ 147,833	\$ 130,065	\$ 98,235	\$ 95,647	\$ 246,068	\$ 225,712
Capital assets (net of accumulated depreciation)	1,534,841	1,466,110	539,369	616,164	2,074,210	2,082,274
Properties held for resale	105	105	-	-	105	105
Other assets	58,602	33	1,418	142	60,020	175
<b>Total Assets</b>	<b>1,741,381</b>	<b>1,596,313</b>	<b>639,022</b>	<b>711,953</b>	<b>2,380,403</b>	<b>2,308,266</b>
Deferred outflows of resources	25,918	5,878	8,134	5,858	34,052	11,736
<b>Total Assets and Deferred Outflows of Resources</b>	<b>1,767,299</b>	<b>1,602,191</b>	<b>647,156</b>	<b>717,811</b>	<b>2,414,455</b>	<b>2,320,002</b>
Current liabilities	54,185	40,281	24,468	22,462	78,653	62,743
Noncurrent liabilities	324,892	106,993	345,606	346,274	670,498	453,267
<b>Total Liabilities</b>	<b>379,077</b>	<b>147,274</b>	<b>370,074</b>	<b>368,736</b>	<b>749,151</b>	<b>516,010</b>
Deferred inflows of resources	41,148	-	7,034	-	48,182	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>420,225</b>	<b>147,274</b>	<b>377,108</b>	<b>368,736</b>	<b>797,333</b>	<b>516,010</b>
Net Position						
Net investment in capital assets	1,436,070	1,400,890	224,704	287,650	1,660,774	1,688,540
Restricted	112,199	45,802	15,400	17,096	127,599	62,898
Unrestricted	(201,195)	8,226	29,944	44,329	(171,251)	52,555
<b>NET POSITION</b>	<b>\$ 1,347,074</b>	<b>\$ 1,454,918</b>	<b>\$ 270,048</b>	<b>\$ 349,075</b>	<b>\$ 1,617,122</b>	<b>\$ 1,803,993</b>

- Current assets increased by \$20 million of which \$18 million is attributable to governmental activities. These increases resulted from unspent proceeds of a lease revenue bonds issued in Fiscal 2014-2015 for purposes of financing street overlay projects.
- Total capital assets decreased by \$8 million. Governmental activities capital assets increased by \$69 million in part due to \$26 million in prior period adjustments correcting capital asset and construction in progress amounts. This also included recording Fire Station 8 as a capital asset. The fiscal 2013-2014 financial statements did not properly reflect capital lease accounting rules. Moving the Municipal Golf Course Fund from business-type activities to governmental activities changed capital assets by \$53 million in each category.
- Other assets increased due to prior period adjustments to record long-term notes receivable of \$56 million that were not previously booked by the City and a reclassification of notes receivable of \$3 million from current assets to other assets.
- Changes in deferred inflows and outflows are primarily attributable to implementation of GASB Statement 68 in fiscal 2014-2015.

SUMMARY OF CHANGES IN NET POSITION  
(\$THOUSANDS)

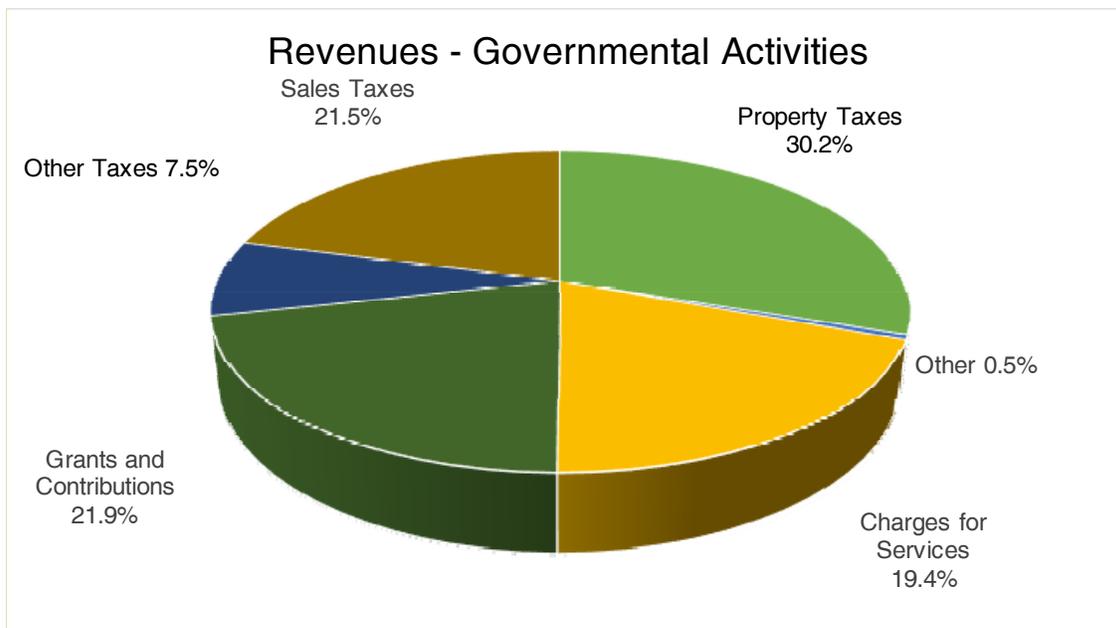
	GOVERNMENTAL		BUSINESS-TYPE		TOTAL	
	ACTIVITIES		ACTIVITIES			
	2015	2014	2015	2014	2015	2014
Program Revenues						
Charges for services	\$ 37,697	\$ 30,134	\$ 128,685	\$ 139,484	\$ 166,382	\$ 169,618
Operating grants and contributions	29,421	32,351	17,854	20,338	47,275	52,689
Capital grants and contributions	12,301	7,487	919	671	13,220	8,158
General Revenues					-	-
Taxes	114,005	106,931	-	-	114,005	106,931
Interest on investments	808	1,166	2,736	2,997	3,544	4,163
Sale of capital assets	-	114	-	-	-	114
<b>Total Revenues</b>	<u>194,232</u>	<u>178,183</u>	<u>150,194</u>	<u>163,490</u>	<u>344,426</u>	<u>341,673</u>
Expenses						
General government	12,223	17,852	-	-	12,223	17,852
Public safety	97,913	105,887	-	-	97,913	105,887
Transportation systems	23,334	10,151	-	-	23,334	10,151
Community development	13,138	16,445	-	-	13,138	16,445
Culture and leisure	28,136	20,090	-	-	28,136	20,090
Libraries	4,499	4,901	-	-	4,499	4,901
Interest on long-term debt	4,518	2,792	-	-	4,518	2,792
Water	-	-	55,800	44,840	55,800	44,840
Wastewater	-	-	37,994	34,958	37,994	34,958
Environmental resource	-	-	37,803	39,083	37,803	39,083
Performing Arts and Convention Center	-	-	-	1,543	-	1,543
Oxnard Housing Authority	-	-	23,584	25,618	23,584	25,618
Municipal Golf Course	-	-	-	6,399	-	6,399
<b>Total Expenses</b>	<u>183,761</u>	<u>178,118</u>	<u>155,181</u>	<u>152,441</u>	<u>338,942</u>	<u>330,559</u>
<b>CHANGE IN NET ASSETS BEFORE TRANSFERS</b>	10,471	65	(4,987)	11,049	5,484	11,114
<b>TRANSFERS</b>	<u>6,439</u>	<u>(2,207)</u>	<u>(6,439)</u>	<u>2,207</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN NET ASSETS</b>	16,910	(2,142)	(11,426)	13,256	5,484	11,114
<b>NET POSITION - JULY 1</b>	1,454,918	1,458,320	349,074	336,472	1,803,992	1,794,792
<b>PRIOR-PERIOD ADJUSTMENT</b>	<u>(124,754)</u>	<u>(1,260)</u>	<u>(67,600)</u>	<u>(653)</u>	<u>(192,354)</u>	<u>(1,913)</u>
<b>NET POSITION - JUNE 30</b>	<u>\$ 1,347,074</u>	<u>\$ 1,454,918</u>	<u>\$ 270,048</u>	<u>\$ 349,075</u>	<u>\$ 1,617,122</u>	<u>\$ 1,803,993</u>

- **Program revenues**

- Charges for services in business-type activities fell by \$11 million due to the impact of community water conservation efforts that affected rates based on water volumes and transfer of the Municipal Golf Course Fund to governmental activities.
- Charges for services in governmental activities increased because the City received two settlement payments totaling \$7 million and the Municipal Golf Course Fund was classified as a governmental activity.
- Operating grants decreased by \$5 million and capital grants increased by \$5 million.

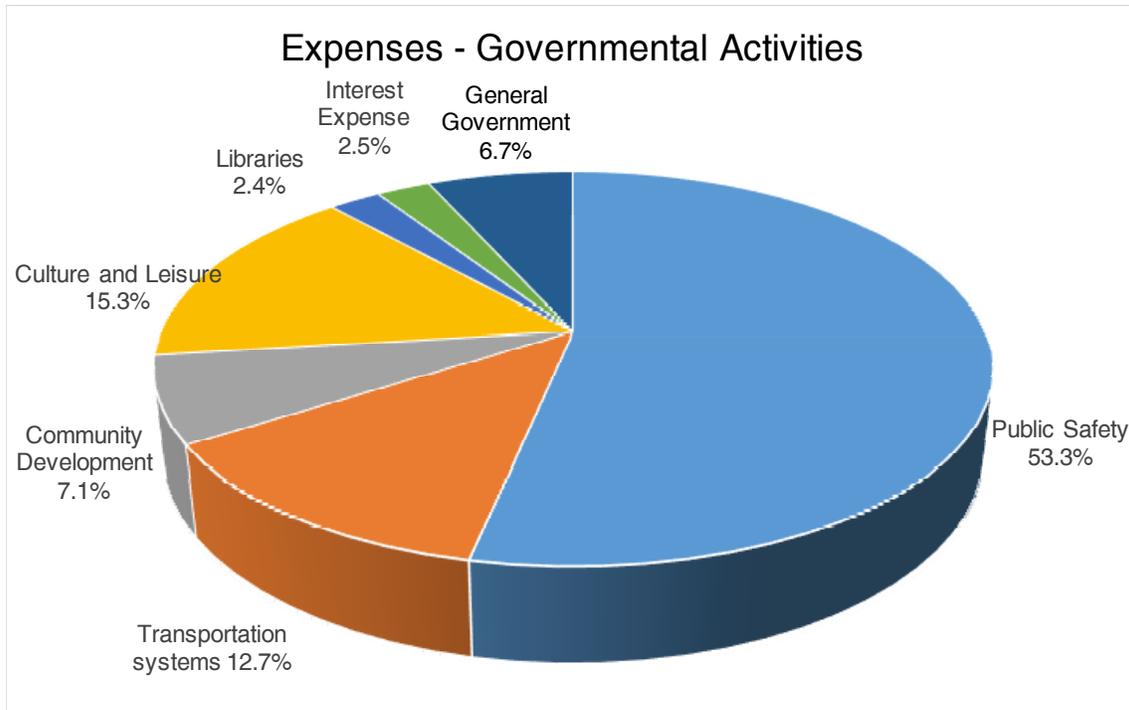
- Taxes increased by \$7 million or 6.6% reflecting strengthening recovery from the Great Recession.
- Total revenues increased by \$3 million with the \$13 million reduction in business type activities and offsetting the increase of \$16 million in governmental activities.

The \$3 million increase in revenue was offset by the \$8 million increase in expenses.



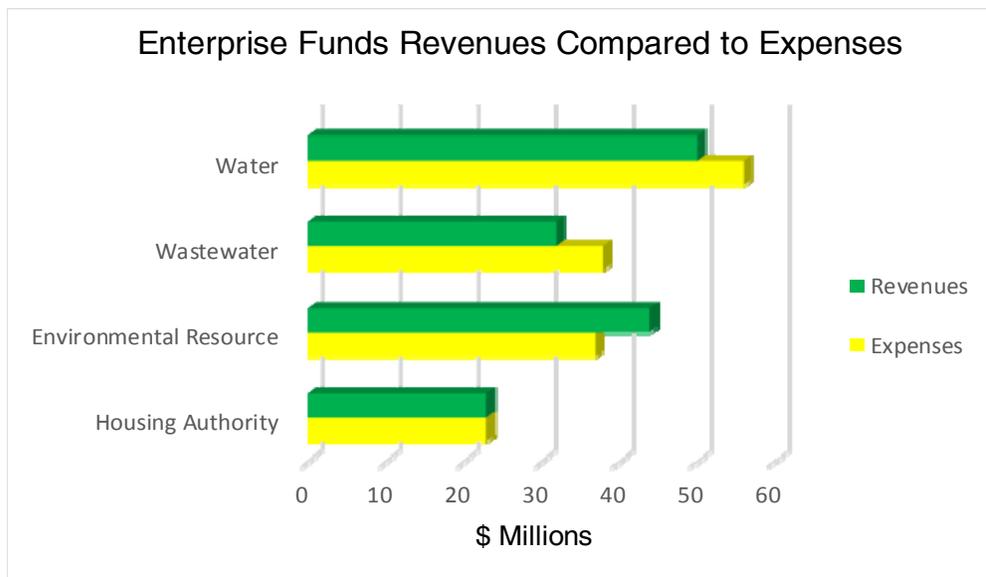
- Interest on long term debt increases because debt previously recorded in the golf fund and interest on the Fire Station 8 capital lease which was previously reported as a rent payment are now reported in governmental activities.
- Program expenses are not comparable between fiscal 2014 and fiscal 2015. Fiscal 2015 balances have been corrected to reflect logical program groupings.

- Operations of the golf course and Performing Arts and Convention Center (PACC) were merged into the General Fund moving assets, liabilities, revenues and expenditures from business-type to governmental activities. Further information will be available in Fiscal 2016-2017 regarding the golf activity in the High Tide and Green Grass Report to be posted on the City's website.



- Total net position increased by \$5 million before prior period adjustments or .3%. Prior period adjustments reduced net position by 10.6%. The large changes in the statement of net position values are not expected to worsen the City's financial position. However, weak revenues in utility enterprises and delays in rate increase implementation pose risks.

- Cash transfers to cover compliance costs and ongoing reductions in revenue or increases in costs associated with compliance will reduce the benefit of the economic recovery for the City.



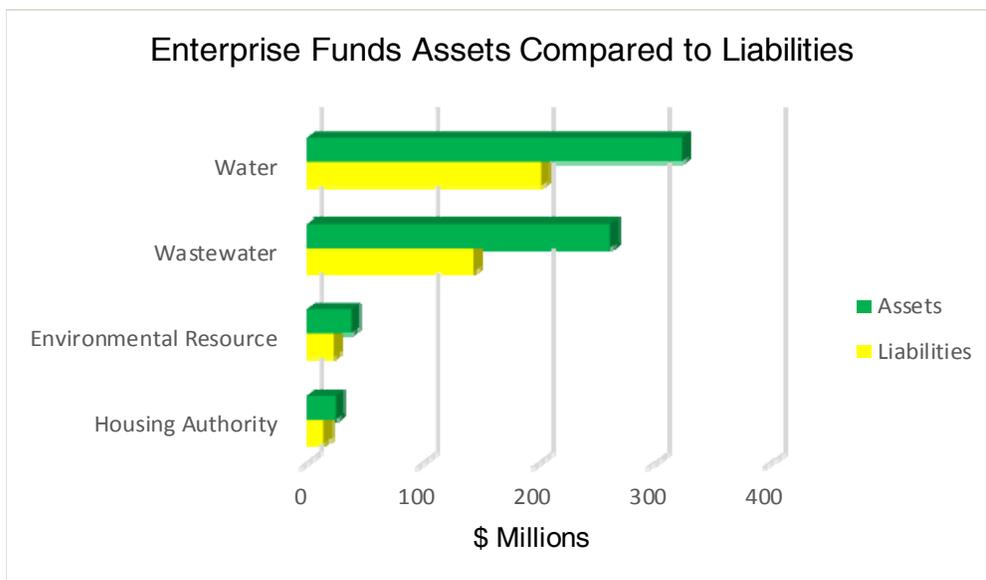
## Fund financial statements

### GOVERNMENTAL FUNDS BALANCE SHEET SUMMARY (\$THOUSANDS)

	GENERAL FUND		OTHER GOVERNMENTAL		TOTAL	
	2015	2014	2015	2014	2015	2014
Assets	\$46,147	\$48,987	\$155,646	\$69,656	\$201,793	\$118,643
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>\$46,147</b>	<b>\$48,987</b>	<b>\$155,646</b>	<b>\$69,656</b>	<b>\$201,793</b>	<b>\$118,643</b>
Liabilities and Fund Balance						
Liabilities	\$21,371	\$11,907	\$72,689	\$17,136	\$94,060	\$29,043
Deferred inflows of resources	-	134	-	-	-	134
Fund Balances						
Nonspendable	-	4,620	-	-	-	4,620
Restricted	-	-	74,811	49,084	74,811	49,084
Committed*	3,535	18,262			3,535	18,262
Assigned*	7,781	148	9,640	5,498	17,421	5,646
Unassigned	13,460	13,916	(1,494)	(2,062)	11,966	11,854
<b>Total Fund Balances</b>	<b>24,776</b>	<b>36,946</b>	<b>82,957</b>	<b>52,520</b>	<b>107,733</b>	<b>89,466</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$46,147</b>	<b>\$48,987</b>	<b>\$155,646</b>	<b>\$69,656</b>	<b>\$201,793</b>	<b>\$118,643</b>

\* General Fund Measure "O" service enhancement moved to committed for 2014 to be consistent with reclassification in 2015.

- Total assets in governmental funds increased by \$83 million. Booking \$56 million of previously unrecorded notes receivable produced most of the increase in addition to proceeds from bond refunding of \$20 million. Deferred revenues reflecting funds expected for future repayments associated with these notes increased non-major fund liabilities.
- Restricted fund balances in non-major funds total \$75 million. The primary restricted amounts are maintenance, transportation and capital project related funds totaling \$48 million and mitigation impact act funds totaling \$23 million.
- The General Fund's fund balance dropped by \$12 million in fiscal 2014-2015 primarily because of increased transfers to other governmental funds described following the table below.
- Total assignments and restrictions in non-major funds produce negative unassigned balances in both fiscal 2014 and 2015. The negative balances dropped by \$.6 million in fiscal 2014-2015 to \$1.5 million. These deficit unassigned conditions are primarily attributable to timing differences.



STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
(\$THOUSANDS)

	GENERAL		OTHER		TOTAL	
	FUND		GOVERNMENTAL			
	2015	2014	2015	2014	2015	2014
<b>Revenues</b>						
Taxes	\$ 99,722	\$ 93,953	\$ 14,143	\$ 12,936	113,865	106,889
Other revenues	<u>35,126</u>	<u>29,773</u>	<u>44,926</u>	<u>44,638</u>	<u>80,052</u>	<u>74,411</u>
<b>Total Revenues</b>	<u>134,848</u>	<u>123,726</u>	<u>59,069</u>	<u>57,574</u>	<u>193,917</u>	<u>181,300</u>
<b>Expenditures</b>						
Current	117,212	109,378	42,705	42,160	159,917	151,538
Capital outlay	4,623	2,213	9,213	11,770	13,836	13,983
Debt service	<u>-</u>	<u>-</u>	<u>11,110</u>	<u>6,542</u>	<u>11,110</u>	<u>6,542</u>
<b>Total Expenditures</b>	<u>121,835</u>	<u>111,591</u>	<u>63,028</u>	<u>60,472</u>	<u>184,863</u>	<u>172,063</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>13,013</u>	<u>12,135</u>	<u>(3,959)</u>	<u>(2,898)</u>	<u>9,054</u>	<u>9,237</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds from sale of bonds	-	-	19,985	363	19,985	363
Net transfers	<u>(22,312)</u>	<u>(5,952)</u>	<u>17,380</u>	<u>3,745</u>	<u>(4,932)</u>	<u>(2,207)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(22,312)</u>	<u>(5,952)</u>	<u>37,365</u>	<u>4,108</u>	<u>15,053</u>	<u>(1,844)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(9,299)	6,183	33,406	1,210	24,107	7,393
<b>FUND BALANCES, JULY 1</b>	36,946	32,215	52,520	49,858	89,466	82,073
<b>PRIOR-PERIOD ADJUSTMENT</b>	<u>(2,871)</u>	<u>(1,452)</u>	<u>(2,969)</u>	<u>1,452</u>	<u>(5,840)</u>	<u>-</u>
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 24,776</u>	<u>\$ 36,946</u>	<u>\$ 82,957</u>	<u>\$ 52,520</u>	<u>\$ 107,733</u>	<u>\$ 89,466</u>

- The General Fund transferred \$16 million to other governmental funds to cover deficit cash positions or transfer funds where interfund loans could not be repaid in reasonable period of time. Cash deficits were not presented in prior financial statements because fund with deficits were part of combined fund presentations for mitigation impact fee funds and special assessment district funds.
- Funding for the transfer resulted in reducing the amount committed for Measure O eligible expenditures by \$16 million. This preserved the unassigned fund balance in the General Fund. The City Council adopted a policy to replenish the \$16 million in the Measure O fund over a period of ten years with equal annual transfers computed at a 3% interest rate.
- Tax revenue grew by \$7 million reflecting a strengthening economy while total revenues grew by \$13 million.
- Expenditures also grew by \$13 million with \$8 million related to current operations and \$5 million associated with an increase in debt service which includes amounts previously recorded in the golf course fund. A partial refunding to provide funds for street projects was also completed in Fiscal 2014-2015.

- Taxes collected in other governmental funds come from the City's pension tax override fund. The City is one of 24 cities in California that can increase property taxes above Proposition 13's 1% rate limit for purposes of paying employee pension costs because its voters approved public safety employees' participation in the California Public Employees Retirement System in 1951.

In their Assessment the City's consultants noted that the City was charging ineligible costs to the fund and that costs of \$17 million charged to the fund would exceed estimated fiscal 2014-2015 revenues of \$14 million and would consume estimated fund balances in the near future.

The City budgeted \$10.5 million of property tax revenue to cover eligible retirement system costs. The cost of public safety retirement costs in excess of amounts eligible for funding through the tax override are expected to continue to grow in the near term. All ineligible public safety retirement costs are budgeted in governmental funds.

- Committed fund balances of \$4 million represent amounts committed by the City council for Measure O eligible expenditures.
- General Fund balances are assigned to capital projects (\$5 million), library (\$1 million), and other purposes (\$2 million).

GENERAL FUND BUDGETARY SUMMARY  
(\$THOUSANDS)

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<b>Revenues</b>				
Taxes	\$96,492	\$ 96,492	\$99,722	\$ 3,230
Other Revenues	<u>33,714</u>	<u>34,139</u>	<u>35,126</u>	<u>987</u>
<b>Total Revenues</b>	<u>130,206</u>	<u>130,631</u>	<u>134,848</u>	<u>4,217</u>
<b>Expenditures</b>				
Current	125,714	129,692	117,212	12,480
Capital outlay	<u>-</u>	<u>12,272</u>	<u>4,622</u>	<u>7,650</u>
<b>Total Expenditures</b>	<u>125,714</u>	<u>141,964</u>	<u>121,834</u>	<u>20,130</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	4,492	(11,333)	13,014	24,347
<b>Other Financing Sources (Uses)</b>				
Net transfers	<u>(6,842)</u>	<u>(8,305)</u>	<u>(22,312)</u>	<u>(14,007)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(6,842)</u>	<u>(8,305)</u>	<u>(22,312)</u>	<u>(14,007)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (2,350)</u>	<u>\$ (19,638)</u>	<u>\$ (9,298)</u>	<u>\$ 10,340</u>

- Differences between the original and final budget represent the City's practice of appropriating all funds previously authorized for funding by Measure O. This practice reduces comparability and was rendered infeasible by the use of Measure O funds to make transfers to other governmental funds as described above. Measure O is a component of the General Fund for financial reporting purposes because it is used to record the proceeds of a voter approved general tax that is subject to the discretionary control of the City Council.
- Despite higher revenues and lower spending than anticipated in the original budget the need to transfer cash to other governmental funds reduced the General Fund balance by \$9 million.

## Capital Assets

CAPITAL ASSETS  
NET OF ACCUMULATED DEPRECIATION  
(\$THOUSANDS)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2015	2014	2015	2014	2015	2014
Land	\$ 1,025,205	\$ 988,371	\$ 19,886	\$ 47,730	\$ 1,045,091	\$ 1,036,101
Buildings	67,263	67,197	30,091	32,892	97,354	100,089
Other improvements	98,475	73,925	-	21,981	98,475	95,906
Machinery and equipment	6,947	8,162	2,698	2,205	9,645	10,367
Infrastructure	312,012	223,110	464,979	361,637	776,991	584,747
Construction in progress	24,939	105,344	21,715	149,719	46,654	255,063
<b>TOTALS</b>	<u>\$ 1,534,841</u>	<u>\$ 1,466,109</u>	<u>\$ 539,369</u>	<u>\$ 616,164</u>	<u>\$ 2,074,210</u>	<u>\$ 2,082,273</u>

- The total amount reported as invested in Capital Assets is \$2 billion in both fiscal 2014 and fiscal 2015. However, major changes in reporting are shown in this table. A major analysis resulted in reducing the fiscal 2013-2014 construction in progress (CIP) balance by \$208 million by the close of fiscal 2014-2015.

Some projects in the CIP accounts were 14 years old. Other balances represented unreconciled reclassifications of capital outlay and capital spending in prior years that could not be associated with specific projects. In other cases capital projects were incorrectly recorded in proprietary funds when they should have been recorded as general fixed assets and vice versa.

The result of years of incorrect accounting, lack of reconciliation and ineffective project management has rendered the City's capital asset accounting systems unauditible. These unaudited balances have been adjusted to exclude balance sheet amounts that cannot be supported by audit evidence. The effort involved in this analysis delayed the completion of the CAFR as City staff and its consultants sought a solution that would result in a sound reconciliation of the City's records.

- Business-type activities capital assets decreased by \$77 million while governmental activities capital assets increased by \$69 million. Governmental infrastructure increased by \$89 million and land by \$37 million, construction in progress decreased by \$80 million.
- Business type activities infrastructure increased by \$103 million while land decreased by \$28 million, other improvements decreased by \$22 million and construction in progress decreased by \$128 million.

OUTSTANDING DEBT NET OF DISCOUNTS/PREMIUMS  
(\$THOUSANDS)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2015	2014	2015	2014	2015	2014
Lease revenue bonds	\$ 71,027	\$ 32,454			\$ 71,027	\$ 32,454
Revenue bonds			\$ 316,334	\$ 348,922	316,334	348,922
Capital leases	22,160	9,944	1,546	2,094	23,706	12,038
Certificates of participation	24,064	24,552	-	-	24,064	24,552
<b>TOTALS</b>	<u>\$ 117,251</u>	<u>\$ 66,950</u>	<u>\$ 317,880</u>	<u>\$ 351,016</u>	<u>\$ 435,131</u>	<u>\$ 417,966</u>

- Governmental lease revenue bond balances increased by \$39 million in the year ended June 30, 2015. Of that total \$18 million was attributable to issuance of new lease revenue refunding bonds series 2014, the remaining balance of \$21 million relates to the 2011 lease revenue refunding bonds that were recorded in the Municipal Golf Course Fund. Only a portion of the 2011 refunding bonds was attributable to golf course acquisition and development.
- Lease revenue bonds are secured by the General Fund rather than pledged revenues like the business-type activity revenue bonds.
- Recording the Fire Station 8 financing arrangement as a governmental capital lease increased capital leases by \$14 million. It also increased general fixed assets by the same amount. The city intends to pay the debt service on this capital lease with proceeds from Measure O. The total change in governmental capital lease balances was \$12 million. The difference results from repayment of existing lease obligations.
- The City's bonds are rated by Standard & Poors. Currently ratings on the City are A for governmental revenue bonds and lease revenue bonds, A+ for water revenue bonds, BBB for wastewater revenue bonds and A- for solid waste revenue bonds.

## ECONOMIC FACTORS AND FUTURE BUDGETS AND RATES

The City's elected and appointed officials considered many factors when setting the fiscal year 2016 budget and in proposing the fiscal year 2017 budget that will be considered by the City Council in June 2016. Combined property and sales tax growth in fiscal 2015 was 6% and is estimated to reach 3% in fiscal 2016 and 7% in fiscal 2017. Consultants with extensive experience across the State prepare the City's sales tax and property tax forecasts.

The City Council's decision to implement long delayed wastewater rates was controversial. A citizen who was unable to mount a successful Proposition 218 majority protest campaign has qualified an initiative to roll back the rate increase. In management's opinion the initiative would not be implemented because it impairs an existing contract in violation of the State and Federal constitutions because it would worsen the ability of the City to meet debt coverage requirements. Rate increases postponed until completion of the audit will be considered again by the City Council in Fiscal 16-17.

Importantly, considering the nature of the issues disclosed in this report the City Council has approved increases in Finance and Human Resources Department staffing, an extensive training program and adequate assistance from subject matter expert to analyze problem areas and issue recommendations for improvement. Rebuilding administrative systems is a major strategic priority.

### **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, employees and investors with a general overview of the City's finances and to show the City's accountability for the money it receives. It is clear a major effort will be required to meet the expectations of these stakeholders. If you have questions about this report contact the Finance Department at City of Oxnard at 300 W. 3<sup>rd</sup> Street, Oxnard, CA 93030.

# **BASIC FINANCIAL STATEMENTS**

**CITY OF OXNARD, CALIFORNIA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2015**

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 105,047,504	\$ 61,760,279	\$ 166,807,783
Investments with fiscal agents	21,848,426	16,046,445	37,894,871
Accounts and other receivables (net of allowance for uncollectibles)	9,986,976	17,429,583	27,416,559
Internal balances	(2,998,573)	2,998,573	-
Due from other government	6,730,774	-	6,730,774
Due from Successor Agency	7,218,624	-	7,218,624
Notes receivable	58,568,696	1,069,300	59,637,996
Properties held for resale	104,736	-	104,736
Other assets	32,900	348,450	381,350
Capital Assets not Being Depreciated			
Land	1,025,204,900	19,886,236	1,045,091,136
Construction in progress	24,938,921	21,714,873	46,653,794
Capital Assets, Net of Accumulated Depreciation			
Buildings	67,263,433	30,091,466	97,354,899
Other improvements	98,474,886	-	98,474,886
Machinery and equipment	6,947,471	2,697,817	9,645,288
Infrastructure	312,011,651	464,978,569	776,990,220
<b>Total Assets</b>	<u>1,741,381,325</u>	<u>639,021,591</u>	<u>2,380,402,916</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred amount on refunding	49,900	1,964,864	2,014,764
Derivatives instrument-swap agreement	6,151,485	3,765,428	9,916,913
Pension contributions	19,716,361	2,404,302	22,120,663
<b>Total Deferred Outflow of Resources</b>	<u>25,917,746</u>	<u>8,134,594</u>	<u>34,052,340</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable	11,016,379	8,915,033	19,931,412
Other liabilities	12,491,296	3,216,401	15,707,697
Compensated absences payable - current	9,190,011	1,395,268	10,585,279
Due to other agencies	251,343	269,710	521,053
Unearned revenues	7,219,216	-	7,219,216
Notes payable - current	462,747	-	462,747
Self insurance claims - current	6,587,198	-	6,587,198
Early retirement incentive plan payable - current	165,360	-	165,360
Capital leases and revenue bonds, current portion	6,801,271	10,671,827	17,473,098
<b>Noncurrent Liabilities</b>			
Interest rate swap liability	6,151,485	3,765,428	9,916,913
Other liabilities	-	89,284	89,284
Compensated absences payable	7,263,932	1,206,893	8,470,825
Notes payable	1,056,835	-	1,056,835
Other post-employment benefits payable	8,127,926	2,212,460	10,340,386
Early retirement incentive plan payable	559,604	-	559,604
Retirement payable	181,699,945	31,123,193	212,823,138
Self-insurance claims	9,581,973	-	9,581,973
Capital leases and revenue bonds, net of current portion and discount	110,450,140	307,208,297	417,658,437
<b>Total Liabilities</b>	<u>379,076,661</u>	<u>370,073,794</u>	<u>749,150,455</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Actuarial	41,148,497	7,034,029	48,182,526
<b>Total Deferred Inflow of Resources</b>	<u>41,148,497</u>	<u>7,034,029</u>	<u>48,182,526</u>
<b>NET POSITION</b>			
Net investment in capital assets	1,436,070,269	224,703,837	1,660,774,106
Restricted for:			
Debt service	24,539	15,278,451	15,302,990
Housing	34,038,299	122,228	34,160,527
Infrastructure developments	29,591,403	-	29,591,403
Maintenance districts	15,721,222	-	15,721,222
Public safety retirement	1,018,516	-	1,018,516
Streets and traffic improvements/maintenance	30,224,730	-	30,224,730
Transportation systems	1,579,793	-	1,579,793
Unrestricted	(201,194,858)	29,943,846	(171,251,012)
<b>TOTAL NET POSITION</b>	<u>\$ 1,347,073,913</u>	<u>\$ 270,048,362</u>	<u>\$ 1,617,122,275</u>

The accompanying notes are an integral part of the financial statements.

CITY OF OXNARD, CALIFORNIA  
**STATEMENT OF ACTIVITIES**  
 FOR THE YEAR ENDED JUNE 30, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT</b>				
<b>Governmental Activities</b>				
General government	\$ 12,223,337	\$ 5,165,703	\$22,251,471	\$ -
Public safety	97,913,468	4,904,728	3,517,869	-
Transportation systems	23,333,586	2,630,954	-	12,300,850
Community development	13,137,896	16,542,075	1,384,689	-
Culture and leisure	28,136,349	7,932,322	2,266,516	-
Libraries	4,498,950	521,672	-	-
Interest on long-term debt	4,517,686	-	-	-
<b>Total Governmental Activities</b>	<u>183,761,272</u>	<u>37,697,454</u>	<u>29,420,545</u>	<u>12,300,850</u>
<b>Business-Type Activities</b>				
Water	55,799,990	48,048,380	-	-
Wastewater	37,993,468	32,074,140	-	-
Environmental resource	37,802,942	43,394,227	-	-
Oxnard Housing Authority	23,584,181	5,168,698	17,853,909	919,149
<b>Total Business-Type Activities</b>	<u>155,180,581</u>	<u>128,685,445</u>	<u>17,853,909</u>	<u>919,149</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$338,941,853</u>	<u>\$ 166,382,899</u>	<u>\$47,274,454</u>	<u>\$13,219,999</u>
		<b>GENERAL REVENUES</b>		
		Taxes		
		Property tax		
		Sales tax		
		Transient occupancy tax		
		Franchise tax		
		Deed transfer tax		
		Business license tax		
		Penalties and interest		
		Interest on investments		
		Transfers of construction in progress		
		Transfers golf course		
		Transfer Performing Arts and Convention Center		
		Transfers		
		<b>Total General Revenues and Transfers</b>		
		<b>CHANGE IN NET POSITION</b>		
		<b>NET POSITION - JULY 1</b>		
		<b>PRIOR-PERIOD ADJUSTMENT</b>		
		<b>NET POSITION - JUNE 30</b>		

The accompanying notes are an integral part of the financial statements.

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ 15,193,837	\$ -	\$ 15,193,837
(89,490,871)	-	(89,490,871)
(8,401,782)	-	(8,401,782)
4,788,868	-	4,788,868
(17,937,511)	-	(17,937,511)
(3,977,278)	-	(3,977,278)
(4,517,686)	-	(4,517,686)
<u>(104,342,423)</u>	<u>-</u>	<u>(104,342,423)</u>
-	(7,751,610)	(7,751,610)
-	(5,919,328)	(5,919,328)
-	5,591,285	5,591,285
-	357,575	357,575
-	<u>(7,722,078)</u>	<u>(7,722,078)</u>
<u>\$ (104,342,423)</u>	<u>\$ (7,722,078)</u>	<u>\$ (112,064,501)</u>

\$ 58,633,590	\$ -	\$ 58,633,590
40,624,737	-	40,624,737
4,649,292	-	4,649,292
4,093,435	-	4,093,435
758,502	-	758,502
5,104,859	-	5,104,859
141,127	-	141,127
807,618	2,735,395	3,543,013
(17,717,827)	17,717,827	-
26,764,257	(26,764,257)	-
(2,669,290)	2,669,290	-
62,347	(62,347)	-
<u>121,252,647</u>	<u>(3,704,092)</u>	<u>117,548,555</u>
<u>16,910,224</u>	<u>(11,426,170)</u>	<u>5,484,054</u>
1,454,917,662	349,074,400	1,803,992,062
<u>(124,753,973)</u>	<u>(67,599,868)</u>	<u>(192,353,841)</u>
<u>\$ 1,347,073,913</u>	<u>\$ 270,048,362</u>	<u>\$ 1,617,122,275</u>

CITY OF OXNARD, CALIFORNIA  
**BALANCE SHEET**  
 GOVERNMENTAL FUNDS  
 JUNE 30, 2015

ASSETS

	<u>GENERAL</u>	<u>NONMAJOR</u>	<u>TOTAL GOVERNMENT</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$25,362,750	\$ 65,887,031	\$ 91,249,781
Investments with fiscal agents	-	21,848,422	21,848,422
Accounts and other receivables	2,777,639	7,203,059	9,980,698
Due from other funds	6,091,653	-	6,091,653
Due from other government	6,419,557	311,217	6,730,774
Due from Successor Agency	5,495,520	1,723,104	7,218,624
Notes receivable	-	58,568,696	58,568,696
Properties held for resale	-	104,736	104,736
<b>Total Assets</b>	<u>\$46,147,119</u>	<u>\$ 155,646,265</u>	<u>\$201,793,384</u>

LIABILITIES

<b>LIABILITIES</b>			
Accounts payable	\$ 7,441,678	\$ 2,808,105	\$ 10,249,783
Other liabilities	10,561,136	966,098	11,527,234
Due to other funds	-	6,244,563	6,244,563
Due to other agencies	251,343	-	251,343
Unearned revenues	<u>3,117,197</u>	<u>62,670,715</u>	<u>65,787,912</u>
<b>Total Liabilities</b>	<u>21,371,354</u>	<u>72,689,481</u>	<u>94,060,835</u>

**FUND BALANCES**

**Restricted for:**

Debt service	-	24,539	24,539
Transportation systems	-	1,579,793	1,579,793
Maintenance districts	-	15,721,222	15,721,222
Streets and traffic improvements/maintenance	-	30,224,730	30,224,730
Infrastructure developments	-	23,095,903	23,095,903
Housing	-	3,145,761	3,145,761
Public safety retirement	-	1,018,516	1,018,516

**Committed to:**

Measure "O" eligible services	3,534,921	-	3,534,921
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**Assigned to:**

Capital projects	5,116,158	9,639,955	14,756,113
Other purposes	2,664,780	-	2,664,780

**Unassigned**

	<u>13,459,906</u>	<u>(1,493,635)</u>	<u>11,966,271</u>
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<b>Total Fund Balances</b>	<u>24,775,765</u>	<u>82,956,784</u>	<u>107,732,549</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$46,147,119</u>	<u>\$ 155,646,265</u>	<u>\$201,793,384</u>

The accompanying notes are an integral part of the financial statements.

**CITY OF OXNARD, CALIFORNIA**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2015**

Fund balances of governmental funds		\$ 107,732,549
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets of \$1,951,030,247 net of accumulated depreciation (\$417,694,494) are not financial resources and, therefore, are not reported in the funds.		1,533,335,753
Deferred inflows for the following are not recognizable in the current period:		
Deferred loss on refunding	\$ 49,900	
Pension contributions	<u>18,762,143</u>	18,812,043
Accrued interest payable for the current portion of interest due on long-term liabilities has not been reported in the governmental funds.		(661,520)
Certain revenues in the governmental funds are unavailable because they are not collected within the prescribed time period after year-end. However, the revenues are included on the accrual basis of accounting used in the government-wide financial statements.		58,568,696
Advances payable to business-type activities		(1,348,275)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Compensated absences	(15,552,641)	
Notes payable	(1,519,582)	
Other post-employment liability	(7,252,250)	
Early retirement incentive plan payable	(724,964)	
Retirement payable	(168,062,465)	
Self-insurance claims	(16,169,171)	
Capital leases and bonds payable, net of (\$316,994) issuance discounts and \$2,438,842 issuance premium	<u>(117,236,256)</u>	(326,517,329)
Deferred outflows not recognizable in the current period:		
Actuarial		(38,253,654)
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 government activities in the statement of net position. Amounts are net of internal payable representing charges in excess of cost to business-type activities of \$3,324,469 from prior years and \$2,510,569 in the current year.		<u>(4,594,350)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>		<b><u>\$ 1,347,073,913</u></b>

The accompanying notes are an integral part of the financial statements.

**CITY OF OXNARD**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	<u>GENERAL</u>	<u>NONMAJOR</u>	<u>TOTAL GOVERNMENTAL</u>
<b>REVENUES</b>			
Taxes	\$ 99,721,540	\$ 14,142,875	\$ 113,864,415
Licenses and permits	2,320,034	772,804	3,092,838
Intergovernmental	19,457,413	22,263,982	41,721,395
Growth and development fees	-	3,442,898	3,442,898
Charges for services	9,624,476	1,519,728	11,144,204
Fines and forfeitures	482,142	283,715	765,857
Interest on investments	200,761	456,848	657,609
Special assessments	67,390	7,926,481	7,993,871
Miscellaneous	2,973,931	8,259,348	11,233,279
<b>Total Revenues</b>	<u>134,847,687</u>	<u>59,068,679</u>	<u>193,916,366</u>
<b>EXPENDITURES</b>			
<b>Current</b>			
General government	13,177,222	207,327	13,384,549
Public safety	71,735,237	24,042,163	95,777,400
Transportation	1,956,210	7,272,766	9,228,976
Community development	7,395,196	5,285,666	12,680,862
Culture and leisure	18,486,607	5,859,700	24,346,307
Library services	4,461,784	37,166	4,498,950
Capital outlay	4,622,469	9,212,645	13,835,114
Debt Service			
Principal	-	6,884,661	6,884,661
Interest and fiscal charges	-	4,225,920	4,225,920
<b>Total Expenditures</b>	<u>121,834,725</u>	<u>63,028,014</u>	<u>184,862,739</u>
<b>EXCESS OF REVENUES OVER (UNDER)</b>			
<b>EXPENDITURES</b>	<u>13,012,962</u>	<u>(3,959,335)</u>	<u>9,053,627</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from bonds	-	21,225,000	21,225,000
Original issue premium	-	2,540,460	2,540,460
Redemptions using bond proceeds	-	(3,497,344)	(3,497,344)
Issuance cost	-	(283,147)	(283,147)
Transfer in Performing Arts and Convention Center	(1,716,808)	-	(1,716,808)
Transfer in golf course	(2,923,809)	-	(2,923,809)
Transfers in	37,000	19,167,709	19,204,709
Transfers out	(17,708,272)	(1,786,966)	(19,495,238)
<b>Total Other Financing Sources (Uses)</b>	<u>(22,311,889)</u>	<u>37,365,712</u>	<u>15,053,823</u>
<b>NET CHANGE IN FUND BALANCES</b>	(9,298,927)	33,406,377	24,107,450
<b>FUND BALANCES, JULY 1</b>	36,946,002	52,519,832	89,465,834
<b>PRIOR-PERIOD ADJUSTMENT</b>	<u>(2,871,310)</u>	<u>(2,969,425)</u>	<u>(5,840,735)</u>
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 24,775,765</u>	<u>\$ 82,956,784</u>	<u>\$ 107,732,549</u>

The accompanying notes are an integral part of the 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, 2015**

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

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 24,107,450</b>
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense (\$21,309,630) exceeded capital outlay, \$13,023,808, in the current period.	(8,285,822)
In the current year, construction in progress was transferred to business-type activities.	(17,717,827)
In the current year, long-term assets and liabilities from the golf course of \$29,688,066 and the Performing Arts and Convention Center (\$952,482) were transferred to the general fund.	28,735,584
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, \$30,898, net decrease in compensated absences, (\$1,658,774), net increase in other post-employment benefits, \$198,668, and net decrease in retirement, (\$3,501,723).	4,930,931
The issuance of long-term debt provide current financial resources to governmental funds, while the repayment of the principal of long-tem debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the net effect of premiums, discounts, and similar items when debt is first issued; whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. This is the amount by which bond proceeds of \$20,268,116 exceeded principal repayments of (\$6,884,661) and net bond discount/(premium) of (\$22,283).	(13,361,172)
Net expenditures of internal service funds of \$1,498,920 is reported with governmental activities; \$813,900 is allocated to business-type activities.	<u>(1,498,920)</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 16,910,224</u></b>

The accompanying notes are an integral part of the financial statements.

**CITY OF OXNARD, CALIFORNIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2015**

	WATER	WASTEWATER	ENVIRONMENTAL RESOURCE	PERFORMING ARTS AND CONVENTION CENTER
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 36,333,698	\$ 8,598,028	\$ 8,018,917	\$ -
Cash with fiscal agent	12,647,487	19,987	2,630,964	-
Accounts and other receivable (net of allowance for uncollectible)	5,717,960	4,646,119	6,392,934	-
Due from other funds	1,117,959	-	65,279	-
Other assets	-	258,519	-	-
<b>Total Current Assets</b>	<b>55,817,104</b>	<b>13,522,653</b>	<b>17,108,094</b>	<b>-</b>
<b>Noncurrent Assets</b>				
Notes receivable	-	1,069,300	-	-
Advances to other funds	5,788,109	-	-	-
<b>Total Noncurrent Assets</b>	<b>5,788,109</b>	<b>1,069,300</b>	<b>-</b>	<b>-</b>
<b>Capital Assets</b>				
Land	3,969,704	3,145,160	3,851,164	-
Construction in progress	21,179,297	319,160	-	-
Buildings	14,517,008	6,582,587	23,246,557	-
Improvements	-	-	-	-
Machinery and equipment	3,156,905	18,325,468	22,400,278	-
Infrastructure	294,669,151	350,126,198	3,586,781	-
Less: Accumulated depreciation	(77,472,888)	(135,095,598)	(31,517,470)	-
<b>Total Capital Assets (net of accumulated depreciation)</b>	<b>260,019,177</b>	<b>243,402,975</b>	<b>21,567,310</b>	<b>-</b>
<b>Total Assets</b>	<b>321,624,390</b>	<b>257,994,928</b>	<b>38,675,404</b>	<b>-</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>				
Derivatives instrument-swap agreement	-	3,765,428	-	-
Deferred amount on refunding	1,964,864	-	-	-
Pension contributions	479,088	662,003	773,666	-
<b>Total Deferred Outflow of Resources</b>	<b>2,443,952</b>	<b>4,427,431</b>	<b>773,666</b>	<b>-</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts payable	5,053,966	1,864,860	1,758,941	-
Compensated absences payable - current	360,000	506,000	495,000	-
Self-insurance claims - current	-	-	-	-
Other liabilities	1,659,266	638,115	448,436	-
Due to Successor Agency	-	-	-	-
Advances from other funds - current	-	-	1,030,330	-
Capital leases and revenue bonds, current portion	4,144,225	4,302,501	1,930,101	-
<b>Total Current Liabilities</b>	<b>11,217,457</b>	<b>7,311,476</b>	<b>5,662,808</b>	<b>-</b>
<b>Noncurrent Liabilities</b>				
Compensated absences payable	121,955	137,336	464,342	-
Other post-employment benefits payable	398,968	667,365	674,619	-
Retirement payable	6,071,416	9,011,184	8,682,404	-
Self-insurance claims	-	-	-	-
Interest rate swap liability	-	3,765,428	-	-
Other liabilities	-	-	-	-
Advances from other funds	-	-	4,439,832	-
Capital leases and revenue bonds, net of current portion and discount/premium	182,796,136	120,634,782	857,379	-
<b>Total Noncurrent Liabilities</b>	<b>189,388,475</b>	<b>134,216,095</b>	<b>15,118,576</b>	<b>-</b>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Actuarial	1,427,125	2,004,661	2,036,286	-
<b>Total Deferred Inflow of Resources</b>	<b>1,427,125</b>	<b>2,004,661</b>	<b>2,036,286</b>	<b>-</b>
	<b>202,033,057</b>	<b>143,532,232</b>	<b>22,817,670</b>	<b>-</b>
<b>NET POSITION</b>				
Net investment in capital assets	73,078,816	118,465,692	18,779,830	-
Restricted for housing	-	-	-	-
Restricted for debt service	12,647,487	-	2,630,964	-
Unrestricted	36,308,982	424,435	(4,779,394)	-
<b>TOTAL NET POSITION</b>	<b>\$ 122,035,285</b>	<b>\$ 118,890,127</b>	<b>\$ 16,631,400</b>	<b>\$ -</b>

The accompanying notes are an integral part of the financial statements.



CITY OF OXNARD, CALIFORNIA  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
FOR THE YEAR ENDED JUNE 30, 2015

	WATER	WASTEWATER	ENVIRONMENTAL RESOURCE	PERFORMING ARTS AND CONVENTION CENTER
<b>OPERATING REVENUES</b>				
Charges for services	\$ 46,795,267	\$ 28,871,226	\$ 43,299,988	\$ -
Connection fees	97,965	195,356	-	-
Rental income	-	-	-	-
Grant revenue for operations	-	-	-	-
Miscellaneous and reimbursements	1,155,148	3,007,558	94,239	-
<b>Total Operating Revenues</b>	<u>48,048,380</u>	<u>32,074,140</u>	<u>43,394,227</u>	<u>-</u>
<b>OPERATING EXPENSES</b>				
Salaries and wages	5,350,365	6,828,226	9,745,200	-
Contractual services	3,672,218	2,622,328	3,868,500	-
Housing assistance payments	-	-	-	-
Operating supplies	20,966,456	1,723,368	4,832,776	-
Utilities	872,757	7,050,169	6,878,147	-
Depreciation and amortization	6,088,457	8,502,020	989,672	-
General and administrative	6,765,206	3,147,402	5,567,706	-
Repairs and maintenance	1,554,783	2,176,512	5,019,118	-
Claims expenses	-	-	-	-
<b>Total Operating Expenses</b>	<u>45,270,242</u>	<u>32,050,025</u>	<u>36,901,119</u>	<u>-</u>
<b>OPERATING INCOME (LOSS)</b>	<u>2,778,138</u>	<u>24,115</u>	<u>6,493,108</u>	<u>-</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Intergovernmental	-	-	-	-
Miscellaneous income	-	-	-	-
Other expenses	-	-	-	-
Interest on investments	2,438,909	94,894	184,745	-
Interest expense	(10,399,251)	(5,404,525)	(321,340)	-
Cost of issuance	-	(435,998)	-	-
<b>Net Nonoperating Revenues (Expenses)</b>	<u>(7,960,342)</u>	<u>(5,745,629)</u>	<u>(136,595)</u>	<u>-</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<u>(5,182,204)</u>	<u>(5,721,514)</u>	<u>6,356,513</u>	<u>-</u>
<b>CAPITAL CONTRIBUTIONS</b>	17,750,059	(32,232)	-	-
<b>TRANSFER TO GENERAL FUND</b>	-	-	-	1,716,808
<b>TRANSFER TO GOVERNMENTAL ACTIVITIES</b>	-	-	-	952,482
<b>TRANSFERS IN</b>	-	-	-	-
<b>TRANSFERS OUT</b>	-	-	(62,347)	-
<b>CHANGES IN NET POSITION</b>	12,567,855	(5,753,746)	6,294,166	2,669,290
<b>NET POSITION, JULY 1</b>	155,538,492	124,559,522	23,134,772	(1,749,869)
<b>PRIOR-PERIOD ADJUSTMENT</b>	(46,071,062)	84,351	(12,797,538)	(919,421)
<b>NET POSITION, JUNE 30</b>	<u>\$ 122,035,285</u>	<u>\$ 118,890,127</u>	<u>\$ 16,631,400</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.

OXHARD HOUSING AUTHORITY	MUNICIPAL GOLF COURSE	TOTAL CURRENT YEAR	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUND	
\$ -	\$ -	\$ 118,966,481	\$ 26,424,667	<b>OPERATING REVENUES</b>
-	-	293,321	-	Charges for services
4,274,047	-	4,274,047	-	Connection fees
17,853,909	-	17,853,909	-	Rental income
437,504	-	4,694,449	165,634	Grant revenue for operations
<u>22,565,460</u>	<u>-</u>	<u>146,082,207</u>	<u>26,590,301</u>	Miscellaneous and reimbursements
				<b>Total Operating Revenues</b>
-	-	21,923,791	9,193,136	<b>OPERATING EXPENSES</b>
236,983	-	10,400,029	2,144,179	Salaries and wages
15,223,451	-	15,223,451	-	Contractual services
-	-	27,522,600	4,767,792	Housing assistance payments
819,378	-	15,620,451	1,413,884	Operating supplies
1,057,942	-	16,638,091	227,913	Utilities
4,505,216	-	19,985,530	2,905,039	Depreciation and amortization
1,561,792	-	10,312,205	1,384,911	General and administrative
-	-	-	7,368,015	Repairs and maintenance
<u>23,404,762</u>	<u>-</u>	<u>137,626,148</u>	<u>29,404,869</u>	Claims expenses
(839,302)	-	8,456,059	(2,814,568)	<b>Total Operating Expenses</b>
				<b>OPERATING INCOME (LOSS)</b>
80,000	-	80,000	-	<b>NONOPERATING REVENUES (EXPENSES)</b>
457,147	-	457,147	-	Intergovernmental
(4,115)	-	(4,115)	-	Miscellaneous income
16,847	-	2,735,395	150,005	Other expenses
(175,304)	-	(16,300,420)	(1,133)	Interest on investments
-	-	(435,998)	-	Interest expense
<u>374,575</u>	<u>-</u>	<u>(13,467,991)</u>	<u>148,872</u>	Cost of issuance
				<b>Net Nonoperating Revenues (Expenses)</b>
(464,727)	-	(5,011,932)	(2,665,696)	<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>
839,149	-	18,556,976	-	<b>CAPITAL CONTRIBUTIONS</b>
-	2,923,809	4,640,617	-	<b>TRANSFER TO GENERAL FUND</b>
-	(29,688,066)	(28,735,584)	-	<b>TRANSFER TO GOVERNMENTAL ACTIVITIES</b>
-	-	-	402,287	<b>TRANSFERS IN</b>
-	-	(62,347)	(49,411)	<b>TRANSFERS OUT</b>
374,422	(26,764,257)	(10,612,270)	(2,312,820)	<b>CHANGES IN NET POSITION</b>
18,330,376	25,936,638		896,880	<b>NET POSITION, JULY 1</b>
<u>(8,723,817)</u>	<u>827,619</u>		<u>(16,837,012)</u>	<b>PRIOR-PERIOD ADJUSTMENT</b>
<u>\$ 9,980,981</u>	<u>\$ -</u>		<u>\$ (18,252,952)</u>	<b>NET POSITION, JUNE 30</b>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds (813,900)

**CHANGES IN NET POSITION OF BUSINESS-TYPE ACTIVITIES** \$ (11,426,170)

**CITY OF OXNARD, CALIFORNIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	WATER	WASTEWATER	ENVIRONMENTAL RESOURCE	PERFORMING ARTS AND CONVENTION CENTER
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 49,483,186	\$ 33,633,286	\$ 42,178,577	\$ -
Payments to suppliers	(32,171,965)	(16,779,499)	(27,370,793)	-
Payments to employees	(5,382,955)	(6,771,494)	(9,674,106)	-
Payments for housing assistance	-	-	-	-
Receipts from operating grants	-	-	-	-
Cash paid to claimants	-	-	-	-
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>11,928,266</u>	<u>10,082,293</u>	<u>5,133,678</u>	<u>-</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers in	-	-	-	-
Transfers out	-	-	(62,347)	-
Received from grants	-	-	-	-
Cash received on notes and mortgages receivable	-	-	-	-
<b>Net Cash Provided By (Used In) Noncapital Financing Activities</b>	<u>-</u>	<u>-</u>	<u>(62,347)</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchases of capital assets	(6,370,507)	(88,547)	-	-
Interest and issuance cost paid on long-term debt	(10,482,216)	(6,171,533)	(349,817)	-
Principal paid on long-term debt	(4,017,915)	(4,193,582)	(2,813,015)	-
Proceeds from issuance of long-term debt	-	81,393,575	-	-
Long-term debt defeased	-	(80,000,000)	-	-
Receipt from developers	-	-	-	-
Received from grants	-	-	-	-
<b>Net Cash Provided By (Used In) Capital and Related Financing Activities</b>	<u>(20,870,638)</u>	<u>(9,060,087)</u>	<u>(3,162,832)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Advances issued to other funds	-	-	(1,000,494)	-
Advances collected from other funds	1,000,087	-	-	-
Notes receivable collected	-	33,300	-	-
Interest on investments	2,438,909	94,894	184,745	-
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>3,438,996</u>	<u>128,194</u>	<u>(815,749)</u>	<u>-</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(5,503,376)	1,150,400	1,092,750	-
<b>CASH AND CASH EQUIVALENTS, JULY 1</b>	<u>54,484,561</u>	<u>7,467,615</u>	<u>9,557,131</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS, JUNE 30</b>	<u>\$ 48,981,185</u>	<u>\$ 8,618,015</u>	<u>\$ 10,649,881</u>	<u>\$ -</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>				
<b>OPERATING INCOME (LOSS)</b>	2,778,138	24,115	6,493,108	
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By Operating Activities				
Depreciation and amortization	6,088,457	8,502,020	989,672	
Other revenue				

The accompanying notes are an integral part of the financial statements.

OXNARD HOUSING AUTHORITY	MUNICIPAL GOLF COURSE	TOTAL CURRENT YEAR	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS	
\$ 4,701,313	\$ -	\$ 129,996,362	\$ 26,517,821	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>
(2,787,946)	-	(79,110,203)	(12,339,513)	Receipts from customers and users
(4,517,651)	-	(26,346,206)	(9,082,814)	Payments to suppliers
(15,179,639)	-	(15,179,639)	-	Payments to employees
17,605,620	-	17,605,620	-	Payments for housing assistance
-	-	-	-	Receipts from operating grants
-	-	-	(7,086,865)	Cash paid to claimants
<u>(178,303)</u>	<u>-</u>	<u>26,965,934</u>	<u>(1,991,371)</u>	<b>Net Cash Provided By (Used In) Operating Activities</b>
				<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>
-	-	-	402,287	Transfers in
-	-	(62,347)	(49,411)	Transfers out
80,000	-	80,000	-	Received from grants
<u>11,097</u>	<u>-</u>	<u>11,097</u>	<u>-</u>	Cash received on notes and mortgages receivable
				<b>Net Cash Provided By (Used In) Noncapital Financing Activities</b>
<u>91,097</u>	<u>-</u>	<u>28,750</u>	<u>352,876</u>	
				<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>
(593,596)	-	(7,052,650)	(373,070)	Purchases of capital assets
(157,300)	-	(17,160,866)	(1,133)	Interest and issuance cost paid on long-term debt
(575,000)	-	(11,599,512)	(29,657)	Principal paid on long-term debt
-	-	81,393,575	-	Proceeds from issuance of long-term debt
-	-	(80,000,000)	-	Long-term debt defeased
661,791	-	661,791	-	Receipt from developers
<u>839,149</u>	<u>-</u>	<u>839,149</u>	<u>-</u>	Received from grants
				<b>Net Cash Provided By (Used In) Capital and Related Financing Activities</b>
<u>175,044</u>	<u>-</u>	<u>(32,918,513)</u>	<u>(403,860)</u>	
				<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>
-	-	(1,000,494)	-	Advances issued to other funds
-	-	1,000,087	82,775	Advances collected from other funds
		33,300		Notes receivable collected
<u>16,847</u>	<u>-</u>	<u>2,735,395</u>	<u>150,005</u>	Interest on investments
<u>16,847</u>	<u>-</u>	<u>2,768,288</u>	<u>232,780</u>	<b>Net Cash Provided By (Used In) Investing Activities</b>
				<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>
104,685	-	(3,155,541)	(1,809,575)	
<u>9,452,958</u>	<u>-</u>	<u>80,962,265</u>	<u>15,607,300</u>	<b>CASH AND CASH EQUIVALENTS, JULY 1</b>
<u>\$ 9,557,643</u>	<u>\$ -</u>	<u>\$ 77,806,724</u>	<u>\$ 13,797,725</u>	<b>CASH AND CASH EQUIVALENTS, JUNE 30</b>
				<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>
(839,302)		8,456,059	(2,814,568)	<b>OPERATING INCOME (LOSS)</b>
				Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By Operating Activities
1,057,942		16,638,091	227,913	Depreciation and amortization
66,490		66,490		Other revenue

**STATEMENT OF CASH FLOWS (Continued)**  
**PROPRIETARY FUNDS**

	<u>WATER</u>	<u>WASTEWATER</u>	<u>ENVIRONMENTAL RESOURCE</u>	<u>PERFORMING ARTS AND CONVENTION CENTER</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES (Continued)</b>				
<b>OPERATING INCOME (LOSS) (Continued)</b>				
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By Operating Activities (Continued)				
Changes in Operating Assets and Liabilities				
(Increase) decrease in accounts receivable and due from other funds	\$ 1,434,806	\$ 1,559,146	\$ (1,215,650)	\$ -
(Increase) decrease in other assets	-	(258,519)	-	-
Increase (decrease) in accounts payable and other liabilities	1,689,125	239,599	(1,109,080)	-
Increase (decrease) in compensated absences	(63,112)	(34,124)	29,447	-
Increase (decrease) in other post-employment payable	79,645	148,764	150,821	-
Increase (decrease) in retirement payable	(78,793)	(98,708)	(204,640)	-
Increase (decrease) in self-insurance liabilities	-	-	-	-
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>\$ 11,928,266</u>	<u>\$ 10,082,293</u>	<u>\$ 5,133,678</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.

<u>OXNARD HOUSING AUTHORITY</u>	<u>MUNICIPAL GOLF COURSE</u>	<u>TOTAL CURRENT YEAR</u>	<u>GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS</u>	
				<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES (Continued) OPERATING INCOME (LOSS) (Continued)</b>
				Adjustments to reconcile operating income (loss) to Net Cash Provided By Operating Activities (Continued)
				Changes in Operating Assets and Liabilities
				(Increase) decrease in accounts receivable and due from other funds
\$ (255,569)	\$ -	\$ 1,522,733	\$ (72,480)	(Increase) decrease in other assets
51,701		(206,818)	-	Increase (decrease) in accounts payable other liabilities
(389,914)		429,730	311,249	Increase (decrease) in compensated absences
(93,029)		(160,818)	(62,158)	Increase (decrease) in other post-employment payable
216,277		595,507	278,346	Increase (decrease) in retirement payable
7,101		(375,040)	(140,823)	Increase (decrease) in self-insurance liabilities
<u>-</u>	<u>-</u>	<u>-</u>	<u>281,150</u>	
<u>\$ (178,303)</u>	<u>\$ -</u>	<u>\$ 26,965,934</u>	<u>\$ (1,991,371)</u>	<b>Net Cash Provided By (Used In) Operating Activities</b>



CITY OF OXNARD, CALIFORNIA  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
 FOR THE YEAR ENDED JUNE 30, 2015

	OXNARD COMMUNITY DEVELOPMENT SUCCESSOR AGENCY PRIVATE PURPOSE TRUST FUND	RETIREMENT ENHANCEMENT DEFINED BENEFIT PENSION TRUST FUND
<b>ADDITIONS</b>		
Taxes	\$ 12,016,728	\$ -
Contributions		
Employer	-	1,001,442
Plan member	-	2,791,474
Investment income	3,799	2,072,952
Rental income	47,709	-
Miscellaneous	322,927	-
<b>Total Additions</b>	<u>12,391,163</u>	<u>5,865,868</u>
<b>DEDUCTIONS</b>		
Administrative Costs		
Salaries and wages	406,104	-
Assessment district payment	28,864	-
Benefit distributions	-	2,808,697
Administrative costs	247,659	72,005
Professional services	499,982	-
Depreciation	1,416,738	-
Project improvements	1,933,389	-
Debt Service		
Interest and fiscal charges	1,848,306	-
<b>Total Deductions</b>	<u>6,381,042</u>	<u>2,880,702</u>
<b>CHANGE IN NET POSITION</b>	6,010,121	2,985,166
<b>NET POSITION - JULY 1, 2014</b>	27,864,296	51,003,684
<b>PRIOR-PERIOD ADJUSTMENT</b>	<u>1,337,784</u>	-
<b>NET POSITION - JUNE 30, 2015</b>	<u>\$ 35,212,201</u>	<u>\$ 53,988,850</u>

The accompanying notes are an integral part of the financial statements.

CITY OF OXNARD, CALIFORNIA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015

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. For financial reporting purposes, the City has included all funds, organizations, agencies, boards, commissions, and authorities, and has considered all potential component units for which the City is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization; or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the City.

**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 Debt Service Fund, Water Enterprise Fund, Wastewater Enterprise Fund, and Environmental Resources Enterprise Fund.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

Housing Authority of the City of Oxnard. The Housing Authority of the City of Oxnard (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 California's Health and Safety Code for the purpose of providing safe, decent, and sanitary housing for qualified economically disadvantaged and elderly individuals in areas where a shortage of such housing exists. To accomplish this purpose, the Housing Authority entered into Annual Contributions Contracts with the U.S. Department of Housing and Urban Development (HUD) to operate assisted housing programs, such as Local Housing Authority Owned Housing, Section 8, and Modernization. The City Council and two tenant representatives serve as the governing board of the Housing Authority. The Housing Authority's governing body is substantively the same as the governing body of the City. The Housing Authority's operations have been included in the City's business-type activities in the accompanying Government-Wide Financial Statements. The Housing Authority prepares separate financial statements, which can be obtained from the Housing Authority's Financial Services Division at 435 S. D St., Oxnard, CA 93030.

Performing Arts Center Corporation. The Performing Arts Center Corporation (Corporation) is a nonprofit corporation. In November 2000, the City granted the Corporation an exclusive right to operate, maintain, and manage the Performing Arts and Convention Center (PACC) to maximize artistic performances, conferences, exhibitions, and other similar events for the use and benefit of the public and community. Two City Council members sit on the Corporation's board of directors. The City provides the Corporation an operating subsidy as provided for in the operating budget, which is subject to City Council approval. The Corporation's operations have been included in the City's General Fund in the accompanying Governmental Funds Financial Statements.

### B. **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.

## **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

### **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, and housing. These activities generally recover the cost of providing services from customer fees and charges.

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

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

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

A reconciliation of the difference between the Governmental Fund Financial Statements and the Government-Wide Financial Statements is provided as part of the Governmental Fund Financial Statements.

### **Fund Financial Statements**

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

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

Proprietary Fund Financial Statements include a Statement of Net Position, Statement of Revenues, Expenses and Changes in 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.
- **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.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

- 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.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) 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 nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses. When both restricted and unrestricted resources are available for use, it is the City's policy to use the restricted resources first, then unrestricted resources as they are needed.

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

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

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. The City's fiduciary funds consist of a Private Purpose Trust Fund, a Pension Trust Fund, and Agency Funds. The Trust Funds are as follows:

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### C. **New Pronouncements**

The City implemented GASB Statement No. 68 (GASBS 68), Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27 and Statement No. 71 (GASBS 71), Pension Transition for Contributions made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68.

In Government-Wide Financial Statements, pension plans are required to be recognized and disclosed using the accrual basis of accounting, regardless of the amount recognized as pension expenditures on the Governmental Fund Statements, which use the modified accrual basis of accounting. In general, the City recognizes a net pension liability, which represents the excess of the total pension liability over the fiduciary net position of the pension plan. The net pension liability is measured as of June 30, 2014.

Changes in the net pension liability are recorded, in the period incurred, as pension expense or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change. The changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources (that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience) are amortized over the weighted average remaining service life of all participants in the pension plan and are recorded as a component of pension expense beginning with the period in which they are incurred.

### D. **Transfer of Enterprise Funds to General Fund**

The City transferred the assets and liabilities of the Municipal Golf Course Fund and the Performing Arts and Convention Center Fund, previously reported as Enterprise Funds, into the General Fund.

The Municipal Golf Course Fund was used to account for the operation and maintenance of the City's River Ridge Golf Course. The Performing Arts and Convention Center Fund was used to account for the operations and maintenance of the City's Performing Arts and Convention Center. In prior years, the General Fund provided operational subsidies to these funds for program support and debt service.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### E. **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.

#### **Investments**

The City's investments are stated at fair value.

#### **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.

### F. **Receivables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is reported as interfund loans receivable/payable. All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Amounts due from individuals, organizations or other governmental units are recorded as receivables at year-end. These amounts include charges for services rendered, or for goods and material provided by the City, including amounts for unbilled services. Receivables are shown net of an allowance for uncollectible accounts where applicable.

Notes receivable include both the current and long-term portions of loans issued by the City. Business development loans are reported in both special revenue and fiduciary funds. Most of these notes receivable are reported as an asset in the amount of loan proceeds disbursed; however, some loans, depending on their original funding source, report unavailable revenue equal to the loan amount and recognize a revenue when principal payments are received.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

In the government-wide financial statements, receivables are recognized as revenue when earned. Receivables of the proprietary funds are recognized as revenue when earned, including services provided but not billed.

### G. Capital Assets

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

Buildings	45 years
Improvements	
Paving, curbs, and 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
Water and sewer systems	40-50 years

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

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### H. **Capitalized Interest on Indebtedness**

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is reflected in the capitalized value of the asset constructed. The total interest expense incurred by the City during the current fiscal year was \$25,085,296. No interest expense has been capitalized for this fiscal year.

### I. **Compensated Absences**

Vacation leave and annual leave compensation time pay is recorded as a liability when incurred within the Government-Wide and Proprietary Funds Financial Statements. Sick leave, which does not vest, is recorded in all funds when leave is taken. A liability for these amounts is reported in the Governmental Funds Financial Statements only if they have matured and are paid by the City subsequent to year-end.

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.

### J. **Net Pension Liability**

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

In addition to assets, the Statements of Net Position and Governmental Fund Balance Sheet report a separate section for deferred outflows of resources. Deferred outflows of resources represent 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 reports deferred outflows of resources for pension contributions made after the actuarial measurement date, deferred outflows for charges on debt refunding, and the adjustment to fair value for the derivative swap agreement reported in the Government-Wide and Proprietary Fund Statements of Net Position. Deferred outflows for pension contributions will be recognized in the subsequent fiscal year. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the remaining life of the refunded or refunding debt.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

In addition to liabilities, the Statements of Net Position and Governmental Fund Balance Sheet report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The City has one item that qualifies for reporting in this category in the Governmental Fund Balance Sheet - unavailable revenues. The governmental funds report unavailable revenues from four sources: investment income, taxes, grants, and miscellaneous charges for services. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, the City has deferred inflows of resources relating to the net pension obligation reported in the Government-Wide Statement of Net Position and the Proprietary Funds. These deferred inflows of resources are the result of the net difference between projected and actual earnings on pension plan investments. These amounts are deferred and amortized over a five year period on a straight-line basis.

### L. 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.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

*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 funds spent first when expenditure is incurred for purposes for which both restricted and unrestricted funds 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.

### M. **Property Taxes**

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

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

## **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

### **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% 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%. 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% of full value, for a tax rate of \$1.00 per \$100 of assessed valuation. Tax rates for voter-approved indebtedness prior to passage of Proposition 13 are excluded from this limitation. Taxes are levied July 1 for both real and unsecured personal property based upon the assessed valuation as of the previous January 1 (lien date).

Property taxes are recognized as revenue in the period for which the taxes are levied. Therefore, the City recognizes revenue and a receivable, less any allowance for doubtful accounts deemed appropriate, for the entire tax levy in the period for which the taxes are levied. Accordingly, at June 30, 2015, the City has recorded property taxes receivable of \$895,052, 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.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### **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.

### **N. 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.

### **O. Use of Estimates**

The preparation of the City's basic financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, 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.

### **P. 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).

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

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.

**Q. 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.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### R. Prior-Period Adjustments

Effective July 1, 2014, the City made restatements to the net position and fund balance as follows:

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>
<b><u>Net Position</u></b>		
<b><u>Change in Accounting Principle</u></b>		
To record net pension liabilities in compliance with GASB 68	\$ (202,786,106)	\$ (36,286,582)
<b><u>Correction of Errors</u></b>		
To transfer cash with fiscal agents to CDC SA	(1,813,048)	
To correct sales tax receivable	(1,152,717)	
To correct grants receivable, net of allowance for doubtful accounts	1,559,564	
To correct the cost of construction in progress and capital assets, net of accumulated depreciation	26,435,430	(30,974,221)
To record long-term notes receivable, net of allowance for doubtful accounts	56,182,446	
To correct amounts reported in accounts payable	(72,853)	120,864
To record liability for social security taxes	(1,169,578)	(64,542)
To correct OPEB liability		(255,231)
To record notes payable	(1,588,397)	
To record adjustment in government-wide conversion	(127,501)	
To correct Early Retirement Incentive Plan payable	423,508	
To record prior-year retiree health premiums	<u>(644,721)</u>	<u>(140,156)</u>
<b>TOTALS</b>	<b><u>\$ (124,753,973)</u></b>	<b><u>\$ (67,599,868)</u></b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

	<u>INTERNAL SERVICE FUND</u>	<u>GENERAL FUND</u>	<u>NONMAJOR FUND</u>
<b><u>Fund Balance</u></b>			
<b><u>Change in Accounting Principle</u></b>			
To record net pension liabilities in compliance with GASB 68	\$ (15,189,216)		
<b><u>Correction of Errors</u></b>			
To transfer cash with fiscal agents to CDC SA			\$ (1,813,048)
To correct sales tax receivable		\$ (1,152,717)	
To record grants receivable			1,559,564
To correct the cost of construction in progress and capital assets, net of accumulated depreciation	(1,495,178)		
To correct amounts reported in accounts payable	(80,000)	7,147	
To record liability for social security taxes	(10,716)	(1,142,921)	(15,941)
To record unavailable revenue			(2,700,000)
To record prior-year retiree health premiums	<u>(61,902)</u>	<u>(582,819)</u>	<u>-</u>
<b>TOTALS</b>	<b><u>\$ (16,837,012)</u></b>	<b><u>\$ (2,871,310)</u></b>	<b><u>\$ (2,969,425)</u></b>

**S. Related Organizations**

The City addresses the needs of at-risk youth by providing a variety of social services, recreation, and service learning opportunities through City Corps, a nonprofit organization. City Corps partners with local school districts, community based youth organizations, and neighborhood councils in the distribution of information and neighborhood cleanups.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### T. Joint Ventures

The City participates in the Riverpark Reclamation and Recharge Authority (Riverpark JPA), which is a jointly-governed organization between the City and United Water Conservation District (UWCD). The Riverpark JPA was established for the purpose of joint ownership, financing, and administration of the development of land located within the City; and for the purpose of creating a public entity to secure grant funding and other public and private funding to reclaim mining pits for water recharge purposes to implement the Recharge Program and Reclamation Plan, and to undertake other groundwater recharge, groundwater quality, and water supply programs as the Board of Directors may find to be within the public interest. The Riverpark JPA is controlled by a four-member board consisting of two representatives from the City and UWCD. None of the member entities exercise specific control over the budgeting and financing of the Authority's activities beyond their representation on the Board. Accounting services are provided by the City. The City has no financial responsibility for any of the JPA's liabilities. The City made no monetary contributions to assist in the operational expenses of the Authority during 2015. Complete financial statements may be obtained from the Finance Department, City of Oxnard, 300 W. 3<sup>rd</sup> St, Oxnard, CA 93030.

## 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, 2015:

	<u>AMOUNT</u>
Petty cash	\$ 178,271
Deposits	58,385,285
Investments	<u>123,734,575</u>
Cash and cash equivalents	182,298,131
Cash and investments with fiscal agents	<u>107,605,930</u>
<b>TOTAL</b>	<b><u>\$ 289,904,061</u></b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

	GOVERNMENTAL <u>ACTIVITIES</u>	BUSINESS-TYPE <u>ACTIVITIES</u>	FIDUCIARY <u>FUNDS</u>	<u>TOTAL</u>
Cash and cash equivalents	\$105,047,504	\$61,760,279	\$15,490,348	\$182,298,131
Cash and investments with fiscal agents	<u>21,848,426</u>	<u>16,046,445</u>	<u>69,711,059</u>	<u>107,605,930</u>
<b>TOTALS</b>	<u>\$126,895,930</u>	<u>\$77,806,724</u>	<u>\$85,201,407</u>	<u>\$289,904,061</u>

### 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% of the uninsured deposit. As of June 30, 2015, the City has a bank balance of \$56,247,736 in two bank accounts; of the bank balance, \$500,000 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 bank balance as of June 30, 2015 was \$2,137,549.

### 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.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### Authorized Investments

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

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

	<u>AMOUNT</u>
City Treasurer	\$ 173,488,495
Fiscal Agents	
Bond trustees for the City and its component units	53,148,830
PARS Trust Pool	53,709,093
Other agency (includes investment held by fiscal agents)	<u>9,557,643</u>
<b>TOTAL</b>	<b><u>\$ 289,904,061</u></b>

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

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

INVESTMENT TYPES <u>AUTHORIZED BY SECTION 53601</u>	AUTHORIZED	MAXIMUM MATURITY (YEARS)	MAXIMUM PERCENTAGE OF PORTFOLIO	MAXIMUM	MINIMUM
	BY INVESTMENT POLICY			INVESTMENT IN ONE ISSUER	
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 deposit (CDs)	Yes	N/A	40%	15%	A
Repurchase agreements	Yes	90 days	None	None	None
Medium term notes	Yes	5	30%	None	A
Mutual funds	Yes	N/A	15%	None	None
LAIF	Yes	N/A	None	None	None

The Housing Authority's investment policy, which is substantially the same as the City's, and related disclosures regarding its investments at June 30, 2015, is more fully disclosed in the financial statements for the Housing Authority, which may be obtained from the Housing Authority's Financial Services Division.

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.

The City is a voluntary participant in LAIF which is considered an external investment pool. 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.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

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

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

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

Risk tolerance	Market risk
Time horizon	Long term
Income of liquidity needs	As requested
Account of trust restrictions	None
Unique needs and circumstances	None
Investment objective	Balanced
Strategic ranges	0%-20% Cash 25%-45% Fixed income 50%-70% Equity
Acceptable investments	Individual stocks Individual bonds Trustee funds External funds Index-based securities including Exchange-Traded Funds (ETF)
Fixed income guidelines	Maturity range 2-15 years Duration range 4-7 years
Equity guidelines	Investment grade - minimum credit quality The core portion of the equity allocation will consist of individual issues. Actively-managed mutual funds will be utilized for other market segments in accordance with the trustee's tactical strategy.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

### **Interest Rate Risk**

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

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

	INVESTMENT MATURITIES			TOTAL
	(IN YEARS)			
	LESS THAN 1	1-5	MORE THAN 5	
Federal agency securities		\$ 65,189,578		\$ 65,189,578
Corporate bonds		4,027,880		4,027,880
California Local Agency Investment Fund	\$ 55,686,150			55,686,150
Negotiable CD		1,715,000		1,715,000
Held by Trustee				
Money Market Fund	48,541,572			48,541,572
California Local Agency Investment Fund	340,632			340,632
Guaranteed investment contracts	-	2,130,600	-	2,130,600
<b>TOTAL INVESTMENTS</b>	<u>\$ 104,568,354</u>	<u>\$ 73,063,058</u>	<u>\$ -</u>	177,631,412
PARS Trust Pool				53,709,093
Cash in banks and on hand				<u>58,563,556</u>
<b>TOTAL CASH AND INVESTMENTS</b>				<u>\$ 289,904,061</u>

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

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### **Credit Risk**

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

Presented below are the Standard and Poor's ratings for each investment type as of June 30, 2015:

INVESTMENT TYPE	AAA	AA+	AA	A	TOTAL
Federal agency securities	\$ -	\$ 65,189,578	\$ -	-	\$ 65,189,578
Corporate bonds (Disney)	-	-	-	\$ 1,998,820	1,998,820
Corporate bonds (GECC BE)	-	2,029,060	-	-	2,029,060
<b>TOTALS</b>	<u>\$ -</u>	<u>\$ 67,218,638</u>	<u>\$ -</u>	<u>\$ 1,998,820</u>	69,217,458
<b>NOT RATED</b>					
California Local Agency Investment Fund					56,026,782
Money Market Fund					48,541,572
Guaranteed investment contracts					2,130,600
PARS Trust Pool					53,709,093
Negotiable CD					<u>1,715,000</u>
<b>Total Investments</b>					231,340,505
Cash in banks and on hand					<u>58,563,556</u>
<b>TOTAL</b>					<u>\$ 289,904,061</u>

### **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% or more of total entity-wide investments are as follows at June 30, 2015:

ISSUER	TYPE OF INVESTMENTS	AMOUNTS
Federal National Mortgage Assn.	Federal National Mortgage Assn.	\$ 13,986,180
Federal Home Loan Bank	Federal Home Loan Bank Bonds	13,967,160
Federal Farm Credit Bank	Federal Farm Credit Bank Bonds	25,235,158
Federal Home Loan Mortgage Corp.	Federal Home Loan Mortgage Corp.	12,001,080

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

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

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

### ***Interest Rate Swap***

The City has entered into three floating-to-fixed interest rate swaps with a notional amount totaling \$47,715,000. The City pays the counterparty a fixed amount of 3.530%, 4.017%, and 4.037% on each swap agreements, respectively, and receives variable payments computed as 68% of the one-month London Interbank Offered Rate (LIBOR). At June 30, 2015, this interest rate swap had a fair value of a negative \$9,916,913. Other applicable risks (credit risk, basis risk, and termination risk) associated with these derivative instruments are described in Note II.G. Long-term Liabilities.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**B. Receivables and Payables**

Accounts receivables and other receivables as of June 30, 2015 included in the accompanying Statement of Net Position primarily consist of the following:

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>
<b>ACCOUNTS RECEIVABLE</b>		
Utilities receivable	\$ 18,940	\$ 12,560,848
Grants receivable	6,977,012	-
Accounts receivable billed and accrued	2,160,105	-
Other receivables	<u>1,441,333</u>	<u>5,737,610</u>
	10,597,390	18,298,458
Allowance for uncollectible receivables	<u>(610,414)</u>	<u>(868,875)</u>
<b>TOTALS</b>	<u>\$ 9,986,976</u>	<u>\$ 17,429,583</u>

Accounts payable and other liabilities as of June 30, 2015 reported on the Statement of Net Position primarily consist of the following:

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>
<b>ACCOUNTS PAYABLE AND OTHER LIABILITIES</b>		
Accounts payable (due to vendors)	<u>\$ 11,016,379</u>	<u>\$ 8,915,033</u>
Other Liabilities		
Accrued payroll	3,611,119	826,174
Other accrued expenses	554,903	1,443,696
Other payables	<u>8,325,274</u>	<u>946,531</u>
<b>Total Other Liabilities</b>	<u>12,491,296</u>	<u>3,216,401</u>
<b>TOTALS</b>	<u>\$ 23,507,675</u>	<u>\$ 12,131,434</u>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### C. Interfund Receivables and Payables

Total interfund receivables and payables at June 30, 2015, 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>
<b>GOVERNMENTAL ACTIVITIES</b>			
General Fund	\$ 6,091,655	\$ 1,348,277	\$ 4,743,378
Nonmajor governmental funds		6,244,563	(6,244,563)
Internal Service Fund	<u>1,013,181</u>	<u>-</u>	<u>1,013,181</u>
<b>Total Governmental Activities</b>	<u>7,104,836</u>	<u>7,592,840</u>	<u>(488,004)</u>
<b>BUSINESS-TYPE ACTIVITIES</b>			
Water	6,906,068	-	6,906,068
Environmental resource	65,279	5,470,162	(5,404,883)
Oxnard Housing Authority	<u>-</u>	<u>1,013,181</u>	<u>(1,013,181)</u>
<b>Total Business-type Activities</b>	<u>6,971,347</u>	<u>6,483,343</u>	<u>488,004</u>
<b>TOTALS</b>	<u>\$ 14,076,183</u>	<u>\$ 14,076,183</u>	<u>\$ -</u>

The interfund balances at June 30, 2015 are loans to cover temporary cash deficits in various funds. All interfund balances outstanding at June 30, 2015 are expected to be repaid within one year except Environmental Resources and Golf Course loans from Water Fund of \$5,470,162 and \$1,348,277, respectively, and Oxnard Housing Authority from Worker's Compensation-Internal Service Fund, of \$1,013,181.

### 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; and
- Transfers of capital assets from governmental activities to water and wastewater enterprise funds.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

There were no transfers during Fiscal Year 2014-2015 that were either nonroutine 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, 2015:

	<u>DESCRIPTION</u>	<u>TRANSFERS IN</u>	<u>TRANSFERS OUT</u>	<u>NET TRANSFERS</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
General Fund	Program support	\$ 37,000	\$10,999,233	\$(10,962,233)
General Fund	Debt service		6,709,039	(6,709,039)
Nonmajor governmental funds	Program support	10,646,359		10,646,359
Nonmajor governmental funds	Debt service	8,521,350	1,786,966	6,734,384
Internal Service Fund	Program support	402,287	49,411	352,876
Government-wide	Capital assets	<u>421,793</u>	<u>18,139,620</u>	<u>(17,717,827)</u>
<b>Total Governmental Activities</b>		<u>20,028,789</u>	<u>37,684,269</u>	<u>(17,655,480)</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Water	Capital assets	18,139,620	389,561	17,750,059
Wastewater	Capital assets		32,232	(32,232)
Environmental Resource	Program support		37,000	(37,000)
Environmental Resource	Debt service	-	<u>25,347</u>	<u>(25,347)</u>
<b>Total Business-Type Activities</b>		<u>18,139,620</u>	<u>484,140</u>	<u>17,655,480</u>
<b>TOTAL GOVERNMENT-WIDE STATEMENTS</b>		<u>\$38,168,409</u>	<u>\$38,168,409</u>	<u>\$ -</u>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

The transfer of the assets and liabilities of the Enterprise Funds to the General Fund was reported as transfers in/out in the Fund Financial Statements and Government-Wide Financial Statements. Because of the different measurement focus of the governmental funds (current financial resources measurement focus) and the measurement focus of the enterprise funds (economic resources measurement focus), the transfer in reported in the governmental funds was not the same amount as the transfer out that was reported in the Enterprise Fund Financial Statements. The difference between the transfers reported in the Governmental Fund Financial Statements and the transfers reported in the Enterprise Fund Financial Statements is reconciled as follows:

	<u>AMOUNT</u>
Total transfers reported in General Fund	\$ (4,640,617)
Capital assets recorded in the Enterprise Funds	52,994,589
Long-term liabilities reported in the Enterprise Funds	<u>(24,167,203)</u>
<b>Net Decrease to Net Assets of the Enterprise Funds as a Result of Transfers (Equal to the Amount of Transfers Reported in the Government-wide Financial Statements of the City)</b>	<b><u>\$ 24,186,769</u></b>

### E. Loans Receivable

At June 30, 2015, the City's net loans receivable consisted of the following:

	<u>BALANCE</u> <u>JULY 1, 2014</u>	<u>PRIOR-PERIOD</u> <u>ADJUSTMENT</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2015</u>
<b>GOVERNMENTAL ACTIVITIES</b>					
HOME Loans	-	\$ 11,348,433	\$ 435,744	\$ 699,498	\$ 11,084,679
ADDI Loans	-	30,000	-	-	30,000
NSP Loans	-	1,427,902	-	-	1,427,902
CDBG Loans	-	3,790,589	258,796	335,100	3,714,285
BEGIN Loans	-	3,305,485	262,555	77,051	3,490,989
CalHOME Loans	-	1,029,000	403,804	-	1,432,804
Affordable Housing Loans	\$ 2,050,000	28,165,537	105,000	18,000	30,302,537
Development Fees Loans	-	7,085,500	-	-	7,085,500
	<u>2,050,000</u>	<u>56,182,446</u>	<u>1,465,899</u>	<u>1,129,649</u>	<u>58,568,696</u>
<b>BUSINESS-TYPE ACTIVITIES</b>					
Wastewater Loans	<u>1,113,697</u>	-	-	44,397	<u>1,069,300</u>
	<u>1,113,697</u>	-	-	44,397	<u>1,069,300</u>
<b>TOTAL GOVERNMENT-WIDE STATEMENTS</b>	<u>\$ 3,163,697</u>	<u>\$ 56,182,446</u>	<u>\$ 1,465,899</u>	<u>\$ 1,174,046</u>	<u>\$ 59,637,996</u>

## **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

### **HOME Loans, ADDI Loans, NSP Loans, CDBG Loans, BEGIN Loans and CalHOME Loans**

The City of Oxnard offers loans to income-qualified families requiring assistance for homebuyers, home repairs, or mobilehome replacement. The programs are funded by the Home Investment Partnership Program (HOME), American Dream Downpayment Assistance Initiative (ADDI), Neighborhood Stabilization Program (NSP), Community Development Block Grant Funds (CDBG), Building Equity and Growth in Neighborhoods Program (BEGIN) and CalHome Program. These funds are restricted to assisting households that fall within certain income limits.

The terms of the loans range between 5 - 45 years with loan amounts up to \$133,000. Interest rate and repayment terms vary depending on the source of the funds and eligibility of the borrower. All loan amounts shall be due and payable to the City if the homeowner defaults on any of the loan terms before the term expires. The failure of the homeowner to live in the unit, and any re-financing without prior written authorization of the City, are two examples of types of actions that would constitute defaults which trigger the immediate obligation to repay the loan. The City secures the loan by placing a lien on the property by recording a Deed of Trust with Ventura County Recorder's Office for the loan amount.

### **Affordable Housing and Development Fees Loans**

The City entered into loan agreements with several developers for affordable housing and mixed-use projects. The terms of the loans include annual installments from residual receipts. The loans bear simple interest at a rate of 3% per year maturing between 24 - 55 years from the completion of the project. The City secured these loans with a deed of trust for the loan amount.

Three of the affordable housing loans in the aggregate amount of \$10,300,000 as of June 30, 2015 are loans to parties related to the Oxnard Housing Authority.

### **Septic to Sewer Project**

The City provided financial assistance to property owners affected by the California Regional Water Quality Control Board Resolution No. 99-13 of 1999 which prohibited the installation of new septic systems and called for the removal of existing septic systems in the area by 2008. The loans are interest free and payment plans are based on individual agreements.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### F. Capital Assets (Unaudited)

Changes in the City's capital assets for the year ended June 30, 2015 consisted of the following:

	BALANCE JULY 1, 2014	PRIOR-PERIOD ADJUSTMENTS	INCREASES	DECREASES	BALANCE JUNE 30, 2015
<b>GOVERNMENTAL ACTIVITIES</b>					
Capital Assets, Not Being Depreciated					
Land	\$ 988,370,375	\$ 8,322,604	\$ 28,511,921	\$ -	\$ 1,025,204,900
Construction in progress	<u>105,344,402</u>	<u>(88,969,546)</u>	<u>26,281,892</u>	<u>(17,717,827)</u>	<u>24,938,921</u>
<b>Total Capital Assets, Not Being Depreciated</b>					
<b>Depreciated</b>	<u>1,093,714,777</u>	<u>(80,646,942)</u>	<u>54,793,813</u>	<u>(17,717,827)</u>	<u>1,050,143,821</u>
Capital Assets, Being Depreciated					
Buildings	95,892,335		3,926,962	-	99,819,297
Improvements other than buildings	94,775,196	4,427,861	25,445,097		124,648,154
Equipment and machinery	48,422,037	(269,424)	957,372		49,109,985
Infrastructure	<u>528,959,427</u>	<u>102,960,928</u>	<u>432,991</u>	<u>-</u>	<u>632,353,346</u>
<b>Total Capital Assets, Being Depreciated</b>					
<b>Depreciated</b>	<u>768,048,995</u>	<u>107,119,365</u>	<u>30,762,422</u>	<u>-</u>	<u>905,930,782</u>
Less: Accumulated Depreciation					
Buildings	(28,695,267)		(3,860,597)		(32,555,864)
Improvements other than buildings	(20,849,762)	(200,172)	(5,123,334)		(26,173,268)
Equipment and machinery	(40,259,628)	262,572	(2,165,458)		(42,162,514)
Infrastructure	<u>(305,849,208)</u>	<u>(99,393)</u>	<u>(14,393,094)</u>	<u>-</u>	<u>(320,341,695)</u>
<b>Total Accumulated Depreciation</b>	<u>(395,653,865)</u>	<u>(36,993)</u>	<u>(25,542,483)</u>	<u>-</u>	<u>(421,233,341)</u>
<b>Total Capital Assets, Being Depreciated, Net</b>	<u>372,395,130</u>	<u>107,082,372</u>	<u>5,219,939</u>	<u>-</u>	<u>484,697,441</u>
<b>GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET</b>					
	<u>\$ 1,466,109,907</u>	<u>\$ 26,435,430</u>	<u>\$ 60,013,752</u>	<u>\$ (17,717,827)</u>	<u>\$ 1,534,841,262</u>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

	BALANCE JULY 1, 2014	PRIOR-PERIOD ADJUSTMENTS	INCREASES	DECREASES	BALANCE JUNE 30, 2015
<b>BUSINESS-TYPE ACTIVITIES</b>					
Capital Assets, Not Being Depreciated					
Land	\$ 47,730,214	\$ 564,805	\$ -	\$ (28,408,783)	\$ 19,886,236
Construction in progress	149,718,652	(55,618,568)	6,459,054	(78,844,265)	21,714,873
<b>Total Capital Assets, Not Being Depreciated</b>					
<b>Depreciated</b>	197,448,866	(55,053,763)	6,459,054	(107,253,048)	41,601,109
Capital assets, Being Depreciated					
Buildings	90,654,372		994,122	(4,020,683)	87,627,811
Municipal Golf Course improvements	25,461,641		-	(25,461,641)	-
Equipment and machinery	45,928,274		220,669	(251,561)	45,897,382
Infrastructure	534,732,912	17,837,529	95,854,301	(42,612)	648,382,130
<b>Total Capital Assets, Being Depreciated</b>					
<b>Depreciated</b>	696,777,199	17,837,529	97,069,092	(29,776,497)	781,907,323
Less: Accumulated Depreciation					
Buildings	(57,761,881)	141,799	(1,821,502)	1,905,240	(57,536,344)
Golf improvements	(3,480,594)	1,321,169		2,159,425	-
Equipment and machinery	(43,723,610)	1,130,916	(851,244)	244,373	(43,199,565)
Infrastructure	(173,095,933)	3,648,129	(13,965,345)	9,588	(183,403,561)
<b>Total Accumulated Depreciation</b>	(278,062,018)	6,242,013	(16,638,091)	4,318,626	(284,139,470)
<b>Total Capital Assets, Being Depreciated, Net</b>	418,715,181	24,079,542	80,431,001	(25,457,871)	497,767,853
<b>BUSINESS-TYPE ACTIVITIES</b>					
<b>CAPITAL ASSETS, NET</b>	\$ 616,164,047	\$ (30,974,221)	\$ 86,890,055	\$ (132,710,919)	\$ 539,368,962
<b>TOTALS</b>	\$ 2,082,273,954	\$ (4,538,791)	\$ 146,903,807	\$ (150,428,746)	\$ 2,074,210,224

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended June 30, 2015 depreciation expense on capital assets was charged as follows:

	<u>AMOUNT</u>
<b>GOVERNMENTAL ACTIVITIES</b>	
Legislative	\$ 86,317
Administration and support	2,079,503
Public safety	1,348,318
Transportation (highways and streets)	2,904,319
Community development	377,986
Culture and leisure	2,939,442
Libraries	506,350
Capital improvement projects, including depreciation of general infrastructure assets	11,067,395
Capital assets held by the City's internal service fund	<u>227,913</u>
<b>TOTAL GOVERNMENTAL ACTIVITIES DEPRECIATION EXPENSE</b>	<b><u>\$ 21,537,543</u></b>
<b>BUSINESS-TYPE ACTIVITIES</b>	
Water	\$ 6,088,457
Wastewater	8,502,020
Environmental resources	989,672
Oxnard Housing Authority	<u>1,057,942</u>
<b>TOTAL BUSINESS-TYPE ACTIVITIES DEPRECIATION EXPENSE</b>	<b><u>\$ 16,638,091</u></b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### G. 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 presents balances and activity for the City's fiscal year ended June 30, 2015:

	BALANCE JULY 1, 2014	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 2015	DUE WITHIN ONE YEAR
<b>GOVERNMENTAL ACTIVITIES</b>					
<b>Lease Revenue Bonds</b>					
Lease revenue refunding bonds, series 2003A	\$ 1,443,939	\$ 2,056,071	\$ 3,500,010	\$ -	\$ -
Variable rate demand lease revenue bonds, series 2003B	10,725,000	-	430,000	10,295,000	440,000
Variable rate demand lease revenue bonds, series 2006	20,285,000	-	610,000	19,675,000	635,000
Lease revenue refunding bonds, series 2011	-	20,835,000	290,000	20,545,000	330,000
Lease revenue refunding bonds, series 2014	-	21,225,000	2,925,000	18,300,000	2,635,000
Unamortized premiums	-	2,540,460	101,618	2,438,842	-
Unamortized discounts	-	(237,717)	(10,805)	(226,912)	-
<b>Certificate of Participation</b>					
Gas tax revenue certificate of participation	24,755,000	-	600,000	24,155,000	630,000
Unamortized discounts	(203,178)	-	(113,096)	(90,082)	-
<b>Capital Leases</b>					
2009 CIP lease purchase, draw #1	576,606	-	94,472	482,134	98,837
2009 CIP lease purchase, draw #2	3,464	-	3,464	-	-
2009 CIP lease purchase, draw #3	7,290	-	7,290	-	-
2009 CIP lease purchase, draw #6	73,674	-	73,674	-	-
2009 CIP lease purchase, draw #7	45,817	-	30,606	15,211	15,211
2009 CIP lease purchase, draw #8	12,291	-	8,132	4,159	4,159
2009 CIP lease purchase, draw #10	715,685	-	100,064	615,621	102,242
2009 CIP lease purchase, draw #11	44,812	-	29,657	15,155	15,155
2009 CIP lease purchase, draw #12	34,978	-	17,116	17,862	17,862
2009 CIP lease purchase, draw #13	1,913,422	-	589,735	1,323,687	608,470
2009 CIP lease purchase, draw #14	167,745	-	77,610	90,135	79,832
2009 CIP lease purchase, draw #15	11,394	-	3,140	8,254	3,231
2009 CIP lease purchase, draw #16	27,930	-	7,691	20,239	7,907
2009 CIP lease purchase, draw #17	94,438	-	26,042	68,396	26,784
2009 CIP lease purchase, draw #19	952,081	-	150,892	801,189	153,924
2009 CIP lease purchase, draw #20	328,534	-	70,675	257,859	71,988
2012 Lease purchase	4,933,807	-	307,210	4,626,597	318,123
2014 Lease of Fire Station 8	-	13,813,065	-	13,813,065	607,546
	66,949,729	60,231,879	9,930,197	117,251,411	6,801,271
Compensated absences	18,151,168	9,329,806	11,027,031	16,453,943	9,190,011
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 85,100,897</b>	<b>\$ 69,561,685</b>	<b>\$ 20,957,228</b>	<b>\$ 133,705,354</b>	<b>\$ 15,991,282</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

	BALANCE JULY 1, 2014	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 2015	DUE WITHIN ONE YEAR
<b>BUSINESS-TYPE ACTIVITIES</b>					
<b>Water Fund</b>					
<b>Revenue Bonds</b>					
Water revenue project bonds, series 2006	\$ 49,424,998	\$ -	\$ 1,015,000	\$ 48,409,998	\$ 1,060,000
Water revenue project bonds, series 2010A	12,685,000	-	1,340,000	11,345,000	1,410,000
Water revenue project bonds, series 2010B	83,670,000	-	-	83,670,000	
Water revenue refunding bonds, series 2012	8,555,000	-	410,000	8,145,000	415,000
Water revenue refunding bonds, series 2014	35,025,340	-	1,207,718	33,817,622	1,244,870
Unamortized premiums	2,508,084	-	232,403	2,275,681	
Unamortized discounts	(779,539)	-	(31,929)	(747,610)	
<b>Capital Leases</b>					
2009 CIP lease purchase, draw #4	8,862	-	8,862	-	
2009 CIP lease purchase, draw #5	14,787	-	14,787	-	
2009 CIP lease purchase, draw #8	22,937	-	15,175	7,762	7,762
2009 CIP lease purchase, draw #9	23,282	-	6,374	16,908	6,593
	<u>191,158,751</u>	-	<u>4,218,390</u>	<u>186,940,361</u>	<u>4,144,225</u>
Compensated absences	545,067	297,907	361,019	481,955	360,000
<b>TOTAL WATER FUND</b>	<b><u>\$ 191,703,818</u></b>	<b><u>\$ 297,907</u></b>	<b><u>\$ 4,579,409</u></b>	<b><u>\$ 187,422,316</u></b>	<b><u>\$ 4,504,225</u></b>
<b>Wastewater Fund</b>					
<b>Revenue Bonds</b>					
Wastewater revenue bonds, series 2004A	\$ 80,000,000	\$ -	\$ 80,000,000	\$ -	\$ -
Wastewater revenue bonds, series 2004B	18,710,000	-	965,000	17,745,000	995,000
Wastewater revenue bonds, series 2006	10,630,000	-	295,000	10,335,000	305,000
Wastewater revenue refunding bonds, series 2013	18,364,064	-	2,854,299	15,509,765	2,935,324
Wastewater revenue refunding bonds, series 2014	-	71,985,000	-	71,985,000	
Unamortized premiums		9,408,575	280,257	9,128,318	
<b>Capital Leases</b>					
2009 CIP lease purchase, draw #7	41,084	-	27,141	13,943	13,943
2009 CIP lease purchase, draw #12	17,327	-	8,777	8,550	8,550
2009 CIP lease purchase, draw #18	255,072	-	43,365	211,707	44,684
	<u>128,017,547</u>	<u>81,393,575</u>	<u>84,473,839</u>	<u>124,937,283</u>	<u>4,302,501</u>
Compensated absences	677,460	602,812	636,936	643,336	506,000
<b>TOTAL WASTEWATER FUND</b>	<b><u>\$ 128,695,007</u></b>	<b><u>\$ 81,996,387</u></b>	<b><u>\$ 85,110,775</u></b>	<b><u>\$ 125,580,619</u></b>	<b><u>\$ 4,808,501</u></b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

	BALANCE JULY 1, 2014	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 2015	DUE WITHIN ONE YEAR
<b>BUSINESS-TYPE ACTIVITIES</b>					
<b>(Continued)</b>					
<b>Environmental Resources Fund</b>					
<b>Revenue Bonds</b>					
Solid waste revenue refunding bonds, series 2005	\$ 3,890,000	\$ -	\$ 2,390,000	\$ 1,500,000	\$ 1,500,000
Unamortized premiums	104,013	-	104,013	-	-
Unamortized discounts	(13,621)	-	(13,621)	-	-
<b>Capital Lease</b>					
Lease purchase trash containers	1,544,802	-	362,851	1,181,951	377,992
2009 CIP lease purchase, draw #5	9,293	-	9,198	95	95
2009 CIP lease purchase, draw #9	120,443	-	32,972	87,471	34,051
2009 CIP lease purchase, draw #12	35,957	-	17,994	17,963	17,963
	5,690,887	-	2,903,407	2,787,480	1,930,101
Compensated absences	929,895	560,242	530,795	959,342	495,000
<b>TOTAL ENVIRONMENTAL RESOURCES FUND</b>	<b>\$ 6,620,782</b>	<b>\$ 560,242</b>	<b>\$ 3,434,202</b>	<b>\$ 3,746,822</b>	<b>\$ 2,425,101</b>
<b>Performing Arts and Convention Center Fund</b>					
Compensated absences	\$ 69,706	\$ -	\$ 69,706	\$ -	\$ -
<b>TOTAL PERFORMING ARTS AND CONVENTION CENTER FUND</b>	<b>\$ 69,706</b>	<b>\$ -</b>	<b>\$ 69,706</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Oxnard Housing Authority Fund</b>					
<b>Revenue Bonds</b>					
2004 Capital Fund Revenue Bonds	\$ 3,495,000	\$ -	\$ 280,000	\$ 3,215,000	\$ 295,000
Compensated absences	610,557	255,088	348,117	517,528	34,268
<b>TOTAL OXNARD HOUSING AUTHORITY FUND</b>	<b>\$ 4,105,557</b>	<b>\$ 255,088</b>	<b>\$ 628,117</b>	<b>\$ 3,732,528</b>	<b>\$ 329,268</b>
<b>Municipal Golf Course Fund</b>					
<b>Revenue Bonds</b>					
Lease revenue refunding bonds, series 2003A	\$ 2,056,071	\$ -	\$ 2,056,071	\$ -	\$ -
Lease revenue refunding bonds, series 2011	20,835,000	-	20,835,000	-	-
Unamortized discounts	(237,717)	-	(237,717)	-	-
<b>TOTAL MUNICIPAL GOLF COURSE FUND</b>	<b>\$ 22,653,354</b>	<b>\$ -</b>	<b>\$ 22,653,354</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 353,848,224</b>	<b>\$ 83,109,624</b>	<b>\$ 116,475,563</b>	<b>\$ 320,482,285</b>	<b>\$ 12,067,095</b>
<b>TOTALS</b>	<b>\$ 438,949,121</b>	<b>\$ 152,671,309</b>	<b>\$ 137,432,791</b>	<b>\$ 454,187,639</b>	<b>\$ 28,058,377</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

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, 2015 are as follows:

	BALANCE JULY 1, 2014	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 2015	DUE WITHIN ONE YEAR
<b>INTERNAL SERVICE FUNDS</b>					
Compensated absences	\$ 963,460	\$676,164	\$738,321	\$901,303	\$690,011
2009 CIP lease purchase, draw #11	<u>44,812</u>	<u>-</u>	<u>29,657</u>	<u>15,155</u>	<u>15,155</u>
<b>TOTALS</b>	<u>\$1,008,272</u>	<u>\$676,164</u>	<u>\$767,978</u>	<u>\$916,458</u>	<u>\$705,166</u>

**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%. The total balance outstanding as of June 30, 2014 was \$3,500,010, of which \$1,443,939 was recorded within governmental activities and \$2,056,071 was recorded within business-type activities in the Statement of Net Position. These bonds were refunded in 2015 using a portion of the proceeds from the sale of the Lease Revenue Project and Refunding Bonds, Series 2014. The refunding resulted in an economic gain of \$4,962 and debt service savings of \$11,715.

***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, 2015 is \$10,295,000. 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.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

On May 5, 2016, MUFG Union Bank (formerly Union Bank of California, N.A.) informed the City that it did not intend to extend this letter of credit beyond August 26, 2016. Additional disclosures are provided in Note V.B.

### ***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 (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%. 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, 2015 is \$19,675,000. 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.

On May 5, 2016, MUFG Union Bank (formerly Union Bank of California, N.A.) informed the City that it did not intend to extend this letter of credit beyond August 26, 2016. Additional disclosures are provided in Note V.B.

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

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% 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, 2015 is \$20,545,000. 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.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### ***Lease Revenue Project and Refunding Bonds, Series 2014***

Lease Revenue Refunding Bonds, Series 2014 were issued on November 4, 2014 in the amount of \$21,225,000. These are fifteen-year bonds maturing in various amounts through June 1, 2029, with a net interest cost of 3.403%. The bonds were issued to refund the outstanding Lease Revenue Refunding Bonds, Series 2003A, finance the acquisition, construction, and improvement of certain streets and roadways within certain residential neighborhoods with the City, and pay the costs incurred in connection with the issuance of the bonds. The total balance outstanding as of June 30, 2015 is \$18,300,000. 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, 2029.

### ***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% to 4.87% with a final maturity of September 1, 2037. The outstanding balance as of June 30, 2015 is \$24,155,000. 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.

### ***Capital Lease Obligations - Governmental Activities***

On September 1, 2009, the City entered into a Master Equipment Lease Purchase Line of Credit Agreement with Bank of America in an amount not to exceed \$10 million for the purpose of acquiring vehicles and other capital assets. Total machinery and equipment acquired under this lease was \$9,075,849. As of June 30, 2015, the total outstanding balance on this line of credit was \$3,719,901. Lease payments constitute obligations of the City's General Fund. Such obligation exists through the maturity date of the lease at October 1, 2020.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### ***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, 2015 is \$4,626,597. 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.

### ***2014 Lease/Purchase Agreement***

On January 1, 2014, the City entered into a Lease Agreement with Oxnard Fire Station, LLC for the lease of the Oxnard Fire Station #8 in the amount of \$13,813,065. Total lease payments beginning June 1, 2016 through December 31, 2031 amount to \$19,686,019, including interest of \$5,872,954. These lease payments constitute obligations of the City's General Fund. Such obligation exists through the maturity date of the lease at December 1, 2031.

The base rental is equal to the principal and interest payable with respect to the Revenue Bonds (Oxnard Fire Station Project) 2014 Series A and Revenue Bonds (Oxnard Fire Station Project) 2014 Series B (Taxable) issued by the California Municipal Finance Authority (Authority) in the amount of \$15,160,000 and \$220,000 respectively. The Authority loaned the proceeds of the bonds to Oxnard Fire Station, LLC to finance the construction of the Oxnard Fire Station #8.

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

The City has pledged all net water system revenues and all amounts 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% 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, 2015 is \$48,410,000. 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, 2036.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

The City has pledged all net water revenues and all amounts 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 and 2004 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% and mature on June 1, 2022. The proceeds from the sale of the bonds were used to finance a portion of the cost of certain capital improvements related to the GREAT program. The balance outstanding as of June 30, 2015 is \$11,345,000. 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 amounts 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 and 2004 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% and mature on June 1, 2040. The City receives an interest subsidy directly from the United States Treasury equal to 35% of each interest payment. The proceeds from the sale of the bonds were used to finance a portion of the cost of certain capital improvements related to the GREAT program. The balance outstanding as of June 30, 2015 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.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

The City has pledged all net water revenues and all amounts 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% 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, 2015 is \$8,145,000. 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 Refunding Bonds, Series 2014***

The City has pledged all net water revenues and all amounts on deposit in the Revenue Fund for the payment of the 2014 Installment Payments and the outstanding Parity Obligations. Parity Obligations as described on these bonds are 2012 Installment Payments, 2010 Installment Payments, and 2006 Installment Payments. The Installment Payments on these bonds are secured by a first priority lien on the net system revenues of the City's water Fund. These bonds were issued on June 3, 2014 in the amount of \$35,025,340. These bonds carry a net interest cost of 3.8% and mature on June 1, 2034. A portion of the proceeds were used to advance refund all the outstanding principal amount of \$37,840,000 of the Water Revenue Project Bonds, Series 2004. This refunding resulted in an economic gain of \$3,308,313 (difference between the present value of the old bonds and the present value of the new bonds) and a cash flow savings of \$3,808,815. The balance outstanding as of June 30, 2015 is \$33,817,622.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### ***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% and mature on June 30, 2034. The purpose of these bonds is to pay for the costs of the Redwood Trunk Sewer and Headworks Projects. The balance outstanding as of June 30, 2014 was \$80,000,000. The City has pledged all net wastewater revenues and all amounts on deposit in the Revenue Fund for the payment of the 2004 Installment Payments and the outstanding Parity Obligations. Parity Obligations as described on these bonds are 2003 Installment Payments. 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.

These bonds were refunded in 2015 using a portion of the proceeds from the sale of the Wastewater Revenue Bonds, Series 2014. The refunding resulted in an economic gain of \$14,475,380. The City's debt service payments decreased by \$17,110,400 through June 1, 2034 as a result of the refunding.

### ***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, 2015 is \$17,745,000. The City has pledged all net wastewater revenues and all amounts on deposit in the Revenue Fund for the payment of the 2004 Installment Payments and the outstanding Parity Obligations. Parity Obligations as described on these bonds are 2003 Installment Payments. 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.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

On May 5, 2016, MUFG Union Bank (formerly Union Bank of California, N.A.) informed the City that it did not intend to extend this letter of credit beyond August 26, 2016. Additional disclosures are provided in Note V.B.

### ***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% 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 (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, 2015 is \$10,335,000. The City has pledged all net wastewater revenues and all amounts on deposit in the Revenue Fund for the payment of the 2006 Installment Payments and the outstanding Parity Obligations. Parity Obligations as described on these bonds are 2004 Installment Payments and 2003 Installment Payments. 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.

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

The City has pledged all net system revenues to the payment of the Wastewater Revenue Refunding Bonds, Series 2013. Bonds were issued on October 30, 2013 in the amount of \$21,384,064 to refund \$21,205,000 in outstanding wastewater bonds issued on March 1, 2003. These bonds carry a net interest cost of 2.78% and mature on June 1, 2020. This refunding resulted in an economic gain of \$1,935,850 (difference between the present value of the old bonds and the present value of the new bonds) and a cash flow savings of \$2,115,161. The balance outstanding as of June 30, 2015 is \$15,509,765. 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.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

Wastewater Revenue Refunding Bonds, Series 2014 were issued on November 18, 2014 in the amount of \$71,985,000 to refund the Wastewater Revenue Refunding Bonds, Series 2004 issued on June 22, 2004 with outstanding balance of \$80,000,000. These bonds carry a net interest cost of 4.211% and mature on June 1, 2034. The balance outstanding as of June 30, 2015 is \$71,985,000. The City has pledged all net wastewater revenues and all amounts on deposit in the Revenue Fund for the payment of the 2014 Installment Payments and the outstanding Parity Obligations. Parity Obligations as described on these bonds are 2013 Installment Payments, 2006 Installment Payments, and 2004 Installment Payments. 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.

### ***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% 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, 2015 is \$1,500,000. 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 purposes as permitted by the Installment Purchase Agreements.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

Principal and interest paid for the current year and net water revenue were \$14,371,969 and \$10,305,504, respectively. The debt service coverage ratio of 72% is below the ratio required by bond covenants. Those covenants require coverage equal to at least 100% of debt payments plus unrestricted reserves equal to the difference between 125% of principal and interest payments and net water revenues. If the debt coverage ratio is below 100% of principal and interest payments the trustee can declare the bonds in default and pursue remedies provided for in the Installment Purchase Agreement. Management has plans to increase water rates to provide adequate bond coverage in future years.

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 purposes as permitted by the Installment Purchase Agreements.

Principal and interest paid for the current year and net wastewater revenue were \$9,518,824 and \$8,621,029, respectively. The debt service coverage ratio of 91% is below the ratio required by bond covenants. Those covenants require coverage equal to at least 100% of debt payments plus unrestricted reserves equal to the difference between 125% of principal and interest payments and net water revenues. If the debt coverage ratio is below 100% of principal and interest payments the trustee can declare the bonds in default and pursue remedies provided for in the Installment Purchase Agreement. Wastewater fund rate increases went into effect on March 1, 2016 to provide adequate bond coverage in future years.

The City has pledged all net solid waste system revenues and all amounts on deposit in the Revenue Fund for the payment of the bond Installment Payments. The solid waste 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 solid waste system revenues, there may be apportioned such sums for purposes as permitted by the Installment Purchase Agreements. Principal and interest paid for the current year and net solid waste revenue were \$515,840 and \$7,667,525, respectively. The debt service coverage ratio of 149% is in compliance with bond covenants.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

***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% to 4.95%, maturing on or after April 1, 2012. The outstanding balance as of June 30, 2015 is \$3,215,000.

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

On April 23, 2008, the City entered into a Lease Purchase Agreement with Upton & Oliver Funding Corporation for the purpose of acquiring trash containers, costing \$3,436,273, associated with the conversion to a three-cart residential container service. The lease purchase carries an interest rate of 4.13%, with a final maturity of April 23, 2018. The outstanding balance as of June 30, 2015 is \$1,181,951. The lease payments on these bonds constitute obligations of the City's Environmental Resources Fund. Such obligation exists through the maturity date of the bonds at April 23, 2018.

On September 1, 2009, the City entered into a Master Equipment Lease Purchase Line of Credit Agreement with Bank of America in an amount not to exceed \$10 million for the purpose of acquiring vehicles and other capital assets. Total machinery and equipment acquired under this lease was \$1,066,683. As of June 30, 2015, the total outstanding balance on this line of credit was \$364,400. The lease payments on these bonds constitute obligations of the City's Enterprise Funds. Such obligation exists through the maturity date of the lease at October 1, 2020.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

***Compensated Absences***

The accrual for compensated absences was reported as follows as of June 30, 2015:

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS TYPE</u>	<u>TOTAL</u>
<b>Beginning Balance</b>	\$ 18,151,168	\$ 2,832,685	\$ 20,983,853
Additions	9,329,290	1,808,963	11,138,253
Payments	<u>(11,026,515)</u>	<u>(2,039,487)</u>	<u>(13,066,002)</u>
<b>Ending Balance</b>	<u>16,453,943</u>	<u>2,602,161</u>	<u>19,056,104</u>
<b>CURRENT PORTIONS</b>	<u>\$ 9,190,011</u>	<u>\$ 1,395,268</u>	<u>\$ 10,585,279</u>
<b>LONG-TERM PORTIONS</b>	<u>\$ 7,263,932</u>	<u>\$ 1,206,893</u>	<u>\$ 8,470,825</u>

***Interest Rate Swaps***

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

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

1. **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 \$2,266,452 as of June 30, 2015. 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%. The contract provides that the City of Oxnard pay a fixed interest rate of 4.037% to the swap counterparty, the Royal Bank of Canada, in exchange for receiving a variable interest rate based upon 68% of the one-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, 2015, the swap's notional amount of \$10,295,000 matches the \$10,295,000 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% and receives a variable payment computed as 68% of one-month LIBOR. The bond's variable rate coupons track the Securities Industry Financial Markets Association (SIFMA) Municipal Swap Index.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

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, 2015. 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, 2015, 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% of one-month LIBOR is greater than the SIFMA swap index, the expected cost savings may be reduced. As of June 30, 2015, the SIFMA Municipal Swap Index rate was 0.07%, whereas 68% of one-month LIBOR was 0.12%.
- 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). Similarly, the counterparty can terminate the swap in the event that the City's credit rating falls below investment grade. The General Fund supported debt of the City carries ratings of A by Standard & Poor'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.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. **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 \$3,885,033 as of June 30, 2015. 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%. The contract provides that the City of Oxnard pay a fixed interest rate of 3.53% to the swap counterparty, the Royal Bank of Canada, in exchange for receiving a variable interest rate based upon 68% of the one-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, 2015, the swap's notional amount of \$19,675,000 matches the \$19,675,000 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% and receives a variable payment computed as 68% of one-month LIBOR. The bond's variable rate coupons track the Securities Industry Financial Markets Association (SIFMA) Municipal Swap Index.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

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, 2015. 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, 2015, 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% of one-month LIBOR is greater than the SIFMA swap index, the expected cost savings may be reduced. As of June 30, 2015, the SIFMA Municipal Swap Index rate was 0.07%, whereas 68% of one-month LIBOR was 0.12%.
- 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). Similarly, the counterparty can terminate the swap in the event that the City's credit rating falls below investment grade. The General Fund supported debt of the City carries ratings of A by Standard & Poor'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.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. **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 \$3,765,428 as of June 30, 2015. 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%. The contract provides that the City of Oxnard pay a fixed interest rate of 4.017% to the swap counterparty, the Royal Bank of Canada, in exchange for receiving a variable interest rate based upon 68% of the one-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, 2015, the swap's notional amount of \$17,745,000 matches the \$17,745,000 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% and receives a variable payment computed as 68% of one-month LIBOR. The bond's variable rate coupons track The Securities Industry Financial Markets Association (SIFMA) Municipal Swap Index.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

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, 2015. 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, 2015, 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% of one-month LIBOR is greater than the SIFMA swap index, the expected cost savings may be reduced. As of June 30, 2015, the SIFMA Municipal Swap Index rate was 0.07%, whereas 68% of one-month LIBOR was 0.12%.
- 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). Similarly, the counterparty can terminate the swap in the event that the City's credit rating falls below investment grade. The General Fund supported debt of the City carries ratings of A by Standard & Poor'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.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### Hedging Derivatives Instrument Payments and Hedged Debt

As of June 30, 2015, 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 JUNE 30,	PRINCIPAL	INTEREST	HEDGING DERIVATIVES, NET	TOTAL
2016	\$ 2,070,000	\$ 119,288	\$ 1,703,666	\$ 3,892,954
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	3,372,788
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	3,312,051
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
<b>TOTALS</b>	<u>\$ 47,715,000</u>	<u>\$ 1,315,506</u>	<u>\$ 18,661,428</u>	<u>\$ 67,691,934</u>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 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. No arbitrage liability existed at June 30, 2015.

### 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
	2016	\$ 6,801,271	\$ 5,012,195	\$ 10,671,827
2017	5,115,850	4,780,396	9,435,271	15,429,362
2018	4,753,523	4,584,251	9,755,006	15,076,372
2019	4,816,791	4,400,258	9,670,048	14,706,484
2020	6,263,943	4,545,217	10,012,560	14,330,490
2021-2025	26,163,902	17,517,812	55,725,384	62,832,156
2026-2030	32,056,991	11,311,466	67,442,811	49,722,221
2031-2035	24,217,292	5,005,311	76,820,828	30,967,620
2036-2040	4,940,000	7,570,157	57,690,000	12,205,780
2041-2045	-	-	-	-
<b>TOTALS</b>	<b>\$115,129,563</b>	<b>\$64,727,063</b>	<b>\$307,223,735</b>	<b>\$ 233,926,070</b>

FISCAL YEAR	ADJUSTABLE LEASE REVENUE BONDS, SERIES 2003B (1)		
	PRINCIPAL	INTEREST	SWAP INTEREST *1
2016	\$ 440,000	\$ 415,609	\$ 415,609
2017	455,000	397,846	397,846
2018	470,000	379,478	379,478
2019	485,000	360,504	360,504
2020	495,000	340,925	340,925
2021-2025	2,710,000	1,392,563	1,392,563
2026-2030	3,135,000	812,043	812,043
2031-2035	2,105,000	171,371	171,371
2036-2040	-	-	-
<b>TOTALS</b>	<b>\$ 10,295,000</b>	<b>\$ 4,270,339</b>	<b>\$ 4,270,339</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

FISCAL YEAR	VARIABLE RATE DEMAND LEASE REVENUE BONDS 2006 (1)		
	PRINCIPAL	INTEREST	SWAP INTEREST *1
	2016	\$ 635,000	\$ 694,528
2017	655,000	672,112	672,112
2018	680,000	648,990	648,990
2019	705,000	624,986	624,986
2020	735,000	600,100	600,100
2021-2025	4,100,000	2,591,902	2,591,902
2026-2030	4,930,000	1,811,772	1,811,772
2031-2035	5,915,000	874,381	874,381
2036-2040	1,320,000	46,596	46,596
<b>TOTALS</b>	<b>\$ 19,675,000</b>	<b>\$ 8,565,367</b>	<b>\$ 8,565,367</b>

FISCAL YEAR	LEASE REVENUE REFUNDING BONDS SERIES 2011 (1)		LEASE REVENUE REFUNDING BONDS SERIES 2014 (1)	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
	2016	\$ 330,000	\$ 1,075,895	\$ 2,635,000
2017	370,000	1,065,995	900,000	764,900
2018	410,000	1,051,195	935,000	728,900
2019	455,000	1,034,795	975,000	691,500
2020	505,000	1,017,732	1,020,000	642,750
2021-2025	3,405,000	4,675,462	5,930,000	2,394,500
2026-2030	5,245,000	3,675,692	5,905,000	756,000
2031-2035	7,850,000	1,988,825	-	-
2036-2040	1,975,000	113,562	-	-
<b>TOTALS</b>	<b>\$ 20,545,000</b>	<b>\$15,699,153</b>	<b>\$ 18,300,000</b>	<b>\$ 6,822,500</b>

FISCAL YEAR	GAS TAX REVENUE CERTIFICATE OF PARTICIPATION ISSUED 2008 (1)		2009 MASTER EQUIPMENT LEASE PURCHASE (1)	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
	2016	\$ 630,000	\$ 1,079,450	\$ 1,205,601
2017	655,000	1,050,475	1,117,199	81,112
2018	690,000	1,020,300	560,995	47,698
2019	720,000	992,100	429,504	30,779
2020	745,000	962,800	344,990	9,877
2021-2025	4,225,000	4,311,850	61,612	1,226
2026-2030	7,675,000	3,271,069	-	-
2031-2035	7,170,000	1,917,650	-	-
2036-2040	1,645,000	342,831	-	-
<b>TOTALS</b>	<b>\$ 24,155,000</b>	<b>\$14,948,525</b>	<b>\$ 3,719,901</b>	<b>\$ 286,843</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

<u>FISCAL YEAR</u>	<u>2012 LEASE PURCHASE (1)</u>		<u>2014 LEASE PURCHASE (1)</u>	
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2016	\$ 318,123	\$ 163,782	\$ 607,547	\$ 622,830
2017	328,710	152,520	634,941	595,436
2018	343,958	140,884	663,570	566,806
2019	353,797	128,708	693,490	536,886
2020	1,694,193	465,417	724,760	505,616
2021-2025	1,587,816	142,902	4,144,474	2,007,407
2026-2030	-	-	5,166,991	984,890
2031-2035	-	-	1,177,292	53,084
<b>TOTALS</b>	<b><u>\$ 4,626,597</u></b>	<b><u>\$ 1,194,213</u></b>	<b><u>\$ 13,813,065</u></b>	<b><u>\$ 5,872,955</u></b>

<u>FISCAL YEAR</u>	<u>WATER REVENUE PROJECT BONDS SERIES 2006 (2)</u>	
	<u>PRINCIPAL</u>	<u>INTEREST</u>
2016	\$ 1,060,000	\$ 2,370,248
2017	1,105,000	2,322,548
2018	1,150,000	2,275,585
2019	1,215,000	2,218,085
2020	1,270,000	2,157,335
2021-2025	7,280,000	9,867,100
2026-2030	9,200,000	7,950,738
2031-2035	19,215,000	4,992,500
2036-2040	6,915,000	345,750
<b>TOTALS</b>	<b><u>\$48,410,000</u></b>	<b><u>\$34,499,889</u></b>

<u>FISCAL YEAR</u>	<u>WATER REVENUE PROJECT BONDS SERIES 2010A (2)</u>		<u>WATER REVENUE PROJECT BONDS SERIES 2010B (2)</u>	
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2016	\$ 1,410,000	\$ 564,325	\$ -	\$ 5,786,173
2017	1,460,000	507,925	-	5,786,173
2018	1,535,000	434,925	-	5,786,173
2019	1,610,000	358,175	-	5,786,173
2020	1,695,000	277,675	-	5,786,173
2021-2025	3,635,000	302,500	6,180,000	28,521,723
2026-2030	-	-	12,255,000	25,225,418
2031-2035	-	-	15,220,000	20,665,290
2036-2040	-	-	50,015,000	11,822,030
<b>TOTALS</b>	<b><u>\$11,345,000</u></b>	<b><u>\$ 2,445,525</u></b>	<b><u>\$83,670,000</u></b>	<b><u>\$115,165,326</u></b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

FISCAL YEAR	WATER REVENUE PROJECT BONDS SERIES 2012 (2)		WATER REVENUE REFUNDING BONDS SERIES 2014 (2)	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
	2016	\$ 415,000	\$ 3,135,198	\$ 1,244,870
2017	430,000	301,069	1,295,245	1,237,749
2018	445,000	288,169	1,344,671	1,188,529
2019	455,000	274,819	1,392,368	1,137,432
2020	475,000	256,619	1,446,445	1,084,522
2021-2025	2,680,000	970,894	8,100,384	4,554,867
2026-2030	3,245,000	412,600	9,762,811	2,894,441
2031-2035	-	-	9,230,828	893,123
2036-2040	-	-	-	-
<b>TOTALS</b>	<b><u>\$ 8,145,000</u></b>	<b><u>\$ 5,639,368</u></b>	<b><u>\$33,817,622</u></b>	<b><u>\$ 14,275,717</u></b>

FISCAL YEAR	WASTEWATER REVENUE BONDS SERIES 2004B (2)		
	PRINCIPAL	INTEREST	SWAP INTEREST *1
	2016	\$ 995,000	\$ 712,817
2017	1,025,000	672,848	672,848
2018	1,050,000	631,673	631,673
2019	1,085,000	589,495	589,495
2020	1,110,000	545,910	545,910
2021-2025	3,905,000	2,201,919	2,201,919
2026-2030	4,495,000	1,371,404	1,371,404
2031-2035	4,080,000	415,457	415,457
2036-2040	-	-	-
<b>TOTALS</b>	<b><u>\$17,745,000</u></b>	<b><u>\$ 7,141,523</u></b>	<b><u>\$ 7,141,523</u></b>

FISCAL YEAR	WASTEWATER REVENUE BONDS SERIES 2006 (2)		WASTEWATER REVENUE REFUNDING BONDS SERIES 2013 (2)	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
	2016	\$ 305,000	\$ 492,530	\$ 2,935,324
2017	315,000	480,330	3,013,176	349,569
2018	330,000	466,942	3,101,192	265,803
2019	345,000	452,752	3,183,905	179,590
2020	360,000	437,745	3,276,168	91,077
2021-2025	2,050,000	1,933,875	-	-
2026-2030	2,580,000	1,409,620	-	-
2031-2035	3,290,000	699,750	-	-
2036-2040	760,000	38,000	-	-
<b>TOTALS</b>	<b><u>\$10,335,000</u></b>	<b><u>\$ 6,411,544</u></b>	<b><u>\$15,509,765</u></b>	<b><u>\$ 1,317,210</u></b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

FISCAL YEAR	WASTEWATER REVENUE REFUNDING BONDS SERIES 2014 (2)		SOLID WASTE REVENUE BONDS HOUSING AUTHORITY (2)	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
	2016		\$ 3,599,250	\$ 1,500,000
2017		3,599,250	-	-
2018		3,599,250	-	-
2019		3,599,250	-	-
2020		3,599,250	-	-
2021-2025	\$20,295,000	16,065,500	-	-
2026-2030	25,905,000	10,458,000	-	-
2031-2035	25,785,000	3,301,500	-	-
2036-2040	-	-	-	-
<b>TOTALS</b>	<b>\$71,985,000</b>	<b>\$47,821,250</b>	<b>\$ 1,500,000</b>	<b>\$ 75,000</b>

FISCAL YEAR	2004 CAPITAL FUND REVENUE BONDS HOUSING AUTHORITY (2)	
	PRINCIPAL	INTEREST
2016	\$ 295,000	\$ 148,690
2017	310,000	136,300
2018	320,000	122,970
2019	335,000	108,890
2020	355,000	93,815
2021-2025	1,600,000	200,240
<b>TOTALS</b>	<b>\$ 3,215,000</b>	<b>\$ 810,905</b>

FISCAL YEAR	2009 MASTER EQUIPMENT LEASE PURCHASE (1) AND (2)		PURCHASE AGREEMENT ISSUE 2008 (2)	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2016	\$ 133,641	\$ 10,177	\$ 377,992	\$ 44,952
2017	88,086	6,422	393,764	29,179
2018	68,948	3,603	410,195	12,750
2019	48,775	1,823	-	-
2020	24,947	369	-	-
<b>TOTALS</b>	<b>\$ 364,397</b>	<b>\$ 22,394</b>	<b>\$ 1,181,951</b>	<b>\$ 86,881</b>

\*1 Variable rate used was LIBOR rate .152% as of June 30, 2014.

(1) Governmental activity debt

(2) Business-type activity debt

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

The City is not in compliance with its continuing disclosure obligations. A "Notice of Failure to File Financial Statements" for all of the City's bond issues was filed with the Municipal Securities Rulemaking Board (MSRB) on March 31, 2016. MUFG Union Bank waived the City's compliance with respect to delivery of the City's quarterly financial statements for the periods ended September 30, 2015, December 31, 2015, and March 31, 2016.

**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, 2015 is as follows:

	<u>AMOUNT</u>
<b>Rice Avenue/Highway 101 Interchange Assessment District</b>	
Local Obligation Revenue Bonds (2012 Special District Bond Refinancing to refund 1915 Act Limited Obligation Bonds.)	\$ 10,990,000
<b>Rose Avenue/Highway 101 Assessment District</b>	
1915 Act Improvement Bonds	1,310,000
<b>City of Oxnard Community Facilities District 1 (Westport)</b>	
Local Obligation Revenue Bonds (2012 Special District Bond Refinancing to refund CFD No. 2000-3 Bonds.)	8,385,000
<b>Oxnard Boulevard Interchange Community Facilities District 2000-3</b>	
Local Obligation Revenue Bonds (2012 Special District Bond Refinancing to refund CFD No. 1 Bonds.)	7,160,000
<b>Oxnard Boulevard/Highway 101 Interchange Assessment District 2000-1</b>	
1915 Act Improvement Limited Obligation Bonds	1,860,000
<b>Community Facilities District No. 3</b>	
Special Tax Refunding Bond (Seabridge Mandalay Bay) 2013	<u>27,455,000</u>
<b>TOTAL</b>	<u>\$ 57,160,000</u>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### H. Fund balances

The following funds had deficit fund balances as of June 30, 2015:

	<u>AMOUNT</u>
State Term Grants Fund	\$ 93,460
Homeland Security Grant	18,608
Emergency Shelter Grant	3,768
TEA-XXI-1998 Grant	551,998
Fed. Transport. My Grants	979,524
LMD #41-Pacific Cove	1,200

The grant funds have negative fund balances because of expenditures that were not eligible for grant reimbursement.

### III. DEFINED BENEFIT PENSION PLANS AND OTHER POST-EMPLOYMENT BENEFITS

#### California Public Employees' Retirement System

##### A. Retirement Plan Description

The City contributes to the California Public Employees' Retirement System (CalPERS), an agent multiple-employer public employee defined benefit plan, which acts as a common investment and administrative agent for participating public entities within the State of California. The City participates in the single-employer plan for its Miscellaneous 2% at 55 and 2% at 62 and Police 3% at 50 and 2.7% at 57, and in the risk pool sharing plan for its Fire 3% at 50 and 2.7% at 57. Benefit provisions and all other requirements are established by State statutes within the Public Employees' Retirement Law. City of Oxnard selects optimal benefit provisions and adopts those benefits through local ordinance. Copies of CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 "P" Street, Sacramento, CA 95814 or from the CalPERS website <http://www.calpers.ca.gov>.

During the year ended June 30, 2013, the California's Public Employees' Pension Reform Act (PEPRA) went into effect. PEPRA requires new benefits and member contributions for new members as defined by PEPRA that are hired after January 1, 2013. Employees who were CalPERS members before January 1, 2013 are considered "Classic members."

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### B. **Benefits Provided**

CalPERS provides service retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment.

Classic members or PEPRA Safety members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. PEPRA Miscellaneous members become eligible for retirement at age 52 with at least five years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The benefit factor depends on the benefit formula specified in the employer's contract. The years of service is the amount credited by CalPERS to a member while he or she is employed in this group. The final compensation is the monthly average of the member's highest 12 consecutive months' full-time equivalent monthly pay.

All members are eligible for nonduty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The standard death benefit for Safety members is the Special Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

### C. **Contributions**

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially-determined rate and the contribution rate of employees.

Participants in the Miscellaneous and Safety plans are required to contribute a percentage of their annual covered salary. With the exception of the PEPRA members, the City pays the contributions required of City employees on their behalf. The City is required to contribute the actuarially-determined remaining amounts necessary to fund the benefits for its members.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended June 30, 2015, the City's total contributions for the Miscellaneous and Safety Plans were \$21,119,942. The City's contributions recognized as part of the pension expense for the year ended June 30, 2015 was \$17,389,425 for the Miscellaneous and Safety Plans.

The Plan's provisions and benefits in effect at June 30, 2015 are summarized as follows:

	<b>Miscellaneous</b>	
	Prior to <u>January 1, 2013</u>	On or After <u>January 1, 2013</u>
Hire date		
Benefit formula	2.0% at 55	2.0% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 67+	52 - 67+
Monthly benefits, as a % of eligible compensation	1.43% to 2.42%	1.00% to 2.50%
Required employee contribution rates	7.00%	6.75%
Required employer contribution rates	14.417%	14.417%

	<b>Safety-Police</b>	
	Prior to <u>January 1, 2013</u>	On or After <u>January 1, 2013</u>
Hire date		
Benefit formula	3.0% at 50	2.7% at 57
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55+	50 - 57+
Monthly benefits, as a % of eligible compensation	3.00%	2.00% to 2.70%
Required employee contribution rates	9.00%	15.00%
Required employer contribution rates	38.748%	38.748%

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

	<b>Safety-Fire</b>	
	<u>Prior to</u>	<u>On or After</u>
	<u>January 1, 2013</u>	<u>January 1, 2013</u>
Hire date		
Benefit formula	3.0% at 50	2.7% at 57
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55+	50 - 57+
Monthly benefits, as a % of eligible compensation	3.00%	2.00% to 2.70%
Required employee contribution rates	9.00%	12.25%
Required employer contribution rates	38.283%	38.283%

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

At June 30, 2014 (measurement date), the following employees were covered by the benefit terms of the Plan:

Description	Number of Members		
	Miscellaneous	Safety-Police	Safety-Fire
Active members	1,015	224	96
Transferred members	503	34	24
Terminated members	1,217	31	8
Retired members and beneficiaries	<u>829</u>	<u>238</u>	<u>123</u>
<b>TOTALS</b>	<u><u>3,564</u></u>	<u><u>527</u></u>	<u><u>251</u></u>

**D. Actuarial Methods and Assumptions Used to Determine Total Pension Liability**

The June 30, 2013 and the June 30, 2014 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB 68
Actuarial Assumptions	
Discount Rate	7.50%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality Rate Table <sup>1</sup>	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

<sup>1</sup> The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality, and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### E. Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially-assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.50 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Rate of Return <sup>(1)</sup> Years 1 - 10	Rate of Return <sup>(2)</sup> Years 11+
Global Equity	47.00%	5.25%	5.71%
Global Fixed Income	19.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	12.00%	6.83%	6.95%
Real Estate	11.00%	4.50%	5.13%
Infrastructure and Forestland	3.00%	4.50%	5.09%
Liquidity	2.00%	-0.55%	-1.05%

<sup>(1)</sup> An expected inflation of 2.5% used for this period

<sup>(2)</sup> An expected inflation of 3.0% used for this period

### F. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

The City's net pension liability is measured as the total pension liability less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2014, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013, rolled forward to June 30, 2014, using standard update procedures.

The following table shows the net pension liabilities for the Miscellaneous and Safety-Fire Plans and the respective changes in net pension liabilities recognized over the measurement period.

	Miscellaneous	Safety-Police
Balance at 6/30/2013 (Valuation Date)	<u>\$ 100,298,235</u>	<u>\$ 87,441,163</u>
Changes Recognized for the Measurement Period		
Service cost	7,507,381	8,379,851
Interest on the total pension liability	27,937,746	21,472,209
Employer contributions	(6,858,454)	(8,947,510)
Employee contributions	(3,730,681)	(2,505,819)
Net investment income	<u>(47,653,092)</u>	<u>(34,904,812)</u>
Net changes during 2013-2014	<u>(22,797,100)</u>	<u>(16,506,081)</u>
<b>Balance at 6/30/14 (Measurement Date)</b>	<u><b>\$ 77,501,135</b></u>	<u><b>\$ 70,935,082</b></u>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

The following shows the Safety-Fire Plan's proportionate share of the risk pool collective net pension liability over the measurement period.

	<u>Safety-Fire</u>
Balance at 6/30/2013 (Valuation Date)	\$ 40,654,291
Net changes during 2013-2014	<u>(7,141,768)</u>
<b>Balance at 6/30/14 (Measurement Date)</b>	<b><u>\$ 33,512,523</u></b>

For the year ended June 30, 2015, the City recognized pension expense of \$5,825,758, \$8,373,906, and \$3,189,761 for the Miscellaneous, Safety-Police and Safety-Fire Plans, respectively. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date:		
Miscellaneous Plan	\$ 7,208,176	
Safety-Police	9,907,130	
Safety-Fire	4,004,186	
Net difference between projected and actual earnings on pension plan investments:		
Miscellaneous Plan		\$ 21,764,404
Safety-Police		15,932,477
Safety-Fire		7,084,956
Adjustment due to the differences in proportions:		
Safety-Fire	<u>-</u>	<u>335,649</u>
<b>TOTALS</b>	<b><u>\$ 21,119,492</u></b>	<b><u>\$ 45,117,486</u></b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

The deferred outflows of resources related to contributions subsequent to the measurement date of \$21,108,873 will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Measurement Period Ending June 30,</u>	<u>Deferred Outflows/ (Inflows) of Resources</u>
2016	\$ (11,315,334)
2017	(11,315,334)
2018	(11,315,334)
2019	<u>(11,171,484)</u>
<b>TOTAL</b>	<b><u>\$ (45,117,486)</u></b>

**G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.50 percent) or 1 percentage-point higher (8.50 percent) than the current rate:

	<u>Discount Rate - 1% (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>Discount Rate + 1% (8.50%)</u>
<b><u>Net Pension Liability (Asset)</u></b>			
Miscellaneous Plan	\$ 131,044,895	\$ 77,501,135	\$ 33,285,870
Safety-Police	114,155,446	70,934,982	35,586,608
Safety-Fire	<u>51,773,780</u>	<u>33,512,523</u>	<u>18,466,036</u>
<b>TOTALS</b>	<b><u>\$ 296,974,121</u></b>	<b><u>\$ 181,948,640</u></b>	<b><u>\$ 87,338,514</u></b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### Public Agency Retirement System Retirement Enhancement Plan

#### A. Plan Description

The City established a Public Agency Retirement System Retirement Enhancement Plan (PARS), an agent multiple-employer plan, effective January 1, 2003 for selected groups of miscellaneous employees (nonsafety), Service Employees International Union (SEIU), International Union of Operating Engineers (IUOE), Management, and one of the two groups of Confidential employees. PARS is a 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. 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.

#### B. Benefits Provided

For employees meeting the eligibility requirements, the plan provides a benefit equal to the "3% at 60" plan factor (formula is a static 3% at age 60 and older), less the PERS "2% at 55" plan factors for all years of City service plus any military service purchased through PERS (prior to July 1, 2003) while an employee of the City of Oxnard. Eligibility for an immediate benefit is defined as reaching age 50, completing five years of Oxnard service, and retiring concurrently from both the City and PERS after leaving City employment. In addition, a deferred benefit would be available to participants who complete five years of service. The City has full discretionary authority to control, amend, modify, or terminate this plan at any time.

At June 30, 2014, the following employees were covered by the benefit:

Description	Number of Members
Active members	669
Inactives entitled to benefit payments	82
Inactives currently receiving benefit payments	<u>216</u>
<b>TOTAL</b>	<u><u>967</u></u>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**C. Contributions**

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

	<u>City Contributions</u>	<u>Employee Contributions</u>
IUOE	2.70%	5.30%
SEIU	3.50%	4.50%
Management and confidential	3.00%	5.00%

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. The actuarially determined contribution for the fiscal year ended June 30, 2015 was 12% of eligible employee gross wages. The City contributed \$1,001,171 to PARS for the year ended June 30, 2015. The contributions recognized as part of the pension expense for the plan was \$985,000.

**D. Actuarial Methods and Assumptions Used to Determine Total Pension Liability**

The June 30, 2013 and the June 30, 2014 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB 68
Actuarial Assumptions	
Discount Rate	6.75%
Inflation	3.00%
Salary Increases	Merit payroll increases; Aggregate 3.25%
Investment Rate of Return	6.75%
Mortality Rate Table	CalPERS 1997-2011 Experience Study

**E. Discount Rate**

The discount rate used to measure the total pension liability for the Plan was 6.75%. The pension trust is projected to have sufficient assets to pay benefits per the Plan's current contribution policy.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

The long-term expected rate of return on pension plan investments was based on an assumed long-term asset allocation of 60% equities, 35% fixed, and 5% cash with geometric returns of 5.35%, 1.55%, and 0.45%, respectively, and a 0.30% reduction for investment expenses.

### F. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

The City's net pension liability is measured as the total pension liability less the pension plan's fiduciary net position. The net pension liability of the PARS Plan is measured as of June 30, 2014, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013, rolled forward to June 30, 2014, using standard update procedures.

The following table shows the net pension liabilities for the Plan and the respective changes in net pension liabilities recognized over the measurement period.

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2013 (Valuation Date)	\$ 76,677,000	\$ 42,714,000	\$ 33,963,000
Changes Recognized for the Measurement Period			
Service cost	2,220,000		2,220,000
Interest on the total pension liability	5,238,000		5,238,000
Employer contributions		985,000	(985,000)
Employee contributions (paid by employer)		2,731,000	(2,731,000)
Net investment income		6,805,000	(6,805,000)
Administrative expenses		(65,000)	65,000
Benefit payments, included refunds of employee contributions	(2,599,000)	(2,599,000)	-
Net changes	<u>4,859,000</u>	<u>7,857,000</u>	<u>(2,998,000)</u>
<b>Balance at June 30, 2014 (Measurement Date)</b>	<b><u>\$ 81,536,000</u></b>	<b><u>\$ 50,571,000</u></b>	<b><u>\$ 30,965,000</u></b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended June 30, 2015, the City recognized pension expense of \$1,097,000, for the PARS Plan. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date	\$ 1,001,171	
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>\$ 3,110,000</u>
<b>TOTALS</b>	<u>\$ 1,001,171</u>	<u>\$ 3,110,000</u>

The deferred outflows of resources related to contributions subsequent to the measurement date of \$1,001,171 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Measurement Period Ending June 30,</u>	<u>Deferred Outflows/ (Inflows) of Resources</u>
2016	\$ (777,000)
2017	(777,000)
2018	(777,000)
2019	<u>(779,000)</u>
<b>TOTAL</b>	<u>\$ (3,110,000)</u>

### G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 6.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.75%) or 1 percentage-point higher (7.75%) than the current rate:

	Discount Rate - 1% (5.75%)	Current Discount Rate (6.75%)	Discount Rate + 1% (7.75%)
Net Pension Liability	<u>\$ 42,339,000</u>	<u>\$ 30,965,000</u>	<u>\$ 21,564,000</u>

## **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

### **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 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. The City's payable to the plan at June 30, 2015 is \$724,963, payable through 2020 at annual payments ranging from \$63,314 to \$165,360.

### **Deferred Compensation Plan**

The City sponsors a deferred compensation plan that qualifies under Section 457(b) of the Internal Revenue Code (IRC). The Plan accepts payroll-deducted contributions for participant-directed investing. Contributions are limited to an annual maximum amount as established under the IRC. Employee salary reduction contributions are tax deferred and are immediately 100% vested. The assets of the Plan are held in trust for the exclusive benefit of plan participants and their beneficiaries. Plan assets are not the property of the City or subject to the claims of the City's general creditors.

### **Post-employment Health Care Benefits**

#### **A. Plan Description**

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

CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 "P" Street, Sacramento, California 95814.

#### **B. 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 2015 was \$122. The required contribution is based on pay-as-you-go financing requirements. Retirees must contribute any premium amounts in excess of the City contribution.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

The City's annual OPEB cost and the net OPEB obligation for fiscal year 2014-2015 is as follows:

	<u>FY 2015</u>
Annual Required Contribution (ARC)	\$ 1,667,490
Interest on Net OBEP Obligation	383,500
Amortization adjustment to ARC	<u>(535,962)</u>
Annual OPEB Cost	1,515,028
Employer Contribution	<u>(442,507)</u>
Change in OPEB Obligation	1,072,521
Net OPEB Obligation, 6/30/14	<u>9,267,865</u>
<b>NET OPEB OBLIGATION, 6/30/15</b>	<b><u>\$ 10,340,386</u></b>

**C. Annual OPEB Cost and Net OPEB Obligation**

For fiscal 2014-2015, the City's annual OPEB cost of \$1,502,243 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 <u>ENDED</u>	ANNUAL OPEB COST	ACTUAL CONTRIBUTION	PERCENTAGE OF ANNUAL OPEB COST CONTRIBUTED	NET OPEB OBLIGATION
6-30-13	\$ 1,339,137	\$ 366,704	27.4	\$ 8,148,476
6-30-14	1,522,202	402,813	26.5	9,267,865
6-30-15	1,502,243	442,507	29.5	10,340,386

**D. Funded Status and Funding Progress**

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

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

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

Actuarial Cost Method	Projected Unit Credit																														
Amortization Method	30-Year level dollar, open period																														
Discount Rate	4.00% per annum																														
Return on Assets	4.00% per annum																														
Pre-retirement Turnover	According to the Crocker-Sarason Table T-5 less mortality, without adjustment																														
Pre-retirement Mortality	RP-2000 Combined Mortality, static projection to 2012 by scale AA																														
Post-retirement Mortality	RP-2000 Combined Mortality, static projection to 2012 by scale AA																														
Retirement Rates	<table border="0"> <thead> <tr> <th></th> <th style="text-align: center;">Percent</th> </tr> <tr> <th style="text-align: center;"><u>Age</u></th> <th style="text-align: center;"><u>Retiring</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">50-51</td> <td style="text-align: center;">4.0</td> </tr> <tr> <td style="text-align: center;">52</td> <td style="text-align: center;">85.0</td> </tr> <tr> <td style="text-align: center;">53</td> <td style="text-align: center;">6.0</td> </tr> <tr> <td style="text-align: center;">54</td> <td style="text-align: center;">8.0</td> </tr> <tr> <td style="text-align: center;">55</td> <td style="text-align: center;">10.0</td> </tr> <tr> <td style="text-align: center;">56</td> <td style="text-align: center;">12.0</td> </tr> <tr> <td style="text-align: center;">57-59</td> <td style="text-align: center;">7.0</td> </tr> <tr> <td style="text-align: center;">60-61</td> <td style="text-align: center;">12.0</td> </tr> <tr> <td style="text-align: center;">62</td> <td style="text-align: center;">20.0</td> </tr> <tr> <td style="text-align: center;">63-64</td> <td style="text-align: center;">15.0</td> </tr> <tr> <td style="text-align: center;">65</td> <td style="text-align: center;">25.0</td> </tr> <tr> <td style="text-align: center;">66</td> <td style="text-align: center;">20.0</td> </tr> <tr> <td style="text-align: center;">67</td> <td style="text-align: center;">100.0</td> </tr> </tbody> </table>		Percent	<u>Age</u>	<u>Retiring</u>	50-51	4.0	52	85.0	53	6.0	54	8.0	55	10.0	56	12.0	57-59	7.0	60-61	12.0	62	20.0	63-64	15.0	65	25.0	66	20.0	67	100.0
	Percent																														
<u>Age</u>	<u>Retiring</u>																														
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63-64	15.0																														
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Trend Rate	Healthcare costs were assumed to increase according to the following schedule: <table border="0" style="margin-left: 40px;"> <thead> <tr> <th></th> <th style="text-align: center;">Medical/ <u>Rx</u></th> <th style="text-align: center;">Medical <u>CPI</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;"><u>FYB</u></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">2013</td> <td style="text-align: center;">8.0%</td> <td style="text-align: center;">4.0%</td> </tr> <tr> <td style="text-align: center;">2014</td> <td style="text-align: center;">7.0%</td> <td style="text-align: center;">4.0%</td> </tr> <tr> <td style="text-align: center;">2015</td> <td style="text-align: center;">6.0%</td> <td style="text-align: center;">4.0%</td> </tr> <tr> <td style="text-align: center;">2016</td> <td style="text-align: center;">5.0%</td> <td style="text-align: center;">4.0%</td> </tr> </tbody> </table>		Medical/ <u>Rx</u>	Medical <u>CPI</u>	<u>FYB</u>			2013	8.0%	4.0%	2014	7.0%	4.0%	2015	6.0%	4.0%	2016	5.0%	4.0%												
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<u>FYB</u>																															
2013	8.0%	4.0%																													
2014	7.0%	4.0%																													
2015	6.0%	4.0%																													
2016	5.0%	4.0%																													
Percent Waiving Coverage	Police - 10% (applies to future retirees only) All other groups - 40% (applies to future retirees only)																														
Percent of Retirees with Spouses	Future retirees: 60% of future retirees were assumed to have spouses at the time of retirement. Female spouses assumed three years younger than male spouses. Current Retirees: Based on actual spousal data																														
PEMHCA Administrative Fee	0.33% of PEMHCA premium, paid by City																														

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

### IV. RISK MANAGEMENT

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.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

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, 2015, 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%. 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 2014-2015 was \$683,392, which included a dividend credit of \$80,445. During the past five-year period, the average claims filed each year for general liability amounted to 156 claims totaling \$1,481,285 per year (an average of \$9,495 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, (213) 896-8900.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

The total unpaid claims and claims adjustment expense liability (long-term obligations) recorded at June 30, 2015 was \$3,132,779. The following schedule presents the changes in self-insurance claims liabilities for the past two years:

	PUBLIC LIABILITY AND PROPERTY DAMAGE	
	FY 2014-2015	FY 2013-2014
<b>Unpaid claims and claims adjustment expenses - July 1</b>	<u>\$ 3,706,141</u>	<u>\$ 3,339,435</u>
Incurred Claims and Claims Adjustment Expenses		
Increase (decrease) in provision for insured events	(1,022,149)	366,706
Increase (decrease) in actuarially incurred but not reported claims (IBNR)	<u>448,787</u>	<u>-</u>
<b>Total Incurred Claims and Claims Adjustment Expenses</b>	<u>(573,362)</u>	<u>366,706</u>
Unpaid claims and claims adjustment expenses - June 30	<u>\$ 3,132,779</u>	<u>\$ 3,706,141</u>
<b>CLAIMS AND JUDGMENTS DUE WITHIN ONE YEAR</b>	<u>\$ 1,709,046</u>	<u>\$ 2,316,272</u>

**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 218 claims filed per year for the past five years, with an average of approximately \$2,870,865 per year in total reported losses (an average of \$13,169 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, 2015 was \$13,036,392.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

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

	WORKERS' COMPENSATION	
	<u>FY 2014-2015</u>	<u>FY 2013-2014</u>
<b>Unpaid claims and claims adjustment expenses - July 1</b>	<u>\$ 12,181,882</u>	<u>\$ 11,328,358</u>
Incurring Claims and Claims Adjustment Expenses		
Increase (decrease) in provision for insured events	1,063,039	1,116,530
Increase (decrease) in actuarially incurred but not reported claims (IBNR)	<u>(208,529)</u>	<u>(263,006)</u>
<b>Total Incurred Claims and Claims Adjustment Expenses</b>	<u>854,510</u>	<u>853,524</u>
Unpaid claims and claims adjustment expenses - June 30	<u>\$ 13,036,392</u>	<u>\$ 12,181,882</u>
<b>CLAIMS AND JUDGMENTS DUE WITHIN ONE YEAR</b>	<u>\$ 4,878,152</u>	<u>\$ 4,323,423</u>

**V. OTHER INFORMATION**

**A. Commitments and Contingencies**

As of June 30, 2015, the City had significant construction commitments as follows:

	<u>AMOUNT</u>
Governmental Activities	\$ 43,954,343
Water Fund	8,133,383
Wastewater Fund	3,165,391
Information Systems	700,938
CDC Successor Agency	<u>5,095,830</u>
<b>TOTAL</b>	<u>\$ 61,049,885</u>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of June 30, 2015, the following are outstanding significant governmental fund encumbrances that are not reflected in the committed or assigned fund balances.

	<u>AMOUNT</u>
<b>GOVERNMENTAL FUNDS</b>	
General Fund*	\$ 1,507,667
Other nonmajor funds	<u>9,548,433</u>
<b>TOTAL GOVERNMENTAL FUNDS</b>	<u>\$ 11,056,100</u>
<b>PROPRIETARY FUNDS</b>	
Water funds	\$ 6,389,635
Wastewater funds	1,607,856
Environmental resources funds	1,695,174
Golf course funds	
Internal service funds	<u>103,598</u>
<b>TOTAL PROPRIETARY FUNDS</b>	<u>\$ 9,796,263</u>

\* Includes \$610,986 of Measure "O" encumbrances.

There are various lawsuits and claims pending against the City. In the opinion of the City Attorney and management, none of these cases, nor the aggregate thereof, represents any substantial exposure to the City that has not been accrued in these financial statements.

The City has received significant financial assistance from numerous federal governmental agencies in the form of grants and entitlements. The disbursement of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by grantor agencies. Any disallowed claims resulting from such audits could become a liability of the City. However, in the opinion of management, liabilities resulting from disallowed claims, if any, will not have a material effect on the City's financial position at June 30, 2015.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### B. Risks and Uncertainties

As discussed in Note II.G. Long-Term Liabilities, on August 1, 2008, the City entered into three separate letter of credit and reimbursement agreements with MUFG Union Bank (formerly Union Bank of California, N.A.) relating to the Variable Rate Demand Lease Revenue Bonds, Series 2003B, Variable Rate Demand Lease Revenue Bonds (Civic Center Phase 2 Project), Series 2006 and Wastewater Revenue Bonds, Series 2004B (the bonds). On July 17, 2013, Union Bank renewed the letters of credit through August 26, 2016. In addition, the City entered into interest rate exchange agreements (swap) with respect to the bonds with Royal Bank of Canada. The swap agreements terminate by its term on June 1, 2033.

On May 5, 2016, MUFG Union Bank informed the City that it is not intending to extend these letters of credit beyond August 26, 2016. The City is in the process of contacting and providing information to institutions that will consider replacing the letters of credit. Before terminating the letters of credit, MUFG Union Bank could notify bondholders of the termination and allow them to tender bonds to the bank. Bonds tendered would be owned by the bank under the terms of the agreement and would bear interest at a rate of 6.0% pursuant to the terms of the letter of credit.

The Wastewater Revenue Bonds, Series 2004B, unlike the variable rate demand bonds supported by the General Fund, are associated with additional risks. Recent rate increases were partially offset by reductions in Wastewater Fund revenues. Declines in the variable portion of fund revenue are related to drought water conservation efforts of ratepayers. In addition, a citizen has succeeded in qualifying an initiative to roll back the recent rate increases.

If Standard & Poor's rating for these bonds drops below BBB, Royal Bank of Canada could terminate the swap. If that occurred, the Wastewater Fund would be liable for a termination payment estimated at \$3,765,428 at June 30, 2015.

Management thinks recent rate increases will let the City meet its contractual obligations to bondholders and that the law prevents a voter initiative from impairing this contract. The rate rollback proposed in the initiative attempts to force the City to collect revenues at too low a level to fulfill the terms of the bond covenant for this debt.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**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, approve actions of the Successor Agency, and establish the Recognized Payment Obligation Payment Schedule.

**b. Prior-Period Adjustments**

At July 1, 2015, the Successor Agency's net position was restated for the following:

	<u>AMOUNT</u>
<u>Change in Accounting Principle</u>	
To record net pension liabilities in compliance with GASB 68 pronouncement	\$ (122,937)
<u>Correction of Errors</u>	
To transfer cash with fiscal agents to CDC SA from City of Oxnard debt service fund	1,813,744
To correct the cost of construction in progress and capital assets, net of accumulated depreciation	(354,457)
To correct amounts reported in accounts payable	1,434
To record notes payable	<u>(10,582,316)</u>
<b>TOTAL</b>	<b><u>\$ (9,244,532)</u></b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**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, 2015:

	<u>FAIR VALUE</u>
Deposits and investments	\$ 9,623,101
Investments with fiscal agents	<u>12,641,620</u>
<b>TOTAL</b>	<b><u>\$ 22,264,721</u></b>

Detailed notes on cash and cash investments can be found on the City's notes to the financial statements.

**d. Notes Receivable**

Notes receivable consists of the following:

	<u>Balance July 1, 2014</u>	<u>Prior-Period Adjustment</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2015</u>
C.R.F.L. Family Apartments L.P.	\$ 14,277,022	\$(14,277,022)	\$ -	\$ -	\$ -
Ruby's Café	524,344			(20,972)	503,372
Downtown Theater Loan Guaranty	61,300				61,300
Heritage Square	66,982				66,982
Downtown Renewal Project	2,184,975				2,184,975
Oxnard Theater Group	1,392,300				1,392,300
Baldwin Company	17,873				17,873
Strand Cinemas			813,368		813,368
Allowance for uncollectible	<u>(17,915,597)</u>	<u>14,277,022</u>	<u>-</u>	<u>-</u>	<u>(3,638,575)</u>
<b>TOTALS</b>	<b><u>\$ 609,199</u></b>	<b><u>\$ -</u></b>	<b><u>\$813,368</u></b>	<b><u>\$ (20,972)</u></b>	<b><u>\$1,401,595</u></b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### e. Capital Assets (Unaudited)

Changes in the Successor Agency's capital assets for the year ended June 30, 2015 are as follows:

	BALANCE JULY 1, 2014	PRIOR-PERIOD ADJUSTMENT	INCREASES	DECREASES	BALANCE JUNE 30, 2015
<b>FIDUCIARY ACTIVITIES</b>					
Capital Assets, Not Being					
Depreciated					
Land	\$ 1,221,289	\$ -	\$ -	\$ -	\$ 1,221,289
Construction in progress	<u>15,491,722</u>	<u>(11,419,040)</u>	-	-	<u>4,072,682</u>
<b>Total Capital Assets, Not Being</b>	<u>16,713,011</u>	<u>(11,419,040)</u>	-	-	<u>5,293,971</u>
<b>Depreciated</b>					
Capital Assets, Being					
Depreciated					
Buildings	905,636		-	-	905,636
Improvements other than buildings	46,919,371	7,033,800	-	-	53,953,171
Equipment and machinery	89,082		-	-	89,082
Infrastructure	-	<u>4,681,332</u>	-	-	<u>4,681,332</u>
<b>Total Capital Assets, Being</b>	<u>47,914,089</u>	<u>11,715,132</u>	-	-	<u>59,629,221</u>
<b>Depreciated</b>					
Less: Accumulated Depreciation					
Buildings	(463,516)		(17,481)	-	(480,997)
Improvements other than buildings	(9,576,926)	(650,549)	(1,398,958)	-	(11,626,433)
Equipment and machinery	<u>(88,683)</u>	-	<u>(299)</u>	-	<u>(88,982)</u>
<b>Total Accumulated Depreciation</b>	<u>(10,129,125)</u>	<u>(650,549)</u>	<u>(1,416,738)</u>	-	<u>(12,196,412)</u>
<b>Total Capital Assets, Being</b>					
<b>Depreciated, Net</b>	<u>37,784,964</u>	<u>11,064,583</u>	<u>(1,416,738)</u>	-	<u>47,432,809</u>
<b>TOTALS</b>	<u>\$ 54,497,975</u>	<u>\$ (354,457)</u>	<u>\$ (1,416,738)</u>	<u>\$ -</u>	<u>\$ 52,726,780</u>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 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, 2015:

	BALANCE JULY 1, 2014	PRIOR-PERIOD ADJUSTMENT	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 2015	DUE WITHIN ONE YEAR
Tax allocation refunding bonds Series 2004A	\$ 12,440,000		\$ -	\$ 810,000	\$ 11,630,000	\$ 840,000
Tax allocation bond financing Series 2006	17,610,000		-	495,000	17,115,000	515,000
HERO project tax allocation bonds Series 2008	10,870,000		-	215,000	10,655,000	215,000
Notes payable	-	\$ 11,599,466	-	1,017,150	10,582,316	1,011,861
Less: Unamortized discounts	(138,689)	-	-	(57,647)	(81,042)	-
<b>TOTAL LONG-TERM INDEBTEDNESS</b>	<b>\$ 40,781,311</b>	<b>\$ 11,599,466</b>	<b>\$ -</b>	<b>\$ 2,479,503</b>	<b>\$ 49,901,274</b>	<b>\$ 2,581,861</b>

### 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%. 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, 2015 is \$11,630,000.

#### ***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%, maturing on September 1, 2036. The outstanding balance as of June 30, 2015 is \$17,115,000.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

***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 River Park Specific Plan Area. These bonds carry a net interest cost of 4.849%, with a final maturity of September 1, 2038. The outstanding balance as of June 30, 2015 is \$10,655,000.

**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. No arbitrage liability existed at June 30, 2015.

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 2004A		TAX ALLOCATION BONDS SERIES 2006		HERO PROJECT TAX ALLOCATION BONDS SERIES 2008	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
	2016	\$ 840,000	\$ 523,268	\$ 515,000	\$ 700,516	\$ 215,000
2017	870,000	488,525	540,000	680,496	220,000	483,338
2018	910,000	451,471	555,000	660,509	235,000	473,138
2019	945,000	411,240	580,000	639,366	240,000	462,438
2020	990,000	367,498	600,000	616,866	255,000	451,338
2021-2025	4,810,000	1,171,490	3,360,000	2,699,303	1,445,000	2,084,509
2026-2030	2,265,000	113,479	4,115,000	1,925,530	1,795,000	1,725,370
2031-2035	-	-	5,070,000	952,312	2,270,000	1,234,375
2036-2040	-	-	1,780,000	66,500	3,980,000	457,188
<b>TOTALS</b>	<b>\$ 11,630,000</b>	<b>\$ 3,526,971</b>	<b>\$ 17,115,000</b>	<b>\$ 8,941,398</b>	<b>\$ 10,655,000</b>	<b>\$ 7,864,830</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 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.

The Successor Agency entered into an agreement with a developer that includes a guarantee to cover its lease expense up to \$111,000 a month when the developer's revenues are not sufficient to cover its lease expense for a period of 25 years.

The CDC Successor Agency has a reimbursement agreement with a developer to reimburse public improvements and affordable housing costs up to a maximum of \$14.25 million. As of June 30, 2015, the remaining balance on the commitment is approximately \$10 million.

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

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

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**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

**CITY OF OXNARD, CALIFORNIA**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**CALPERS MISCELLANEOUS PLAN - AGENT MULTIPLE-EMPLOYER DEFINED**  
**BENEFIT PLAN**

AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

MEASUREMENT PERIOD	2015
Total Pension Liability	
Service cost	\$ 7,507,381
Interest	27,937,746
Benefit payments, including refunds of member contributions:	<u>(16,205,985)</u>
Net change in total pension liability	19,239,142
Total pension liability, beginning of year	<u>376,852,577</u>
Total pension liability, end of year	396,091,719
Plan Fiduciary Net Position	
Contributions - employee	3,730,681
Contributions - employer	6,858,454
Net investment income (2)	47,653,092
Benefit payments, including refunds of member contributions	(16,205,985)
Other Changes in Fiduciary Net Position	
Net change in plan fiduciary net position	42,036,242
Total plan fiduciary net position, beginning of year	<u>276,554,342</u>
Total plan fiduciary net position, end of year	318,590,584
Net pension liability - ending	77,501,135
Plan fiduciary net position as a percentage of total pension liability	19.57%
Covered-employee payroll	50,863,015
Net pension liability as a percentage of covered-employee payroll	152.37%

(1) GASB Statement No. 68, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2015. Additional years will be added as they become available in the future.

(2) Net of administrative expenses.

**Notes to Schedule:**

**Benefit Changes:** The figures above do not include any liability impact that may have resulted from plan changes, which occurred after June 30, 2013. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a Golden Handshakes).

**Changes of Assumptions:** There were no changes in assumptions.

**CITY OF OXNARD, CALIFORNIA**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**CALPERS SAFETY PLAN (POLICE) - AGENT MULTIPLE-EMPLOYER DEFINED**  
**BENEFIT PLAN**

AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

MEASUREMENT PERIOD	<u>2015</u>
Total Pension Liability	
Service cost	\$ 8,379,851
Interest	21,472,209
Benefit payments, including refunds of member contributions:	<u>(12,980,263)</u>
Net change in total pension liability	16,871,797
Total pension liability, beginning of year	<u>288,596,333</u>
Total pension liability, end of year	305,468,130
Plan Fiduciary Net Position	
Contributions - employee	2,505,819
Contributions - employer	8,947,610
Net investment income (2)	34,904,812
Benefit payments, including refunds of member contributions	(12,980,263)
Other Changes in Fiduciary Net Position	
Net change in plan fiduciary net position	33,377,978
Total plan fiduciary net position, beginning of year	<u>201,155,170</u>
Total plan fiduciary net position, end of year	234,533,148
Net pension liability - ending	70,934,982
Plan fiduciary net position as a percentage of total pension liability	76.78%
Covered-employee payroll	24,705,477
Net pension liability as a percentage of covered-employee payroll	287.12%

(1) GASB Statement No. 68, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2015. Additional years will be added as they become available in the future.

(2) Net of administrative expenses.

**Notes to Schedule:**

**Benefit Changes:** The figures above do not include any liability impact that may have resulted from plan changes, which occurred after June 30, 2013. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a Golden Handshakes).

**Changes of Assumptions:** There were no changes in assumptions.

**CITY OF OXNARD, CALIFORNIA**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**AND RELATED RATIOS**  
**CALPERS SAFETY PLAN (FIRE) - COST SHARING PLAN**  
**AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

MEASUREMENT PERIOD	<u>2015</u>
Plan's proportion of the net pension liability	0.53857%
Plan's proportionate share of the net pension liability	\$33,512,523
Plan's covered-employee payroll	\$10,035,276
Plan's proportionate share of the net pension liability as a percentage of its covered-employee payroll	333.95%
Plan's proportionate share of the fiduciary net position as a percentage of the plan's total pension liability	75.42%
Plan's proportionate share of aggregate employer contributions	\$ 2,910,924

(1) GASB Statement No. 68, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2015. Additional years will be added as they become available in the future.

**Notes to Schedule:**

**Benefit Changes:** The figures above do not include any liability impact that may have resulted from plan changes, which occurred after June 30, 2013. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a Golden Handshakes).

**Changes of Assumptions:** There were no changes in assumptions.

**CITY OF OXNARD, CALIFORNIA**  
**SCHEDULE OF PLAN CONTRIBUTIONS - CALPERS**  
**AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

MEASUREMENT PERIOD	2015		
	MISCELLANEOUS	SAFETY-POLICE	SAFETY-FIRE
Actuarially determined contribution	\$ 6,858,454	\$ 8,947,610	\$ 3,757,676
Contributions in relation to the actuarially determined contribution	<u>(6,858,454)</u>	<u>(8,947,610)</u>	<u>(3,757,676)</u>
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 50,863,015	\$ 24,705,477	\$ 10,035,276
Contributions as a percentage of employee payroll	13.48%	36.22%	37.44%

**Notes to schedule**

Valuation Date	June 30, 2012
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal
Amortization method/period	For details, see June 30, 2011 Funding Valuation Report.
Asset valuation method	Actuarial value of assets. For details, see June 30, 2011 Funding Valuation Report.
Inflation	2.75%
Salary increases	Varies by entry age and service
Payroll growth	3.00%
Investment rate of return	7.50% Net of pension plan investment and administrative expenses; includes inflation.
Retirement age	The probabilities of retirement are based on the 2010 CalPERS experience study for the period from 1997 to 2007
Mortality	The probabilities of mortality are based on the 2010 CalPERS experience study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include five years of projected mortality improvement using Scale AA published by the Society of Actuaries.

(1) GASB Statement No. 68, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2015. Additional years will be added as they become available in the future.

**Notes to Schedule:**

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes, which occurred after June 30, 2013. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a Golden Handshakes).

Changes of Assumptions: There were no changes in assumptions.

CITY OF OXNARD, CALIFORNIA  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**PARS PLAN - AGENT MULTIPLE-EMPLOYER DEFINED BENEFIT PLAN**  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

MEASUREMENT PERIOD	<u>2015</u>
Total Pension Liability	
Service cost	\$ 2,220,000
Interest	5,238,000
Benefit payments, including refunds of member contributions:	<u>(2,599,000)</u>
Net change in total pension liability	4,859,000
Total pension liability, beginning of year	<u>76,677,000</u>
Total pension liability, end of year	<u>81,536,000</u>
 Plan Fiduciary Net Position	
Contributions - employee	985,000
Contributions - employer	2,731,000
Net investment income (2)	6,805,000
Benefit payments, including refunds of member contributions	(2,599,000)
Other Changes in Fiduciary Net Position	<u>(65,000)</u>
Net change in plan fiduciary net position	7,857,000
Total plan fiduciary net position, beginning of year	<u>42,714,000</u>
Total plan fiduciary net position, end of year	<u>50,571,000</u>
 Net pension liability - ending	 <u><u>\$30,965,000</u></u>
 Plan fiduciary net position as a percentage of total pension liability	 62.02%
Covered-employee payroll	31,157,782
Net pension liability as a percentage of covered-employee payroll	99.38%

(1) GASB Statement No. 68, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2015. Additional years will be added as they become available in the future.

**Notes to Schedule:**

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes, which occurred after June 30, 2013. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a Golden Handshakes).

Changes of Assumptions: There were no changes in assumptions.

CITY OF OXNARD, CALIFORNIA  
**SCHEDULE OF PLAN CONTRIBUTIONS - PARS**  
 AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)  
 (Amounts in Thousands)

MEASUREMENT PERIOD	<u>2015</u> <u>MISCELLANEOUS</u>
Actuarially determined contribution	\$ 3,242
Contributions in relation to the actuarially-determined contribution	<u>985</u>
Contribution deficiency	<u>\$ 2,257</u>
Covered-employee payroll	\$ 31,158
Contributions as a percentage of employee payroll	10.41%

**Notes to Schedule:**

Valuation Date	June 30, 2013
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal
Amortization method/period	Level percent of payroll; 12-year fresh start amortization beginning June 30, 2012
Asset valuation method	15-Year fixed (closed) amortization for gains and losses, plan amendments, assumption changes, and method changes; investment gains and losses spread over a five-year rolling period
Inflation	3.00%
Merit payroll increases	3.25%
Service retirement, mortality, disability and withdrawal	CalPERS 1997-2011 Experience Study

(1) GASB Statement No. 68, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2015. Additional years will be added as they become available in the future.

**Notes to Schedule:**

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes, which occurred after June 30, 2013. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a Golden Handshakes).

Changes of Assumptions: There were no changes in assumptions.

**CITY OF OXNARD, CALIFORNIA**  
**SCHEDULE OF FUNDING PROGRESS**  
**OTHER POST-EMPLOYMENT BENEFITS PLAN**  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)  
(Amounts 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
7-1-09	\$ -	\$ 11,081	\$ 11,081	- %	\$ 85,873	12.9 %
7-1-11	-	12,772	12,772	-	82,501	15.5
7-1-13	-	16,061	16,061	-	85,208	18.9

See independent auditor's report.

**CITY OF OXNARD, CALIFORNIA  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
<b>REVENUES</b>				
Taxes				
Property	\$ 43,535,000	\$ 43,535,000	\$ 44,964,466	\$ 1,429,466
Sales	39,619,000	39,619,000	40,624,737	1,005,737
Transient occupancy	4,234,000	4,234,000	4,649,292	415,292
Business license (net of refund)	5,344,000	5,344,000	5,104,859	(239,141)
Franchise	3,203,000	3,203,000	3,619,684	416,684
Other taxes	557,000	557,000	758,502	201,502
Licenses and permits	2,653,000	2,653,000	2,320,034	(332,966)
Intergovernmental	13,445,697	13,445,697	19,457,413	6,011,716
Charges for services	15,041,954	15,216,954	9,624,476	(5,592,478)
Fines and forfeitures	474,000	474,000	482,142	8,142
Investment earnings	180,000	180,000	200,761	20,761
Special assessments	74,000	74,000	67,390	(6,610)
Miscellaneous	1,845,816	2,095,816	2,973,931	878,115
<b>Total Revenues</b>	<u>130,206,467</u>	<u>130,631,467</u>	<u>134,847,687</u>	<u>4,216,220</u>
<b>EXPENDITURES</b>				
General Government				
Legislative				
City Council	351,397	351,397	359,344	(7,947)
City Treasurer	1,162,913	1,150,913	1,209,397	(58,484)
City Clerk	427,814	432,414	444,475	(12,061)
Administrative and Support Services				
City Manager	2,184,062	2,973,332	2,713,879	259,453
City Attorney	1,504,794	1,664,794	1,385,775	279,019
Financial services	3,106,223	3,106,223	3,261,914	(155,691)
Human resources	894,844	1,814,844	1,741,838	73,006
Nondepartmental	9,254,302	9,272,454	2,060,600	7,211,854
Public Safety				
Police	53,649,189	53,762,348	53,935,576	(173,228)
Fire	15,368,649	16,888,649	17,799,661	(911,012)
Transportation systems	2,743,312	2,414,297	1,956,210	458,087
Community Development				
Development services	5,745,309	6,078,309	5,949,508	128,801
Economic development and tourism service	1,262,113	1,376,812	1,088,383	288,429
Housing services	198,391	198,391	308,470	(110,079)
Community service	-	50,000	48,835	1,165
Culture and Leisure				
Recreation services	12,886,057	13,152,164	8,068,119	5,084,045
Park and public grounds	10,582,873	10,613,406	10,418,488	194,918
Library services	4,391,651	4,391,651	4,461,784	(70,133)
Capital outlay	-	12,271,639	4,622,469	7,649,170
<b>Total Expenditures</b>	<u>125,713,893</u>	<u>141,964,037</u>	<u>121,834,725</u>	<u>20,129,312</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>4,492,574</u>	<u>(11,332,570)</u>	<u>13,012,962</u>	<u>24,345,532</u>

See independent auditor's report.

**GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE (Continued)**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in PACC	\$ -	\$ -	\$ (1,716,808)	\$ (1,716,808)
Transfer in golf course	-	-	(2,923,809)	(2,923,809)
Transfers in	37,000	37,000	37,000	-
Transfers out	<u>(6,879,411)</u>	<u>(8,342,212)</u>	<u>(17,708,272)</u>	<u>(9,366,060)</u>
<b>Net Other Financing Sources (Uses)</b>	<u>(6,842,411)</u>	<u>(8,305,212)</u>	<u>(22,311,889)</u>	<u>(14,006,677)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(2,349,837)	(19,637,782)	(9,298,927)	10,338,855
<b>FUND BALANCES, JULY 1</b>	36,946,002	36,946,002	36,946,002	
<b>PRIOR-PERIOD ADJUSTMENT</b>	-	-	(2,871,310)	-
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 34,596,165</u>	<u>\$ 17,308,220</u>	<u>\$ 24,775,765</u>	<u>\$ 10,338,855</u>

**Note to Budgetary Comparison Schedule:**

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

See independent auditor's report.

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# **SUPPLEMENTARY INFORMATION**

**NON-MAJOR  
GOVERNMENTAL  
FUNDS**

## Nonmajor 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 loans to low/moderate income families.

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

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

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

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

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

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

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

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

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

CITY OF OXNARD, CALIFORNIA  
**COMBINING BALANCE SHEET**  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015

	DEVELOPMENT FEES FUND	HUD AND CDBG GRANTS FUND	STATE AND FEDERAL GRANTS FUND	PUBLIC SAFETY RETIREMENT	DEBT SERVICE FUND	CAPITAL OUTLAY FUND	AFFORDABLE HOUSING
<b>ASSETS</b>							
Cash and cash equivalents	\$ 23,878,983	\$ -	\$ 961,258	\$ 678,761	\$ -	\$ 12,373,565	\$ 2,203,873
Investments with fiscal agents	-	-	-	-	24,539	20,094,761	-
Accounts and other receivables	15	376,493	6,639,930	-	-	97,472	-
Notes receivable	6,495,500	16,256,865	4,923,793	-	-	-	30,892,538
Due from other government	-	-	-	240,509	-	-	-
Due from Successor Agency	-	-	-	-	-	-	1,723,104
Properties held for resale	-	-	-	-	-	-	104,736
<b>Total Assets</b>	<b>\$ 30,374,498</b>	<b>\$ 16,633,358</b>	<b>\$ 12,524,981</b>	<b>\$ 919,270</b>	<b>\$ 24,539</b>	<b>\$ 32,565,798</b>	<b>\$ 34,924,251</b>
<b>LIABILITIES</b>							
Accounts payable	\$ 557,042	\$ 194,774	\$ 1,071,241	\$ -	\$ -	\$ 19,502	\$ 130,416
Other liabilities	226,053	64,721	80,710	400,510	-	-	2,072
Due to other funds	-	106,720	5,984,934	-	-	152,909	-
Unearned revenues	6,495,500	16,267,143	6,299,846	-	-	-	31,662,333
<b>Total Liabilities</b>	<b>7,278,595</b>	<b>16,633,358</b>	<b>13,436,731</b>	<b>400,510</b>	<b>-</b>	<b>172,411</b>	<b>31,794,821</b>
<b>FUND BALANCES</b>							
Restricted for:							
Debt Service	-	-	-	-	24,539	-	-
Transportation systems	-	-	-	-	-	-	-
Maintenance districts	-	-	-	-	-	-	-
Street and traffic improvements/maintenance	-	-	65,798	-	-	22,753,432	-
Infrastructure developments	23,095,903	-	-	-	-	-	-
Housing	-	-	16,331	-	-	-	3,129,430
Public safety retirement	-	-	499,756	518,760	-	-	-
Assigned to:							
Capital projects	-	-	-	-	-	9,639,955	-
Unassigned	-	-	(1,493,635)	-	-	-	-
<b>Total Fund Balances</b>	<b>23,095,903</b>	<b>-</b>	<b>(911,750)</b>	<b>518,760</b>	<b>24,539</b>	<b>32,393,387</b>	<b>3,129,430</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 30,374,498</b>	<b>\$ 16,633,358</b>	<b>\$ 12,524,981</b>	<b>\$ 919,270</b>	<b>\$ 24,539</b>	<b>\$ 32,565,798</b>	<b>\$ 34,924,251</b>

STATE GAS TAX	TRAFFIC SAFETY	TRANSPORTATION DEVELOPMENT FUND	MAINTENANCE ASSESSMENT DISTRICT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS	
\$5,325,342	\$610,460	\$3,667,103	\$16,187,686	\$65,887,031	<b>ASSETS</b>
1,729,122	-	-	-	21,848,422	Cash and cash equivalents
18,403	-	70,746	-	7,203,059	Investments with fiscal agents
-	-	-	-	58,568,696	Accounts and other receivables
-	70,708	-	-	311,217	Notes receivable
-	-	-	-	1,723,104	Due from other government
-	-	-	-	104,736	Due from Successor Agency
<u>\$7,072,867</u>	<u>\$681,168</u>	<u>\$3,737,849</u>	<u>\$16,187,686</u>	<u>\$155,646,265</u>	<b>Total Assets</b>
\$237,316	\$-	\$183,135	\$414,679	\$2,808,105	<b>LIABILITIES</b>
106,792	4,427	29,028	51,785	966,098	Accounts payable
-	-	-	-	6,244,563	Other liabilities
-	-	1,945,893	-	62,670,715	Due to other funds
<u>344,108</u>	<u>4,427</u>	<u>2,158,056</u>	<u>466,464</u>	<u>72,689,481</u>	Unearned revenues
					<b>Total Liabilities</b>
					<b>FUND BALANCES</b>
					Restricted for:
-	-	-	-	24,539	Debt Service
-	-	1,579,793	-	1,579,793	Transportation systems
-	-	-	15,721,222	15,721,222	Maintenance districts
6,728,759	676,741	-	-	30,224,730	Street and traffic improvements/maintenance
-	-	-	-	23,095,903	Infrastructure developments
-	-	-	-	3,145,761	Housing
-	-	-	-	1,018,516	Public safety retirement
-	-	-	-	9,639,955	Assigned to:
-	-	-	-	(1,493,635)	Capital projects
<u>6,728,759</u>	<u>676,741</u>	<u>1,579,793</u>	<u>15,721,222</u>	<u>82,956,784</u>	Unassigned
					<b>Total Fund Balances</b>
<u>\$7,072,867</u>	<u>\$681,168</u>	<u>\$3,737,849</u>	<u>\$16,187,686</u>	<u>\$155,646,265</u>	<b>TOTAL LIABILITIES AND FUND BALANCES</b>

**CITY OF OXNARD, CALIFORNIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	DEVELOPMENT FEES FUND	HUD AND CDBG GRANTS FUND	STATE AND FEDERAL GRANTS FUND	PUBLIC SAFETY RETIREMENT	DEBT SERVICE FUND	CAPITAL OUTLAY FUND	AFFORDABLE HOUSING
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ 13,669,124	\$ -	\$ 473,751	\$ -
Licenses and permits	772,804	-	-	-	-	-	-
Intergovernmental	-	3,503,319	11,355,712	-	-	-	-
Growth and development fees	3,442,898	-	-	-	-	-	-
Charges for services	39,646	-	171,911	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-
Interest	178,756	-	4,502	28,160	(5,826)	42,258	23,649
Special assessments	-	-	-	-	-	-	-
Miscellaneous	1,507,639	-	185,373	-	-	6,450,000	64,107
<b>Total Revenues</b>	<u>5,941,743</u>	<u>3,503,319</u>	<u>11,717,498</u>	<u>13,697,284</u>	<u>(5,826)</u>	<u>6,966,009</u>	<u>87,756</u>
<b>EXPENDITURES</b>							
Current							
General government	196,268	-	-	-	-	-	-
Public safety	790,882	200,000	3,811,899	16,202,101	-	-	-
Transportation systems	381,048	-	952,319	-	-	-	-
Community development	554,802	1,717,114	1,018,164	-	-	-	268,621
Culture and leisure	-	100,002	2,330,640	-	-	-	-
Library services	-	-	37,166	-	-	-	-
Capital outlay	1,233,629	1,486,203	3,969,969	-	-	328,303	77,000
Debt Service							
Principal	459,191	-	-	-	5,825,470	-	-
Interest and fiscal charges	-	-	-	-	3,118,870	-	-
<b>Total Expenditures</b>	<u>3,615,820</u>	<u>3,503,319</u>	<u>12,120,157</u>	<u>16,202,101</u>	<u>8,944,340</u>	<u>328,303</u>	<u>345,621</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>2,325,923</u>	<u>-</u>	<u>(402,659)</u>	<u>(2,504,817)</u>	<u>(8,950,166)</u>	<u>6,637,706</u>	<u>(257,865)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Proceeds from bonds	-	-	-	-	1,225,000	20,000,000	-
Original issue premium	-	-	-	-	2,540,460	-	-
Redemptions using bond proceeds	-	-	-	-	(3,497,344)	-	-
Issuance costs	-	-	-	-	(283,147)	-	-
Transfers in	7,410,532	-	-	-	8,521,350	3,681	-
Transfers out	(1,786,966)	-	-	-	-	-	-
<b>Net Other Financing Sources (Uses)</b>	<u>5,623,566</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,506,319</u>	<u>20,003,681</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	7,949,489	-	(402,659)	(2,504,817)	(443,847)	26,641,387	(257,865)
<b>FUND BALANCES, JULY 1</b>	15,797,397	-	(2,062,157)	3,023,577	2,282,130	6,923,670	5,437,295
<b>PRIOR-PERIOD ADJUSTMENT</b>	(650,983)	-	1,553,066	-	(1,813,744)	(1,171,670)	(2,050,000)
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 23,095,903</u>	<u>\$ -</u>	<u>\$ (911,750)</u>	<u>\$ 518,760</u>	<u>\$ 24,539</u>	<u>\$ 32,393,387</u>	<u>\$ 3,129,430</u>

STATE GAS TAX	TRAFFIC SAFETY	TRANSPORTATION DEVELOPMENT FUND	MAINTENANCE ASSESSMENT DISTRICT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS	
\$ -	\$ -	\$ -	\$ -	\$ 14,142,875	<b>REVENUES</b>
-	-	-	-	772,804	Taxes
5,727,506	-	1,677,445	-	22,263,982	Licenses and permits
-	-	-	-	3,442,898	Intergovernmental
1,113,232	-	194,939	-	1,519,728	Growth and development fees
-	283,715	-	-	283,715	Charges for services
37,345	608	25,224	122,172	456,848	Fines and forfeitures
-	-	-	7,926,481	7,926,481	Interest
28,441	-	-	23,788	8,259,348	Special assessments
<u>6,906,524</u>	<u>284,323</u>	<u>1,897,608</u>	<u>8,072,441</u>	<u>59,068,679</u>	Miscellaneous
					<b>Total Revenues</b>
					<b>EXPENDITURES</b>
					Current
11,059	-	-	-	207,327	General government
-	274,508	-	2,762,773	24,042,163	Public safety
5,017,098	-	720,707	201,594	7,272,766	Transportation systems
-	-	-	1,726,965	5,285,666	Community development
-	-	-	3,429,058	5,859,700	Culture and leisure
-	-	-	-	37,166	Library services
749,890	-	493,340	874,311	9,212,645	Capital outlay
					Debt Service
600,000	-	-	-	6,884,661	Principal
1,107,050	-	-	-	4,225,920	Interest and fiscal charges
<u>7,485,097</u>	<u>274,508</u>	<u>1,214,047</u>	<u>8,994,701</u>	<u>63,028,014</u>	<b>Total Expenditures</b>
					<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>
(578,573)	9,815	683,561	(922,260)	(3,959,335)	
					<b>OTHER FINANCING SOURCES (USES)</b>
-	-	-	-	21,225,000	Proceeds from bonds
-	-	-	-	2,540,460	Original issue premium
-	-	-	-	(3,497,344)	Redemptions using bond proceeds
-	-	-	-	(283,147)	Issuance costs
-	300,000	-	2,932,146	19,167,709	Transfers in
-	-	-	-	(1,786,966)	Transfers out
<u>-</u>	<u>300,000</u>	<u>-</u>	<u>2,932,146</u>	<u>37,365,712</u>	<b>Net Other Financing Sources (Uses)</b>
(578,573)	309,815	683,561	2,009,886	33,406,377	<b>NET CHANGE IN FUND BALANCES</b>
6,137,518	366,926	896,232	13,717,244	52,519,832	<b>FUND BALANCES, JULY 1</b>
1,169,814	-	-	(5,908)	(2,969,425)	<b>PRIOR-PERIOD ADJUSTMENT</b>
<u>\$6,728,759</u>	<u>\$676,741</u>	<u>\$1,579,793</u>	<u>\$15,721,222</u>	<u>\$82,956,784</u>	<b>FUND BALANCES, JUNE 30</b>

CITY OF OXNARD, CALIFORNIA  
**NONMAJOR - DEVELOPMENT FEES SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Licenses and permits	\$ 871,148	\$ 871,148	\$ 772,804	\$ (98,344)
Growth and development fees	1,178,648	1,178,648	3,442,898	2,264,250
Charges for services	25,000	25,000	39,646	14,646
Interest	114,000	114,000	178,756	64,756
Miscellaneous	365,100	365,300	1,507,639	1,142,339
<b>Total Revenues</b>	<u>2,553,896</u>	<u>2,554,096</u>	<u>5,941,743</u>	<u>3,387,647</u>
<b>EXPENDITURES</b>				
General government	120,713	120,713	196,268	(75,555)
Public safety	884,745	884,745	790,882	93,863
Transportation systems	169,465	399,909	381,048	18,861
Community development	170,905	320,905	554,802	(233,897)
Culture and leisure	-	5,123	-	5,123
Capital outlay	1,229,030	11,388,291	1,233,629	10,154,662
Debt Service				
Principal	-	-	459,191	(459,191)
<b>Total Expenditures</b>	<u>2,574,858</u>	<u>13,119,686</u>	<u>3,615,820</u>	<u>9,503,866</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(20,962)</u>	<u>(10,565,590)</u>	<u>2,325,923</u>	<u>12,891,513</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,786,966	1,786,966	7,410,532	5,623,566
Transfers out	(1,826,369)	(1,826,369)	(1,786,966)	39,403
<b>Net Other Financing Sources (Uses)</b>	<u>(39,403)</u>	<u>(39,403)</u>	<u>5,623,566</u>	<u>5,662,969</u>
<b>NET CHANGE IN FUND BALANCES</b>	(60,365)	(10,604,993)	7,949,489	18,554,482
<b>FUND BALANCES, JULY 1</b>	<u>15,797,397</u>	<u>15,797,397</u>	15,797,397	-
<b>PRIOR-PERIOD ADJUSTMENT</b>			(650,983)	
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 15,737,032</u>	<u>\$ 5,192,404</u>	<u>\$ 23,095,903</u>	<u>\$ 18,554,482</u>

**Note to Budgetary Comparison Schedule:**

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

See independent auditor's report.

**CITY OF OXNARD, CALIFORNIA  
NONMAJOR - CDBG AND HUD  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015**

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Intergovernmental	\$ 3,022,948	\$ 3,304,733	\$ 3,503,319	\$ 198,586
<b>Total Revenues</b>	<u>3,022,948</u>	<u>3,304,733</u>	<u>3,503,319</u>	<u>198,586</u>
<b>EXPENDITURES</b>				
Public safety	200,000	200,000	200,000	-
Community development	1,873,031	2,923,874	1,717,114	1,206,760
Culture and leisure	144,868	100,000	100,002	(2)
Capital outlay	<u>392,299</u>	<u>2,831,738</u>	<u>1,486,203</u>	<u>1,345,535</u>
<b>Total Expenditures</b>	<u>2,610,198</u>	<u>6,055,612</u>	<u>3,503,319</u>	<u>2,552,293</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>412,750</u>	<u>(2,750,879)</u>	<u>-</u>	<u>2,750,879</u>
<b>NET CHANGE IN FUND BALANCES</b>	412,750	(2,750,879)	-	2,750,879
<b>FUND BALANCES, JULY 1</b>	-	-	-	-
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 412,750</u>	<u>\$ (2,750,879)</u>	<u>\$ -</u>	<u>\$ 2,750,879</u>

**Note to Budgetary Comparison Schedule:**

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

See independent auditor's report.

**CITY OF OXNARD, CALIFORNIA  
NONMAJOR - STATE AND FEDERAL GRANT FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015**

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Intergovernmental	\$ 245,437	\$ 11,126,447	\$ 11,355,712	\$ 229,265
Charges for services	-	-	171,911	171,911
Interest	-	-	4,502	4,502
Miscellaneous	-	107,912	185,373	77,461
<b>Total Revenues</b>	<u>245,437</u>	<u>11,234,359</u>	<u>11,717,498</u>	<u>483,139</u>
<b>EXPENDITURES</b>				
Public safety	31,319	5,746,445	3,811,899	1,934,546
Transportation systems	-	1,457,702	952,319	505,383
Community development	150,512	2,660,771	1,018,164	1,642,607
Culture and leisure	60,257	2,552,341	2,330,640	221,701
Library services	-	48,489	37,166	11,323
Capital outlay	-	10,115,494	3,969,969	6,145,525
<b>Total Expenditures</b>	<u>242,088</u>	<u>22,581,242</u>	<u>12,120,157</u>	<u>10,461,085</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>3,349</u>	<u>(11,346,883)</u>	<u>(402,659)</u>	<u>10,944,224</u>
<b>NET CHANGE IN FUND BALANCES</b>	3,349	(11,346,883)	(402,659)	10,944,224
<b>FUND BALANCES, JULY 1</b>	<u>(2,062,157)</u>	<u>(2,062,157)</u>	(2,062,157)	-
<b>PRIOR-PERIOD ADJUSTMENT</b>			<u>1,553,066</u>	
<b>FUND BALANCES, JUNE 30</b>	<u>\$ (2,058,808)</u>	<u>\$ (13,409,040)</u>	<u>\$ (911,750)</u>	<u>\$ 10,944,224</u>

**Note to Budgetary Comparison Schedule:**

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

See independent auditor's report.

**CITY OF OXNARD, CALIFORNIA  
NONMAJOR - PUBLIC SAFETY RETIREMENT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015**

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Taxes	\$ 12,000,000	\$ 12,000,000	\$ 13,669,124	\$ 1,669,124
Investment income	-	-	28,160	28,160
<b>Total Revenues</b>	<u>12,000,000</u>	<u>12,000,000</u>	<u>13,697,284</u>	<u>1,697,284</u>
<b>EXPENDITURES</b>				
Public safety	17,102,859	17,102,859	16,202,101	900,758
<b>Total Expenditures</b>	<u>17,102,859</u>	<u>17,102,859</u>	<u>16,202,101</u>	<u>900,758</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(5,102,859)</u>	<u>(5,102,859)</u>	<u>(2,504,817)</u>	<u>2,598,042</u>
<b>NET CHANGE IN FUND BALANCES</b>	(5,102,859)	(5,102,859)	(2,504,817)	2,598,042
<b>FUND BALANCES, JULY 1</b>	<u>3,023,577</u>	<u>3,023,577</u>	<u>3,023,577</u>	-
<b>FUND BALANCES, JUNE 30</b>	<u><u>\$ (2,079,282)</u></u>	<u><u>\$ (2,079,282)</u></u>	<u><u>\$ 518,760</u></u>	<u><u>\$ 2,598,042</u></u>

**Note to Budgetary Comparison Schedule:**

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

See independent auditor's report.

**CITY OF OXNARD, CALIFORNIA  
NONMAJOR - DEBT SERVICE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015**

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Interest	\$ 31,413	\$ 31,413	\$ (5,826)	\$ (37,239)
<b>Total Revenues</b>	<u>31,413</u>	<u>31,413</u>	<u>(5,826)</u>	<u>(37,239)</u>
<b>EXPENDITURES</b>				
Debt Service				
Principal	3,633,287	4,843,287	5,825,470	(982,183)
Interest	<u>2,641,104</u>	<u>3,093,905</u>	<u>3,118,870</u>	<u>(24,965)</u>
<b>Total Expenditures</b>	<u>6,274,391</u>	<u>7,937,192</u>	<u>8,944,340</u>	<u>(1,007,148)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(6,242,978)</u>	<u>(7,905,779)</u>	<u>(8,950,166)</u>	<u>(1,044,387)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from bonds	-	-	1,225,000	1,225,000
Original issue premium	-	-	2,540,460	2,540,460
Redemptions using bond proceeds	-	-	(3,497,344)	(3,497,344)
Issuance costs	-	-	(283,147)	(283,147)
Transfers in	<u>6,475,459</u>	<u>8,138,260</u>	<u>8,521,350</u>	<u>383,090</u>
<b>Total Other Financing Sources (Uses)</b>	<u>6,475,459</u>	<u>8,138,260</u>	<u>8,506,319</u>	<u>383,090</u>
<b>NET CHANGE IN FUND BALANCES</b>	232,481	232,481	(443,847)	(661,297)
<b>FUND BALANCES, JULY 1</b>	<u>2,282,130</u>	<u>2,282,130</u>	2,282,130	-
<b>PRIOR-PERIOD ADJUSTMENT</b>			(1,813,744)	
<b>FUND BALANCES, JUNE 30</b>	<u>\$2,514,611</u>	<u>\$2,514,611</u>	<u>\$ 24,539</u>	<u>\$ (661,297)</u>

**Note to Budgetary Comparison Schedule:**

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

See independent auditor's report.

**CITY OF OXNARD, CALIFORNIA  
NONMAJOR - CAPITAL OUTLAY FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015**

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ 473,751	\$ 473,751
Interest	-	-	42,258	42,258
Miscellaneous	-	-	6,450,000	6,450,000
<b>Total Revenues</b>	-	-	6,966,009	6,966,009
<b>EXPENDITURES</b>				
Capital outlay	-	23,146,894	328,303	22,818,591
<b>Total Expenditures</b>	-	23,146,894	328,303	22,818,591
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	(23,146,894)	6,637,706	29,784,600
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of bonds	-	20,000,000	20,000,000	-
Transfers in	-	-	3,681	3,681
<b>Total Other Financing Sources (Uses)</b>	-	20,000,000	20,003,681	3,681
<b>NET CHANGE IN FUND BALANCES</b>	-	(3,146,894)	26,641,387	29,788,281
<b>FUND BALANCES, JULY 1</b>	6,923,670	6,923,670	6,923,670	-
<b>PRIOR-PERIOD ADJUSTMENT</b>	-	-	(1,171,670)	-
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 6,923,670</u>	<u>\$ 3,776,776</u>	<u>\$ 32,393,387</u>	<u>\$ 29,788,281</u>

**Note to Budgetary Comparison Schedule:**

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

See independent auditor's report.

**CITY OF OXNARD, CALIFORNIA  
NONMAJOR - AFFORDABLE HOUSING  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015**

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ 23,649	\$ 23,649
Miscellaneous	-	-	64,107	64,107
<b>Total Revenues</b>	-	-	87,756	87,756
<b>EXPENDITURES</b>				
Community development	-	-	268,621	(268,621)
Capital outlay	-	-	77,000	(77,000)
<b>Total Expenditures</b>	-	-	345,621	(345,621)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	(257,865)	(257,865)
<b>NET CHANGE IN FUND BALANCES</b>	-	-	(257,865)	(257,865)
<b>FUND BALANCES, JULY 1</b>	5,437,295	5,437,295	5,437,295	-
<b>PRIOR-PERIOD ADJUSTMENT</b>			(2,050,000)	
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 5,437,295</u>	<u>\$ 5,437,295</u>	<u>\$ 3,129,430</u>	<u>\$ (257,865)</u>

**Note to Budgetary Comparison Schedule:**

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

See independent auditor's report.

**CITY OF OXNARD, CALIFORNIA  
NONMAJOR - STATE GAS TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015**

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Intergovernmental	\$ 4,995,000	\$ 4,995,000	\$ 5,727,506	\$ 732,506
Charges for services	930,000	930,000	1,113,232	183,232
Interest	50,000	50,000	37,345	(12,655)
Miscellaneous	-	-	28,441	28,441
<b>Total Revenues</b>	<u>5,975,000</u>	<u>5,975,000</u>	<u>6,906,524</u>	<u>931,524</u>
<b>EXPENDITURES</b>				
General government	5,125	5,125	11,059	(5,934)
Transportation systems	5,160,185	5,697,898	5,017,098	680,800
Capital outlay	128,000	1,111,813	749,890	361,923
Debt Service				
Principal	600,000	600,000	600,000	-
Interest	<u>1,107,050</u>	<u>1,107,050</u>	<u>1,107,050</u>	<u>-</u>
<b>Total Expenditures</b>	<u>7,000,360</u>	<u>8,521,886</u>	<u>7,485,097</u>	<u>1,036,789</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,025,360)</u>	<u>(2,546,886)</u>	<u>(578,573)</u>	<u>1,968,313</u>
<b>NET CHANGE IN FUND BALANCES</b>	(1,025,360)	(2,546,886)	(578,573)	1,968,313
<b>FUND BALANCES, JULY 1</b>	<u>6,137,518</u>	<u>6,137,518</u>	6,137,518	-
<b>PRIOR-PERIOD ADJUSTMENT</b>			<u>1,169,814</u>	
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 5,112,158</u>	<u>\$ 3,590,632</u>	<u>\$ 6,728,759</u>	<u>\$ 1,968,313</u>

**Note to Budgetary Comparison Schedule:**

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

See independent auditor's report.

CITY OF OXNARD, CALIFORNIA  
**NONMAJOR - TRAFFIC SAFETY**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Fines and forfeitures	\$ 320,000	\$ 320,000	\$ 283,715	\$(36,285)
Interest	-	-	608	608
<b>Total Revenues</b>	<u>320,000</u>	<u>320,000</u>	<u>284,323</u>	<u>(35,677)</u>
<b>EXPENDITURES</b>				
Public safety	330,879	330,879	274,508	56,371
<b>Total Expenditures</b>	<u>330,879</u>	<u>330,879</u>	<u>274,508</u>	<u>56,371</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(10,879)</u>	<u>(10,879)</u>	<u>9,815</u>	<u>20,694</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	300,000	300,000	300,000	-
<b>Total Other Financing Sources (Uses)</b>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	289,121	289,121	309,815	20,694
<b>FUND BALANCES, JULY 1</b>	<u>366,926</u>	<u>366,926</u>	<u>366,926</u>	<u>-</u>
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 656,047</u>	<u>\$ 656,047</u>	<u>\$ 676,741</u>	<u>\$ 20,694</u>

**Note to Budgetary Comparison Schedule:**

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

See independent auditor's report.

**CITY OF OXNARD, CALIFORNIA  
NONMAJOR - TRANSPORTATION DEPARTMENT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015**

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Intergovernmental	\$ 595,000	\$ 595,000	\$ 1,677,445	\$ 1,082,445
Charges for services	200,000	200,000	194,939	(5,061)
Interest	18,000	18,000	25,224	7,224
<b>Total Revenues</b>	<u>813,000</u>	<u>813,000</u>	<u>1,897,608</u>	<u>1,084,608</u>
<b>EXPENDITURES</b>				
Transportation systems	732,296	731,846	720,707	11,139
Capital outlay	-	1,633,641	493,340	1,140,301
<b>Total Expenditures</b>	<u>732,296</u>	<u>2,365,487</u>	<u>1,214,047</u>	<u>1,151,440</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>80,704</u>	<u>(1,552,487)</u>	<u>683,561</u>	<u>2,236,048</u>
<b>NET CHANGE IN FUND BALANCES</b>	80,704	(1,552,487)	683,561	2,236,048
<b>FUND BALANCES, JULY 1</b>	<u>896,232</u>	<u>896,232</u>	<u>896,232</u>	-
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 976,936</u>	<u>\$ (656,255)</u>	<u>\$ 1,579,793</u>	<u>\$ 2,236,048</u>

**Note to Budgetary Comparison Schedule:**

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

See independent auditor's report.

**CITY OF OXNARD, CALIFORNIA  
NONMAJOR - MAINTENANCE ASSESSMENT DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015**

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Special assessments	\$ 9,163,351	\$ 9,163,351	\$ 7,926,481	\$ (1,236,870)
Interest	94,988	94,988	122,172	27,184
Miscellaneous	13,200	13,200	23,788	10,588
<b>Total Revenues</b>	<u>9,271,539</u>	<u>9,271,539</u>	<u>8,072,441</u>	<u>(1,199,098)</u>
<b>EXPENDITURES</b>				
Public safety	2,685,963	2,785,810	2,762,773	23,037
Transportation systems	794,949	570,102	201,594	368,508
Community development	1,847,293	1,863,046	1,726,965	136,081
Culture and leisure	3,569,028	3,598,001	3,429,058	168,943
Capital outlay	92,000	1,886,321	874,311	1,012,010
<b>Total Expenditures</b>	<u>8,989,233</u>	<u>10,703,280</u>	<u>8,994,701</u>	<u>1,708,579</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>282,306</u>	<u>(1,431,741)</u>	<u>(922,260)</u>	<u>509,481</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	250,000	250,000	2,932,146	2,682,146
<b>Total Other Financing Sources (Uses)</b>	<u>250,000</u>	<u>250,000</u>	<u>2,932,146</u>	<u>2,682,146</u>
<b>NET CHANGE IN FUND BALANCES</b>	532,306	(1,181,741)	2,009,886	3,191,627
<b>FUND BALANCES, JULY 1</b>	<u>13,717,244</u>	<u>13,717,244</u>	13,717,244	-
<b>PRIOR-PERIOD ADJUSTMENT</b>			(5,908)	
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 14,249,550</u>	<u>\$ 12,535,503</u>	<u>\$ 15,721,222</u>	<u>\$ 3,191,627</u>

**Note to Budgetary Comparison Schedule:**

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

See independent auditor's report.

# **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 departments 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.

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**CITY OF OXNARD, CALIFORNIA**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**JUNE 30, 2015**

	PUBLIC LIABILITY/ PROPERTY DAMAGE	WORKERS' COMPENSATION	UTILITY CUSTOMER SERVICE	INFORMATION SERVICES	FACILITIES MAINTENANCE	EQUIPMENT MAINTENANCE	TOTAL
<b>ASSETS</b>							
Cash and cash equivalents	\$ 2,441,249	\$ 8,914,643	\$ 444,113	\$ 1,997,720	\$ -	\$ -	\$ 13,797,725
Accounts and other receivables (net of allowance for uncollectibles)	3,292	1	-	-	2,985	-	6,278
Other assets	-	-	32,900	-	-	-	32,900
Advances to other funds	-	1,013,181	-	-	-	-	1,013,181
<b>CAPITAL ASSETS</b>							
Land	595,500	-	-	-	-	-	595,500
Improvements	-	-	-	-	202,684	-	202,684
Machinery and equipment	62,621	62,260	42,507	2,136,510	798,718	931,198	4,033,814
Construction in progress	-	-	-	212,358	-	-	212,358
<b>Total Capital Assets</b>	<u>658,121</u>	<u>62,260</u>	<u>42,507</u>	<u>2,348,868</u>	<u>1,001,402</u>	<u>931,198</u>	<u>5,044,356</u>
Less: Accumulated depreciation	57,621	57,603	42,507	1,981,570	753,516	646,030	3,538,847
<b>Net Total Capital Assets</b>	<u>600,500</u>	<u>4,657</u>	<u>-</u>	<u>367,298</u>	<u>247,886</u>	<u>285,168</u>	<u>1,505,509</u>
<b>Total Assets</b>	<u>3,045,041</u>	<u>9,932,482</u>	<u>477,013</u>	<u>2,365,018</u>	<u>250,871</u>	<u>285,168</u>	<u>16,355,593</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>							
Pension contributions	5,588	46,284	55,559	205,764	246,595	394,428	954,218
<b>Total Deferred Outflow of Resources</b>	<u>5,588</u>	<u>46,284</u>	<u>55,559</u>	<u>205,764</u>	<u>246,595</u>	<u>394,428</u>	<u>954,218</u>
<b>LIABILITIES</b>							
<b>Current Liabilities</b>							
Accounts payable	24,231	118,575	29,539	187,374	34,599	372,278	766,596
Other liabilities	1,370	39,390	16,806	54,601	77,264	113,109	302,540
Capital lease payable - current	-	-	-	-	-	15,155	15,155
Compensated absences payable - current	-	510	28,000	161,200	164,000	336,301	690,011
Self-insurance claims - due within one year	1,709,046	4,878,152	-	-	-	-	6,587,198
<b>Total Current Liabilities</b>	<u>1,734,647</u>	<u>5,036,627</u>	<u>74,345</u>	<u>403,175</u>	<u>275,863</u>	<u>836,843</u>	<u>8,361,500</u>
<b>Noncurrent Liabilities</b>							
Capital leases payable	-	-	-	-	-	-	-
Compensated absences payable	-	49,641	11,426	50,807	99,417	-	211,291
Other post-employment benefits payable	114,210	14,307	79,794	159,587	261,143	246,635	875,676
Retirement payable	68,346	542,727	774,096	3,046,541	3,828,591	5,377,179	13,637,480
Self-insurance claims	1,423,733	8,158,240	-	-	-	-	9,581,973
<b>Total Noncurrent Liabilities</b>	<u>1,606,289</u>	<u>8,764,915</u>	<u>865,316</u>	<u>3,256,935</u>	<u>4,189,151</u>	<u>5,623,814</u>	<u>24,306,420</u>
<b>Total Liabilities</b>	<u>3,340,936</u>	<u>13,801,542</u>	<u>939,661</u>	<u>3,660,110</u>	<u>4,465,014</u>	<u>6,460,657</u>	<u>32,667,920</u>
<b>DEFERRED INFLOW OF RESOURCES</b>							
Actuarial	20,505	134,817	157,352	618,485	787,682	1,176,002	2,894,843
<b>Total Deferred Inflow of Resources</b>	<u>20,505</u>	<u>134,817</u>	<u>157,352</u>	<u>618,485</u>	<u>787,682</u>	<u>1,176,002</u>	<u>2,894,843</u>
<b>NET POSITION</b>							
Net investment in capital assets	600,500	4,657	-	367,298	247,886	270,013	1,490,354
Unrestricted	(911,312)	(3,962,250)	(564,441)	(2,075,111)	(5,003,116)	(7,227,076)	(19,743,306)
<b>TOTAL NET POSITION</b>	<u>\$ (310,812)</u>	<u>\$(3,957,593)</u>	<u>\$(564,441)</u>	<u>\$(1,707,813)</u>	<u>\$(4,755,230)</u>	<u>\$(6,957,063)</u>	<u>\$(18,252,952)</u>

CITY OF OXNARD, CALIFORNIA  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
FOR THE YEAR ENDED JUNE 30, 2015

	PUBLIC LIABILITY/ PROPERTY DAMAGE	WORKERS' COMPENSATION	UTILITY CUSTOMER SERVICE	INFORMATION SERVICES	FACILITIES MAINTENANCE	EQUIPMENT MAINTENANCE	TOTAL
<b>OPERATING REVENUES</b>							
Charges for services	\$ 2,775,000	\$ 5,304,891	\$ 1,544,004	\$ 3,785,336	\$ 3,706,727	\$ 9,308,709	\$ 26,424,667
Miscellaneous	78,745	21,705	-	-	51,879	13,305	165,634
<b>Total Operating Income</b>	<u>2,853,745</u>	<u>5,326,596</u>	<u>1,544,004</u>	<u>3,785,336</u>	<u>3,758,606</u>	<u>9,322,014</u>	<u>26,590,301</u>
<b>OPERATING EXPENSES</b>							
Salaries and wages	55,372	428,350	568,177	1,889,107	2,536,788	3,715,342	9,193,136
Contractual services	897,467	552,748	74,047	239,055	225,922	154,940	2,144,179
Operating supplies	-	-	-	144,983	225,407	4,397,402	4,767,792
Utilities	-	2,580	8,219	832,600	553,910	16,575	1,413,884
Depreciation	1,667	776	-	91,519	65,679	68,272	227,913
General and administrative	185,858	486,670	901,597	570,931	231,440	528,543	2,905,039
Repairs and maintenance	13,509	24,610	13,434	334,335	97,503	901,520	1,384,911
Claims expense	2,619,851	4,748,164	-	-	-	-	7,368,015
<b>Total Operating Expenses</b>	<u>3,773,724</u>	<u>6,243,898</u>	<u>1,565,474</u>	<u>4,102,530</u>	<u>3,936,649</u>	<u>9,782,594</u>	<u>29,404,869</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(919,979)</u>	<u>(917,302)</u>	<u>(21,470)</u>	<u>(317,194)</u>	<u>(178,043)</u>	<u>(460,580)</u>	<u>(2,814,568)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>							
Interest income	32,480	90,740	3,749	20,945	1,203	888	150,005
Interest (expense)	-	-	-	-	-	(1,133)	(1,133)
<b>Total Nonoperating Revenues (Expenses)</b>	<u>32,480</u>	<u>90,740</u>	<u>3,749</u>	<u>20,945</u>	<u>1,203</u>	<u>(245)</u>	<u>148,872</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<u>(887,499)</u>	<u>(826,562)</u>	<u>(17,721)</u>	<u>(296,249)</u>	<u>(176,840)</u>	<u>(460,825)</u>	<u>(2,665,696)</u>
<b>TRANSFERS IN</b>	-	-	-	-	79,747	322,540	402,287
<b>TRANSFERS OUT</b>	-	-	(49,411)	-	-	-	(49,411)
<b>CHANGES IN NET POSITION</b>	(887,499)	(826,562)	(67,132)	(296,249)	(97,093)	(138,285)	(2,312,820)
<b>NET POSITION - JULY 1</b>	680,416	(2,432,985)	365,585	3,265,166	(480,690)	(500,612)	896,880
<b>PRIOR-PERIOD ADJUSTMENT</b>	<u>(103,729)</u>	<u>(698,046)</u>	<u>(862,894)</u>	<u>(4,676,730)</u>	<u>(4,177,447)</u>	<u>(6,318,166)</u>	<u>(16,837,012)</u>
<b>NET POSITION - JUNE 30</b>	<u>\$ (310,812)</u>	<u>\$ (3,957,593)</u>	<u>\$ (564,441)</u>	<u>\$ (1,707,813)</u>	<u>\$ (4,755,230)</u>	<u>\$ (6,957,063)</u>	<u>\$ (18,252,952)</u>

**CITY OF OXNARD, CALIFORNIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	PUBLIC LIABILITY/ PROPERTY DAMAGE	WORKERS' COMPENSATION	UTILITY CUSTOMER SERVICE	INFORMATION SERVICES	FACILITIES MAINTENANCE	EQUIPMENT MAINTENANCE	TOTAL
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Receipts from customers	\$ 2,866,836	\$ 5,243,819	\$ 1,544,004	\$ 3,785,336	\$ 3,755,812	\$ 9,322,014	\$ 26,517,821
Payments to suppliers	(1,102,027)	(945,988)	(1,023,316)	(2,077,021)	(1,338,519)	(5,852,642)	(12,339,513)
Payments to employees	(47,945)	(407,356)	(544,927)	(1,859,929)	(2,432,027)	(3,790,630)	(9,082,814)
Claims paid	(3,193,213)	(3,893,652)	-	-	-	-	(7,086,865)
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>(1,476,349)</u>	<u>(3,177)</u>	<u>(24,239)</u>	<u>(151,614)</u>	<u>(14,734)</u>	<u>(321,258)</u>	<u>(1,991,371)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>							
Transfers in	-	-	-	-	79,747	322,540	402,287
Transfers out	-	-	(49,411)	-	-	-	(49,411)
<b>Net Cash Provided By (Used In) Capital Financing Activities</b>	<u>-</u>	<u>-</u>	<u>(49,411)</u>	<u>-</u>	<u>79,747</u>	<u>322,540</u>	<u>352,876</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>							
Purchases of capital assets	-	(5,433)	-	(190,900)	(176,737)	-	(373,070)
Interest paid on long-term debt	-	-	-	-	-	(1,133)	(1,133)
Principal paid on long-term debt	-	-	-	-	-	(29,657)	(29,657)
<b>Net Cash Provided By (Used In) Capital Financing Activities</b>	<u>-</u>	<u>(5,433)</u>	<u>-</u>	<u>(190,900)</u>	<u>(176,737)</u>	<u>(30,790)</u>	<u>(403,860)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Collection of advances	-	82,775	-	-	-	-	82,775
Interest on investments	32,480	90,740	3,749	20,945	1,203	888	150,005
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>32,480</u>	<u>173,515</u>	<u>3,749</u>	<u>20,945</u>	<u>1,203</u>	<u>888</u>	<u>150,005</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>							
<b>CASH AND CASH EQUIVALENTS - JULY 1</b>	3,885,118	8,749,738	514,014	2,319,289	110,521	28,620	15,607,300
<b>CASH AND CASH EQUIVALENTS - JUNE 30</b>	<u>\$ 2,441,249</u>	<u>\$ 8,914,643</u>	<u>\$ 444,113</u>	<u>\$ 1,997,720</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,797,725</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>							
Operating income (loss)	\$ (919,979)	\$ (917,302)	\$ (21,470)	\$ (317,194)	\$ (178,043)	\$ (460,580)	\$ (2,814,568)
Adjustments to Reconcile Operating Income to							
Net Cash Provided by (Used In) Operating Activities							
Depreciation and amortization	1,667	776	-	91,519	65,679	68,272	227,913
Changes in Operating Assets and Liabilities							
(Increase) decrease in accounts receivable	13,091	(82,777)	-	-	(2,794)	-	(72,480)
Increase (decrease) in accounts payable and other liabilities	(5,392)	120,610	(22,771)	50,543	10,415	157,844	311,249
Increase (decrease) in compensated absences	-	29,442	581	(1,876)	990	(91,295)	(62,158)
Increase (decrease) in other post-employment payable	7,455	-	30,789	57,638	113,877	68,587	278,346
Increase (decrease) in retirement payable	171	(8,438)	(11,368)	(32,244)	(24,858)	(64,086)	(140,823)
Increase (decrease) in self-insurance liability	(573,362)	854,512	-	-	-	-	281,150
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>\$ (1,476,349)</u>	<u>\$ (3,177)</u>	<u>\$ (24,239)</u>	<u>\$ (151,614)</u>	<u>\$ (14,734)</u>	<u>\$ (321,258)</u>	<u>\$ (1,991,371)</u>

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# **FIDUCIARY FUNDS**

CITY OF OXNARD, CALIFORNIA  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
 JUNE 30, 2015

	BALANCE JULY 1, 2014	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2015
<b>ARTWORKS FUND</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 53,716	\$ 378	\$ -	\$ 54,094
<b>Total Assets</b>	<u>\$ 53,716</u>	<u>\$ 378</u>	<u>\$ -</u>	<u>\$ 54,094</u>
<b>LIABILITIES</b>				
Trust and agency payables	\$ 53,716	\$ 378	\$ -	\$ 54,094
<b>Total Liabilities</b>	<u>\$ 53,716</u>	<u>\$ 378</u>	<u>\$ -</u>	<u>\$ 54,094</u>
<b>IMPROVEMENT DISTRICTS FUND</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 4,277,977	\$ 5,424,187	\$ 4,944,968	\$ 4,757,196
Investments with fiscal agents	3,337,717	22,629	-	3,360,346
<b>Total Assets</b>	<u>\$ 7,615,694</u>	<u>\$ 5,446,816</u>	<u>\$ 4,944,968</u>	<u>\$ 8,117,542</u>
<b>LIABILITIES</b>				
Trust and agency payables	7,615,694	\$ 5,446,816	\$ 4,944,968	\$ 8,117,542
<b>Total Liabilities</b>	<u>\$ 7,615,694</u>	<u>\$ 5,446,816</u>	<u>\$ 4,944,968</u>	<u>\$ 8,117,542</u>
<b>ODMD</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 238,908	\$ 15	\$ 224,281	\$ 14,642
<b>Total Assets</b>	<u>\$ 238,908</u>	<u>\$ 15</u>	<u>\$ 224,281</u>	<u>\$ 14,642</u>
<b>LIABILITIES</b>				
Trust and agency payables	\$ 238,908	\$ 15	\$ 224,281	\$ 14,642
<b>Total Liabilities</b>	<u>\$ 238,908</u>	<u>\$ 15</u>	<u>\$ 224,281</u>	<u>\$ 14,642</u>
<b>RIVERPARK JPA</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,035,903	\$ 7,287	\$ 1,875	\$ 1,041,315
<b>Total Assets</b>	<u>\$ 1,035,903</u>	<u>\$ 7,287</u>	<u>\$ 1,875</u>	<u>\$ 1,041,315</u>
<b>LIABILITIES</b>				
Trust and agency payables	\$ 1,035,903	\$ 7,287	\$ 1,875	\$ 1,041,315
<b>Total Liabilities</b>	<u>\$ 1,035,903</u>	<u>\$ 7,287</u>	<u>\$ 1,875</u>	<u>\$ 1,041,315</u>
<b>TOTAL - ALL FIDUCIARY FUNDS</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 5,606,504	\$ 5,431,867	\$ 5,171,124	\$ 5,867,247
Investments with fiscal agents	3,337,717	22,629	-	3,360,346
<b>Total Assets</b>	<u>\$ 8,944,221</u>	<u>\$ 5,454,496</u>	<u>\$ 5,171,124</u>	<u>\$ 9,227,593</u>
<b>LIABILITIES</b>				
Trust and agency payables	\$ 8,944,221	\$ 5,454,496	\$ 5,171,124	\$ 9,227,593
<b>Total Liabilities</b>	<u>\$ 8,944,221</u>	<u>\$ 5,454,496</u>	<u>\$ 5,171,124</u>	<u>\$ 9,227,593</u>

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# STATISTICAL SECTION



**Statistical Section  
(Unaudited)**

Schedule I	Net Position by Component
Schedule II	Changes in Net Position
Schedule III	Fund Balances of Governmental Funds
Schedule IV	Changes in Fund Balances of Governmental Funds
Schedule V	Governmental Activities Tax Revenues by Source
Schedule VI	Assessed Value and Estimated Value of Taxable Property
Schedule VII	Direct and Overlapping Property Tax Rates
Schedule VIII	Principal Property Taxpayers
Schedule IX	Property Tax Levies and Collections
Schedule X	Ratios of Outstanding Debt by Type
Schedule XI	Direct and Overlapping Governmental Activities Debt
Schedule XII	Legal Debt Margin Information
Schedule XIII	Pledged Revenue Coverage
Schedule XIV	Demographic and Economic Statistics
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Schedule XVI	Operating Indicators by Function
Schedule XVII	Capital Assets by Function

# City of Oxnard, California

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

	Fiscal Year				
	2006	2007	2008	2009	2010
<b>Governmental activities</b>					
Net investment in capital asset	\$1,313,161,486	\$1,329,023,654	\$1,357,202,580	\$1,371,345,945	\$1,377,784,811
Restricted	15,902,180	33,774,265	48,175,216	12,852,498	25,080,711
Unrestricted	95,688,754	94,848,663	79,025,330	111,642,569	97,095,180
<b>Total governmental activities net position</b>	<b>\$1,424,752,420</b>	<b>\$1,457,646,582</b>	<b>\$1,484,403,126</b>	<b>\$1,495,841,012</b>	<b>\$1,499,960,702</b>
<b>Business-type activities</b>					
Net investment in capital asset	\$154,777,148	\$225,311,825	\$229,468,962	\$238,066,640	\$250,720,062
Restricted	13,405,164	12,508,465	8,782,553	7,811,268	17,706,319
Unrestricted	83,556,063	46,954,212	47,628,743	55,267,595	38,725,334
<b>Total business-type activities net position</b>	<b>\$251,738,375</b>	<b>\$284,774,502</b>	<b>\$285,880,258</b>	<b>\$301,145,503</b>	<b>\$307,151,715</b>
<b>Primary government</b>					
Net investment in capital asset	\$1,467,938,634	\$1,554,335,479	\$1,586,671,542	\$1,609,412,585	\$1,628,504,873
Restricted	29,307,344	46,282,730	56,957,769	20,663,766	42,787,030
Unrestricted	179,244,817	141,802,875	126,654,073	166,910,164	135,820,514
<b>Total primary government net position</b>	<b>\$1,676,490,795</b>	<b>\$1,742,421,084</b>	<b>\$1,770,283,384</b>	<b>\$1,796,986,515</b>	<b>\$1,807,112,417</b>

Source: Finance Department, City of Oxnard

# City of Oxnard, California

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

2011	2012	Fiscal Year 2013	2014	2015	
					Governmental activities
\$1,411,737,702	\$1,386,189,664	\$1,407,060,810	\$1,400,890,107	\$1,455,133,818	Net investment in capital asset
72,142,274	18,707,789	28,720,391	45,801,395	112,198,502	Restricted
41,934,961	58,748,720	22,539,194	8,226,160	(220,258,407)	Unrestricted
<u>\$1,525,814,937</u>	<u>\$1,463,646,173</u>	<u>\$1,458,320,395</u>	<u>\$1,454,917,662</u>	<u>\$1,347,073,913</u>	Total governmental activities net position
					Business-type activities
\$265,617,506	\$264,692,784	\$285,475,430	\$287,649,591	225,738,617	Net investment in capital asset
18,417,110	17,602,552	16,577,898	17,096,075	15,400,679	Restricted
43,239,167	50,315,899	34,418,934	44,328,734	28,909,066	Unrestricted
<u>\$327,273,783</u>	<u>\$332,611,235</u>	<u>\$336,472,262</u>	<u>\$349,074,400</u>	<u>\$270,048,362</u>	Total business-type activities net position
					Primary government
\$1,677,355,208	\$1,650,882,448	\$1,692,536,240	\$1,688,539,698	\$1,680,872,435	Net investment in capital asset
90,559,384	36,310,341	45,298,289	62,897,470	127,599,181	Restricted
85,174,128	109,064,619	56,958,128	52,554,894	(191,349,341)	Unrestricted
<u>\$1,853,088,720</u>	<u>\$1,796,257,408</u>	<u>\$1,794,792,657</u>	<u>\$1,803,992,062</u>	<u>\$1,617,122,275</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				
	2006	2007	2008	2009	2010
<b>Expenses</b>					
<b>Governmental activities:</b>					
General government	\$18,360,819	\$19,130,468	\$21,898,728	\$19,717,999	\$18,695,220
Public safety	75,789,982	80,579,263	88,547,776	86,249,353	92,554,917
Transportation	10,341,829	9,893,618	10,847,730	10,600,127	10,321,184
Community development	22,614,813	19,369,860	27,123,076	26,989,828	32,863,176
Culture and leisure	15,345,765	16,015,957	18,162,564	20,945,072	19,016,619
Libraries	4,654,234	5,025,580	5,517,965	5,341,028	5,176,704
Interest on long-term debt	1,904,516	3,263,821	4,701,143	6,519,008	5,583,856
Total governmental activities expenses	<u>149,011,958</u>	<u>153,278,567</u>	<u>176,798,982</u>	<u>176,362,415</u>	<u>184,211,676</u>
<b>Business-type activities:</b>					
Water	26,636,150	30,683,509	33,417,143	29,837,359	36,797,806
Wastewater	27,939,236	29,033,021	24,009,381	22,337,575	24,205,554
Environmental resource	38,535,592	39,817,351	45,329,486	41,117,534	39,296,115
Performing arts and convention center	1,590,321	1,761,156	1,829,853	1,799,861	1,651,658
Oxnard housing authority	24,724,889	23,494,108	23,758,739	26,153,807	25,259,519
Municipal golf course	3,983,695	4,433,702	3,794,080	7,601,054	4,507,360
Total business-type activities expenses	<u>123,409,883</u>	<u>129,222,847</u>	<u>132,138,682</u>	<u>128,847,190</u>	<u>131,718,012</u>
Total primary government expenses	<u>\$272,421,841</u>	<u>\$282,501,414</u>	<u>\$308,937,664</u>	<u>\$305,209,605</u>	<u>\$315,929,688</u>
<b>Program Revenues</b>					
<b>Governmental activities:</b>					
Charges for services:					
General government	\$7,864,784	\$17,237,868	\$8,515,014	\$9,765,771	\$10,203,810
Public safety	6,513,674	6,114,255	4,921,670	5,017,708	4,202,162
Transportation	4,369,882	4,217,846	4,050,457	4,042,492	5,068,843
Community development	24,448,745	11,095,658	15,030,222	11,825,981	6,366,499
Culture and leisure	928,054	3,903,705	4,401,090	5,273,551	5,237,167
Libraries	169,339	320,939	246,576	260,577	428,872
Operating grants and contributions	30,436,511	25,025,965	23,207,919	25,875,331	24,380,018
Capital grants and contributions	16,758,901	6,804,709	12,902,805	9,420,033	17,106,111
Total governmental activities program revenues	<u>\$91,489,890</u>	<u>\$74,720,945</u>	<u>\$73,275,753</u>	<u>\$71,481,444</u>	<u>\$72,993,482</u>

# City of Oxnard, California

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

Fiscal Year					
2011	2012	2013	2014	2015	
					<b>Expenses</b>
					<b>Governmental activities:</b>
\$20,845,702	\$18,680,585	\$18,129,124	\$17,851,478	\$ 12,223,337	General government
92,702,882	98,603,456	103,079,427	105,886,922	97,913,468	Public safety
10,521,098	11,030,990	10,331,822	10,151,437	23,333,586	Transportation
26,225,688	33,705,121	21,162,624	16,445,165	13,137,896	Community development
19,047,037	18,858,694	19,334,566	20,089,724	28,136,349	Culture and leisure
5,230,252	5,203,318	4,916,628	4,901,223	4,498,950	Libraries
5,503,330	3,532,902	2,973,016	2,792,053	4,517,686	Interest on long-term debt
<u>180,075,989</u>	<u>189,615,066</u>	<u>179,927,207</u>	<u>178,118,002</u>	<u>183,761,272</u>	Total governmental activities expenses
					<b>Business-type activities:</b>
34,062,940	37,910,096	44,762,850	44,839,558	55,799,990	Water
23,052,505	29,078,392	34,396,819	34,959,148	37,993,468	Wastewater
41,405,568	41,581,865	40,601,250	39,083,017	37,802,942	Environmental resource
1,606,129	1,587,496	1,534,353	1,543,601		Performing arts and convention center
24,911,450	24,398,669	25,397,453	25,617,591	23,584,181	Oxnard housing authority
6,104,614	6,048,938	6,150,325	6,399,227		Municipal golf course
<u>131,143,206</u>	<u>140,605,456</u>	<u>152,843,050</u>	<u>152,442,142</u>	<u>155,180,581</u>	Total business-type activities expenses
<u>\$311,219,195</u>	<u>\$330,220,522</u>	<u>\$332,770,257</u>	<u>\$330,560,144</u>	<u>\$338,941,853</u>	Total primary government expenses
					<b>Program Revenues</b>
					<b>Governmental activities:</b>
					Charges for services:
\$8,422,050	\$9,471,575	\$8,408,578	\$8,808,647	\$ 5,165,703	General government
4,246,985	4,426,984	4,460,425	4,878,804	4,904,728	Public safety
2,131,535	2,145,431	3,152,660	3,345,515	2,630,954	Transportation
7,198,058	12,576,655	4,316,880	7,767,004	16,542,075	Community development
5,037,380	5,605,866	4,667,879	4,889,702	7,932,322	Culture and leisure
399,582	378,004	427,152	444,458	521,672	Libraries
27,293,717	30,155,325	27,406,424	32,350,516	29,420,545	Operating grants and contributions
35,331,568	16,598,931	8,313,758	7,486,869	12,300,850	Capital grants and contributions
<u>\$90,060,875</u>	<u>\$81,358,771</u>	<u>\$61,153,756</u>	<u>\$69,971,515</u>	<u>\$79,418,849</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				
	2006	2007	2008	2009	2010
<b>Business-type activities:</b>					
Charges for services:					
Water	\$32,150,667	\$36,855,486	\$35,378,947	\$38,477,754	\$38,439,653
Wastewater	26,139,278	24,503,133	27,621,114	24,846,717	22,566,372
Environmental resource	36,704,264	40,122,057	42,795,069	39,695,711	40,468,627
Performing arts and convention center	483,475	517,766	485,548	483,371	513,857
Oxnard housing authority	23,197,945	23,137,523	23,785,335	6,105,106	4,686,681
Municipal golf course	3,899,645	3,999,148	3,234,074	4,398,074	4,278,241
Operating grants and contributions	-	-	-	19,635,556	20,781,204
Capital grants and contributions	1,306,910	-	-	543,140	192,400
Total business-like activities program revenues	<u>123,882,184</u>	<u>129,135,113</u>	<u>133,300,087</u>	<u>134,185,429</u>	<u>131,927,035</u>
Total primary government program revenues	<u>\$215,372,074</u>	<u>\$203,856,058</u>	<u>\$206,575,840</u>	<u>\$205,666,873</u>	<u>\$204,920,517</u>
Net (expense) revenue					
Governmental activities	(57,522,068)	(78,557,622)	(103,523,229)	(104,880,971)	(111,218,194)
Business-like activities	472,301	(87,734)	1,161,405	5,338,239	209,023
Total primary government net expense	<u>(\$57,049,767)</u>	<u>(\$78,645,356)</u>	<u>(\$102,361,824)</u>	<u>(\$99,542,732)</u>	<u>(\$111,009,171)</u>
<b>General Revenues and Other Changes in Net Position</b>					
<b>Governmental activities:</b>					
Taxes					
Property taxes	\$58,537,770	\$68,429,117	\$75,726,666	\$76,681,392	\$72,817,719
Sales taxes	23,985,182	25,783,808	24,205,622	24,043,286	28,103,051
Transient occupancy taxes	3,309,716	3,550,903	3,618,611	3,328,803	3,061,163
Franchise taxes	3,914,317	3,686,627	3,986,567	4,635,616	3,439,645
Deed transfer taxes	1,230,768	880,370	860,378	573,882	509,370
Business license taxes	4,470,841	4,504,455	4,662,658	5,059,323	4,692,615
Penalties on delinquent taxes	132,403	129,679	123,956	145,945	136,565
Investment earnings	4,860,461	6,653,231	7,561,978	5,556,004	2,769,250
Sale of capital assets	7,146,270	-	4,351,772	59,319	694,185
Transfers	(2,280,393)	(2,166,406)	5,181,566	(3,764,713)	(885,679)
Extraordinary loss	-	-	-	-	-
Contributions to other government	-	-	-	-	-
Total governmental activities	<u>105,307,335</u>	<u>111,451,784</u>	<u>130,279,774</u>	<u>116,318,857</u>	<u>115,337,884</u>
<b>Business-type activities:</b>					
Investment earnings	4,753,913	7,480,785	5,125,917	3,299,336	1,911,510
Sale of capital assets	-	23,476,670	-	2,862,957	-
Transfers	2,280,393	2,166,406	(5,181,566)	3,764,713	885,679
Total business-type activities	<u>7,034,306</u>	<u>33,123,861</u>	<u>(55,649)</u>	<u>9,927,006</u>	<u>2,797,189</u>
Total primary program	<u>\$112,341,641</u>	<u>\$144,575,645</u>	<u>\$130,224,125</u>	<u>\$126,245,863</u>	<u>\$118,135,073</u>
<b>Change in Net Position</b>					
Governmental activities	47,785,267	32,894,162	26,756,545	11,437,886	4,119,690
Business-type activities	7,506,607	33,036,127	1,105,756	15,265,245	3,006,212
Total primary government	<u>\$55,291,874</u>	<u>\$65,930,289</u>	<u>\$27,862,301</u>	<u>\$26,703,131</u>	<u>\$7,125,902</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			
2011	2012	2013	2014	2015	
					<b>Business-type activities:</b>
					Charges for services:
\$43,170,566	\$46,769,748	\$51,056,102	\$52,742,289	\$48,048,380	Water
25,157,094	31,528,171	30,998,260	31,335,380	32,074,140	Wastewater
45,047,154	44,217,775	42,535,271	44,392,421	43,394,227	Environmental resource
439,653	545,270	483,778	666,820		Performing arts and convention center
4,786,715	5,157,388	5,173,132	26,158,985	5,168,698	Oxnard housing authority
3,905,224	4,063,299	4,157,668	4,471,706		Municipal golf course
20,524,235	18,727,259	18,595,158	53,734	17,853,909	Operating grants and contributions
2,308,206	1,002,582	966,935	671,012	919,149	Capital grants and contributions
<u>145,338,847</u>	<u>152,011,492</u>	<u>153,966,304</u>	<u>160,492,347</u>	<u>147,458,503</u>	Total business-like activities program revenues
<u>\$235,399,722</u>	<u>\$233,370,263</u>	<u>\$215,120,060</u>	<u>\$230,463,862</u>	<u>\$226,877,352</u>	Total primary government program revenues
					Net (expense) revenue
(90,015,114)	(108,256,295)	(118,773,451)	(108,146,487)	(104,342,423)	Governmental activities
14,195,641	11,406,036	1,123,254	8,050,205	(7,722,078)	Business-like activities
<u>(\$75,819,473)</u>	<u>(\$96,850,259)</u>	<u>(\$117,650,197)</u>	<u>(\$100,096,282)</u>	<u>(\$112,064,501)</u>	Total primary government net expense
					<b>General Revenues and Other Changes in Net Position</b>
					<b>Governmental activities:</b>
					Taxes
\$71,118,203	\$63,176,888	\$55,148,254	\$54,783,756	\$ 58,633,590	Property taxes
33,396,737	37,453,124	35,156,013	38,330,268	40,624,737	Sales taxes
3,301,864	3,402,793	3,826,954	4,239,111	4,649,292	Transient occupancy taxes
3,495,532	3,435,823	3,842,351	3,775,233	4,093,435	Franchise taxes
528,563	412,471	628,780	519,093	758,502	Deed transfer taxes
4,412,881	6,125,278	4,562,692	5,125,801	5,104,859	Business license taxes
105,158	126,609	121,064	157,998	141,127	Penalties on delinquent taxes
1,934,083	1,354,128	(21,216)	1,165,783	807,618	Investment earnings
141,123	57,768	119,184	114,348		Sale of capital assets
(2,564,795)	(2,184,229)	(2,166,145)	(2,207,463)	6,439,487	Transfers
-	(65,066,037)	-	-	-	Extraordinary loss
-	(14,627)	-	-	-	Contributions to other government
<u>115,869,349</u>	<u>48,279,989</u>	<u>101,217,931</u>	<u>106,003,928</u>	<u>121,252,647</u>	Total governmental activities
3,361,632	3,168,662	2,445,183	2,997,078	2,735,395	<b>Business-type activities:</b>
-	-	-	-	-	Investment earnings
2,564,795	2,184,229	2,166,145	2,207,463	(6,439,487)	Sale of capital assets
<u>5,926,427</u>	<u>5,352,891</u>	<u>4,611,328</u>	<u>5,204,541</u>	<u>(3,704,092)</u>	Transfers
<u>\$121,795,776</u>	<u>\$53,632,880</u>	<u>\$105,829,259</u>	<u>\$111,208,469</u>	<u>\$117,548,555</u>	Total business-type activities
					Total primary program
					<b>Change in Net Position</b>
25,854,235	(59,976,306)	(17,555,520)	(2,142,559)	16,910,224	Governmental activities
20,122,068	16,758,927	5,734,582	13,254,746	(11,426,170)	Business-type activities
<u>\$45,976,303</u>	<u>(\$43,217,379)</u>	<u>(\$11,820,938)</u>	<u>\$11,112,187</u>	<u>\$5,484,054</u>	Total primary government

# City of Oxnard, California

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

	Fiscal Year				
	2006	2007	2008	2009	2010
General Fund					
Reserved	\$ 3,658,849	\$ 3,573,245	\$ 344,987	\$ -	\$ -
Unreserved	23,523,456	21,424,406	20,108,117	23,794,737	29,726,794
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed					
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total general fund	<u>\$27,182,305</u>	<u>\$24,997,651</u>	<u>\$20,453,104</u>	<u>\$23,794,737</u>	<u>\$29,726,794</u>
All other governmental funds					
Reserved	\$ 12,243,331	\$ 30,201,020	\$ 11,148,128	\$ 12,852,498	\$ 13,811,524
Unreserved, reported in:					
Special revenue funds	58,172,246	51,516,503	61,096,986	61,924,849	61,896,005
Capital projects funds	26,320,799	47,966,047	81,877,539	72,705,295	59,395,831
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>\$96,736,376</u>	<u>\$129,683,570</u>	<u>\$154,122,653</u>	<u>\$147,482,642</u>	<u>\$135,103,360</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					
2011	2012	2013	2014	2015			
						General Fund	
\$ -	\$ -	\$ -	\$ -	\$ -		Reserved	
-	-	-	-	-		Unreserved	
-	-	4,714,203	4,620,492	-		Nonspendable	
-	-	1,482,872	-	-		Restricted	
				3,534,921		Committed	
17,472,751	18,093,783	14,658,123	18,409,417	7,780,938		Assigned	
15,648,084	15,666,268	11,359,847	13,916,093	13,459,906		Unassigned	
<u>\$ 33,120,835</u>	<u>\$ 33,760,051</u>	<u>\$ 32,215,045</u>	<u>\$ 36,946,002</u>	<u>\$ 24,775,765</u>		Total general fund	
						All other governmental funds	
\$ -	\$ -	\$ -	\$ -	\$ -		Reserved	
						Unreserved, reported in:	
-	-	-	-	-		Special revenue funds	
-	-	-	-	-		Capital projects funds	
13,230,067	-	3,305,113	-	-		Nonspendable	
34,500,580	18,707,789	27,237,519	49,083,954	74,810,464		Restricted	
80,823,243	51,415,603	4,456,543	5,498,036	9,639,955		Assigned	
(2,764,967)	(6,386,154)	14,859,161	(2,062,158)	(1,493,635)		Unassigned	
<u>\$ 125,788,923</u>	<u>\$ 63,737,238</u>	<u>\$ 49,858,336</u>	<u>\$ 52,519,832</u>	<u>\$ 82,956,784</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				
	2006	2007	2008	2009	2010
<b>Revenues</b>					
Taxes	\$95,580,997	\$106,964,959	\$113,184,458	\$114,468,247	\$112,760,128
Licenses and permits	5,937,172	3,434,727	2,792,191	2,470,865	2,267,581
Intergovernmental	31,543,392	31,830,674	36,110,724	32,290,549	42,232,125
Growth and development fees	9,616,234	4,984,467	5,724,940	7,210,668	1,502,781
Charges for services	14,721,778	11,418,999	12,877,753	10,705,908	11,007,992
Fines and forfeitures	1,320,782	1,383,780	1,350,628	1,408,066	1,213,655
Interest	4,860,461	6,653,231	7,561,978	5,556,004	2,769,250
Special assessments	2,346,088	14,967,993	9,014,090	8,611,926	9,168,150
Contributions from property owners	1,085,000	-	-	-	-
Miscellaneous	10,352,424	6,700,305	9,757,199	5,837,966	8,268,073
Total revenues	<u>177,364,328</u>	<u>188,339,135</u>	<u>198,373,961</u>	<u>188,560,199</u>	<u>191,189,735</u>
<b>Expenditures</b>					
General government	11,994,048	12,283,152	12,390,389	11,883,205	11,145,722
Public safety	69,405,713	75,815,578	80,409,884	74,877,737	84,818,990
Transportation	10,254,324	10,136,221	10,642,590	9,829,554	10,137,568
Community development	22,100,626	18,962,172	26,158,572	25,832,640	32,073,825
Culture and leisure	14,366,317	15,141,511	16,894,790	19,348,413	17,751,755
Library services	4,214,038	4,558,864	4,950,293	4,755,540	4,632,177
Capital outlay	41,227,891	56,309,445	52,283,436	43,704,965	34,739,151
Debt Service:					
Principal	7,983,492	2,251,795	2,754,823	3,168,595	3,743,020
Interest	1,920,662	2,411,174	3,810,737	5,574,369	5,230,494
Total expenditures	<u>183,467,111</u>	<u>197,869,912</u>	<u>210,295,514</u>	<u>198,975,018</u>	<u>204,272,702</u>
Excess of revenues over (under) expenditures	<u>(6,102,783)</u>	<u>(9,530,777)</u>	<u>(11,921,553)</u>	<u>(10,414,819)</u>	<u>(13,082,967)</u>
<b>Other Financing Sources (Uses)</b>					
Payment to escrow agent	14,567,020	-	-	-	-
Proceeds from sale of property	1,885,649	-	-	-	-
Proceeds from sale of bonds	-	42,459,723	26,634,523	11,790,000	1,395,646
Cost of issuance	-	-	-	-	-
Bond discount	-	-	-	(116,979)	-
Transfers in	13,659,615	13,159,636	14,107,966	10,573,077	10,550,390
Transfers out	(10,679,387)	(15,326,042)	(8,926,400)	(14,337,790)	(5,310,294)
Total other financing sources (uses)	<u>19,432,897</u>	<u>40,293,317</u>	<u>31,816,089</u>	<u>7,908,308</u>	<u>6,635,742</u>
<b>Special items:</b>					
Contributions from other funds	-	-	-	-	-
Contributions to other funds	-	-	-	-	-
Capital contributions	-	-	-	-	-
Extraordinary loss	-	-	-	-	-
Total special items	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$13,330,114</u>	<u>\$30,762,540</u>	<u>\$19,894,536</u>	<u>(\$2,506,511)</u>	<u>(\$6,447,225)</u>
Debt service as a percentage of noncapital expenditures	6.96%	3.29%	4.16%	5.63%	5.29%

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			
2011	2012	2013	2014	2015	
					<b>Revenues</b>
\$116,358,938	\$114,132,986	\$103,286,108	\$106,888,431	\$ 113,864,415	Taxes
2,002,416	3,662,851	2,702,302	3,628,916	3,092,838	Licenses and permits
58,971,454	39,321,626	38,740,617	40,960,669	41,721,395	Intergovernmental
2,663,779	5,979,605	1,828,294	3,512,534	3,442,898	Growth and development fees
10,668,661	9,967,288	9,175,312	9,617,645	11,144,204	Charges for services
1,233,733	1,311,689	977,098	699,521	765,857	Fines and forfeitures
1,934,083	1,354,128	(21,216)	1,165,783	657,609	Interest
9,013,480	8,084,122	7,971,903	8,022,913	7,993,871	Special assessments
-	-	-	-	-	Contributions from property owners
3,673,052	8,453,610	4,359,097	6,803,374	11,233,279	Miscellaneous
<u>206,519,596</u>	<u>192,267,905</u>	<u>169,019,515</u>	<u>181,299,786</u>	<u>193,916,366</u>	Total revenues
					<b>Expenditures</b>
11,041,050	10,355,408	10,438,952	9,926,024	13,384,549	General government
84,439,008	86,218,656	91,190,673	93,875,139	95,777,400	Public safety
10,338,211	10,347,787	9,659,263	9,495,806	9,228,976	Transportation
24,803,125	22,357,237	20,333,591	15,495,566	12,680,862	Community development
17,789,287	17,175,797	17,779,933	18,504,287	24,346,307	Culture and leisure
4,682,033	4,553,275	4,334,991	4,241,345	4,498,950	Library services
54,785,588	46,868,230	33,897,212	13,983,543	13,835,114	Capital outlay
					Debt Service:
3,926,631	4,362,740	3,451,261	3,764,935	6,884,661	Principal
5,151,761	4,061,894	2,941,600	2,776,612	4,225,920	Interest
<u>216,956,694</u>	<u>206,301,024</u>	<u>194,027,476</u>	<u>172,063,257</u>	<u>184,862,739</u>	Total expenditures
<u>(10,437,098)</u>	<u>(14,033,119)</u>	<u>(25,007,961)</u>	<u>9,236,529</u>	<u>9,053,627</u>	Excess of revenues over (under) expenditures
					<b>Other Financing Sources (Uses)</b>
-	-	(6,197,285)	-	(3,497,344)	Payment to escrow agent
-	-	-	-	-	Proceeds from sale of property
1,295,771	3,680,714	6,802,986	363,387	21,225,000	Proceeds from sale of bonds
-	-	-	-	(283,147)	Cost of issuance
-	-	48,238	-	2,540,460	Bond discount/premium
11,718,345	6,108,518	5,869,128	5,570,120	14,564,092	Transfers in
<u>(8,497,414)</u>	<u>(8,292,747)</u>	<u>(8,035,273)</u>	<u>(7,777,583)</u>	<u>(19,495,238)</u>	Transfers out
<u>4,516,702</u>	<u>1,496,485</u>	<u>(1,512,206)</u>	<u>(1,844,076)</u>	<u>15,053,823</u>	Total other financing sources (uses)
					<b>Special items:</b>
-	76,891,362	-	-	-	Contributions from other funds
-	(76,891,362)	-	-	-	Contributions to other funds
-	(14,627)	-	-	-	Capital contributions
-	(48,861,208)	-	-	-	Extraordinary loss
<u>-</u>	<u>(48,875,835)</u>	<u>-</u>	<u>-</u>	<u>-</u>	Total special items
<u>(\$5,920,396)</u>	<u>(\$61,412,469)</u>	<u>(\$26,520,167)</u>	<u>\$7,392,453</u>	<u>\$24,107,450</u>	Net change in fund balances
5.60%	5.28%	3.99%	4.14%	6.50%	Debt service as a percentage of noncapital expenditures

# City of Oxnard, California

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

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<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales Tax</b>	<b>Transient Occupancy Tax</b>	<b>Franchise Tax</b>	<b>Deed Transfer Tax</b>	<b>Business License</b>	<b>Penalties and Interest</b>	<b>Total</b>
2006	58,537,770	23,985,182	3,309,716	3,914,317	1,230,768	4,470,841	132,403	95,580,997
2007	68,429,117	25,783,808	3,550,903	3,686,627	880,370	4,504,455	129,679	106,964,959
2008	75,726,666	24,205,622	3,618,611	3,986,567	860,378	4,662,658	123,956	113,184,458
2009	76,681,392	24,043,286	3,328,803	4,635,616	573,882	5,059,323	145,945	114,468,247
2010	72,817,719	28,103,051	3,061,163	3,439,645	509,370	4,692,615	136,565	112,760,128
2011	71,118,203	33,396,737	3,301,864	3,495,532	528,563	4,412,881	105,158	116,358,938
2012	63,176,888	37,453,124	3,402,793	3,435,823	412,471	6,125,278	126,609	114,132,986
2013	55,148,254	35,156,013	3,826,954	3,842,351	628,780	4,562,692	121,064	103,286,108
2014	54,783,756	38,287,439	4,239,111	3,775,233	519,093	5,125,801	157,998	106,888,431
2015	58,633,590	40,624,737	4,649,292	4,093,435	758,502	5,104,859	141,127	114,005,542

Source: Finance Department, City of Oxnard

# City of Oxnard, California

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

<b>Fiscal Year</b>	<b>Land</b>	<b>Improvements</b>	<b>Personal Property</b>	<b>Less: Tax Exempt Real Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Assessed Value as a Percentage of Actual Value</b>
2006	5,266,423,145	7,510,814,807	564,046,351	1,835,609,239	11,505,675,064	1.17614%	11,505,675,064	100.00%
2007	6,122,287,297	8,427,981,083	598,530,800	2,126,175,049	13,022,624,131	1.16564%	13,022,624,131	100.00%
2008	7,043,458,754	8,801,081,711	608,929,391	2,299,830,016	14,153,639,840	1.17864%	14,153,639,840	100.00%
2009	7,364,501,802	8,753,745,455	637,023,113	2,692,759,267	14,062,511,103	1.19334%	14,062,511,103	100.00%
2010	6,699,090,916	8,441,834,476	648,608,797	654,220,264	15,135,313,925	1.20384%	15,135,313,925	100.00%
2011	6,524,818,244	8,540,793,743	618,870,116	654,216,502	15,030,265,601	1.22054%	15,030,265,601	100.00%
2012	6,423,814,010	8,584,579,684	596,771,651	673,465,559	14,931,699,786	1.20544%	14,931,699,786	100.00%
2013	6,304,938,777	8,677,033,769	617,612,672	422,079,822	15,177,505,396	1.20424%	15,177,505,396	100.00%
2014	6,551,413,092	9,120,556,468	638,670,637	694,237,291	15,616,402,906	1.23154%	15,616,402,906	100.00%
2015	7,084,272,773	9,694,262,028	631,218,103	708,835,243	16,700,917,661	1.22204%	16,700,917,661	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	
2006	1.00000%	0.17614%	1.17614%	0.09850%	0.03691%	0.13541%	1.31155%
2007	1.00000%	0.16564%	1.16564%	0.08220%	0.03272%	0.11492%	1.28056%
2008	1.00000%	0.17864%	1.17864%	0.10500%	0.02922%	0.13422%	1.31286%
2009	1.00000%	0.19334%	1.19334%	0.11160%	0.01290%	0.12450%	1.31784%
2010	1.00000%	0.20384%	1.20384%	0.11470%	0.01290%	0.12760%	1.33144%
2011	1.00000%	0.22054%	1.22054%	0.11990%	0.01110%	0.13100%	1.35154%
2012	1.00000%	0.20544%	1.20544%	0.12200%	0.01110%	0.13310%	1.33854%
2013	1.00000%	0.20424%	1.20424%	0.11980%	0.00000%	0.11980%	1.32404%
2014	1.00000%	0.23154%	1.23154%	0.14140%	0.00000%	0.14140%	1.37294%
2015	1.00000%	0.22204%	1.22204%	0.12060%	0.00000%	0.12060%	1.34264%

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

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

# City of Oxnard, California

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

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

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

# City of Oxnard, California

## 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
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%	9,629	63,186,517	89.84%
2013	53,833,600	52,537,321	97.59%	1,560	52,538,881	97.59%
2014	53,716,000	54,783,756	101.99%	456,769	55,240,525	102.84%
2015	56,032,000	53,289,829	95.11%	910,819	54,200,648	96.73%

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
2006	19,975,756	7,620,000	18,030,000	1,086,013	298,559,567	2,010,676	347,282,012	10.649%	1,850
2007	43,109,750	7,395,000	37,940,000	749,911	292,625,260	1,536,788	383,356,709	10.970%	2,025
2008	41,746,367	34,835,000	37,040,000	493,471	286,428,643	4,603,874	405,147,355	11.009%	2,112
2009	40,337,356	34,350,000	47,755,000	293,886	278,427,654	4,053,370	405,217,266	10.800%	2,090
2010	38,877,717	33,600,000	46,475,000	1,436,151	370,257,293	3,632,411	494,278,572	13.333%	2,510
2011	37,359,198	32,820,000	45,155,000	2,552,594	383,230,810	3,623,668	504,741,270	13.498%	2,524
2012	35,781,802	32,010,000	-	5,665,006	372,713,206	2,963,438	449,133,452	11.319%	2,241
2013	34,146,715	25,335,000	-	11,101,548	361,808,291	2,620,593	435,012,147	10.825%	2,166
2014	32,453,939	24,755,000	-	9,943,968	347,340,473	2,093,846	416,587,226	10.252%	2,046
2015	71,026,930	24,064,918	-	22,159,563	316,333,774	1,546,350	435,131,535	10.581%	2,139

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, 2015

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>City of Oxnard Overlapping Debt:</b>			
Metropolitan Water District	110,420,000	0.720%	795,024
Ventura County Community College District	303,412,082	14.759%	44,780,589
Ventura County Superintendent of Schools - Certificates of Participation	10,795,000	14.754%	1,592,694
Ventura County General Fund Obligations	385,475,000	14.754%	56,872,982
Oxnard Union High School District	135,007,016	46.079%	62,209,883
Oxnard Union High School District - Certificates of Participation	6,240,000	46.079%	2,875,330
Oxnard School District	156,164,120	91.591%	143,032,279
Oxnard School District - Certificates of Participation	4,341,900	91.591%	3,976,790
Rio School District	33,360,000	85.552%	28,540,147
Rio School District - Certificates of Participation	13,240,000	85.552%	11,327,085
Hueneme School District	35,526,353	43.153%	15,330,688
Ocean View School District	14,810,247	41.951%	6,213,047
Ocean View School District - Certificates of Participation	1,327,100	41.951%	556,732
Rio School District - Community Facilities District 1	55,190,000	100.000%	55,190,000
City of Oxnard - Rose Avenue/Hwy 101 Assessment District 96-1	1,310,000	100.000%	1,310,000
City of Oxnard - Rice Avenue/Hwy 101 Assessment District 2001-1	10,990,000	100.000%	10,990,000
City of Oxnard - Oxnard Blvd/Hwy 101 Assessment District 2000-1	1,860,000	100.000%	1,860,000
City of Oxnard Community Facilities District 1	8,385,000	100.000%	8,385,000
City of Oxnard Community Facilities District 3	27,455,000	100.000%	27,455,000
Oxnard Boulevard Interchange Community District	7,405,000	100.000%	7,405,000
Successor Agency - Tax Increment Debt	39,400,000	100.000%	39,400,000
Subtotal - Overlapping Debt	<u>1,362,113,818</u>		<u>530,098,269</u>
<b>City of Oxnard Direct Debt:</b>			
City of Oxnard Financing Authority			79,724,681
Subtotal - Direct Debt			<u>79,724,681</u>
<b>Total direct and overlapping debt</b>			<u><u>609,822,950</u></u>

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)*

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	1,983,111	2,250,164	2,449,824	2,493,677	2,349,884	2,333,523	2,322,196	2,319,396	2,427,380	2,606,551
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<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>	<u>2,427,380</u>	<u>2,606,551</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 2015

Assessed value	14,176,105
Add back: exempt real property	<u>3,098,792</u>
Total assessed value	17,274,897
Debt limit (15% of total assessed value)	2,591,235
Debt applicable to limit:	
General obligation bonds	396,110
Less: assets in debt service funds for principal payments	
Revenue bonds - governmental activities	(71,027)
Revenue bonds - business-type activities	(316,334)
Tax allocation bonds-community development commission	
Certificates of participation	<u>(24,065)</u>
Total net debt applicable limit	<u>(15,316)</u>
Legal debt margin	<u>2,606,551</u>

Source: Finance Department, City of Oxnard

# City of Oxnard, California

## SCHEDULE XIII Pledged Revenue Coverage Last Ten Fiscal Years

<b>Water Revenue Bonds</b>						
Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Interest	Coverage
2006	34,212,012	21,865,005	12,347,007	1,202,083	2,699,580	3.16
2007	40,719,155	22,674,080	18,045,075	1,205,000	2,625,730	4.71
2008	38,369,885	27,732,616	10,637,269	1,235,000	5,253,315	1.64
2009	40,395,380	25,883,824	14,511,556	2,040,000	5,149,575	2.02
2010	39,764,998	28,681,992	11,083,006	2,105,000	8,049,790	1.09
2011	46,118,265	29,910,426	16,207,839	2,209,809	11,621,908	1.17
2012	49,580,413	30,309,016	19,271,397	3,195,568	11,858,798	1.28
2013	53,306,397	36,096,926	17,209,471	3,479,490	10,524,675	1.23
2014	55,340,757	36,361,905	18,978,852	3,858,359	10,838,887	1.29
2015	50,487,289	39,181,785	11,305,504	3,972,718	10,399,251	0.79

<b>Environmental Resources Revenue Bonds</b>						
Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Interest	Coverage
2006	36,878,690	36,342,348	536,342	2,033,392	1,117,677	0.17
2007	40,322,484	38,170,528	2,151,956	2,142,556	1,036,405	0.68
2008	42,986,155	43,113,155	(127,000)	2,102,040	943,620	(0.04)
2009	39,901,815	38,055,524	1,846,291	2,335,505	970,779	0.56
2010	40,614,642	37,258,502	3,356,140	2,447,346	885,840	1.01
2011	45,243,032	39,058,556	6,184,476	2,534,094	1,178,081	1.67
2012	44,403,042	38,874,986	5,528,056	2,651,878	929,973	1.54
2013	42,668,594	38,235,619	4,432,975	2,729,777	763,442	1.27
2014	44,670,034	36,624,969	8,045,065	2,681,421	752,146	2.34
2015	43,578,972	35,911,447	7,667,525	2,390,000	321,340	2.83

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

Source: Finance Department, City of Oxnard

# City of Oxnard, California

## SCHEDULE XIII Pledged Revenue Coverage Last Ten Fiscal Years

### Wastewater Revenue Bonds

Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Interest	Coverage	Fiscal Year
28,512,017	16,185,708	12,326,309	1,885,000	6,682,905	1.44	2006
27,322,064	16,956,481	10,365,583	2,135,000	7,259,743	1.10	2007
29,054,646	17,562,559	11,492,087	2,260,000	7,418,756	1.19	2008
28,762,308	16,268,395	12,493,913	3,155,000	7,282,032	1.20	2009
23,165,658	17,588,757	5,576,901	3,255,000	7,284,462	0.53	2010
25,373,362	16,484,729	8,888,633	3,367,079	7,359,648	0.83	2011
31,680,309	18,146,959	13,533,350	3,532,784	7,060,378	1.28	2012
31,045,715	18,763,458	12,282,257	3,709,555	6,882,148	1.16	2013
31,496,211	19,228,381	12,267,830	4,316,967	6,738,688	1.11	2014
32,169,034	23,984,003	8,185,031	4,114,299	5,404,525	0.86	2015

### Oxnard Housing Authority Revenue Bonds

Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Interest	Coverage	Fiscal Year
23,321,917	22,699,304	622,613	205,000	227,758	1.44	2006
22,616,071	21,496,289	1,119,782	215,000	243,407	2.44	2007
23,956,893	21,916,273	2,040,620	220,000	218,233	4.66	2008
25,784,589	24,427,197	1,357,392	225,000	209,945	3.12	2009
24,847,419	23,750,482	1,096,937	235,000	212,903	2.45	2010
25,312,733	23,531,077	1,781,656	240,000	198,220	4.07	2011
23,905,239	23,029,780	875,459	250,000	189,204	1.99	2012
23,782,397	23,948,254	(165,857)	260,000	180,456	(0.38)	2013
26,172,885	24,332,827	1,840,058	270,000	168,169	4.20	2014
23,119,454	22,350,935	768,519	280,000	175,304	1.69	2015

## City of Oxnard, California

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

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Fiscal Year	(1) Population	(2) Personal Income (in thous)	(2) Per Capita Income	(3) Median Age	(4) School Enrollment	(5) Unemployment Rate
2006	189,990	3,261,107	17,376	28	37,196	6.2%
2007	192,997	3,494,586	18,463	31	37,956	6.1%
2008	194,905	3,680,019	19,185	36	37,703	7.4%
2009	197,067	3,751,908	19,352	30	38,911	11.0%
2010	200,004	3,707,181	18,829	29.7	39,135	14.4%
2011	199,722	3,739,475	18,697	30.5	38,595	14.2%
2012	200,390	3,968,123	19,802	30.3	39,231	13.0%
2013	200,855	4,018,506	20,007	30.1	38,813	10.1%
2014	203,645	4,063,329	19,953	30.3	39,418	8.6%
2015	206,148	4,112,210	20,210	30.5	39,266	5.8%

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

<u>Function</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General government	217	214	186	234	234	234	228	227	230	230
Public Safety										
Police										
Officers	235	236	236	293	237	237	236	252	249	252
Civilians	152	151	151	95	151	151	151	155	159	157
Fire										
Firefighters & officers	100	102	103	100	103	103	101	101	110	125
Civilians	4	5	4	7	3	3	3	3	3	3
Transportation	45	56	84	50	50	50	49	49	44	43
Community development	57	59	67	66	66	66	66	60	58	59
Culture and recreation	74	83	85	85	85	85	83	83	83	81
Utilities										
Water	48	47	46	45	51	51	51	51	50	50
Wastewater	72	72	74	72	72	72	70	76	79	80
Environmental Resources	81	81	76	78	78	78	79	79	80	118
Housing	80	81	81	81	81	81	83	82	82	81
Total	1,165	1,187	1,193	1,206	1,211	1,211	1,200	1,217	1,226	1,278

Source: Finance Department, City of Oxnard

# City of Oxnard, California

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

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police										
Physical arrests	8,162	8,835	8,425	7,842	7,794	8,116	7,278	6,790	6,169	7,388
Parking violations	28,533	31,462	51,046	37,968	35,346	35,091	34,914	32,120	25,130	26,033
Traffic violations	19,590	20,525	16,673	23,305	25,288	25,517	22,294	15,800	17,775	18,596
Fire										
Number of calls answered	10,631	11,212	12,210	13,310	13,417	13,813	13,381	14,127	14,770	15,560
Inspections	3,109	3,693	3,190	4,244	4,777	5,614	4,212	5,000	3,588	3,030
Highways and streets										
Potholes repaired	10,545	12,200	12,375	12,300	12,650	13,000	14,000	13,000	13,500	13,000
Sanitation										
Total number of customers	44,941	45,731	43,489	37,195	37,124	43,991	44,034	44,312	44,677	44,944
Refuse/recyclables collected (tons/day)	708	681	581	571	570	577	558	569	582	605
Recyclables collected (tons/day)	30	13	13	95	91	93	98	98	101	98
Culture and recreation										
Community center admissions	43,849	42,831	43,230	51,872	27,934	29,655	33,751	29,910	22,980	35,857
Water										
Total number of customers	38,053	38,816	39,531	40,206	40,756	40,785	41,064	41,019	41,319	41,437
Average daily consumption	29,000,000	29,000,000	29,326,500	25,781,331	23,246,924	23,293,140	23,094,489	23,578,792	24,041,322	21,014,055
Wastewater										
Total number of customers	35,188	35,646	36,484	37,251	38,081	38,158	38,379	38,712	38,971	39,210
Average daily sewerage treatment	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000	19,700,000	19,700,000

Source: Various departments, City of Oxnard

# City of Oxnard, California

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

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Police vehicles	261	345	269	223	171	264	275	268	268	311
Fire										
Stations	7	7	7	7	7	7	7	7	7	8
Hydrants	5,200	5,000	5,150	6,282	5,413	5,413	5,430	5,500	5,500	5,500
Sanitation										
Collection trucks	48	57	52	52	52	52	51	51	51	50
Highways and streets										
Streets (miles)	400	400	400	400	400	400	400	400	400	400
City-owned streetlights	650	650	654	654	674	674	674	974	974	972
SCE-owned streetlights	9,120	9,258	9,314	9,371	9,943	9,943	10,005	10,067	10,192	10,225
Culture and recreation										
Parks acreage	469	469	494	550	550	550	550	550	550	555
Parks	49	49	55	58	58	58	58	58	58	59
Ball diamonds	30	30	30	30	30	37	37	37	37	37
Basketball courts	19	19	24	29	29	47	47	47	47	48
Craft/Activity buildings	8	8	8	8	8	10	10	10	10	10
Gymnasium	3	3	3	2	2	2	2	2	2	2
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	31	31	32	31	31	30	30	30	30	30
Community centers	3	3	3	3	3	3	3	3	3	3
Library										
Number of books	361,713	433,008	355,151	353,455	356,456	356,624	362,753	337,015	325,906	318,644
Number of microfilms	8,394	8,473	8,510	8,525	8,572	8,634	8,708	8,726	8,729	8,729
Number of audiotapes	18,200	20,284	21,055	20,864	21,345	22,105	21,676	20,060	20,423	19,618
Number of videotapes	12,917	14,709	15,582	15,318	16,045	16,015	17,288	14,688	15,025	14,167
Number of CD-ROMS (data disk)	708	808	755	632	689	617	620	438	447	16
Water										
Water mains (miles)	525	600	601	663	592	592	597	600	600	600
Maximum daily treatment capacity	18,000,000	18,000,000	18,600,000	18,600,000	18,600,000	18,600,000	18,600,000	18,600,000	18,600,000	18,600,000
Sewer										
Miles of sewer lines	435	440	445	445	445	445	445	445	430	430

Source: Various departments, City of Oxnard