Written materials relating to an item on this agenda that are distributed to the legislative bodies within 72 hours before the item is to be considered at its regularly scheduled meeting will be made available for public inspection at the City Clerk's Office, 300 West Third Street 4th Floor during customary business hours. Agenda reports are also on the City of Oxnard web site at www.oxnard.org.

CITY OF OXNARD CALIFORNIA

AGENDA
OXNARD CITY COUNCIL
FINANCE AND GOVERNANCE COMMITTEE
Council Chambers, 305 West Third Street
January 22, 2019
Regular Meeting - 9:30 to 10:45 AM

A. ROLL CALL / POSTING OF AGENDA

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

At this time, the legislative body will consider public comments for a maximum of fifteen minutes. A person may address the legislative body only on matters not appearing on the agenda and within the subject matter jurisdiction of the legislative body. Speaker cards will not be accepted after the beginning of the general public comment period. Based on the number of speaker cards submitted, the presiding officer may impose time limits per speaker. Typically, speakers are limited to two minutes, but shorter time may be established as deemed necessary. A person not able to address the legislative body at this time because the fifteen minutes expires may do so just prior to adjournment of the meeting. The legislative body cannot enter into a detailed discussion or take action on any items presented during public comments at this time. Such items may only be referred to the City Manager for administrative action or scheduled on a subsequent agenda for discussion.

C. REPORTS

Finance Department

1. SUBJECT: Receive Transmittal of the FY 2017-2018 Comprehensive Annual Financial Report and Summary Presentation. (30/10/5)
RECOMMENDATION: That the Finance and Governance Committee receive and file the transmittal of the FY 2017-2018 Comprehensive Annual Financial Report and Summary Presentation presented by the City's external auditors, Eadie + Payne, LLP.
Contact: Kevin Riper Phone: (805) 385-7461

City Manager Department

2. SUBJECT: Streamlining of Citizen Advisory Groups and Related Ordinance and Resolution Updates (5/10/5)
RECOMMENDATION: That the Finance and Governance Committee provides direction on staff's recommendations for the streamlining of Citizen Advisory Groups and related ordinance and resolution updates.
Contact: Alexander Nguyen Phone: (805) 385-7430

D. ITEMS FOR FUTURE AGENDAS

E. ADJOURNMENT

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in a meeting, please contact the City Clerk's Office at 385-7803. Notice at least 72 hours prior to the meeting will enable the City to reasonably arrange for your accessibility to the meeting.

Agenda Item time estimates: (Staff Presentation / Committee Discussion / Public Comment)

CITY OF OXNARD CALIFORNIA	**FINANCE AND GOVERNANCE COMMITTEE** **AGENDA REPORT**	**TYPE OF ITEM: Report** **AGENDA ITEM NO.: __1__**

DATE: January 22, 2019

TO: Finance and Governance Committee

FROM: Kevin Riper, Chief Financial Officer
kevin.riper@oxnard.org, (805) 385-7461

SUBJECT: Receive Transmittal of the FY 2017-2018 Comprehensive Annual Financial Report and Summary Presentation. (30/10/5)

RECOMMENDATION

That the Finance and Governance Committee receive and file the transmittal of the FY 2017-2018 Comprehensive Annual Financial Report and Summary Presentation presented by the City's external auditors, Eadie + Payne, LLP.

BACKGROUND

Eadie + Payne, LLP will present their audit opinion of the City of Oxnard's financial statements which consist of the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2018, and the respective changes in financial position.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the four strategic plans adopted by City Council on May 17, 2016.

FINANCIAL IMPACT

No financial impact.

Prepared by Christine Williams, Controller

ATTACHMENTS

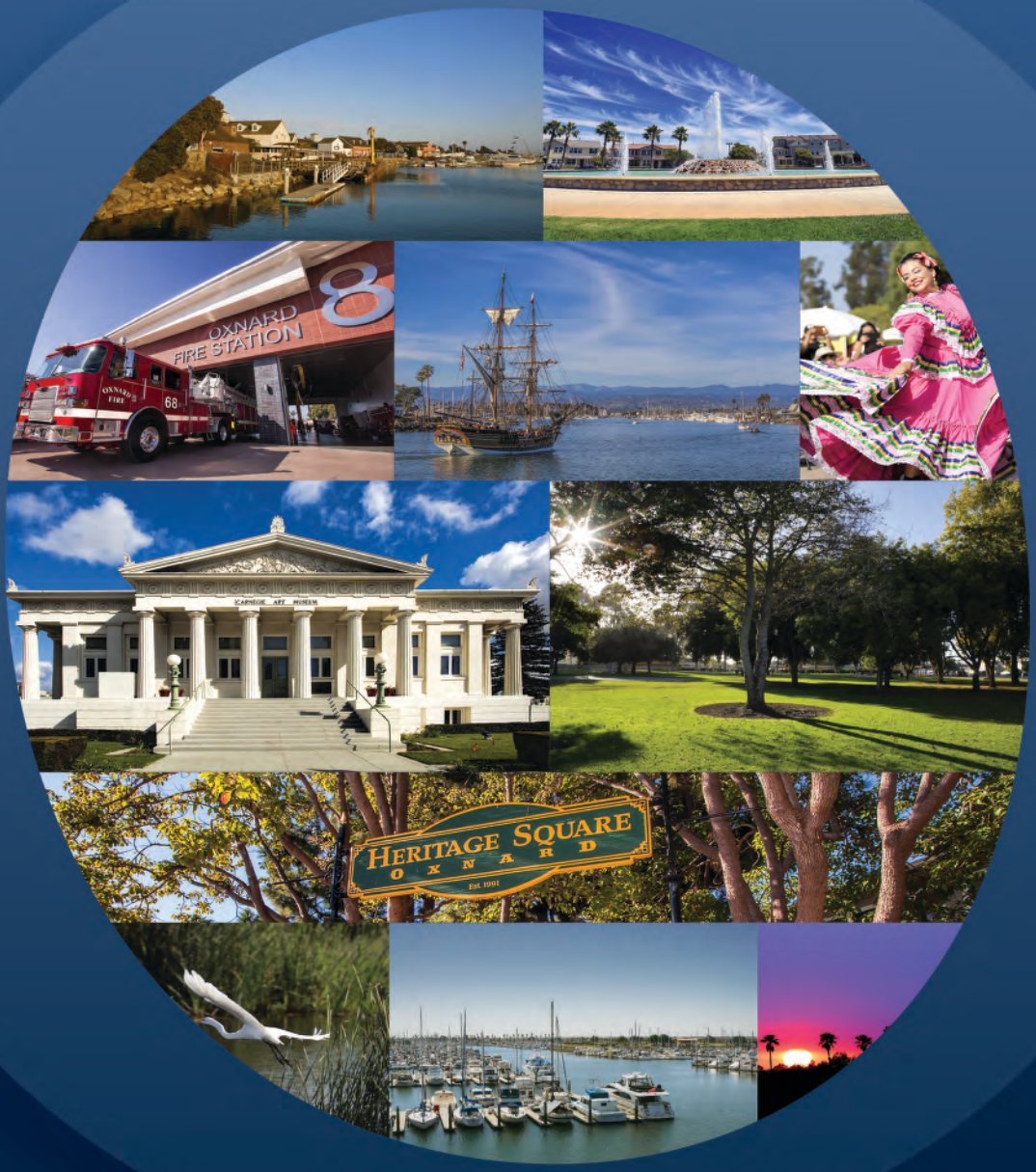
- FY 2017-18 Comprehensive Annual Financial Report
- Eadie + Payne Powerpoint

*(*Note: Attachments will be available on Friday, January 18, 2019 at the following locations: www.oxnard.org, City Clerk's Office, and Oxnard Main Library.)*

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2018

REVISED
1/28/19



CITY OF
OXNARD
CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2018

CITY OF OXNARD, CALIFORNIA

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JUNE 30, 2018

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INTRODUCTORY SECTION

CITY OF OXNARD CALIFORNIA

December 12, 2018

Honorable Mayor, Members of the City Council 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, 2018. 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.

STAFFING

For the last four years the City has been managing two major efforts. One is rebuilding administrative systems in administrative and operating departments that were weakened by years of inattention discovered in fiscal year 2014-2015. The other is effective management of the full range of services provided by this City of 210,000 residents. Both efforts were hampered by turnover in senior management positions including the city manager and, after the end of fiscal year 2017-2018, the assistant city manager supervising administrative departments, the chief financial officer and the assistant chief financial officer. In addition, adding and training qualified staff responsible for reaching the City's operational, reporting and compliance objectives has taken longer than expected due to the turnover.

Management, with strong support from the City Council, has undertaken major change efforts related to internal control, staff competency, classification and compensation of employees, selection of an enterprise resource planning vendor and ensuring compliance in areas like development impact funding, including administration of special assessment and taxing districts. Staff who work on reporting objectives have been hired and are being trained and supervised to improve the timeliness, accuracy and quality of information reported by the City. Significant progress was made in addressing legacy problems.

This effort has been supported by a wide range of subject matter experts who have generated hundreds of recommendations for improvement. Efforts to improve internal control and financial reporting include: performing physical inventories and valuations of capital assets, hiring qualified staff, correcting legacy problems that affected the accuracy of past financial reports and implementing improved capital planning and budgeting. In addition, we refunded variable rate debt and related derivatives to reduce risk in the debt portfolio.

The legacy problems described above are being addressed by the City, but those problems led to increased skepticism in the community and among employees and their labor representatives. Significant staff effort has been expended to respond to questions and concerns of the community, policy makers and advisory groups. Despite the time consumed by legacy problems, managing policies and operations for a full range of services was the primary focus of management and the Council. The City has appointed a new city manager, who in turn has appointed a new assistant city manager in November 2018, a new chief financial officer, and assistant chief financial officer starting January 2019. Also, new staff have been appointed in key positions in public works and finance. As a result, vacancies in senior positions are not expected to disrupt controls or operations in the near term.

CITY OF OXNARD PROFILE

The City of Oxnard is a full-service city located on the "Gold Coast" of California, approximately halfway between Los Angeles and Santa Barbara. It is the gateway to the Channel Islands National Park. Oxnard was founded in 1903 near the sugar beet processing facility owned by the Oxnard brothers. Henry T. Oxnard, the founder of Crystal Sugar, led the effort to incorporate the City. Shortly after incorporation the City opened the Oxnard Library.

The adjacent Oxnard Plain is one of the most productive agricultural areas in the world. It produces a third of the California strawberry crop that represents 85% of the U.S. market. Other high value crops are produced nearby including avocados, lemons, brussel sprouts, and artichokes, and Oxnard remains a leading agricultural and food center. The City is home to the West Coast operations of Procter and Gamble and Sysco. Port Hueneme, the only navigable port between Los Angeles and San Francisco attracted defense and aerospace businesses that served as a foundation for Oxnard's aerospace, technology and manufacturing businesses. Oxnard is leader in manufacturing in Southern California. Oxnard's harbor and beaches support a strong tourism industry. The local economy is diverse and robust. The Oxnard Plain has made Ventura County one of the wealthiest standard metropolitan statistical areas in the United States.

Oxnard is the largest of Ventura County's ten cities at 210,000. About 36% of the population was born in another country and approximately 75% of its residents are Latino. Oxnard's housing is 10 to 20% less expensive than the County average, depending on location. Lower cost and available flat land near the Pacific coast have prompted major housing developments in recent years. The City's voters have supported service levels by approving a special property tax prior to Proposition 13 to pay for part of the cost of public safety pensions and a ½% supplemental sales tax in 2008.

Zillow expectations for Oxnard's housing market at this report date follow. "The median home value in Oxnard is $493,500. Oxnard home values have gone up 5.8% over the past year and Zillow predicts they will rise 7.4% within the next year. The median list price per square foot in Oxnard is $321, which is lower than the Oxnard average of $353. The median rent price in Oxnard is $2,798, which is lower than the Oxnard-Thousand Oaks-Ventura Metro median of $2,925."

The City operates under a City Council - City Manager form of government. The Council is responsible for city policy and the City Manager is responsible for the daily operations of the city.

The City Treasurer is elected and invests idle cash and supervises utility billing, business licensing and other cashiering responsibilities. The elected City Clerk manages the City Council agenda process, official records and elections. In 2018 voters approved measures proposed by the City Council to increase City Council membership from four to six members elected by district and a Mayor elected at large. New Councilmembers were sworn in on December 11, 2018.

The City provides the following government and business type services:

Government Activities	**Business Type Activities**
Governance, including finance, human resources, risk management, information technology, City Attorney, City Treasurer, City Clerk and City Manager	**Water** – Planning, source and supply, treatment and distribution
Police – including records, dispatch, patrol, investigations, code enforcement and animal control	**Wastewater** – Collection, treatment and, the recycled water program. Administration and operation of stormwater programs for drainage and surface runoff.
Fire–including hazardous materials storage regulation and incident response, prevention, suppression, medical rescue and emergency response	**Integrated waste management** – collection and disposal of solid waste and operation of recycling collection and marketing programs
Community Development – including land use planning, building inspection, zoning, successor agency obligations	**Housing Authority** – administration of Section 8 rental assistance program, affordable housing and Community Development Block Grant administration
Public Works – including engineering and capital asset planning, streets and roads, rights of way, park and landscape maintenance, special district administration and service management, facilities and fleet maintenance. Management of enterprise operations	
Culture, Leisure and Libraries – including recreation, after school, youth employment, Carnegie Museum, Performing Arts Community Center, golf courses and the library system	

During fiscal year 2017-2018 the City Council consisted of four members and the Mayor. The community at large elected all members of the Council. In November 2018 voters at large elected the Mayor and voters in four districts elected council members two of whom are new Councilmembers.

Two at large Council seats with terms expiring in 2020 and one limited term district seat filled in 2018 will be filled by district voters in 2020.

Mayor term is two years 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, 2018 and at December 11, 2018, 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. The budget resolution establishes the fund as the budgetary control level. The fiscal year 2017-18 budget was adopted on June 20, 2017.

The City Council appropriates funds annually for the General Fund, and all non-major governmental funds. City staff is currently considering whether to reinstitute biennial budgets as legacy problems are resolved and the City's financial condition stabilizes.

ECONOMIC OUTLOOK

Oxnard's top employers in Oxnard are St. John's Regional Medical Center, Oxnard Union High School District, Waterway Plastics, City of Oxnard, Haas Automation and Aluminum Precision Products. Other major employers in and near the City include the United States Naval Base Ventura County employing 19,000 people, Ventura County, Boss Audio, Boskovich Farms, Gill Onions, Sysco and Procter and Gamble. Oxnard College is also a major employer. If the four districts providing K-8 education in Oxnard and the Oxnard Unified High School District were combined it would be one of the 75 largest school districts in the country with a combined total of 53,000 students. Oxnard is served on the collegiate level by Oxnard College and nearby California State University Channel Islands. Additionally, California Lutheran University, California State University Northridge, ITT, University of Phoenix, University of California, Santa Barbara, National University, and Azusa Pacific University have satellite campuses in Oxnard. The educational programs available in and near Oxnard support a workforce qualified for jobs in the diverse local economy. 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 conducted their summer training camps in Oxnard in 2017.

Businesses continue to expand in Oxnard and residential development has been strong. The Collection, a retail and entertainment complex in North Oxnard, continues to grow with plans in place for two new hotels. The adjacent Riverpark residential community is nearing completion. The Village, at the former Wagon Wheel site near the Collection, is currently in development and once complete, will boast 50,000 square feet of retail space, 1,500 new rental and ownership homes, park space, and a transit center. Also, near the Collection are 152 new ownership homes at the Gallery at River Ridge, the City's golf complex. Oxnard offers workforce housing in all categories from affordable apartments to beachfront luxury homes that are relatively affordable by Southern California standards. Oxnard property tax growth is stable. The Ventura County Assessor's Office indicates that property assessments for fiscal 2018-2019 total $20.3 billion, an increase of 4.77% from the prior year.

The fiscal 2018 increase was 4.64% and the fiscal 2017 increase was 4.72%. In future years the City tax consultants expect property and sales tax revenues to grow, but at a slower pace than in recent years.

FISCAL CONDITIONS

In addition to the legacy problems described above, the City continues to face fiscal challenges. As the City worked to rebuild credibility and trust, the City's wastewater utility rate setting process was challenged (by one ratepayer) in 2016, further complicating the City Council's effort to improve financial condition and management practices.

Wastewater

An initial unsuccessful majority protest effort to prevent new wastewater rates from going into effect was followed by a successful voter initiative to roll back adopted rates. The legality of that initiative was challenged by the City as discussed in more detail in the notes to the financial statements. Also, lawsuits were filed relating to the level of costs allocated to utility operations for general government services and to the adequacy of the City's monthly financial reporting. The effort to respond to lawsuits and to rebuild credibility significantly affected management's ability to oversee planned administrative improvements during the fiscal year.

The Wastewater Fund rates subject to lawsuit were replaced by new, lower rates that took effect on July 1, 2017, and those rates have not been challenged. The new rates assure that the fund can meet its debt covenants and operations and maintenance costs and can support limited infrastructure investment funded with a combination of debt and cash.

The court, however, ruled against the City's position that the initiative rolling back the rates adopted in 2016 was illegal. The City Council will consider whether it will appeal the court's decision in early 2019. If the initiative is upheld the City may be liable for refund of the difference between the 2016 and pre-2016 rates collected pursuant to a stay issued by the court for the period following the date the initiative took effect through the date the 2017 rates took effect. The fund has adequate cash to cover this contingent liability but use of that cash would impair its ability to make needed capital asset investments and deal with the fiscal impacts of an extended drought. Wastewater revenues are affected by drought because rate calculations are based primarily on water consumption.

VARIABLE RATE DEBT

The City's challenges in setting adequate wastewater rates that led to negative rating agency guidance and its difficulty in finding a replacement letter of credit for its variable rate debt after MUFG/Union Bank decided to terminate the relationship caused the City Council to review its tolerance for the risks inherent in variable rate debt. Risk associated with incurring an interest rate swap termination penalty triggered by a lower bond rating or with incurring high letter of credit fees if it could not find a replacement letter of credit provider easily prompted the Council to consider replacing variable rate debt with fixed rate debt. Rising interest rates reduced the amount of the swap termination penalty.

On April 26, 2018 the City refunded variable rate demand lease revenue bonds supported by the General Fund that were hedged by an interest rate swap. A second set of refundings of variable rate debt with fixed rate bonds was completed on November 28, 2018.

The interest environment during this period allowed the City to achieve economic and cash flow savings with swap termination costs included in the analysis. These refundings eliminated all variable rate debt from the General Fund, Water and Wastewater debt portfolios.

Standard and Poor's considered reduction of variable rate risk positive for the City and increased the rating from BBB to A- for the wastewater refunding, A for the water refunding and A- for the General Fund lease revenue refunding. The issuer rating for the City of Oxnard is currently AA. The improvement in ratings resulted from concentrated effort by the City and its financial advisors to communicate with all its capital markets partners.

General Fund

In fiscal year 2016-2017 the General Fund balance increased by $11.9 million while in fiscal 2017-2018 the fund balance decreased by $5.8 million. The fund balance is $6.1 million higher than July 1, 2016. Revenues did not grow in total because core tax revenues were offset by reductions in fees for service and other revenue. Increased expenditures caused most of the change in fund balance. The expenses did not exceed the amount of the adjusted General Fund budget. New staffing primarily augmented public safety and in development services.

Part of the increase in spending resulted from high position vacancy levels throughout the year as the City built capacity in its Human Resources recruitment staff. Positions budgeted for a full year but vacant in fiscal year 2016-2017 were filled during the year. In addition, staffing increases approved in the fiscal year 2016-2017 mid-year review, the fiscal year 2017-2018 budget and in the fiscal 2017-2018 mid-year review increased expenditure levels.

Other spending increases resulted from expected increases in pension costs resulting from reductions in the California Public Employee Retirement System's expected portfolio yield, portfolio yield volatility and reductions in the amount of the City's voter approved public safety pension property tax limit override. Correction of pay and benefit practices for part time and temporary employees increased salary and benefit costs as the City applied established compensation standards to more positions as it implemented recommendations of its consultants.

Reprioritization of services that shifted resources to public safety were delayed in prior years by spending reductions. Those reductions were prompted by concern about the impacts of legacy problems on the City's financial condition. As fiscal condition stabilized the City Council added resources to critical areas.

The budget adopted for fiscal 2018-2019 provides for the known costs of position and compensation changes added after adoption of the fiscal year 2016-2017 budget. Balancing the budget to accommodate new priorities required difficult decisions. Management expects that the process will continue as the City confronts increasing retirement system costs and the increasing likelihood of a slowing economy. The City's long-range forecasting model provides information about the impacts of economic slowdowns or recession during the course of evaluating budget alternatives.

Note that expenditures, liabilities and net position in governmental and business-type activities reports and in proprietary and internal service fund reports increased as a result of implementation of the Governmental Accounting Standards Board's Statement 75 covering other post-employment benefits.

Oxnard provides the minimum contribution for retiree health care required when benefits are provided by CalPERS. It also provides contributions to its police and fire employee's retiree medical care trusts that are negotiated and not tied to changes in health care premium amounts. Policies regarding funding of actuarial liabilities related to workers' compensation, general liability, and employee benefits will be considered in connection with the fiscal 2019-2020 budget.

Final Comments

We express our appreciation to the City Council and the staff members in the Finance Department and other departments and Eadie and Payne's audit staff in assuring that the City's Comprehensive Annual Financial Report meets the highest standard of reporting and provides useful information to users of the financial statements.

Respectfully submitted,

Alexander Nguyen, City Manager

Ashley Golden, Assistant City Manager

Dave Millican, Interim Chief Financial Officer

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Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Oxnard

California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

Elected Officials at June 30, 2018

Tim Flynn,
Mayor

Carmen Ramirez,
Mayor Pro Tem

Bryan A. MacDonald,
Councilman

Bert Perello,
Councilmember

Oscar Madrigal,
Councilmember

Michelle Ascencion,
City Clerk

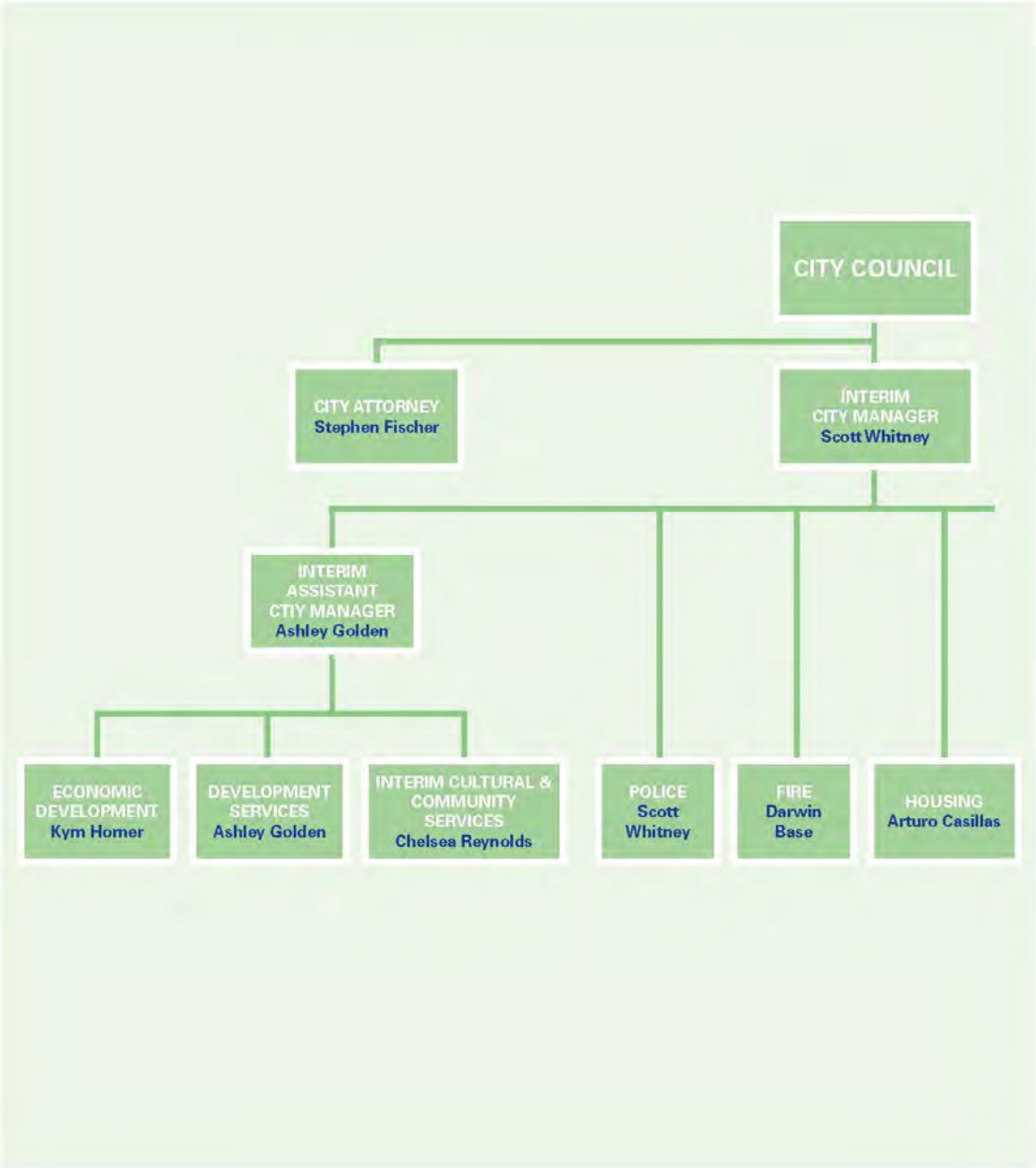
Phil Molina,
City Treasurer

New Elected Officials at December 11, 2018

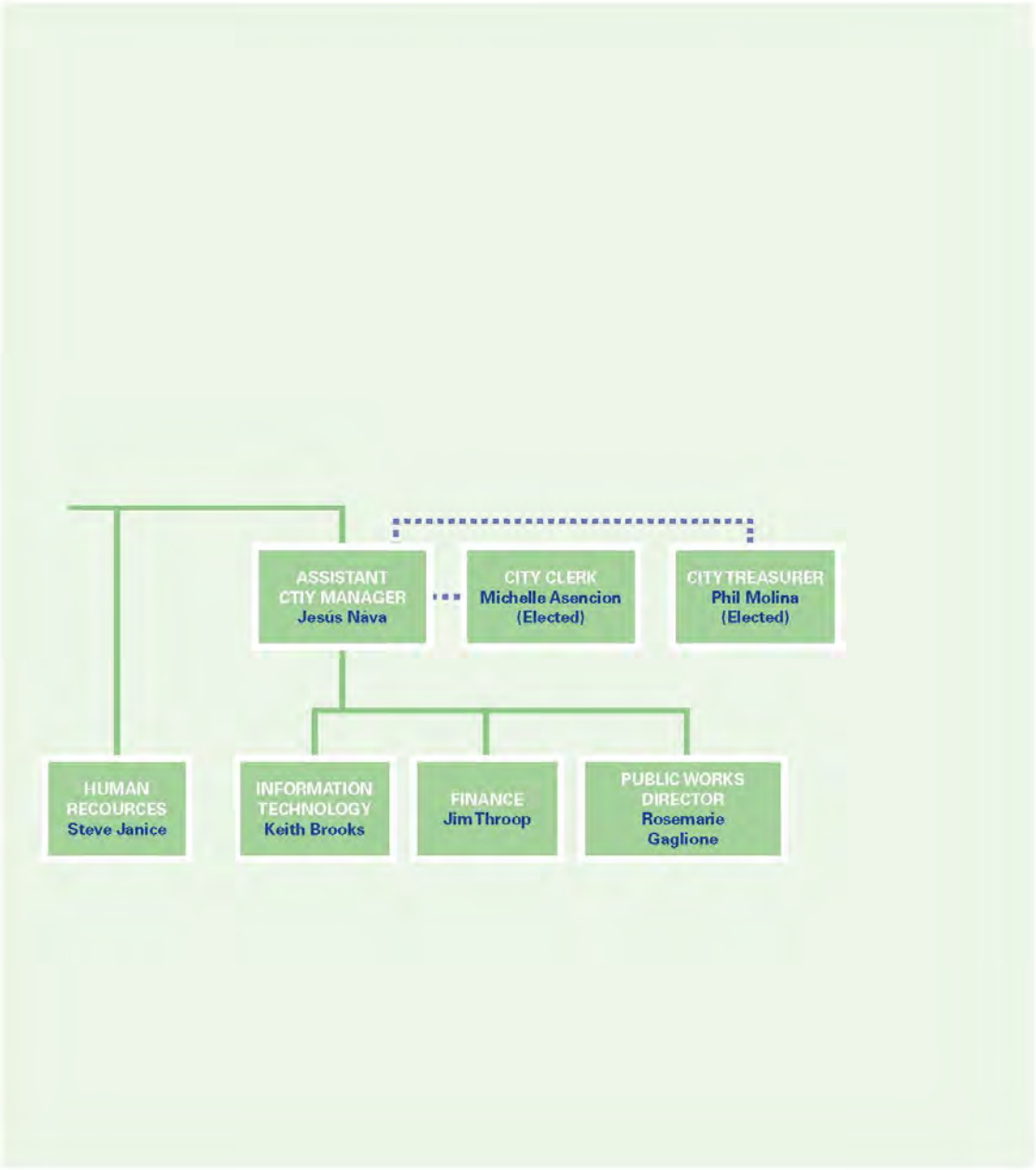
Vianey Lopez,
Councilmember

Gabriela Basua,
Councilwoman

City of Oxnard Citywide Organizational Chart - as of June 30, 2018



City of Oxnard Citywide Organizational Chart - as of June 30, 2018



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FINANCIAL SECTION

CITY OF OXNARD CALIFORNIA

EADIE + PAYNE LLP
Celebrating a Century of Quality Service

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P.O. Box 1529
Riverside, CA 92502-1529
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Certified Public Accountants
& Business Advisors

INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Oxnard
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, 2018, 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 1.02% and 0.70% of total government-wide assets and net position as of June 30, 2018 and 7.43% 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oxnard, California, as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information for the General Fund, the schedules of changes in net pension liability and related ratios, the schedule of proportionate share of the net pension liability and related ratios, the schedules of plan contributions, and the schedule of changes in total OPEB liability and related ratios on pages 5 through 20 and 131 through 139 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 basic 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 will also issue our report 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.

Eadie and Payne LLP

December 12, 2018
Riverside, California

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 (FY) ended June 30, 2018. Please read this document in conjunction with the transmittal letter on page i and the City's basic financial statements and notes that begin on page 21.

FINANCIAL HIGHLIGHTS

The City as a Whole

- Reported net position at June 30, 2018 is $2.2 billion, which represents a decrease of $37 million from June 30, 2017.

- Of the total net position, $2.2 billion is invested in capital assets and $183 million is restricted.

- As of June 30, 2018, the City's governmental funds reported combined ending fund balances of $132 million, a decrease of $9 million from the prior year. Most of the decrease related to increased spending in the General Fund as vacant positions were filled, retirement costs increased faster than revenues and new positions were added in public safety and other critical operations.

- Prior-period adjustments relating to the implementation of Governmental Accounting Standards Board Statement 75 for other post-employment benefits reduced combined net position by $13 million with an $8 million reduction in governmental activities and a $5 million reduction in business-type activities.

Fund financial statements

- Reported governmental fund balances decreased by $9 million at the close of fiscal year 2017-2018. The General Fund decreased by $6 million and other governmental funds decreased by $3 million.

- Total governmental fund revenue decreased by $4 million to $192 million. The decrease was mainly attributable to $3 million decrease in other governmental funds and a $1 million decrease in the General Fund resulting from decreases in fees for service and sales tax payments deferred past the accrual deadline for fund revenues. The State Board of Equalization’s implementation of a new financial management system caused delays in the sales tax payments.

- Total governmental expenditures totaled $238 million, an increase of $59 million from the prior year.

Most of the increase was attributable to General Fund activities that resulted from higher contribution rates for employee pensions, collective bargaining agreements, costs associated with correcting compensation issues relating to part time, seasonal and temporary employees, recording the full year's compensation costs for position added partway through the prior year and increasing success in filling vacancies after additional staff were hired for the Human Resources department. All ongoing costs associated with these changes have been incorporated in the City's balanced fiscal year 2018-2019 budget.

In addition, costs were increased by recording an allowance for uncollectible accounts receivable of $1 million as a result of detailed analysis of collection experience related to general accounts receivable. General fund infrastructure maintenance costs increased because assets providing general benefit to the community were removed from special assessment landscape maintenance districts to comply with state law. Increases in water and wastewater rates in the City's proprietary funds resulted in increased costs for infrastructure maintenance and for subsidies to the City's golf courses. Water Fund operating revenue increased by $12 million due to increases in charges for water services during the year. Operating expenses decreased by $0.7 million primarily due to a reduction in allocated government services costs related to public safety.

- Wastewater Fund operating revenue increased by $1.5 million, attributable to increases in charges for services. These increases resulted from adoption of new rates to replace rates that were challenged by a voter initiative described more fully on page 122. Operating expenses increased by $0.4 million due to increases in utilities, repairs and operating supplies that were partially offset by reductions in personnel costs and allocated general government service costs related to public safety.

- Environmental Resource operating revenue increased by $1 million due to normal fluctuations in waste disposal volumes and changes in prices for recycled materials. Operating expenses increased by $0.5 million due to increases in spending in various accounts offset by a $1.8 million decrease in allocated general government service costs related to public safety, $0.2 million lower personnel costs and a $.1 million decrease in depreciation expense.

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 provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The focus of these statements is to report all financial resources and obligations of the City. 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.

Generally, deferred inflows and outflows represent amounts related to differences in timing of recognition of revenues or expenses compared to the timing of related financial resources. In many cases these amounts have been recorded as assets or liabilities in the past and in the future new accounting standards will specify whether these accounts are to be used. Notable examples of recent standards using these accounts are GASB statements 68 and 75 relating to pensions and other post-employment benefits.

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 21-23 of this report.

Fund financial statements

Fund financial statements 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 has two governmental funds classified as major funds requiring separate presentation in the basic financial statements: the General Fund and Affordable Housing Fund. 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 142-145. 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 146-155. The basic governmental funds financial statements can be found on pages 24-27 of this report. Proprietary funds are generally used to account for services for which the City charges fees to 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 liability, workers' compensation, information services, and facilities and equipment maintenance. 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 158-161.

The basic proprietary funds financial statements can be found on pages 28-37 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 Community Development Commission (CDC) Successor Agency funds. The basic fiduciary funds financial statements can be found on page 38-39 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 40-130 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 progress in funding its obligation to provide pension and other post-employment benefits to its hourly and full-time employees within the Schedules of Changes in Net Pension Liability and Related Ratios, and Schedule of Plan Contributions. RSI can be found on pages 131-139.

Footnotes providing additional detail about the CDC Successor Agency can be found on pages 124-129. In addition, further discussion of uncertainties affecting the City appears at page 123

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 142-165 of this report. Statistical tables regarding: fiscal trends, revenue capacity, debt capacity, demographic and economic information, and operating information can be found on pages 167-194 of this report.

Net Position

SUMMARY OF NET POSITION
($THOUSANDS)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2018	2017	2018	2017	2018	2017
Current assets	$ 135,943	$ 149,497	$ 129,421	$ 105,638	$ 265,364	$ 255,135
Capital assets (net of accumulated depreciation)	2,080,954	2,088,870	512,351	520,266	2,593,305	2,609,136
Properties held for resale	-	250	300	290	300	540
Other assets	77,365	69,364	1,176	984	78,541	70,348
Total Assets	2,294,262	2,307,981	643,248	627,178	2,937,510	2,935,159
Deferred outflows of resources	71,748	68,597	18,226	18,712	89,974	87,309
Total Assets and Deferred Outflows of Resources	2,366,010	2,376,578	661,474	645,890	3,027,484	3,022,468
Current liabilities	46,768	46,921	22,554	23,990	69,322	70,911
Noncurrent liabilities	408,814	373,892	340,511	341,236	749,325	715,128
Total Liabilities	455,582	420,813	363,065	365,226	818,647	786,039
Deferred inflows of resources	16,597	9,815	4,615	2,283	21,212	12,098
Total Liabilities and Deferred Inflows of Resources	472,179	430,628	367,680	367,509	839,859	798,137
Net Position						
Net investment in capital assets	1,994,003	2,001,165	224,140	228,709	2,218,143	2,229,874
Restricted	134,054	130,018	48,790	41,733	182,844	171,751
Unrestricted	(234,226)	(185,233)	20,863	7,939	(213,363)	(177,294)
NET POSITION	$1,893,831	$1,945,950	$ 293,793	$ 278,381	$2,187,624	$2,224,331

- At June 30, 2018, the City's net position totaled $2.2 billion. The largest portion consists of the City's net investment in capital assets in the amount of $2.2 billion. This amount represents the total funds invested to acquire capital assets, reduced by the outstanding debt issued in connection with their construction or acquisition. Capital assets are not available, spendable resources, and generally are not liquidated to repay debt. Restricted net position totaled $183 million and unrestricted net deficit totaled $213 million primarily attributable, to the implementation of GASB statements 68 and 75 to record liabilities for employee pensions and other post employment benefits. These liabilities will be liquidated with revenues received in future years that cannot be accrued in these financial statements.

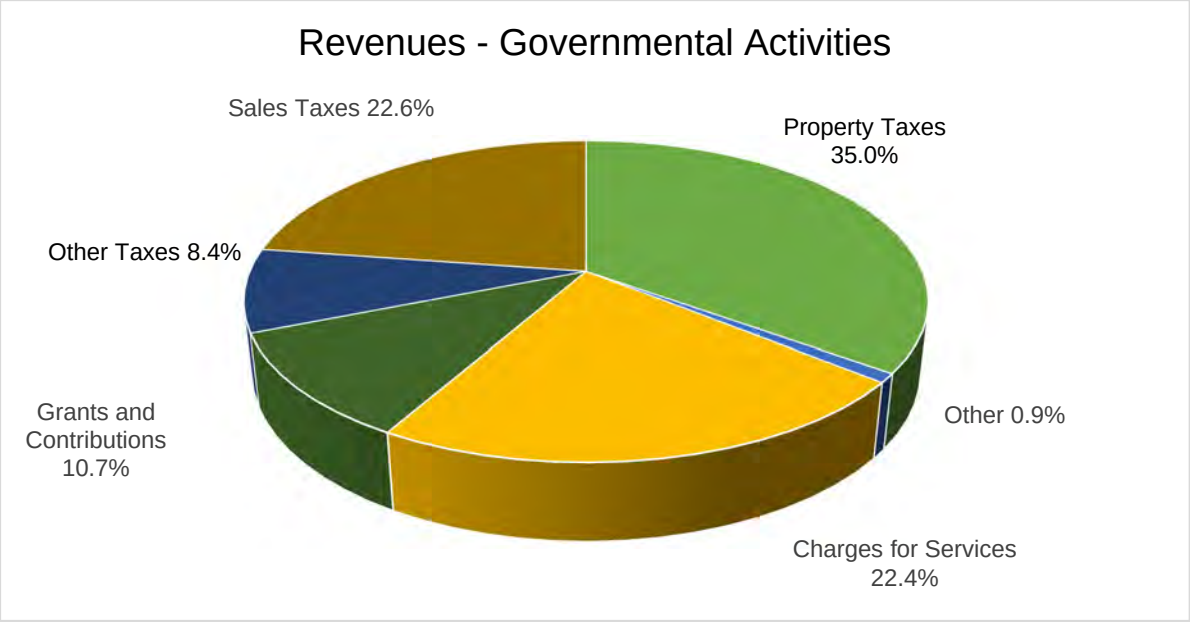
- Current assets increased by $10 million, comprised of a $24 million increase attributable to business-type activities and a $14 million decrease attributable to governmental activities. The majority of the business-type activity increase was due to proprietary fund operations net of non-operating items. The reduction in governmental activities resulted from use of cash and fund balances including a $6 million net asset reduction from General Fund activities and a $3.5 million change in internal balances.

- The City's total capital assets decreased by $16 million during the current fiscal year primarily due to depreciation.

- The City's total liabilities increased by $33 million to $ 819 million. Governmental activities' liabilities increased by $35 million whereas business-type activities decreased by $2 million. Most of the increase in governmental activities was due to a $17 million increase in liabilities resulting from the implementation of GASB 75 relating to other post-employment benefits and a $17 million increase in pension liabilities. The reduction in business type activity liabilities' resulted from amortization of bonded debt and a $1 million reduction in the calculated interest rate swap termination penalty, partially offset by implementation of GASB 75 and an increase in pension liabilities of less than $1 million.

SUMMARY OF CHANGES IN NET POSITION
($THOUSANDS)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2018	2017	2018	2017	2018	2017
Program Revenues						
Charges for services	$ 42,849	$ 54,318	$ 158,404	$ 143,237	$ 201,253	$ 197,555
Operating grants and contributions	16,939	16,948	21,636	21,178	38,575	38,126
Capital grants and contributions	3,502	3,276	1,349	963	4,851	4,239
General Revenues						
Taxes	126,962	120,080	-	-	126,962	120,080
Interest on investments	1,405	1,989	1,839	2,441	3,244	4,430
Total Revenues	191,657	196,611	183,228	167,819	374,885	364,430
Expenses						
General government	56,052	30,058	-	-	56,052	30,058
Public safety	114,056	95,103	-	-	114,056	95,103
Transportation systems	13,353	8,753	-	-	13,353	8,753
Community development	17,440	12,476	-	-	17,440	12,476
Culture and leisure	30,577	26,193	-	-	30,577	26,193
Libraries	3,462	4,066	-	-	3,462	4,066
Interest on long-term debt	9,746	4,756	-	-	9,746	4,756
Water	-	-	57,618	57,904	57,618	57,904
Wastewater	-	-	33,512	32,926	33,512	32,926
Environmental resource	-	-	45,634	42,534	45,634	42,534
Oxnard Housing Authority	-	-	27,889	26,061	27,889	26,061
Total Expenses	244,686	181,405	164,653	159,425	409,339	340,830
CHANGE IN NET POSITION BEFORE SPECIAL ITEMS, CONTRIBUTED CAPITAL, AND TRANSFERS	(53,029)	15,206	18,575	8,394	(34,454)	23,600
CONTRIBUTED CAPITAL	(1,940)	(940)	1,940	940	-	-
SPECIAL ITEMS	10,657	13,836	-	-	10,657	13,836
TRANSFERS	201	443	(201)	(443)	-	-
CHANGE IN NET POSITION	(44,111)	28,545	20,314	8,891	(23,797)	37,436
NET POSITION - JULY 1	1,945,950	1,337,316	278,381	265,182	2,224,331	1,602,498
PRIOR-PERIOD ADJUSTMENT	(8,008)	580,089	(4,902)	4,308	(12,910)	584,397
NET POSITION - JUNE 30	$ 1,893,831	$1,945,950	$ 293,793	$ 278,381	$2,187,624	$2,224,331



Revenues

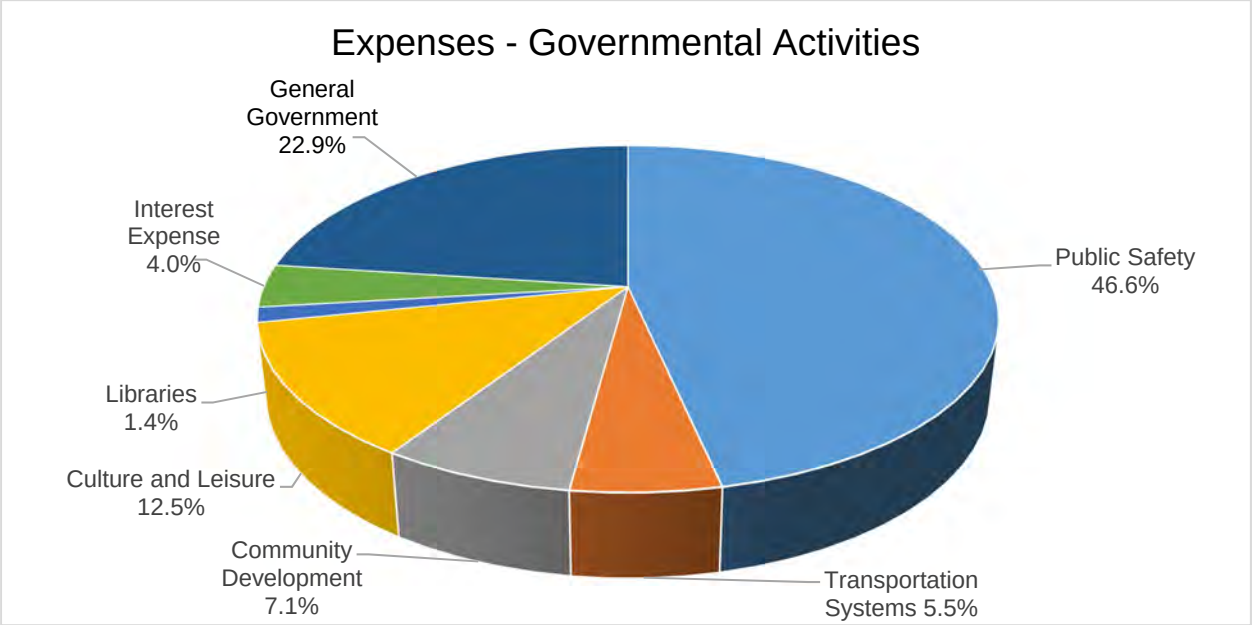
The City financed its operation for fiscal 2017-2018 using $127 million in tax revenue, $63 million from its governmental activities, $181 million generated by its business-type activities and $3 million of interest income. In addition it consumed $44 million of governmental activity net position and added $20 million to its business-type activity net position for a net decrease in citywide net position of $24 million.

Total governmental activity revenues decreased by $5 million primarily attributable to a decrease in charges for service of $11 million offset by an increase in tax revenues of $7 million. The decrease in charges for services was related to decreases in development impact revenues for parks, transportation and other facilities of $5 million, and a $1 million reduction in fees received for processing land use entitlements and building permits. Development related revenues are due when building permits are issued or held as deposits to cover the costs of staff as they work on a proposed project thus the timing of these revenues can be unpredictable as it depends on developer project status. In addition, reductions in government services reimbursements from business-type activities for public safety of $3 million contributed to the decline.

- Taxes increased by almost $7 million reflecting consistent growth in property tax revenue, business tax, occupancy tax, property transfer taxes and utility franchise fees. Slow growth in sales and transaction and use taxes restrained revenue growth overall.

- Operating grants and contributions were virtually unchanged from last year and capital grants and contributions increased by $.2 million. These two categories of revenues may fluctuate from year-to-year and the lack of change between years is not predictive of future revenue levels.

- The City also reported a Special Item of $11 million as a result of a transfer to the City from the Successor Agency that resulting from transfer of the Community Development Corporation (CDC) financed parking structure at The Collection shopping center to the City. The CDC is the Successor Agency's redevelopment agency predecessor.



Program Expenses

- Program expenses in governmental activities increased by $63 million. This increase, coupled with the decrease in revenues resulted in a decrease in net position of $53 million before accounting for special items, contributed capital and transfers. This change offset by the $11 million special item described above and increased by capital contributions of $2 million account for virtually all of the $44 million decline in net position in the Statement of Activities. Fund financial results produced a decrease of about $9 million.

- Other costs that are not reported in the fund accounting statements also had a significant effect. These items are described in the Reconciliation of the Change in Fund Balances of the Governmental Funds to the Statement of Activities found on page 27 of the basic financial statements. Depreciation net of capital outlays totaling $18 million decreased net position as did $13 million in increases in accruals for actuarial liabilities, leave payable, post-employment benefits and retirement benefit liabilities. Retirement liability increases totaled $14 million in governmental activities this year. In addition, net amortization and adjustment of premiums and discounts on long term debt reduced net position by $5 million.

- Program expenses in business-type activities increased by $5 million primarily due to almost $3 million in higher water acquisition costs funded by the Water Fund and $3 million higher allocations of internal service fund net operating deficits caused by adoption of more conservative actuarial assumptions in the risk management funds, partially offset by the reduction in allocated government service costs related to public safety of $3 million.

- The $63 million increase in program expenses for government type activities is attributed to a $6 million increase in salary costs in general government and public safety, a $10 million increase in public safety pension and post-employment benefit costs and $4 million in general government pension and benefit costs, $8 million in self-insurance actuarial expenses related to more conservative assumptions, $13 million in capital outlay and repairs, a $1 million allowance for bad debt and increased electricity costs.

Other categories were affected by increased compensation and pension and post-employment costs to a lesser extent including costs in culture and leisure programs related to changes affecting part time, seasonal and temporary employees.

Fund Financial Statements

GOVERNMENTAL FUNDS BALANCE SHEET SUMMMARY
($THOUSANDS)

	GENERAL FUND		AFFORDABLE HOUSING		OTHER GOVERNMENTAL		TOTAL	
	2018	2017	2018	2017	2018	2017	2018	2017
Assets	$ 54,560	$58,590	$ 33,309	$ 33,373	$117,606	$120,814	$205,475	$212,777
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 54,560	$58,590	$ 33,309	$ 33,373	$117,606	$120,814	$205,475	$212,777
Liabilities, Deferred Inflows and Fund Balance								
Liabilities	$ 14,098	$12,322	$ 2	$ 31,599	$ 9,854	$ 28,398	$ 23,954	$ 72,319
Deferred inflows of resources	-	-	31,623	-	18,287	-	49,910	-
Total Liabilities and Deferred Inflows	14,098	12,322	31,625	31,599	28,141	28,398	73,864	72,319
Fund Balances								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	10,559	835	1,684	1,774	71,902	79,778	84,145	82,387
Committed	12,662	-	-		-		12,662	-
Assigned	-	23,283	-	-	17,563	12,775	17,563	36,058
Unassigned	17,241	22,150	-	-	-	(137)	17,241	22,013
Total Fund Balances	40,462	46,268	1,684	1,774	89,465	92,416	131,611	140,458
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	$ 54,560	$58,590	$ 33,309	$ 33,373	$117,606	$120,814	$205,475	$212,777

- Total assets in governmental funds decreased by $7 million, mostly due to $24 million in depreciation, partially offset by the transfer of a $10 million parking structure to the City from the Successor Agency and $6 million in capital asset additions. Total liabilities in governmental funds increased by $48 million due to increases in actuarial liabilities for retirement, other post-employment benefits, workers compensation claims and general liability claims.

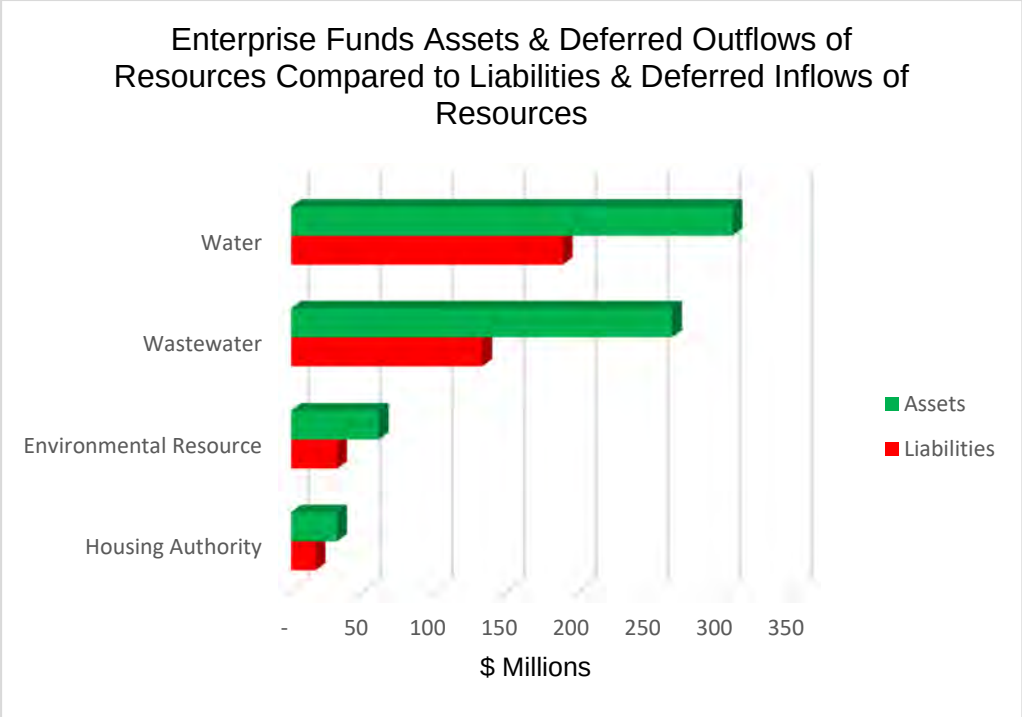
- Restricted fund balances in other governmental (non-major funds) totaled $72 million. The primary restricted amounts are maintenance, transportation and capital project related funds totaling $40 million and mitigation impact funds totaling $32 million.

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

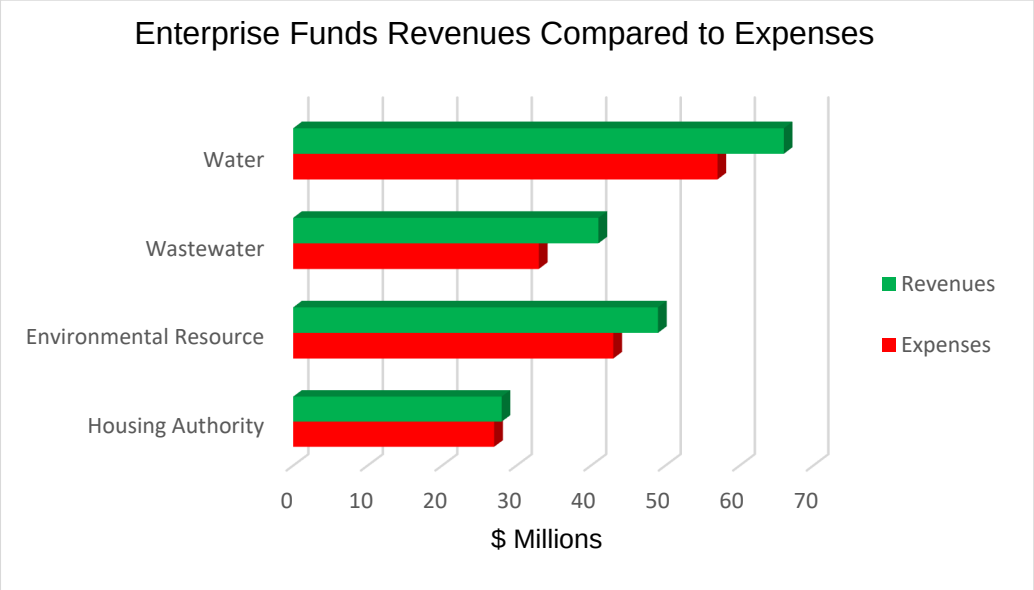
	GENERAL FUND		AFFORDABLE HOUSING		OTHER GOVERNMENTAL		TOTAL	
	2018	2017	2018	2017	2018	2017	2018	2017
Revenues								
Taxes	$ 112,368	$ 109,470	$ -	$ -	$ 14,280	$ 10,381	$ 126,648	$ 119,851
Other revenues	32,309	36,176	52	68	33,365	40,716	65,726	76,960
Total Revenues	144,677	145,646	52	68	47,645	51,097	192,374	196,811
Expenditures								
Current	139,129	121,711	142	1,687	39,952	36,949	179,223	160,347
Capital outlay	2,827	1,319	-	-	13,941	7,418	16,768	8,737
Debt service	1,323	1,357	-	-	41,017	9,149	42,340	10,506
Total Expenditures	143,279	124,387	142	1,687	94,910	53,516	238,331	179,590
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,398	21,259	(90)	(1,619)	(47,265)	(2,419)	(45,957)	17,221
OTHER FINANCING SOURCES (USES)								
Net transfers	(7,205)	(9,370)	-	-	6,705	9,045	(500)	(325)
Total Other Financing Sources (Uses)	(7,205)	(9,370)	-	-	44,314	9,045	37,109	(325)
NET CHANGE IN FUND BALANCES	(5,807)	11,889	(90)	(1,619)	(2,951)	16,522	(8,848)	26,792
FUND BALANCES, JULY 1	46,269	34,288	1,774	3,186	92,416	75,894	140,459	113,368
PRIOR-PERIOD ADJUSTMENT	-	92	-	207	-	-	-	299
FUND BALANCES, JUNE 30	$ 40,462	$ 46,269	$ 1,684	$ 1,774	$ 89,465	$ 92,416	$ 131,611	$ 140,459

- The General Fund's fund balance decreased by $6 million in FY 2017-2018 due to weak sales tax performance and reductions in charges for service. The sales tax was affected by delays in remittances from the State Board of Equalization caused by implementation of a new financial management system. Expenditures increased by $19 million.
- Property taxes collected in other governmental funds come from the City's public safety 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. Part of the $4 million increase in the tax amount occurred because the City used fund balances in the special revenue fund resulting in a reduced tax levy in Fiscal 2017, the balance relates to rising contribution rates for public safety pensions.
- When pension tax collections exceed estimates or pension costs are lower than estimated the City will adjust taxes to assure pension override tax revenues do not exceed eligible expenditures or amortization of prior years' unfunded actuarial liabilities. Eligible public safety retirement costs are expected to exceed funding through the tax override and are expected to continue to grow in the near term which will affect all funds that finance public safety personnel. Ineligible public safety retirement costs are budgeted in other funds.

The following table compares Enterprise Funds assets and liabilities for the fiscal year:



The following table compares Enterprise Funds revenues and expenses for the fiscal year:



Budget

GENERAL FUND BUDGETARY SUMMARY
($THOUSANDS)

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
Revenues				
Taxes	$ 113,625	$ 113,625	$ 112,368	$ (1,257)
Other Revenues	31,235	31,489	32,309	820
Total Revenues	144,860	145,114	144,677	(437)
Expenditures				
Current	128,894	138,771	139,129	(358)
Capital outlay	929	6,788	2,827	3,961
Debt service	1,356	1,338	1,323	15
Total Expenditures	131,179	146,897	143,279	3,618
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	13,681	(1,783)	1,398	3,181
Other Financing Sources (Uses)				
Net transfers	(7,259)	(7,071)	(7,205)	(134)
Total Other Financing Sources (Uses)	(7,259)	(7,071)	(7,205)	(134)
NET CHANGE IN FUND BALANCES	$ 6,422	$ (8,854)	$ (5,807)	$ 3,047

- General Fund revenues were slightly lower than the original budget and the revised final budget while expenditures were $12 million higher than the original budget but $4 million lower than the revised final budget. This resulted in a $6 million decrease in the General Fund.

- Public safety personnel costs increased by $6.1 million and continue to reflect the impact of rising retirement system contributions rates and increased staffing. In addition, costs associated with the City's mutual aid response to the Thomas Fire, at the time the largest in state history, and with conducting a fire academy to fill several expected vacancies increased public safety personnel costs. The costs of the wildland fire response will be mostly reimbursed in future years but the timing of receipt is unpredictable.

- Other staffing increases in Human Resources, Economic Development, Development Services and the office of the Treasurer added $1 million to expenses.

- In addition to infrequent costs like the fire response and academy the City incurred costs of $1 million as it corrected legacy pay and benefit issues affecting part time and seasonal employees.

The City also conducted a $0.5 million special recall election in which all incumbent Council Members retained their seats and funded $0.3 million in litigation costs that were later reimbursed from settlement proceeds. A multi-year analysis of miscellaneous accounts receivable resulted in establishment of a reserve for uncollectible accounts to more accurately reflect the value of current assets.

- Increased water and wastewater rates in business-type funds affected governmental operations with high water usage by the golf courses and maintenance divisions. Special districts were also affected by those increases.

- Correction of allocation issues and changes in the service delivery model relating to special assessment districts resulted in a $1.5 million increase in costs, primarily due to reassignment of staff and transfer of general benefit properties to the City that were ineligible for special benefit assessment funding.

- Changes to the original budget result from continuous monitoring of appropriations to obtain City Council approval of planned spending and to reflect changes to the budget made in a mid-year review during the fiscal year. The budget resolution establishes budget control at the fund level.

Capital Assets (Note II.F. pages 71-73)

CAPITAL ASSETS
NET OF ACCUMULATED DEPRECIATION
($THOUSANDS)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2018	2017	2018	2017	2018	2017
Land	$ 1,418,638	$ 1,418,639	$ 17,042	$ 17,043	$1,435,680	$1,435,682
Buildings	82,748	74,235	175,028	140,581	257,776	214,816
Other improvements	78,327	80,614	4,546	4,767	82,873	85,381
Machinery and equipment	4,342	4,676	56,876	60,177	61,218	64,853
Vehicles	6,533	6,596	-	-	6,533	6,596
Infrastructure	479,012	494,606	242,841	288,190	721,853	782,796
Construction in progress	11,354	9,504	16,018	9,508	27,372	19,012
TOTALS	$ 2,080,954	$ 2,088,870	$512,351	$520,266	$2,593,305	$2,609,136

- The total amount reported at June 30, 2018, as invested in Capital Assets is $2.6 billion, a decrease of $16 million from fiscal year 2016-2017. As contrasted with the prior year's large increase associated with a comprehensive inventory and revaluation of capital assets this year's change reflects a combination of routine depreciation, retirements and additions to capital assets. Capital assets net of depreciation decreased by $8 million in governmental activities and by $8 million in business-type activities.

Long-Term Debt (Note II.G. pages 74-93)

OUTSTANDING DEBT NET OF DISCOUNTS/PREMIUMS
($THOUSANDS)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2018	2017	2018	2017	2018	2017
Lease revenue bonds	$ 66,940	$ 64,280			$ 66,940	$ 64,280
Revenue bonds			$ 285,427	$ 295,316	285,427	295,316
Capital leases	22,695	19,874	5,074	553	27,769	20,427
Certificates of participation	22,180	22,840	-	-	22,180	22,840
TOTALS	$ 111,815	$106,994	$ 290,501	$ 295,869	$ 402,316	$402,863

Governmental activities outstanding debt increased by $5 million as a result of funding equipment purchases with capital lease agreements and refunding variable rate debt and related interest rate swaps to achieve lower costs. Business type-activities outstanding debt decreased by $5 million due to principal payments made during the fiscal year offset by capital leases of equipment. As described in the subsequent events footnote, the City refunded variable rate debt in its water and wastewater funds to reduce variable rate debt risk relating to letter of credit renewal and fees and swap termination charges and to reduce debt service payments.

Lease revenue bonds are secured by the General Fund rather than pledged revenues as in the case of the business-type activity revenue bonds.

The City's bonds are rated by Standard & Poor's. Currently issuer rating on the City is AA. The City's debt is rated A for lease revenue bonds, A for water revenue bonds and A- for wastewater revenue bonds, an increase from the previous BBB rating.

ECONOMIC FACTORS AND FUTURE BUDGETS AND RATES

The City's property tax revenues have shown sustained growth during the sustained economic recovery. Weakness in sales tax results due to delayed payments should result in higher taxes in Fiscal 2019 as issues with a new financial system at the Board of Equalization are resolved. Online sales have an impact on the allocation of taxes, decreasing the importance of point of sale tax generation. After the end of the fiscal year 2017-2018, voters in one of the City's community facilities districts chose to limit spending for County provided harbor patrol services and reduced the special tax collected in the district. This change, combined with challenges to wastewater utility rate increases in prior years heightens attentions to City revenues. Districts are legally separate from the City and are not expected to have a material effect on the City's finances.

In fiscal 2017-2018, the court ruled against the City in its suit to declare a 2016 voter initiative to roll back wastewater rates invalid. The Council will decide whether to appeal the court's decision in January, 2019. A second lawsuit seeks to direct how the City would manage refunds to class action plaintiffs if the court decision on wastewater rates is not reversed.

A third lawsuit challenges the amount of governmental services reimbursement transferred to governmental funds by the City's business-type funds (the Infrastructure Use Fee or IUF). Refer to footnote V.B. on pages 122-123 for details on the City's litigation risk.

Subsequent to the rate roll back litigation the City Council approved wastewater rates so that the City can meets its bond covenant obligations while maintaining funding for operations and limited capital asset investment financed by cash and debt. The City Council has directed staff to prepare a proposed rate increase for the Water Utility in the first half of calendar 2019.

As noted in prior reports strengthening administrative systems remains a top strategic priority for the City Council and the City Council has continued to support this effort with staffing and funding. Implementation of a new enterprise resource planning system is expected to begin next year.

The City continues to expect long term growth in its property taxes and other development related revenues. The City's Development Services Department reports development activity in the City has increased significantly in 2018. Compared to 2017, there are 24 more residential projects; 14 more commercial projects totaling 1.6 million square feet; and roughly 4.1 million more square footage of industrial development projects. This development reflects the strength of the City of Oxnard and Ventura County in competing for investment by residents and businesses

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. If you have questions about this report contact the Finance Department at City of Oxnard at 300 W. 3rd Street, Oxnard, CA 93030.

BASIC FINANCIAL STATEMENTS

CITY OF OXNARD, CALIFORNIA
STATEMENT OF NET POSITION
JUNE 30, 2018

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	$ 118,120,448	$ 87,735,189	$ 205,855,637
Accounts and other receivables (net of allowance for doubtful accounts)	7,522,535	23,644,041	31,166,576
Internal balances	448,599	(448,599)	-
Due from other governments	9,823,815	-	9,823,815
Due from Successor Agency	27,353	-	27,353
Other assets	634,140	299,529	933,669
Notes receivable (net of allowance for doubtful accounts)	49,909,783	1,175,707	51,085,490
Restricted:			
Investments with fiscal agents	26,821,113	18,490,301	45,311,414
Capital Assets not Being Depreciated			
Land	1,418,638,429	17,042,077	1,435,680,506
Construction in progress	11,353,871	16,017,818	27,371,689
Capital Assets, Net of Accumulated Depreciation			
Artwork	-	-	-
Buildings	82,747,613	175,027,994	257,775,607
Other improvements	78,326,926	4,546,047	82,872,973
Machinery and equipment	4,342,476	56,876,290	61,218,766
Vehicles	6,532,715	-	6,532,715
Infrastructure	479,011,618	242,840,897	721,852,515
Total Assets	2,294,261,434	643,247,291	2,937,508,725
DEFERRED OUTFLOW OF RESOURCES			
Deferred amount on refunding	42,415	1,571,891	1,614,306
Deferred outflow on derivative instruments	-	2,313,912	2,313,912
Deferred outflow on pension plans	71,014,518	14,115,154	85,129,672
Deferred outflow on other post-employment benefit plans (OPEB)	691,332	224,564	915,896
Total Deferred Outflow of Resources	71,748,265	18,225,521	89,973,786
LIABILITIES			
Current Liabilities			
Accounts payable	7,512,505	7,257,812	14,770,317
Other liabilities	8,441,697	3,355,313	11,797,010
Compensated absences payable - current	10,626,000	1,519,268	12,145,268
Due to Successor Agency	3,381	269,710	273,091
Unearned revenues	2,708,577	47,688	2,756,265
Notes payable - current	280,537	-	280,537
Self insurance claims - current	10,947,401	-	10,947,401
Early retirement incentive plan payable - current	132,849	-	132,849
Capital leases and revenue bonds - current	6,114,592	10,104,600	16,219,192
Noncurrent Liabilities			
Interest rate swap liability	-	2,313,912	2,313,912
Other liabilities	-	267,134	267,134
Compensated absences payable	5,573,533	891,462	6,464,995
Notes payable	35,306	-	35,306
Other post-employment benefits payable	27,777,374	8,343,366	36,120,740
Early retirement incentive plan payable	272,211	-	272,211
Net pension liabilities	252,394,666	48,298,581	300,693,247
Self-insurance claims	17,060,424	-	17,060,424
Capital leases and revenue bonds, net of premiums and discount	105,700,866	280,396,689	386,097,555
Total Liabilities	455,581,919	363,065,535	818,647,454
DEFERRED INFLOW OF RESOURCES			
Deferred inflow on pension plans	15,811,339	4,614,606	20,425,945
Gain on refunding	785,598	-	785,598
Total Deferred Inflow of Resources	16,596,937	4,614,606	21,211,543
NET POSITION			
Net investment in capital assets	1,994,002,850	224,139,834	2,218,142,684
Restricted for:			
Debt service	2,194,041	18,250,056	20,444,097
Housing	43,344,693	210,189	43,554,882
Infrastructure developments	40,515,870	30,329,466	70,845,336
Maintenance districts	15,334,064	-	15,334,064
Public safety	2,536,537	-	2,536,537
Streets and traffic improvements/maintenance	27,741,542	-	27,741,542
Transportation systems	2,286,505	-	2,286,505
Unrestricted	(234,226,319)	20,863,126	(213,363,193)
TOTAL NET POSITION	$ 1,893,830,843	$ 293,792,671	$ 2,187,623,514

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

CITY OF OXNARD, CALIFORNIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	$ 56,051,634	$ 13,020,442	$ 9,036,237	$ -
Public safety	114,056,089	7,913,075	911,007	-
Transportation systems	13,352,627	1,883,525	-	3,501,368
Community development	17,439,549	7,583,696	3,907,398	-
Culture and leisure	30,577,155	12,279,491	3,084,125	-
Libraries	3,462,308	168,784	-	-
Interest on long-term debt	9,745,886	-	-	-
Total Governmental Activities	244,685,248	42,849,013	16,938,767	3,501,368
Business-Type Activities				
Water	57,617,733	62,447,893	-	-
Wastewater	33,512,156	41,076,417	-	-
Environmental resource	45,633,543	48,910,217	-	-
Oxnard Housing Authority	27,888,924	5,968,193	21,635,711	1,349,188
Total Business-Type Activities	164,652,356	158,402,720	21,635,711	1,349,188
TOTAL PRIMARY GOVERNMENT	$ 409,337,604	$ 201,251,733	$ 38,574,478	$ 4,850,556
GENERAL REVENUES				
Taxes				
Property tax				
Sales tax				
Transient occupancy tax				
Franchise tax				
Deed transfer tax				
Business license tax				
Penalties and interest				
Interest on investments				
CONTRIBUTED CAPITAL				
SPECIAL ITEM - TRANSFERS OF CDC CAPITAL ASSETS				
TRANSFERS				
Total General Revenues, Special Items, and Transfers				
CHANGE IN NET POSITION				
NET POSITION - JULY 1				
PRIOR-PERIOD ADJUSTMENT				
NET POSITION - JUNE 30				

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
$ (33,994,955)	$ -	$ (33,994,955)
(105,232,007)	-	(105,232,007)
(7,967,734)	-	(7,967,734)
(5,948,455)	-	(5,948,455)
(15,213,539)	-	(15,213,539)
(3,293,524)	-	(3,293,524)
(9,745,886)	-	(9,745,886)
(181,396,100)	-	(181,396,100)
-	4,830,160	4,830,160
-	7,564,261	7,564,261
-	3,276,674	3,276,674
-	1,064,168	1,064,168
-	16,735,263	16,735,263
$ (181,396,100)	$ 16,735,263	$ (164,660,837)
$ 67,165,834	$ -	$ 67,165,834
43,418,876	-	43,418,876
5,749,572	-	5,749,572
3,925,374	-	3,925,374
818,322	-	818,322
5,570,488	-	5,570,488
313,847	-	313,847
1,404,527	1,839,114	3,243,641
(1,940,127)	1,940,127	-
10,657,104	-	10,657,104
200,818	(200,818)	-
137,284,635	3,578,423	140,863,058
(44,111,465)	20,313,686	(23,797,779)
1,945,950,068	278,380,956	2,224,331,024
(8,007,760)	(4,901,971)	(12,909,731)
$1,893,830,843	$ 293,792,671	$2,187,623,514

CITY OF OXNARD, CALIFORNIA

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2018

ASSETS

	GENERAL	AFFORDABLE HOUSING	NONMAJOR	TOTAL GOVERNMENT
ASSETS				
Cash and investments	$ 35,830,461	$ 1,685,991	$ 67,665,498	$ 105,181,950
Restricted investments with fiscal agents	-	-	26,821,113	26,821,113
Accounts and other receivables	3,643,938	-	3,811,409	7,455,347
Due from other funds	5,878,372	-	-	5,878,372
Due from other government	8,821,609		1,002,206	9,823,815
Due from Successor Agency	8,809	-	18,544	27,353
Other assets	377,086	-		377,086
Notes receivable	-	31,622,599	18,287,184	49,909,783
Total Assets	$ 54,560,275	$ 33,308,590	$ 117,605,954	$ 205,474,819
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
LIABILITIES				
Accounts payable	$ 3,439,160	$ -	$ 3,037,754	$ 6,476,914
Other liabilities	6,457,069	2,426	949,990	7,409,485
Due to other funds	3,211,474	-	3,159,016	6,370,490
Due to Successor Agency	3,381	-	-	3,381
Advances from other funds	984,753	-	-	984,753
Unearned revenues	2,005	-	2,706,572	2,708,577
Total Liabilities	14,097,842	2,426	9,853,332	23,953,600
DEFERRED INFLOW OF RESOURCES				
Deferred inflow on loans	-	31,622,599	18,287,184	49,909,783
Total Liabilities and Deferred Inflows of Resources	14,097,842	31,625,025	28,140,516	73,863,383
FUND BALANCES				
Restricted for:				
Debt service	-	-	2,194,041	2,194,041
Transportation systems	-	-	2,286,505	2,286,505
Maintenance districts	-		15,334,064	15,334,064
Streets and traffic improvements/maintenance	10,558,537	-	17,183,005	27,741,542
Infrastructure developments	-	-	32,245,800	32,245,800
Housing	-	1,683,565	21,415	1,704,980
Culture and leisure	-	-	101,060	101,060
Public safety retirement	-	-	2,536,537	2,536,537
Committed to:				
Measure "O" eligible services	12,662,261	-	-	12,662,261
Assigned to:				
Grants	-	-	745,730	745,730
Capital projects	-	-	16,817,281	16,817,281
Unassigned	17,241,635	-	-	17,241,635
Total Fund Balances	40,462,433	1,683,565	89,465,438	131,611,436
TOTAL LIABILITIES AND FUND BALANCES	$ 54,560,275	$ 33,308,590	$ 117,605,954	$ 205,474,819

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, 2018

Fund balances of governmental funds		$ 131,611,436
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets of $2,373,549,475 net of accumulated depreciation ($295,773,621) are not financial resources and, therefore, are not reported in the funds.		2,077,775,854
Deferred outflows for the following are not reported in the governmental funds:		
Deferred loss on refunding	$ 42,415	
Deferred gain on refunding	(785,598)	
Deferred outflow on pension and OPEB plans	67,173,436	66,430,253
Accrued interest payable for the current portion of interest due on long-term liabilities has not been reported in the governmental funds.		(652,311)
Notes receivable in the governmental funds are deferred because they are not available within the prescribed time period after year-end. However, the notes receivable are included on the accrual basis of accounting used in the government-wide financial statements.		49,909,783
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Compensated absences	(15,249,023)	
Notes payable	(315,843)	
Other post-employment liability	(25,033,212)	
Early retirement incentive plan payable	(405,060)	
Net pension liabilities	(236,519,589)	
Capital leases and bonds payable, net of issuance discounts, issuance premium and prepaid insurance	(111,591,304)	(389,114,031)
Deferred inflows for pension plans are not reported in the governmental funds		(13,896,018)
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.		(28,234,123)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 1,893,830,843

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, 2018

	GENERAL	AFFORDABLE HOUSING	NONMAJOR	TOTAL GOVERNMENTAL
REVENUES				
Taxes	$ 112,368,183	$ -	$ 14,280,225	$ 126,648,408
Licenses and permits	2,524,505		781,819	3,306,324
Intergovernmental	1,908,513		18,531,622	20,440,135
Growth and development fees	-		2,342,768	2,342,768
Charges for services	19,345,462		1,224,667	20,570,129
Fines and forfeitures	2,367,166		71,606	2,438,772
Interest on investments	383,016	16,271	871,976	1,271,263
Special assessments	536,113		8,481,912	9,018,025
Miscellaneous	5,244,292	35,708	1,059,266	6,339,266
Total Revenues	144,677,250	51,979	47,645,861	192,375,090
EXPENDITURES				
Current				
General government	17,635,849	-	133,500	17,769,349
Public safety	82,483,021	-	20,287,354	102,770,375
Transportation	6,176,942	-	6,169,438	12,346,380
Community development	10,606,545	141,935	5,083,730	15,832,210
Culture and leisure	18,914,570	-	8,278,338	27,192,908
Library services	3,311,739	-	-	3,311,739
Capital Outlay	2,826,991	-	13,940,691	16,767,682
Debt Service				
Principal	715,000	-	32,348,145	33,063,145
Interest and fiscal charges	608,242	-	8,668,690	9,276,932
Total Expenditures	143,278,899	141,935	94,909,886	238,330,720
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,398,351	(89,956)	(47,264,025)	(45,955,630)
OTHER FINANCING SOURCES (USES)				
Proceeds from bonds	-	-	37,608,582	37,608,582
Transfers in	4,801,088	-	8,339,093	13,140,181
Transfers out	(12,005,796)	-	(1,634,024)	(13,639,820)
Total Other Financing Sources (Uses)	(7,204,708)	-	44,313,651	37,108,943
NET CHANGE IN FUND BALANCES	(5,806,357)	(89,956)	(2,950,374)	(8,846,687)
FUND BALANCES, JULY 1	46,268,790	1,773,521	92,415,812	140,458,123
FUND BALANCES, JUNE 30	$ 40,462,433	$ 1,683,565	$ 89,465,438	$ 131,611,436

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, 2018

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

Net Change in Fund Balances - Total Governmental Funds	$ (8,846,687)
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 ($23,749,308) exceeded capital outlay, ($5,686,342), that was capitalized in the current period.	(18,062,966)
In the current year, construction in progress was transferred to business-type activities.	(1,940,126)
In the current year, long-term assets from the Oxnard Community Development Commission were transferred to the general fund.	10,657,104
In the statement of activities, the loss on disposal of assets is reported whereas in the governmental funds, the proceeds from the sale increase financial resources. The change in net position differs from the change in fund balance by the cost of the assets disposed net of accumulated depreciation.	(18,741)
Some expenses reported in the statement of activities do not require the use of financial resources and are not reported as expenditures in govermental funds. These include the decrease in accrued interest, increase in self insurance, net increase in compensated absences, net increase in other post-employment benefits payable, net decrease in net pension liabilities, and increase in premium on bonds	(13,002,091)
The issuance of long-term debt provides 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.	
Total principal repayments of net of bond (discount)/premium.	(5,017,862)
Net income of internal service funds of is reported with governmental activities.	(7,880,096)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ (44,111,465)

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

CITY OF OXNARD, CALIFORNIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018

	WATER	WASTEWATER	ENVIRONMENTAL RESOURCE
ASSETS			
Current Assets			
Cash and investments	$ 30,014,688	$ 21,667,735	$ 22,355,005
Restricted investments with fiscal agent	12,821,033	26,017	5,000,000
Accounts and other receivable (net of allowance for doubtful accounts)	8,603,014	6,439,800	7,861,482
Due from other funds	1,542,369	53,488	87,771
Other assets	-	217,700	-
Total Current Assets	52,981,104	28,404,740	35,304,258
Noncurrent Assets			
Notes receivable (net of allowance for doubtful accounts)	-	932,400	-
Advances to other funds	2,144,399	-	-
Total Noncurrent Assets	2,144,399	932,400	-
Capital Assets			
Land	1,960,229	2,310,476	3,851,164
Construction in progress	12,971,318	2,690,596	-
Buildings	62,300,998	117,398,124	23,246,557
Improvements	1,670,158	7,482,003	-
Machinery and equipment	56,225,671	38,341,393	15,298,861
Vehicles	-	-	-
Infrastructure	205,141,657	199,660,378	2,839,837
Less: Accumulated depreciation	(92,316,722)	(138,245,172)	(25,080,372)
Total Capital Assets (net of accumulated depreciation)	247,953,309	229,637,798	20,156,047
Total Assets	303,078,812	258,974,938	55,460,305
DEFERRED OUTFLOW OF RESOURCES			
Deferred outflow on derivative instruments	-	2,313,912	-
Deferred amount on refunding	1,571,891	-	-
Deferred outflow on pension plans	2,703,800	3,395,045	5,893,188
Deferred outflow on other post-employment benefit plans (OPEB)	36,636	36,636	105,158
Total Deferred Outflow of Resources	4,312,327	5,745,593	5,998,346
LIABILITIES			
Current Liabilities			
Accounts payable	3,180,463	2,151,780	1,554,239
Compensated absences payable - current	365,000	445,000	675,000
Self-insurance claims - current	-	-	-
Deferred revenue			47,688
Other liabilities	1,594,937	722,433	600,818
Due to other funds	49,334	9,431	1,127,858
Due to Successor Agency	-	-	-
Capital leases and revenue bonds - current	4,672,368	4,662,677	434,555
Total Current Liabilities	9,862,102	7,991,321	4,440,158
Noncurrent Liabilities			
Compensated absences payable	134,122	43,130	281,510
Other post-employment benefits payable	1,229,340	2,008,570	3,476,418
Net pension liabilities	9,042,084	13,342,964	17,036,756
Self-insurance claims	-	-	-
Interest rate swap liability	-	2,313,912	-
Other liabilities	-	-	-
Advances from other funds	-	-	1,159,646
Capital leases and revenue bonds, net of current portion and discount/premium	168,273,141	105,603,103	4,565,445
Total Noncurrent Liabilities	178,678,687	123,311,679	26,519,775
Total Liabilities	188,540,789	131,303,000	30,959,933
DEFERRED INFLOW OF RESOURCES			
Deferred inflow on pension plans	861,797	1,237,292	1,315,136
Total Deferred Inflow of Resources	861,797	1,237,292	1,315,136

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

OXNARD HOUSING AUTHORITY	TOTAL CURRENT YEAR	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS	
			ASSETS
			Current Assets
$ 13,697,761	$ 87,735,189	$ 12,938,498	Cash and investments
643,251	18,490,301	-	Restricted investments with fiscal agent
739,745	23,644,041	67,188	Accounts and other receivable (net of allowance for doubtful accounts)
-	1,683,628	-	Due from other funds
81,829	299,529	32,900	Other assets
15,162,586	131,852,688	13,038,586	**Total Current Assets**
			Noncurrent Assets
243,307	1,175,707	-	Notes receivable (net of allowance for doubtful accounts)
-	2,144,399	949,766	Advances to other funds
243,307	3,320,106	949,766	**Total Noncurrent Assets**
			Capital Assets
8,920,208	17,042,077	-	Land
355,904	16,017,818	475,199	Construction in progress
44,005,410	246,951,089	447,410	Buildings
-	9,152,161	-	Improvements
-	109,865,925	4,882,302	Machinery and equipment
-	-	4,441,478	Vehicles
-	407,641,872	-	Infrastructure
(38,677,553)	(294,319,819)	(7,068,595)	Less: Accumulated depreciation
14,603,969	512,351,123	3,177,794	**Total Capital Assets (net of accumulated depreciation)**
30,009,862	647,523,917	17,166,146	**Total Assets**
			DEFERRED OUTFLOW OF RESOURCES
-	2,313,912	-	Deferred outflow on derivative instruments
-	1,571,891	-	Deferred amount on refunding
2,123,121	14,115,154	4,459,822	Deferred outflow on pension plans
46,134	224,564	72,592	Deferred outflow on other post-employment benefit plans (OPEB)
2,169,255	18,225,521	4,532,414	**Total Deferred Outflow of Resources**
			LIABILITIES
			Current Liabilities
371,330	7,257,812	1,035,591	Accounts payable
34,268	1,519,268	626,000	Compensated absences payable - current
-	-	10,947,401	Self-insurance claims - current
	47,688	-	Deferred revenue
437,125	3,355,313	379,901	Other liabilities
-	1,186,623	-	Due to other funds
269,710	269,710	-	Due to Successor Agency
335,000	10,104,600	-	Capital leases and revenue bonds - current
1,447,433	23,741,014	12,988,893	**Total Current Liabilities**
			Noncurrent Liabilities
432,700	891,462	324,510	Compensated absences payable
1,629,038	8,343,366	2,744,162	Other post-employment benefits payable
8,876,777	48,298,581	15,875,077	Net pension liabilities
-	-	17,060,424	Self-insurance claims
-	2,313,912	-	Interest rate swap liability
267,134	267,134	-	Other liabilities
954,653	2,114,299	-	Advances from other funds
1,955,000	280,396,689	-	Capital leases and revenue bonds, net of current portion and discount/premium
14,115,302	342,625,443	36,004,173	**Total Noncurrent Liabilities**
15,562,735	366,366,457	48,993,066	**Total Liabilities**
			DEFERRED INFLOW OF RESOURCES
1,200,381	4,614,606	1,915,321	Deferred inflow on pension plans
1,200,381	4,614,606	1,915,321	**Total Deferred Inflow of Resources**

STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

	WATER	WASTEWATER	ENVIRONMENTAL RESOURCE
NET POSITION			
Net investment in capital assets	$ 75,007,800	$ 119,372,018	$ 15,156,047
Restricted for housing	-	-	-
Restricted for infrastructure development	21,713,305	7,151,660	1,464,501
Restricted for debt service	12,597,695	9,110	5,000,000
Unrestricted	8,669,753	5,647,451	7,563,034
TOTAL NET POSITION	$ 117,988,553	$ 132,180,239	$ 29,183,582

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds

NET POSITION OF BUSINESS-TYPE ACTIVITIES

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

OXNARD HOUSING AUTHORITY	TOTAL CURRENT YEAR	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS	
			NET POSITION
$ 14,603,969	$ 224,139,834	$ 3,177,794	Net investment in capital assets
210,189	210,189	-	Restricted for housing
-	30,329,466	-	Restricted for infrastructure development
643,251	18,250,056	-	Restricted for debt service
(41,408)	$ 21,838,830	(32,387,621)	Unrestricted
$ 15,416,001	294,768,375	$ (29,209,827)	**TOTAL NET POSITION**
	(975,704)		
	$ 293,792,671		

CITY OF OXNARD, CALIFORNIA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2018

	WATER	WASTEWATER	ENVIRONMENTAL RESOURCE
OPERATING REVENUES			
Charges for services	$ 61,024,464	$ 40,130,835	$ 48,874,518
Connection fees	68,899	918,282	-
Rental income	-	-	-
Grant revenue for operations	-	-	-
Miscellaneous and reimbursements	1,354,530	27,300	35,699
Total Operating Revenues	62,447,893	41,076,417	48,910,217
OPERATING EXPENSES			
Salaries and wages	6,092,862	7,377,770	14,147,415
Contractual services	2,820,606	1,908,506	3,138,004
Housing assistance payments	-	-	-
Operating supplies	24,933,966	2,109,550	6,961,637
Utilities	1,261,049	3,935,777	8,391,738
Depreciation and amortization	7,242,861	7,839,614	1,086,362
General and administrative	4,488,234	4,609,834	3,864,361
Repairs and maintenance	191,131	894,821	5,330,303
Claims expenses	-	-	-
Total Operating Expenses	47,030,709	28,675,872	42,919,820
OPERATING INCOME (LOSS)	15,417,184	12,400,545	5,990,397
NONOPERATING REVENUES (EXPENSES)			
Grant revenue - noncapital	-	-	-
Fraud recovery	-	-	-
Other expenses	-	-	-
Interest on investments	1,383,881	125,915	166,864
Interest expense	(9,934,700)	(4,454,688)	(185,105)
Cost of issuance	-	-	-
Net Nonoperating Revenues (Expenses)	(8,550,819)	(4,328,773)	(18,241)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	6,866,365	8,071,772	5,972,156
CAPITAL CONTRIBUTIONS	1,940,127	-	-
TRANSFERS IN	-		-
TRANSFERS OUT	(17,687)	(19,157)	(163,974)
CHANGES IN NET POSITION	8,788,805	8,052,615	5,808,182
NET POSITION, JULY 1	109,749,988	125,347,614	25,577,535
PRIOR-PERIOD ADJUSTMENT	(550,240)	(1,219,990)	(2,202,135)
NET POSITION, JUNE 30	$117,988,553	$132,180,239	$ 29,183,582

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds

CHANGES IN NET POSITION OF BUSINESS-TYPE ACTIVITIES

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

OXNARD HOUSING AUTHORITY	TOTAL CURRENT YEAR	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUND	
			OPERATING REVENUES
$ -	$150,029,817	$ 24,975,827	Charges for services
-	987,181	-	Connection fees
5,097,674	5,097,674	-	Rental income
21,635,711	21,635,711	-	Grant revenue for operations
816,846	2,234,375	554,193	Miscellaneous and reimbursements
27,550,231	179,984,758	25,530,020	**Total Operating Revenues**
			OPERATING EXPENSES
-	27,618,047	10,361,873	Salaries and wages
-	7,867,116	1,978,876	Contractual services
18,540,285	18,540,285	-	Housing assistance payments
-	34,005,153	4,772,651	Operating supplies
905,670	14,494,234	1,269,173	Utilities
673,062	16,841,899	556,932	Depreciation and amortization
7,639,224	20,601,653	3,311,762	General and administrative
-	6,416,255	1,289,119	Repairs and maintenance
-	-	14,265,951	Claims expenses
27,758,241	146,384,642	37,806,337	**Total Operating Expenses**
(208,010)	33,600,116	(12,276,317)	**OPERATING INCOME (LOSS)**
			NONOPERATING REVENUES (EXPENSES)
72,000	72,000	-	Grant revenue - noncapital
53,673	53,673	-	Fraud recovery
-	-	-	Other expenses
162,452	1,839,112	133,264	Interest on investments
(130,683)	(14,705,176)	(38)	Interest expense
-	-	-	Cost of issuance
157,442	(12,740,391)	133,226	**Net Nonoperating Revenues (Expenses)**
			INCOME (LOSS) BEFORE CONTRIBUTIONS
(50,568)	20,859,725	(12,143,091)	**AND TRANSFERS**
1,277,188	3,217,315	-	**CAPITAL CONTRIBUTIONS**
-	-	700,457	**TRANSFERS IN**
-	(200,818)	-	**TRANSFERS OUT**
1,226,620	23,876,222	(11,442,634)	**CHANGES IN NET POSITION**
15,118,989		(16,077,840)	**NET POSITION, JULY 1**
(929,608)		(1,689,353)	**PRIOR-PERIOD ADJUSTMENT**
$ 15,416,001		$ (29,209,827)	**NET POSITION, JUNE 30**
	(3,562,536)		
	$ 20,313,686		

CITY OF OXNARD, CALIFORNIA

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2018

	WATER	WASTEWATER	ENVIRONMENTAL RESOURCE
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 58,667,845	$42,754,712	$ 47,465,573
Payments to suppliers	(34,227,410)	(13,575,060)	(28,480,741)
Payments to employees	(5,600,863)	(7,055,627)	(13,088,378)
Payments for housing assistance	-	-	-
Receipts from operating grants	-	-	-
Cash paid to claimants	-	-	-
Net Cash Provided By (Used In) Operating Activities	18,839,572	22,124,025	5,896,454
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Principal paid on long-term debt	-	-	-
Interest and other fees paid	-	-	-
Collection/(issuance) of advances	1,123,724	(53,488)	(1,113,579)
Notes receivable collected	-	51,800	-
Cash received ofrom noncapital grants	-	-	-
Transfers in	-	-	-
Transfers out	(17,687)	(19,157)	(163,974)
Net Cash Provided By (Used In) Noncapital Financing Activities	1,106,037	(20,845)	(1,277,553)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	(2,649,473)	(3,244,556)	(83,697)
Interest and issuance cost paid on long-term debt	(9,952,522)	(4,946,997)	(114,415)
Principal paid on long-term debt	(4,478,168)	(4,526,071)	(428,285)
Proceeds from issuance of long-term debt	-	-	5,000,000
Received from capital grants	-	-	-
Net Cash Provided By (Used In) Capital and Related Financing Activities	(17,080,163)	(12,717,624)	4,373,603
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	1,383,881	125,915	166,864
Net Cash Provided By (Used In) Investing Activities	1,383,881	125,915	166,864
NET INCREASE (DECREASE) IN CASH AND INVESTMENTS	4,249,327	9,511,471	9,159,368
CASH AND INVESTMENTS, JULY 1	38,586,394	12,182,281	18,195,637
CASH AND INVESTMENTS, JUNE 30	$ 42,835,721	$21,693,752	$ 27,355,005

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

OXNARD HOUSING AUTHORITY	TOTAL CURRENT YEAR	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS	
			CASH FLOWS FROM OPERATING ACTIVITIES
$ 6,099,177	$154,987,307	$ 25,548,676	Receipts from customers and users
(3,508,537)	(79,791,748)	(12,961,104)	Payments to suppliers
(4,034,237)	(29,779,105)	(9,734,165)	Payments to employees
(18,484,418)	(18,484,418)	-	Payments for housing assistance
21,659,066	21,659,066	-	Receipts from operating grants
-	-	(4,314,904)	Cash paid to claimants
1,731,051	48,591,102	(1,461,497)	**Net Cash Provided By (Used In) Operating Activities**
			CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES
(320,000)	(320,000)	-	Principal paid on long-term debt
(122,971)	(122,971)	-	Interest and other fees paid
-	(43,343)	(20)	Collection/(issuance) of advances
-	51,800	-	Notes receivable collected
72,000	72,000	-	Cash received from noncapital grants
-	-	700,457	Transfers in
-	(200,818)	-	Transfers out
(370,971)	(563,332)	700,437	**Net Cash Provided By (Used In) Noncapital Financing Activities**
			CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES
(1,009,014)	(6,986,740)	(113,998)	Purchases of capital assets
-	(15,013,934)	(38)	Interest and issuance cost paid on long-term debt
-	(9,432,524)	-	Principal paid on long-term debt
	5,000,000	-	Proceeds from issuance of long-term debt
1,277,188	1,277,188	-	Received from capital grants
268,174	(25,156,010)	(114,036)	**Net Cash Provided By (Used In) Capital and Related Financing Activities**
			CASH FLOWS FROM INVESTING ACTIVITIES
162,452	1,839,112	141,660	Interest on investments
162,452	1,839,112	141,660	**Net Cash Provided By (Used In) Investing Activities**
1,790,706	24,710,872	(733,436)	**NET INCREASE (DECREASE) IN CASH AND INVESTMENTS**
12,550,306	81,514,618	13,671,934	**CASH AND INVESTMENTS, JULY 1**
$14,341,012	$106,225,490	$ 12,938,498	**CASH AND INVESTMENTS, JUNE 30**

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

	WATER	WASTEWATER	ENVIRONMENTAL RESOURCE
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
OPERATING INCOME (LOSS)	$ 15,417,184	$12,400,545	$ 5,990,397
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities			
Depreciation and amortization	7,242,861	7,839,614	1,086,362
Other revenue			
Changes in Operating Assets and Liabilities			
(Increase) decrease in accounts receivable and due from other funds and governments	(3,774,802)	1,678,295	(1,444,644)
(Increase) decrease in other assets	-	13,607	-
Increase (decrease) in accounts payable and other liabilities	(514,164)	(267,994)	(788,048)
Increase (decrease) in compensated absences	(179,642)	(264,640)	(267,616)
Increase (decrease) in other post-employment benefits payable	635,036	1,336,193	2,445,532
Increase (decrease) in net pension liabilities	13,099	(611,595)	(1,125,529)
Increase (decrease) in self-insurance liabilities	-	-	-
Net Cash Provided By (Used In) Operating Activities	$ 18,839,572	$22,124,025	$ 5,896,454
Noncash capital, financing and investing activities	$ 1,940,127	$ -	$ -

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

OXNARD HOUSING AUTHORITY	TOTAL CURRENT YEAR	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS	
			RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES
$ (208,010)	$ 33,600,116	$ (12,276,317)	**OPERATING INCOME (LOSS)**
			Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities
673,062	16,841,899	556,932	Depreciation and amortization
53,673	53,673		Other revenue
			Changes in Operating Assets and Liabilities
567,916	(2,973,235)	$ 18,656	(Increase) decrease in accounts receivable and due from other funds
(23,413)	(9,806)	-	(Increase) decrease in other assets
(51,631)	(1,621,837)	(305,042)	Increase (decrease) in accounts payable other liabilities
36,482	(675,416)	(184,323)	Increase (decrease) in compensated absences
99,655	4,516,416	1,929,968	Increase (decrease) in other post-employment benefits payable
583,317	(1,140,708)	(1,152,418)	Increase (decrease) in net pension liabilities
-	-	9,951,047	Increase (decrease) in self-insurance liabilities
$ 1,731,051	$ 48,591,102	$ (1,461,497)	**Net Cash Provided By (Used In) Operating Activities**
$ -	$ 1,940,127	$ -	Noncash capital, financing and investing activities

CITY OF OXNARD, CALIFORNIA

STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2018

	OXNARD COMMUNITY DEVELOPMENT COMMISSION SUCCESSOR AGENCY PRIVATE PURPOSE TRUST FUND	RETIREMENT ENHANCEMENT DEFINED BENEFIT PENSION TRUST FUND	AGENCY FUND
ASSETS			
Cash and investments	$ 12,846,404	$ -	$ 5,413,876
Investment with Fiscal Agents			
Certificates of deposit	2,870,260	2,701,405	2,601,670
Common stocks	-	15,136,644	-
Municipal issues	-	200,000	-
Foreign stocks	-	438,342	-
Mutual funds - equity	-	30,518,925	-
Mutual funds - fixed income	-	28,072,708	-
Total investment with fiscal agents	2,870,260	77,068,024	2,601,670
Accounts and other receivables	-	740,164	-
Due from other governments	26,970		233,902
Notes receivable, net of uncollectible	777,185	-	-
Properties held for resale	1,331,410	-	-
Capital Assets			
Buildings (net of depreciation)	381,917	-	-
Improvements other than building (net of depreciation)	13,588,929	-	-
Infrastructure (net of depreciation)	21,201,574	-	-
Total Assets	$ 53,024,649	$ 77,808,188	$ 8,249,448
LIABILITIES			
Accounts payable	$ 1,652,997	$ -	$ 8,249,448
Other liabilities	468,482	-	-
Due to City of Oxnard	118,602	-	-
LONG-TERM DEBT			
Due within one year	1,765,000	-	-
Due in more than one year	32,735,000	-	-
TOTAL LIABILITIES	37,266,767	-	$ 8,249,448
NET POSITION			
Held in trust for Successor Agency	15,757,882		
Net position restricted for pension	-	77,808,188	
TOTAL NET POSITION	$ 15,757,882	$ 77,808,188	

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

CITY OF OXNARD, CALIFORNIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED JUNE 30, 2018

	OXNARD COMMUNITY DEVELOPMENT COMMISSION SUCCESSOR AGENCY PRIVATE PURPOSE TRUST FUND	RETIREMENT ENHANCEMENT DEFINED BENEFIT PENSION TRUST FUND
ADDITIONS		
Taxes	$ 5,227,559	$ -
Contributions		
Employer	-	4,482,800
Plan members	-	2,099,317
Investment income	78,103	5,997,314
Investment expense	-	(77,295)
Net investment income	78,103	5,920,019
Rental income	88,491	-
Total Additions	5,394,153	12,502,136
DEDUCTIONS		
Administrative Costs		
Salaries and wages	44,471	-
Benefit distributions	-	4,328,954
Administrative costs	29,992	-
Professional services	329,374	-
Depreciation	1,384,371	-
Project improvements	3,195,975	-
Debt Service		
Interest and fiscal charges	1,521,011	-
Total Deductions	6,505,194	4,328,954
SPECIAL ITEMS		
Gain on write off advances to City of Oxnard	(1,514,213)	-
Other proceeds from developers	(4,000)	-
Gain on disposal of assets	(406,074)	-
Loss on transfer of assets held for sale to City of Oxnard	10,657,104	-
Total Special Items	8,732,817	-
CHANGE IN NET POSITION	(9,843,858)	8,173,182
NET POSITION - JULY 1, 2017	25,601,740	69,635,006
NET POSITION - JUNE 30, 2018	$ 15,757,882	$ 77,808,188

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

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 and the City has operational responsibility for the Authority. 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.

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 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 and the City has operational responsibility for the Housing Authority. The Housing Authority's operations have been included in the City's business-type activities in the accompanying Government-Wide Financial Statements. The Housing Authority prepares separate financial statements, which can be obtained from the Housing Authority's Financial Services Division at 435 S. D St., Oxnard, CA 93030.

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.

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 that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

A reconciliation of the difference between the 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 funds have been determined to be the City's major governmental funds:

- General Fund: This fund is always a major fund and is used to account for all financial resources traditionally associated with government activities, which are not legally required to be accounted for in another fund.
- The Affordable Housing Fund was created due to the dissolution of the Oxnard Redevelopment Agency. In accordance with Health and Safety Code Section 34176(b)(2), on February 1, 2013, all rights, powers, assets, liabilities, duties, and obligations of the Low and Moderate Income Housing Fund (previously part of the former Oxnard Redevelopment Agency) were transferred to the Affordable Housing special revenue fund. The fund is used to account for funds to be used for low and moderate income housing projects.

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.

- 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 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.

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 (PARS) 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.

C. **New Accounting Pronouncements**

The City implemented the following GASB pronouncements that became effective in the fiscal year ended June 30, 2018:

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* (OPEB). The Statement establishes accounting and financial reporting for OPEB that is provided to employees of state and local government employers. It establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures.

Statement No. 85, *Omnibus 2017*. This statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits.

Statement No. 86, *Certain Debt Extinguishment Issues.* This Statement improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt.

The GASB has issued several pronouncements prior to June 30, 2018, that have effective dates that may impact future financial presentations. The impact of the implementation of these Statements to the City's financial Statements has not been assessed at this time.

Statement No. 83, *Certain Asset Retirement Obligations.* This Statement addresses accounting and financial reporting for certain asset retirement obligations, legally enforceable liabilities associated with the retirement of a tangible capital assets. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability. The provisions of this Statement are effective for fiscal years beginning after June 15, 2019.

Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements.* This Statement improves consistency in the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.

The provisions of this Statement are effective for fiscal years beginning after June 15, 2019.

D. **Cash and Investments**

Cash and Cash Equivalents

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

Investments

The City's investments are stated at fair value.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy, as follows:

Level 1: Investments reflect prices quoted in active markets;
Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and
Level 3: Investments reflect prices based upon unobservable sources.

Investment Income

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

E. **Receivables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is reported as "advances to/from other funds." 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. Notes receivable are reported as an asset in the amount of loan proceeds disbursed, net of allowance. Depending on the original funding source, the City reports unavailable revenue equal to the loan amount and recognize a revenue when principal payments are received.

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.

F. **Capital Assets**

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

Buildings	45 years
Improvements	
Paving, curbs, and lighting	20 years
Parks improvements	20 years
Sports courts	20 years
Landscaping	20-50 years
Equipment and machinery	3-50 years
Vehicles	10 years
Infrastructure Assets	
Roadway network	40-100 years
Waterways/seawalls	75 years
Storm drain system	50 years
Water and sewer systems	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. Land is valued at original cost without depreciation.

Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

G. **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 $24,931,208. No interest was capitalized for this fiscal year.

H. **Compensated Absences**

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

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

I. **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 CalPERS and Public Agency Retirement Services (PARS). 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.

J. **Other Post-Employment Benefits (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the CalPERS plan governed by the Public Employees' Medical & Hospital Care Act (PEMHCA) and additions to/deductions from PEMHCA's fiduciary net position have been determined on the same basis as they are reported by PEMHCA.

For this purpose, PEMHCA recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

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 related to pensions and OPEB, deferred outflows for charges on debt refunding, and deferred outflows on derivative instruments in the Government-Wide and Proprietary Fund Statements of Net Position. Deferred outflows for pension and OPEB contributions will be recognized in the subsequent fiscal year. Other deferred outflows on pension plans are amortized over 4.8 to 5 years. 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. Gains or losses on Hedging Derivative Instruments are also reported as deferrals in the Statement of Net Position.

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 - unearned revenues. The governmental funds report unearned 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. The amounts related to pensions are deferred and amortized over a 4.8 to 5 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.

Unassigned fund balance - this includes all amounts not included in other classifications. The General Fund is the only fund that reports a positive unassigned fund balance.

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.

Per Resolution No. 14,952, the City Council will endeavor to maintain an operating reserve equal to 18% of General Fund operating budget, 25% of Water Fund and Wastewater Fund operating budgets, and 9% of Solid Waste Fund operating budget.

The City has not formally assigned or committed actual reserve levels as of June 30, 2018.

M. **Property Taxes**

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

Valuation Date	January 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 31 (unsecured)

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

Property Valuation

Valuations are established by the Assessor of the County for the secured and unsecured property tax rolls; the utility property tax roll is valued by the State Board of Equalization. Under the provisions of Article XIIIA 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, 2018, the City has recorded property taxes receivable of $1,583,198, which is included in due from other governments in the accompanying balance sheet.

Tax Lien Dates

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

Tax Collections

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

Tax Apportionments and Special District Augmentation Fund (SDAF)

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

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

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

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.

R. **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. The City provides payroll services to City Corps. For the year ended June 30, 2018, the City paid payroll expenses amounting to $153,376 which City Corps reimbursed.

In November 2000, the City granted an exclusive right to operate, maintain, and manage the Performing Arts and Convention Center to the Oxnard Performing Arts Center Corporation. The City provides the Corporation an operating subsidy as provided for in the operating budget, which is subject to City Council approval. The operating subsidy provided for the year ended June 30, 2018 was $1,554,454.

In addition, the City acts as the custodian of funds for the Corporation, including recording of deposits and disbursements. City employees also perform management functions for the Corporation. The Council approved the extension of the agreement between the City and the Corporation until June 30, 2019.

S. **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 2018. Complete financial statements may be obtained from the Finance Department, City of Oxnard, 300 W. 3rd St, Oxnard, CA 93030.

As of June 30, 2018, the JPA had total assets of $1,061,196, total net position of $1,061,196, and total revenues of $10,841 for the year then ended.

T. **Subsequent Events**

In preparation of these financial statements, the City considered subsequent events through December 12, 2018, which is the date these financial statements were available to be issued.

II. DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

The City's cash and investments, including restricted investments with fiscal agents, consist of the following at June 30, 2018:

	AMOUNT
Petty cash	$ 206,358
Deposits	13,415,485
Investments	210,494,078
Cash and investments	224,115,921
Restricted investments with fiscal agents	127,851,364
TOTAL	$ 351,967,285

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

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	FIDICUARY FUNDS	TOTAL
Cash and investments	$ 118,120,448	$ 87,735,189	$ 18,260,280	$ 224,115,917
Restricted investments with fiscal agents	26,821,113	18,490,301	82,539,954	127,851,368
TOTALS	$ 144,941,561	$ 106,225,490	$ 100,800,234	$ 351,967,285

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, 2018, the City has a bank balance of $42,692,641 in three 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.

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 primary goals of the City are safety, liquidity, and yield in that priority order. 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.

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 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:

	AMOUNT
City Treasurer	$210,418,158
Restricted investments held with Fiscal Agents	
Bond trustees for the City and its component units	50,140,091
PARS Trust Pool	77,068,024
Oxnard Housing Authority (includes investment held by fiscal agents)	14,341,012
TOTAL	$351,967,285

The City Treasurer has direct oversight over the City's pooled investment fund, which covers cash and investments 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.

INVESTMENT TYPES AUTHORIZED BY SECTION 53601	AUTHORIZED BY INVESTMENT POLICY	MAXIMUM MATURITY (YEARS)	MAXIMUM PERCENTAGE OF PORTFOLIO	MAXIMUM INVESTMENT IN ONE ISSUER	MINIMUM RATINGS
U.S. Treasury and agencies	Yes	5	None	None	None
Local agency bonds, notes	Yes	N/A	15%	None	None
Other bonds, notes, or evidences of indebtedness	Yes	N/A	15%	None	None
Bankers acceptances	Yes	180 days	40%	30%	None
Commercial paper	Yes	270 days	15%	10%	P1/A1
Negotiable CDs	Yes	5	30%	None	Aa/AA-
Certificate of deposit (CDs)	Yes	N/A	30%	None	A
Repurchase agreements	Yes	90 days	20%	None	None
Medium term notes	Yes	5	30%	None	A
Mutual funds	Yes	N/A	20%	None	None
LAIF, VCIP, CalTrust	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, 2018, is more fully disclosed in the financial statements for the Housing Authority, which may be obtained from the Housing Authority's Financial Services Division at 435 S D St, Oxnard, CA 93030.

The City Treasurer's investment pool is comprised of pooled deposits, investments, the State of California Local Agency Investment Fund (LAIF), and Ventura County Investment Pool (VCIP) 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 and VCIP is determined by allocating the City's share of the investment pools' fair value as reported by LAIF and VCIP.

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 the 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.

The City is a voluntary participant in Ventura County Investment Pool (VCIP) which is considered an external investment pool. VCIP is for local public government agencies and school districts within Ventura County and is managed by the Ventura County Treasurer-Tax Collector. VCIP's portfolio must comply with the County's Investment Policy which is governed by the Ventura County Board of Supervisors. VCIP is rated by Standard and Poor's annually; the most recent is dated September 29, 2017 and is available via the Office of Ventura County Treasurer-Tax Collector's website.

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 Investment grade - minimum credit
Equity guidelines	The core portion of the equity allocation will consist of individual issues. Actively-managed mutual funds will be utilized for other market segments in accordance with the trustee's tactical strategy.

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

For purposes of the Statement of Cash Flows of the proprietary fund types, cash and cash equivalents include all investments as the City operates an internal cash management pool which maintains the general characteristics of the demand deposit account.

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 restricted investments held by bond trustees) to market interest rate fluctuation is provided by the following table that shows the distribution of the City's investments by maturity:

	INVESTMENT MATURITIES (IN YEARS)			
	LESS THAN 1	1-5	MORE THAN 5	TOTAL
Federal agency securities	$ 13,956,250	$ 138,508,385	$ -	$ 152,464,635
Corporate bonds	-	-	-	-
Ventura County Investment Pool	1,000,000	-	-	1,000,000
California Local Agency Investment Fund	51,908,159	-	-	51,908,159
Negotiable CD	2,426,284	2,695,000	-	5,121,284
Held by Trustee				
Money Market Fund	48,709,318	-	-	48,709,318
California Local Agency Investment Fund	2,074,022	-	-	2,074,022
TOTAL INVESTMENTS	$ 120,074,033	$ 141,203,385	$ -	261,277,418
PARS Trust Pool				77,068,024
Cash in banks and on hand				13,621,843
TOTAL CASH AND INVESTMENTS				$ 351,967,285

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 negotiable CDs; however, these investments are covered by FDIC insurance.

Presented below are the Standard and Poor's ratings for each investment type as of June 30, 2018:

INVESTMENT TYPE	AAA	AA+	AA	A	TOTAL
Federal agency securities	$ -	$ 152,464,635	$ -	$ -	$ 152,464,635
Ventura County Investment Pool	1,000,000	-	-	-	1,000,000
TOTALS	$ 1,000,000	$ 152,464,635	$ -	$ -	153,464,635
NOT RATED					
California Local Agency Investment Fund					53,982,181
Money Market Fund					48,709,318
PARS Trust Pool					77,068,024
Negotiable CD					5,121,284
Total Investments					338,345,442
Cash in banks and on hand					13,621,843
TOTAL					$ 351,967,285

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, 2018:

ISSUER	TYPE OF INVESTMENTS	AMOUNTS
Federal National Mortgage Assn.	Federal National Mortgage Assn.	$ 14,086,495
Federal Home Loan Bank	Federal Home Loan Bank Bonds	105,190,890
Federal Farm Credit Bank	Federal Farm Credit Bank Bonds	33,187,250

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.

Fair Value Measurements

The City has the following recurring fair value measurements as of June 30, 2018:

	INVESTMENTS AT FAIR VALUE AS OF JUNE 30, 2018			
	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Investment Type				
Federal agency securities	$ 152,464,635	$ -	$ -	$ 152,464,635
California Local Agency Investment Fund	-	51,908,159	-	51,908,159
Ventura County Investment Pool	-	1,000,000	-	1,000,000
Negotiable CD	5,121,284	-	-	5,121,284
	157,585,919	52,908,159	-	210,494,078
Held by Trustees/Fiscal Agent				
Money Market Fund	48,709,318	-	-	48,709,318
California Local Agency Investment Fund	-	2,074,022	-	2,074,022
	48,709,318	2,074,022	-	50,783,340
PARS Trust Pool				
Cash and equivalents	2,701,406	-	-	2,701,406
Municipal issues	200,000	-	-	200,000
Domestic common stocks	15,136,644	-	-	15,136,644
Foreign stocks	438,341	-	-	438,341
Mutual funds - equity	30,518,925	-	-	30,518,925
Mutual funds - fixed income	28,072,708	-	-	28,072,708
	77,068,024	-	-	77,068,024
TOTAL INVESTMENTS AT FAIR VALUE	$ 283,363,261	$ 54,982,181	$ -	$ 338,345,442

B. **Receivables and Payables**

Accounts receivables and other receivables as of June 30, 2018 included in the accompanying Statement of Net Position primarily consist of the following:

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES
ACCOUNTS RECEIVABLE		
Utilities receivable	$ 1,005	$ 19,156,023
Grants receivable	3,501,813	-
Accounts receivable billed and accrued	4,887,258	4,777,398
Other receivables	817,510	1,098,539
	9,207,586	25,031,960
Allowance for uncollectible receivables	(1,685,051)	(1,387,919)
TOTALS	$ 7,522,535	$ 23,644,041

Accounts payable and other liabilities as of June 30, 2018 reported on the Statement of Net Position primarily consist of the following:

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES
ACCOUNTS PAYABLE AND OTHER LIABILITIES		
Accounts payable (due to vendors)	$ 7,512,505	$ 7,257,812
Other Liabilities		
Accrued payroll	5,381,286	1,235,305
Accrued benefits	1,190,126	-
Accrued interest	672,472	1,378,755
Other payables	1,197,813	741,254
Total Other Liabilities	8,441,697	3,355,314
TOTALS	$ 15,954,202	$ 10,613,126

C. **Interfund Receivables and Payables**

Total interfund receivables and payables at June 30, 2018, 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:

	INTERFUND RECEIVABLE	INTERFUND PAYABLE	INTERFUND BALANCE	ELIMINATION	TOTAL
GOVERNMENTAL ACTIVITIES					
Due To/From Other Funds					
General Fund	$ 5,878,372	$ 3,211,474	$2,666,898	$ (2,791,673)	$ (124,775)
Nonmajor governmental funds	-	3,159,016	(3,159,016)	2,791,673	(367,343)
	5,878,372	6,370,490	(492,118)	-	(492,118)
Advances To/From Other Funds					
General Fund	-	984,753	(984,753)	-	(984,753)
Internal Service Fund	954,653	4,887	949,766	-	949,766
	954,653	989,640	(34,987)	-	(34,987)
Total Governmental Activities	6,833,025	7,360,130	(527,105)	-	(527,105)
BUSINESS-TYPE ACTIVITIES					
Due To/From Other Funds					
Water	1,542,369	49,334	1,493,035	(1,130,756)	362,279
Wastewater	53,488	9,431	44,057	-	44,057
Environmental resource	87,771	1,127,858	(1,040,087)	1,125,869	85,782
	1,683,628	1,186,623	497,005	(4,887)	492,118
Advances To/From Other Funds					
Water	2,144,399	-	2,144,399	(1,154,759)	989,640
Environmental resource	-	1,159,646	(1,159,646)	1,159,646	-
Oxnard Housing Authority	-	954,653	(954,653)	-	(954,653)
	2,144,399	2,114,299	30,100	4,887	34,987
Total Business-type Activities	3,828,027	3,300,922	527,105	-	527,105
TOTALS	$ 10,661,052	$ 10,661,052	$ -	$ -	$ -

The interfund balances at June 30, 2018 are loans to cover temporary cash deficits in various funds. In addition, amounts are recorded representing the net internal receivable from governmental activities to business-type activities representing charges in excess of cost of the internal service funds of $975,704 in the current year.

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.

There were no transfers during Fiscal Year 2017-2018 that were either non-routine in nature or inconsistent with the activities of the fund making the transfer. The following transfers in and out are reflected in the Fund Financial Statements for the year ended June 30, 2018:

	DESCRIPTION	TRANSFERS IN	TRANSFERS OUT	NET TRANSFERS	ELIMINATIONS	TOTAL
GOVERNMENTAL ACTIVITIES						
General Fund	Program support	$ 2,764,961	$ 1,705,556	$ 1,059,405	$ (1,059,405)	$ -
General Fund	Debt service	-	6,526,998	(6,526,998)	6,526,998	-
Nonmajor governmental funds	Program support	1,225,568	3,236,469	(2,010,901)	2,010,458	(443)
Nonmajor governmental funds	Debt service	6,978,855	-	6,978,855	(6,978,855)	-
Internal Service Fund	Program support	700,457	-	700,457	(499,196)	201,261
Total Governmental Activities		11,669,841	11,469,023	200,818	-	200,818
BUSINESS-TYPE ACTIVITIES						
Water	Program support	-	17,687	(17,687)	-	(17,687)
Wastewater	Program support	-	19,157	(19,157)	-	(19,157)
Environmental Resource	Program support	-	163,974	(163,974)	-	(163,974)
Total Business-Type Activities		-	200,818	(200,818)	-	(200,818)
TOTAL GOVERNMENT-WIDE STATEMENTS		$ 11,669,841	$ 11,669,841	$ -	$ -	$ -

E. Loans Receivable

At June 30, 2018, the City's net loans receivable consisted of the following:

	BALANCE JULY 1, 2017	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2018
GOVERNMENTAL ACTIVITIES				
Residential Notes Receivable				
CalHOME Loans	$ 2,713,693	$ 363,925	$ 25,000	$ 3,052,618
BEGIN Loans	3,271,595	-	30,000	3,241,595
CDBG Loans	3,518,553	359,733	90,000	3,788,286
HOME Loans	9,297,304	1,307,884	659,160	9,946,028
NSP Loans	955,364	-	-	955,364
HERO Loans	572,120	-	4,000	568,120
Other	2,269,766	-	35,000	2,234,766
Allowance for doubtful accounts	(13,346,715)	(1,028,853)	1,166,482	(13,209,086)
	9,251,680	1,002,689	2,009,642	10,577,691
Developer Notes Receivable				
* Las Villas de Paseo Nuevo	7,000,000	-	-	7,000,000
CRFL Family Apartments	14,277,022	-	-	14,277,022
Colonial House	4,200,000	-	-	4,200,000
Paseo Santa Clara	2,200,000	-	-	2,200,000
Paseo Del Rio	2,700,000	-	-	2,700,000
* Terraza de Las Cortes	3,300,000	-	-	3,300,000
* Las Cortes	590,000	-	-	590,000
Villa Madera	1,600,000	-	-	1,600,000
Sonata at Riverpark	3,000,000	-	-	3,000,000
Many Mansions	-	328,694	-	328,694
Other	506,778	35,000	-	541,778
Allowance for doubtful accounts	(995,422)	-	590,020	(405,402)
	38,378,378	363,694	590,020	39,332,092
	47,630,058	1,366,383	2,599,662	49,909,783
BUSINESS-TYPE ACTIVITIES				
Wastewater Loans	984,200	-	51,800	932,400
Oxnard Housing Authority	-	243,307	-	243,307
	984,200	243,307	51,800	1,175,707
TOTAL GOVERNMENT-WIDE STATEMENTS	48,614,258	1,609,690	2,651,462	51,085,490

GOVERNMENTAL ACTIVITIES

Residential Notes Receivable

The City offers loans to qualifying low-income individuals and families who require financial assistance for home-buying, home repairs, or mobile home replacements. Residential outstanding loans at June 30, 2018 include the following programs: Home Investment Partnership Program (HOME), Community Development Block Grants (CDBG), Building Equity and Growth in Neighborhoods Program (BEGIN), Neighborhood Stabilization Program (NSP), Historic Enhancement Revitalization of Oxnard (HERO), and CalHome Program. Summarized in the table below are these programs' average outstanding loan amount, interest rate, average outstanding term, and forgiveness policy. Majority of the home loan programs are forgivable at the end of term. Any default on the agreement, such as transfer of ownership or failure of homeowner to live in the unit causes the loan to be due and payable immediately. The City secures these loans by placing a lien on the property by recording a Deed of Trust with the Ventura County Recorder's Office for the loan amount.

PROGRAM	AMOUNT	INTEREST	TERM	FORGIVABLE
Cal HOME	$ 29,000	3.00 %	30	No
BEGIN	26,000	3.00	30	No
CDBG	24,000	-	20	Yes
HOME	19,000	-	12	Yes
NSP	41,000	-	20	Yes
HERO	11,000	-	6	Yes
Other	17,000	-	24	Yes

Developer Notes Receivable

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 1%-4% 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 $10,890,000 as of June 30, 2018 are loans to parties related the Oxnard Housing Authority.

BUSINESS-TYPE ACTIVITIES

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.

F. Capital Assets

Changes in the City's capital assets for the year ended June 30, 2018 consisted of the following:

	BALANCE JULY 1, 2017	INCREASES	DECREASES	TRANSFERS	BALANCE JUNE 30, 2018
GOVERNMENTAL ACTIVITIES					
Capital Assets, Not Being Depreciated					
Land	$ 1,418,638,429	$ -	$ -	$ -	$ 1,418,638,429
Construction in progress	9,504,032	3,805,394	(1,955,554)	-	11,353,872
Total Capital Assets, Not Being Depreciated	1,428,142,461	3,805,394	(1,955,554)	-	1,429,992,301
Capital Assets, Being Depreciated					
Artwork	87,000	-	-	-	87,000
Buildings	111,588,081	334,480	-	10,657,104	122,579,665
Improvements other than buildings	105,541,212	183,265	-	-	105,724,477
Equipment and machinery	16,943,959	760,087	(452,581)	-	17,251,465
Vehicles	24,474,283	1,219,922	(915,549)	-	24,778,656
Infrastructure	681,929,556	1,452,746	-	-	683,382,302
Total Capital Assets, Being Depreciated	940,564,091	3,950,500	(1,368,130)	10,657,104	953,803,565
Less: Accumulated Depreciation					
Artwork	(86,500)	(500)	-	-	(87,000)
Buildings	(37,353,233)	(2,286,164)	-	(192,655)	(39,832,052)
Improvements other than buildings	(24,926,949)	(2,470,603)	-	-	(27,397,552)
Equipment and machinery	(12,267,754)	(1,079,788)	438,553	-	(12,908,989)
Vehicles	(17,877,940)	(1,229,712)	861,711	-	(18,245,941)
Infrastructure	(187,323,865)	(17,046,819)	-	-	(204,370,684)
Total Accumulated Depreciation	(279,836,241)	(24,113,586)	1,300,264	(192,655)	(302,842,218)
Total Capital Assets, Being Depreciated, Net	660,727,850	(20,163,086)	(67,866)	10,464,449	650,961,347
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 2,088,870,311	$ (16,357,692)	$ (2,023,420)	$ 10,464,449	$ 2,080,953,648

	BALANCE JULY 1, 2017	INCREASES	DECREASES	TRANSFERS	BALANCE JUNE 30, 2018
BUSINESS-TYPE ACTIVITIES					
Capital Assets, Not Being Depreciated					
Land	$ 17,042,077	$ -	$ -	$ -	$ 17,042,077
Construction in progress	9,508,394	8,265,150	(1,755,726)	-	16,017,818
Total Capital Assets, Not Being Depreciated	26,550,471	8,265,150	(1,755,726)	-	33,059,895
Capital assets, Being Depreciated					
Buildings	244,541,117	715,222	(192,932)	-	245,063,407
Improvements other than buildings	9,152,161	-	-	-	9,152,161
Equipment and machinery	111,397,376	622,042	(265,811)	-	111,753,607
Infrastructure	406,561,691	1,080,181	-	-	407,641,872
Total Capital Assets, Being Depreciated	771,652,345	2,417,445	(458,743)	-	773,611,047
Less: Accumulated Depreciation					
Buildings	(103,959,950)	(5,021,152)	192,932	-	(108,788,170)
Improvements other than buildings	(4,384,836)	(221,278)	-	-	(4,606,114)
Equipment and machinery	(51,220,185)	(3,847,740)	265,811	-	(54,802,114)
Infrastructure	(118,371,690)	(7,751,731)	-	-	(126,123,421)
Total Accumulated Depreciation	(277,936,661)	(16,841,901)	458,743	-	(294,319,819)
Total Capital Assets, Being Depreciated, Net	493,715,684	(14,424,456)	-	-	479,291,228
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	520,266,155	(6,159,306)	(1,755,726)	-	512,351,123
TOTALS	2,609,136,466	(22,516,998)	(3,779,146)	10,464,449	2,593,304,771

For the year ended June 30, 2018 depreciation expense on capital assets was charged as follows:

	AMOUNT
GOVERNMENTAL ACTIVITIES	
Administration and support	$ 18,331,361
Public safety	1,053,339
Transportation (highways and streets)	421,382
Community development	1,121,049
Culture and leisure	2,040,181
Libraries	589,342
Capital assets held by the City's internal service fund	556,932
TOTAL GOVERNMENTAL ACTIVITIES DEPRECIATION EXPENSE	$ 24,113,586
BUSINESS-TYPE ACTIVITIES	
Water	$ 7,242,863
Wastewater	7,839,614
Environmental resources	1,086,362
Oxnard Housing Authority	673,062
TOTAL BUSINESS-TYPE ACTIVITIES DEPRECIATION EXPENSE	$ 16,841,901

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, 2018:

	BALANCE JULY 1, 2017	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 2018	DUE WITHIN ONE YEAR
GOVERNMENTAL ACTIVITIES					
Lease Revenue Bonds					
Variable rate demand lease revenue bonds, series 2003B	$ 9,400,000	$ -	$ 9,400,000	$ -	$ -
Variable rate demand lease revenue bonds, series 2006	18,385,000	-	18,385,000	-	-
Lease revenue refunding bonds, series 2011	19,845,000	-	410,000	19,435,000	455,000
Lease revenue refunding bonds, series 2014	14,765,000	-	935,000	13,830,000	975,000
Lease revenue refunding bonds, series 2018	-	28,810,000	985,000	27,825,000	1,330,000
Unamortized premiums	2,090,436	4,129,940	175,523	6,044,853	-
Unamortized discounts	(205,301)	-	(10,805)	(194,496)	-
Certificate of Participation					
Gas tax revenue certificate of participation	22,870,000	-	690,000	22,180,000	720,000
Unamortized discounts	(30,027)	-	(30,027)	-	-
Capital Leases					
2009 CIP lease purchase, draw #1	279,895	-	108,180	171,714	113,178
2009 CIP lease purchase, draw #10	407,028	-	110,625	296,403	115,070
2009 CIP lease purchase, draw #13	979,293	-	647,745	331,548	331,549
2009 CIP lease purchase, draw #16	4,150	-	4,150	-	-
2009 CIP lease purchase, draw #17	14,065	-	14,065	-	-
2009 CIP lease purchase, draw #19	490,247	-	160,174	330,073	163,394
2009 CIP lease purchase, draw #20	112,548	-	74,686	37,862	37,862
B of A Capital Lease 2018	-	5,000,000	-	5,000,000	774,742
2012 Lease purchase	3,979,764	-	343,958	3,635,806	353,797
Capital Lease, series 2014 A&B - Fire Station 8	13,606,695	-	715,000	12,891,695	745,000
TOTAL GOVERNMENTAL ACTIVITIES	$ 106,993,793	$ 37,939,940	$ 33,118,274	$ 111,815,458	$ 6,114,592

	BALANCE JULY 1, 2017 AS RESTATED	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 2018	DUE WITHIN ONE YEAR
BUSINESS-TYPE ACTIVITIES					
Water Fund					
Revenue Bonds					
Water revenue project bonds, series 2006	46,245,000	-	1,150,000	45,095,000	1,215,000
Water revenue project bonds, series 2010A	8,475,000	-	1,535,000	6,940,000	1,610,000
Water revenue project bonds, series 2010B	83,670,000	-	-	83,670,000	-
Water revenue refunding bonds, series 2012	7,300,000	-	445,000	6,855,000	455,000
Water revenue refunding bonds, series 2014	31,277,090	-	1,344,670	29,932,420	1,392,368
Unamortized premiums	1,269,606	-	164,695	1,104,911	
Unamortized discounts	(683,752)	-	(31,930)	(651,822)	
Capital Leases					
2009 CIP lease purchase, draw #9	3,497	-	3,497	-	-
TOTAL WATER FUND	$ 177,556,441	$ -	$ 4,610,932	$ 172,945,509	$ 4,672,368
Wastewater Fund					
Revenue Bonds					
Wastewater revenue bonds, series 2004B	15,725,000	-	1,050,000	14,675,000	1,085,000
Wastewater revenue bonds, series 2006	9,715,000	-	330,000	9,385,000	345,000
Wastewater revenue refunding bonds, series 2013	9,561,265	-	3,101,192	6,460,073	3,183,905
Wastewater revenue refunding bonds, series 2014	71,985,000	-	-	71,985,000	-
Unamortized premiums	8,167,443	-	480,438	7,687,005	-
Capital Leases					
2009 CIP lease purchase, draw #18	121,061	-	47,359	73,702	48,772
TOTAL WASTEWATER FUND	$ 115,274,769	$ -	$ 5,008,989	$ 110,265,780	$ 4,662,677
	BALANCE			BALANCE	DUE WITHIN

	JULY 1, 2017	ADDITIONS	REDUCTIONS	JUNE 30, 2018	ONE YEAR
BUSINESS-TYPE ACTIVITIES (Continued)					
Environmental Resources Fund					
Capital Lease					
Lease purchase trash containers	$ 410,194	$ -	$ 410,194	$ -	$ -
B of A Capital Lease 2018	-	5,000,000	-	5,000,000	434,555
2009 CIP lease purchase, draw #9	18,091	-	18,091	-	-
TOTAL ENVIRONMENTAL RESOURCES FUND	$ 428,285	$ 5,000,000	$ 428,285	$ 5,000,000	$ 434,555
Oxnard Housing Authority Fund					
Revenue Bonds					
2004 Capital Fund Revenue Bonds	$ 2,610,000	$ -	$ 320,000	$ 2,290,000	$ 335,000
TOTAL OXNARD HOUSING AUTHORITY FUND	$ 2,610,000	$ -	$ 320,000	$ 2,290,000	$ 335,000
TOTAL BUSINESS-TYPE ACTIVITIES	$ 295,869,495	$ 5,000,000	$ 10,368,206	$ 290,501,289	$ 10,104,600
TOTALS	$ 402,863,288	$ 42,939,940	$ 43,486,480	$ 402,316,747	$ 16,219,192

Description of Long-term Debt

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 tracked 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. 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. MUFG Union Bank has subsequently granted extensions of the letter of credit through February 28, 2018. These bonds were refunded in 2018 using a portion of the proceeds from the sale of the Lease Revenue Refunding Bonds, Series 2018.

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 tracked 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. 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. MUFG Union Bank has subsequently granted extensions of the letter of credit through February 28, 2018. These bonds were refunded in 2018 using a portion of the proceeds from the sale of the Lease Revenue Refunding Bonds, Series 2018.

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, 2018 is $19,435,000. 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.

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 refunding resulted in an economic gain of $4,962 and debt service savings of $11,715. The total balance outstanding as of June 30, 2018 is $13,830,000. 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.

Lease Revenue Refunding Bonds, Series 2018

Lease Revenue Refunding Bonds, Series 2018 were issued on April 20, 2018 in the amount of $28,810,000. These bonds carry a net interest cost of 3.51% and mature on June 1, 2036. The proceeds on the bonds were used to pay for the principal and interest on the Variable Rate Demand Lease Revenue Bonds, Series 2003B and 2006. This refunding resulted in an economic gain of $965,987 and a cash flow savings of $1,160,111. The outstanding balance as of June 30, 2018 is $27,825,000. The lease payments on these bonds constitute obligations of the City's General Fund. Such obligations exist through the maturity date of the bonds at June 1, 2036.

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

Gas Tax Revenue Certificates of Participation were issued on December 18, 2007 in the amount of $27,675,000. Proceeds from the sale of the certificates are to be used to reconstruct various streets throughout the City. The certificates are secured solely by gas tax revenues received from the State of California. Yields on the certificates range from 2.97% to 4.87% with a final maturity of September 1, 2037. The outstanding balance as of June 30, 2018 is $22,180,000. 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, 2018, the total outstanding balance on this line of credit was $1,167,601. Lease payments constitute obligations of the City's General Fund. Such obligation exists through the maturity date of the lease at October 1, 2020.

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 the1999 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, 2018 is $3,635,806. 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 $20,359,994, including interest of $6,063,301. 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 outstanding balance as of June 30, 2018 is $12,891,695.

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.

B of A Capital Lease 2018

On March 30, 2018, the City entered into an Equipment Lease/Purchase Agreement with Banc America Capital Corporation in an amount not to exceed $5 million for the purpose of acquiring ERP software system, public safety communication equipment and vehicles, fire apparatus and vehicles, and other capital assets. As of June 30, 2018, the total outstanding balance on this line of credit was $5,000,000. The lease payments constitute obligations of the City’s General Fund. Such obligation exists through the maturity date of the lease on March 30, 2025.

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 (refunded using proceeds of Water Revenue Refunding Bonds Series 2014) and 2001 Installment Payments (refunded using proceeds of Water Revenue Refunding Bonds Series 2012). 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, 2018 is $45,095,000. 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. The bonds were refunded in November 2018. Refer to Note V. C. Subsequent Events for further details.

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 (refunded using proceeds of Water Revenue Refunding Bonds Series 2014). 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, 2018 is $6,940,000. 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 (refunded using proceeds of Water Revenue Refunding Bonds Series 2014). 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, 2018 is $83,670,000. The Installment Payments on these bonds are secured by a first priority lien on the net system revenues (as defined in the trust indenture) of the City's water fund. Such obligation exists through the maturity date of the bonds at June 1, 2040.

Water Revenue Refunding Bonds, Series 2012

The City has pledged all net water revenues and all 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 (refunded using proceeds of Water Revenue Refunding Bonds Series 2014). 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, 2018 is $6,855,000. 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, 2018 is $29,932,420.

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. 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. MUFG Union Bank has subsequently granted extensions of the letter of credit through January 31, 2018. On January 25, 2018, the letter of credit was remarketed and replaced with an irrevocable direct-pay letter of credit by Wells Fargo through January 25, 2021. The balance outstanding as of June 30, 2018 is $14,675,000. 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 (refunded using proceeds of Wastewater Revenue Refunding Bonds Series 2013). 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. The bonds were refunded in November 2018. Refer to Note V. C. Subsequent Events for further details.

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, 2018 is $9,385,000. 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 (partially refunded using proceeds of Wastewater Revenue Refunding Bonds Series 2014) and 2003 Installment Payments (refunded using proceeds of Wastewater Revenue Refunding Bonds Series 2013). 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, 2018 is $6,460,073. The Installment Payments on these bonds are secured by a first priority lien on the net system revenues (as defined in the trust indenture) of the City's wastewater fund. Such obligation exists through the maturity date of the bonds at June 1, 2020.

Wastewater Revenue 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, 2018 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.

Housing Authority 2004 Capital Fund Revenue Bonds The Oxnard Housing Authority 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 April 1, 2024. The outstanding balance as of June 30, 2018 is $2,290,000.

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. This obligation matured in 2018 and was fully paid off.

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, 2018, the total outstanding balance on this line of credit was $73,702. 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.

On March 30, 2018, the City entered into an Equipment Lease/Purchase Agreement with Banc America Capital Corporation in an amount not to exceed $5 million for the purpose of acquiring refuse trucks, and vehicles. As of June 30, 2018, the total outstanding balance on this line of credit was $5,000,000. The lease payments constitute obligations of the City’s Environmental Resource Fund. Such obligation exists through the maturity date of the lease on March 30, 2028.

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.

Principal and interest paid for the current year and net water revenue were $14,448,052 and $23,975,027, respectively. The debt service coverage ratio of 165% is in compliance with 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.

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 $9,288,450 and $19,447,792, respectively. The debt service coverage ratio of 209% is in compliance with 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 wastewater 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.

The U.S. Department of Housing and Urban Development has approved the issuance of the Oxnard Housing Authority bonds and the certificates and has authorized the Authority to pledge and assign its Capital Fund Program monies to the payment of the bonds and, therefore, the certificates. During the year, $1,879,207 of Capital Fund Grant revenue was earned, of which, $320,000 was applied to the repayment of the bonds.

Interest Rate Swaps

The City of Oxnard has entered into interest rate swaps to hedge its variable rate bond exposure. The interest rate swaps are reported at fair value. The interest rate swap is level 2 within the fair value hierarchy. 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.

1. **City of Oxnard Financing Authority Variable Rate Demand Lease Revenue Bonds 2003 Series B.** This SWAP agreement was terminated as a result of the refunding of the City of Oxnard Financing Authority Variable Rate Demand Lease Revenue Bonds (Civic Center Phase 2 Project, Series 2006). The City paid $1,548,000 for the SWAP termination.

2. **City of Oxnard Financing Authority Variable Rate Demand Lease Revenue Bonds, (Civic Center Phase 2 Project), Series 2006.** This SWAP agreement was terminated as the result of the refunding of the City of Oxnard Financing Authority Variable Rate Demand Lease Revenue Bonds (Civic Center Phase 2 Project, Series 2006). The City paid $2,814,000 for the SWAP termination.

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. In the current year, the swap had a positive net change in fair value of $897,624 resulting in a negative fair value of $2,313,912 as of June 30, 2018. 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.* As of June 30, 2018, the swap's notional amount of $14,675,000 matches the $14,675,000 in variable-rate bonds. The swap was entered into in June 2007 and was terminated when the bonds were refunded in November 2018. 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.

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, 2018. 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, 2018, 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, 2018, the SIFMA Municipal Swap Index rate was 1.51%, whereas 68% of one-month LIBOR was 1.43%.

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.

Hedging Derivatives Instrument Payments and Hedged Debt

As of June 30, 2018, debt service requirements of the City's variable-rate debt and net receipts/payments on associated hedging derivatives are shown on pages 94 and 96. 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.

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, 2018.

Credit Rating

As of June 30, 2018, The City's institutional credit rating for general obligation debt had a rating of A- while maintaining ratings of A and BBB for Water and Wastewater Funds, respectively.

On November 5, 2018, S&P raised its long-term rating and underlying rating to A- from BBB for Wastewater Funds with a stable outlook.

Debt Service

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

FISCAL YEAR	GOVERNMENTAL ACTIVITIES (1) PRINCIPAL	INTEREST	TOTAL	BUSINESS-TYPE ACTIVITIES (2) PRINCIPAL	INTEREST	TOTAL
2019	$ 6,114,591	$ 4,978,548	$ 11,093,139	$ 10,104,600	$ 14,856,003	$ 24,960,604
2020	5,858,446	4,763,420	10,621,866	10,460,063	14,466,627	24,926,690
2021	5,825,949	4,509,377	10,335,326	10,709,960	14,078,318	24,788,278
2022	6,010,208	4,249,850	10,260,059	11,199,803	13,577,897	24,777,700
2023	6,266,297	3,983,576	10,249,873	11,718,446	13,055,255	24,773,701
2024 - 2028	31,952,916	15,586,855	47,539,771	64,877,467	56,302,983	121,180,450
2029 - 2033	27,116,695	7,961,881	35,078,576	77,299,389	39,009,970	116,309,359
2034 - 2038	16,820,000	1,958,625	18,778,625	61,681,465	19,473,156	81,154,621
2039 - 2043	-	-	-	24,310,000	2,571,450	26,881,450
TOTALS	$ 105,965,102	$ 47,992,133	$ 153,957,235	$ 282,361,193	$ 187,391,659	$ 469,752,852

FISCAL YEAR	LEASE REVENUE REFUNDING BONDS SERIES 2011 (1) PRINCIPAL	INTEREST	TOTAL	LEASE REVENUE REFUNDING BONDS SERIES 2014 (1) PRINCIPAL	INTEREST	TOTAL
2019	$ 455,000	$ 1,034,795	$ 1,489,795	$ 975,000	$ 691,500	$ 1,666,500
2020	505,000	1,017,733	1,522,733	1,020,000	642,750	1,662,750
2021	560,000	992,483	1,552,483	1,075,000	591,750	1,666,750
2022	620,000	964,483	1,584,483	1,125,000	538,000	1,663,000
2023	675,000	938,133	1,613,133	1,185,000	481,750	1,666,750
2024 - 2028	4,435,000	4,144,043	8,579,043	6,865,000	1,459,750	8,324,750
2029 - 2033	6,690,000	2,766,090	9,456,090	1,585,000	79,250	1,664,250
2034 - 2038	5,495,000	648,313	6,143,313	-	-	-
TOTALS	$ 19,435,000	$ 12,506,070	$ 31,941,070	$ 13,830,000	$ 4,484,750	$ 18,314,750

FISCAL YEAR	LEASE REVENUE REFUNDING BONDS SERIES 2018 (1) PRINCIPAL	INTEREST	TOTAL	2018 B OF A CAPITAL LEASE (1) PRINCIPAL	INTEREST	TOTAL
2019	$ 1,330,000	$ 1,377,950	$ 2,707,950	$ 774,742	$ 127,236	$ 901,977
2020	1,355,000	1,324,750	2,679,750	795,266	106,712	901,977
2021	1,390,000	1,257,000	2,647,000	816,334	85,643	901,977
2022	1,430,000	1,187,500	2,617,500	837,961	64,016	901,977
2023	1,465,000	1,116,000	2,581,000	860,162	41,815	901,977
2024 - 2028	7,975,000	4,437,250	12,412,250	915,535	31,206	946,741
2029 - 2033	9,065,000	2,336,000	11,401,000	-	-	-
2034 - 2038	3,815,000	385,250	4,200,250	-	-	-
TOTALS	$ 27,825,000	$ 13,421,700	$ 41,246,700	$ 5,000,000	$ 456,628	$ 5,456,628

	GAS TAX REVENUE CERTIFICATE OF PARTICIPATION ISSUED 2007 (1)			2009 MASTER EQUIPMENT LEASE PURCHASE (1)		
FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
2019	$ 720,000	$ 992,100	$ 1,712,100	$ 761,053	$ 28,590	$ 789,643
2020	745,000	962,800	1,707,800	344,908	9,878	354,785
2021	775,000	932,400	1,707,400	61,641	1,226	62,867
2022	810,000	899,395	1,709,395	-	-	-
2023	845,000	864,145	1,709,145	-	-	-
2024 - 2028	4,795,000	3,722,360	8,517,360	-	-	-
2029 - 2033	5,980,000	2,500,038	8,480,038	-	-	-
2034 - 2038	7,510,000	925,063	8,435,063	-	-	-
TOTALS	$ 22,180,000	$ 11,798,300	$ 33,978,300	$ 1,167,601	$ 39,694	$ 1,207,295

	2012 LEASE PURCHASE (1)			2014 LEASE PURCHASE (1)		
FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
2019	$ 353,797	$128,708	$ 482,505	$ 745,000	$ 597,670	$ 1,342,670
2020	313,272	116,183	429,455	780,000	582,615	1,362,615
2021	327,974	105,093	433,067	820,000	543,782	1,363,782
2022	337,247	93,483	430,730	850,000	502,974	1,352,974
2023	351,135	81,544	432,679	885,000	460,189	1,345,189
2024 - 2028	1,952,381	212,017	2,164,398	5,015,000	1,580,230	6,595,230
2029 - 2033	-	-	-	3,796,695	280,504	4,077,199
TOTALS	$ 3,635,806	$ 737,028	$ 4,372,834	$ 12,891,695	$ 4,547,963	$ 17,439,658

	WATER REVENUE PROJECT BONDS SERIES 2006 (2)		
FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2019	$ 1,215,000	$ 2,218,085	$ 3,433,085
2020	1,270,000	2,157,335	3,427,335
2021	1,325,000	2,102,725	3,427,725
2022	1,390,000	2,043,100	3,433,100
2023	1,450,000	1,977,075	3,427,075
2024 - 2028	8,365,000	8,783,188	17,148,188
2029 - 2033	13,185,000	6,384,500	19,569,500
2034 - 2038	16,895,000	1,865,500	18,760,500
TOTALS	$ 45,095,000	$ 27,531,508	$ 72,626,508

FISCAL YEAR	WATER REVENUE PROJECT BONDS SERIES 2010A (2) PRINCIPAL	INTEREST	TOTAL	WATER REVENUE PROJECT BONDS SERIES 2010B (2) PRINCIPAL	INTEREST	TOTAL
2019	$1,610,000	$ 358,175	$ 1,968,175	$ -	$ 5,786,173	$ 5,786,173
2020	1,695,000	277,675	1,972,675	-	5,786,173	5,786,173
2021	1,770,000	199,925	1,969,925	-	5,786,173	5,786,173
2022	1,865,000	102,575	1,967,575	-	5,786,173	5,786,173
2023	-	-	-	1,970,000	5,786,173	7,756,173
2024 - 2028	-	-	-	11,240,000	26,792,084	38,032,084
2029 - 2033	-	-	-	13,960,000	22,607,170	36,567,170
2034 - 2038	-	-	-	32,190,000	16,905,240	49,095,240
2039 - 2043	-	-	-	24,310,000	2,571,450	26,881,450
TOTALS	$ 6,940,000	$ 938,350	$ 7,878,350	$ 83,670,000	$ 97,806,807	$ 181,476,807

FISCAL YEAR	WATER REVENUE PROJECT BONDS SERIES 2012 (2) PRINCIPAL	INTEREST	TOTAL	WATER REVENUE REFUNDING BONDS SERIES 2014 (2) PRINCIPAL	INTEREST	TOTAL
2019	$ 455,000	$ 274,819	$ 729,819	$ 1,392,368	$ 1,137,432	$ 2,529,800
2020	475,000	256,619	731,619	1,446,028	1,084,522	2,530,550
2021	495,000	237,619	732,619	1,503,227	1,029,573	2,532,800
2022	515,000	212,869	727,869	1,558,850	972,450	2,531,300
2023	540,000	192,269	732,269	1,617,836	913,214	2,531,050
2024 - 2028	3,000,000	655,144	3,655,144	9,058,256	3,595,996	12,654,252
2029 - 2033	1,375,000	85,594	1,460,594	10,919,389	1,738,612	12,658,001
2034 - 2038	-	-	-	2,436,465	92,586	2,529,051
TOTALS	$ 6,855,000	$ 1,914,931	$ 8,769,931	$ 29,932,419	$ 10,564,385	$ 40,496,804

	WASTEWATER REVENUE BONDS SERIES 2004B (2)					
		COUNTERPARTY SWAP PAYMENT*		INTEREST TO	TOTAL	
FISCAL YEAR	PRINCIPAL	TO	FROM	BONDHOLDERS	INTEREST	TOTAL
2019	$ 1,085,000	$ 576,287	$ (8,241)	$ 21,448	$ 589,494	$ 1,674,494
2020	1,110,000	533,679	(7,632)	19,863	545,910	1,655,910
2021	735,000	490,090	(7,008)	18,240	501,322	1,236,322
2022	760,000	461,226	(6,596)	17,166	471,796	1,231,796
2023	780,000	431,154	(6,166)	16,279	441,267	1,221,267
2024 - 2028	4,250,000	1,678,303	(24,000)	63,366	1,717,669	5,967,669
2029 - 2033	4,895,000	795,192	(11,371)	30,023	813,844	5,708,844
2034 - 2038	1,060,000	41,604	(595)	1,571	42,580	1,102,580
TOTALS	$ 14,675,000	$ 5,007,535	$ (71,609)	$ 187,956	$ 5,123,882	$ 19,798,882

	WASTEWATER REVENUE BONDS SERIES 2006 (2)			WASTEWATER REVENUE REFUNDING BONDS SERIES 2013 (2)		
FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
2019	$ 345,000	$ 452,753	$ 797,753	$ 3,183,905	$ 179,590	$ 3,363,495
2020	360,000	437,745	797,745	3,276,168	91,077	3,367,245
2021	375,000	421,905	796,905	-	-	-
2022	390,000	405,218	795,218	-	-	-
2023	410,000	387,668	797,668	-	-	-
2024 - 2028	2,350,000	1,640,205	3,990,205	-	-	-
2029 - 2033	2,980,000	1,005,250	3,985,250	-	-	-
2034 - 2038	2,175,000	221,000	2,396,000	-	-	-
TOTALS	$ 9,385,000	$ 4,971,743	$ 14,356,743	$ 6,460,073	$ 270,668	$ 6,730,741

	WASTEWATER REVENUE REFUNDING BONDS SERIES 2014 (2)		
FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2019	$ -	$ 3,599,250	$ 3,599,250
2020	-	3,599,250	3,599,250
2021	3,675,000	3,599,250	7,274,250
2022	3,855,000	3,415,500	7,270,500
2023	4,050,000	3,222,750	7,272,750
2024 - 2028	23,495,000	12,866,250	36,361,250
2029 - 2033	29,985,000	6,375,000	36,360,000
2034 - 2038	6,925,000	346,250	7,271,250
TOTALS	$ 71,985,000	$ 37,023,500	$ 109,008,500

	2004 CAPITAL FUND REVENUE BONDS HOUSING AUTHORITY (2)		
FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2019	$ 335,000	$ 108,890	$ 443,890
2020	355,000	93,815	448,815
2021	370,000	77,485	447,485
2022	390,000	60,095	450,095
2023	410,000	41,375	451,375
2024 - 2028	430,000	21,285	451,285
TOTALS	$ 2,290,000	$ 402,945	$ 2,692,945

FISCAL YEAR	2009 MASTER EQUIPMENT LEASE PURCHASE (2) PRINCIPAL	INTEREST	TOTAL	B OF A CAPITAL LEASE 2018 (2) PRINCIPAL	INTEREST	TOTAL
2019	$ 48,772	$ 1,823	$ 50,596	$ 434,555	$ 149,520	$ 584,075
2020	24,929	369	25,298	447,938	136,137	584,075
2021	-	-	-	461,733	122,342	584,075
2022	-	-	-	475,953	108,122	584,075
2023	-	-	-	490,610	93,465	584,075
2024 - 2028	-	-	-	2,689,211	231,163	2,920,374
TOTALS	$ 73,701	$ 2,192	$ 75,894	$ 5,000,000	$ 840,749	$ 5,840,749

*Variable rate used was LIBOR rate 1.43% as of June 30, 2018.

(1) Governmental activity debt

(2) Business-type activity debt

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, 2018 is as follows:

	AMOUNT
Rice Avenue/Highway 101 Interchange Assessment District	
Local Obligation Revenue Bonds (2012 Special District Bond Refinancing to refund 1915 Act Limited Obligation Bonds)	$ 9,635,000
City of Oxnard Community Facilities District 1 (Westport)	
Local Obligation Revenue Bonds (2012 Special District Bond Refinancing to refund CFD No. 2000-3 Bonds)	7,720,000
Oxnard Boulevard Interchange Community Facilities District 2000-3	
Local Obligation Revenue Bonds (2012 Special District Bond Refinancing to refund CFD No. 1 Bonds)	5,925,000
Oxnard Boulevard/Highway 101 Interchange Assessment District 2000-1	
1915 Act Improvement Limited Obligation Bonds	1,685,000
Community Facilities District No. 3	
Special Tax Refunding Bond 2013 (Seabridge Mandalay Bay)	25,605,000
TOTAL	$ 50,570,000

H. Compensated Absences

The accrual for compensated absences was reported as follows as of June 30, 2018:

	BALANCE JULY 1, 2017	ADDITIONS	PAYMENTS	BALANCE JUNE 30, 2018	DUE WITHIN ONE YEAR
GOVERNMENTAL ACTIVITIES					
General Fund	$14,397,398	$ 9,692,942	$ 8,841,317	$15,249,023	$10,000,000
Internal Service Fund	1,134,834	503,329	687,653	950,510	626,000
	15,532,232	10,196,271	9,528,970	16,199,533	10,626,000
BUSINESS-TYPE ACTIVITIES					
Water	678,764	219,945	399,587	499,122	365,000
Wastewater	752,771	337,019	601,660	488,130	445,000
Environmental resources	1,224,125	508,870	776,485	956,510	675,000
Oxnard Housing Authority	430,486	321,226	284,744	466,968	34,268
	3,086,146	1,387,060	2,062,476	2,410,730	1,519,268
TOTALS	$18,618,378	$11,583,331	$11,591,446	$18,610,263	$12,145,268

Accrued compensated absences includes an adjustment of $724,291 for California Labor Code Section 4850 benefits for public employees in a specified class.

I. Fund Balances

The following funds/subfunds had deficit fund balances as of June 30, 2018:

	AMOUNT
Waterways AD Zone #2	$ 1,939
Cal Home Progam Grant	575
Water Resource Grant	52,442
Transportation Grant	25,610
Homeland Security Grant	11,233
EBM Justice Grant	224
Fed Transportation Grant	31,724
Public Liability and Property Damage	4,202,049
Workers' Compensation	14,081,278
Customer Billing Operating Fund	645,444

Deficit in grant funds represent expenditures pending reimbursement by grantors or final closeout of grants. Deficits in risk management funds resulted from implementing more conservative actuarial assumptions regarding claims liabilities. The customer billing internal service fund deficit is adjusted annually as part of regular budget reviews.

J. **Prior-Period Adjustments**

Effective July 1, 2017, the City made restatements to the net position and fund balance as follows:

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES
Net Position		
Unadjusted Net Position	$1,945,950,068	$ 278,380,956
Change in Accounting Principle		
To record net OPEB liabilities in compliance with GASB 75	(8,007,760)	(4,901,971)
Adjusted Net Position, July 1, 2017	$1,937,942,308	$ 273,478,985

The net effect of the prior-period adjustments to change in net position for the year ended June 30, 2017 was not determined. There was no effect to change in fund balance for the year ended June 30, 2017.

K. **Special Item**

The City reported a special item in the amount of $10,657,104 for capital assets transferred from the Oxnard Community Development Commission Successor Agency Private Purpose Trust Fund to the City of Oxnard for certain real property known as the Riverpark Parking Facility. This resulted in a $10,657,104 increase in net position of the governmental activities and an equivalent decrease in the fiduciary net position of the Oxnard Community Development Commission Successor Agency Private Purpose Trust Fund.

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

The City provides pension benefits to its employees through four defined benefit plans: CalPERS Miscellaneous Plan, CalPERS Police Plan, CalPERS Fire, and PARS Plan. Pension expense for all plans totaled $44,249,464 for the year ended June 30, 2018. Total pension liabilities, fiduciary net position and net pension liabilities for all plans as of June 30, 2018 are as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Miscellaneous Plan	$ 459,922,595	$ 336,976,981	$ 122,945,614
Safety – Police	367,718,233	262,051,305	105,666,928
Safety – Fire	155,101,344	104,216,639	50,884,705
PARS Retirement Enhancement Plan	90,818,000	69,622,000	21,196,000
TOTALS	$ 1,073,560,172	$ 772,866,925	$ 300,693,247

1. 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 agent multiple-employer plans for its Miscellaneous 2% at 55 and 2% at 62 and Police 3% at 50 and 2.7% at 57, and in the cost-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."

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.

For the year ended June 30, 2018, the City's total contributions for the Miscellaneous and Safety Plans were $26,227,251 The City's contributions recognized as part of the pension expense for the year ended June 30, 2018 was $23,885,726 for the Miscellaneous and Safety Plans.

The Plan's provisions and benefits in effect at June 30, 2018 are summarized as follows:

	Miscellaneous	
	Prior to	On or After
Hire date	January 1, 2013	January 1, 2013
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 percentage of eligible compensation	1.26% to 2.42%	1.00% to 2.50%
Required employee contribution rates	7.00%	6.00%
Required employer contribution rates plus unfunded accrued liablity	7.460% $ 6,041,750	7.460% $ -

	Safety – Police	
	Prior to	On or After
Hire date	January 1, 2013	January 1, 2013
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 percentage of eligible compensation	3.00%	2.00% to 2.70%
Required employee contribution rates	9.00%	13.75%
Required employer contribution rates plus	23.685%	23.985%
unfunded accrued liablity	$ 5,766,814	$ -

	Safety – Fire	
	Prior to	On or After
Hire date	January 1, 2013	January 1, 2013
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 percentage of eligible compensation	3.00%	2.00% to 2.70%
Required employee contribution rates	9.00%	12.25%
Required employer contribution rates plus	21.418%	12.729%
unfunded accrued liablity	$ 2,750,124	$ 3,586

At June 30, 2017 (measurement date), the following employees were covered by the benefit terms of the Plan:

	Number of Members		
Plan Members	Miscellaneous	Safety Plans	
	Classic	Police	Fire
Active	965	218	100
Transferred	555	36	30
Terminated	1,266	35	12
Retired and beneficiaries	999	265	132
TOTALS	3,785	554	274

D. **Actuarial Methods and Assumptions Used to Determine Total Pension Liability**
The June 30, 2017 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment Rate of Return	7.5% Net of Pension Plan Investment and administrative expenses; includes inflation
Mortality Rate Table[1]	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

[1] The mortality table was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

All other actuarial assumptions used in the June 30, 2016 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.

E. **Discount Rate**

The discount rate used to measure the total pension liability was 7.15%. 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 7.15% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.15% 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.

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[1] Years 1 - 10	Rate of Return[2] Years 11+
Global Equity	47.00%	4.90%	5.38%
Global Fixed Income	19.00%	0.80%	2.27%
Inflation Sensitive	6.00%	0.60%	1.39%
Private Equity	12.00%	6.60%	6.63%
Real Estate	11.00%	2.80%	5.21%
Infrastructure and Forestland	3.00%	3.90%	5.36%
Liquidity	2.00%	-0.40%	-0.90%

[1] An expected inflation of 2.5% used for this period

[2] 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, 2017, 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, 2016, rolled forward to June 30, 2017, using standard update procedures. The following tables show the plan fiduciary net position and the net pension liabilities for the Miscellaneous and Safety-Police Plans and the respective changes in net pension liabilities recognized over the measurement period.

Miscellaneous Plan	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2016 (Valuation Date)	$ 423,004,392	$ 312,347,346	$ 110,657,046
Changes Recognized for the Measurement Period			
Service cost	7,747,249	-	7,747,249
Interest on the total pension liability	31,142,639	-	31,142,639
Changes of assumptions	26,464,012	-	26,464,012
Differences between expected and actual experience	(7,125,579)	-	(7,125,579)
Net Plan to plan resource movement	-	(37,118)	37,118
Employer contributions	-	8,433,832	(8,433,832)
Employee contributions (paid by employer)	-	3,542,435	(3,542,435)
Net investment income	-	34,461,764	(34,461,764)
Benefit payments, included refunds of employee contributions	(21,310,118)	(21,310,118)	-
Administrative expense	-	(461,160)	461,160
Net changes	36,918,203	24,629,635	12,288,568
Balance at June 30, 2017 (Measurement Date)	$ 459,922,595	$ 336,976,981	$ 122,945,614

Safety – Police Plan	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2016 (Valuation Date)	$ 335,188,451	$ 237,907,373	$ 97,281,078
Changes Recognized for the Measurement Period			
Service cost	9,267,287	-	9,267,287
Interest on the total pension liability	24,738,857	-	24,738,857
Changes of assumptions	22,004,979	-	22,004,979
Differences between expected and actual experience	(8,176,814)	-	(8,176,814)
Net Plan to Plan Resource Movement	-	37,118	(37,118)
Employer contributions	-	10,886,085	(10,886,085)
Employee contributions (paid by employer)	-	2,604,837	(2,604,837)
Net investment income	-	26,271,673	(26,271,673)
Benefit payments, included refunds of employee contributions	(15,304,527)	(15,304,527)	-
Administrative expense	-	(351,254)	351,254
Net changes	32,529,782	24,143,932	8,385,850
Balance at June 30, 2017 (Measurement Date)	$ 367,718,233	$ 262,051,305	$ 105,666,928

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

Safety – Fire Plan	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)	Proportionate Share of the Collective Net Pension Liability
Balance at June 30, 2016 (Valuation Date)	$ 143,999,500	$ 98,572,021	$ 45,427,479	0.52499%
Net changes during 2016-2017	11,101,844	5,644,618	5,457,226	-0.01190%
Balance at June 30, 2017 (Measurement Date)	$ 155,101,344	$ 104,216,639	$ 50,884,705	0.51309%

The City's proportionate share of the collective net pension liability was determined by CalPERS based on the following allocation methodology:

The schedules of employer allocation by rate plan include three ratios:

(1) *Actuarial Accrued Liability* - Determined based on the Actuarial Accrued Liability from the most recent Actuarial Valuation Report as of June 30, 2016 used for funding purposes.

(2) Market Value of Assets - Determined based on the sum of the Market Value of Assets (MVA) from the most recent Actuarial Valuation as June 30, 2016 used for funding purposes plus supplemental payments made by employers during the current measurement period to reduce their unfunded actuarial accrued liabilities.

(3) Contributions - Determined based on the legally- or statutorily-required employer contributions for the fiscal year ended June 30, 2017, including reported contribution adjustments and suspended payroll information. Legally or statutorily required employer contributions were determined by multiplying the employer's contribution rate by the annual benefit compensation (payroll) for the fiscal year and excluding payments for benefit improvements known as Golden Handshakes, which CalPERS considers to be separately financed employer-specific liabilities.

The total pension liability was allocated based on the rate plan's share of the Actuarial Accrued Liability. The fiduciary net position was allocated based on the rate plan's share of the Market Value of Assets. The net pension liability was derived by subtracting the fiduciary net position from the total pension liability. Deferred outflows of resources, deferred inflows of resources, and pension expense were allocated based on the rate plan's share of contributions.

For the year ended June 30, 2018, the City recognized pension expense of $17,657,792, $16,616,376, and $7,863,604 for the Miscellaneous, Safety – Police, and Safety – Fire Plans, respectively. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date:		
Miscellaneous Plan	$ 9,726,389	$ -
Safety – Police	11,577,987	-
Safety – Fire	4,922,875	-
Net difference between projected and actual earnings on pension plan investments:		
Miscellaneous Plan	4,570,777	-
Safety – Police	3,756,630	-
Safety – Fire	1,432,304	-
Changes of assumptions		
Miscellaneous Plan	16,425,587	-
Safety – Police	15,023,386	-
Safety – Fire	6,065,029	-
Differences between expected and actual experiences		
Miscellaneous Plan	-	4,152,632
Safety – Police	-	6,758,186
Safety – Fire	334,858	-
Change in proportion		
Safety – Fire	667,486	-
Difference between the employer's contributions and the employer's proportionate share of contributions		
Safety – Fire	1,194,238	-
TOTALS	$ 75,697,546	$ 10,910,818

The deferred outflows of resources related to contributions subsequent to the measurement date of $26,227,251 will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Miscellaneous

Measurement Period Ending June 30	Deferred Outflows/ (Inflows) of
2018	$ 7,107,649
2019	10,303,130
2020	1,940,702
2021	(2,507,749)
2022	-
TOTAL	$ 16,843,732

Police

Measurement Period Ending June 30	Deferred Outflows/ (Inflows) of
2018	$ 1,805,860
2019	5,788,981
2020	4,032,103
2021	394,886
2022	-
TOTAL	$ 12,021,830

Fire

Measurement Period Ending June 30	Deferred Outflows/ (Inflows) of
2018	$ 3,136,010
2019	4,548,748
2020	2,847,250
2021	(838,093)
2022	-
TOTAL	$ 9,693,915

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 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Net Pension Liability (Asset)			
Miscellaneous Plan	$ 186,941,967	$ 122,945,614	$ 70,462,301
Safety – Police	160,067,347	105,666,928	61,541,325
Safety – Fire	72,586,029	50,884,705	33,144,954
TOTALS	$ 419,595,343	$ 279,497,247	$ 165,148,580

2. **Public Agency Retirement System Retirement Enhancement Plan**

A. **Plan Description**

The City established a Public Agency Retirement System Retirement Enhancement Plan (PARS), single-employer plan, effective January 1, 2003 for selected groups of miscellaneous employees (non-safety), Service Employees International Union (SEIU), International Union of Operating Engineers (IUOE), Management, and one of the two groups of Confidential employees. PARS is 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, 2017, the following employees were covered by the benefit:

Description	Number of Members
Active members	320
Inactives entitled to benefit payments	165
Inactives currently receiving benefit payments	425
TOTAL	910

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:

	City Contributions	Employee Contributions
IUOE	2.70%	5.30%
SEIU	3.50%	4.50%
Management and confidential	3.00%	5.00%
Confidential - hourly	2.50%	5.50%

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, 2018 was 16.8% of eligible employee gross wages. The City contributed $4,480,000 to PARS for the year ended June 30, 2018. The contributions recognized as part of the pension expense for the plan was $4,172,000.

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

The June 30, 2017 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with requirement of GASB 68
Actuarial Assumptions	
Discount Rate	6.25%
Inflation	2.75%
Mortality, Retirement, Disability, Termination	CalPERS 1997-2015 Experience Study
Investment Rate of Return	6.25%
Salary Increases	Merit payroll increases; Aggregate 3.00%
Mortality Improvement	Mortality projected fully generational with Scale MP-2017

E. **Discount Rate**

The discount rate used to measure the total pension liability for the Plan was 6.25%. The pension trust is projected to have sufficient assets to pay benefits per the Plan's current contribution policy.

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.

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, 2017, 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, 2016.

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

	Amounts in 000s		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2016 (Valuation Date)	$ 91,612	$ 59,139	$ 32,473
Changes Recognized for the Measurement Period			
Service cost	1,881	-	1,881
Interest on the total pension liability	5,961	-	5,961
Changes of assumptions	1,051	-	1,051
Differences between expected and actual experience	(6,118)	-	(6,118)
Employer contributions	-	4,172	(4,172)
Employee contributions (paid by employer)	-	2,343	(2,343)
Net investment income	-	7,609	(7,609)
Benefit payments, included refunds of employee contributions	(3,569)	(3,569)	-
Administrative expenses	-	(72)	72
Net changes	(794)	10,483	(11,277)
Balance at June 30, 2017 (Measurement Date)	$ 90,818	$ 69,622	$ 21,196

For the year ended June 30, 2018, the City recognized pension expense of $2,112,000, for the PARS Plan. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Amounts in 000's	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	$ 4,480	$ -
Net difference between projected and actual earnings on pension plan investments	-	1,269
Changes in assumptions	2,884	-
Differences between expected and actual experiences	-	6,178
TOTALS	$ 7,364	$ 7,447

The deferred outflows of resources related to contributions subsequent to the measurement date of $4,480,000 will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ending June 30	Amounts in 000s Deferred Outflows/ (Inflows) of Resources
2019	$ (1,385)
2020	(661)
2021	(1,219)
2022	(1,298)
TOTAL	$ (4,563)

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 6.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.25%) or 1 percentage-point higher (7.25%) than the current rate:

	Amounts in 000s		
	Discount Rate - 1% (5.25%)	Current Discount Rate (6.25%)	Discount Rate + 1% (7.25%)
Net Pension Liability	$ 33,031	$ 21,196	$ 11,421

Early Retirement Incentive Plan

The City adopted through Resolution Number 13,893 a supplemental retirement plan to 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 Plan is closed to new participants. The City's payable to the plan at June 30, 2018 is $405,060, payable through 2020 at annual payments ranging from $63,314 to $132,849.

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.

3. Postemployment Benefits Other than Pensions (OPEB)

A. Plan Description

The City has established the City of Oxnard Retiree Health Insurance Plan, a single-employer defined benefit health care plan administered through 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 Medical and Hospital Care Act (PEMHCA).

B. Benefits Provided

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 contributions for calendar years 2018 and 2017 were $133 and $128, respectively. The statutory contribution will be indexed by the Medical CPI each year. The required contribution is based on pay-as-you-go financing requirements. Retirees must contribute any premium amounts in excess of the City contribution.

C. Employees Covered by Benefit Terms

At June 30, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit paymen	362
Inactive employees entitled to but not yet receiving benefit payments	517
Active plan members	1,008
	1,887

D. **Total OPEB Liability**

The City's total OPEB liability of $36,120,738 was measured as of June 30, 2017, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.5 percent
Salary increases	3.00 percent, average, including inflation
Healthcare cost trend rates	6.00 percent for 2017, 5.00 percent for 2018 and later years
Retirees' share of benefit-related costs	Cost of monthly premiums less the City subsidy of $133 and $128 for the years ended 6/30/2018 and 2017, respectively

The discount rate was based on the municipal bond 20-year high grade rate index.

Mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2017.

E. **Changes in the Total OPEB Liability**

	Total OPEB Liability
Balance at 6/30/2016	$ 34,137,222
Changes for the year:	
Service Cost	1,779,949
Interest	1,055,268
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	-
Benefit payments	(851,701)
Net changes	1,983,516
Balance at 6/30/2017	$ 36,120,738

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.13 percent) or 1 percentage point higher (4.13 percent) than the current discount rate (3.13 percent):

	1% Decrease (2.13%)	Discount Rate (3.13%)	1% Increase (4.13%)
Total OPEB liability	$ 41,594,858	$ 36,120,738	$ 31,638,453

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.0 percent decreasing to 4.0 percent) or 1 percentage point higher (7.0 percent decreasing to 6.0 percent) than the current healthcare cost trend rates (6.0 percent decreasing to 5.0%):

	1% Decrease (5.0% decreasing to 4.0%)	Healthcare Cost Trend Rates (6.0% decreasing to 5.0%)	1% Increase (7.0% decreasing to 6.0.%)
Total OPEB liability	$ 30,957,151	$ 36,120,738	$ 42,644,153

F. **OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2018, the City recognized an OPEB expense of $2,835,217. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to the measurement date	$ 929,464	$ -
Differences between expected and actual experience	-	-
Changes of assumptions or other inputs	-	-
Total	$ 929,464	$ -

The deferred outflows of resources related to OPEB contributions subsequent to the measurement date of $929,464 will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2019.

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.

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 $28,007,825 recorded at June 30, 2018, 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 2.0%.

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 2017-2018 was $1,458,415. During the past five-year period, the average claims filed each year for general liability amounted to 201 claims totaling $1,507,373 per year (an average of $7,484 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 1750 Creekside Oaks Drive, Suite 200, Sacramento, CA 95833, (800) 541-4591.

The total unpaid claims and claims adjustment expense liability (long-term obligations) recorded at June 30, 2018 was $5,500,000. The following schedule presents the changes in self-insurance claims liabilities for the past two years:

	PUBLIC LIABILITY AND PROPERTY DAMAGE	
	FY 2017-2018	FY 2016-2017
Unpaid claims and claims adjustment expenses - July 1	$ 3,648,503	$ 3,534,312
Incurred Claims and Claims Adjustment Expenses		
Increase (decrease) in provision for insured events	(32,901)	2,376,974
Increase (decrease) in actuarially incurred but not reported claims (IBNR)	1,884,398	(2,262,783)
Total Incurred Claims and Claims Adjustment Expenses	1,851,497	114,191
Unpaid claims and claims adjustment expenses - June 30	$ 5,500,000	$ 3,648,503
CLAIMS AND JUDGMENTS DUE WITHIN ONE YEAR	$ 2,358,576	$ 2,391,477

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.

The City's contribution for workers' compensation liability coverage in fiscal year 2017-2018 was $296,300.

Within the City's self-insured program for workers' compensation, there has been an average of 207 claims filed per year for the past five years, with an average of approximately $5,641,328 per year in total reported losses (an average of $27,306 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, 2018 was $22,507,825.

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

	WORKERS' COMPENSATION	
	FY 2017-2018	FY 2016-2017
Unpaid claims and claims adjustment expenses - July 1	$ 14,408,275	$ 14,133,710
Incurred Claims and Claims Adjustment Expenses		
Increase (decrease) in provision for insured events	2,807,595	227,047
Increase (decrease) in actuarially incurred but not reported claims (IBNR)	5,291,955	47,518
Total Incurred Claims and Claims Adjustment Expenses	8,099,550	274,565
Unpaid claims and claims adjustment expenses - June 30	$ 22,507,825	$ 14,408,275
CLAIMS AND JUDGMENTS DUE WITHIN ONE YEAR	$ 8,588,825	$ 4,820,902

V. OTHER INFORMATION

A. Commitments and Contingencies

As of June 30, 2018, the City had significant construction commitments as follows:

	AMOUNT
Governmental Activities	$ 83,028,935
Water Fund	12,743,798
Wastewater Fund	45,382,903
Information Systems	65,067
TOTAL	$ 141,220,703

As of June 30, 2018, the following are outstanding significant governmental and proprietary fund encumbrances that are not reflected in the committed or assigned fund balances of governmental funds or restricted fund balances of proprietary funds.

	AMOUNT
GOVERNMENTAL FUNDS	
General Fund*	$ 1,662,067
Other nonmajor funds	2,788,624
TOTAL GOVERNMENTAL FUNDS	$ 4,450,691
PROPRIETARY FUNDS	
Water funds	$ 290,849
Wastewater funds	400,660
Environmental resources funds	261,410
TOTAL PROPRIETARY FUNDS	$ 952,919

***** Includes $877,204 of Measure "O" encumbrances.

There are various lawsuits and claims pending against the City. Management believes that all contingencies requiring accrual or disclosure are reflected 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, 2018.

B. Risk and Uncertainties

Measure M Litigation

The Ventura County Superior Court ruled against the City in a suit City of Oxnard v. Aaron Starr. The City's suit claimed that voter initiative M that rolled back Wastewater utility rates adopted in 2016, sponsored by Mr. Starr, was illegal because it would force the City to violate legal and contractual obligations. The City Council will decide whether it will appeal the decision of the court after new Councilmembers are seated on December 11, 2018 and before the deadline to file the appeal on January 28, 2019.

If the City does not appeal the Court's ruling, the City may liable for refund of the difference between the 2016 and pre-2016 rates collected pursuant to stay issued by the court for the period following the date the initiative took effect through the date the 2017 rates took effect estimated at $5.9 million. A separate class action lawsuit was filed that would determine the amount of the refund and the method of repayment. Other costs, including legal fees, would increase costs associated with the Court's adverse ruling by an undetermined amount.

Infrastructure Use Fee Litigation

The City is currently a party in a suit filed with the Ventura County Superior Courts, Aaron Starr v. City of Oxnard. Mr. Starr filed suit against the City to challenge the legality of the City's collection of infrastructure use fees (IUF) paid by the City's utility funds (water, wastewater and solid waste enterprise funds) to the City's General Fund and Street Maintenance Fund. Plaintiff alleges the City's IUF is not based on actual costs associated with utility operations. He seeks an order directing the City to cease its IUF transfers and to refund IUF revenues transferred to the General Fund and Street Maintenance Fund in the last three years back to the utility enterprise funds to the extent those transfers exceeded actual costs attributable to utilities. He does not seek a refund to utility ratepayers. The City intends to vigorously oppose plaintiff's claims however the outcome of this litigation is uncertain. No trial dates have been set.

Retirement System Contributions in Arrears

In August, 2018 the City received bills totaling approximately $250,000 from the California Public Employees Retirement System (PERS) for retirement system contributions not paid to four employees in prior years. On further investigation the City has determined that some part time or temporary employees worked enough hours to qualify for membership in the PERS system but were not enrolled in the system as required by law. As a result, the City became liable for payment of the employer and employee contributions for employees qualified for membership but not enrolled at the rates in effect in the year they qualified as PERS members and in each subsequent year that they worked.

The City is analyzing the issue to determine the number of employees that might be affected, the size of the potential liability for each employee and the funds that were charged for the costs of those employees.

Incomplete records for prior years have complicated the analysis so that the City does not have a reliable estimate of the liability at this time. When the amount of the liability is known management will update disclosure in future years' financial statements and will develop a funding plan for the liability. At this time management anticipates that future annual funding payments will not be material.

Community Facilities District Elections

Three initiative measures affecting service charges in Community Facilities Districts (CFD) 3 and 4 for "Seabridge at Mandalay Bay" development were adopted by majorities of electors in the November 6, 2018 election. Measure F reduced the level of special taxes levied in CFD-4 by approximately by 28.2%, Measure I reduced payments for Harbor Patrol services paid by CFD-4 by 80%, and Measure H capped payment of City costs for bond administration and district management for CFD-3 to $5,000 a year through the life of the CFD. The reduction in special taxes for CFD-4 could reduce or potentially even eliminate one or more services including (but not limited to) landscaping within the Seabridge community, dredging in the Harbor, Harbor Patrol services, and/or remediation measures to deal with water quality issues within the Seabridge portion of the Harbor.

The long term impact of implementing these measures on property values providing the security of Seabridge CFD-3 bonds totaling $25,605,000 at June 30, 2018 is unknown and cannot be estimated at this time. None of the measures could reduce the special tax levied to make bond payments.

The adoption of these measures may result in litigation to resolve questions about how the measures would affect existing regulations and how CFD-3 and CFD-4 would operate, as amended by the measures. This is because of ambiguities in the measure documents submitted by the proponent, internal inconsistencies in the existing CFD-3 and CFD-4 documents that the adoption of the measure would cause, and potential inconsistencies that the measures could cause with the Development Agreement for the Seabridge project and Settlement Agreement for the Seabridge project between the City, County of Ventura and the original project developer. The outcome of any litigation is uncertain, as are the time and expense that would be required.

In management's opinion, the passage of these measures will materially affect the financial condition of the Seabridge CFDs but will not have a material effect on the City of Oxnard.

C. **Subsequent Events - Water & Wastewater Bond Refunding**

In November 2018, the City issued Water Revenue Refunding Bonds, Series 2018 in the amount of $40,370,000. These are seventeen-year bonds maturing in various amounts through June 1, 2036, with a net interest cost of 4.07%. These bonds were issued to refund the City's Water Revenue Project Bonds, Series 2006. The redemption of the

Series 2006 Obligation is anticipated to result in approximately $4.17 million of estimated present value savings and $314,000 annually to the enterprise.

In November 2018, the City issued Wastewater Revenue Refunding Bonds, Series 2018 in the amount of $24,550,000. These are sixteen-year bonds maturing in various amounts through June 1, 2034, with a net interest cost of 3.38%. These bonds were issued to refund the City's Variable Rate Demand Wastewater Revenue Project bonds, Series 2004B, and the Wastewater Project Bonds, Series 2006, as well as to finance the 2004B bonds swap termination payment in the amount of $2,157,000. The redemption of the Series 2004B and 2006 Obligations is anticipated to result in approximately $1.32 million of estimated present value savings and $100,000 annually to the enterprise.

D. **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 14,135, 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. **Cash and Investments**

Cash and investments with fiscal agents of the Successor Agency are comprised of the following at June 30, 2018:

	FAIR VALUE
Deposits and investments	$ 12,846,404
Restricted investments with fiscal agents	2,870,260
TOTAL	$ 15,716,664

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

c. **Notes Receivable**

Notes receivable consists of the following:

	BALANCE JULY 1, 2017	ADDITIONS	DELETIONS	BALANCE JULY 1, 2018
Heritage Square	$ 66,982	$ -	$ -	$ 66,982
Baldwin Company	17,873	-	-	17,873
Strand Cinemas	732,508	-	43,559	688,949
Oxnard Theater Group	5,947,775	1,035,600	-	6,983,375
Allowance for uncollectible	(5,947,775)	(1,035,600)	-	(6,983,375)
TOTALS	$ 817,363	$ -	$ 43,559	$ 773,804

d. **Capital Assets**

Changes in the Successor Agency's capital assets for the year ended June 30, 2018 are as follows:

	BALANCE JULY 1, 2017	INCREASES	DECREASES	BALANCE JUNE 30, 2018
FIDUCIARY ACTIVITIES				
Capital Assets, not being depreciated				
Land	$ -	$ -	$ -	$ -
Construction in progress	295,373	-	295,373	-
Total Capital Assets, Not Being Depreciated	295,373	-	295,373	-
Capital Assets, being depreciated				
Buildings	13,136,811	-	12,231,175	905,636
Improvements other than buildings	17,073,449	295,372	-	17,368,821
Equipment and machinery	34,013	-	-	34,013
Infrastructure	33,107,189	-	-	33,107,189
Total Capital Assets, Being Depreciated	63,351,462	295,372	12,231,175	51,415,659
Less: Accumulated Depreciation				
Buildings	(2,001,160)	(289,285)	(1,766,726)	(523,719)
Improvements other than buildings	(3,346,467)	(433,426)	-	(3,779,893)
Equipment and machinery	(34,013)	-	-	(34,013)
Infrastructure	(11,051,301)	(854,313)	-	(11,905,614)
Total Accumulated Depreciation	(16,432,941)	(1,577,024)	(1,766,726)	(16,243,239)
Total Capital Assets, being depreciated, net	46,918,521	(1,281,652)	10,464,449	35,172,420
TOTALS	$ 47,213,894	$ (1,281,652)	$ 10,759,822	$ 35,172,420

e. **Long-Term Obligations**

The following is a summary of changes in the Successor Agency's long-term obligations for the year ended June 30, 2018:

	BALANCE JULY 1, 2017	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 2018	DUE WITNIN ONE YEAR
Tax allocation refunding bonds Series 2004A	$ 9,920,000	$ -	$ 910,000	$ 9,010,000	$ 945,000
Tax allocation bond financing Series 2006	16,060,000	-	555,000	15,505,000	580,000
HERO project tax allocation bonds Series 2008	10,220,000	-	235,000	9,985,000	240,000
Less: Unamortized discounts	(35,094)	-	35,094	-	-
TOTAL LONG-TERM INDEBTEDNESS	$ 36,164,906	$ -	$ 1,735,094	$ 34,500,000	$ 1,765,000

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, 2018 is $9,010,000.

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, 2018 is $15,505,000.

Tax Allocation Bonds, Series 2008

Tax Allocation Bonds, Series 2008 were issued on July 1, 2008 in the amount of $11,790,000 for the Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area. Proceeds from the sale of bonds are to be used to finance a 500-space parking structure to service a mixed-use retail/commercial development located within the 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, 2018 is $9,985,000.

f. **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, 2018.

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		
	PRINCIPAL	INTEREST	TOTAL
2019	945,000	411,240	1,356,240
2020	990,000	367,498	1,357,498
2021	875,000	324,445	1,199,445
2022	915,000	282,283	1,197,283
2023	5,285,000	678,241	5,963,241
TOTALS	$9,010,000	$2,063,707	$11,073,707

FISCAL YEAR	TAX ALLOCATION BONDS SERIES 2006 PRINCIPAL	INTEREST	TOTAL
2019	$ 580,000	$ 660,509	$ 1,240,509
2020	600,000	639,366	1,239,366
2021	620,000	616,866	1,236,866
2022	645,000	592,841	1,237,841
2023	670,000	567,541	1,237,541
2024 - 2028	3,790,000	2,413,144	6,203,144
2029 - 2033	4,665,000	1,560,856	6,225,856
2034 - 2038	3,935,000	509,263	4,444,263
TOTALS	$ 15,505,000	$7,560,387	$ 23,065,387

FISCAL YEAR	HERO PROJECT TAX ALLOCATION BONDS SERIES 2008 PRINCIPAL	INTEREST	TOTAL
2019	$ 240,000	$ 473,138	$ 713,138
2020	255,000	462,438	717,438
2021	270,000	451,338	721,338
2022	275,000	440,838	715,838
2023	290,000	429,663	719,663
2024-2028	1,640,000	1,952,699	3,592,699
2029-2033	2,055,000	1,547,405	3,602,405
2034-2038	3,535,000	997,006	4,532,006
2039-2043	1,425,000	133,831	1,558,831
TOTALS	$9,985,000	$6,888,355	$ 16,873,355

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, 2018, the remaining balance on the commitment is approximately $7 million.

E. **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.

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)

	2018	2017	2016	2015
MEASUREMENT DATE	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Total Pension Liability				
Service cost	$ 7,747,249	$ 7,242,480	$ 7,317,452	$ 7,507,381
Interest	31,142,639	30,496,717	29,025,141	27,937,746
Changes in assumptions	26,464,012	-	(7,345,091)	-
Difference between expected and actual experience	(7,125,579)	1,414,899	(4,271,504)	-
Benefit payments, including refunds of member contributions:	(21,310,118)	(19,526,906)	(17,440,515)	(16,205,985)
Net change in total pension liability	36,918,203	19,627,190	7,285,483	19,239,142
Total pension liability, beginning of year	423,004,392	403,377,202	396,091,719	376,852,577
Total pension liability, end of year	459,922,595	423,004,392	403,377,202	396,091,719
Plan Fiduciary Net Position				
Contributions - employee	3,542,435	3,490,315	3,701,640	3,730,681
Contributions - employer	8,433,832	7,657,753	7,237,123	6,858,454
Net investment income (2)	34,461,764	1,772,032	7,288,474	47,653,092
Benefit payments, including refunds of member contributions	(21,310,118)	(19,526,906)	(17,440,515)	(16,205,985)
Plan to plan resource movement	(37,118)	-	216,371	-
Administrative expenses	(461,160)	(194,504)	(445,021)	-
Net change in plan fiduciary net position	24,629,635	(6,801,310)	558,072	42,036,242
Total plan fiduciary net position, beginning of year	312,347,346	319,148,656	318,590,584	276,554,342
Total plan fiduciary net position, end of year	336,976,981	312,347,346	319,148,656	318,590,584
Net pension liability - ending	$ 122,945,614	$ 110,657,046	$ 84,228,546	$ 77,501,135
Plan fiduciary net position as a percentage of total pension liability	73.27%	73.84%	79.12%	80.43%
Covered payroll (3)	49,376,987	52,250,772	51,974,236	50,863,015
Net pension liability as a percentage of covered payroll	248.99%	211.78%	162.06%	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) The amount for FY 2015 is net of administrative expenses.

(3) Covered payroll presented is based on pensionable earnings provided by the City.

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: In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

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)

	2018	2017	2016	2015
MEASUREMENT DATE	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Total Pension Liability				
Service cost	$ 9,267,287	$ 8,500,329	$ 8,136,777	$ 8,379,851
Interest	24,738,857	24,033,111	22,863,767	21,472,209
Changes in assumptions	22,004,979	-	(5,993,052)	-
Difference between expected and actual experience	(8,176,814)	(1,859,473)	2,113,477	-
Benefit payments, including refunds of member contributions:	(15,304,527)	(14,506,274)	(13,568,341)	(12,980,263)
Net change in total pension liability	32,529,782	16,167,693	13,552,628	16,871,797
Total pension liability, beginning of year	335,188,451	319,020,758	305,468,130	288,596,333
Total pension liability, end of year	367,718,233	335,188,451	319,020,758	305,468,130
Plan Fiduciary Net Position				
Contributions - employee	2,604,837	2,556,415	2,531,718	2,505,819
Contributions - employer	10,886,085	10,491,299	9,907,130	8,947,610
Net investment income (2)	26,271,673	1,190,876	5,184,911	34,904,812
Benefit payments, including refunds of member contributions	(15,304,527)	(14,506,274)	(13,568,341)	(12,980,263)
Net Plan to Plan Resource Movement	37,118	-	-	-
Administrative expenses	(351,254)	(145,244)	(268,265)	-
Net change in plan fiduciary net position	24,143,932	(412,928)	3,787,153	33,377,978
Total plan fiduciary net position, beginning of year	237,907,373	238,320,301	234,533,148	201,155,170
Total plan fiduciary net position, end of year	262,051,305	237,907,373	238,320,301	234,533,148
Net pension liability - ending	$ 105,666,928	$ 97,281,078	$ 80,700,457	$ 70,934,982
Plan fiduciary net position as a percentage of total pension liability	71.26%	70.98%	74.70%	76.78%
Covered payroll (3)	25,914,507	26,539,474	25,228,753	24,705,477
Net pension liability as a percentage of covered payroll	407.74%	366.55%	319.87%	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) The amount for FY 2015 is net of administrative expenses.
(3) Covered payroll presented is based on pensionable earnings provided by the City.

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: In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, the discount rate was changed from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense.)

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)

	2018	2017	2016	2015
MEASUREMENT DATE	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
City's proportion of the collective net pension liability	0.51309%	0.52499%	0.54962%	0.53857%
City's proportionate share of the collective net pension liability	$ 50,884,705	$ 45,427,479	$ 37,725,705	$ 33,512,523
City's covered payroll (2)	$ 10,987,654	$ 9,030,122	$ 9,283,898	$ 9,105,774
City's proportionate share of the collective net pension liability as a percentage of its covered payroll	463.11%	503.07%	406.36%	368.04%
Plan fiduciary net position as a percentage of the plan's total pension liability	73.31%	74.06%	78.40%	79.82%

(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) Covered payroll presented is based on pensionable earnings provided by the City.

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: In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2016, there were no changes. In 2015, the discount rate was changed from 7.5% (net of administrative expense) to 7.65%.

CITY OF OXNARD, CALIFORNIA

SCHEDULE OF PLAN CONTRIBUTIONS - CALPERS

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

	2018	2017	2016	2015
MISCELLANEOUS				
Actuarially determined contribution	$ 9,726,389	$ 8,433,832	$ 7,657,753	$ 7,237,123
Contributions in relation to the actuarially determined contribution	(9,726,389)	(8,433,832)	(7,657,753)	(7,237,123)
Contribution deficiency	$ -	$ -	$ -	$ -
Covered payroll (2)	$ 52,417,521	$ 49,376,987	$ 52,250,772	$ 51,974,236
Contributions as a percentage of employee payroll	18.55%	17.08%	14.66%	13.92%

	2018	2017	2016	2015
SAFETY-POLICE				
Actuarially determined contribution	$ 11,577,987	$ 10,886,085	$ 10,491,299	$ 9,907,130
Contributions in relation to the actuarially determined contribution	(11,577,987)	(10,886,085)	(10,491,299)	(9,907,130)
Contribution deficiency	$ -	$ -	$ -	$ -
Covered payroll (2)	$ 25,399,952	$ 25,914,507	$ 26,539,474	$ 25,228,753
Contributions as a percentage of employee payroll	45.58%	42.01%	39.53%	39.27%

	2018	2017	2016	2015
SAFETY-FIRE				
Actuarially determined contribution	$ 4,922,875	$ 4,565,809	$ 4,204,589	$ 4,004,186
Contributions in relation to the actuarially determined contribution	(4,922,875)	(4,565,809)	(4,204,589)	(4,004,186)
Contribution deficiency	$ -	$ -	$ -	$ -
Covered payroll (2)	$ 11,824,780	$ 10,987,654	$ 9,030,122	$ 9,283,898
Contributions as a percentage of employee payroll	41.63%	41.55%	46.56%	43.13%

(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) Covered payroll presented is based on pensionable earnings provided by the City.

CITY OF OXNARD, CALIFORNIA

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
PARS PLAN - SINGLE-EMPLOYER DEFINED BENEFIT PLAN

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

	2018	2017	2016	2015
MEASUREMENT DATE	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Total Pension Liability				
Service cost	$ 1,881,000	$ 2,007,000	$ 2,043,000	$ 2,220,000
Interest	5,961,000	5,715,000	5,545,000	5,238,000
Changes in assumptions	1,051,000	-	5,436,000	
Difference between actual and expected experience	(6,118,000)	-	(3,736,000)	
Benefit payments, including refunds of member contributions:	(3,569,000)	(4,068,000)	(2,866,000)	(2,599,000)
Net change in total pension liability	(794,000)	3,654,000	6,422,000	4,859,000
Total pension liability, beginning of year	91,612,000	87,958,000	81,536,000	76,677,000
Total pension liability, end of year	90,818,000	91,612,000	87,958,000	81,536,000
Plan Fiduciary Net Position				
Contributions - employee	2,343,000	2,513,000	2,922,000	2,731,000
Contributions - employer	4,172,000	6,586,000	1,043,000	985,000
Net investment income	7,609,000	543,000	2,133,000	6,805,000
Benefit payments, including refunds of member contributions	(3,569,000)	(4,068,000)	(2,866,000)	(2,599,000)
Administrative expenses	(72,000)	(80,000)	(68,000)	(65,000)
Net change in plan fiduciary net position	10,483,000	5,404,000	3,164,000	7,857,000
Total plan fiduciary net position, beginning of year	59,139,000	53,735,000	50,571,000	42,714,000
Total plan fiduciary net position, end of year	69,622,000	59,139,000	53,735,000	50,571,000
Net pension liability - ending	$ 21,196,000	$ 32,473,000	$ 34,223,000	$ 30,965,000
Plan fiduciary net position as a percentage of total pension liability	76.66%	64.55%	61.09%	62.02%
Covered payroll	31,089,909	31,089,909	36,519,391	31,157,782
Net pension liability as a percentage of covered payroll	68.18%	104.45%	93.71%	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).

CITY OF OXNARD, CALIFORNIA

SCHEDULE OF PLAN CONTRIBUTIONS - PARS

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

	2018	2017	2016	2015
Actuarially determined contribution	$ 4,406,000	$ 4,376,000	$ 3,589,787	$ 4,184,000
Contributions in relation to the actuarially-determined contribution	4,480,000	4,314,000	3,589,787	1,043,000
Contribution deficiency	$ (74,000)	$ 62,000	$ -	$ 3,141,000
Covered payroll	$ 26,737,000	$ 28,874,000	$ 31,089,909	$ 36,519,391
Contributions as a percentage of employee payroll	16.76%	14.94%	11.55%	11.46%

(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).

CITY OF OXNARD, CALIFORNIA

SCHEDULE OF CHANGES IN THE CITY'S
TOTAL OPEB LIABILITY AND RELATED RATIOS

For the Year Ended June 30, 2018

	2018
Total OPEB liability	
Service Cost	$ 1,779,949
Interest	1,055,268
Changes in benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions	-
Benefit payments	(851,701)
Net change in total OPEB liability	1,983,516
Total OPEB liability - beginning	34,137,222
Total OPEB liability - ending	$36,120,738
Covered payroll	$83,423,271
Total OPEB liability as a percentage of covered payroll	43.30%

(1) GASB Statement No. 75, which requires ten years of history for this schedule, was implemented dur year ended June 30, 2018. Additional years will be added as they become available in the future.

Notes to Schedule:

Changes in benefit terms	None
Changes of assumptions	None

CITY OF OXNARD, CALIFORNIA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2018

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes				
Property	$ 54,111,876	$ 54,111,876	$ 53,262,254	$ (849,622)
Sales	44,548,000	44,548,000	43,418,876	(1,129,124)
Transient occupancy	5,195,880	5,195,880	5,749,572	553,692
Business license (net of refund)	5,404,000	5,404,000	5,570,488	166,488
Franchise	3,617,594	3,617,594	3,548,671	(68,923)
Other taxes	747,152	747,152	818,322	71,170
Licenses and permits	2,924,993	2,924,993	2,524,505	(400,488)
Intergovernmental	1,891,166	1,891,166	1,908,513	17,347
Charges for services	20,245,043	20,372,536	19,345,462	(1,027,074)
Fines and forfeitures	2,272,777	2,272,777	2,367,166	94,389
Investment earnings	850,723	850,723	383,016	(467,707)
Special assessments	550,529	550,529	536,113	(14,416)
Miscellaneous	2,500,184	2,626,531	5,244,292	2,617,761
Total Revenues	144,859,917	145,113,757	144,677,250	(436,507)
EXPENDITURES				
General Government				
Legislative				
City Council	394,728	394,728	382,925	11,803
City Treasurer	1,386,722	1,419,722	1,317,642	102,080
City Clerk	533,867	1,123,867	920,830	203,037
Administrative and Support Services				
City Manager	1,728,984	1,774,273	1,499,234	275,039
City Attorney	1,748,700	1,763,700	1,564,547	199,153
Financial services	4,832,141	6,424,495	4,748,429	1,676,066
Human resources	2,038,698	2,107,900	2,257,612	(149,712)
Nondepartmental	2,565,565	4,401,315	4,944,630	(543,315)
Public Safety				
Police	58,441,115	57,666,299	58,751,785	(1,085,486)
Fire	21,689,315	21,851,392	23,731,236	(1,879,844)
Transportation systems	3,021,898	6,998,264	6,176,942	821,322
Community Development				
Development services	8,756,602	9,252,212	8,636,076	616,136
Economic development and tourism service	1,472,783	1,542,236	1,379,346	162,890
Housing services	250,000	431,673	427,541	4,132
Community service	150,741	159,534	163,582	(4,048)
Culture and Leisure				
Recreation services	8,916,970	9,998,745	9,925,677	73,068
Park and public grounds	7,348,673	7,829,504	8,988,893	(1,159,389)
Library services	3,616,911	3,630,715	3,311,739	318,976
Capital outlay	928,884	6,788,187	2,826,991	3,961,196
Principal	715,000	715,000	715,000	-
Interest and fiscal charges	640,918	622,874	608,242	14,632
Total Expenditures	131,179,215	146,896,635	143,278,899	3,617,736
EXCESS OF REVENUES OVER EXPENDITURES	13,680,702	(1,782,878)	1,398,351	3,181,229

GENERAL FUND (Continued)
BUDGETARY COMPARISON SCHEDULE

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
OTHER FINANCING SOURCES (USES)				
Transfers in	$ 37,740	$ 1,175,521	$ 4,801,088	$ 3,625,567
Transfers out	(7,296,646)	(8,246,646)	(12,005,796)	(3,759,150)
Net Other Financing Sources (Uses)	(7,258,906)	(7,071,125)	(7,204,708)	(133,583)
NET CHANGE IN FUND BALANCES	6,421,796	(8,854,003)	(5,806,357)	3,047,646
FUND BALANCES, JULY 1	46,268,790	46,268,790	46,268,790	
FUND BALANCES, JUNE 30	$ 52,690,586	$ 37,414,787	$ 40,462,433	$ 3,047,646

Note to Budgetary Comparison Schedule:

Budgets are prepared using a current financial resources measurement focus and the modified accrual basis of accounting consistent with generally accepted accounting principles (GAAP).

The City does not prepare a budget for the Affordable Housing Fund.

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SUPPLEMENTARY INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

Nonmajor Governmental Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than capital outlay and debt service 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 and CDBG Grants Fund - This fund is used to account for federal entitlement that is used to provide housing loans to low/moderate income families and 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 Districts - 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, 2018

	DEVELOPMENT FEES FUND	HUD AND CDBG GRANTS FUND	STATE AND FEDERAL GRANTS FUND	PUBLIC SAFETY RETIREMENT	DEBT SERVICE FUND	CAPITAL OUTLAY FUND
ASSETS						
Cash and cash equivalents	$32,568,549	$ 249,113	$ 1,754,732	$ 1,204,833	$ 258,790	$ 9,975,806
Investments with fiscal agents	-	-	-	-	13,370	25,061,684
Accounts and other receivables	15	587,612	2,914,200	-	-	97,707
Notes receivable	8,270,070	3,727,855	6,289,259	-	-	-
Due from other funds	-	-	-	-	-	-
Due from other government	-	-	154,961	303,624	-	-
Due from Successor Agency	18,500	-	-	-	-	44
Total Assets	$40,857,134	$ 4,564,580	$11,113,152	$ 1,508,457	$ 272,160	$35,135,241
LIABILITIES						
Accounts payable	$ 96,648	$ 46,658	$ 816,217	$ -	$ -	$ 1,385,993
Other liabilities	244,616	36,222	72,072	203,400	-	214,433
Due to other funds	-	515,259	2,024,226	-	-	535,409
Due to Successor Agency	-	-	-	-	-	-
Unearned revenues	-	233,476	637,801	-	-	-
Total Liabilities	341,264	831,615	3,550,316	203,400	-	2,135,835
DEFERRED INFLOW OF RESOURCES						
Deferred inflow on loans	8,270,070	3,727,855	6,289,259	-	-	-
FUND BALANCES						
Restricted for:						
Debt Service	-	-	-	-	272,160	175,822
Transportation systems	-	-	-	-	-	-
Maintenance districts	-	-	-	-	-	-
Street and traffic improvements/ maintenance	-	-	(24,268)	-	-	16,006,303
Infrastructure developments	32,245,800	-	-	-	-	-
Housing	-	5,110	16,305	-	-	-
Culture and leisure	-	-	101,060	-	-	-
Public safety	-	-	434,750	1,305,057	-	-
Assigned to:						
Grants		-	745,730			
Capital projects	-	-	-	-	-	16,817,281
Unassigned	-	-	-	-	-	-
Total Fund Balances	32,245,800	5,110	1,273,577	1,305,057	272,160	32,999,406
TOTAL LIABILITIES AND FUND BALANCES	$40,857,134	$ 4,564,580	$11,113,152	$ 1,508,457	$ 272,160	$35,135,241

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

STATE GAS TAX	TRAFFIC SAFETY	TRANSPORTATION DEVELOPMENT FUND	MAINTENANCE ASSESSMENT DISTRICTS FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS	
					ASSETS
$ 984,678	$ 970,407	$3,935,410	$15,763,180	$ 67,665,498	Cash and cash equivalents
1,746,059	-	-	-	26,821,113	Investments with fiscal agents
192,889	-	17,186	1,800	3,811,409	Accounts and other receivables
-	-	-	-	18,287,184	Notes receivable
-	-	-	-	-	Due from other funds
259,696	69,389	-	214,536	1,002,206	Due from other government
-	-	-	-	18,544	Due from Successor Agency
$3,183,322	$ 1,039,796	$3,952,596	$15,979,516	$117,605,954	**Total Assets**
					LIABILITIES
$ 125,312	$ -	$ 41,689	$ 525,237	$ 3,037,754	Accounts payable
110,981	7,997	21,967	38,302	949,990	Other liabilities
-	-	2,209	81,913	3,159,016	Due to other funds
				-	Due to Successor Agency
-	-	1,835,295	-	2,706,572	Unearned revenues
236,293	7,997	1,901,160	645,452	9,853,332	**Total Liabilities**
					DEFERRED INFLOW OF RESOURCES
-	-	-	-	18,287,184	Deferred inflow on loans
					FUND BALANCES
					Restricted for:
1,746,059	-	-	-	2,194,041	Debt Service
-	235,069	2,051,436	-	2,286,505	Transportation systems
-	-	-	15,334,064	15,334,064	Maintenance districts
1,200,970	-	-	-	17,183,005	Street and traffic improvements/ maintenance
-	-	-	-	32,245,800	Infrastructure developments
-	-	-	-	21,415	Housing
-	-	-	-	101,060	Culture and leisure
-	796,730	-	-	2,536,537	Public safety
					Assigned to:
				745,730	Grants
-	-	-	-	16,817,281	Capital projects
-	-	-	-	-	Unassigned
2,947,029	1,031,799	2,051,436	15,334,064	89,465,438	**Total Fund Balances**
$3,183,322	$ 1,039,796	$3,952,596	$15,979,516	$117,605,954	**TOTAL LIABILITIES AND FUND BALANCES**

CITY OF OXNARD, CALIFORNIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2018

	DEVELOPMENT FEES FUND	HUD AND CDBG GRANTS FUND	STATE AND FEDERAL GRANTS FUND	PUBLIC SAFETY RETIREMENT	DEBT SERVICE FUND	CAPITAL OUTLAY FUND
REVENUES						
Taxes	$ -	$ -	$ -	$13,903,522	$ -	$ 376,703
Licenses and permits	781,819	-	-	-	-	-
Intergovernmental	716	3,271,380	8,662,550	-	-	-
Growth and development fees	2,342,768	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	4,000	-	67,606	-	-	-
Interest	304,216	(695)	3,726	(8,009)	(8,742)	308,593
Special assessments	-	-	-	-	-	-
Miscellaneous	558,747	-	168,715	-	-	71,495
Total Revenues	3,992,266	3,270,685	8,902,597	13,895,513	(8,742)	756,791
EXPENDITURES						
Current						
General government	123,500	-	-	-	-	7,500
Public safety	733,014	60,959	2,222,015	13,476,896	-	382,500
Transportation systems	13,718	-	4,087	-	-	2,103
Community development	582,693	1,420,856	727,160	-	-	340,960
Culture and leisure	31,423	129,724	3,081,593	-	-	-
Library services	-	-	-	-	-	-
Capital outlay	845,504	1,726,202	2,257,351	-	-	7,543,476
Debt Service						
Principal	-	-	-	-	31,658,145	-
Interest and fiscal charges	-	-	-	-	7,648,390	-
Total Expenditures	2,329,852	3,337,741	8,292,206	13,476,896	39,306,535	8,276,539
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,662,414	(67,056)	610,391	418,617	(39,315,277)	(7,519,748)
OTHER FINANCING SOURCES (USES)						
Proceeds from bonds	-	-	-	-	32,608,582	5,000,000
Transfers in	87,158	122,310	-	-	6,978,855	510,000
Transfers out	(452,414)	-	-	-	-	-
Net Other Financing Sources (Uses)	(365,256)	122,310	-	-	39,587,437	5,510,000
NET CHANGE IN FUND BALANCES	1,297,158	55,254	610,391	418,617	272,160	(2,009,748)
FUND BALANCES, JULY 1	30,948,642	(50,144)	663,186	886,440	-	35,009,154
FUND BALANCES, JUNE 30	$ 32,245,800	$ 5,110	$1,273,577	$ 1,305,057	$ 272,160	$32,999,406

STATE GAS TAX	TRAFFIC SAFETY	TRANSPORTATION DEVELOPMENT FUND	MAINTENANCE ASSESSMENT DISTRICTS FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS	
					REVENUES
$ -	$ -	$ -	$ -	$ 14,280,225	Taxes
-	-	-	-	781,819	Licenses and permits
5,371,759	558,574	666,643	-	18,531,622	Intergovernmental
-	-	-	-	2,342,768	Growth and development fees
431,085	-	11,655	781,927	1,224,667	Charges for services
-	-	-	-	71,606	Fines and forfeitures
37,998	3,993	51,120	179,776	871,976	Interest
-	-	-	8,481,912	8,481,912	Special assessments
8,080	-	236,862	15,367	1,059,266	Miscellaneous
5,848,922	562,567	966,280	9,458,982	47,645,861	**Total Revenues**
					EXPENDITURES
					Current
2,500	-	-	-	133,500	General government
-	436,782	-	2,975,188	20,287,354	Public safety
5,201,743	-	650,744	297,043	6,169,438	Transportation systems
-	-	-	2,012,061	5,083,730	Community development
5,049	-	-	5,030,549	8,278,338	Culture and leisure
-	-	-	-	-	Library services
73,360	5,396	1,114,380	375,022	13,940,691	Capital outlay
					Debt Service
690,000	-	-	-	32,348,145	Principal
1,020,300	-	-	-	8,668,690	Interest and fiscal charges
6,992,952	442,178	1,765,124	10,689,863	94,909,886	**Total Expenditures**
(1,144,030)	120,389	(798,844)	(1,230,881)	(47,264,025)	**EXCESS OF REVENUES OVER (UNDER) EXPENDITURES**
					OTHER FINANCING SOURCES (USES)
-	-	-	-	37,608,582	Proceeds from bonds
-	150,000	-	490,770	8,339,093	Transfers in
(13,320)	-	-	(1,168,290)	(1,634,024)	Transfers out
(13,320)	150,000	-	(677,520)	44,313,651	**Net Other Financing Sources (Uses)**
(1,157,350)	270,389	(798,844)	(1,908,401)	(2,950,374)	**NET CHANGE IN FUND BALANCES**
4,104,379	761,410	2,850,280	17,242,465	92,415,812	**FUND BALANCES, JULY 1**
$2,947,029	$1,031,799	$2,051,436	$15,334,064	$ 89,465,438	**FUND BALANCES, JUNE 30**

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, 2018

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Licenses and permits	$ 689,653	$ 689,653	$ 781,819	$ 92,166
Intergovernmental	1,634	1,634	716	(918)
Growth and development fees	4,132,687	4,132,687	2,342,768	(1,789,919)
Fines and forfeitures	-	-	4,000	4,000
Interest	224,128	224,128	304,216	80,088
Miscellaneous	248,477	248,477	558,747	310,270
Total Revenues	5,296,579	5,296,579	3,992,266	(1,304,313)
EXPENDITURES				
General government	93,999	93,999	123,500	(29,501)
Public safety	788,411	788,411	733,014	55,397
Transportation systems	0	8,465	13,718	(5,253)
Community development	53,604	687,264	582,693	104,571
Capital outlay	465,228	7,217,063	845,504	6,371,559
Total Expenditures	1,420,052	8,805,547	2,329,852	6,475,695
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,876,527	(3,508,968)	1,662,414	5,171,382
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	87,158	87,158
Transfers out	(471,198)	(471,198)	(452,414)	18,784
Net Other Financing Sources (Uses)	(471,198)	(471,198)	(365,256)	105,942
NET CHANGE IN FUND BALANCES	3,405,329	(3,980,166)	1,297,158	5,277,324
FUND BALANCES, JULY 1	30,948,642	30,948,642	30,948,642	-
FUND BALANCES, JUNE 30	$ 34,353,971	$ 26,968,476	$ 32,245,800	$ 5,277,324

Note to Budgetary Comparison Schedule:

Budgets are prepared using a current financial resources measurement focus and the modified accrual basis of accounting consistent with generally accepted accounting principles (GAAP).

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, 2018

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Intergovernmental	$ 2,667,283	$ 2,963,690	$ 3,271,380	$ 307,690
Interest	-	-	(695)	(695)
Total Revenues	2,667,283	2,963,690	3,270,685	306,995
EXPENDITURES				
Public safety	-	120,000	60,959	59,041
Community development	1,518,114	2,801,999	1,420,856	1,381,143
Culture and leisure	165,500	159,500	129,724	29,776
Capital outlay	983,669	2,460,499	1,726,202	734,297
Total Expenditures	2,667,283	5,541,998	3,337,741	2,204,257
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(2,578,308)	(67,056)	2,511,252
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	122,310	122,310
Total Other Financing Sources (Uses)	-	-	122,310	122,310
NET CHANGE IN FUND BALANCES	-	(2,578,308)	55,254	2,633,562
FUND BALANCES, JULY 1	(50,144)	(50,144)	(50,144)	-
FUND BALANCES, JUNE 30	$ (50,144)	$ (2,628,452)	$ 5,110	$ 2,633,562

CITY OF OXNARD, CALIFORNIA

NONMAJOR - STATE AND FEDERAL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2018

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Intergovernmental	$ 3,814,749	$ 11,764,390	$ 8,662,550	$ (3,101,840)
Fines and forfeitures	-	-	67,606	67,606
Interest	21,303	21,303	3,726	(17,577)
Miscellaneous	120,000	237,550	168,715	(68,835)
Total Revenues	3,956,052	12,023,243	8,902,597	(3,120,646)
EXPENDITURES				
Public safety	399,471	3,729,420	2,222,015	1,507,405
Transportation systems	-	271,200	4,087	267,113
Community development	336,508	1,709,578	727,160	982,418
Culture and leisure	3,239,194	3,629,977	3,081,593	548,384
Capital outlay	-	6,701,536	2,257,351	4,444,185
Total Expenditures	3,975,173	16,041,711	8,292,206	7,749,505
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(19,121)	(4,018,468)	610,391	4,628,859
NET CHANGE IN FUND BALANCES	(19,121)	(4,018,468)	610,391	4,628,859
FUND BALANCES, JULY 1	663,186	663,186	663,186	-
FUND BALANCES, JUNE 30	$ 644,065	$ (3,355,282)	$ 1,273,577	$ 4,628,859

Note to Budgetary Comparison Schedule:

Budgets are prepared using a current financial resources measurement focus and the modified accrual basis of accounting consistent with generally accepted accounting principles (GAAP).

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, 2018

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes	$13,880,122	$13,880,122	$13,903,522	$ 23,400
Investment income	6,643	6,643	(8,009)	(14,652)
Total Revenues	13,886,765	13,886,765	13,895,513	8,748
EXPENDITURES				
Public safety	13,891,720	13,891,720	13,476,896	414,824
Total Expenditures	13,891,720	13,891,720	13,476,896	414,824
NET CHANGE IN FUND BALANCES	(4,955)	(4,955)	418,617	423,572
FUND BALANCES, JULY 1	886,440	886,440	886,440	-
FUND BALANCES, JUNE 30	$ 881,485	$ 881,485	$ 1,305,057	$ 423,572

Note to Budgetary Comparison Schedule:

Budgets are prepared using a current financial resources measurement focus and the modified accrual basis of accounting consistent with generally accepted accounting principles (GAAP).

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, 2018

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Interest	$ -	$ -	$ (8,742)	$ (8,742)
Miscellaneous	451,857	451,857	-	(451,857)
Total Revenues	451,857	451,857	(8,742)	(460,599)
EXPENDITURES				
Debt Service				
Principal	3,960,281	3,960,281	31,658,145	(27,697,864)
Interest	3,012,944	3,012,944	7,648,390	(4,635,446)
Total Expenditures	6,973,225	6,973,225	39,306,535	(32,333,310)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(6,521,368)	(6,521,368)	(39,315,277)	(32,793,909)
OTHER FINANCING SOURCES (USES)				
Proceeds from bonds	-	-	32,608,582	32,608,582
Transfers in	6,740,771	6,740,771	6,978,855	238,084
Total Other Financing Sources (Uses)	6,740,771	6,740,771	39,587,437	32,846,666
NET CHANGE IN FUND BALANCES	219,403	219,403	272,160	52,757
FUND BALANCES, JULY 1	-	-	-	-
FUND BALANCES, JUNE 30	$ 219,403	$ 219,403	$ 272,160	$ 52,757

Note to Budgetary Comparison Schedule:

Budgets are prepared using a current financial resources measurement focus and the modified accrual basis of accounting consistent with generally accepted accounting principles (GAAP).

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, 2018

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes	$ 383,520	$ 383,520	$ 376,703	$ (6,817)
Interest	35,063	35,063	308,593	273,530
Miscellaneous	-	-	71,495	71,495
Total Revenues	418,583	418,583	756,791	338,208
EXPENDITURES				
General government	-	7,500	7,500	-
Public safety	-	382,500	382,500	-
Transportation	801	1,312	2,103	(791)
Community development	162,458	673,853	340,960	332,893
Capital outlay	-	10,831,101	7,543,476	3,287,625
Total Expenditures	163,259	11,896,266	8,276,539	3,619,727
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	255,324	(11,477,683)	(7,519,748)	3,957,935
OTHER FINANCING SOURCES (USES)				
Proceeds from bonds	-	5,000,000	5,000,000	-
Transfers in	-	510,000	510,000	-
Total Other Financing Sources (Uses)	-	5,510,000	5,510,000	-
NET CHANGE IN FUND BALANCES	255,324	(5,967,683)	(2,009,748)	3,957,935
FUND BALANCES, JULY 1	35,009,154	35,009,154	35,009,154	-
FUND BALANCES, JUNE 30	$35,264,478	$29,041,471	$32,999,406	$ 3,957,935

Note to Budgetary Comparison Schedule:

Budgets are prepared using a current financial resources measurement focus and the modified accrual basis of accounting consistent with

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, 2018

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Intergovernmental	$ 5,521,285	$ 5,521,285	$ 5,371,759	$ (149,526)
Charges for services	974,478	974,478	431,085	(543,393)
Interest	21,076	21,076	37,998	16,922
Miscellaneous	5,112	5,112	8,080	2,968
Total Revenues	6,521,951	6,521,951	5,848,922	(673,029)
EXPENDITURES				
General government	5,125	5,125	2,500	2,625
Transportation systems	5,285,112	5,599,630	5,201,743	397,887
Culture and leisure	88,362	5,049	5,049	-
Capital outlay	70,388	1,649,924	73,360	1,576,564
Debt Service				
Principal	690,000	690,000	690,000	-
Interest	1,020,300	1,020,300	1,020,300	-
Total Expenditures	7,159,287	8,970,028	6,992,952	1,977,076
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(637,336)	(2,448,077)	(1,144,030)	1,304,047
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(13,320)	(13,320)
Total Other Financing Sources (Uses)	-	-	(13,320)	(13,320)
NET CHANGE IN FUND BALANCES	(637,336)	(2,448,077)	(1,157,350)	1,290,727
FUND BALANCES, JULY 1	4,104,379	4,104,379	4,104,379	-
FUND BALANCES, JUNE 30	$ 3,467,043	$ 1,656,302	$ 2,947,029	$1,290,727

Note to Budgetary Comparison Schedule:

Budgets are prepared using a current financial resources measurement focus and the modified accrual basis of accounting consistent with generally accepted accounting principles (GAAP).

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, 2018

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Intergovernmental	$ 295,800	$ 295,800	$ 558,574	$ 262,774
Interest	4,348	4,348	3,993	(355)
Total Revenues	300,148	300,148	562,567	262,419
EXPENDITURES				
Public safety	453,741	453,741	436,782	16,959
Capital outlay	-	166,630	5,396	161,234
Total Expenditures	453,741	620,371	442,178	178,193
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(153,593)	(320,223)	120,389	440,612
OTHER FINANCING SOURCES (USES)				
Transfers in	150,000	150,000	150,000	-
Total Other Financing Sources (Uses)	150,000	150,000	150,000	-
NET CHANGE IN FUND BALANCES	(3,593)	(170,223)	270,389	440,612
FUND BALANCES, JULY 1	761,410	761,410	761,410	-
FUND BALANCES, JUNE 30	$ 757,817	$ 591,187	$1,031,799	$ 440,612

Note to Budgetary Comparison Schedule:

Budgets are prepared using a current financial resources measurement focus and the modified accrual basis of accounting consistent with generally accepted accounting principles (GAAP).

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, 2018

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Intergovernmental	$ 615,258	$ 2,590,748	$ 666,643	$ (1,924,105)
Charges for services	-	-	11,655	11,655
Interest	327,967	327,967	51,120	(276,847)
Miscellaneous	264,878	264,878	236,862	(28,016)
Total Revenues	1,208,103	3,183,593	966,280	(2,217,313)
EXPENDITURES				
Transportation systems	613,888	624,378	650,744	(26,366)
Capital outlay	-	3,423,289	1,114,380	2,308,909
Total Expenditures	613,888	4,047,667	1,765,124	2,282,543
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	594,215	(864,074)	(798,844)	65,230
NET CHANGE IN FUND BALANCES	594,215	(864,074)	(798,844)	65,230
FUND BALANCES, JULY 1	2,850,280	2,850,280	2,850,280	-
FUND BALANCES, JUNE 30	$ 3,444,495	$ 1,986,206	$ 2,051,436	$ 65,230

Note to Budgetary Comparison Schedule:

Budgets are prepared using a current financial resources measurement focus and the modified accrual basis of accounting consistent with generally accepted accounting principles (GAAP).

CITY OF OXNARD, CALIFORNIA

NONMAJOR - MAINTENANCE ASSESSMENT DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2018

	ORIGINAL BUDGET	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Charges for services	$ 962,071	$ 962,071	$ 781,927	$ (180,144)
Special assessments	8,690,266	8,690,266	8,481,912	(208,354)
Interest	91,618	91,618	179,776	88,158
Miscellaneous	6,826	6,826	15,367	8,541
Total Revenues	9,750,781	9,750,781	9,458,982	(291,799)
EXPENDITURES				
Public safety	2,971,887	2,981,593	2,975,188	6,405
Transportation systems	616,471	625,876	297,043	328,833
Community development	2,944,092	3,186,920	2,012,061	1,174,859
Culture and leisure	5,293,900	5,336,777	5,030,549	306,228
Capital outlay	184,169	517,142	375,022	142,120
Total Expenditures	12,010,519	12,648,308	10,689,863	1,958,445
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,259,738)	(2,897,527)	(1,230,881)	1,666,646
OTHER FINANCING SOURCES (USES)				
Transfers in	480,319	480,319	490,770	10,451
Transfer out	16,616	(1,154,397)	(1,168,290)	(13,893)
Total Other Financing Sources (Uses)	496,935	(674,078)	(677,520)	(3,442)
NET CHANGE IN FUND BALANCES	(1,762,803)	(3,571,605)	(1,908,401)	1,663,204
FUND BALANCES, JULY 1	17,242,465	17,242,465	17,242,465	-
FUND BALANCES, JUNE 30	$ 15,479,662	$13,670,860	$ 15,334,064	$ 1,663,204

Note to Budgetary Comparison Schedule:

Budgets are prepared using a current financial resources measurement focus and the modified accrual basis of accounting consistent with generally accepted accounting principles (GAAP).

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INTERNAL SERVICE FUNDS

Internal Service Funds

Internal Service Funds are established to account for goods and services provided by one City department to other City 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.

CITY OF OXNARD, CALIFORNIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2018

	PUBLIC LIABILITY/ PROPERTY DAMAGE	WORKERS' COMPENSATION	UTILITY CUSTOMER SERVICE	INFORMATION SERVICES
ASSETS				
Current Assets				
Cash and investments	$ 1,483,408	$ 8,293,276	$ 311,496	$ 1,128,970
Accounts and other receivables (net of allowance for doubtful accounts)	-	66,473	-	-
Other assets	-	-	32,900	-
Total Current Assets	1,483,408	8,359,749	344,396	1,128,970
Noncurrent Assets				
Advances to other funds	-	954,653	-	-
Total Noncurrent Assets	-	954,653	-	-
CAPITAL ASSETS				
Buildings				
Machinery, equipment, and vehicles	17,234	-	-	2,729,614
Vehicles	45,387	-	-	-
Construction in progress	-	-	-	475,199
Total Capital Assets	62,621	-	-	3,204,813
Less: Accumulated depreciation	58,121	-	-	2,186,461
Net Total Capital Assets (net of accumulated depreciation)	4,500	-	-	1,018,352
Total Assets	1,487,908	9,314,402	344,396	2,147,322
DEFERRED OUTFLOW OF RESOURCES				
Deferred outflow on pension plans	42,161	232,168	251,916	1,062,280
Deferred outflow on other post-employment benefit plans (OPEB)	-	2,714	2,035	20,353
Total Deferred Outflow of Resources	42,161	234,882	253,951	1,082,633
LIABILITIES				
Current Liabilities				
Accounts payable	109,649	176,206	33,284	179,250
Other liabilities	3,640	40,531	18,728	122,534
Compensated absences payable - current	-	13,000	13,000	160,000
Self-insurance claims - due within one year	2,358,576	8,588,825	-	-
Total Current Liabilities	2,471,865	8,818,562	65,012	461,784
Noncurrent Liabilities				
Compensated absences payable	-	7,480	36,514	138,559
Other post-employment benefits payable	-	104,124	60,460	816,192
Net pension liabilities	108,216	723,116	1,001,733	3,120,702
Self-insurance claims	3,141,424	13,919,000	-	-
Total Noncurrent Liabilities	3,249,640	14,753,720	1,098,707	4,075,453
Total Liabilities	5,721,505	23,572,282	1,163,719	4,537,237
DEFERRED INFLOW OF RESOURCES				
Deferred inflow on pension plans	10,614	58,279	80,072	458,532
Total Deferred Inflow of Resources	10,614	58,279	80,072	458,532
NET POSITION				
Net investment in capital assets	4,500	-	-	1,018,352
Unrestricted	(4,206,550)	(14,081,277)	(645,444)	(2,784,166)
TOTAL NET POSITION	$ (4,202,050)	$ (14,081,277)	$ (645,444)	$ (1,765,814)

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

FACILITIES MAINTENANCE	EQUIPMENT MAINTENANCE	TOTAL	
			ASSETS
			Current Assets
$ 125,612	$ 1,595,736	$ 12,938,498	Cash and investments
715	-	67,188	Accounts and other receivables (net of allowance for doubtful accounts)
-	-	32,900	Other assets
126,327	1,595,736	13,038,586	**Total Current Assets**
			Noncurrent Assets
(4,887)	-	949,766	Advances to other funds
(4,887)	-	949,766	**Total Noncurrent Assets**
			CAPITAL ASSETS
196,868	250,542	447,410	Buildings
24,271	2,111,183	4,882,302	Machinery, equipment, and vehicles
483,297	3,912,794	4,441,478	Vehicles
-	-	475,199	Construction in progress
704,436	6,274,519	10,246,389	**Total Capital Assets**
497,309	4,326,704	7,068,595	Less: Accumulated depreciation
207,127	1,947,815	3,177,794	**Net Total Capital Assets (net of accumulated depreciation)**
328,567	3,543,551	17,166,146	**Total Assets**
			DEFERRED OUTFLOW OF RESOURCES
1,140,031	1,731,266	4,459,822	Deferred outflow on pension plans
23,745	23,745	72,592	Deferred outflow on other post-employment benefit plans (OPEB)
1,163,776	1,755,011	4,532,414	**Total Deferred Outflow of Resources**
			LIABILITIES
			Current Liabilities
46,260	490,942	1,035,591	Accounts payable
80,067	114,401	379,901	Other liabilities
165,000	275,000	626,000	Compensated absences payable - current
-	-	10,947,401	Self-insurance claims - due within one year
291,327	880,343	12,988,893	**Total Current Liabilities**
			Noncurrent Liabilities
101,985	39,972	324,510	Compensated absences payable
893,448	869,938	2,744,162	Other post-employment benefits payable
4,338,356	6,582,954	15,875,077	Net pension liabilities
-	-	17,060,424	Self-insurance claims
5,333,789	7,492,864	36,004,173	**Total Noncurrent Liabilities**
5,625,116	8,373,207	48,993,066	**Total Liabilities**
			DEFERRED INFLOW OF RESOURCES
680,850	626,974	1,915,321	Deferred inflow on pension plans
680,850	626,974	1,915,321	**Total Deferred Inflow of Resources**
			NET POSITION
207,127	1,947,815	3,177,794	Net investment in capital assets
(5,020,750)	(5,649,434)	(32,387,621)	Unrestricted
$ (4,813,623)	$ (3,701,619)	$ (29,209,827)	**TOTAL NET POSITION**

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

CITY OF OXNARD, CALIFORNIA

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED JUNE 30, 2018

	PUBLIC LIABILITY/ PROPERTY DAMAGE	WORKERS' COMPENSATION	UTILITY CUSTOMER SERVICE	INFORMATION SERVICES
OPERATING REVENUES				
Charges for services	$ -	$ 5,617,943	$1,312,460	$ 4,614,841
Miscellaneous	377,233	101,302	-	(2,750)
Total Operating Income	377,233	5,719,245	1,312,460	4,612,091
OPERATING EXPENSES				
Salaries and wages	90,913	265,559	537,420	3,560,176
Contractual services	397,736	727,576	102,256	489,944
Operating supplies	-	-	-	34,852
Utilities	-	3,374	5,247	689,203
Depreciation	1,000	-	-	229,621
General and administrative	644,822	515,731	416,593	777,327
Repairs and maintenance	6,286	26,159	25,211	187,264
Claims expense	1,905,646	12,360,305	-	-
Total Operating Expenses	3,046,403	13,898,704	1,086,727	5,968,387
OPERATING INCOME (LOSS)	(2,669,170)	(8,179,459)	225,733	(1,356,296)
NONOPERATING REVENUES (EXPENSES)				
Interest income	12,519	88,417	3,008	25,575
Interest (expense)	-	-	-	-
Gain or (loss) on disposal of assets	-	-	-	-
Total Nonoperating Revenues (Expenses)	12,519	88,417	3,008	25,575
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(2,656,651)	(8,091,042)	228,741	(1,330,721)
TRANSFERS IN	-	-	-	-
TRANSFERS OUT	-	-	-	-
CHANGES IN NET POSITION	(2,656,651)	(8,091,042)	228,741	(1,330,721)
NET POSITION - JULY 1	(1,545,399)	(5,939,719)	(876,238)	79,417
PRIOR-PERIOD ADJUSTMENT	-	(50,516)	2,053	(514,510)
NET POSITION - JUNE 30	$ (4,202,050)	$ (14,081,277)	$ (645,444)	$ (1,765,814)

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

FACILITIES MAINTENANCE	EQUIPMENT MAINTENANCE	TOTAL	
			OPERATING REVENUES
$ 3,468,104	$ 9,962,479	$ 24,975,827	Charges for services
75,676	2,732	554,193	Miscellaneous
3,543,780	9,965,211	25,530,020	**Total Operating Income**
			OPERATING EXPENSES
2,501,430	3,406,375	10,361,873	Salaries and wages
72,986	188,378	1,978,876	Contractual services
274,379	4,463,420	4,772,651	Operating supplies
539,809	31,540	1,269,173	Utilities
11,953	314,358	556,932	Depreciation
373,768	583,521	3,311,762	General and administrative
85,793	958,406	1,289,119	Repairs and maintenance
-	-	14,265,951	Claims expense
3,860,118	9,945,998	37,806,337	**Total Operating Expenses**
(316,338)	19,213	(12,276,317)	**OPERATING INCOME (LOSS)**
			NONOPERATING REVENUES (EXPENSES)
(1,044)	4,789	133,264	Interest income
-	(38)	(38)	Interest (expense)
-	-	-	Gain or (loss) on disposal of assets
(1,044)	4,751	133,226	**Total Nonoperating Revenues (Expenses)**
(317,382)	23,964	(11,152,659)	**INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS**
94,089	606,368	700,457	**TRANSFERS IN**
-	-	-	**TRANSFERS OUT**
(223,293)	630,332	(11,442,634)	**CHANGES IN NET POSITION**
(3,965,195)	(3,830,706)	(16,077,840)	**NET POSITION - JULY 1**
(625,135)	(501,245)	(1,689,353)	**PRIOR-PERIOD ADJUSTMENT**
$ (4,813,623)	$ (3,701,619)	$ (29,209,827)	**NET POSITION - JUNE 30**

CITY OF OXNARD, CALIFORNIA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED JUNE 30, 2018

	PUBLIC LIABILITY/ PROPERTY DAMAGE	WORKERS' COMPENSATION	UTILITY CUSTOMER SERVICE
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 394,044	$ 5,724,152	$ 1,312,460
Payments to suppliers	(989,395)	(1,289,983)	(570,874)
Payments to employees	(97,661)	(324,344)	(519,876)
Cash paid to claimants	(54,149)	(4,260,755)	-
Net Cash Provided By (Used In) Operating Activities	(747,161)	(150,930)	221,710
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Collection/(issuance) of advances	-	(4,907)	-
Transfers in	-	-	-
Net Cash Provided By (Used In) Capital Financing Activities	-	(4,907)	-
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Purchases of capital assets	-	-	-
Interest paid on long-term debt	-	-	-
Net Cash Provided By (Used In) Capital Financing Activities	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	12,519	88,417	3,008
Net Cash Provided By (Used In) Investing Activities	12,519	88,417	3,008
NET INCREASE (DECREASE) IN CASH AND INVESTMENTS	(734,642)	(67,420)	224,718
CASH AND INVESTMENTS - JULY 1	2,218,050	8,360,696	86,778
CASH AND INVESTMENTS - JUNE 30	$ 1,483,408	$ 8,293,276	$ 311,496
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	$ (2,669,170)	$ (8,179,459)	$ 225,733
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities			
Depreciation and amortization	1,000	-	-
Changes in Operating Assets and Liabilities			
(Increase) decrease in accounts receivable and due from other funds and governments	16,811	4,907	-
Increase (decrease) in accounts payable and other liabilities	59,322	(18,242)	(20,278)
Increase (decrease) in compensated absences	-	(16,601)	4,143
Increase (decrease) in other post-employment benefits payable	-	59,511	4,693
Increase (decrease) in net pension liabilities	(6,621)	(100,596)	7,419
Increase (decrease) in self-insurance liability	1,851,497	8,099,550	-
Net Cash Provided By (Used In) Operating Activities	$ (747,161)	$ (150,930)	$ 221,710

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

INFORMATION SERVICES	FACILITIES MAINTENANCE	EQUIPMENT MAINTENANCE	TOTAL	
				CASH FLOWS FROM OPERATING ACTIVITIES
$ 4,612,091	$ 3,540,718	$ 9,965,211	$ 25,548,676	Receipts from customers
(2,544,881)	(1,331,758)	(6,234,213)	(12,961,104)	Payments to suppliers
(3,149,481)	(2,279,879)	(3,362,924)	(9,734,165)	Payments to employees
-	-	-	(4,314,904)	Cash paid to claimants
(1,082,271)	(70,919)	368,074	(1,461,497)	**Net Cash Provided By (Used In) Operating Activities**
				CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES
-	4,887	-	(20)	Collection/(issuance) of advances
-	94,089	606,368	700,457	Transfers in
-	98,976	606,368	700,437	**Net Cash Provided By (Used In) Capital Financing Activities**
				CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES
(102,210)	(11,788)	-	(113,998)	Purchases of capital assets
-	-	(38)	(38)	Interest paid on long-term debt
(102,210)	(11,788)	(38)	(114,036)	**Net Cash Provided By (Used In) Capital Financing Activities**
				CASH FLOWS FROM INVESTING ACTIVITIES
25,575	(1,044)	13,185	141,660	Interest on investments
25,575	(1,044)	13,185	141,660	**Net Cash Provided By (Used In) Investing Activities**
(1,158,906)	15,225	987,589	(733,436)	**NET INCREASE (DECREASE) IN CASH AND INVESTMENTS**
2,287,876	110,387	608,147	13,671,934	**CASH AND INVESTMENTS - JULY 1**
$ 1,128,970	$ 125,612	$ 1,595,736	$ 12,938,498	**CASH AND INVESTMENTS - JUNE 30**
				RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES
$ (1,356,296)	$ (316,338)	$ 19,213	$ (12,276,317)	Operating income (loss)
				Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities
229,621	11,953	314,358	556,932	Depreciation and amortization
				Changes in Operating Assets and Liabilities
-	(3,062)	-	18,656	(Increase) decrease in accounts receivable and due from other funds and governments
(341,220)	18,287	(2,911)	(305,042)	Increase (decrease) in accounts payable and other liabilities
(10,154)	(64,401)	(97,310)	(184,323)	Increase (decrease) in compensated absences
581,972	703,841	579,951	1,929,968	Increase (decrease) in other post-employment benefits payable
(186,194)	(421,199)	(445,227)	(1,152,418)	Increase (decrease) in net pension liabilities
-	-	-	9,951,047	Increase (decrease) in self-insurance liability
$ (1,082,271)	$ (70,919)	$ 368,074	$ (1,461,497)	**Net Cash Provided By (Used In) Operating Activities**

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

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FIDUCIARY FUNDS

CITY OF OXNARD, CALIFORNIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS

JUNE 30, 2018

	BALANCE JULY 1, 2017	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2018
ARTWORKS FUND				
ASSETS				
Cash and cash equivalents	$ 54,678	$ 563	$ 133	$ 55,108
Total Assets	$ 54,678	$ 563	$ 133	$ 55,108
LIABILITIES				
Trust and agency payables	$ 54,678	$ 563	$ 133	$ 55,108
Total Liabilities	$ 54,678	$ 563	$ 133	$ 55,108
IMPROVEMENT DISTRICTS FUND				
ASSETS				
Cash and cash equivalents	$ 4,864,517	$ 4,123,237	$ 4,881,213	$ 4,106,541
Due from other governments	118,570	102,491	-	221,061
Investments with fiscal agents	2,493,391	108,279	-	2,601,670
Total Assets	$ 7,476,478	$ 4,334,007	$ 4,881,213	$ 6,929,272
LIABILITIES				
Trust and agency payables	$ 7,476,478	$ 4,334,007	$ 4,881,213	$ 6,929,272
Total Liabilities	$ 7,476,478	$ 4,334,007	$ 4,881,213	$ 6,929,272
ODMD				
ASSETS				
Cash and cash equivalents	$ 55,039	$ 314,766	$ 178,773	$ 191,032
Due from other governments	12,740	101	-	12,841
Total Assets	$ 67,779	$ 314,867	$ 178,773	$ 203,873
LIABILITIES				
Trust and agency payables	$ 67,779	$ 314,867	$ 178,773	$ 203,873
Total Liabilities	$ 67,779	$ 314,867	$ 178,773	$ 203,873
RIVERPARK JPA				
ASSETS				
Cash and cash equivalents	$ 1,052,549	$ 10,841	$ 2,195	$ 1,061,195
Total Assets	$ 1,052,549	$ 10,841	$ 2,195	$ 1,061,195
LIABILITIES				
Trust and agency payables	$ 1,052,549	$ 10,841	$ 2,195	$ 1,061,195
Total Liabilities	$ 1,052,549	$ 10,841	$ 2,195	$ 1,061,195
TOTAL - ALL AGENCY FUNDS				
ASSETS				
Cash and cash equivalents	$ 6,026,783	$ 4,449,407	$ 5,062,314	$ 5,413,876
Due from other governments	131,310	102,592	-	233,902
Investments with fiscal agents	2,493,391	108,279	-	2,601,670
Total Assets	$ 8,651,484	$ 4,660,278	$ 5,062,314	$ 8,249,448
LIABILITIES				
Trust and agency payables	$ 8,651,484	$ 4,660,278	$ 5,062,314	$ 8,249,448
Total Liabilities	$ 8,651,484	$ 4,660,278	$ 5,062,314	$ 8,249,448

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

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STATISTICAL SECTION

CITY OF OXNARD CALIFORNIA

Statistical Section
(Unaudited)

Schedule I	Net Position by Component
Schedule II	Changes in Net Position
Schedule III	Fund Balances of Governmental Funds
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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
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Schedule XVI	Operating Indicators by Function
Schedule XVII	Capital Assets by Function
Schedule XVIII	Principal Employers

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

	Fiscal Year				
	2009	2010	2011	2012	2013
Governmental activities					
Net investment in capital asset	$1,371,345,945	$1,377,784,811	$1,411,737,702	$1,386,189,664	$1,407,060,810
Restricted	12,852,498	25,080,711	72,142,274	18,707,789	28,720,391
Unrestricted	111,642,569	97,095,180	41,934,961	58,748,720	22,539,194
Total governmental activities net position	$1,495,841,012	$1,499,960,702	$1,525,814,937	$1,463,646,173	$1,458,320,395
Business-type activities					
Net investment in capital asset	$238,066,640	$250,720,062	$265,617,506	$264,692,784	$285,475,430
Restricted	7,811,268	17,706,319	18,417,110	17,602,552	16,577,898
Unrestricted	55,267,595	38,725,334	43,239,167	50,315,899	34,418,934
Total business-type activities net position	$301,145,503	$307,151,715	$327,273,783	$332,611,235	$336,472,262
Primary government					
Net investment in capital asset	$1,609,412,585	$1,628,504,873	$1,677,355,208	$1,650,882,448	$1,692,536,240
Restricted	20,663,766	42,787,030	90,559,384	36,310,341	45,298,289
Unrestricted	166,910,164	135,820,514	85,174,128	109,064,619	56,958,128
Total primary government net position	$1,796,986,515	$1,807,112,417	$1,853,088,720	$1,796,257,408	$1,794,792,657

Source: Finance Department, City of Oxnard

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

Fiscal Year					
2014	2015	2016	2017	2018	
					Governmental activities
$1,400,890,107	$1,455,133,818	$ 1,422,282,798	$ 2,001,415,357	$ 1,994,002,850	Net investment in capital asset
45,801,395	112,198,502	112,286,017	130,642,696	134,054,312	Restricted
8,226,160	(220,258,407)	(197,252,502.00)	(185,857,985.00)	(234,226,319)	Unrestricted
$1,454,917,662	$1,347,073,913	$1,337,316,313	$1,946,200,068	$1,893,830,843	Total governmental activities net position
					Business-type activities
$287,649,591	$225,738,617	$ 223,977,717	$228,709,541	224,139,834	Net investment in capital asset
17,096,075	15,400,679	38,064,498	41,732,645	48,789,711	Restricted
44,328,734	28,909,066	3,139,325	7,938,770	20,863,126	Unrestricted
$349,074,400	$270,048,362	$265,181,540	$278,380,956	$293,792,671	Total business-type activities net position
					Primary government
$1,688,539,698	$1,680,872,435	$1,646,260,515	$2,230,124,898	2,218,142,684	Net investment in capital asset
62,897,470	127,599,181	150,350,515	172,375,341	182,844,023	Restricted
52,554,894	(191,349,341)	(194,113,177)	(177,919,215)	(213,363,193)	Unrestricted
$1,803,992,062	$1,617,122,275	$1,602,497,853	$2,224,581,024	2,187,623,514	Total primary government net position

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

	Fiscal Year				
	2009	2010	2011	2012	2013
Expenses					
Governmental activities:					
General government	$19,717,999	$18,695,220	$20,845,702	$18,680,585	$18,129,124
Public safety	86,249,353	92,554,917	92,702,882	98,603,456	103,079,427
Transportation	10,600,127	10,321,184	10,521,098	11,030,990	10,331,822
Community development	26,989,828	32,863,176	26,225,688	33,705,121	21,162,624
Culture and leisure	20,945,072	19,016,619	19,047,037	18,858,694	19,334,566
Libraries	5,341,028	5,176,704	5,230,252	5,203,318	4,916,628
Interest on long-term debt	6,519,008	5,583,856	5,503,330	3,532,902	2,973,016
Total governmental activities expenses	176,362,415	184,211,676	180,075,989	189,615,066	179,927,207
Business-type activities:					
Water	29,837,359	36,797,806	34,062,940	37,910,096	44,762,850
Wastewater	22,337,575	24,205,554	23,052,505	29,078,392	34,396,819
Environmental resource	41,117,534	39,296,115	41,405,568	41,581,865	40,601,250
Performing arts and convention center	1,799,861	1,651,658	1,606,129	1,587,496	1,534,353
Oxnard housing authority	26,153,807	25,259,519	24,911,450	24,398,669	25,397,453
Municipal golf course	7,601,054	4,507,360	6,104,614	6,048,938	6,150,325
Total business-type activities expenses	128,847,190	131,718,012	131,143,206	140,605,456	152,843,050
Total primary government expenses	$305,209,605	$315,929,688	$311,219,195	$330,220,522	$332,770,257
Program Revenues					
Governmental activities:					
Charges for services:					
General government	$9,765,771	$10,203,810	$8,422,050	$9,471,575	$8,408,578
Public safety	5,017,708	4,202,162	4,246,985	4,426,984	4,460,425
Transportation	4,042,492	5,068,843	2,131,535	2,145,431	3,152,660
Community development	11,825,981	6,366,499	7,198,058	12,576,655	4,316,880
Culture and leisure	5,273,551	5,237,167	5,037,380	5,605,866	4,667,879
Libraries	260,577	428,872	399,582	378,004	427,152
Operating grants and contributions	25,875,331	24,380,018	27,293,717	30,155,325	27,406,424
Capital grants and contributions	9,420,033	17,106,111	35,331,568	16,598,931	8,313,758
Total governmental activities program revenues	71,481,444	72,993,482	90,060,875	81,358,771	61,153,756

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

Fiscal Year					
2014	2015	2016	2017	2018	
					Expenses
					Governmental activities:
$17,851,478	$12,223,337	$8,354,282	$30,057,710	$ 56,051,634	General government
105,886,922	97,913,468	90,250,713	95,103,088	114,056,089	Public safety
10,151,437	23,333,586	29,435,256	8,753,004	13,352,627	Transportation
16,445,165	13,137,896	12,634,325	12,476,593	17,439,549	Community development
20,089,724	28,136,349	28,226,543	26,192,756	30,577,155	Culture and leisure
4,901,223	4,498,950	3,930,974	4,065,853	3,462,308	Libraries
2,792,053	4,517,686	4,920,717	4,755,955	9,745,886	Interest on long-term debt
178,118,002	183,761,272	177,752,810	181,404,959	$ 244,685,248	Total governmental activities expenses
					Business-type activities:
44,839,558	55,799,990	$56,786,402	57,904,193	57,617,733	Water
34,959,148	37,993,468	34,807,726	32,926,365	33,512,156	Wastewater
39,083,017	37,802,942	37,644,732	42,534,157	45,633,543	Environmental resource
1,543,601					Performing arts and convention center
25,617,591	23,584,181	23,441,364	26,060,498	27,888,924	Oxnard housing authority
6,399,227					Municipal golf course
152,442,142	155,180,581	152,680,224	159,425,213	164,652,356	Total business-type activities expenses
$330,560,144	$338,941,853	$330,433,034	$340,830,172	$409,337,604	Total primary government expenses
					Program Revenues
					Governmental activities:
					Charges for services:
$8,808,647	$5,165,703	$20,541,355	$20,460,685	$ 13,020,442	General government
4,878,804	4,904,728	8,015,887	6,528,319	7,913,075	Public safety
3,345,515	2,630,954	5,930,798	3,072,659	1,883,525	Transportation
7,767,004	16,542,075	10,212,020	13,353,523	7,583,696	Community development
4,889,702	7,932,322	3,845,441	10,530,587	12,279,491	Culture and leisure
444,458	521,672	451,633	372,517	168,784	Libraries
32,350,516	29,420,545	9,526,620	16,948,122	16,938,767	Operating grants and contributions
7,486,869	12,300,850	9,925,337	3,276,277	3,501,368	Capital grants and contributions
69,971,515	79,418,849	68,449,091	74,542,689	63,289,148	Total governmental activities program revenues

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

	Fiscal Year				
	2009	2010	2011	2012	2013
Business-type activities:					
Charges for services:					
Water	$38,477,754	$38,439,653	$43,170,566	$46,769,748	$51,056,102
Wastewater	24,846,717	22,566,372	25,157,094	31,528,171	30,998,260
Environmental resource	39,695,711	40,468,627	45,047,154	44,217,775	42,535,271
Performing arts and convention center	483,371	513,857	439,653	545,270	483,778
Oxnard housing authority	6,105,106	4,686,681	4,786,715	5,157,388	5,173,132
Municipal golf course	4,398,074	4,278,241	3,905,224	4,063,299	4,157,668
Operating grants and contributions	19,635,556	20,781,204	20,524,235	18,727,259	18,595,158
Capital grants and contributions	543,140	192,400	2,308,206	1,002,582	966,935
Total business-like activities program revenues	134,185,429	131,927,035	145,338,847	152,011,492	153,966,304
Total primary government program revenues	$205,666,873	$204,920,517	$235,399,722	$233,370,263	$215,120,060
Net (expense) revenue					
Governmental activities	(104,880,971)	(111,218,194)	(90,015,114)	(108,256,295)	(118,773,451)
Business-like activities	5,338,239	209,023	14,195,641	11,406,036	1,123,254
Total primary government net expense	($99,542,732)	($111,009,171)	($75,819,473)	($96,850,259)	($117,650,197)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	$76,681,392	$72,817,719	$71,118,203	$63,176,888	$55,148,254
Sales taxes	24,043,286	28,103,051	33,396,737	37,453,124	35,156,013
Transient occupancy taxes	3,328,803	3,061,163	3,301,864	3,402,793	3,826,954
Franchise taxes	4,635,616	3,439,645	3,495,532	3,435,823	3,842,351
Deed transfer taxes	573,882	509,370	528,563	412,471	628,780
Business license taxes	5,059,323	4,692,615	4,412,881	6,125,278	4,562,692
Penalties on delinquent taxes	145,945	136,565	105,158	126,609	121,064
Investment earnings	5,556,004	2,769,250	1,934,083	1,354,128	(21,216)
Sale of capital assets	59,319	694,185	141,123	57,768	119,184
Special items					-
Transfers	(3,764,713)	(885,679)	(2,564,795)	(2,184,229)	(2,166,145)
Extraordinary loss	-	-	-	(65,066,037)	-
Contributions to other government	-	-	-	(14,627)	-
Total governmental activities	116,318,857	115,337,884	115,869,349	48,279,989	101,217,931
Business-type activities:					
Investment earnings	3,299,336	1,911,510	3,361,632	3,168,662	2,445,183
Sale of capital assets	2,862,957	-	-	-	-
Contributions to/(from) other government					-
Transfers	3,764,713	885,679	2,564,795	2,184,229	2,166,145
Total business-type activities	9,927,006	2,797,189	5,926,427	5,352,891	4,611,328
Total primary program	$126,245,863	$118,135,073	$121,795,776	$53,632,880	$105,829,259
Change in Net Position					
Governmental activities	11,437,886	4,119,690	25,854,235	(59,976,306)	(17,555,520)
Business-type activities	15,265,245	3,006,212	20,122,068	16,758,927	5,734,582
Total primary government	$26,703,131	$7,125,902	$45,976,303	($43,217,379)	($11,820,938)

Source: Finance Department, City of Oxnard

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

Fiscal Year					
2014	2015	2016	2017	2018	
					Business-type activities:
					Charges for services:
$52,742,289	$48,048,380	$47,502,553	$50,364,868	62,447,893	Water
31,335,380	32,074,140	30,622,683	39,565,773	41,076,417	Wastewater
44,392,421	43,394,227	41,498,072	48,039,047	48,910,217	Environmental resource
666,820					Performing arts and convention center
26,158,985		6,569,503	5,267,343	5,968,193	Oxnard housing authority
4,471,706	5,168,698				Municipal golf course
53,734	17,853,909	19,655,951	21,177,738	21,635,711	Operating grants and contributions
671,012	919,149	946,347	963,291	1,349,188	Capital grants and contributions
160,492,347	147,458,503	146,795,109	165,378,060	181,387,619	Total business-like activities program revenues
$230,463,862	$226,877,352	$215,244,200	$239,920,749	$244,676,767	Total primary government program revenues
					Net (expense) revenue
(108,146,487)	(104,342,423)	(109,503,819)	(106,862,270)	(181,396,100)	Governmental activities
8,050,205	(7,722,078)	(5,885,115)	5,952,847	16,735,263	Business-like activities
($100,096,282)	($112,064,501)	($115,388,934)	($100,909,423)	($164,660,837)	Total primary government net expense
					General Revenues and Other Changes in Net Position
					Governmental activities:
					Taxes
$54,783,756	$58,633,590	$61,571,660	$60,802,119	$ 67,165,834	Property taxes
38,330,268	40,624,737	43,163,411	44,092,707	43,418,876	Sales taxes
4,239,111	4,649,292	5,044,231	5,174,427	5,749,572	Transient occupancy taxes
3,775,233	4,093,435	3,854,116	3,703,971	3,925,374	Franchise taxes
519,093	758,502	690,805	729,609	818,322	Deed transfer taxes
5,125,801	5,104,859	5,422,499	5,348,086	5,570,488	Business license taxes
157,998	141,127	225,990	228,899	313,847	Penalties on delinquent taxes
1,165,783	807,618	752,064	1,989,004	1,404,527	Investment earnings
114,348	-	-	-	-	Sale of capital assets
-	-	-	-	10,657,104	Special items
(2,207,463)	6,439,487	62,396	442,852	200,818	Transfers
-	-	-	-	-	Extraordinary loss
-	-	-	-	(1,940,127)	Contributions to other government
106,003,928	121,252,647	120,787,172	122,511,674	137,284,635	Total governmental activities
					Business-type activities:
2,997,078	2,735,395	2,482,980	2,440,982	1,839,114	Investment earnings
-	-	-	-	-	Sale of capital assets
-	-	-	-	1,940,127	Contributions to/(from) other government
2,207,463	(6,439,487)	(62,396)	(442,852)	(200,818)	Transfers
5,204,541	(3,704,092)	2,420,584	1,998,130	3,578,423	Total business-type activities
$111,208,469	$117,548,555	$123,207,756	$124,509,804	$140,863,058	Total primary program
					Change in Net Position
(2,142,559)	16,910,224	11,283,353	28,544,712	(44,111,465)	Governmental activities
13,254,746	(11,426,170)	(3,464,531)	8,891,341	20,313,686	Business-type activities
$11,112,187	$5,484,054	$7,818,822	$37,436,053	($23,797,779)	Total primary government

City of Oxnard, California

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

	Fiscal Year				
	2009	2010	2011	2012	2013
General Fund					
Reserved	$ -	$ -	$ -	$ -	$ -
Unreserved	23,794,737	29,726,794	-	-	4,714,203
Nonspendable	-	-	-	-	1,482,872
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	17,472,751	18,093,783	14,658,123
Unassigned	-	-	15,648,084	15,666,268	11,359,847
Total general fund	$23,794,737	$29,726,794	$ 33,120,835	$ 33,760,051	$ 32,215,045
All other governmental funds					
Reserved	$ 12,852,498	$ 13,811,524	$ -	$ -	$ -
Unreserved, reported in:					
Special revenue funds	61,924,849	61,896,005	-	-	-
Capital projects funds	72,705,295	59,395,831	-	-	-
Nonspendable	-	-	13,230,067	-	3,305,113
Restricted	-	-	34,500,580	18,707,789	27,237,519
Assigned	-	-	80,823,243	51,415,603	4,456,543
Unassigned	-	-	(2,764,967)	(6,386,154)	14,859,161
Total all other governmental funds	$147,482,642	$135,103,360	$ 125,788,923	$ 63,737,238	$ 49,858,336

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					
2014	2015	2016	2017	2018	
					General Fund
$ -	$ -	$ -	-	$ -	Reserved
4,620,492	-	-	-	-	Unreserved
	-	-	-	-	Nonspendable
-	-	550,000	835,296	10,558,537	Restricted
-	-	-	-	12,662,261	Committed
18,409,417	11,315,859	15,879,092	23,283,091	-	Assigned
13,916,093	13,459,906	17,858,980	22,150,403	17,241,635	Unassigned
$ 36,946,002	$ 24,775,765	$ 34,288,072	$ 46,268,790	$ 40,462,433	Total general fund
					All other governmental funds
$ -	$ -	$ -		$ -	Reserved
					Unreserved, reported in:
-	-	-		-	Special revenue funds
-	-	-		-	Capital projects funds
-	-	104,736		-	Nonspendable
49,083,954	74,810,464	69,258,707	80,403,821	73,585,992	Restricted
5,498,036	9,639,955	10,007,525	12,774,735	17,563,011	Assigned
(2,062,158)	(1,493,635)	(290,834)	(762,744)	-	Unassigned
$ 52,519,832	$ 82,956,784	$ 79,080,134	$ 92,415,812	$ 91,149,003	Total all other governmental funds

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

	Fiscal Year				
	2009	2010	2011	2012	2013
Revenues					
Taxes	$114,468,247	$112,760,128	$116,358,938	$114,132,986	$103,286,108
Licenses and permits	2,470,865	2,267,581	2,002,416	3,662,851	2,702,302
Intergovernmental	32,290,549	42,232,125	58,971,454	39,321,626	38,740,617
Growth and development fees	7,210,668	1,502,781	2,663,779	5,979,605	1,828,294
Charges for services	10,705,908	11,007,992	10,668,661	9,967,288	9,175,312
Fines and forfeitures	1,408,066	1,213,655	1,233,733	1,311,689	977,098
Interest	5,556,004	2,769,250	1,934,083	1,105,534	(21,216)
Special assessments	8,611,926	9,168,150	9,013,480	8,084,122	7,971,903
Contributions from property owners	-	-	-	-	-
Rental income	-	-	-	148,993	-
Investment income	-	-	-	248,594	-
Miscellaneous	5,837,966	8,268,073	3,673,052	8,304,617	4,359,097
Total revenues	188,560,199	191,189,735	206,519,596	192,267,905	169,019,515
Expenditures					
General government	11,883,205	11,145,722	11,041,050	10,355,408	10,438,952
Public safety	74,877,737	84,818,990	84,439,008	86,218,656	91,190,673
Transportation	9,829,554	10,137,568	10,338,211	10,347,787	9,659,263
Community development	25,832,640	32,073,825	24,803,125	22,357,237	20,333,591
Culture and leisure	19,348,413	17,751,755	17,789,287	17,175,797	17,779,933
Library services	4,755,540	4,632,177	4,682,033	4,553,275	4,334,991
Capital outlay	43,704,965	34,739,151	54,785,588	46,868,230	33,897,212
Debt Service:					
Principal	3,168,595	3,743,020	3,926,631	4,362,740	3,451,261
Interest	5,574,369	5,230,494	5,151,761	4,061,894	2,941,600
Total expenditures	198,975,018	204,272,702	216,956,694	206,301,024	194,027,476
Excess of revenues over (under) expenditures	(10,414,819)	(13,082,967)	(10,437,098)	(14,033,119)	(25,007,961)
Other Financing Sources (Uses)					
Payment to escrow agent	-	-	-	-	(6,197,285)
Proceeds from sale of property	-	-	-	-	-
Proceeds from sale of bonds	11,790,000	1,395,646	1,295,771	3,680,714	6,802,986
Cost of issuance	-	-	-	-	-
Bond discount	(116,979)	-	-	-	48,238
Transfers in	10,573,077	10,550,390	11,718,345	6,108,518	5,869,128
Transfers out	(14,337,790)	(5,310,294)	(8,497,414)	(8,292,747)	(8,035,273)
Total other financing sources (uses)	7,908,308	6,635,742	4,516,702	1,496,485	(1,512,206)
Special items:					
Bond proceeds from Successor Agency	-	-	-	-	-
Contributions from other funds	-	-	-	76,891,362	-
Contributions to other funds	-	-	-	(76,891,362)	-
Capital contributions	-	-	-	(14,627)	-
Extraordinary loss	-	-	-	(48,861,208)	-
Total special items	-	-	-	(48,875,835)	-
Net change in fund balances	($2,506,511)	($6,447,225)	($5,920,396)	($61,412,469)	($26,520,167)
Debt service as a percentage of noncapital expenditures	5.63%	5.29%	5.60%	5.28%	3.99%

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

Fiscal Year					
2014	2015	2016	2017	2018	
					Revenues
$106,888,431	$113,864,415	$119,746,722	$119,850,919	$ 126,648,408	Taxes
3,628,916	3,092,838	3,402,217	4,222,838	3,306,324	Licenses and permits
40,960,669	41,721,395	21,455,873	20,224,399	20,440,135	Intergovernmental
3,512,534	3,442,898	4,452,750	7,100,771	2,342,768	Growth and development fees
9,617,645	11,144,204	25,471,392	23,969,821	20,570,129	Charges for services
699,521	765,857	1,413,718	2,537,822	2,438,772	Fines and forfeitures
1,165,783	657,609	657,140	1,949,489	1,271,263	Interest
8,022,913	7,993,871	9,613,886	8,367,032	9,018,025	Special assessments
-	-	-	-	-	Contributions from property owners
-	-	-	-	-	Rental income
-	-	-	-	-	Investment income
6,803,374	11,233,279	4,987,667	8,588,557	6,339,266	Miscellaneous
181,299,786	193,916,366	191,201,365	196,811,648	192,375,090	Total revenues
					Expenditures
9,926,024	13,384,549	11,368,350	13,360,687	17,769,349	General government
93,875,139	95,777,400	93,676,090	94,676,659	102,770,375	Public safety
9,495,806	9,228,976	7,325,513	8,314,157	12,346,380	Transportation
15,495,566	12,680,862	12,268,857	16,462,067	15,832,210	Community development
18,504,287	24,346,307	23,002,548	24,048,819	27,192,908	Culture and leisure
4,241,345	4,498,950	3,935,250	3,485,181	3,311,739	Library services
13,983,543	13,835,114	20,898,762	8,737,398	16,767,682	Capital outlay
					Debt Service:
3,764,935	6,884,661	6,641,368	5,573,572	33,063,145	Principal
2,776,612	4,225,920	4,530,126	4,932,901	9,276,932	Interest
172,063,257	184,862,739	183,646,864	179,591,441	238,330,720	Total expenditures
9,236,529	9,053,627	7,554,501	17,220,207	(45,955,630)	Excess of revenues over (under) expenditures
					Other Financing Sources (Uses)
-	-	-	-	-	Payment to escrow agent
-	-	-	-	-	Proceeds from sale of property
363,387	23,765,460	-	-	37,608,582	Proceeds from sale of bonds
-	(3,764,693)	-	-	-	Cost of issuance
-	-	-	-	-	Bond discount/premuim
5,570,120	14,594,844	10,964,565	9,632,647	13,140,181	Transfers in
(7,777,583)	(19,495,238)	(11,125,968)	(9,957,565)	(13,639,820)	Transfers out
(1,844,076)	15,100,373	(161,403)	(324,918)	37,108,943	Total other financing sources (uses)
					Special items:
-	-	-	9,896,298	-	Bond proceeds from Successor Agency
-	-	-	-	-	Contributions from other funds
-	-	-	-	-	Contributions to other funds
-	-	-	-	-	Capital contributions
-	-	-	-	-	Extraordinary loss
-	-	-	9,896,298	-	Total special items
$7,392,453	$24,154,000	$7,393,098	$26,791,587	($8,846,687)	Net change in fund balances
4.14%	6.50%	6.86%	6.15%	19.11%	Debt service as a percentage of noncapital expenditures

City of Oxnard, California

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

Fiscal Year	Property Tax	Sales Tax	Transient Occupancy Tax	Franchise Tax	Deed Transfer Tax	Business License	Penalties and Interest	Total
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	142,127	114,006,542
2016	61,571,660	43,163,411	5,044,231	3,854,116	690,805	5,422,499	225,990	119,972,712
2017	60,802,119	44,092,707	5,174,427	3,703,971	729,609	5,348,086	228,899	120,079,818
2018	67,165,834	43,418,876	5,749,572	3,925,374	818,322	5,570,488	313,847	126,962,313

Source: Finance Department, City of Oxnard

SCHEDULE VI

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

Fiscal Year	Land	Improvements	Personal Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
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%
2016	7,653,508,229	10,068,135,286	652,518,246	753,110,464	17,621,051,297	1.24681%	17,621,051,297	100.00%
2017	8,130,791,365	10,403,624,296	664,679,543	784,759,788	18,414,335,416	1.22456%	18,414,335,416	100.00%
2018	8,649,933,708	10,789,755,377	656,241,587	840,285,136	19,255,645,536	1.22618%	19,255,645,536	100.00%

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

SCHEDULE VII

Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal	City Direct Rates			Overlapping Rates			Total Direct &
Year	Basic (1)	Debt Service(2)	Total Direct (3)	School Districts (4)	Water Districts (5)	Total Overlapping	Overlapping Rates
2009	1.00000%	0.19334%	1.19334%	0.11160%	0.01720%	0.12880%	1.32214%
2010	1.00000%	0.20384%	1.20384%	0.11470%	0.01720%	0.13190%	1.33574%
2011	1.00000%	0.22054%	1.22054%	0.11990%	1.48000%	1.59990%	2.82044%
2012	1.00000%	0.20544%	1.20544%	0.12200%	0.01480%	0.13680%	1.34224%
2013	1.00000%	0.20424%	1.20424%	0.11980%	0.00350%	0.12330%	1.32754%
2014	1.00000%	0.23154%	1.23154%	0.14140%	0.00350%	0.14490%	1.37644%
2015	1.00000%	0.22204%	1.22204%	0.12060%	0.00350%	0.12410%	1.34614%
2016	1.00000%	0.21146%	1.24681%	0.12640%	0.00350%	0.12990%	1.37671%
2017	1.00000%	0.22456%	1.22456%	0.13840%	0.00350%	0.14190%	1.36646%
2018	1.00000%	0.22618%	1.22618%	0.29110%	0.00350%	0.29460%	1.52078%

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.
(2) Total Direct Rate is the weighted average of all individual direct rates applied by the Entity preparing the statistical section and excludes revenues derived from aircarft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rates. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For report purposes, residual revenue is assumed to have been distributed to the City in the same proportion as General Fund Revenue.
(3) Total Direct rate as presented is the Basic Levy plus Direct Debt Service
(4) The school district rates are for applicable school districts
(5) Overlapping rate for Metroploitan Water District and Calleguas Muni Water Annex#16. Reflects actual overlapping rate. Not all overlapping rates apply to all city property owners.

Source: County of Ventura, Office of the Auditor-Controller
HdL, Coren & Cone

City of Oxnard, California

SCHEDULE VIII

Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2018 Taxable Assessed Value	2018 Rank	2018 Percentage of Total Taxable Assessed Value	2009 Taxable Assessed Value	2009 Rank	2009 Percentage of Total Taxable Assessed Value
Proctor & Gamble Paper Products	315,643,782	1	1.627%	286,909,233	1	1.664%
Essex Arbors LP	214,285,422	2	1.105%			
Vintage Production California, LLC	170,505,658	3	0.879%			
SOCM I LLC	112,495,891	4	0.580%			
Serenade Apts Properties Owner LLC	108,620,696	5	0.560%			
HAAS Automation Inc	92,077,000	6	0.475%			
Prime Penisula LP	89,683,858	7	0.462%			
New-Indy Oxnard LLC	77,064,307	8	0.397%			
Duesenberg Investment Company	73,835,719	9	0.381%			
MC Gaelic Group	73,672,172	10	0.380%			
Reliant Energy Ormond Beach, Inc				84,700,000	2	0.491%
MEF Realty				81,333,355	3	0.472%
ESSEX Tierra Vista LP				81,115,378	4	0.470%
GS Channel Islands LLC				80,640,312	5	0.468%
HAAS Automation Inc				79,349,400	6	0.460%
SI VIII LLC				76,591,411	7	0.444%
Duesenberg Investment Company				65,256,074	8	0.379%
Fred Kavili				64,063,151	9	0.372%
D r Horton LA Holding Company				52,995,286	10	0.307%
Other taxpayers	18,070,694,371		93.155%	16,287,478,403		94.473%
Totals	19,398,578,876		100.00%	17,240,432,003		100.000%

Source: HdL Coren & Cone

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 (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (1)	Total Collections to Date	
		Amount (2)	Percentage of Levy		Amount	Percentage of Levy
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	55,367,000	50,243,275	90.75%	456,769	50,700,044	91.57%
2015	56,032,000	53,289,829	95.11%	910,819	54,200,648	96.73%
2016	61,480,511	57,222,321	93.07%	350,407	57,572,728	93.64%
2017	59,960,303	50,883,749	84.86%	1,523,414	52,407,163	87.40%
2018	68,931,117	50,883,749	73.82%	903,482	51,787,231	75.13%

Source: (1) Finance Department, City of Oxnard
(2) County of Ventura

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			
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
2016	66,823,533	23,464,945	-	21,558,130	305,514,850	1,034,692	418,396,150	10.043%	2,021
2017	64,280,135	22,839,973	-	19,873,684	295,626,652	552,843	403,173,287	9.716%	1,940
2018	66,940,356	22,180,000	-	22,695,103	285,427,585	5,073,701	402,316,745	9.312%	1,860

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 HDL Coren & Coen

Source: Finance Department, City of Oxnard
HDL Coren & Coen

City of Oxnard, California

SCHEDULE XI
Direct and Overlapping Governmental Activities Debt
As of June 30, 2018

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
City of Oxnard Overlapping Tax Debt:			
Metropolitan Water District	60,600,000	0.701%	424,806
Ventura County Community College District	283,365,436	15.016%	42,550,154
Oxnard Union High School District	152,002,016	46.534%	70,732,618
Oxnard School District	266,898,773	92.595%	247,134,919
Rio School District	47,085,000	87.014%	40,970,542
Rio School District Community Facilities District No 1	64,770,000	100.000%	64,770,000
Hueneme School District	34,987,102	43.206%	15,116,527
Ocean View School District	12,715,247	40.624%	5,165,442
City of Oxnard Community Facilities District 1	7,720,000	100.000%	7,720,000
City of Oxnard Community Facilities District 3	25,700,000	100.000%	25,700,000
City of Oxnard Boulevard Highway Communities Facilities District	5,925,000	100.000%	5,925,000
City of Oxnard - Rice Avenue/Hwy 101 Assessment District 2001-1	9,635,000	100.000%	9,635,000
City of Oxnard - Oxnard Blvd/Hwy 101 Assessment District 2000-1	1,685,000	100.000%	1,685,000
California Statewide Community Development Authority 1915 Act Bond	140,930	100.000%	140,930
Ventura County General Fund Obligations	336,025,000	15.012%	50,444,073
Ventura County Superintendent of Schools - Certificates of Participation	9,635,000	15.012%	1,446,406
Oxnard Union High School District - Certificates of Participation	16,687,171	46.534%	7,765,208
Ocean View School District - Certificates of Participation	6,814,300	40.624%	2,768,241
Oxnard School District - Certificates of Participation	11,489,400	92.595%	10,638,610
Rio School District - Certificates of Participation	11,305,000	87.014%	9,836,933
Successor Agency - Tax Increment Debt	34,500,000	100.000%	34,500,000
Subtotal - Overlapping Debt	1,399,685,375		655,070,409
City of Oxnard Direct Debt:			
City of Oxnard Lease Revenue Bonds			61,090,000
City of Oxnard Lease Purchase Agrements			16,527,501
City of Oxnard Capital Lease Obligations			1,167,601
Subtotal - Direct Debt			78,785,102
Total Direct and Overlapping Debt			**733,855,511**

Notes:

(1) The percentage of overlapping debt appicable to the City is estimated using assessed property values. Applicable percentages were estimated by determing the portion of the overlapping District's assessed value that is within the boundaries of the City divided l the District's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue bonds, and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	2,493,677	2,349,884	2,333,523	2,322,196	2,319,396	2,427,380	2,593,772	2,643,158	2,762,153	2,888,347
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	2,493,677	2,349,884	2,333,523	2,322,196	2,319,396	2,427,380	2,593,772	2,643,158	2,762,153	2,888,347
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 2018

Assessed value	15,456,926
Add back: exempt real property	3,798,719
Total assessed value	19,255,646
Debt limit (15% of total assessed value)	2,888,347
Debt applicable to limit:	
General obligation bonds	374,548
Less: assets in debt service funds for principal payments	
Revenue bonds - governmental activities	(66,940)
Revenue bonds - business-type activities	(285,428)
Tax allocation bonds-community development commission	-
Certificates of participation	(22,180)
Total net debt applicable limit	(0.00)
Legal debt margin	2,888,347

Source: County of Ventura
Finance Department, City of Oxnard

City of Oxnard, California

SCHEDULE XIII

Pledged Revenue Coverage
Last Ten Fiscal Years

Water Revenue Bonds

Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Interest	Coverage
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	4,017,916	10,480,270	0.78
2016	49,612,518	39,489,138	10,123,380	4,144,638	10,259,011	0.70
2017	52,568,502	40,588,814	11,979,688	4,290,245	10,139,238	0.83
2018	63,762,875	39,787,848	23,975,027	4,474,671	9,973,380	1.66

Environmental Resources Revenue Bonds

Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Interest	Coverage
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	2,813,015	254,592	2.50
2016	41,677,411	36,427,580	5,249,831	1,930,153	250,937	2.41
2017*	-	-	-	-	-	-
2018*	-	-	-	-	-	-

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.
* There was no pledged revenue during this year.
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
28,762,308	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	23,548,005	8,621,029	4,193,581	6,586,349	0.80	2015
30,622,683	21,786,745	8,835,938	4,302,474	4,731,254	0.98	2016
39,609,685	20,434,186	19,175,499	4,353,176	4,643,123	2.13	2017
40,284,050	20,836,258	19,447,792	4,481,192	4,807,258	2.09	2018

Oxnard Housing Authority Revenue Bonds

Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Interest	Coverage	Fiscal Year
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	22,346,820	772,634	280,000	160,170	1.76	2015
23,119,454	22,587,321	532,133	295,000	149,436	1.20	2016
26,476,702	25,300,241	1,176,461	310,000	132,968	2.66	2017
27,712,683	27,085,179	627,504	320,000	(130,683)	3.31	2018

City of Oxnard, California

SCHEDULE XIV

Demographic and Economic Statistics

Last Ten Fiscal Years

Fiscal Year	(1) Population	(2) Personal Income (in thous)	(2) Per Capita Income	(3) Median Age	(4) School Enrollment	(5) Unemployment Rate
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%
2016	206,997	4,166,242	20,127	30.7	39,425	6.2%
2017	207,772	4,149,665	19,972	30.8	41,338	5.6%
2018	206,499	4,320,613	20,923	31.4	39,461	5.1%

Sources: (1) California Department of Finance, Demographic Research Unit.
(2) HdL Coren & Cone
(3) HdL Coren & Cone, US Census Bureau Community Facts
(4) Oxnard School Districts (Elementary) and Oxnard Union High School District , Oxnard College

City of Oxnard, California

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

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General government	234	234	234	228	227	230	230	228	224	288
Public Safety										
Police										
Officers	293	237	237	236	252	249	252	243	252	268
Civilians	95	151	151	151	155	159	157	151	110	114
Fire										
Firefighters & officers	100	103	103	101	101	110	125	125	125	150
Civilians	7	3	3	3	3	3	3	3	3	4
Transportation	50	50	50	49	49	44	43	25	16	27
Community development	66	66	66	66	60	58	59	50	52	57
Culture and recreation	85	85	85	83	83	83	81	67	55	95
Utilities										
Water	45	51	51	51	51	50	50	52	53	56
Wastewater	72	72	72	70	76	79	80	81	81	74
Environmental Resources	78	78	78	79	79	80	118	113	118	175
Housing	81	81	81	83	82	82	81	80	81	70
Total	1,206	1,211	1,211	1,200	1,217	1,226	1,278	1,218	1,171	1,378

Source: Finance Department, City of Oxnard

SCHEDULE XVI
Operating Indicators by Function
Last Ten Fiscal Years

Function	2009	2010	2011	2012	2013
Police					
Physical arrests	7,842	7,794	8,116	7,278	6,790
Parking violations	37,968	35,346	35,091	34,914	32,120
Traffic violations	23,305	25,288	25,517	22,294	15,800
Fire					
Number of calls answered	13,310	13,417	13,813	13,381	14,127
Inspections	4,244	4,777	5,614	4,212	5,000
Highways and streets					
Potholes repaired	12,300	12,650	13,000	14,000	13,000
Sanitation					
Total number of customers	37,195	37,124	43,991	44,034	44,312
Refuse/recyclables collected (tons/day)	571	570	577	558	569
Recyclables collected (tons/day)	95	91	93	98	98
Culture and recreation					
Community center admissions	51,872	27,934	29,655	33,751	29,910
Water					
Total number of customers	40,206	40,756	40,785	41,064	41,019
Average daily consumption	25,781,331	23,246,924	23,293,140	23,094,489	23,578,792
Wastewater					
Total number of customers	37,251	38,081	38,158	38,379	38,712
Average daily sewerage treatment	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000

Source: Various departments, City of Oxnard

SCHEDULE XVI
Operating Indicators by Function
Last Ten Fiscal Years

2014	2015	2016	2017	2018	Function
					Police
6,169	7,388	7,063	6,641	6,495	Physical arrests
25,130	26,033	32,288	32,273	25,663	Parking violations
17,775	18,596	15,845	16,935	18,745	Traffic violations
					Fire
14,770	15,560	17,678	17,974	25,005	Number of calls answered
3,588	3,030	2,296	1,463	3,710	Inspections
					Highways and streets
13,500	13,000	12,500	12,500	12,500	Potholes repaired
					Sanitation
44,677	44,944	45,266	45,537	45,773	Total number of customers
582	605	608	626	645	Refuse/recyclables collected (tons/day)
101	98	101	104	125	Recyclables collected (tons/day)
					Culture and recreation
22,980	35,857	28,896	26,343	26,196	Community center admissions
					Water
41,319	41,437	41,635	42,301	42,041	Total number of customers
24,041,322	21,014,055	21,701,750	22,130,222	22,444,527	Average daily consumption
					Wastewater
38,971	39,210	39,374	39,580	39,735	Total number of customers
19,700,000	19,700,000	19,700,000	18,800,000	19,080,000	Average daily sewerage treatment

Source: Various departments, City of Oxnard

City of Oxnard, California

SCHEDULE XVII
Capital Assets by Function
Last Ten Fiscal Years

Function	2009	2010	2011	2012	2013
Public safety					
Police					
Stations	1	1	1	1	1
Police vehicles	223	171	264	275	268
Fire					
Stations	7	7	7	7	7
Hydrants	6,282	5,413	5,413	5,430	5,500
Sanitation					
Collection trucks	52	52	52	51	51
Highways and streets					
Streets (miles)	400	400	400	400	400
City-owned streetlights	654	674	674	674	974
SCE-owned streetlights	9,371	9,943	9,943	10,005	10,067
Culture and recreation					
Parks acreage	550	550	550	550	550
Parks	58	58	58	58	58
Ball diamonds	30	30	37	37	37
Basketball courts	29	29	47	47	47
Craft/Activity buildings	8	8	10	10	10
Gymnasium	2	2	2	2	2
Swimming pools	1	1	1	1	1
Tennis courts	31	31	30	30	30
Community centers	3	3	3	3	3
Library					
Number of books	353,455	356,456	356,624	362,753	337,015
Number of microfilms	8,525	8,572	8,634	8,708	8,726
Number of audiotapes	20,864	21,345	22,105	21,676	20,060
Number of videotapes	15,318	16,045	16,015	17,288	14,688
Number of DVD					
Number of CD-ROMS (data disk)	632	689	617	620	438
Water					
Water mains (miles)	663	592	592	597	600
Maximum daily treatment capacity	18,600,000	18,600,000	18,600,000	18,600,000	18,600,000
Sewer					
Miles of sewer lines	445	445	445	445	445

Source: Various departments, City of Oxnard
* Transitioned from video tapes to DVD's

City of Oxnard, California

SCHEDULE XVII
Capital Assets by Function
Last Ten Fiscal Years

2014	2015	2016	2017	2018	Function
					Public safety
					Police
1	1	1	1	1	Stations
268	311	233	236	236	Police vehicles
					Fire
7	8	8	8	8	Stations
5,500	5,500	5,500	5,551	5,551	Hydrants
					Sanitation
51	50	52	52	50	Collection trucks
					Highways and streets
400	400	432	432	451	Streets (miles)
974	972	980	1,025	1,025	City-owned streetlights
10,192	10,225	10,225	10,240	10,242	SCE-owned streetlights
					Culture and recreation
550	555	561	561	561	Parks acreage
58	59	62	61	61	Parks
37	37	22	27	29	Ball diamonds
47	48	25	30	30	Basketball courts
10	10	2	2	2	Craft/Activity buildings
2	2	2	2	2	Gymnasium
1	1	1	1	1	Swimming pools
30	30	25	33	32	Tennis courts
3	3	2	3	3	Community centers
					Library
325,906	318,644	316,646	333,016	366,051	Number of books
8,729	8,729	5,885	8,323	7,822	Number of microfilms
20,423	19,618	18,902	10,922	13,003	Number of audiotapes
15,025	14,167	14,259	-	-	Number of videotapes
			19,249*	17,947*	Number of DVD
447	16	3,072	-	-	Number of CD-ROMS (data disk)
					Water
600	600	600	624	624	Water mains (miles)
18,600,000	18,600,000	18,600,000	18,600,000	18,600,000	Maximum daily treatment capacity
					Sewer
430	430	430	430	430	Miles of sewer lines

Source: Various departments, City of Oxnard
* Transitioned from video tapes to DVD's

City of Oxnard, California

SCHEDULE XVIII
Principal Employers
Current Year and Nine Years Ago

Employer	2017*		2009	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Haas Automation	1,589	20.63%	996	1.219%
Oxnard Union School District	1,463	18.99%	1,500	1.836%
City of Oxnard	1,171	15.19%	1,167	1.428%
Pashan Management Corp.	854	11.09%	N/A	N/A
Procter & Gamble-Paper Products	650	8.44%	N/A	N/A
Waterway Plastics Inc	543	7.05%	1,300	1.591%
CalAmp Corp.	419	5.44%	N/A	N/A
Raypak	396	5.14%	N/A	N/A
Procter & Gamble-Paper Products	328	4.26%	N/A	N/A
Mission Produce	291	3.78%	N/A	N/A
		100.00%		

**FY2018 data not available.*
**FY2017 sources changed from combination of EDD and California Economic Forecast to data from California Economic Forecast.*

Source: California Economic Forecast
City of Oxnard

REVISED
1/28/19

CITY OF
OXNARD
CALIFORNIA

Audit Report for FYE June 30, 2018

Finance & Governance
Committee Meeting
January 22, 2019

EADIE + PAYNE LLP
Celebrating a Century of Quality Service

Agenda

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CITY OF OXNARD CALIFORNIA

EADIE + PAYNE LLP
Celebrating a Century of Quality Service

Audit Opinion

- ***In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oxnard, California, as of June 30, 2018****, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.*

CITY OF OXNARD CALIFORNIA

EADIE + PAYNE
Celebrating a Century of Quality Service

CAFR Highlights

Fund Balances ($ millions)

2018	General Fund	Other Governmental Funds	Totals
Restricted	$ 11	$ 74	$ 85
Committed	13	-	13
Assigned	-	17	17
Unassigned	17	-	17
Totals	$ 41	$ 91	$ 132
2017 Fund Balances	$ 46	$ 94	$ 140

CITY OF OXNARD CALIFORNIA

EADIE + PAYNE
Celebrating a Century of Quality Service

CAFR Highlights

Net position ($ millions)

2018	Governmental Activities	Business-type Activities	Totals
Net investment in capital assets	$ 1,994	$ 224	$ 2,218
Restricted	134	49	183
Unrestricted	(234)	21	(213)
Totals	$ 1,894	$ 294	$ 2,188
2017 Net Position	$ 1,946	$ 278	$ 2,224

CITY OF OXNARD CALIFORNIA

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Fund Financial Statements

Governmental Funds ($ millions)

2018	General Fund	Other Governmental Funds	Totals
Assets	$ 55	$ 152	$ 207
Liabilities	14	10	24
Deferred Inflows of Resources	-	50	50
Fund Balances	$ 41	$ 92	$ 133
Revenues	$ 144	$ 48	$ 192
Expenditures	(143)	(95)	(238)
Other	(7)	44	37
Changes in Fund Balances	$ (6)	$ (3)	$ (9)
2017 Changes in Fund Balances	$ 12	$ 15	$ 27

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Fund Financial Statements

Proprietary Funds ($ millions)

2018	Water Fund	Wastewater Fund	Environmental Resources	Totals
Assets & Deferred Ouflows	$ 307	$ 265	$ 62	$ 634
Liabilities & Deferred Inflows	189	133	33	355
Net Position	$ 118	$ 132	$ 29	$ 279
Revenues	$ 62	$ 41	$ 49	$ 152
Expenses	(57)	(33)	(43)	(133)
Other Revenues	4	0	0	4
Changes in Net Position	$ 9	$ 8	$ 6	$ 23
2017 Changes in Net Position	$ (4)	$ 7	$ 5	$ 8

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Government-Wide Financial Statements

Net Position ($ millions)

2018	Governmental Activities	Business-type Activities	Totals
Assets	$ 2,294	$ 644	$ 2,938
Deferred Outflows of Resources	72	18	90
Liabilities	456	363	819
Deferred Inflows of Resources	16	5	21
Net Position	$ 1,894	$ 294	$ 2,188

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Government-Wide Financial Statements –

Changes in Net Position ($ millions)

2018	Governmental Activities	Business-type Activities	Totals
Revenues	$ 192	$ 183	$ 375
Expenses	245	164	409
Other	9	1	10
Changes in Net Position	$ (44)	$ 20	$ (24)
2017			
Revenues	$ 196	$ 167	$ 363
Expenses	181	159	340
Other	13	1	14
Changes in Net Position	$ 28	$ 9	$ 37

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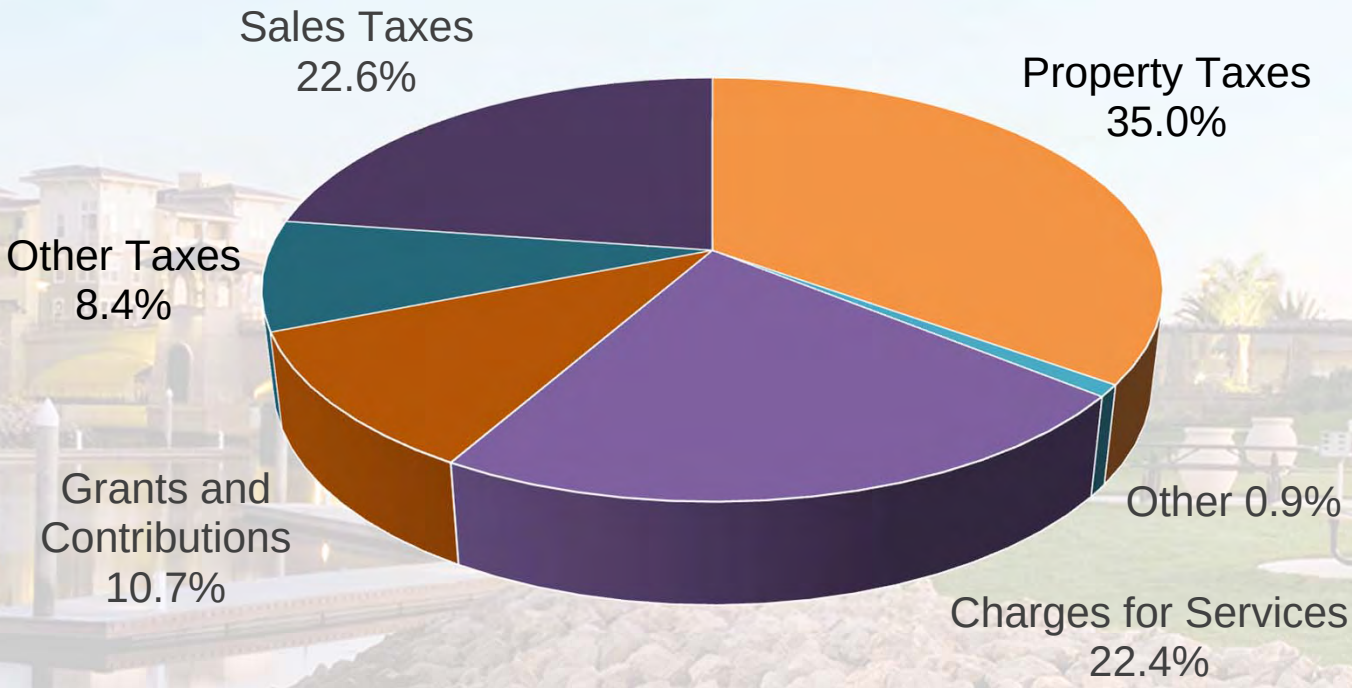
Sources of Revenues – Governmental Activities



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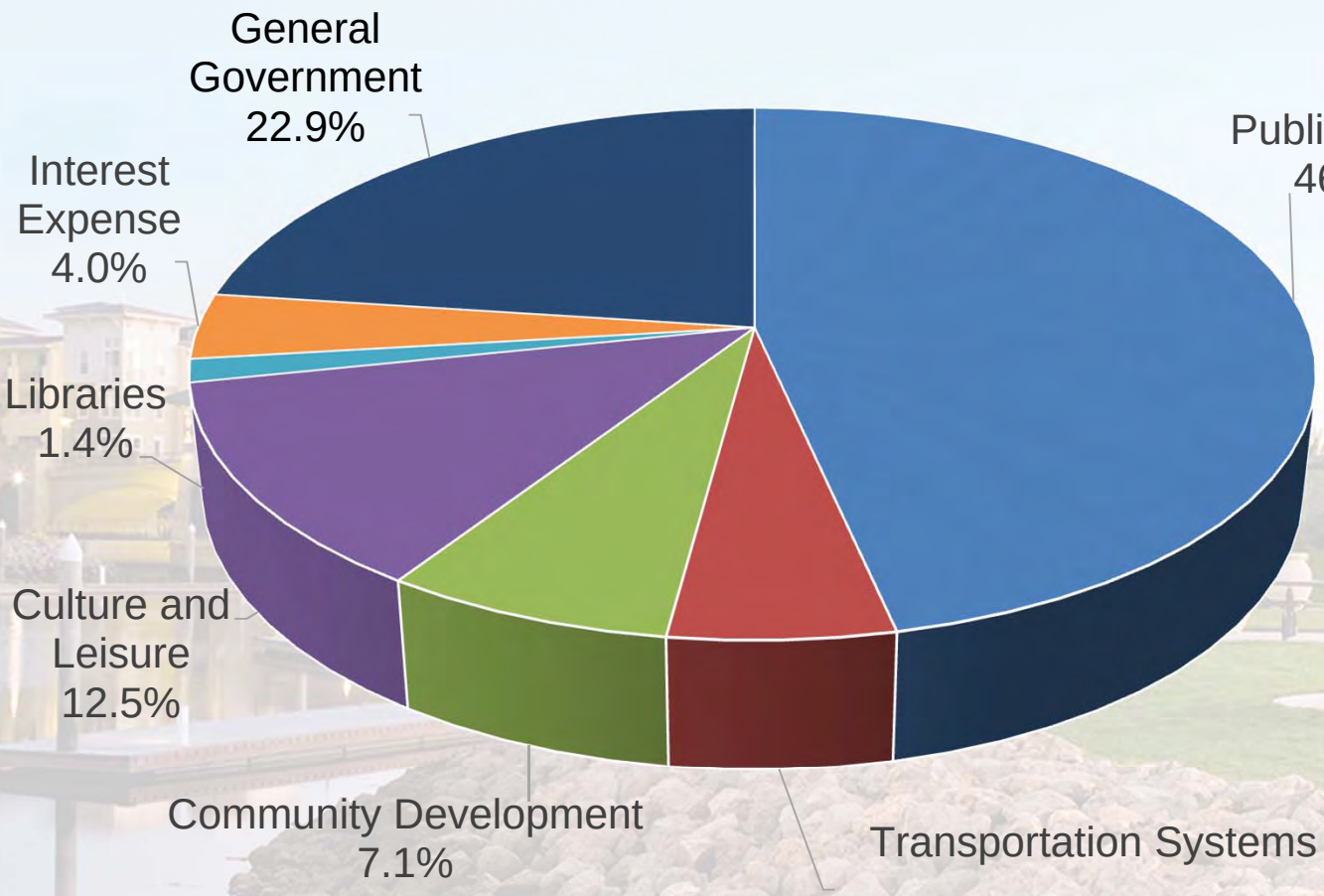
Expenses – Governmental Activities



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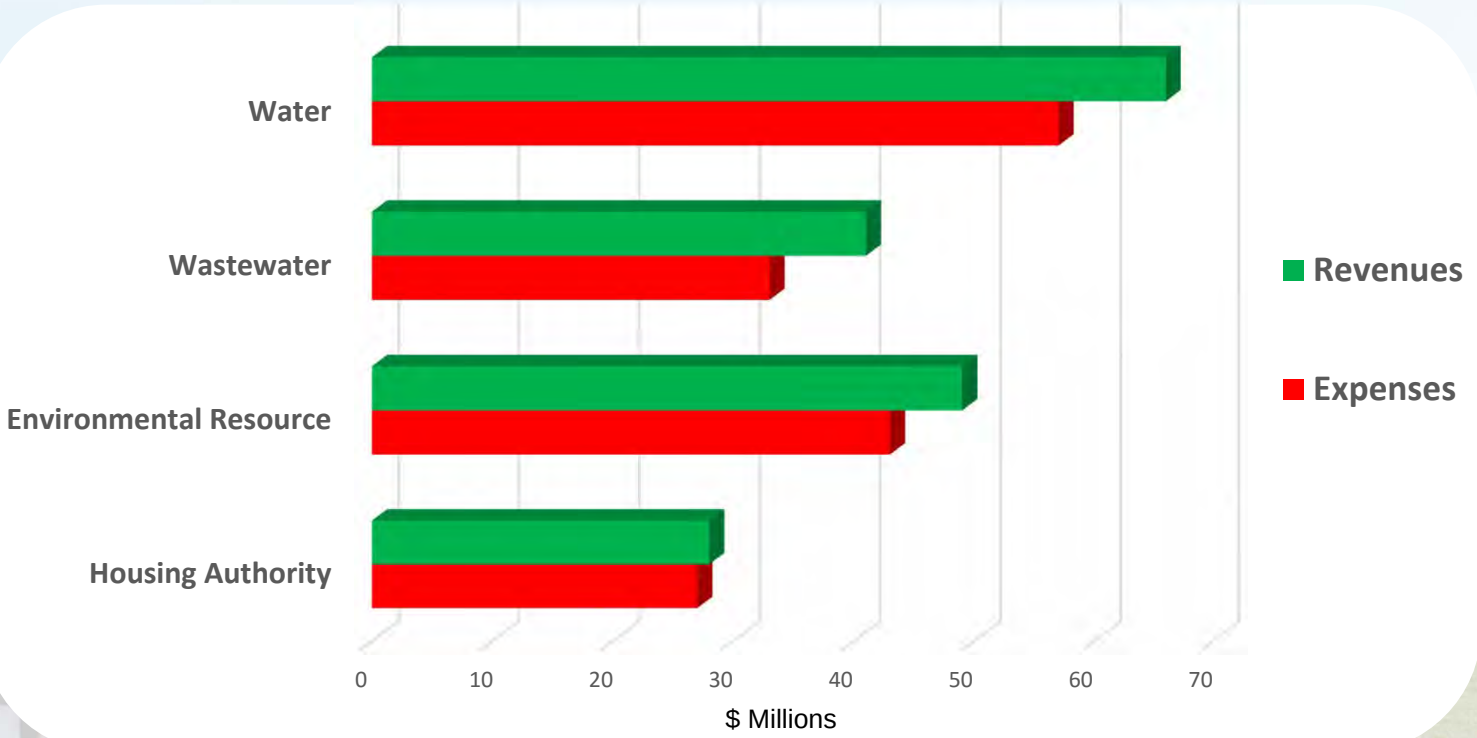
Revenues and Expenses – Business-Type Activities

Enterprise Funds Revenues Compared to Expenses



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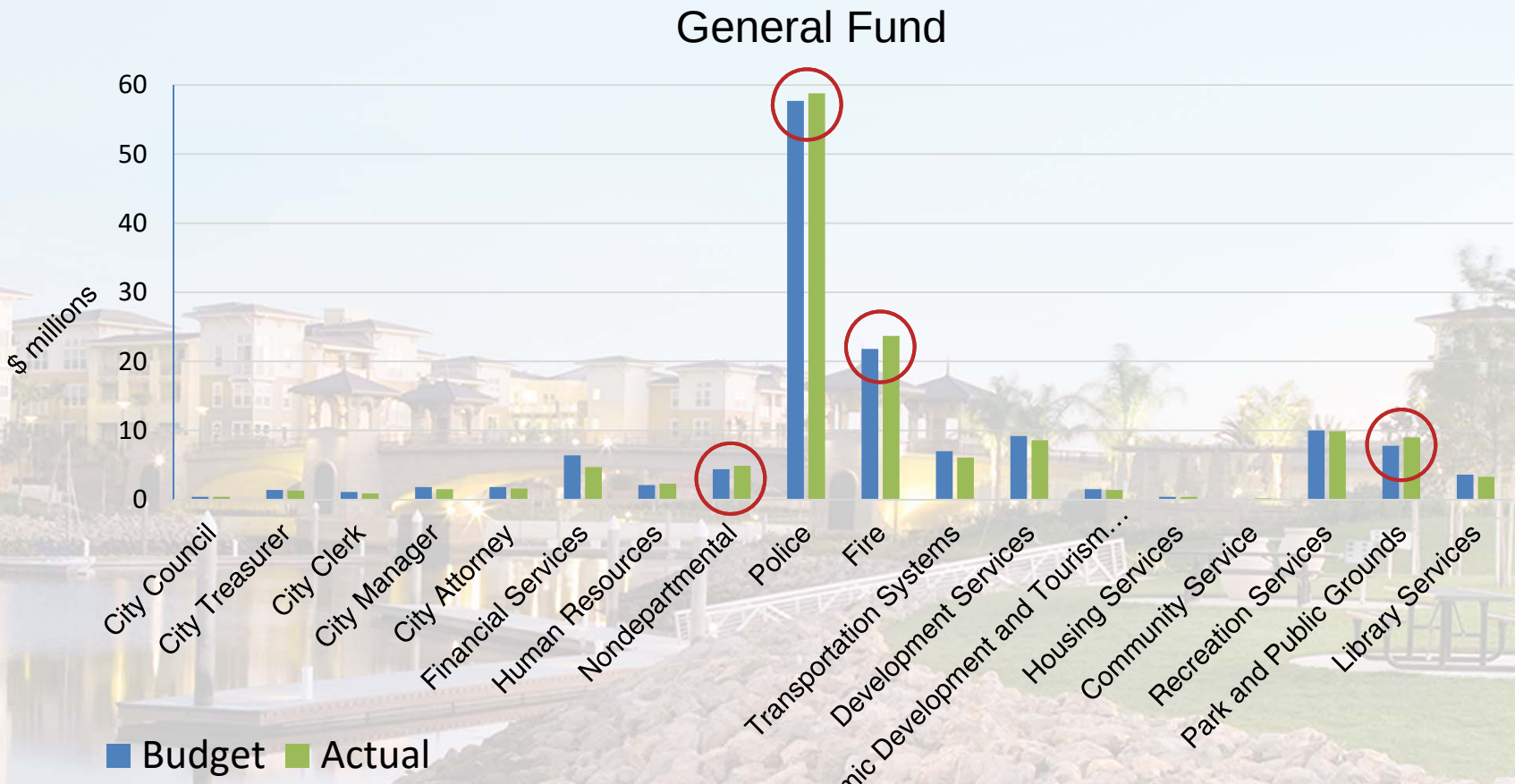
Budget to Actual Comparison



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Critical Audit Matters

- Challenges encountered during audit
- Audit adjustments
- New accounting pronouncements
- Accounting estimates
- Significant disclosures

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2019 and Beyond

- New leadership –
  - We look forward to working with new CFO and his team
- Bond refunding/termination of swap agreement –
  - November 2018
- Bond ratings raised by S&P –
  - November 2018
- Continuing implementation of Corrective Action Plan
- System conversion to begin

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Other Matters

- SCO report for 2018 to be completed by January 31st
- Single Audit for 2018 in process
- We will continue to review the City's Corrective Action Plan

thank you

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CITY OF OXNARD CALIFORNIA	**FINANCE AND GOVERNANCE COMMITTEE** **AGENDA REPORT**	**TYPE OF ITEM: Report** **AGENDA ITEM NO.: 2**

DATE: January 22, 2019

TO: Finance and Governance Committee

FROM: Alexander Nguyen, City Manager
Office of the City Manager

SUBJECT: Streamlining of Citizen Advisory Groups and Related Ordinance and Resolution Updates (5/10/5)

CONTACT: Alexander Nguyen, City Manager
alexander.nguyen@oxnard.org, 805-385-7430

RECOMMENDATION

That the Finance and Governance Committee provides direction on staff's recommendations for the streamlining of Citizen Advisory Groups and related ordinance and resolution updates.

BACKGROUND

The City of Oxnard has nine (9) Citizen Advisory Groups ("CAGs"), appointed to serve primarily in an advisory role to the City Council. Current membership ranges between five and nine members. Their meetings, in some cases, have been sporadic or irregular in recent years. In some cases, attendance has been a challenge, preventing meetings from taking place due to lack of quorum.

DISCUSSION

Staff recommends these changes to streamline the City's CAG program in order to make them more uniform, effective, and manageable. We do not have the staff resources to support the current system.

The current system

Citizen Advisory Groups	# of Seats	Number of Filled Seats	Standard Monthly Meeting Times	Length of Term	Date of When Term Ends	Staff Contact(s)
Commission on Homelessness OCC Sec. 2-125 through 2-129	7	5	First Monday at 3:00 p.m.	2 years	March	Karl Lawson
Community Relations Commission OCC Sec. 2-55 through 2-59	7	6	Third Monday at 6:00 p.m.; except January and August when meetings are held on the Fourth Monday	2 years	December 31	Luis Guereca
Cultural Arts Commission OCC Sec. 2-130 through 2-143	9	6	First Wednesday at 4:30 p.m.	2 years	December 31	Chelsea Reynolds
Downtown Design Review Committee OCC Sec. 16-155	5	5	Second and Fourth Thursday at 9:00 a.m.	2 years	December 31	Kathleen Mallory Claudia Pedroso
Library Board OCC Sec. 2-65 through 2-70	5	3	Second Monday at 5:00 p.m.	2 years	December 31	Sofia Kimsey
Mobilehome Park Rent Review Board OCC 24-5 through 24-6	5	3	As-needed basis	3 years	January	Karl Lawson
Parks, Recreation, & Community Services Commission OCC Sec. 2-80 through 2-84	7	5	Fourth Wednesday at 5:00 p.m.	2 years	December 31	Terrel Harrison
Planning Commission OCC Sec. 2-95 through 2-99	7	7	First & Third Thursday at 7:00 p.m.	4 years	Staggered	Kathleen Mallory
Senior Services Commission OCC Sec. 2-45 through 2-49	9	7	Second Tuesday at 9:00 a.m.	2 years	December 31	Renee Rakestraw

Proposed Changes

Membership by District

Most CAGs would have seven (7) members; one (1) from each Council District and one (1) at large member. The Councilmembers would nominate a volunteer applicant from their District, and the Mayor would nominate one at-large member. The Mayor would place nominees on the Council agenda for ratification. If there are no volunteers from a District, that Councilmember could nominate a volunteer from elsewhere in the city.

Exceptions:

- Mobilehome Rent Review Board- No changes are recommended to this Board, due to the infrequency and irregularity that the Board meets; and
- Downtown Design Review Committee- No changes are recommended because one member shall be a licensed architect, and one such member shall own a business or real property in the CBD zone.

Terms

The terms of appointment would be four (4) years, coinciding with the term of the appointing Councilmember. Mayoral at-large appointments would also be for four (4) years. No CAG member would be appointed to serve more than two consecutive terms. The term limits for everyone except the planning commission will be prospective. If a CAG member serves less than half of a term, they would be eligible to serve two full consecutive terms thereafter. Each term would expire on December 31 of the fourth year.

Except for the planning commission, the initial appointments of each CAG member will be staggered. Commissioners nominated by Councilmembers representing Districts 3, 4 and 6 will serve an initial two-year term (ending Dec. 31, 2020). Beginning in 2020, Districts 3, 4, and 6 nominees will serve four-year terms. The nominees of councilmembers representing Districts 1, 2, 5, and the Mayor's appointments will serve full four-year terms (ending Dec. 31, 2022).

Exceptions:

- Mobilehome Rent Review Board- No changes are recommended to this Board, due to the infrequency and irregularity that the Board meets.
- Downtown Design Review Committee- No changes are recommended because one member shall be a licensed architect, and one such member shall own a business or real property in the CBD zone.

By-Laws

In the Spring of 2019, the Chair of each CAG would work together, as an ad-hoc by-laws committee, meeting up to three times, to establish uniform by-laws for all the City's CAGs to follow.

Recording of meetings

Only the Planning Commission would be video recorded and broadcast. All others will be digital audio recorded and archived on the City's website.

Brown Act and Sunshine Ordinance

All CAGs would adhere to the Brown Act and the City's Sunshine Ordinance..

Ad-Hoc Committees

CAGs would utilize short-term, ad-hoc committees to focus on special, specific issues. No standing sub-committees would be formed.

Annual Reports

Each Board and Commission would present an annual report to the City Council.

Background Check requirement

Each volunteer who is nominated would have to undergo the City's formal background check, prior to the nomination being voted on by the City Council.

Procedural Rules

Every CAG would follow Rosenberg's Rules of Order, attached as exhibit A

Limitations

The following persons would not be permitted to serve on a CAG:

- The spouse, domestic partner, parent, stepparent, brother, sister, child, stepchild, grandchild, step grandchild, mother-in-law, father-in-law, daughter-in-law, son-in-law of a City employee or elected City official, or any person with whom a City employee or elected City official has a relationship in loco parentis (i.e. acting in the role of parent); or
- A current City employee or elected City official.

A person would not be permitted to serve on more than one CAG simultaneously.

FINANCIAL IMPACT

There is no significant financial impact associated with this report. Staff will purchase digital audio recorders for the Boards and Commissions.

Prepared by Jason Zaragoza, Deputy City Attorney

ATTACHMENTS
- Proposed Ordinance (redline)
- Rosenberg's Rules of Order

CITY COUNCIL OF THE CITY OF OXNARD
ORDINANCE NO. [_____]

ORDINANCE OF THE CITY OF OXNARD, CALIFORNIA, AMENDING ARTICLE II OF CHAPTER 2 THE OXNARD CITY CODE RELATING TO CITIZEN ADVISORY GROUPS

WHEREAS, a Citizen Advisory Group ("CAG") is any Board, Commission or Committee that advises the City Council on various important city matters, performs certain delegated functions, and to which the City Council appoints interested volunteers; and

WHEREAS, the Senior Services Commission, Commission on Community Relations, Library Board, Parks, Recreation and Community Services Commission, Homeless Commission, Planning Commission, Cultural Arts Commission, and Downtown Design Review Committee are CAGs appointed by City Council; and

WHEREAS, the City Council desires to make various changes to the manner by which CAG members are appointed, how CAG business is conducted, and CAG appointment procedures.

NOW, THEREFORE, the City Council of the City of Oxnard does ordain as follows:

PART 1. Article II, Division 2 of Chapter 2, and Article III, Division 10, Section 16-155 of Chapter 16 of the Oxnard City Code are hereby amended to read as follows:

"**DIVISION 2. CITIZEN ADVISORY GROUPS; GENERAL**

SEC. 2-30. APPLICATION.

The following provisions shall apply to the following citizen advisory groups: senior services commission, commission on community relations, library board, parks and recreation commission, ~~youth commission~~homeless commission, planning commission, and cultural arts commission.

~~**SEC. 2-31. CERTIFICATE OF APPOINTMENT.**~~

~~Upon appointment or reappointment to a citizen advisory group, the city clerk shall deliver to the person a certificate of appointment. The certificate, including the required oath of office, shall be signed and sworn to by the person before the city clerk and filed with the records of the city.~~

SEC. 2-~~32~~31. MEETING LOCATIONS.

All citizen advisory group meetings shall be open to the public and held in a publicly owned building. The time, day and location of all regular meetings of a citizen advisory group shall be filed with the city clerk.

SEC. 2-~~33~~32. NOTICE OF MEETINGS; MINUTES.

The secretary shall be responsible for properly noticing all regular and special meetings of the citizen advisory group and maintaining minutes of the meetings.

SEC. 2-~~34~~33. RESIGNATION BY ABSENCES.

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(A) If any member of a citizen advisory group is absent ~~without good cause~~ for more than three consecutive meetings, the member shall be deemed to have resigned from the citizen advisory group. The secretary shall notify the city clerk in writing of any such consecutive absences. The member shall be deemed to have resigned from the citizen advisory group on the date that the city clerk receives notice from the secretary.

~~(B) The chairperson of the citizen advisory group shall determine whether a member's absence is for good cause. An absence due to illness shall be considered an absence for good cause, provided, that the member provides notice of such absence to the chairperson prior to the meeting.~~

SEC. 2-~~35~~34. REMOVAL OF A MEMBER.

A citizen advisory group member may be removed at the pleasure of the city council.

SEC. 2-~~36~~35. COORDINATION BETWEEN CITY COUNCIL AND CITIZEN ADVISORY GROUPS.

(A) The secretary shall promptly inform the city council, through the city manager, of policy decisions or recommendations adopted by a citizen advisory group.

~~(B) A copy of the portion of the minutes of each city council meeting discussing a particular citizen advisory group shall be furnished by the city clerk to the secretary.~~

(B~~C~~) A copy of the minutes of all citizen advisory group meetings shall be ~~delivered~~ promptly ~~to the city manager by the secretary.~~posted to the city's website.

SEC. 2-36. APPOINTMENT; TERMS; VACANCY

(A) The mayor, with the approval of the city council, shall appoint the members of each commission. Each council member shall nominate a commissioner from the council members' district to serve on each commission. The mayor shall nominate one commissioner at-large for each commission.

(B) Except for the planning commission, the first three members of each commission nominated by city council members representing Districts 3, 4 and 6 appointed after this division becomes effective shall serve until December 31, 2020, or until a successor is appointed, unless the member is earlier removed by the city council, dies, resigns or is deemed to have resigned pursuant to this code. The next four members of each commission nominated by city council members representing Districts 1, 2, 5 and the mayor's at-large nominees appointed after this division becomes effective shall serve until December 31, 2022, or until a successor is appointed, unless the member is earlier removed by the city council, dies, resigns or is deemed to have resigned pursuant to this code. All members of each commission appointed thereafter shall serve until December 31 of the final year of the appointing council members' term or until a successor is appointed, unless the member is earlier removed by the city council, dies, resigns or is deemed to have resigned pursuant to this code. The Mayor's appointees shall serve until the end of the term of the councilmembers for Districts 3, 4 and 6, or until a successor is appointed, unless the member is earlier removed by the city council, dies, resigns or is deemed to have resigned pursuant to this code.

(C) A commissioner may be reappointed by the city council. However, no member of the commission may be appointed to serve more than two consecutive terms. This provision applies

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prospectively to all commissions, except for the planning commission. If a member serves less than half of a term, that member shall be eligible to serve two full consecutive terms thereafter.

(D) In the event of a vacancy, the council member or mayor who made the original appointment shall nominate a replacement to complete the term of the member creating the vacancy.

SEC. 2-37. BACKGROUND CHECKS

Each commissioner shall undergo the city's formal background check procedures prior to appointment to serve on a commission.

SEC. 2-38. ELIGIBILITY

The following persons shall not serve as a commissioner:

(A) The spouse, domestic partner, parent, stepparent, brother, sister, child, stepchild, grandchild, step grandchild, mother-in-law, father-in-law, daughter-in-law, son-in-law, or any person with whom a city employee or elected city official has a relationship in loco parentis (i.e. acting in the role of a parent); or

(B) A current city employee or elected city official.

2-39 RULES OF PROCEDURE; QUORUM

(A) Each commission shall follow Rosenberg's Rules of Order.

(B) Except for the planning commission, a majority of the commission positions filled at the time of a meeting shall constitute a quorum for the transaction of business of any commission.

2-40 AUDIO RECORDED PROCEEDINGS

Except for the planning commission, which shall be televised to the extent feasible, all commission meetings shall be audio recorded, and archived on the city's website.

2-41 SECRETARY

The city manager shall designate a city staff member to serve as a nonvoting secretary to each commission.

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DIVISION 3. SENIOR SERVICES COMMISSION

SEC. 2-45. ESTABLISHED; QUALIFICATIONS.

(A) There is hereby established a senior services commission composed of ~~nine~~ seven members.

(B) A member shall serve without compensation, shall reside in the city, be a registered voter of the city, and shall be over the age of 49.

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~~**SEC. 2-46. APPOINTMENT; TERMS; VACANCY.**~~

~~(A) The mayor, with the approval of the city council, shall appoint the members of the senior services commission. Members shall be appointed at the first meeting of the city council in every December after a general election involving the office of mayor.~~

~~(B) The term of a member of the senior services commission shall be two~~ four years ~~and shall begin in January.~~

~~(C) In the event of a vacancy, the mayor, with the approval of the city council, shall appoint a replacement to complete the term of the member creating the vacancy.~~

~~**SEC. 2-47. SECRETARY.**~~

~~The city manager shall designate a city staff member to serve as a nonvoting secretary to the senior services commission.~~

~~**SEC. 2-48. RULES OF PROCEDURE; QUORUM.**~~

~~(A) The senior services commission shall follow rules of procedure approved by the city council.~~Rosenberg's Rules of Order.~~

(B) A majority of the commission positions filled at the time of the meeting shall constitute a quorum for the transaction of business by the senior services commission.~~

SEC. 2-~~49~~46. POWERS AND DUTIES.

The powers and duties of the senior services commission shall be as follows:

(A) Analyze, define and investigate issues and the needs of senior citizens in the city and advise the city council on such matters;

(B) Develop and recommend solutions for problems affecting senior citizens to the city council and other appropriate community organizations and agencies;

(C) Disseminate information and educational materials and reports that will assist in enhancing the quality of life of senior citizens and the treatment of senior citizens;

(D) Serve as a liaison between the city council and the community in matters concerning senior citizens; and

(E) Prepare and submit an annual report of activities to the city council and make such other reports and recommendations to the city council from time to time as the senior services commission may determine necessary to improve the quality of life for senior citizens in the city.

DIVISION 4. COMMUNITY RELATIONS COMMISSION

SEC. 2-~~55~~47. ESTABLISHED; QUALIFICATIONS.

(A) There is hereby established a commission on community relations composed of seven members.

(B) A member shall serve without compensation, shall reside in the city, be a registered voter in the city, and shall be at least 18 years of age.

~~(C) The commission on community relations shall be known as the community relations commission.~~

~~**SEC. 2-56. APPOINTMENT; TERMS; VACANCY.**~~

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~~(A) The city council shall appoint the members of the community relations commission. Members shall be appointed at the first meeting of the city council in every December after a general election involving the office of mayor.~~

~~(B) The term of a member of the community relations commission shall be two four years and shall begin in January.~~

~~(C) In the event of a vacancy, the city council shall appoint a replacement to complete the term of the member creating the vacancy.~~

~~**SEC. 2-57. SECRETARY.**~~

~~The city manager shall designate a city staff member to serve as a nonvoting secretary to the community relations commission.~~

~~**SEC. 2-58. RULES OF PROCEDURE; QUORUM.**~~

~~(A) The community relations commission shall follow rules of procedure approved by the city council. Rosenberg's Rules of Order.~~

~~(B) A majority of the commission positions filled at the time of the meeting shall constitute a quorum for the transaction of business by the community relations commission. Four members shall constitute a quorum for the transaction of business by the community relations commission.~~

SEC. 2-~~59~~48. POWERS AND DUTIES.

The powers and duties of the community relations commission shall be as follows:

(A) Analyze, define, and investigate community relations issues and needs in the city and advise the city council on matters involving group prejudices, racial tension, intolerance or differences in treatment or favoritism of persons on a basis other than individual merit;

(B) Promote mutual understanding and respect among all residents of the city and work to discourage and prevent practices involving group prejudices, racial tension, intolerance or differences in treatment or favoritism of persons on a basis other than individual merit;

(C) Disseminate information and educational materials and reports that will assist in the elimination of practices involving group prejudices, racial tension, intolerance or differences in treatment or favoritism of persons on a basis other than individual merit;

(D) Investigate and study complaints of violations of State statutes relating to practices involving group prejudices, racial tension, intolerance or differences in treatment or favoritism of persons on a basis other than individual merit in publicly assisted housing accommodations;

(E) Assist various groups and agencies within the city to cooperate in educational campaigns devoted to the elimination of practices involving group prejudices, racial tension, intolerance or differences in treatment or favoritism of persons on a basis other than individual merit;

(F) Cooperate with enforcement agencies to ensure that no person in the city is deprived of equal services furnished in the city by reason of violation of any State law prohibiting differences in treatment or favoritism of persons on a basis other than individual merit;

(G) Cooperate with city, State, federal and other agencies in order to promote better community relations;

(H) Review the current equal employment opportunity status of the city;

(I) Serve as an information resource between the city council and community in matters concerning equal employment opportunity;

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~~(J) With the prior written consent of the city manager, conduct fund raising activities that improve community relations in the city and are consistent with the duties of the community relations commission;~~

(~~K~~J) Endorse community events, by resolution or proclamation approved by a majority of the members present, that improve community relations in the city and are consistent with the duties of the community relations commission; and

(~~L~~K) Prepare and submit an annual report of activities to the city council and make such other reports and recommendations to the city council from time to time as the community relations commission may determine necessary to improve community relations in the city.

DIVISION 5. LIBRARY BOARD

SEC. 2-~~65~~49. PUBLIC LIBRARY ESTABLISHED.

A public library is hereby established in and for the city to be known and designated as the Oxnard Public Library.

SEC. 2-~~66~~50. ESTABLISHED; QUALIFICATIONS.

(A) There is hereby established a library board composed of ~~five~~ seven members.

(B) A member shall serve without compensation, shall reside in the city, be a registered voter in the city, and shall be at least 18 years of age.

~~**SEC. 2-67. APPOINTMENT; TERMS; VACANCY.**~~

~~(A) The mayor, with the approval of the city council, shall appoint the members of the library board. Members shall be appointed at the first meeting of the city council in every December after a general election involving the office of mayor.~~

~~(B) The term of office of a member of the library board shall be two years and shall begin in January. A member of the library board may be reappointed; however, no member of the library board may be appointed to serve more than two consecutive terms. After completing two terms of office, a member of the library board must vacate the library board for one year before being eligible to reapply.~~

~~(C) In the event of a vacancy, the mayor, with the approval of the city council, shall appoint a replacement to complete the term of the member creating the vacancy.~~

~~('64 Code, Sec. 2-119) (Ord. No. 2467, 2862)~~

~~**SEC. 2-68. SECRETARY.**~~

~~The city manager shall designate a city staff member to serve as a nonvoting secretary to the library board.~~

~~**SEC. 2-69. RULES OF PROCEDURE; QUORUM.**~~

~~(A) The library board shall follow rules of procedure approved by the city council.~~

~~(B) Three members shall constitute a quorum for the transaction of business by the library board.~~

SEC. 2-~~70~~51. POWERS AND DUTIES.

The powers and duties of the library board shall be as follows:

(A) Advise the city council on policies and procedures relating to the public library;

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(B) Investigate the nature and scope of the needs of the public library;
(C) Recommend policies and programs related to the public library for consideration by the city council;
(D) Assist the public library staff in reviewing and evaluating programs and services of the public library;
(E) Make recommendations to the city council for improvements to the public library;
(F) Represent the needs and views of the community to the public library staff and to the city council; and
(G) Prepare and submit an annual report of activities to the city council and make such other reports and recommendations to the city council from time to time as the library board may determine necessary to improve the operations of the public library.

DIVISION 6. PARKS AND RECREATION AND COMMUNITY SERVICES COMMISSION

SEC. 2-~~80~~52. ESTABLISHED; QUALIFICATIONS.
(A) There is hereby established a parks and recreation and community services commission composed of seven members.
(B) A member shall serve without compensation, shall reside in the city, be a registered voter in the city, and shall be at least 18 years of age.

~~**SEC. 2-81. APPOINTMENT; TERMS; VACANCY.**~~
~~(A) (1) The mayor, with the approval of the city council, shall appoint the members of the parks and recreation and community services commission.~~
~~(2) Members shall be appointed at the first meeting of the city council in every December after a general election involving the office of mayor.~~
~~(B) The term of office of a member of the parks and recreation and community services commission shall be two years and shall begin in January.~~
~~(C) In the event of a vacancy, the mayor with the approval of the city council, shall appoint a replacement to complete the term of the member creating the vacancy.~~

~~**SEC. 2-82. SECRETARY.**~~
~~The city manager shall designate a city staff member to serve as a nonvoting secretary to the parks and recreation and community services commission.~~

~~**SEC. 2-83. RULES OF PROCEDURE; QUORUM.**~~
~~(A) The parks and recreation and community services commission shall follow rules of procedure approved by the city council.~~
~~(B) Four members shall constitute a quorum for the transaction of business by the parks and recreation and community services commission.~~

SEC. 2-~~84~~53. POWERS AND DUTIES.
The powers and duties of the parks and recreation and community services commission shall be as follows:

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(A) Advise the city council on all matters pertaining to the parks and recreation and community services activities in the city;

(B) Serve as a liaison between the city council and the community in matters related to parks and recreation and community services activities;

(C) Advise city staff on future parks and recreation and community services programs;

(D) Receive suggestions on general community parks and recreational and community services policy issues and make recommendations to the city council; and

(E) Prepare and submit an annual report of activities to the city council and make such other reports and recommendations to the city council from time to time as the parks and recreation and community services commission may determine necessary to improve parks and recreation and community services activities in the city.

DIVISION 7. PLANNING COMMISSION

SEC. 2-~~95~~54. DUTIES.

A planning agency consisting of planning commissioners, to be known collectively as the planning commission ("commission"), is created and established to perform the following functions and duties:

(A) The functions and duties assigned to the commission by the code and other ordinances and resolutions of the city council;

(B) The functions set out in Cal. Gov't Code, Sections 65103, 65400, 65401 and 65402; and

(C) The duties imposed on a commission by Cal. Health and Safety Code, Section 33000.

SEC. 2-~~96~~55. COMPOSITION.

(A) The commission shall consist of seven members appointed by the city council. Members of the commission shall serve and may be removed and replaced at the pleasure of the city council. Members shall serve without compensation, shall reside in the city, be registered voters in the city, and shall be at least 18 years of age.

(B) ~~The first four members of the commission appointed after this division becomes effective shall serve until December 1, 1998, or until a successor is appointed, unless the member is earlier removed by the city council, dies, resigns or is deemed to have resigned pursuant to this code. The next three members of the commission appointed after this division becomes effective shall serve until December 1, 2000, or until a successor is appointed, unless the member is earlier removed by the city council, dies, resigns or is deemed to have resigned pursuant to this code. All members of the commission appointed thereafter shall serve until December 1 of the fourth year after the date of appointment or until a successor is appointed, unless the member is earlier removed by the city council, dies, resigns or is deemed to have resigned pursuant to this code.~~ Commissioners nominated by city council members representing Districts 1, 2 and 5 appointed after this division becomes effective shall serve until December 31, 2022. Thereafter, city council members for Districts 1, 2, and 5 shall nominate commissioners every four years, unless a vacancy occurs during the term of a commissioner. In that circumstance, the nominating council member shall nominate a replacement for that commissioner. The next four commissioners nominated in 2020 by city council members representing Districts 3, 4, 6, and the mayor's at-large nominee, appointed after this division becomes effective shall serve until

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December 31, 2024. Thereafter, the council member for Districts 3, 4, and 6 and the mayor shall nominate commissioners every four years unless a vacancy occurs during the term of a commissioner. In that circumstance, the nominating council member or mayor shall nominate a replacement for that commissioner. All members of the commission appointed thereafter shall serve until December 31 of the fourth year after the date of appointment or until a successor is appointed, unless the member is earlier removed by the city council, dies, resigns or is deemed to have resigned pursuant to this code.

(C) A member of the commission may be reappointed by the city council. However, no member of the commission may be appointed to serve more than two consecutive terms. If a member serves less than half of a term, that member shall be eligible to serve two full consecutive terms thereafter.

(D) Each member of the planning commission shall have one vote. Four members shall constitute a quorum for the transaction of business.

(E) Members of the commission shall select one of their number as chair and another as vice-chair, both serving for one year or until their successors are appointed, unless they are earlier removed from such positions by a majority vote of the members of the commission.

~~**SEC. 2-97. RULES OF CONDUCT.**~~

~~The commission shall by resolution adopt rules of procedure for the conduct of meetings~~.

SEC. 2-~~98~~56. FINANCES.

The city council shall provide the funds and equipment necessary for the work of the commission.

SEC. 2-~~99~~57. TELEVISED PROCEEDINGS.

To the extent feasible, public proceedings of the commission shall be televised.

DIVISION 8. RELOCATION APPEALS BOARD

[Reserved]

DIVISION 9. YOUTH COMMISSION

[Reserved]

~~**SEC. 2-115. ESTABLISHED; QUALIFICATIONS.**~~

~~(A) There is hereby established a youth commission composed of 21 members.~~

~~(B) A member shall serve without compensation. Fifteen members shall be between the ages of 13 and 19 years old, two members shall be members of the city council, and four members shall be at least 18 years of age. A member shall reside in the city.~~

~~**SEC. 2-116. APPOINTMENT; TERMS; VACANCY.**~~

~~(A) The mayor, with the approval of the city council, shall appoint the members of the youth commission. Members shall be appointed at the first meeting of the city council in every December after a general election involving the office of mayor.~~

~~(B) The term of office of a member of the youth commission shall be two years and shall begin in January.~~

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~~(C) In the event of a vacancy, the mayor, with the approval of the city council, shall appoint a replacement to complete the term of the member creating the vacancy.~~

~~**SEC. 2-117. SECRETARY.**~~

~~The city manager shall designate a city staff member to serve as a nonvoting secretary to the youth commission.~~

~~**SEC. 2-118. RULES OF PROCEDURE; QUORUM.**~~

~~(A) The youth commission shall follow rules of procedure approved by the city council.~~

~~(B) Eleven members shall constitute a quorum for transaction of business by the youth commission.~~

~~**SEC. 2-119. POWERS AND DUTIES.**~~

~~The powers and duties of the youth commission shall be as follows:~~

~~(A) Analyze, define and investigate issues and needs affecting youth in the city and advise the city council on such matters;~~

~~(B) Promote mutual understanding and respect among all youth in the city and to work to encourage youth to actively participate in local government in a positive and productive manner;~~

~~(C) Disseminate information and educational materials and reports that will assist in enhancing the quality of life and treatment of youth in the city;~~

~~(D) Develop and recommend solutions for problems affecting youth to the city council and other appropriate community organizations and agencies;~~

~~(E) Serve as a liaison between the city council and community in matters concerning youth in the city; and~~

~~(F) Prepare and submit an annual report of activities to the city council and make such other reports and recommendations to the city council from time to time as the youth commission may determine necessary to improve the quality of life for youth in the city.~~

DIVISION 10. COMMISSION ON HOMELESSNESS

SEC. 2-~~125~~58. ESTABLISHED; QUALIFICATIONS.

(A) There is hereby established a commission on homelessness composed of 7 members.

(B) A member shall serve without compensation, be a registered voter in the city and shall be at least 18 years of age.

~~**SEC. 2-126. APPOINTMENT; TERMS; VACANCY.**~~

~~(A) The mayor, with the approval of the city council, shall appoint the members of the commission on homelessness. Members shall be appointed at the first meeting of the city council in every December after a general election involving the office of the mayor.~~

~~(B) The term of office of a member of the commission on homelessness shall be two years and shall begin in March.~~

~~(C) In the event of a vacancy, the mayor with the approval of the city council, shall appoint a replacement to complete the term of the member creating the vacancy.~~

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~~**SEC. 2-127. SECRETARY.**~~

~~The city manager shall designate a city staff member to serve as a nonvoting secretary to the commission on homelessness.~~

~~**SEC. 2-128. RULES OF PROCEDURE; QUORUM.**~~

~~(A) The commission on homelessness shall follow rules of procedure approved by the city council.~~

~~(B) Four members shall constitute a quorum for the transaction of business by the commission on homelessness.~~

~~(Ord. No. 2553, 2889)~~

SEC. 2-~~129~~59. POWERS AND DUTIES.

The powers and duties of the commission on homelessness shall be as follows:

(A) Advise the city council on all matters pertaining to homelessness in the city;

(B) Serve as a liaison between the city council and the community in matters related to homelessness issues;

(C) Review and evaluate programs, requests for homeless funds, and homeless services in the city;

(D) Recommend programs, strategies, and funding for preventing and reducing the incidence of homelessness in the city; and

(E) Prepare and submit an annual report of activities to the city council and make such other reports and recommendations to the city council from time to time as the commission on homelessness or city council may determine necessary to address homelessness issues.

DIVISION 11. CULTURAL ARTS COMMISSION

SEC. 2-~~130~~60. ESTABLISHED; QUALIFICATIONS.

(A) There is hereby established a cultural arts commission composed of ~~nine~~ seven members.

(B) A member shall serve without compensation, shall reside in the city, shall be at least 18 years of age, be a registered voter in the city and shall have a special knowledge or interest in the arts.

~~**SEC. 2-131. APPOINTMENT; TERMS; VACANCY.**~~

~~(A) The mayor, with the approval of the city council, shall appoint the members of the cultural arts commission. Members shall be appointed at the first meeting of the city council in every December after a general election involving the office of the mayor.~~

~~(B) The term of office of a member of the cultural arts commission shall be two years and shall begin in January.~~

~~(C) In the event of a vacancy, the mayor, with the approval of the city council, shall appoint a replacement to complete the term of the member creating the vacancy.~~

~~**SEC. 2-132. SECRETARY.**~~

~~The city manager shall designate a city staff member to serve as a nonvoting secretary to the cultural arts commission.~~

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~~**SEC. 2-133. RULES OF PROCEDURE; QUORUM.**~~

~~(A) The cultural arts commission shall follow rules of procedure approved by the city council.~~

~~(B) Five members shall constitute a quorum for the transaction of business by the cultural arts commission.~~

SEC. 2-~~134~~61. POWERS AND DUTIES.

The powers and duties of the cultural arts commission shall be as follows:

(A) Advise the city council on all matters pertaining to the cultural arts in the community;

(B) Recommend to the city council the adoption, amendment or repeal of ordinances regarding public art, and/or art related projects and proposals;

(C) Assist the cultural arts community in raising funds through grants or other sources for the development, growth, incorporation, and expansion of the arts;

(D) Provide a local, state and national network of support and supporters of the local arts;

(E) Build a growth continuum of education, training and arts to develop an incubator for home grown evaluators and evaluation training tools so that congruity among mission, vision and requirements of requests for proposals matches skills assessed by evaluators in the review process;

(F) Develop public arts projects that include developing written materials for soliciting participation, appointing and training selection panels, and reviewing and recommending funding to ensure integrity of such processes;

(G) Receive recommendations from ad-hoc local panels to review art actions in conjunction with the commission;

(H) Recommend to the city council the distribution of revenues collected through fund raising, grants and public art funds consistent with the needs of the community, including solicitation and analysis of cultural arts grant proposals;

(I) Participate in the development of the strategic annual public art plan and longer-ranged strategic public art plans;

(J) Cooperate with other commissions and civic organizations in order to promote, market, and publicize the arts in order to increase and foster public interest in the arts; and

(K) Perform other art, cultural and arts education duties as may from time to time be prescribed by the city council.

SEC. 16-155. DOWNTOWN DESIGN REVIEW COMMITTEE.

(A) The committee shall consist of ~~five~~ seven members appointed by the city council by majority vote. One such member shall be a licensed architect, and one such member shall own a business or real property in the CBD zone. All members shall serve at the pleasure of the city council.

(B) The committee shall adopt by-laws governing its meetings and procedures. The by-laws shall provide that a quorum of the committee is two members.

(C) The committee shall consider each application for a downtown design review permit or special use permit that the manager refers to the committee, and shall make a written recommendation thereon to the manager, stating the reasons for the recommendation. If the committee does not make such a recommendation to the manager within 20 days of the date that the manager referred the application to the committee, the committee will be deemed to have

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waived making a recommendation, and the manager shall determine the application without taking into consideration a recommendation from the committee."

PART 2. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this ordinance or the application thereof to any person or place, is for any reason held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction, the remainder of this ordinance shall remain in full force and effect.

PART 3. Pursuant to Government Code Section 36933(c)(1), the City Attorney was designated to prepare, and the City Clerk published, a summary of this ordinance, and a certified copy of the ordinance was posted in the Office of the City Clerk a minimum of five (5) days before the City council's adoption of the ordinance.

PART 4. The City Clerk shall certify as to the adoption of this ordinance and shall cause the summary thereof to be published within fifteen (15) days of the adoption and shall post a certified copy of this ordinance, including the vote for and against the same, in the office of the City Clerk, in accordance with Government Code Section 36933. Ordinance No. _____ was first read on _____, 2019, and finally adopted on _____, 2019, to become effective thirty days thereafter.

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Tim Flynn, Mayor

ATTEST:

_____
Michelle Ascencion, City Clerk

APPROVED AS TO FORM:

_____
Stephen M. Fischer, City Attorney

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Rosenberg's Rules of Order

REVISED 2011

Simple Rules of Parliamentary Procedure for the 21st Century

By Judge Dave Rosenberg

LEAGUE OF CALIFORNIA CITIES

MISSION AND CORE BELIEFS

To expand and protect local control for cities through education and advocacy to enhance the quality of life for all Californians.

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Established in 1898, the League of California Cities is a member organization that represents California's incorporated cities. The League strives to protect the local authority and automony of city government and help California's cities effectively serve their residents. In addition to advocating on cities' behalf at the state capitol, the League provides its members with professional development programs and information resources, conducts education conferences and research, and publishes Western City magazine.

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About the Author

Dave Rosenberg is a Superior Court Judge in Yolo County. He has served as presiding judge of his court, and as presiding judge of the Superior Court Appellate Division. He also has served as chair of the Trial Court Presiding Judges Advisory Committee (the committee composed of all 58 California presiding judges) and as an advisory member of the California Judicial Council. Prior to his appointment to the bench, Rosenberg was member of the Yolo County Board of Supervisors, where he served two terms as chair. Rosenberg also served on the Davis City Council, including two terms as mayor. He has served on the senior staff of two governors, and worked for 19 years in private law practice. Rosenberg has served as a member and chair of numerous state, regional and local boards. Rosenberg chaired the California State Lottery Commission, the California Victim Compensation and Government Claims Board, the Yolo-Solano Air Quality Management District, the Yolo County Economic Development Commission, and the Yolo County Criminal Justice Cabinet. For many years, he has taught classes on parliamentary procedure and has served as parliamentarian for large and small bodies.

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Introduction

The rules of procedure at meetings should be simple enough for most people to understand. Unfortunately, that has not always been the case. Virtually all clubs, associations, boards, councils and bodies follow a set of rules — *Robert's Rules of Order* — which are embodied in a small, but complex, book. Virtually no one I know has actually read this book cover to cover. Worse yet, the book was written for another time and for another purpose. If one is chairing or running a parliament, then *Robert's Rules of Order* is a dandy and quite useful handbook for procedure in that complex setting. On the other hand, if one is running a meeting of say, a five-member body with a few members of the public in attendance, a simplified version of the rules of parliamentary procedure is in order.

Hence, the birth of *Rosenberg's Rules of Order*.

What follows is my version of the rules of parliamentary procedure, based on my decades of experience chairing meetings in state and local government. These rules have been simplified for the smaller bodies we chair or in which we participate, slimmed down for the 21st Century, yet retaining the basic tenets of order to which we have grown accustomed. Interestingly enough, *Rosenberg's Rules* has found a welcoming audience. Hundreds of cities, counties, special districts, committees, boards, commissions, neighborhood associations and private corporations and companies have adopted *Rosenberg's Rules* in lieu of *Robert's Rules* because they have found them practical, logical, simple, easy to learn and user friendly.

This treatise on modern parliamentary procedure is built on a foundation supported by the following four pillars:

1. **Rules should establish order.** The first purpose of rules of parliamentary procedure is to establish a framework for the orderly conduct of meetings.
2. **Rules should be clear.** Simple rules lead to wider understanding and participation. Complex rules create two classes: those who understand and participate; and those who do not fully understand and do not fully participate.
3. **Rules should be user friendly.** That is, the rules must be simple enough that the public is invited into the body and feels that it has participated in the process.
4. **Rules should enforce the will of the majority while protecting the rights of the minority.** The ultimate purpose of rules of procedure is to encourage discussion and to facilitate decision making by the body. In a democracy, majority rules. The rules must enable the majority to express itself and fashion a result, while permitting the minority to also express itself, but not dominate, while fully participating in the process.

Establishing a Quorum

The starting point for a meeting is the establishment of a quorum. A quorum is defined as the minimum number of members of the body who must be present at a meeting for business to be legally transacted. The default rule is that a quorum is one more than half the body. For example, in a five-member body a quorum is three. When the body has three members present, it can legally transact business. If the body has less than a quorum of members present, it cannot legally transact business. And even if the body has a quorum to begin the meeting, the body can lose the quorum during the meeting when a member departs (or even when a member leaves the dais). When that occurs the body loses its ability to transact business until and unless a quorum is reestablished.

The default rule, identified above, however, gives way to a specific rule of the body that establishes a quorum. For example, the rules of a particular five-member body may indicate that a quorum is four members for that particular body. The body must follow the rules it has established for its quorum. In the absence of such a specific rule, the quorum is one more than half the members of the body.

The Role of the Chair

While all members of the body should know and understand the rules of parliamentary procedure, it is the chair of the body who is charged with applying the rules of conduct of the meeting. The chair should be well versed in those rules. For all intents and purposes, the chair makes the final ruling on the rules every time the chair states an action. In fact, all decisions by the chair are final unless overruled by the body itself.

Since the chair runs the conduct of the meeting, it is usual courtesy for the chair to play a less active role in the debate and discussion than other members of the body. This does not mean that the chair should not participate in the debate or discussion. To the contrary, as a member of the body, the chair has the full right to participate in the debate, discussion and decision-making of the body. What the chair should do, however, is strive to be the last to speak at the discussion and debate stage. The chair should not make or second a motion unless the chair is convinced that no other member of the body will do so at that point in time.

The Basic Format for an Agenda Item Discussion

Formal meetings normally have a written, often published agenda. Informal meetings may have only an oral or understood agenda. In either case, the meeting is governed by the agenda and the agenda constitutes the body's agreed-upon roadmap for the meeting. Each agenda item can be handled by the chair in the following basic format:

First, the chair should clearly announce the agenda item number and should clearly state what the agenda item subject is. The chair should then announce the format (which follows) that will be followed in considering the agenda item.

Second, following that agenda format, the chair should invite the appropriate person or persons to report on the item, including any recommendation that they might have. The appropriate person or persons may be the chair, a member of the body, a staff person, or a committee chair charged with providing input on the agenda item.

Third, the chair should ask members of the body if they have any technical questions of clarification. At this point, members of the body may ask clarifying questions to the person or persons who reported on the item, and that person or persons should be given time to respond.

Fourth, the chair should invite public comments, or if appropriate at a formal meeting, should open the public meeting for public input. If numerous members of the public indicate a desire to speak to the subject, the chair may limit the time of public speakers. At the conclusion of the public comments, the chair should announce that public input has concluded (or the public hearing, as the case may be, is closed).

Fifth, the chair should invite a motion. The chair should announce the name of the member of the body who makes the motion.

Sixth, the chair should determine if any member of the body wishes to second the motion. The chair should announce the name of the member of the body who seconds the motion. It is normally good practice for a motion to require a second before proceeding to ensure that it is not just one member of the body who is interested in a particular approach. However, a second is not an absolute requirement, and the chair can proceed with consideration and vote on a motion even when there is no second. This is a matter left to the discretion of the chair.

Seventh, if the motion is made and seconded, the chair should make sure everyone understands the motion.

This is done in one of three ways:

1. The chair can ask the maker of the motion to repeat it;
2. The chair can repeat the motion; or
3. The chair can ask the secretary or the clerk of the body to repeat the motion.

Eighth, the chair should now invite discussion of the motion by the body. If there is no desired discussion, or after the discussion has ended, the chair should announce that the body will vote on the motion. If there has been no discussion or very brief discussion, then the vote on the motion should proceed immediately and there is no need to repeat the motion. If there has been substantial discussion, then it is normally best to make sure everyone understands the motion by repeating it.

Ninth, the chair takes a vote. Simply asking for the "ayes" and then asking for the "nays" normally does this. If members of the body do not vote, then they "abstain." Unless the rules of the body provide otherwise (or unless a super majority is required as delineated later in these rules), then a simple majority (as defined in law or the rules of the body as delineated later in these rules) determines whether the motion passes or is defeated.

Tenth, the chair should announce the result of the vote and what action (if any) the body has taken. In announcing the result, the chair should indicate the names of the members of the body, if any, who voted in the minority on the motion. This announcement might take the following form: "The motion passes by a vote of 3-2, with Smith and Jones dissenting. We have passed the motion requiring a 10-day notice for all future meetings of this body."

Motions in General

Motions are the vehicles for decision making by a body. It is usually best to have a motion before the body prior to commencing discussion of an agenda item. This helps the body focus.

Motions are made in a simple two-step process. First, the chair should recognize the member of the body. Second, the member of the body makes a motion by preceding the member's desired approach with the words "I move … "

A typical motion might be: "I move that we give a 10-day notice in the future for all our meetings."

The chair usually initiates the motion in one of three ways:

1. **Inviting the members of the body to make a motion,** for example, "A motion at this time would be in order."
2. **Suggesting a motion to the members of the body,** "A motion would be in order that we give a 10-day notice in the future for all our meetings."
3. **Making the motion.** As noted, the chair has every right as a member of the body to make a motion, but should normally do so only if the chair wishes to make a motion on an item but is convinced that no other member of the body is willing to step forward to do so at a particular time.

The Three Basic Motions

There are three motions that are the most common and recur often at meetings:

The basic motion. The basic motion is the one that puts forward a decision for the body's consideration. A basic motion might be: "I move that we create a five-member committee to plan and put on our annual fundraiser."

The motion to amend. If a member wants to change a basic motion that is before the body, they would move to amend it. A motion to amend might be: "I move that we amend the motion to have a 10-member committee." A motion to amend takes the basic motion that is before the body and seeks to change it in some way.

The substitute motion. If a member wants to completely do away with the basic motion that is before the body, and put a new motion before the body, they would move a substitute motion. A substitute motion might be: "I move a substitute motion that we cancel the annual fundraiser this year."

"Motions to amend" and "substitute motions" are often confused, but they are quite different, and their effect (if passed) is quite different. A motion to amend seeks to retain the basic motion on the floor, but modify it in some way. A substitute motion seeks to throw out the basic motion on the floor, and substitute a new and different motion for it. The decision as to whether a motion is really a "motion to amend" or a "substitute motion" is left to the chair. So if a member makes what that member calls a "motion to amend," but the chair determines that it is really a "substitute motion," then the chair's designation governs.

A "friendly amendment" is a practical parliamentary tool that is simple, informal, saves time and avoids bogging a meeting down with numerous formal motions. It works in the following way: In the discussion on a pending motion, it may appear that a change to the motion is desirable or may win support for the motion from some members. When that happens, a member who has the floor may simply say, "I want to suggest a friendly amendment to the motion." The member suggests the friendly amendment, and if the maker and the person who seconded the motion pending on the floor accepts the friendly amendment, that now becomes the pending motion on the floor. If either the maker or the person who seconded rejects the proposed friendly amendment, then the proposer can formally move to amend.

Multiple Motions Before the Body

There can be up to three motions on the floor at the same time. The chair can reject a fourth motion until the chair has dealt with the three that are on the floor and has resolved them. This rule has practical value. More than three motions on the floor at any given time is confusing and unwieldy for almost everyone, including the chair.

When there are two or three motions on the floor (after motions and seconds) at the same time, the vote should proceed *first* on the *last* motion that is made. For example, assume the first motion is a basic "motion to have a five-member committee to plan and put on our annual fundraiser." During the discussion of this motion, a member might make a second motion to "amend the main motion to have a 10-member committee, not a five-member committee to plan and put on our annual fundraiser." And perhaps, during that discussion, a member makes yet a third motion as a "substitute motion that we not have an annual fundraiser this year." The proper procedure would be as follows:

First, the chair would deal with the *third* (the last) motion on the floor, the substitute motion. After discussion and debate, a vote would be taken first on the third motion. If the substitute motion *passed*, it would be a substitute for the basic motion and would eliminate it. The first motion would be moot, as would the second motion (which sought to amend the first motion), and the action on the agenda item would be completed on the passage by the body of the third motion (the substitute motion). No vote would be taken on the first or second motions.

Second, if the substitute motion *failed*, the chair would then deal with the second (now the last) motion on the floor, the motion to amend. The discussion and debate would focus strictly on the amendment (should the committee be five or 10 members). If the motion to amend *passed*, the chair would then move to consider the main motion (the first motion) as *amended*. If the motion to amend *failed,* the chair would then move to consider the main motion (the first motion) in its original format, not amended.

Third, the chair would now deal with the first motion that was placed on the floor. The original motion would either be in its original format (five-member committee), or if *amended*, would be in its amended format (10-member committee). The question on the floor for discussion and decision would be whether a committee should plan and put on the annual fundraiser.

To Debate or Not to Debate

The basic rule of motions is that they are subject to discussion and debate. Accordingly, basic motions, motions to amend, and substitute motions are all eligible, each in their turn, for full discussion before and by the body. The debate can continue as long as members of the body wish to discuss an item, subject to the decision of the chair that it is time to move on and take action.

There are exceptions to the general rule of free and open debate on motions. The exceptions all apply when there is a desire of the body to move on. The following motions are not debatable (that is, when the following motions are made and seconded, the chair must immediately call for a vote of the body without debate on the motion):

Motion to adjourn. This motion, if passed, requires the body to immediately adjourn to its next regularly scheduled meeting. It requires a simple majority vote.

Motion to recess. This motion, if passed, requires the body to immediately take a recess. Normally, the chair determines the length of the recess which may be a few minutes or an hour. It requires a simple majority vote.

Motion to fix the time to adjourn. This motion, if passed, requires the body to adjourn the meeting at the specific time set in the motion. For example, the motion might be: "I move we adjourn this meeting at midnight." It requires a simple majority vote.

Motion to table. This motion, if passed, requires discussion of the agenda item to be halted and the agenda item to be placed on "hold." The motion can contain a specific time in which the item can come back to the body. "I move we table this item until our regular meeting in October." Or the motion can contain no specific time for the return of the item, in which case a motion to take the item off the table and bring it back to the body will have to be taken at a future meeting. A motion to table an item (or to bring it back to the body) requires a simple majority vote.

Motion to limit debate. The most common form of this motion is to say, "I move the previous question" or "I move the question" or "I call the question" or sometimes someone simply shouts out "question." As a practical matter, when a member calls out one of these phrases, the chair can expedite matters by treating it as a "request" rather than as a formal motion. The chair can simply inquire of the body, "any further discussion?" If no one wishes to have further discussion, then the chair can go right to the pending motion that is on the floor. However, if even one person wishes to discuss the pending motion further, then at that point, the chair should treat the call for the "question" as a formal motion, and proceed to it.

When a member of the body makes such a motion ("I move the previous question"), the member is really saying: "I've had enough debate. Let's get on with the vote." When such a motion is made, the chair should ask for a second, stop debate, and vote on the motion to limit debate. The motion to limit debate requires a two-thirds vote of the body.

NOTE: A motion to limit debate could include a time limit. For example: "I move we limit debate on this agenda item to 15 minutes." Even in this format, the motion to limit debate requires a two-thirds vote of the body. A similar motion is a *motion to object to consideration of an item.* This motion is not debatable, and if passed, precludes the body from even considering an item on the agenda. It also requires a two-thirds vote.

Majority and Super Majority Votes

In a democracy, a simple majority vote determines a question. A tie vote means the motion fails. So in a seven-member body, a vote of 4-3 passes the motion. A vote of 3-3 with one abstention means the motion fails. If one member is absent and the vote is 3-3, the motion still fails.

All motions require a simple majority, but there are a few exceptions. The exceptions come up when the body is taking an action which effectively cuts off the ability of a minority of the body to take an action or discuss an item. These extraordinary motions require a two-thirds majority (a super majority) to pass:

Motion to limit debate. Whether a member says, "I move the previous question," or "I move the question," or "I call the question," or "I move to limit debate," it all amounts to an attempt to cut off the ability of the minority to discuss an item, and it requires a two-thirds vote to pass.

Motion to close nominations. When choosing officers of the body (such as the chair), nominations are in order either from a nominating committee or from the floor of the body. A motion to close nominations effectively cuts off the right of the minority to nominate officers and it requires a two-thirds vote to pass.

Motion to object to the consideration of a question. Normally, such a motion is unnecessary since the objectionable item can be tabled or defeated straight up. However, when members of a body do not even want an item on the agenda to be considered, then such a motion is in order. It is not debatable, and it requires a two-thirds vote to pass.

Motion to suspend the rules. This motion is debatable, but requires a two-thirds vote to pass. If the body has its own rules of order, conduct or procedure, this motion allows the body to suspend the rules for a particular purpose. For example, the body (a private club) might have a rule prohibiting the attendance at meetings by non-club members. A motion to suspend the rules would be in order to allow a non-club member to attend a meeting of the club on a particular date or on a particular agenda item.

Counting Votes

The matter of counting votes starts simple, but can become complicated.

Usually, it's pretty easy to determine whether a particular motion passed or whether it was defeated. If a simple majority vote is needed to pass a motion, then one vote more than 50 percent of the body is required. For example, in a five-member body, if the vote is three in favor and two opposed, the motion passes. If it is two in favor and three opposed, the motion is defeated.

If a two-thirds majority vote is needed to pass a motion, then how many affirmative votes are required? The simple rule of thumb is to count the "no" votes and double that count to determine how many "yes" votes are needed to pass a particular motion. For example, in a seven-member body, if two members vote "no" then the "yes" vote of at least four members is required to achieve a two-thirds majority vote to pass the motion.

What about tie votes? In the event of a tie, the motion always fails since an affirmative vote is required to pass any motion. For example, in a five-member body, if the vote is two in favor and two opposed, with one member absent, the motion is defeated.

Vote counting starts to become complicated when members vote "abstain" or in the case of a written ballot, cast a blank (or unreadable) ballot. Do these votes count, and if so, how does one count them? The starting point is always to check the statutes.

In California, for example, for an action of a board of supervisors to be valid and binding, the action must be approved by a majority of the board. (California Government Code Section 25005.) Typically, this means three of the five members of the board must vote affirmatively in favor of the action. A vote of 2-1 would not be sufficient. A vote of 3-0 with two abstentions would be sufficient. In general law cities in

California, as another example, resolutions or orders for the payment of money and all ordinances require a recorded vote of the total members of the city council. (California Government Code Section 36936.) Cities with charters may prescribe their own vote requirements. Local elected officials are always well-advised to consult with their local agency counsel on how state law may affect the vote count.

After consulting state statutes, step number two is to check the rules of the body. If the rules of the body say that you count votes of "those present" then you treat abstentions one way. However, if the rules of the body say that you count the votes of those "present and voting," then you treat abstentions a different way. And if the rules of the body are silent on the subject, then the general rule of thumb (and default rule) is that you count all votes that are "present and voting."

Accordingly, under the "present and voting" system, you would **NOT** count abstention votes on the motion. Members who abstain are counted for purposes of determining quorum (they are "present"), but you treat the abstention votes on the motion as if they did not exist (they are not "voting"). On the other hand, if the rules of the body specifically say that you count votes of those "present" then you **DO** count abstention votes both in establishing the quorum and on the motion. In this event, the abstention votes act just like "no" votes.

How does this work in practice?
Here are a few examples.

Assume that a five-member city council is voting on a motion that requires a simple majority vote to pass, and assume further that the body has no specific rule on counting votes. Accordingly, the default rule kicks in and we count all votes of members that are "present and voting." If the vote on the motion is 3-2, the motion passes. If the motion is 2-2 with one abstention, the motion fails.

Assume a five-member city council voting on a motion that requires a two-thirds majority vote to pass, and further assume that the body has no specific rule on counting votes. Again, the default rule applies. If the vote is 3-2, the motion fails for lack of a two-thirds majority. If the vote is 4-1, the motion passes with a clear two-thirds majority. A vote of three "yes," one "no" and one "abstain" also results in passage of the motion. Once again, the abstention is counted only for the purpose of determining quorum, but on the actual vote on the motion, it is as if the abstention vote never existed — so an effective 3-1 vote is clearly a two-thirds majority vote.

Now, change the scenario slightly. Assume the same five-member city council voting on a motion that requires a two-thirds majority vote to pass, but now assume that the body **DOES** have a specific rule requiring a two-thirds vote of members "present." Under this specific rule, we must count the members present not only for quorum but also for the motion. In this scenario, any abstention has the same force and effect as if it were a "no" vote. Accordingly, if the votes were three "yes," one "no" and one "abstain," then the motion fails. The abstention in this case is treated like a "no" vote and effective vote of 3-2 is not enough to pass two-thirds majority muster.

Now, exactly how does a member cast an "abstention" vote? Any time a member votes "abstain" or says, "I abstain," that is an abstention. However, if a member votes "present" that is also treated as an abstention (the member is essentially saying, "Count me for purposes of a quorum, but my vote on the issue is abstain.") In fact, any manifestation of intention to vote either "yes" or "no" on the pending motion may be treated by the chair as an abstention. If written ballots are cast, a blank or unreadable ballot is counted as an abstention as well.

Can a member vote "absent" or "count me as absent?" Interesting question. The ruling on this is up to the chair. The better approach is for the chair to count this as if the member had left his/her chair and is actually "absent." That, of course, affects the quorum. However, the chair may also treat this as a vote to abstain, particularly if the person does not actually leave the dais.

The Motion to Reconsider

There is a special and unique motion that requires a bit of explanation all by itself; the motion to reconsider. A tenet of parliamentary procedure is finality. After vigorous discussion, debate and a vote, there must be some closure to the issue. And so, after a vote is taken, the matter is deemed closed, subject only to reopening if a proper motion to consider is made and passed.

A motion to reconsider requires a majority vote to pass like other garden-variety motions, but there are two special rules that apply only to the motion to reconsider.

First, is the matter of timing. A motion to reconsider must be made at the meeting where the item was first voted upon. A motion to reconsider made at a later time is untimely. (The body, however, can always vote to suspend the rules and, by a two-thirds majority, allow a motion to reconsider to be made at another time.)

Second, a motion to reconsider may be made only by certain members of the body. Accordingly, a motion to reconsider may be made only by a member who voted in the majority on the original motion. If such a member has a change of heart, he or she may make the motion to reconsider (any other member of the body — including a member who voted in the minority on the original motion — may second the motion). If a member who voted in the minority seeks to make the motion to reconsider, it must be ruled out of order. The purpose of this rule is finality. If a member of minority could make a motion to reconsider, then the item could be brought back to the body again and again, which would defeat the purpose of finality.

If the motion to reconsider passes, then the original matter is back before the body, and a new original motion is in order. The matter may be discussed and debated as if it were on the floor for the first time.

Courtesy and Decorum

The rules of order are meant to create an atmosphere where the members of the body and the members of the public can attend to business efficiently, fairly and with full participation. At the same time, it is up to the chair and the members of the body to maintain common courtesy and decorum. Unless the setting is very informal, it is always best for only one person at a time to have the floor, and it is always best for every speaker to be first recognized by the chair before proceeding to speak.

The chair should always ensure that debate and discussion of an agenda item focuses on the item and the policy in question, not the personalities of the members of the body. Debate on policy is healthy, debate on personalities is not. The chair has the right to cut off discussion that is too personal, is too loud, or is too crude.

Debate and discussion should be focused, but free and open. In the interest of time, the chair may, however, limit the time allotted to speakers, including members of the body.

Can a member of the body interrupt the speaker? The general rule is "no." There are, however, exceptions. A speaker may be interrupted for the following reasons:

Privilege. The proper interruption would be, "point of privilege." The chair would then ask the interrupter to "state your point." Appropriate points of privilege relate to anything that would interfere with the normal comfort of the meeting. For example, the room may be too hot or too cold, or a blowing fan might interfere with a person's ability to hear.

Order. The proper interruption would be, "point of order." Again, the chair would ask the interrupter to "state your point." Appropriate points of order relate to anything that would not be considered appropriate conduct of the meeting. For example, if the chair moved on to a vote on a motion that permits debate without allowing that discussion or debate.

Appeal. If the chair makes a ruling that a member of the body disagrees with, that member may appeal the ruling of the chair. If the motion is seconded, and after debate, if it passes by a simple majority vote, then the ruling of the chair is deemed reversed.

Call for orders of the day. This is simply another way of saying, "return to the agenda." If a member believes that the body has drifted from the agreed-upon agenda, such a call may be made. It does not require a vote, and when the chair discovers that the agenda has not been followed, the chair simply reminds the body to return to the agenda item properly before them. If the chair fails to do so, the chair's determination may be appealed.

Withdraw a motion. During debate and discussion of a motion, the maker of the motion on the floor, at any time, may interrupt a speaker to withdraw his or her motion from the floor. The motion is immediately deemed withdrawn, although the chair may ask the person who seconded the motion if he or she wishes to make the motion, and any other member may make the motion if properly recognized.

Special Notes About Public Input

The rules outlined above will help make meetings very public-friendly. But in addition, and particularly for the chair, it is wise to remember three special rules that apply to each agenda item:

Rule One: Tell the public what the body will be doing.

Rule Two: Keep the public informed while the body is doing it.

Rule Three: When the body has acted, tell the public what the body did.

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