



COMPREHENSIVE ANNUAL

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013

CITY OF
VENTURA
CALIFORNIA



COMPREHENSIVE ANNUAL

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013

Jay Panzica, Chief Financial Officer



Introductory Section

**City of San Buenaventura
Comprehensive Annual Financial Report
For the year ended June 30, 2013**

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FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013

March 26, 2014

Honorable Mayor and City Councilmembers, and the Citizens of the City of San Buenaventura:

City policy requires the annual publication of a complete set of audited financial statements. This Comprehensive Annual Financial Report (CAFR) is published to fulfill that requirement for the fiscal year ended June 30, 2013.

This report consists of management's representations concerning the finances of the City, and was prepared by the Finance and Technology Department in conjunction with the City's independent auditors. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements by reviewing each of the following categories:

- Achievement of business objectives and goals
- Effectiveness and efficiency of operations
- Reliability of financial reporting
- Compliance with applicable laws and regulations
- Safeguarding of assets

White Nelson Diehl Evans LLP has issued an unqualified ("clean") opinion on the City's financial statements for the year ended June 30, 2013. The independent auditor's report is located at the front of the financial section of this report.

The Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of San Buenaventura, generally referred to as the City of Ventura, is located on the southern California coastline, approximately 62 miles northwest of the City of Los Angeles and 364 miles south of the City of San Francisco. The city limits cover approximately 33 square miles.

The City was incorporated in 1866 and has been the County seat since 1873. The City is a charter city with a council-manager form of government. A seven-member City Council is elected at large for four-year alternating terms at elections held every two years. The Mayor of the City is the presiding officer of the City Council and is selected by the City Council from its members to serve a two-year term. The City Manager, appointed by the City Council for an indeterminate term, acts as chief executive officer in carrying out the policies of the City Council.

The City's first charter was adopted in 1932. The present charter was adopted by election on November 6, 1973, and approved by the California legislature in January 1974 and was amended on November 7, 1995. With 597 full time employee positions authorized in the FY 2012-13 citywide budget, the City provides a full range of services, including public safety (law enforcement and fire protection), public works, community development, community recreational services, and general government (finance, technology, purchasing, legal, licensing and code enforcement). In addition,

enterprise funds account for the operations of the water/wastewater services being provided by Ventura Water, as well as two municipal golf courses. The Council is required to adopt a final budget by no later than the close of the fiscal year. The annual budget serves as the foundation for the City's financial planning and control. The annual budget is prepared and organized by fund, department, and project. City department heads may make transfers within their departments; however, all transfers over \$50,000 are reported to City Council. All transfers between funds require approval of the City Council.

Economic Condition and Outlook

The economic condition of the City in fiscal year 2013 continued its recent trend towards improvement. This was due in part to the City's ongoing commitment to an economic development strategy that continues to achieve results. The emphasis on generating both private and public sector value will add to our community's stability and wealth. The City's revenue base is a blend of business and commercial, light and heavy industrial, and residential uses. The City's economy revolves chiefly around the County government facilities, financial services, retail operations, and a well-developed agriculture-based food processing industry. Government services employ over 12,000 workers, providing relative stability to the City's employment base.

In July 2013, the Los Angeles Economic Development Corporation (LAEDC) issued its 2013-2014 Mid-Year Economic Forecast & Industry Outlook, with a section devoted to Ventura County. In its opening remarks, the LAEDC noted that "Ventura is home to a broad array of industries that include agriculture, professional business services, technology, and tourism". It went on to note that "economic activity in Ventura County accelerated at the start of 2013. Most industries added jobs since the start of the year, resulting in an impressive decline in the unemployment rate since the start of the year. The housing market is also on the mend with the county's median price for an existing home in the \$500,000 range for the first time in five years".

Regarding employment, the LAEDC stated that "Ventura County's unemployment rate registered remarkable improvement in the first part of this year, declining from 9.0% in January to 6.6% in May (2013). This came as average monthly nonfarm employment grew 1.6% in the first five months of 2013 compared to the same period last year. Ventura County has the second lowest unemployment rate in the greater Los Angeles area, surpassed only by Orange County. Average employment rose in most private sector industries through the first five months of 2013. The largest gains were in leisure and hospitality (the second largest private sector industry by employment in the county), administrative and support services, construction, and professional, scientific, and technical services. Mining and logging, manufacturing, and finance and insurance all lost jobs. Employment in the government sector was roughly flat. In percentage terms, construction led the way with an 8.3% gain followed by a 7.3% jump in leisure and hospitality".

Regarding tourism, the report noted "The size of the leisure and hospitality sector (14% of nonfarm employment) reflects the importance of tourism to Ventura County. On a year-to-date basis through May, occupancy rates were down marginally, but room rates and room revenues were up by just under 3%. Gains in retail employment may also be due in part to an increase in the number of tourists. As the Los Angeles County economy improves in the coming years, Ventura County's tourism industry will benefit from more visits by its next-door neighbors."

In total, the City is expecting minor improvements in its overall revenue levels in the FY 2013-14 fiscal year, as well as in FY 2014-15. Sales tax is expected to continue its slow recovery in the two to three percent growth range; Triple Flip property taxes are expected to level off or decline slightly; and property tax is expected to grow at about two percent for the next twelve to twenty four months. In addition, the income derived from Transient Occupancy Tax is expected to grow at annual rate of

about three percent through FY 2014-15. The level of taxes, fees, and charges for services (including development-related mitigation fees) will have a bearing on the City's competitive ability to encourage retail, office, residential, and industrial development to locate within the jurisdiction. Since the City places significant emphasis on encouraging economic development with higher paying jobs, a review of City fees was put in place prior to the end of calendar year 2013.

Cash Management

The City has a formal investment policy, which is updated and submitted to Council on an annual basis. This policy provides guidance as to the investment and handling of the City's available cash. In addition to community-related economics, i.e., business, employment, and real estate indices, the City's finances and operations are directly impacted by national and regional economic trends. As an example the interest earnings on the City's investment portfolio continued to be at historically low levels and are expected to do so throughout FY 2013-14. This ongoing multi-year decrease in market rate returns for allowable investments has resulted in the city's average yield to maturity (YTM) on its investment portfolio being at 0.969% for the fiscal year ended June 30, 2013. This represents a slight decrease from the prior year's YTM of 0.979%.

Long-Term Financial Planning

The City has consistently planned its budgets with an effort to address the long-term needs of the City. As a result, the City will continue submitting a detailed six-year Capital Improvement Projects Plan. In support of this plan, the City successfully sold \$25.0 million in new bonds in November 2012, for Ventura Water to invest in new infrastructure over the next three years.

Major projects for both the General Fund and the Water/Wastewater Funds during FY 2013-14, and their remaining appropriations, include the following:

Enterprise Funds

- Waterline Replacement - Harbor Blvd \$2.2 million
- Automated Meter Reading Installation – Citywide \$4.7 million
- Well - Saticoy Well 3 \$1.0 million
- Pump Station - Gosnell Pump Station Rehabilitation \$1.8 million
- Waterline Replacement - N Catalina \$1.3 million
- Sewerline Replacement - Avenue Area \$2.4 million
- Waterline Replacement - Montalvo Area \$4.2 million

Public Works

- Annual Street Maintenance \$7.6 million
- Highway 126 Bike Path Gap Closure \$1.0 million
- Traffic Signal Infrastructure Modernization \$0.5 million
- Community Park Sports Fields #3 & #5 \$0.6 million
- Surfers' Point Cobble Nourishment \$0.5 million
- City Hall HVAC Improvements \$1.0 million
- City Hall East First Floor Refurbishments \$0.8 million

Relevant Financial Policies

The City has financial policies and procedures, which are updated and submitted to Council as part of the budgeting process on an annual basis. Of note is the fact that the General Fund maintains \$12

million committed for contingencies as per these financial policies. In addition the City has a formal reserve policy in regards to Ventura Water as part of a Cost of Service and Rate Design study. A structured policy is a common business practice for modern utilities, and the policy recommended during the study was prudent for the needs of the utility. It was developed as part of a 10-year Financial Plan that was approved and formally adopted by the City Council. The reserve targets in this Plan include an Operating Reserves target of three months (or 25%) of operating expenses and a Capital Reserves target of 50% of average annual replacement of assets, gradually increasing to 100% in FY 2016-17. The Operating Reserves will provide working capital, allow for unanticipated changes to budgeted expenses, and provide adequate cash flow during disasters or other emergencies. The Capital Reserves will assist in building financial stability to support a healthy replacement program going forward.

Furthermore, it is the City's policy to ensure that adequate sustainable long-term revenues are available to support any new debt issues. This was reaffirmed both in practice, and by the rating agencies, during the refinancing that occurred this year.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Ventura for its CAFR for the fiscal year ended June 30, 2012. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a governmental unit must have published an easily readable and efficiently organized CAFR, whose contents conform to program standards. The Comprehensive Annual Financial Report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to program requirements and will be submitted to the GFOA.

Acknowledgements

I would like to thank the management and staff of the Finance and Technology Department for their contributions to the preparation of this year's CAFR. In addition, I would like to thank the staff of White Nelson Diehl Evans LLP, the City's independent auditors, for their proactive assistance and advice during the past fiscal year. We would also like to acknowledge the Mayor and Council Members, the City Manager's staff, and department director's for their continuing support in maintaining the highest standards of professionalism in the management of the City's finances.

The CAFR is available in the City Council's reading file as well as on the City's website.

Respectfully submitted,



Jay Panzica
Chief Financial Officer



Government Finance Officers Association

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

Presented to

**City of San Buenaventura
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

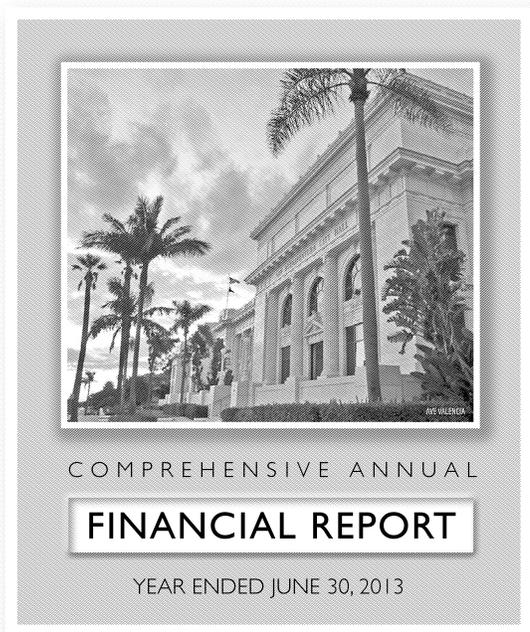
Executive Director/CEO



COMPREHENSIVE ANNUAL

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YEAR ENDED JUNE 30, 2013



DIRECTORY OF CITY OFFICIALS

Mike Tracy
 Mayor

Cheryl Heitmann
 Deputy Mayor

James L. Monahan
 Councilmember

Neal Andrews
 Councilmember

Carl E. Morehouse
 Councilmember

Brian Brennan
 Councilmember

Christy Weir
 Councilmember



Mark Watkins
 City Manager

James Mason
 Assistant City Manager

Cyndi Rodriguez
 City Clerk

Jay Panzica
 Chief Financial Officer

Don McPherson
 Fire Chief

Jeffrey Lambert
 Community Development
 Director

Ken Corney
 Police Chief

Elena Brokaw
 Parks, Recreation &
 Community Partnerships
 Director

Rick Raives
 Public Works
 Director

Jenny Roney
 Human Resources
 Director

Ariel Calonne
 City Attorney

Shana Epstein
 Ventura Water
 General Manager

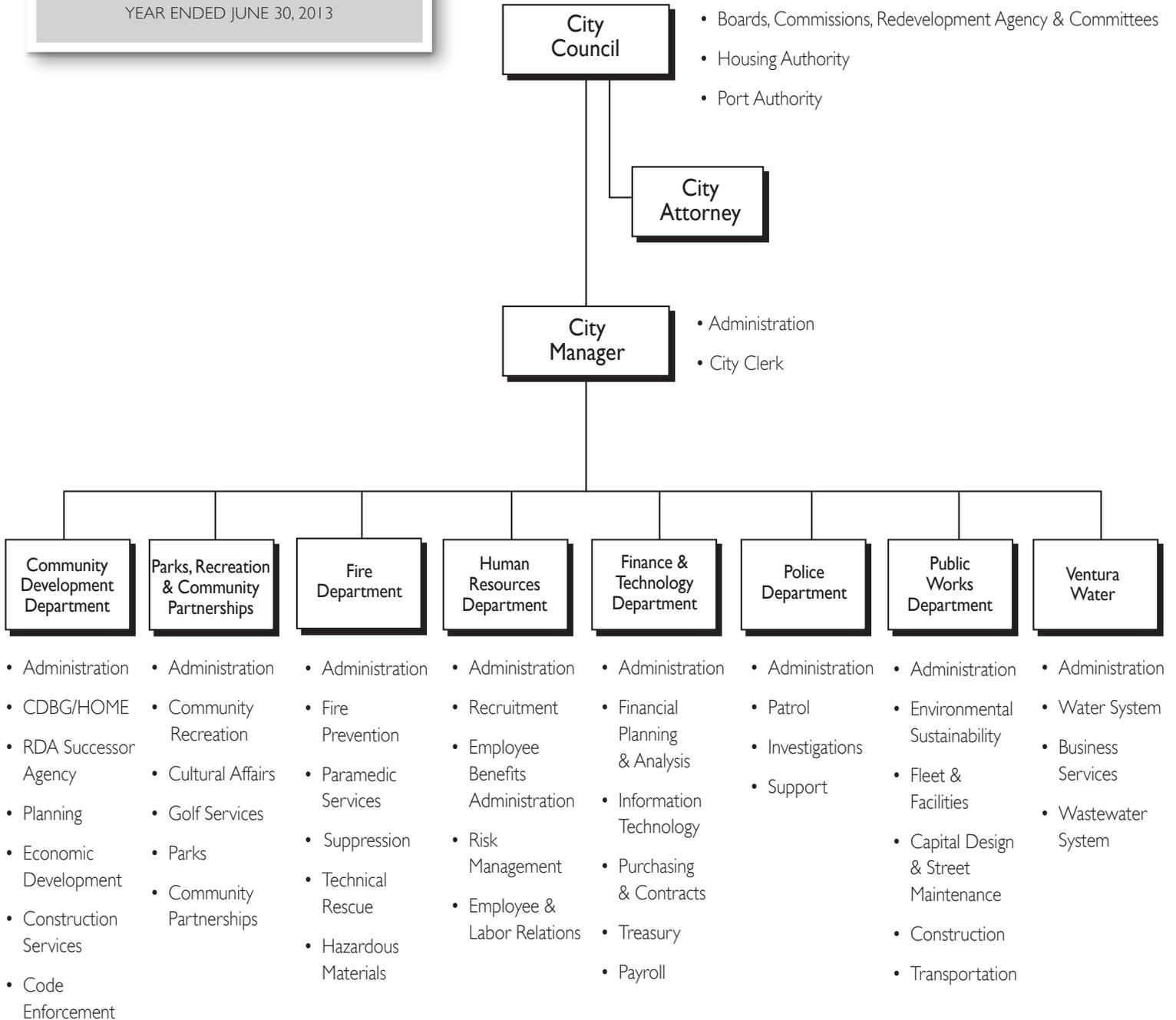


COMPREHENSIVE ANNUAL

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013

ORGANIZATIONAL STRUCTURE





Financial Section

INDEPENDENT AUDITORS' REPORT

To the City Council Members
of the City of San Buenaventura
San Buenaventura, 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 San Buenaventura (the City), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We 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 of 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 City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, 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 San Buenaventura, as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 1Q to the financial statements, the City incorporated deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure of net position due to the adoption of Governmental Accounting Standards Board's Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*". The adoption of this standard also provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. Our opinion is not modified with respect to this matter.

As discussed in Note 1Q to the financial statements, the City has changed its method for accounting and reporting certain items previously reported as assets or liabilities during the fiscal year ended June 30, 2013 due to the adoption of Governmental Accounting Standards Board's Statement No. 65, "*Items Previously Reported as Assets and Liabilities*". Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary information and schedule of funding progress, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the management's discussion and analysis and the schedule of funding progress in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the management's discussion and analysis and the schedule of funding progress because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements of the City or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Matters (Continued)

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The introductory section, supplementary information in the financial section, statistical section and annual continuing disclosure requirements section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory section, statistical section and annual continuing disclosure requirements section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2014 on our consideration of the City's internal control over financial reporting and 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's internal control over financial reporting and compliance.

White Nelson Dick Evans LLP

Irvine, California
March 26, 2014



COMPREHENSIVE ANNUAL

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013



Management's Discussion
& Analysis

City of San Buenaventura
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED June 30, 2013

As management of the City of San Buenaventura (City), we offer readers of the City's basic financial statements this narrative overview and analysis of the financial activities of the City for the year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our transmittal letter, which is found on pages v-vii of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- Net position of the City totaled \$372.4 million at June 30, 2013. Of this amount, \$68.9 million is unrestricted and may be used to meet the City's ongoing obligations to citizens, utility customers, and creditors, subject to applicable laws and regulations.
- The City's total net position, including all activities, increased by \$2.1 million compared to last fiscal year.
- The City's total net noncurrent liabilities increased by \$31.6 million or 27.8% during fiscal year 2012-13.
- As of June 30, 2013, the City's governmental funds reported combined ending fund balances of \$75.1 million.
- As of June 30, 2013, the total fund balance for the General Fund was \$29.4 million, an increase of \$1.1 million from the prior year. Fund balance is classified per GASB Statement No. 54 as Nonspendable (\$6.3 million), Restricted (\$5.5 million), Committed (\$14.0 million), and Assigned (\$3.6 million). Additional information on the City's General Fund balances is located in Note 10.
- As of June 30, 2013, the City's other governmental funds, excluding the General Fund, reported combined ending fund balances of \$45.6 million.

OVERVIEW OF THE 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 the Basic Financial Statements. Each of these sections is discussed below. This report also contains other required and supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The **Government-Wide Financial Statements** are designed to present financial information about the City as a whole in a manner similar to the private sector, including the use of accrual-based accounting to recognize its revenues and expenses. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely primarily on user fees and charges to fund their operations. Governmental activities include those traditionally associated with local government, such as public safety (fire and police), community development, public works, parks and recreation, and general government (administrative) functions. Business-type activities include the City's utility operations (water and wastewater) and golf course.

The **Statement of Net Position** presents information on all of the City's assets, including capital assets, and deferred outflows, and all related current liabilities, deferred inflows, and long-term obligations. The difference between total assets and deferred outflows and total liabilities and deferred inflows is presented as net position, which serves as a measure of the financial health of the City. Over time, an increase in net position generally indicates that the financial health of the City is improving.

The **Statement of Activities** presents information showing how the government's net position changed during the most recent fiscal year. Decreases in net position are presented as "Expenses;" increases in net position are presented as "Revenues." Revenues directly attributable to a particular function within the City are presented as "Program Revenues." Tax revenues, including those restricted to a particular program function, are reported as "General Revenues" unless specifically required to be reported as program revenues (i.e. gas and transportation taxes).

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, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (such as, revenues pertaining to uncollected taxes, or expenses pertaining to earned, but unused, vacation and sick leave).

The government-wide financial statements include not only the City of San Buenaventura (known as the *primary government*), but also one legally separate component unit: Public Facilities Financing Authority. The governing board of this entity is comprised entirely of members of the City Council, and the financial activity has been included as an integral part of the primary government.

The government-wide financial statements are located on pages 17 - 18 of this report.

Fund Financial Statements

The City, like other state and local governments, uses fund accounting for recording its financial activities. In general, fund accounting provides a mechanism to separately account for a variety of different funding sources and enables the City to demonstrate compliance with legal and/or contractual requirements that may be associated with these funds. Thus, the accompanying fund financial statements present individual funds organized into one of three categories: Governmental, Proprietary, and Fiduciary Funds. Note that the fund financial statements only present information on the most significant (i.e. "major") funds on the face of the statements. Nonmajor funds are grouped and presented in total on the face of the statements. In addition, the fund financial statements include a schedule that reconciles the fund financial statements to the government-wide financial statements. This is designed to explain the differences created by the integrated approach to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds- Most of the City's basic services are reported in governmental funds. Governmental funds include the General Fund, Special Revenue, Capital Projects, and Debt Service funds. In the fund financial statements, all governmental fund types are reported using the modified accrual basis of accounting, whereby revenues are generally recognized when measurable and available to finance current operating costs, and expenditures are recognized when the related liability is incurred. In addition, the focus is on inflow (revenues) and outflow (expenditures) of the current period. As such, the balance sheets of governmental funds are intended to present only short-term assets and liabilities.

The fund financial statements include separate columns, by fund type, for all "major" governmental funds of the City. All "Nonmajor" governmental funds are consolidated into a single column labeled "Other Governmental Funds." The details of these funds are included in the Combining and Individual Fund Statements and schedules located in the supplementary information section of this report on pages 79 - 99.

Since the focus of governmental funds is narrower than that of 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 this comparison, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances, provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The City adopts an annual appropriated budget for its funds. A budgetary comparison is provided for all of the City's Governmental Funds to demonstrate compliance with this budget.

Proprietary funds – Proprietary funds are used to account for services provided to external customers or other City departments and funds that are primarily funded from user fees and charges. Proprietary funds use the accrual basis of accounting and measure the balance and change in total economic resources. Accordingly, balance sheets of proprietary funds include all assets and liabilities, including long-term receivables, capital assets, and long-term liabilities. The basis of accounting and measurement focus used to prepare proprietary fund statements is the same that is used to prepare the government-wide statements. Thus, proprietary fund statements provide the same, but more detailed, information about these funds, which are included in the “Business-Type Activity” column of the government-wide statements.

The City maintains two different types of proprietary funds: *Enterprise and Internal Service*.

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Water, Wastewater, and Golf Funds. Water and Wastewater Funds are classified as major funds. The Golf Fund is classified as a non-major fund.
- **Internal Service funds** are used by the City to account for its intra-city services: information technology services, fleet services, building maintenance, digital publishing, workers' compensation, employee fringe benefits, and risk management.

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. Internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of combining statements in the supplementary information section.

Fiduciary funds are used to account for resources held by the City as trustee on behalf of other agencies or individuals. Fiduciary funds are not presented in the accompanying government-wide financial statements since the resources of those funds are not available to support the City's programs. The basis of accounting used for the fiduciary funds is similar to what is used for the proprietary funds. The fiduciary funds financial statements are located in the basic financial statements section of this report.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information* concerning the City's progress in funding the obligation to provide pension benefits to City employees and budgetary comparison schedules for the General Fund.

The combining statements, referred to earlier in connection with non-major governmental funds, internal service funds, and fiduciary funds are presented following the required supplementary information on pensions.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. As shown in the table below, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$372.4 million at June 30, 2013.

Approximately 55% of the City's net position are attributable to its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens and consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets alone may not be used to liquidate these liabilities.

Approximately 26.6% of the City's net position are subject to restrictions imposed by external parties, and their use is determined by those restrictions and contractual agreements. The remaining amount of \$68.9 million may be used by the City to meet ongoing operations, subject to applicable federal and state laws and regulations.

Statement of Net Position As of June 30, 2013 and 2012 (In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Assets:						
Current and Other Assets	\$ 125,829	\$ 132,035	\$ 79,469	\$ 54,600	\$ 205,298	\$ 186,635
Capital Assets	142,578	139,845	199,522	197,356	342,100	337,201
Total Assets	268,407	271,880	278,991	251,956	547,398	523,836
Deferred Outflows of Resources	746	-	3,287	-	4,033	-
Liabilities:						
Current Liabilities	28,867	37,681	4,724	6,664	33,591	44,345
Long-Term Liabilities	60,537	56,998	84,855	56,786	145,392	113,784
Total Liabilities	89,404	94,679	89,579	63,449	178,983	158,129
Net Position:						
Net Investment in Capital Assets	89,592	90,725	114,667	138,392	204,259	229,117
Restricted	43,585	46,683	55,665	42,864	99,250	89,547
Unrestricted	46,571	39,793	22,368	7,250	68,939	47,043
Total Net Position	\$ 179,748	\$ 177,201	\$ 192,700	\$ 188,506	\$ 372,448	\$ 365,707

Statement of Activities

As discussed earlier, the Statement of Net Position provides a measure of the financial health of an entity at a specific date in time (i.e. year-end). In contrast, the Statement of Activities provides details of how net position changed from the prior year. Generally, it indicates whether the financial health of the City as a whole is better at June 30, 2013, in relation to a year earlier. For the fiscal year ended June 30, 2013, total net position increased by \$2.1 million.

The following table summarizes the Statement of Activities for Governmental Activities and Business-Type Activities for the fiscal year ended June 30, 2013, with comparative totals for the fiscal year ended June 30, 2012.

Statement of Activities Fiscal Years Ended June 30, 2013 and 2012 (In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Program Revenues						
Charges for Service	\$ 16,262	\$ 15,075	\$ 48,845	\$ 44,006	\$ 65,107	\$ 59,081
Operating Grants	7,516	9,593	-	-	7,516	9,593
Capital Grants	2,723	2,097	-	-	2,723	2,097
General Revenues						
Taxes						
Property	28,080	22,008	-	-	28,080	22,008
Other	20,385	19,250	-	-	20,385	19,250
Intergovernmental Revenues						
Sales Taxes	21,893	19,856	-	-	21,893	19,856
Motor Vehicle License	56	7,903	-	-	56	7,903
Investment Earnings/ (loss)	(592)	712	491	489	(101)	1,201
Total Revenues	96,323	96,494	49,336	44,495	145,659	140,989
Expenses:						
General Government	3,588	3,839	-	-	3,588	3,839
Human Resources	818	935	-	-	818	935
Finance and Technology	6,289	6,904	-	-	6,289	6,904
Community Development	7,825	8,821	-	-	7,825	8,821
Parks, Rec & Com Partnerships	13,859	13,874	-	-	13,859	13,874
Public Safety-Police	29,862	30,232	-	-	29,862	30,232
Public Safety-Fire	16,530	16,587	-	-	16,530	16,587
Public Works	17,052	18,803	-	-	17,052	18,803
Interest on Long Term Debt	1,615	2,721	-	-	1,615	2,721
Wastewater	-	-	15,582	18,526	15,582	18,526
Water	-	-	25,876	22,857	25,876	22,857
Golf Operations	-	-	4,661	4,705	4,661	4,705
Total Expenses	97,437	102,716	46,119	46,088	143,557	148,804
Increase (Decrease) In Net Position	(1,114)	(6,222)	3,217	(1,593)	2,103	(7,815)
Transfers	1,534	1,537	(1,534)	(1,537)	-	-
Extraordinary gain on dissolution of RDA	-	20,623	-	-	-	20,623
Change In Net Position	420	15,938	1,683	(3,130)	2,103	12,808
Net Position-Beginning, as restated	179,329	161,263	191,017	191,636	370,346	352,899
Net Position- Ending	\$ 179,749	\$ 177,201	\$ 192,700	\$ 188,506	\$ 372,449	\$ 365,707

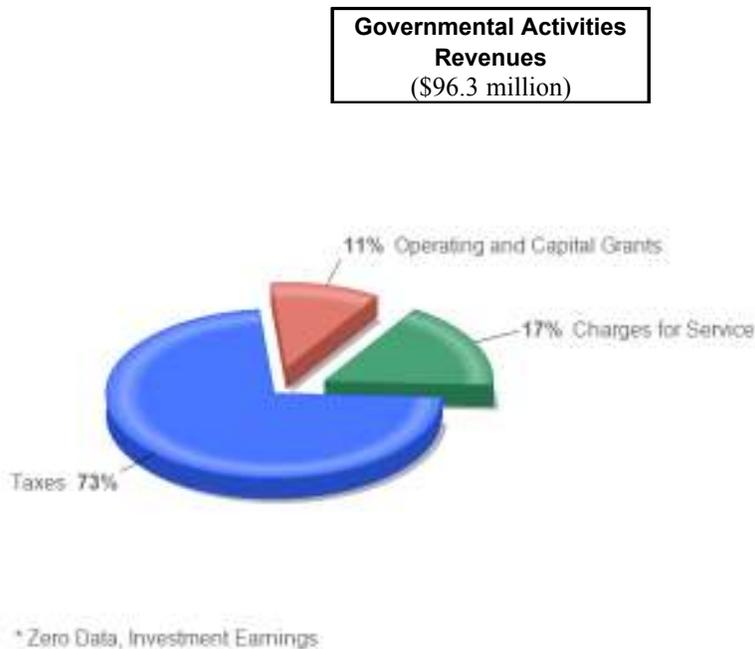
Governmental Activities

Revenue Highlights

Total revenues of governmental activities were \$96.3 million. The largest component of total revenue is taxes at \$70.4 million, making up 73% of total revenues. This is consistent with the nature and purpose of governmental funds, particularly in the General Fund, where programs are largely supported by general taxes. The highest tax revenues received by the General Fund include property tax (\$28.1 million), sales tax (\$21.9 million), and utility users tax (\$8.6 million). Some of the key changes in revenues are:

- Sales tax revenues increased by \$2.0 million or 10% compared to the prior year. After a few years of a downward trend, this major revenue source has been increasing once again.
- Other taxes increased almost \$1.1 million, in large part, due to continued strong growth in the City's card room tax, business licenses, and transfer tax revenues.
- Property taxes increased by \$6.1 million, mostly due to the dissolution of the Redevelopment Agency. In the prior year, the former Agency received about \$1.7 million in property taxes which was reported in the governmental funds. However, in current and future years, the Successor Agency will account for its revenues in fiduciary funds.
- Investment earnings decreased approximately \$1.3 million due to the rate of return on the City's investments continuing to decline, and investments reporting an unrealized loss in the market value of the portfolio, an adjustment required per GASB 31.

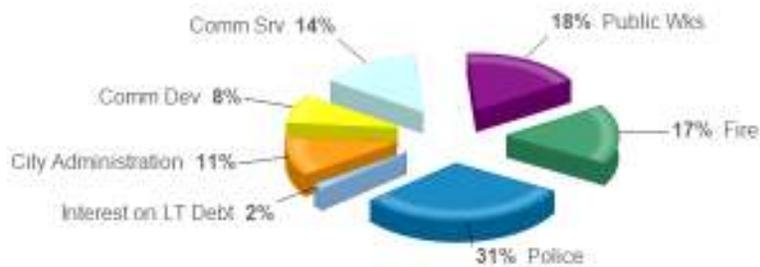
The governmental activities' chart below illustrates operating revenues by source. Sales, property, motor vehicle license, and other taxes are general revenues used to support overall government functions. These sources account for approximately \$70.4 million or 73% of total governmental revenue. Operating and capital grants make up 11% of revenues while charges for services amount to 17% of total governmental revenues.



Expense Highlights

Functional expenses for the year totaled approximately \$97.4 million in the governmental funds, a decrease of \$5.3 from the prior year. Public Safety activities consumed approximately \$46.4 million (47.6%) of the total expenses in the governmental activities. A large portion of public safety costs are funded from general revenues, primarily taxes. Expenses for Public Works totaled \$17.1 million, Parks, Rec & Com Partnerships \$13.9 million, and Community Development \$7.8 million. Administration Expenses (including Finance and Technology, General Government, and Human Resources) and Interest on Long Term Debt, consumed a total of \$12.3 million (13%).

Governmental Activities Expenses (\$97.4 million)



Business-Type Activities

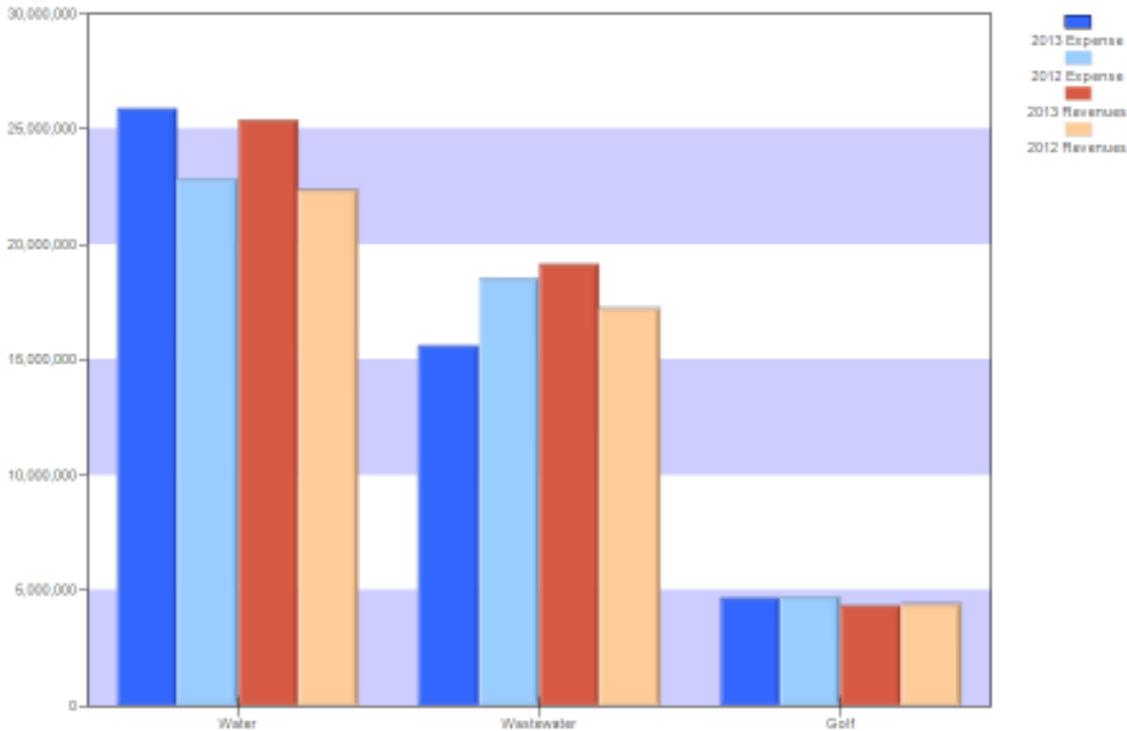
The City's business-type activities realized a \$1.7 million increase in net position.

The City's Water Enterprise is the largest business-type operation, followed by Wastewater with fees for services mainly funding the two utilities. The following chart shows a comparison of program revenues to expenses and to prior year for each of the City's business-type activities.

Revenue Highlights

Total program revenues for the fiscal year ended June 30, 2013, were \$49.3 million, an increase of \$4.8 million from the prior year. The increase was primarily attributable to the following:

**Business-Type Activities
Expenses and Program Revenues
For the Years Ended June 30, 2013 and 2012
(in thousands)**



- Overall, operating revenues showed an increase of \$4.8 million or 10.9% increase from the prior year. A portion of the increase is due to utility service charges increasing approximately \$3.8 million or 9.7% from the prior year, with increases of \$2.2 million in the Water Fund and \$1.5 million in the Wastewater Fund. The increase is primarily the result of 1) increased water usage during a generally warmer and drier year, and 2) higher rates.
- Operating expenses increased approximately \$- million, mostly due to lower contractual services. In the prior year contractual services were higher due to Ventura Water taking measures required by the settlement of a large environmental lawsuit that included legal costs and a comprehensive rate study.

GOVERNMENT FUNDS FINANCIAL ANALYSIS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2013, the City's governmental funds reported a combined ending fund balance of \$75.1 million, a decrease of \$1.5 million in comparison with the prior year. The decrease was mainly due to higher Park and Recreation Capital Project expenditures. Of the total \$75.1 million fund balance, \$13.8 million was nonspendable, \$35.0 million was restricted, \$17.5 million was committed, \$10.2 was assigned, and (\$1.5 million) was unassigned.

The following is a summary of significant changes to fund balance in the major governmental funds.

General Fund

The General Fund is the City's chief operating fund, realizing an increase of \$1.1 million in fund balance with a \$29.4 million total fund balance at June 30, 2013. The increase is due to higher revenues and a one-time transfer in of remaining funds from the Portobello Dredging fund.

Certificates of Participation Debt Obligation Debt Service Fund

Overall, fund balance in this fund increased \$76,391. The fund reported debt service payments of \$3.5 million for the year.

Capital Improvement Capital Projects Fund

The Capital Improvement Capital Projects Fund showed a decrease of \$(0.6) million in fund balance for the fiscal year 2012-2013. This decrease was due to higher capital improvement expenditures in the current year, which were funded from the receipt of grant funds and transfers from other City funds that occurred in the prior year.

Gas Tax Capital Projects Fund

The Gas Tax Capital Projects Fund showed an increase of \$463,366 in fund balance. This increase is mainly due to the timing of grant and tax revenues, offset by the timing of capital and other expenditures in the fund.

Park and Recreation Capital Projects Fund

The Park and Recreation Capital Projects Fund experienced a decrease of \$(856,728) in fund balance for fiscal year 2012-2013. This is due to the timing of revenues and expenditures related to development activity.

Housing and Community Development Block Grant Fund

The Housing and Community Development Block Grant Fund experienced a decrease of approximately \$(2,079) in fund balance for fiscal year 2012-2013. Since this fund accounts for reimbursable capital and other projects, revenues generally equal expenditures unless there is a delay in receiving reimbursements for qualified expenditures.

Proprietary Funds

Unlike governmental funds, proprietary funds use the accrual basis of accounting for financial statement purposes. Accordingly, information reported for the individual fund statements is very similar to that presented as Business-Type Activities in the government-wide statements. Government-wide reporting requires the inclusion of activities of the City's internal service funds related to proprietary fund activities in the Business-Type Activities. Therefore, the following analysis is very similar to that presented for Business-Type Activities.

The net position of the Water, Wastewater and Golf funds were \$90.4 million, \$90.4 million, and \$11.9 million, respectively. Total net position increased \$1.7 million in the year ended June 30, 2013. As previously explained, utility charges were approximately \$3.8 million higher, and contractual services in the Water and Wastewater funds were lower than in the prior year. Net position in the Golf Fund decreased approximately \$1.1 million mostly due to annual depreciation expense.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund is the main operating fund of the City. Its revenues are primarily derived from taxes and intergovernmental sources, which are used to pay for the traditional services provided by local government - public safety, parks and recreation, community development (building and planning), and public works.

SUMMARY OF GENERAL FUND REVENUES BUDGET AND ACTUAL Fiscal Year Ended June 30, 2013				
	<u>Budgeted Amounts</u>		Actual	Variance from
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
Revenues:				
Taxes	69,591,946	61,768,818	70,477,090	8,708,272
Licenses and permits	1,823,232	1,823,232	1,589,036	(234,196)
Intergovernmental	1,497,181	11,098,417	2,434,673	(8,663,744)
Charges for services	8,028,049	8,052,677	8,635,910	583,233
Fines and forfeitures	1,595,988	1,595,988	1,396,547	(199,441)
Use of money and property	1,530,887	1,530,887	817,796	(713,091)
Other revenues	<u>4,904,752</u>	<u>10,049,861</u>	<u>3,659,626</u>	<u>(6,390,235)</u>
Total revenues	<u>88,972,035</u>	<u>95,919,880</u>	<u>89,010,678</u>	<u>(6,909,202)</u>
Transfers in	<u>1,939,105</u>	<u>3,547,748</u>	<u>3,491,544</u>	<u>(56,204)</u>
Total other financing sources (uses)	<u>1,939,105</u>	<u>3,547,748</u>	<u>3,491,544</u>	<u>(56,204)</u>
Total Revenues	<u>\$ 90,911,140</u>	<u>\$ 99,467,628</u>	<u>\$ 92,502,222</u>	<u>\$ (6,965,406)</u>

The amended fiscal year 2013 General Fund revenue budget reflects amendments that were approved by the City Council during the year. The most significant amendments included increases to Intergovernmental Revenue pertaining to federal and state grants awarded during the year. As previously explained, the significant variance in Use of Money and Property is due to investments reporting an unrealized loss in the market value of the portfolio, an adjustment required per GASB 31.

Expenditures

SCHEDULE OF EXPENDITURES GENERAL FUND BUDGET AND ACTUAL Fiscal Year Ended June 30, 2013				
	<u>Budgeted Amounts</u>		Actual Amounts	Variance from Final Budget
	Original	Final		
Expenditures:				
Current:				
General government	3,424,366	3,826,969	2,917,692	909,277
Human resources	1,001,014	992,165	826,520	165,645
Finance & technology	6,693,611	6,765,084	6,760,790	4,294
Community development	6,910,514	7,135,981	7,329,489	(193,508)
Parks, Rec & Com Partnerships	12,074,439	12,107,566	11,835,746	271,820
Public safety - Police	29,075,944	30,824,620	30,143,761	680,859
Public safety - Fire	16,888,371	17,014,082	16,822,799	191,283
Public works	8,774,194	9,504,713	8,288,283	1,216,430
Capital outlays	283,130	1,165,570	882,281	283,289
Total expenditures	<u>85,125,583</u>	<u>89,336,750</u>	<u>85,807,361</u>	<u>3,529,389</u>
Transfers out	<u>5,785,557</u>	<u>10,130,878</u>	<u>5,619,866</u>	<u>4,511,012</u>
Total Expenditures	<u>\$ 90,911,140</u>	<u>\$ 99,467,628</u>	<u>\$ 91,427,227</u>	<u>\$ 8,040,401</u>

The amended fiscal year 2013 General Fund expenditure budget reflects amendments approved by the City Council during the year. The amended budget also reflects appropriations carried over from the prior year related to outstanding encumbrances as of June 30, 2012.

Each department except Community Development ended the year within their respective spending authority to varying degrees. The negative variance in Community Development was due to contributions to others such as the Jobs Investment program.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City owns hundreds of million dollars of capital assets that require ongoing maintenance, improvement and renovation. As a result, the City undertakes millions of dollars in capital improvement and construction projects each year.

The capital improvement projects undertaken in those operations in the Governmental Activities category typically include improvements to the City's infrastructure (roads, curbs, storm drains, bridges, sidewalks, gutters, etc.) and improvements to City public facilities, such as parks, restrooms, community facilities, and playgrounds. Starting in 2004, governmental funds have been required to capitalize and report the costs of acquiring or constructing infrastructure assets acquired or constructed after 1982. As of June 30, 2013, infrastructure assets, including streets, totaled \$29.3 million, net of accumulated depreciation. Where information was readily available, or if a value could be reasonably estimated, the City capitalized infrastructure assets acquired or constructed prior to 1982.

Additional information on the City's capital assets can be found in Note 1 and 5 to the financial statements.

**CITY OF SAN BUENAVENTURA - Capital Assets (Gross)
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 20,208	\$ 19,102	\$ 497	\$ 497	\$ 20,705	\$ 19,599
Water Rights	-	-	1,222	1,222	1,222	1,222
Buildings and improvements	65,098	64,898	70,147	70,147	135,245	135,045
Improvements other than buildings	19,885	19,735	62,139	62,139	82,024	81,874
Machinery and equipment	51,892	48,507	131,101	130,711	182,993	179,218
Infrastructure	101,878	101,878	1,615	1,615	103,493	103,493
Construction in progress	25,183	20,702	48,554	38,621	73,737	59,323
Total	\$ 284,144	\$ 274,822	\$ 315,275	\$ 304,952	\$ 599,419	\$ 579,774

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2013, amounts to \$342.1 million (net of accumulated depreciation). Capital assets includes land, water rights, buildings and related systems, improvements, machinery and equipment, park facilities, roads, highways, and bridges.

Major capital asset additions in the current year include vehicle replacements, traffic equipment and systems, building improvements, and water & wastewater system improvements. Depreciation expense in the Governmental and Business-Type activities totaled \$7.1 million and \$8.2 million, respectively.

Long-Term Obligations

At June 30, 2013, the City reported total long-term debt of \$145.4 million. Of this amount, \$84.9 million relates to revenue bonds and other obligations of the City's business activities. Governmental activities account for the balance, which includes certificates of participation, notes payable, self-insurance, and employee benefit obligations.

**Summary of Outstanding Issued Debt
Fiscal Year Ended June 30, 2013
(In Thousands)**

	Governmental Activities		Business- Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Certificates of Participation	\$ 44,470	\$ 47,275	\$ -	\$ -	\$ 44,470	\$ 47,275
Revenue Bonds	-	-	63,925	42,940	63,925	42,940
Loans	431	514	15,410	16,290	15,841	16,804
Unamortized issuance costs	1,756	1,804	5,520	491	7,276	2,295
Total	\$ 46,657	\$ 49,593	\$ 84,855	\$ 59,721	\$ 131,512	\$ 109,314

The City's debt increased by \$22.2 million during the current fiscal year, mostly due to the Water fund's issuance of bonds that provided \$25 million in proceeds to acquire and construct certain improvements for the City's water system. The bond issuance also refunded the Water Revenue Refunding COPs. Debt activity also includes the issuance of bonds by the Wastewater fund, which refunded the Wastewater Revenue Refunding 2004 COPs.

The City Charter states that the City shall not incur an indebtedness evidenced by general obligation bonds greater than 15% of the total assessed valuation of all real and personal property within the City. The level of debt is significantly below Charter requirements.

Additional information on the City's long-term debt can be found in Note 8 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City of Ventura's economy has shown improvement, similar to other cities throughout the region. The General Fund, the City's primary operating fund from which the traditional services associated with local government are provided (police, fire, recreation, engineering, etc.) is particularly affected by economic downturns. Key revenues, such as sales tax, property tax, and utility users' tax revenues, realized significant declines during fiscal years 2008 through 2010. Despite these declines, the City was able to keep General Fund revenues and expenditures in balance through a combination of cuts to spending, labor concessions, and one-time solutions. Fortunately, General Fund revenues are improving, with sales tax and card room tax revenues realizing strong gains starting in fiscal year 2012. The current economic outlook is more favorable than in recent years; however, growth has continued at a very slow pace and has not dispelled the economic uncertainty.

One of the most significant changes to the state and local financial landscape is the recently enacted Public Employees Pension Reform Act ("PEPRA") of 2013, led by the Governor and overwhelmingly supported by the legislature. While PEPRA has no immediate impact to current pension costs, the law will slowly reduce pension costs of virtually all public employers over time as new employees hired after December 31, 2012 will be subject to a more moderate retirement plan. In the meantime, the City of Ventura and all public agencies, still have large underfunded pension liabilities created in large part by the economic recession in recent years and investment losses sustained by the California Public Employees Retirement System (PERS). As a result, PERS recently announced it will be increasing employer retirement contribution rates over a five-year period starting in Fiscal Year 2016 in order to address the unfunded pension liabilities. For some cities, these rate increases will significantly impact the ability to expand existing services or restore services eliminated during the recession.

The City is expecting minor improvements in its overall revenue levels in the FY 2013-14 fiscal year, as well as in FY 2014-15. Sales tax is expected to continue its slow recovery in the two to three percent growth range; Triple Flip property taxes are expected to level off or decline slightly; and property tax is expected to grow at about two percent for the next twelve to twenty four months. In addition, the income derived from Transient Occupancy Tax is expected to grow at annual rate of about three percent through FY 2014-15. The level of taxes, fees, and charges for services (including development-related mitigation fees) will have a bearing on the City's competitive ability to encourage retail, office, residential, and industrial development to locate within the jurisdiction. Since the City places significant emphasis on encouraging economic development with higher paying jobs, a review of City fees was put in place prior to the end of calendar year 2013.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of San Buenaventura's finances for all those with an interest in the government's finances. Questions concerning any of the information contained herein should be addressed to Jay Panzica, Chief Financial Officer, at JPanzica@CityofVentura.net, or Rudolf J. Livingston, CPA, Assistant Chief Financial Officer at RLivingston@CityofVentura.net or P.O. Box 99, Ventura, CA 93002-0099, (805) 654-7812.



COMPREHENSIVE ANNUAL

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013



Government-Wide
Financial Statements

City of San Buenaventura
Statement of Net Position
June 30, 2013

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 76,985,630	\$ 45,847,453	\$ 122,833,083
Restricted cash and investments	5,971,632	-	5,971,632
Accounts receivable, net	856,542	7,686,843	8,543,385
Interest receivable	297,640	-	297,640
Due from others	3,452,082	457,773	3,909,855
Due from other governments	5,808,260	94,236	5,902,496
Internal balances	2,895,850	(2,895,850)	-
Inventory	23,187	-	23,187
Total current assets	96,290,823	51,190,455	147,481,278
Noncurrent assets:			
Restricted cash and investments	-	28,152,145	28,152,145
Loans and notes receivable, net	13,878,363	-	13,878,363
Due from Successor Agency	8,025,904	-	8,025,904
Deferred fees	-	126,868	126,868
Equity interest in SCAT	7,633,802	-	7,633,802
Capital assets			
Non-depreciable	45,390,729	50,273,112	95,663,841
Depreciable, net	97,186,856	149,249,323	246,436,179
Total capital assets	142,577,585	199,522,435	342,100,020
Total noncurrent assets	172,115,654	227,801,448	399,917,102
Total assets	268,406,477	278,991,903	547,398,380
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts on refunding	746,153	3,286,888	4,033,041
Total deferred outflows of resources	746,153	3,286,888	4,033,041
LIABILITIES			
Current liabilities:			
Accounts payable	1,955,041	2,520,358	4,475,399
Accrued payroll liabilities	3,130,930	-	3,130,930
Interest payable	660,824	1,455,639	2,116,463
Due to others	361,738	-	361,738
Due to other governments	5,638,367	4,286	5,642,653
Deposits held for others	14,935,031	522,414	15,457,445
Unearned revenue	2,185,090	221,104	2,406,194
Total current liabilities	28,867,021	4,723,801	33,590,822
Noncurrent liabilities:			
Long-term debt - due within one year	7,256,520	2,837,388	10,093,908
Long-term debt - due in more than one year	53,280,559	82,017,691	135,298,250
Total noncurrent liabilities	60,537,079	84,855,079	145,392,158
Total liabilities	89,404,100	89,578,880	178,982,980
NET POSITION			
Net investment in capital assets	89,591,900	114,667,356	204,259,256
Restricted for:			
Capital projects	27,553,496	53,089,208	80,642,704
Debt service	6,512,482	2,575,437	9,087,919
Community development	7,944,896	-	7,944,896
Special projects	1,573,739	-	1,573,739
Total restricted	43,584,613	55,664,645	99,249,258
Unrestricted	46,572,017	22,367,910	68,939,927
Total net position	\$ 179,748,530	\$ 192,699,911	\$ 372,448,441

See Independent Auditors' Report and accompanying notes to the basic financial statements.

City of San Buenaventura
Statement of Activities
For the year ended June 30, 2013

Functions/Programs	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government:					
Governmental activities:					
General government	\$ 3,587,971	\$ 4,370	\$ -	\$ -	\$ 4,370
Human resources	818,497	99	-	-	99
Finance and technology	6,289,356	4,305,576	(10,151)	-	4,295,425
Community development	7,824,888	1,405,753	(103,787)	-	1,301,966
Parks, Rec & Com Partnerships	13,858,724	3,107,603	38,872	-	3,146,475
Public safety- police	29,862,122	2,540,624	643,319	-	3,183,943
Public safety- fire	16,529,573	3,082,025	1,194,870	-	4,276,895
Public works	17,051,598	1,816,233	5,752,577	2,722,940	10,291,750
Interest on long-term debt	1,615,215	-	-	-	-
Total governmental activities	97,437,944	16,262,283	7,515,700	2,722,940	26,500,923
Business-type activities:					
Wastewater	15,582,433	19,143,025	-	-	19,143,025
Water	25,876,190	25,373,521	-	-	25,373,521
Golf	4,660,531	4,328,089	-	-	4,328,089
Paramedic services	-	-	-	-	-
Total business-type activities	46,119,154	48,844,635	-	-	48,844,635
Total primary government	\$143,557,098	\$ 65,106,918	\$ 7,515,700	\$ 2,722,940	\$ 75,345,558

General Revenue:

Taxes:

- Property taxes
- Utility users taxes
- Transient occupancy taxes
- Franchise taxes
- Other taxes

Total taxes

Intergovernmental Revenues:

- Sales taxes - intergov unrestricted
- Motor vehicle license - intergov unrestricted

Total intergovernmental revenues

- Investment earnings

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning of year, as restated

Net position - end of year

See Independent Auditors' Report and accompanying notes to the basic financial statements.

**Net (Expense) Revenue
and Changes in Net Assets**

Governmental Activities	Business-Type Activities	Total
\$ (3,583,601)	\$ -	\$ (3,583,601)
(818,398)	-	(818,398)
(1,993,931)	-	(1,993,931)
(6,522,922)	-	(6,522,922)
(10,712,249)	-	(10,712,249)
(26,678,179)	-	(26,678,179)
(12,252,678)	-	(12,252,678)
(6,759,848)	-	(6,759,848)
(1,615,215)	-	(1,615,215)
(70,937,021)	-	(70,937,021)
-	3,560,592	3,560,592
-	(502,669)	(502,669)
-	(332,442)	(332,442)
-	-	-
-	2,725,481	2,725,481
\$ (70,937,021)	\$ 2,725,481	\$ (68,211,540)
\$ 28,080,259	\$ -	\$ 28,080,259
8,551,487	-	8,551,487
4,449,554	-	4,449,554
3,978,508	-	3,978,508
3,405,451	-	3,405,451
48,465,259	-	48,465,259
21,892,825	-	21,892,825
56,361	-	56,361
21,949,186	-	21,949,186
(591,869)	491,337	(100,532)
1,533,885	(1,533,885)	-
71,356,461	(1,042,548)	70,313,913
419,440	1,682,933	2,102,373
179,329,090	191,016,978	370,346,068
\$ 179,748,530	\$ 192,699,911	\$372,448,441



COMPREHENSIVE ANNUAL

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013



Fund Financial Statements



Governmental Fund
Financial Statements



Governmental Fund Financial Statements

General Fund – The General Fund was established to account for sources and uses of financial resources traditionally associated with governments which are not required to be accounted for in another fund.

Certificates of Participation (COP) Debt Obligation Debt Service Fund – To account for the accumulation of resources and payment of long-term debt principal and interest for COP issued by the Public Facilities Financing Authority.

Capital Improvement Capital Projects Fund – To account for financial resources to be used for purchase or construction of major capital improvements (other than those funded through proprietary or special revenue funds).

Gas Tax Capital Projects Fund – To account for revenue received from the State of California and other sources to be used for street maintenance and improvements only.

Park and Recreation Capital Projects Fund – To account for park and recreation facilities tax revenue to be used for planning, acquisition, improvements or expansion of public parks, playgrounds, or other recreational facilities.

Housing and Community Development Block Grant Capital Projects Fund – To account for the revenue and expenditures related to Federal community development block grants.

Other Governmental Funds – The aggregate of all the non-major governmental funds.



COMPREHENSIVE ANNUAL

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013

City of San Buenaventura
Balance Sheet
Governmental Funds
June 30, 2013

	Major Funds				
	General Fund	Certificates of Participation Debt Obligation Debt Service	Capital Improvement Capital Projects	Gas Tax Capital Projects	Park and Recreation Capital Projects
ASSETS					
Cash and investments	\$ 28,931,488	\$ -	\$ 2,240,087	\$ 21,717,982	\$ 4,447,944
Restricted cash and investments	-	5,497,075	-	-	-
Accounts receivable, net	591,245	-	-	96,727	-
Interest receivable	297,640	-	-	-	-
Due from other funds	3,662,837	-	72,594	927,500	-
Due from others	3,157,091	-	-	8,826	235,288
Due from other governments	4,644,714	-	21,586	658,798	124,851
Inventory	23,187	-	-	-	-
Loans and notes receivable	1,828,544	-	53,291	204,689	397,159
Due from Successor Agency	5,394,951	-	-	-	-
Total assets	\$ 48,531,697	\$ 5,497,075	\$ 2,387,558	\$ 23,614,522	\$ 5,205,242
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 882,443	\$ -	\$ 163,070	\$ 118,099	\$ -
Due to others	361,738	-	-	-	-
Due to other funds	1,596,413	227,650	-	-	-
Due to other governments	6,436	-	-	-	-
Deposits held for others	14,935,031	-	-	-	-
Unearned revenue	1,166,620	-	74,877	468,659	397,159
Total liabilities	18,948,681	227,650	237,947	586,758	397,159
Deferred inflows of resources					
Unavailable revenues	154,240	-	-	-	124,851
Total deferred inflows of resources	154,240	-	-	-	124,851
Fund balances (deficit)					
Nonspendable	6,277,330	-	-	-	-
Restricted	5,492,160	5,269,425	-	23,027,764	-
Committed	14,025,093	-	-	-	374,135
Assigned	3,634,193	-	2,149,611	-	4,309,097
Unassigned	-	-	-	-	-
Total fund balances (deficit)	29,428,776	5,269,425	2,149,611	23,027,764	4,683,232
Total liabilities and fund balances	\$ 48,531,697	\$ 5,497,075	\$ 2,387,558	\$ 23,614,522	\$ 5,205,242

See Independent Auditors' Report and accompanying notes to the basic financial statements.

Major Funds		
Housing and Community Development Block Grant Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 593,248	\$ 3,301,675	\$ 61,232,424
-	474,557	5,971,632
-	22,054	710,026
-	-	297,640
-	283,758	4,946,689
34,772	7,848	3,443,825
289,851	68,461	5,808,261
-	-	23,187
6,483,569	4,200,713	13,167,965
-	2,630,953	8,025,904
\$ 7,401,440	\$ 10,990,019	\$ 103,627,553

\$ 97,457	\$ 99,289	\$ 1,360,358
-	-	361,738
283,758	1,694,487	3,802,308
5,630,680	-	5,637,116
-	-	14,935,031
6,016	71,760	2,185,091
6,017,911	1,865,536	28,281,642

-	-	279,091
-	-	279,091

667,902	6,831,666	13,776,898
715,627	519,812	35,024,788
-	3,107,057	17,506,285
-	142,570	10,235,471
-	(1,476,622)	(1,476,622)
1,383,529	9,124,483	75,066,820
\$ 7,401,440	\$ 10,990,019	\$ 103,627,553

City of San Buenaventura
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
For the year ended June 30, 2013

Total Fund Balances - Total Governmental Funds **\$ 75,066,820**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Equity interest in SCAT is not a current financial resource and not reported in the Governmental Funds Balance Sheet. 7,633,802

Capital assets used in governmental activities are not current financial resources. Therefore, they are not reported in the Governmental Funds Balance Sheet. Except for the internal service funds reported below, the capital assets are adjusted as follows:

Non-depreciable	45,202,375
Depreciable	217,000,010
Accumulated depreciation	<u>(127,848,052)</u>

Total capital assets **134,354,333**

Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in Governmental Funds Balance Sheet. (660,824)

Unavailable revenue is reported as revenue on the accrual basis in the Government-Wide Statement of Net Position. 279,091

Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the:

Information Technology Fund	1,281,710
Fleet Maintenance Fund	10,983,795
Facilities Maintenance Fund	1,559,743
Reproduction Services Fund	312,747
Workers' Compensation Fund	(1,500,369)
Employee Fringe Benefits Fund	(4,397,267)
Risk Management Fund	<u>314,429</u>

Total internal service funds **8,554,788**

Long-term liabilities are not due and payable in the current period. Therefore, they are not reported in the Governmental Funds Balance Sheet. Long-term debt reported in the Internal Service Funds is included in the adjustment above.

Premium on issuance of long-term debt recorded as revenue in governmental funds, but is a liability on the Government-Wide Statement of Net Position.	(1,755,632)
Unamortized loss on defeasance is not recorded in governmental funds, but is recorded as deferred amounts on refunding in the Government-Wide Statement of Net Position.	746,153
Long-term liabilities - due within one year	(3,435,000)
Long-term liabilities - due more than one year	<u>(41,035,000)</u>

Total long-term liabilities **(45,479,479)**

Net Position of Governmental Activities **\$ 179,748,530**

See Independent Auditors' Report and accompanying notes to the basic financial statements.



COMPREHENSIVE ANNUAL

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013

City of San Buenaventura
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013

	Major Funds				
	General Fund	Certificates of Participation Debt Obligation Debt Service	Capital Improvement Capital Projects	Gas Tax Capital Projects	Park and Recreation Capital Projects
REVENUES:					
Taxes	\$ 70,477,090	\$ -	\$ 90,214	\$ 623,877	\$ 146,454
Licenses and permits	1,589,036	-	-	-	-
Intergovernmental	2,434,673	-	361,246	4,345,572	-
Charges for services	8,635,910	-	-	-	-
Fines and forfeitures	1,396,547	-	-	-	-
Use of money and property	817,796	4,099	773	27,885	28,943
Other revenue	3,659,626	56,220	6,282	84,107	190,082
Total revenues	89,010,678	60,319	458,515	5,081,441	365,479
EXPENDITURES:					
Current:					
General government	2,917,692	-	-	-	-
Human resources	826,520	-	-	-	-
Finance and technology	6,760,790	-	-	-	-
Community development	7,329,489	-	-	-	-
Parks, Rec & Com Partnerships	11,835,746	-	-	-	261,771
Public safety - police	30,143,761	-	-	-	-
Public safety - fire	16,822,799	-	-	-	-
Public works	8,288,283	-	575,683	2,965,429	-
Capital outlays	882,281	-	1,670,718	1,400,643	1,261,679
Debt service:					
Principal retirement	-	2,320,000	-	-	-
Interest and other charges	-	1,183,805	-	-	-
Total expenditures	85,807,361	3,503,805	2,246,401	4,366,072	1,523,450
REVENUES OVER (UNDER) EXPENDITURES	3,203,317	(3,443,486)	(1,787,886)	715,369	(1,157,971)
OTHER FINANCING SOURCES (USES):					
Transfers in	3,491,544	4,034,980	1,249,123	95,330	451,243
Transfers out	(5,619,866)	(515,103)	(70,558)	(347,333)	(150,000)
Total other financing sources (uses)	(2,128,322)	3,519,877	1,178,565	(252,003)	301,243
Net change in fund balances	1,074,995	76,391	(609,321)	463,366	(856,728)
FUND BALANCES (DEFICIT):					
Beginning of year	28,353,781	5,193,034	2,758,932	22,564,398	5,539,960
End of year	\$ 29,428,776	\$ 5,269,425	\$ 2,149,611	\$ 23,027,764	\$ 4,683,232

See Independent Auditors' Report and accompanying notes to the basic financial statements.

Major Funds		
Housing and Community Development Block Grant Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 1,032,252	\$ 72,369,887
-	-	1,589,036
817,369	14,946	7,973,806
-	1,164,802	9,800,712
-	-	1,396,547
3,937	511,750	1,395,183
-	8,269	4,004,586
821,306	2,732,019	98,529,757
-	-	2,917,692
-	-	826,520
-	-	6,760,790
587,729	26,100	7,943,318
-	94,246	12,191,763
-	163,756	30,307,517
-	-	16,822,799
-	2,449,525	14,278,920
235,656	-	5,450,977
-	485,000	2,805,000
-	419,231	1,603,036
823,385	3,637,858	101,908,332
(2,079)	(905,839)	(3,378,575)
-	929,092	10,251,312
-	(1,665,281)	(8,368,141)
-	(736,189)	1,883,171
(2,079)	(1,642,028)	(1,495,404)
1,385,608	10,766,511	76,562,224
\$ 1,383,529	\$ 9,124,483	\$ 75,066,820

City of San Buenaventura

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-Wide Statement of Activities For the year ended June 30, 2013

Net Change in Fund Balances - Total Governmental Funds **\$ (1,495,404)**

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

Governmental funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceed depreciation in the current period.

Capital outlay	\$ 6,183,406	
Depreciation expense	(5,780,813)	402,593

The net loss in the equity interest in SCAT is reported in the Government-Wide Statement of Activities, but not current financial uses. Therefore, the net gain is not reported as revenue in Governmental Funds. is not a current financial resource and not reported in the Governmental Funds Balance Sheet. (162,243)

Governmental funds report the entire proceeds from sale of an asset as revenue because it provides current financial resources. However, the statement of activities reports only the gain (loss) on the sale of assets. Thus, the change in net position differs from the change in fund balance by the net book value of the asset sold. (4,950)

Unavailable revenue is reported as revenue on the accrual basis in the Government-Wide Statement of Activities. The following amount represents the change in accrued deferred revenue from the prior year. (1,619,806)

Repayment of bond principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Government-Wide Statement of Net Position. 2,805,000

Amortized loss on defeasance costs are not included in the Governmental Statements, but the expenditures are capitalized and recorded as a deferred asset in the Government-Wide Statement of Net Position. (22,390)

Amortized premium on issuance on long-term debt is not recorded in Governmental Statements, but is a liability and amortized in the Government-Wide Statement of Net Position. 48,480

Accrued interest expense on long-term debt is reported in the Government-Wide Statement of Activities, but does not require the use of current financial resources. Therefore, accrued interest expense is not reported as an expenditure in Governmental Funds. (12,178)

Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds, The net expense of the internal service funds is reported with governmental activities. 480,338

Change in Net Position of Governmental Activities **\$ 419,440**

See Independent Auditors' Report and accompanying notes to the basic financial statements.



Proprietary Fund
Financial Statements



Proprietary Fund Financial Statements

Wastewater Fund – To account for all wastewater activities and treatment services provided to residents of the City of San Buenaventura, including but not limited to administration, operations, maintenance, laboratory, and debt service.

Water Fund – To account for all water activities and water treatment services provided to residents of the City of San Buenaventura and some residents of the County. Such activities include but are not limited to administration, maintenance, distribution, customer service, production, purification, and debt service.

Golf Fund – To account for revenue and costs related to the operation of two municipal golf courses for use by the general public.

Internal Service Funds – These funds are used to provide goods and services by one department or agency to other departments or agencies of the City on a cost reimbursement basis.

City of San Buenaventura
Statement of Net Position
Proprietary Funds
June 30, 2013

	Major Enterprise Funds		Non-Major Enterprise Fund	Total	Governmental Activities Internal Service Funds
	Wastewater	Water	Golf		
ASSETS					
Current assets:					
Cash and investments	\$ 24,300,567	\$ 21,546,885	\$ -	\$ 45,847,452	\$ 15,753,207
Accounts receivable, net	3,434,107	4,252,735	-	7,686,842	146,514
Due from other funds	-	-	-	-	1,751,469
Due from others	-	-	457,773	457,773	8,257
Due from other governments	94,236	-	-	94,236	-
Notes receivable	-	-	-	-	710,398
Total current assets	27,828,910	25,799,620	457,773	54,086,303	18,369,845
Noncurrent assets:					
Restricted cash and investments	386,209	27,765,936	-	28,152,145	-
Deferred fees	59,268	67,600	-	126,868	-
Capital assets:					
Non-depreciable	30,943,412	18,066,511	1,263,189	50,273,112	188,353
Depreciable, net	51,171,555	84,958,239	13,119,529	149,249,323	8,034,898
Total capital assets	82,114,967	103,024,750	14,382,718	199,522,435	8,223,251
Total noncurrent assets	82,560,444	130,858,286	14,382,718	227,801,448	8,223,251
Total assets	110,389,354	156,657,906	14,840,491	281,887,751	26,593,096
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amounts on refunding	1,370,127	1,916,761	-	3,286,888	-
Total deferred outflows of resources	1,370,127	1,916,761	-	3,286,888	-
LIABILITIES					
Current liabilities:					
Accounts payable	846,056	1,664,500	9,800	2,520,356	594,681
Accrued payroll liabilities	-	-	-	-	3,130,929
Unearned revenue	153,504	67,600	-	221,104	-
Interest payable	342,973	1,112,666	-	1,455,639	-
Due to other funds	-	-	2,895,850	2,895,850	-
Due to other governments	1,527	438	2,321	4,286	1,251
Deposits held for others	-	522,414	-	522,414	-
Claims and judgments payable	-	-	-	-	3,110,661
Compensated absences payable	-	-	-	-	578,241
Long-term debt - due within one year	946,097	1,891,291	-	2,837,388	84,138
Total current liabilities	2,290,157	5,258,909	2,907,971	10,457,037	7,499,901
Noncurrent liabilities:					
Claims and judgments payable	-	-	-	-	5,293,485
Compensated absences payable	-	-	-	-	4,898,387
Long-term debt - due in more than one year	19,076,203	62,941,488	-	82,017,691	346,535
Total noncurrent liabilities	19,076,203	62,941,488	-	82,017,691	10,538,407
Total liabilities	21,366,360	68,200,397	2,907,971	92,474,728	18,038,308
NET POSITION					
Net investment in capital assets	62,092,667	38,191,971	14,382,718	114,667,356	7,792,578
Restricted for:					
Capital projects	12,763,970	40,325,238	-	53,089,208	-
Debt service	2,069,903	505,534	-	2,575,437	-
Unrestricted	13,466,581	11,351,527	(2,450,198)	22,367,910	762,210
Total net position	\$ 90,393,121	\$ 90,374,270	\$ 11,932,520	\$ 192,699,911	\$ 8,554,788

See Independent Auditors' Report and accompanying notes to the basic financial statements.

City of San Buenaventura
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the year ended June 30, 2013

	<u>Major Enterprise Funds</u>		<u>Non-Major Enterprise Fund</u>	<u>Total</u>	<u>Governmental Activities Internal Service Funds</u>
	<u>Wastewater</u>	<u>Water</u>	<u>Golf</u>		
OPERATING REVENUES:					
Utility service charges	\$ 18,431,481	\$ 24,005,948	\$ -	\$ 42,437,429	\$ -
Golf fee charges	-	-	4,328,089	4,328,089	-
Internal service charges	-	-	-	-	22,451,993
Other operating revenues	711,543	1,369,626	-	2,081,169	1,053,790
Total operating revenues	19,143,024	25,375,574	4,328,089	48,846,687	23,505,783
OPERATING EXPENSES:					
Salaries and benefits	3,933,099	5,480,558	194,936	9,608,593	4,982,845
Contractual services	2,079,384	447,030	3,154,765	5,681,179	2,522,045
Materials and supplies	688,553	2,232,568	19	2,921,140	1,819,894
General and administrative	5,105,970	11,610,929	411,422	17,128,321	2,880,717
Insurance premiums and settlements	-	-	-	-	9,034,065
Depreciation	3,183,870	4,093,805	899,389	8,177,064	1,313,282
Total operating expenses	14,990,876	23,864,890	4,660,531	43,516,297	22,552,848
OPERATING INCOME (LOSS)	4,152,148	1,510,684	(332,442)	5,330,390	952,935
NONOPERATING REVENUES (EXPENSES):					
Investment income	206,284	284,725	329	491,338	28,029
Gain on disposal of assets	-	(2,053)	-	(2,053)	48,561
Interest expense	(591,557)	(2,011,300)	-	(2,602,857)	(199,901)
Total nonoperating revenues (expenses)	(385,273)	(1,728,628)	329	(2,113,572)	(123,311)
Income (loss) before transfers	3,766,875	(217,944)	(332,113)	3,216,818	829,624
Transfers in	251,023	1,391,124	400,157	2,042,304	175,400
Transfers out	(1,718,204)	(688,837)	(1,169,148)	(3,576,189)	(524,686)
Change in net position	2,299,694	484,343	(1,101,104)	1,682,933	480,338
NET POSITION:					
Beginning of year, as restated	88,093,427	89,889,927	13,033,624	191,016,978	8,074,450
End of year	\$ 90,393,121	\$ 90,374,270	\$ 11,932,520	\$ 192,699,911	\$ 8,554,788

See Independent Auditors' Report and accompanying notes to the basic financial statements.

City of San Buenaventura
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2013

	Major Enterprise Funds		Non-Major Enterprise Fund	Total	Governmental Activities
	Wastewater	Water	Golf		Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers/other funds	\$ 19,065,112	\$ 24,840,040	\$ 4,432,254	\$ 48,337,406	\$ 23,056,472
Cash payments to suppliers for goods and services	(6,739,750)	(11,750,002)	(2,731,198)	(21,220,950)	(6,611,759)
Cash payments for interfund services	(1,901,517)	(2,499,193)	(337,301)	(4,738,011)	(572,297)
Cash payments to employees for services	(3,933,098)	(5,480,558)	(194,935)	(9,608,591)	(4,982,843)
Insurance premiums and settlements	-	-	-	-	(14,051,829)
Other operating revenues	-	-	-	-	1,053,789
Net cash provided (used) by operating activities	6,490,747	5,110,287	1,168,820	12,769,854	(2,108,467)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Employee housing loans made	-	-	-	-	(17,620)
Payment of employee housing loans	-	-	-	-	90,766
Transfers to other funds	(1,718,204)	(688,837)	(1,169,148)	(3,576,189)	(524,686)
Transfers from other funds	251,023	1,391,124	400,157	2,042,304	175,400
Net cash provided (used) by noncapital financing activities	(1,467,181)	702,287	(768,991)	(1,533,885)	(276,140)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Purchase of capital assets	(3,572,492)	(3,861,608)	(400,157)	(7,834,257)	(1,395,390)
Proceeds from new debt issuance	20,073,031	49,512,794	-	69,585,825	-
Proceeds from sale of assets	-	(2,053)	-	(2,053)	(76,068)
Payment of long-term debt	-	-	-	-	(260,976)
Repayment of state water loan	-	(900,865)	-	(900,865)	-
Repayment of revenue bonds	(21,668,536)	(23,850,907)	-	(45,519,443)	-
Interest paid on debt	(570,455)	(1,165,559)	-	(1,736,014)	(199,902)
Net cash provided(used) by capital and related financing activities	(5,738,452)	19,731,802	(400,157)	13,593,193	(1,932,336)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investment income	206,284	284,725	328	491,337	28,029
Net cash provided by investing activities	206,284	284,725	328	491,337	28,029
Net increase (decrease) in cash and cash equivalents	(508,602)	25,829,101	-	25,320,499	(4,288,914)
CASH AND INVESTMENTS, Beginning of year	25,195,378	23,483,720	-	48,679,098	20,042,121
CASH AND INVESTMENTS, End of year	\$ 24,686,776	\$ 49,312,821	\$ -	\$ 73,999,597	\$ 15,753,207
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ 4,152,148	\$ 1,510,684	\$ (332,442)	\$ 5,330,390	\$ 952,935
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	3,183,870	4,093,805	899,389	8,177,064	1,313,282
Changes in assets and liabilities:					
Accounts receivable	(506,013)	(646,562)	-	(1,152,575)	(86,554)
Due from other funds	-	-	216,901	216,901	90,387
Due from other governments	(94,236)	107,915	-	13,679	568,220
Due from others	2,533	3,113	(112,736)	(107,090)	32,426
Deferred charges	425,569	-	-	425,569	-
Accounts payable	(768,101)	35,122	1,054	(731,925)	37,536
Accrued payroll liabilities	-	-	-	-	(3,913,659)
Deferred revenue	94,236	-	-	94,236	-
Due to other funds	-	-	494,333	494,333	-
Due to other governments	741	(203)	2,321	2,859	1,065
Deposits held for others	-	6,413	-	6,413	-
Claims and judgments payable	-	-	-	-	(1,231,605)
Compensated absences payable	-	-	-	-	127,500
Total adjustments	2,338,599	3,599,603	1,501,262	7,439,464	(3,061,402)
Net cash provided (used) by operating activities	\$ 6,490,747	\$ 5,110,287	\$ 1,168,820	\$ 12,769,854	\$ (2,108,467)
Reconciliation of cash to Statement of Net Position					
Cash and investments	\$ 24,300,567	\$ 21,546,885	\$ -	\$ 45,847,452	\$ 15,753,207
Noncurrent restricted cash and investments	386,209	27,765,936	-	28,152,145	-
\$ 24,686,776	\$ 49,312,821	\$ -	\$ 73,999,597	\$ 15,753,207	

See Independent Auditors' Report and accompanying notes to the basic financial statements.



COMPREHENSIVE ANNUAL

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013



Fiduciary Fund
Financial Statements



Fiduciary Fund Financial Statements

Redevelopment Successor Agency Private Purpose Trust Fund – To account for the winding down of the former Redevelopment Agency, including disposition of real property held by the Agency and repayment of the Successor Agency's outstanding long-term debt.

Agency Funds:

Property Based Improvement District Fund – To account for the funds held in trust by the City as collected from property assessments to be used for the improvements and maintenance of the Downtown Property Based Improvement District.

Ventura, Oxnard, Camarillo Tourism Business Improvement District Fund (VOCTBID) – To account for the funds held in trust by the City as collected from hotel assessments. VOCTBID is a regional benefit assessment district established to help fund marketing and sales promotional efforts of lodging businesses in the member cities.

City of San Buenaventura
Statement of Net Position
Fiduciary Funds
June 30, 2013

ASSETS	Redevelopment Successor Agency Private Purpose Trust Fund	Agency Funds
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,429,733	\$ 213,065
Interest receivable	56	-
Accounts receivable, net	-	50,631
Due from others	-	111,487
TOTAL CURRENT ASSETS	<u>1,429,789</u>	<u>375,183</u>
NONCURRENT ASSETS:		
Loans and notes receivable	2,000,000	-
Land and buildings held for resale	540,880	-
TOTAL NONCURRENT ASSETS	<u>2,540,880</u>	<u>-</u>
TOTAL ASSETS	<u>3,970,669</u>	<u>\$ 375,183</u>
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	1,804	\$ -
Interest payable	590,167	-
Notes and bonds payable - due within one year	455,000	-
TOTAL CURRENT LIABILITIES	<u>1,046,971</u>	<u>-</u>
LONG-TERM LIABILITIES:		
Deposits held for others	-	375,183
Due to General Fund	5,394,951	-
Due to Successor Housing Agency	1,389,211	-
Due to Public Art	1,241,742	-
Notes and bonds payable - due in more than one year	15,075,000	-
TOTAL LONG-TERM LIABILITIES	<u>23,100,904</u>	<u>375,183</u>
TOTAL LIABILITIES	<u>24,147,875</u>	<u>\$ 375,183</u>
NET POSITION:		
Net position held in trust for private purpose	<u>(20,177,206)</u>	
TOTAL NET POSITION	<u>\$ (20,177,206)</u>	

See Independent Auditors' Report and accompanying notes to the basic financial statements.

City of San Buenaventura
Statement of Changes in Net Position
Fiduciary Funds
For the year ended June 30, 2013

	Redevelopment Successor Agency Private Purpose Trust Fund
	<u>Fund</u>
ADDITIONS:	
Investment and rental	\$ 20,328
RPTTF distributions	<u>1,451,661</u>
TOTAL ADDITIONS	<u>1,471,989</u>
DEDUCTIONS:	
Administrative expenses	209,153
Interest and other charges	<u>868,521</u>
TOTAL DEDUCTIONS	<u>1,077,674</u>
CHANGE IN NET POSITION	<u>394,315</u>
CHANGE IN NET POSITION	394,315
NET POSITION:	
BEGINNING OF YEAR	<u>(20,571,521)</u>
END OF YEAR	<u><u>\$ (20,177,206)</u></u>

See Independent Auditors' Report and accompanying notes to the basic financial statements.



Notes to Basic
Financial Statements

City of San Buenaventura
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For the Year Ended June 30, 2013

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City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of San Buenaventura (Ventura), California (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Description of the Reporting Entity

The City, incorporated as a town on March 10, 1866, was recognized as a city in the State of California by election on December 4, 1905, and was certified on January 5, 1906. The initial City Charter was adopted January 7, 1932, and was revised most recently on November 7, 1995. The City operates under an elected Council and appointed City Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), public works (maintenance services and utilities), community services, and general administrative services.

Per GAAP, these basic financial statements present the City and its component units (entities for which the City is considered to be financially accountable). Blended component units, although legally separate entities are, in substance, part of the City's operations and data from these units is combined with data of the City. Each blended component unit has a June 30 year-end. The City had no discretely presented component units. The following entity is reported as a blended component unit:

The City applies all applicable GASB pronouncements (including all NCGA Statements and Interpretations currently in effect).

Ventura Public Facilities Financing Authority (Authority) was established by ordinance, pursuant to the City Charter and Constitution of the State of California, as a public body, corporate and politic, acting to facilitate serving the public purposes of the City. The ordinance was adopted on May 28, 1985, and became effective July 1, 1985. The governing body of the Authority is comprised of the consenting members of the City Council. The Authority is empowered to construct, acquire, maintain and improve public facilities and improvements within the City and to sell, lease, exchange, transfer, encumber or otherwise dispose of any interest in property. The Authority's activities presently consist of providing financial assistance to the City through the issuance of certificates of participation and the leasing of assets to the City. At the end of the lease term, all assets revert to the City. The funds of the Authority have been included in the governmental activities of the financial statements.

B. Basis of Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, 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.

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 summaries of governmental and business-type activities for the City accompanied by a total column. Fiduciary activities of the City are not included in these statements.

The government-wide financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *Continued*

B. Basis of Accounting and Measurement Focus Continued

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. Grant revenues are recognized when all eligibility requirements have been met.

Certain types of transactions are reported as program revenues for the City in three categories:

- ◆ Charges for services
- ◆ Operating grants and contributions
- ◆ Capital grants and contributions

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 except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- ◆ Due to/from other funds
- ◆ Advances to/from other funds
- ◆ Transfers in/out

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and change in fund balances as presented in these statements to the Net position and change in net position presented in the government-wide financial statements. The City has presented all major funds that met the applicable criteria. The City has also presented certain funds as major funds because the financial position and activities of these funds are significant to the City as a whole. The following is a list of these major funds:

General Fund - The general fund was established to account for sources and uses of financial resources traditionally associated with governments, which are not required to be accounted for in another fund.

Certificates of Participation (COP) Debt Obligation Debt Service Fund - To account for the accumulation of resources and payment of long-term debt principal and interest for COP issues by the Public Facilities Financing Authority.

Capital Improvement Capital Projects Fund - To account for financial resources assigned for the purchase or construction of major capital improvements (other than those funded through proprietary or special revenue funds).

Gas Tax Capital Project Fund - To account for revenue received from the State of California Gas Tax, and other sources to be used for street maintenance and improvements only.

Park and Recreation Capital Project Fund - To account for park and recreation facilities tax and intergovernmental revenue to be used only for planning, acquisition, improvements, or expansion of public parks, playgrounds, or other recreational facilities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *Continued*

B. Basis of Accounting and Measurement Focus Continued

Housing and Community Development Block Grant Capital Projects Fund - To account for the revenue and expenditures related to Federal community development block grants.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, intergovernmental revenues and other taxes, interest, and charges for services. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Unavailable revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. Unavailable revenues also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unavailable revenue is removed from the Balance Sheet and revenue is recognized.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows for each major enterprise fund. The following is a list of the proprietary funds:

Wastewater Fund – To account for all wastewater activities and treatment services provided to the City of Ventura, including, but not limited to administration, operations, maintenance, laboratory, and debt service.

Water Fund – To account for all water activities and water treatment services provided to the City of Ventura and some residents of the County. Such activities include but are not limited to administration, maintenance, distribution, customer service, production, purification, and debt service.

Golf Fund – To account for revenue and costs related to the operation of two municipal golf courses for use by the general public. Golf fund is a non-major fund.

Internal Service Funds

A separate column representing internal service funds is also presented in these statements; however, internal service balances and activities have been combined with the governmental activities in the government-wide financial statements. The following is a list of the internal service funds:

Information Technology Fund - To account for costs related to the replacement and maintenance of the City's computer infrastructure. Costs are recovered through a monthly user fee charged to City departments.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *Continued*

B. Basis of Accounting and Measurement Focus Continued

Fleet Maintenance Fund - To account for costs related to operations of the central fleet maintenance system which provides vehicles for all City departments. Costs are recovered through a monthly user fee charged to City departments.

Facilities Maintenance Fund - To account for costs related to providing building maintenance services to all City departments. A monthly fee, based on square footage, is charged to City departments to recover these costs.

Digital Publishing Fund - To account for costs related to printing and reproduction of materials by all City departments. Costs are recovered through a monthly fee charged to City departments using the service.

Workers' Compensation Fund - To account for costs and liabilities related to the Workers' Compensation Program. Costs are recovered through a monthly fee based on employee-type charges to City departments.

Employee Fringe Benefits Fund - To account for costs and liabilities related to health, life, dental and disability insurances, retirement costs, taxes, and other miscellaneous benefits paid by the City on behalf of the employees. A bi-weekly charge based on a percentage of gross payroll is charged to City departments to recover these costs.

Risk Management Fund - To account for costs of providing public liability insurance coverage to operating funds. Costs are recovered from those funds that benefit from the insurance coverage.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or non-current) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents 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. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Net Position. The City's fiduciary funds consist of a private purpose trust fund and agency funds. Private purpose trust funds are reported 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. Agency funds are reported using the accrual basis of accounting. The City currently reports four fiduciary funds detailed below:

Private Purpose Trust Fund:

Redevelopment Successor Agency – The Redevelopment Agency was dissolved by state law on January 31, 2013. Upon dissolution, all of the assets and liabilities of the Agency were transferred to the City of Ventura Successor Redevelopment Agency. The Successor Agency is responsible for the disposition of real property and repayment of the former Agency's tax allocation bonds (See Note 20).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *Continued*

B. Basis of Accounting and Measurement Focus Continued

Agency Funds:

Property Based Improvement District Fund - To account for the funds held in trust by the City as collected from property assessments to be used for the improvements and maintenance of the Downtown Property Based Improvement District.

Ventura Oxnard Camarillo Tourism Business Improvement District Fund - To account for the funds held in trust by the City as collected from hotel assessments. VOCTBID is a benefit assessment district proposed to help fund marketing and sales promotional efforts of lodging businesses.

C. Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the City's practice to consider restricted - net position to have been depleted before unrestricted - net position is applied, however it is at the City Council's discretion.

D. Cash, Cash Equivalents and Investments

The City pools its available cash for investment purposes. The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. Guaranteed investment contracts are stated at cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

For purposes of reporting cash flows, the City considers each fund's share in the cash and investments pool to be cash and cash equivalents.

E. Restricted Cash and Investments

Certain restricted cash and investments are held by fiscal agents for the redemption of bonded debt and for acquisition and construction of capital projects. Cash and investments are also restricted for deposits held for others within the enterprise funds. The restricted cash and investments are separated from unrestricted cash and investments and presented as such.

F. Inventory and Prepaid Items

Inventory is valued at cost using first in, first out method. Inventory in the governmental funds consists of expendable supplies held for future consumption. The cost is recorded as expenditure as inventory items are consumed. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *Continued*

G. Interfund Transactions

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances to other funds, reported in the governmental fund financial statements, are offset by a fund balance nonspendable account in applicable governmental funds to indicate that they are not in spendable form and are not expendable available financial resources.

H. Capital Assets

The City's assets are capitalized at historical cost or estimated historical cost. City policy has set the capitalization threshold for reporting capital assets, including infrastructure assets, at \$10,000. Gifts or contributions of capital assets are recorded at fair value when received.

Depreciation is recorded on a straight-line basis over the useful lives of the assets as follows:

Buildings and improvements	10 - 76 years
Improvements other than buildings	10 - 75 years
Machinery and equipment	2 - 75 years
Infrastructure	5 - 50 years

The City defines infrastructure as the basic physical assets that allow the City to function. These assets include streets, water purification and distribution systems, sewer collection and treatment systems, park and recreation lands and improvement systems, storm water conveyance systems, and buildings combined with site amenities such as parking and landscaped areas used by the City in the conduct of its business. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curb and gutters, sidewalks, streetlights, traffic control devices, etc. These subsystems are not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

Interest incurred during capital asset construction, if any, is capitalized net of any interest earned for the business-type activities and proprietary funds as part of the asset cost. There was no interest capitalized during the fiscal year.

I. Compensated Absences

The City accrues the cost of annual vacation leave as earned for all eligible employees. Employees covered by SEIU Maintenance (A) and General (G) Units receive annual leave in lieu of vacation and sick leave. The City accrues the cost of annual leave as earned. The City accrues the cost of sick leave for all employees following ten (10) years of continuous City service, when employees become eligible for a payout of a portion of the balance of unused sick leave upon separation (resignation or retirement). The amount of payout varies by employee group as follows:

Employees covered by SEIU Supervisory (S) and Professional (Q) Unit agreements shall, after ten years of continuous City service, be eligible to receive an amount equivalent to 25% of their accrued sick leave upon resignation, or retirement from employment or in the case of death to the employee's beneficiary. The maximum sick leave accrual is 480 hours.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *Continued*

I. Compensated Absences Continued

Employees covered by the Ventura Fire Management Association (VFMA) agreement shall, after ten years of continuous City service, be eligible to receive an amount equivalent to 25% of their accrued sick leave upon resignation, or retirement from employment or in the case of death to the employee's beneficiary. After twenty years of continuous City service, they shall be eligible to receive an amount equivalent to 50% of their accrued sick leave upon resignation, or retirement from employment or in the case of death to the employee's beneficiary. The maximum sick leave accrual is 1,440 hours (2,016 hours when assigned to a 56-hour work week).

Employees in the Executive (E), Management (M), Confidential (C) and Administrative Confidential (U) salary schedules shall, after ten years of continuous City service, be eligible to receive an amount equivalent to 25% of their accrued sick leave upon resignation, or retirement from employment or in the case of death to the employee's beneficiary. Notwithstanding the foregoing, employees in Salary Schedule "E" shall, after twenty years of continuous City service, be eligible to receive an amount equivalent to 50% of their accrued sick leave upon resignation, or retirement from employment or in the case of death to the employee's beneficiary. The maximum accrual is 480 hours.

All police shall, after ten years of continuous City service, be eligible to receive an amount equivalent to 2.5% of their accrued sick leave for each completed year of service and will be received upon resignation, or retirement from employment or in the case of death to the employee's beneficiary. After twenty years of continuous City service, they shall be eligible to receive an amount equivalent to 3% of their accrued sick leave for each completed year of service (not to exceed 75%). This benefit will be received upon resignation, or retirement from employment or in the case of death to the employee's beneficiary. The maximum accrual is 1,440 hours.

All fire (excluding management) shall, after ten years of continuous City service, be eligible to receive an amount equivalent to 25% of their accrued sick leave upon resignation, or retirement from employment or in the case of death to the employee's beneficiary. After twenty years of continuous City service, they shall be eligible to receive an amount equivalent to 50% of their accrued sick leave upon resignation, or retirement from employment or in the case of death to the employee's beneficiary. The maximum accrual is 2,016 hours.

Vacation and sick leave benefits are accrued and recorded in the Employee Fringe Benefits Internal Service Fund. Compensated absences are generally liquidated in the Internal Service Fund.

J. Long-Term Debt

In the government-wide financial statements, long-term debt and other obligations are reported as liabilities in the applicable governmental and business-type activities. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium and discount. Issuance costs are reported as expenses at the time of debt issuance.

In the fund financial statements, governmental funds recognize bond premiums and discounts during the period in which bonds are issued, and the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs whether or not withheld from the actual debt proceeds received, are reported as expenditures.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *Continued*

K. Interest Payable

In the government-wide financial statements, interest payable on long-term debt is recognized as the liability is incurred for governmental and business-type activities. In the fund financial statements, proprietary funds recognize the interest payable when the liability is incurred.

L. Property Taxes

Property taxes are levied based on a fiscal year (July 1 – June 30). The property tax assessments are formally due on November 1 and February 1, and become delinquent after December 10 and April 10, respectively. Taxes become a lien on the property effective January 1 of the preceding year.

M. Net Position

The financial statements utilize a net position presentation. Net Position is categorized as follows:

Net Investment in Capital Assets – This amount consists of capital assets, net of accumulated depreciation and reduced by any outstanding debt attributed to the acquisition, construction, or improvement of those assets.

Restricted Net Position – This amount consists of constraints placed on net position use imposed by external creditors, grantors, contributors, laws or regulations of other governments, enabling legislation, or constitutional provisions. At June 30, 2013, the restricted Net Position balance was \$43,584,613 for governmental activities, of which \$4,252,135 was restricted by enabling legislation.

Unrestricted Net Position – This amount is all Net Position that do not meet the definition of “Net investment in capital assets” or “Restricted Net Position.”

N. Fund Balances

In the fund financial statements, governmental fund balances are classified based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. See Note 10 for further detail on fund balance reporting.

O. Use of Estimates

The preparation of the basic financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. In addition, estimates affect the reported amount of expenses. Actual results could differ from these estimates and assumptions.

P. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *Continued*

P. Deferred Outflows/Inflows of Resources Continued

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Q. New Pronouncements

Implemented:

In fiscal year 2103, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". This statement incorporates deferred outflows of resources and deferred inflows of resources, as defined by GASB Concepts Statement No. 4, "Elements of Financial Statements" into definitions of the required components of the residual measure of net position, formerly net assets. This statement also provides a new Statement of Net Position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position.

In fiscal year 2013, the City early implemented GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities". This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities.

Pending Accounting Standards:

GASB has issued the following statement which may impact the City's financial reporting requirement in the future.

- GASB 66 - "Technical Corrections, an amendment of GASB Statement No. 10 and Statement No. 62", effective for periods beginning after December 15, 2012.
- GASB 67 - "Financial Reporting for Pension Plans, an amendment of GASB Statement No. 25", effective for the fiscal years beginning after June 15, 2013.
- GASB 68 - "Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27", effective for the fiscal years beginning after June 15, 2014.
- GASB 69 - "Government Combinations and Disposals of Government Operations", effective for periods beginning after December 15, 2013.

2. CASH AND INVESTMENTS

A. CASH AND INVESTMENTS

Cash and investments as of June 30, 2013, are classified in the accompanying financial statements as follows:

Government-Wide Statement of Net Position:	
Cash and investments	\$ 122,833,083
Restricted cash and investments (held by bond trustee):	
Current amount	5,971,632
Noncurrent amount	28,152,145
Fiduciary Fund Statement of Net Position:	
Private Purpose Trust Fund	1,429,733
Agency Funds	213,065
Total cash and investments	<u>\$ 158,599,658</u>

Cash and investments as of June 30, 2013, consist of the following:

Cash on hand	\$ 32,650
Deposits with financial institutions	8,970,151
Investments	149,596,857
Total cash and investments	<u>\$ 158,599,658</u>

2. CASH AND INVESTMENTS Continued

B. Investments Authorized by the California Government Code and the City's Investment Policy

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, and concentration of credit risk. This table does not address investment of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Amt/ Percent of Portfolio*	Maximum Investment in One Issuer
US Treasury Obligations	5 years	N/A	N/A
U.S. Agency Securities	5 years	N/A	N/A
Banker's Acceptances	180 days	20%	5%
Commercial Paper	270 days	15%	5%
Negotiable Certificates of Deposit	5 years	20%	5%
Certificates of Deposit	5 years	N/A	\$250K
Certificates of Deposit Account Registry	5 years	\$5M	\$5M
Repurchase Agreements	92 days	20%	N/A
Medium-Term Notes	5 years	20%	\$5M
Money Market Mutual Funds	N/A	20%	5%
Local Agency Investment Fund	N/A	N/A	\$50M**
State of California or Municipal Debt	N/A	N/A	N/A

* Excluding Amounts held by bond trustee that are not subject to California Government Code restrictions.

**Maximum investment is per component unit.

C. Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee is governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee and identifies certain provisions of these debt agreements that address interest rate risk and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Amt/Percent of Portfolio*	Maximum Investment in One Issuer
U.S. Treasury Obligations	30 years	N/A	N/A
Money Market Mutual Funds	N/A	N/A	N/A
Guaranteed Investment Contract	30 years	N/A	N/A
Local Agency Investment Fund	N/A	N/A	N/A

2. CASH AND INVESTMENTS Continued

D. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that 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.

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

Investment Type	City Portfolio Totals	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25-59 Months	>60 Months
Federal Agency Securities	\$ 113,654,647	\$ -	\$ -	\$ 113,654,647	\$ -
Local Agency Investment Fund	17,979,450	17,979,450	-	-	-
Medium Term Notes	2,919,170	-	-	2,919,170	-
Medium Term Notes In Default	1,187,500	-	1,187,500	-	-
Money Market Funds	5,080,573	5,080,573	-	-	-
Held by bond trustee:					
Federal Agency Securities	1,809,994	1,809,994	-	-	-
Money Market Funds	6,547,231	6,547,231	-	-	-
Local Agency Investment Fund	418,292	418,292	-	-	-
Total	\$ 149,596,857	\$ 31,835,540	\$ 1,187,500	\$ 116,573,817	\$ -

2. CASH AND INVESTMENTS Continued

E. Disclosures Relating to Credit Risk

Generally, 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 following presentation is the minimum rating required (where applicable) by the California Government Code, the City's investment policy, debt agreements, and the actual rating as of year-end for each investment type:

Investment Type	City Portfolio Totals	Minimum Rating	Ratings as of year-end	
			Aaa/AAA ¹	Not Rated
Federal Agency Securities	\$ 113,654,647	N/A	\$ 113,654,647	\$ -
Local Agency Investment Fund	17,979,450	N/A	-	17,979,450
Medium Term Notes	2,919,170	N/A	2,919,170	-
Medium Term Notes in Default ²	1,187,500	N/A	-	1,187,500
Money Market Funds	5,080,573	N/A	5,080,573	-
Held by bond trustee:				
Federal Agency Securities	1,809,994	N/A	1,809,994	-
Money Market Funds	6,547,231	N/A	6,547,231	-
Local Agency Investment Fund	418,292	N/A	-	418,292
Total	\$ 149,596,857		\$ 130,011,615	\$ 19,585,242

¹ The ratings were with Moody's and S & P as of June 30, 2013.

² On September 14, 2008, Lehman Brothers Holdings Inc. (Lehman) filed a Chapter-11 bankruptcy proceeding to seek relief under the provisions of the United States Bankruptcy Code. The City holds a Lehman \$5M Medium Term Corporate Note, classified as "senior unsecured debt." A policy decision was made to continue to hold the security in the City's third party safekeeping account until such time that the security is either sold or settlement occurs through bankruptcy proceedings or other lawsuits. The City has received \$592K in distributions from the bankruptcy court through June 30, 2013..

F. Concentration of Credit Risk

The City's investment policy contains limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer that represent 5% or more of total City's investments are as follows:

Issuer	Investment Type	Reported Amount	Percent of Portfolio
Federal Home Loan Bank	Federal Agency Securities	\$ 27,454,990	19%
Federal Home Loan Mort Corp	Federal Agency Securities	38,497,283	27%
Federal National Mort Assoc.	Federal Agency Securities	47,702,374	34%
		<u>\$ 113,654,647</u>	

There are no limits on the above Federal Agency Securities.

2. CASH AND INVESTMENTS Continued

G. Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code requires that a financial institution secure deposits made by state or 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 a value of 150% of the secured public deposits. As of June 30, 2013, the City's deposits with financial institutions were covered by Federal Deposit Insurance Corporation insurance limits or were collateralized as required by California law.

H. Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair market value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

3. LOANS AND NOTES RECEIVABLE

At June 30, 2013, loans and notes receivable consisted of the following:

Loan Description	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
City Home	\$ 36,456	\$ -	\$ -	\$ 36,456
Chapel Lane Senior Housing Project	657,500	-	-	657,500
Kids and Family	100,000	-	-	100,000
Business Assistance Program:				
Micro Loan	832,671	248,942	(231,693)	849,920
Code Compliance Assistance	153,510	34,092	(35,253)	152,349
Commercial Rehabilitation Loan	200,205	12,691	(62,800)	150,096
Economic Development Loan	1,551,381	-	(521,254)	1,030,127
City Officials	783,544	17,620	(90,766)	710,398
Homebuyer Assistance Program	22,600	-	-	22,600
Working Artists Community	1,488,557	-	(32,819)	1,455,738
CHFA HELP Program Loan	11,281	-	(2,666)	8,615
Affordable Housing Development:				
Working Artists of Ventura (City)	1,037,384	-	-	1,037,384
Soho Associates LP (City)	450,000	-	-	450,000
Soho Associates LP (Housing)	550,000	-	-	550,000
El Patio LP (City)	408,000	-	-	408,000
El Patio LP (Housing)	363,500	28,550	(50)	392,000
Azahar Place Associates LP (CEDC) (City)	1,300,000	-	-	1,300,000
Azahar Place Associates LP (CEDC) (Housing)	1,700,000	-	-	1,700,000
Homebuyer Assistance Program (City)	614,964	-	(20,000)	594,964
Housing Preservation Program	1,961,007	146,530	(135,291)	1,972,246
CEDC Los Angeles Apartments	-	299,970	-	299,970
Total	\$ 14,222,560	\$ 788,395	\$ (1,132,592)	\$ 13,878,363

A. City Home

The general purpose of the City Home program is to promote neighborhood stabilization, stimulate private reinvestment, and broaden affordable housing opportunities.

The Program is administered by the Housing Authority of Ventura and provides deferred loans, to low-income residents who are first-time homebuyers, for down-payment assistance. The maximum term of the loan is 45 years with interest being charged in the form of equity sharing equal to 50% of the value of the original loan. Provided that the participating owner occupies the property continuously for 45 years, all interest shall be forgiven.

B. Chapel Lane Senior Housing Project

The project includes 38 one and two-bedroom units for senior low and very low-income households. The project has commercial space dedicated to the City's Housing Authority for office use. The maximum term of the loan is 45 years with interest being charged at 3% per annum.

3. LOANS AND NOTES RECEIVABLE Continued

C. Kids and Family

The Community Development Block Grant funded a loan of \$100,000 to Kids & Families Together for acquiring a property for transitional aged youth timing out of foster care. No interest, monthly or annual payments are due on the loan, and so long as Kids & Families Together do not default under the terms of the Agreement, the loan shall be forgiven in full on June 30, 2017.

D. Business Assistance Program

The interest rate will be fixed at the cost of City funds, plus two points. The borrower is responsible for repaying the entire loan, plus interest in a timely manner. The maximum term of the loan will not exceed 10 years. All loan programs must adhere to adopted Design Guidelines and Design Review Requirements where applicable.

There are four components to the Business Assistance Program:

Micro Loan Program - The primary goal of this program is to create jobs and support the growth and success of small businesses in Ventura. This is a flexible program designed for existing and new small businesses. The minimum loan to any business is \$10,000 with a maximum of \$50,000.

Code Compliance Assistance Program - The Code Compliance Assistance Program is to support businesses with building code compliance requirements on existing commercial properties. This program is designed to encourage code compliance and public safety in conjunction with Inspection Services.

Commercial Rehabilitation Loan Program - The Commercial Rehabilitation Loan Program is designed to encourage revitalization and renovation of older commercial districts while promoting physical enhancement of commercial property. The program goal is to foster business growth or retention through improving the physical appearance of qualified buildings. Qualified property owners and businesses may be eligible to receive below market rate loans for façade, construction, or building renovation. This program is targeted to the Downtown Redevelopment Area and the Westside Revitalization Area.

Economic Development Loan Program – The Economic Development Loan Program is designed to encourage and facilitate business growth in Ventura. This growth will increase sales tax revenues for the City and will fund the operations of the City and benefit the Ventura community.

E. City Officials

The City Council established a mortgage assistance program as an important tool to enable key officials and other employees to live in the City. It was also intended to aid the City to recruit highly qualified employees and assist them in obtaining housing in the City. The City is not providing new mortgage assistance loans at this time.

The City has seven loans outstanding for the purpose of mortgage assistance in the purchase of a home. The loans are secured by a deed of trust on the properties.

3. LOANS AND NOTES RECEIVABLE Continued

E. City Officials Continued

The following table summarizes the loan activity:

Date Issued	Original Amount of Loan	Term of Loan	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
2003	\$ 325,000	*	\$ 325,000	\$ -	\$ -	\$ 325,000
2009	474,000	*	317,000	-	(69,500)	247,500
2010	150,000	*	141,544	-	(3,646)	137,898
Total			<u>\$ 783,544</u>	<u>\$ -</u>	<u>\$ (73,146)</u>	<u>\$ 710,398</u>

* The City's share of its equity interest in the Ventura Residences shall be due and payable in full: 1) immediately upon the sale of, or other transfer of title, to the Ventura Residence by Employee; 2) within 120 days of the Employee's termination for any reason whatsoever; 3) within 120 days of the termination of Employee's use of the Ventura Residence as a principal residence, or; 4) in some cases within 10 years of loan issue date. The interest rates vary from 0% for equity sharing agreements to 7.7%.

F. Successor Housing Agency

Homebuyer Assistance Program

The Successor Housing Agency entered into an agreement annually for the Homebuyer Assistance Program. The maximum term of the loan is 45 years with interest being charged in the form of equity sharing equal to 50 percent of the value of the original loan. Provided that the participating owners occupy the property continuously for 45 years, all interest shall be forgiven. The outstanding balance due as of June 30, 2013 was \$22,600.

Working Artists of Ventura

In January 2008, the Successor Housing Agency loaned \$1.5 million in proceeds from a CalHFA HELP loan to the Working Artists of Ventura (WAV) Apartment Partners at 3% simple interest for a term of 30 years (annual payments of \$77,598 commencing May 1, 2010). This loan is to be repaid the earlier of December 1, 2016 or thirty days after the sale or transfer of the last unit per the most recent amendment. The total outstanding due as of June 30, 2013 was \$1,455,738.

CHFA Help Loans

The primary goal of this program is for rental rehabilitation or seismic improvements of multifamily housing units in designated target areas. The City provided a 3% interest rate, fully amortizing loans for property rehabilitation to landlords for 15 to 30 years. Participating landlords agreed to fix maximum rents at fair market value rates established for the HUD Section 8 Program during the term of the HELP loan. Eligible developments must be occupied by a minimum of 51% low-income households as defined by HUD, at the initiation of negotiations between the landlord and the City. The outstanding balance as of June 30, 2013 was \$8,615. The program is no longer active and there is only one remaining loan.

G. Affordable Housing Development

Working Artists of Ventura

The City entered into an Impact Fee Deferral Loan Agreement, during fiscal year 2008, with Working Artists of Ventura (WAV) Apartments Partners (69 apartment and condominium rental housing units restricted to low and very low income households) for planning and permitting fees. The deferred fees are scheduled to be repaid over 55 years beginning in 2010.

3. LOANS AND NOTES RECEIVABLE Continued

G. Affordable Housing Development Continued

Soho Associates LP - The City entered into an agreement on May 1, 2012 to loan \$450,000 of HOME funds disbursed over three fiscal years (fiscal year 2009-10 \$350,000; fiscal year 2010-11 \$50,000 and fiscal year 2011-12 \$50,000) for the acquisition and development on an affordable housing project. The loan is secured by a deed of trust bearing simple interest at 3% commencing on the date of the initial disbursement. The term expires 55 years from the date of recordation of the affordability covenant against the property. Payments are due on May 1st of each year with payment of the outstanding principal and accrued interest equal to the City's pro-rata share of residual receipts.

El Patio LP - The City entered into an agreement on December 17, 2009 to loan \$408,000 in HOME CHDO funds to a limited partnership to assist with the rehabilitation of property. The loan is secured by a deed of trust bearing simple interest at 3% commencing on the date of the initial disbursement. The term expires 55 years from the date of recordation of the affordability covenant against the property. Payments are due on September 30th of each year with payment of the outstanding principal and accrued interest equal to the City's pro-rata share of residual receipts.

Azahar Place Associates LP (CEDC) - The City entered into an Agreement on February 16, 2010 to loan \$1,300,000 of HOME funds to a limited partnership to assist with the acquisition and development of an affordable housing project. Financial assistance is in the form of two loans: 1) Acquisition \$900,000 and 2) Development/Construction \$400,000. Each loan is secured by a separate deed of trust bearing simple interest at 3% commencing on the date of the initial disbursement. The loan was disbursed over the course of three fiscal years (fiscal year 2009-10 \$900,000; fiscal year 2010-11 \$200,000 and fiscal year 2011-12 \$200,000). The term expires 55 years from the completion of construction. Payments are due on September 30th of each year with payment of the outstanding principal and accrued interest equal to the City's pro-rata share of residual receipts.

H. Homebuyer Assistance Program (City)

The City entered into a loan agreement on September 13, 1999. The maximum term of the loan is 45 years with interest being charged in the form of equity sharing equal to 50% of the value of the original loan. Provided that the participating owner occupies the property continuously for 45 years, all interest shall be forgiven.

I. Housing Preservation Program

Under the Housing Preservation Program (HPP), low interest loans are available to qualifying low and moderate-income households to rehabilitate single-family owner-occupied properties. Special hardship grants are also available on an urgent need basis to address immediate threats to health and safety. The terms of these loans range from 15 to 45 years with interest being charged in either the form of equity sharing equal to 50% of the value of the original loan or based on the cost of funds to the City that shall not be less than 3%.

J. CEDC Los Angeles Apartments

The City loaned funds to the Cabrillo Economic Development Corporation (CEDC) in the amount of \$299,970 for the purchase of property and construction of a rental housing project consisting of forty-nine (49) affordable rental units and one (1) manager's unit. The loan was made from Community Development Block Grant (CDBG) funds. The term of the loan is five years, and no interest shall accrue on the loan unless there is a default. So long as the CEDC fulfills the terms of the contract, and continues to operate the affordable housing development, all amounts due and owing shall be forgiven in full by the City at the end of the term of the agreement.

4. INTERFUND TRANSACTIONS

Fund Financial Statements

Due to/from Other Funds

As of June 30, 2013, balances of due to/from other funds were as follows:

	<u>Due to other funds</u>						<u>Total</u>
	<u>General Fund</u>	<u>Capital Projects</u>		<u>Other Governmental Funds</u>	<u>Internal Services</u>		
		<u>Capital Improvement</u>	<u>Gas Tax</u>		<u>Facilities Maintenance</u>	<u>Workers Compensation</u>	
<u>Due from other funds</u>							
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,596,413	\$ 1,596,413
Certificates of Participation Housing and Community Development Block Grant	-	72,594	-	-	155,056	-	227,650
Other Governmental funds	766,987	-	927,500	283,758	-	-	1,694,487
Golf course enterprise fund	2,895,850	-	-	-	-	-	2,895,850
Total	<u>\$ 3,662,837</u>	<u>\$ 72,594</u>	<u>\$ 927,500</u>	<u>\$ 283,758</u>	<u>\$ 155,056</u>	<u>\$ 1,596,413</u>	<u>\$ 6,698,158</u>

General Fund

The loan from the Workers' Compensation Fund was used for capital improvement projects.

Certificates of Participation Debt Obligation Debt Service

Capital improvement construction expenditures incurred this year will be reimbursed next year with debt financing funds.

Housing and Community Development Block Grant

Housing Successor Agency revenues used to fund the Home Match Program.

Other Governmental Funds

The Housing Successor Agency Fund was in a negative cash position at year-end. Advances from the Gas Tax Capital Project Fund were used to fund the startup of the Downtown Parking District Fund. Capital improvement construction expenditures to be reimbursed next year with debt financing funds.

Golf Enterprise Fund

The Golf Enterprise Fund was in a negative cash position at year-end. This covers that negative cash position.

4. INTERFUND TRANSACTIONS Continued

Transfers

Transfers for the year ended June 30, 2013 were as follows:

Transfers In											
Transfers Out	Major Funds										
	General Fund	Certificates of Participation Debt Obligation	Capital Project Funds			Other Governmental Funds	Enterprise			Internal Service Funds	Total
			Capital Improvement	Gas Tax	Park and Recreation		Wastewater	Water	Golf		
General Fund	\$ -	\$ 3,080,832	\$ 990,126	\$ 40,000	\$ 451,243	\$ 929,092	\$ -	\$ -	\$ 128,380	\$ 193	\$ 5,619,866
Debt Service Fund:											
Certificates of Participation- Debt Obligation	15,676	-	72,594	-	-	-	-	-	271,777	155,056	515,103
Capital Projects Funds:											
CIP General	70,558	-	-	-	-	-	-	-	-	-	70,558
Gas Tax	347,333	-	-	-	-	-	-	-	-	-	347,333
Parks and Recreation	150,000	-	-	-	-	-	-	-	-	-	150,000
Other Governmental Funds:	1,478,878	-	186,403	-	-	-	-	-	-	-	1,665,281
Wastewater	298,930	-	-	28,150	-	-	-	1,391,124	-	-	1,718,204
Water	410,634	-	-	27,180	-	-	251,023	-	-	-	688,837
Golf Course	215,000	954,148	-	-	-	-	-	-	-	-	1,169,148
Internal Service Funds:	504,535	-	-	-	-	-	-	-	-	20,151	524,686
Total	<u>\$ 3,491,544</u>	<u>\$ 4,034,980</u>	<u>\$ 1,249,123</u>	<u>\$ 95,330</u>	<u>\$ 451,243</u>	<u>\$ 929,092</u>	<u>\$ 251,023</u>	<u>\$ 1,391,124</u>	<u>\$ 400,157</u>	<u>\$ 175,400</u>	<u>\$ 12,469,016</u>

4. INTERFUND TRANSACTIONS Continued

The transfers were for the following purposes:

Transfers, Continued

General Fund transfers to:

Certificates of Participation Debt Obligation	\$ 3,080,832	For payment of the annual debt service requirements.
Capital Improvement	990,126	For reimbursement of funding provided for improvement projects financed through prior debt financing.
Gas Tax	40,000	To provide matching funds for the Bike Safety Education program.
Parks and Recreation	451,243	For reimbursement of funding provided for improvement projects financed through prior debt financing.
Enterprise Funds	128,380	For reimbursement of funding provided for improvement projects financed through prior debt financing for Golf improvements.
Other Governmental Funds	929,092	To cover shortfalls in Law Enforcement, Street Lighting District, and Maintenance Assessment District.
Internal Service Funds	193	For reimbursement of special events permitting.
	<u>\$ 5,619,866</u>	

Certificate of Participation Debt Obligation transfers to:

General Fund	\$ 15,676	For reimbursement of excess transfers recorded for annual debt service requirements.
Capital Improvement	72,594	For reimbursement of funding provided for improvement projects financed through prior debt financing for City Hall capital improvements.
Enterprise Funds	271,777	For reimbursement of funding provided for improvement projects financed through prior debt financing for golf improvements.
Internal Service Funds	155,056	For reimbursement of funding provided for improvement projects financed through prior debt financing for City Hall capital improvements.
	<u>\$ 515,103</u>	

CIP General transfers to:

General Fund	\$ 70,558	For reimbursement of the public safety emergency program.
	<u>\$ 70,558</u>	

Gas Tax transfers to:

General Fund	\$ 347,333	For reimbursement of Gas Tax eligible expenditures for Traffic Safety.
	<u>\$ 347,333</u>	

Park and Recreation transfers to:

General Fund	\$ 150,000	For reimbursement of funding provided for improvement projects financed through prior debt financing.
	<u>\$ 150,000</u>	

4. INTERFUND TRANSACTIONS Continued
Transfers, Continued

Other Governmental Funds transfers to:

General Fund	1,478,878	To close out the Portobello Dredging Capital Projects fund and provide for City overhead expenses for maintenance assessment districts.
Capital Improvement	186,403	For reimbursement of funding provided for improvement projects financed through prior debt financing.
	<u>\$ 1,665,281</u>	

Wastewater transfers to:

General Fund	298,930	Annual Ventura Water right-of-way payment.
Gas Tax	28,150	To provide for Construction in Progress street resurfacing-manhole improvements.
Water	1,391,124	For reimbursement of the Ventura Water administration and billing expenditures shared by Wastewater.
	<u>\$ 1,718,204</u>	

Water transfers to:

General Fund	410,634	For annual Ventura Water right-of-way payment, web services, and storm drain impacts.
Gas Tax	27,180	To provide for Construction in Progress street resurfacing-water valve improvements.
Wastewater	251,023	For reimbursement of funding for costs.
	<u>\$ 688,837</u>	

Golf Course transfers to:

General Fund	\$ 215,000	For annual land lease payment.
Certificates of Participation Debt Obligation	954,148	For payment of the annual debt service requirements.
	<u>\$ 1,169,148</u>	

Internal Service Funds transfers to:

General Fund	504,535	One-time balancing solution.
Internal Service Funds	20,151	For annual payment of shared warehouse services.
	<u>\$ 524,686</u>	

5. CAPITAL ASSETS

A. CAPITAL ASSETS

At June 30, 2013, the City's capital assets consisted of the following:

	<u>Government Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Non-depreciable assets:			
Land	\$ 20,207,668	\$ 497,497	\$ 20,705,165
Water rights	-	1,221,838	1,221,838
Construction in progress	25,183,061	48,553,777	73,736,838
Total non-depreciable assets	<u>45,390,729</u>	<u>50,273,112</u>	<u>95,663,841</u>
Depreciable assets:			
Buildings and improvements	65,098,367	70,147,462	135,245,829
Improvements other than buildings	19,884,624	62,138,897	82,023,521
Machinery and equipment	51,891,701	131,100,669	182,992,370
Infrastructure	101,878,155	1,614,700	103,492,855
Total depreciable assets	<u>238,752,847</u>	<u>265,001,728</u>	<u>503,754,575</u>
Less accumulated depreciation for:			
Buildings and improvements	(30,036,707)	(26,542,245)	(56,578,952)
Improvements other than buildings	(8,231,833)	(35,125,689)	(43,357,522)
Machinery and equipment	(30,694,069)	(53,615,704)	(84,309,773)
Infrastructure	(72,603,382)	(468,767)	(73,072,149)
Total accumulated depreciation	<u>141,565,991</u>	<u>(115,752,405)</u>	<u>257,318,396</u>
Total depreciable assets, net	<u>97,186,856</u>	<u>149,249,323</u>	<u>246,436,179</u>
Total capital assets	<u>\$142,577,585</u>	<u>\$ 199,522,435</u>	<u>\$342,100,020</u>

5. CAPITAL ASSETS Continued

A. CAPITAL ASSETS Continued

The following is a summary of changes in capital assets for governmental activities:

	<u>Balance</u> <u>July 1, 2012</u>	<u>Adjustments</u> <u>(See Note 21)</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2013</u>
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 19,102,058	\$ -	\$ 1,105,610	\$ -	\$ 20,207,668
Construction in progress	20,701,515	2,128,006	4,056,711	(1,703,171)	25,183,061
Total capital assets, not being depreciated	39,803,573	2,128,006	5,162,321	(1,703,171)	45,390,729
Capital assets, being depreciated:					
Buildings and improvements	64,897,710	-	200,657	-	65,098,367
Improvements other than buildings	19,734,624	-	150,000	-	19,884,624
Machinery and equipment	48,506,618	-	3,941,760	(556,677)	51,891,701
Infrastructure	101,878,155	-	-	-	101,878,155
Total capital assets, being depreciated	235,017,107	-	4,292,417	(556,677)	238,752,847
Less accumulated depreciation for:					
Buildings and improvements	(28,683,617)	-	(1,353,090)	-	(30,036,707)
Improvements other than buildings	(7,534,994)	-	(696,839)	-	(8,231,833)
Machinery and equipment	(28,108,342)	-	(3,089,311)	503,584	(30,694,069)
Infrastructure	(70,648,527)	-	(1,954,855)	-	(72,603,382)
Total accumulated depreciation	(134,975,480)	-	(7,094,095)	503,584	(141,565,991)
Total capital assets, being depreciated, net	100,041,627	-	(2,801,678)	(53,093)	97,186,856
	\$ 139,845,200	\$ 2,128,006	\$ 2,360,643	\$ (1,756,264)	\$ 142,577,585

Depreciation expense in governmental activities for capital assets for the year ended June 30, 2013, is composed of the following:

General Government	\$ 700,884
Finance and Technology	46,721
Community Development	25,418
Parks, Recreation and Community Partnerships	1,618,622
Public Safety	621,092
Public Works	2,768,076
Internal Service Fund depreciation charged to functions	1,313,282
Total depreciation expense	\$ 7,094,095

5. CAPITAL ASSETS Continued

A. CAPITAL ASSETS Continued

The following is a summary of changes in capital assets for business-type activities:

	<u>Balance July 1, 2012</u>	<u>Adjustments (See Note 21)</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>
Business-Type Activities:					
Capital assets, not being depreciated:					
Land	\$ 497,497	\$ -	\$ -	\$ -	\$ 497,497
Water rights	1,221,838	-	-	-	1,221,838
Construction in progress	38,620,556	2,510,879	7,422,342	-	48,553,777
Total capital assets, not being depreciated	<u>40,339,891</u>	<u>2,510,879</u>	<u>7,422,342</u>	<u>-</u>	<u>50,273,112</u>
Capital assets, being depreciated:					
Buildings and improvements	70,147,462	-	-	-	70,147,462
Improvements other than buildings	62,138,897	-	-	-	62,138,897
Machinery and equipment	130,711,246	-	411,915	(22,492)	131,100,669
Infrastructure	1,614,700	-	-	-	1,614,700
Total capital assets, being depreciated	<u>264,612,305</u>	<u>-</u>	<u>411,915</u>	<u>(22,492)</u>	<u>265,001,728</u>
Less accumulated depreciation for:					
Buildings and improvements	(25,071,207)	-	(1,471,038)	-	(26,542,245)
Improvements other than buildings	(33,787,608)	-	(1,338,081)	-	(35,125,689)
Machinery and equipment	(48,347,351)	-	(5,288,792)	20,439	(53,615,704)
Infrastructure	(389,614)	-	(79,153)	-	(468,767)
Total accumulated depreciation	<u>107,595,780</u>	<u>-</u>	<u>(8,177,064)</u>	<u>20,439</u>	<u>(115,752,405)</u>
Total capital assets, being depreciated, net	157,016,525	-	(7,765,149)	(2,053)	149,249,323
Total business-type activities	<u>\$ 197,356,416</u>	<u>\$ 2,510,879</u>	<u>\$ (342,807)</u>	<u>\$ (2,053)</u>	<u>\$ 199,522,435</u>

Depreciation expense in business-type activities for capital assets for the year ended June 30, 2013, is composed of the following:

Wastewater	\$ 3,183,870
Water	4,093,805
Golf Course	899,389
Total depreciation expense	<u>\$ 8,177,064</u>

6. LEASES

Capital Leases

The City entered into a lease agreement in December 2007 to finance the acquisition of Computer Aided Dispatch and Mobile System upgrade to the existing system. There are five annual payments due starting on January 1, 2009 and ending on January 1, 2013. At June 30, 2013, there is no outstanding balance.

The asset acquired through this capital lease is as follows:

Asset:	Governmental Activities
Machinery and equipment	\$ 885,961
Less: Accumulated depreciation	(442,980)
Total	<u>\$ 442,981</u>

Decreases to Capital Leases Payable were as follows:

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>	<u>Amounts Due Within one Year</u>	<u>Amounts Due in More than One Year</u>
Governmental Activities:						
2009 Lease Agreement	\$ 177,192	\$ -	\$ (177,192)	\$ -	\$ -	\$ -

7. STATE WATER PROJECT

On July 6, 1971, the City executed a contract with the Casitas Municipal Water District (CMWD) for the allocation of 50% of CMWD's annual entitlement of available water from the State of California Water Project. In turn, the City assumed the burden of costs, both past and future, in the same proportion. The City's share of existing costs as of the inception of the contract was covered by a contract payable over a 20 year period at 4% interest, and was paid as of June 30, 1990.

The current agreement runs through June 30, 2035, with the right to extend the agreement for continued service. Under this agreement, the City's share of current project costs is paid on an annual basis. This agreement allows the City the option to maintain its right to beneficial use of water from the State Water Line Project. The costs for this project are adjusted semiannually by the State and have been increasing annually. Since most of the costs are associated with operation and maintenance, the City elected to expense these costs. The total cost for the year ended June 30, 2013 was \$1,457,674.

8. LONG-TERM DEBT

A. Governmental Activities Long-Term Debt

The Summary of Changes in Long-Term Debt for Governmental Activities for the year ended June 30, 2013 is as follows:

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013	Classification	
					Amounts Due Within One Year	Amounts Due in More than One Year
Governmental Activities:						
Certificates of Participation - 2007 Series E	\$ 9,245,000	\$ -	\$ (485,000)	\$ 8,760,000	\$ 510,000	\$ 8,250,000
Certificates of Participation-2010 Series F	20,215,000	-	(2,320,000)	17,895,000	2,925,000	14,970,000
Certificates of Participation-2012 Series A	16,450,000	-	-	16,450,000	-	16,450,000
Certificates of Participation-2012 Series B	1,365,000	-	-	1,365,000	-	1,365,000
California Energy Commission 2004 Loan	125,340	-	(13,464)	111,876	14,152	97,724
Energy Resources Conservation & Dev Comm 2012 Loan	389,117	-	(70,320)	318,797	69,986	248,811
Unamortized bond premium	<u>1,804,112</u>	<u>-</u>	<u>(48,480)</u>	<u>1,755,632</u>	<u>48,480</u>	<u>1,707,152</u>
Subtotal long-term debt	49,593,569	-	(2,937,264)	46,656,305	3,567,618	43,088,687
Other noncurrent liabilities:						
Claims and judgments payable (Note 11)	9,635,751	2,206,501	(3,438,106)	8,404,146	3,110,661	5,293,485
Compensated absences payable (Note 11)	<u>5,349,128</u>	<u>3,961,010</u>	<u>(3,833,510)</u>	<u>5,476,628</u>	<u>578,241</u>	<u>4,898,387</u>
Total governmental activities	<u>\$ 64,578,448</u>	<u>\$ 6,167,511</u>	<u>\$ (10,208,880)</u>	<u>\$ 60,537,079</u>	<u>\$ 7,256,520</u>	<u>\$ 53,280,559</u>

Certificates of Participation - 2007 Series E

On December 1, 2007, the City issued \$11,420,000 in Certificates of Participation (Series E) with an average interest rate ranging from 3% to 4.5% to: 1) provide for the advance refunding of the \$7,090,000 City of Ventura Public Facilities Financing Authority 1995 Refunding Lease Revenue Bonds with an interest rate ranging from 4.55% to 5.75% and a principal balance of \$3,455,000, 2) finance the acquisition of unencumbered fee title to a public parking structure, 3) finance certain public park improvements, 4) fund the Reserve Fund, and 5) pay certain costs incurred in connection with the execution and delivery of the Certificates. The Certificates were executed and delivered by and among the Bank of New York Trust Company, N.A. as Trustee. As a result, the 1995 Refunding Lease Revenue Bonds discussed in (1) above are considered to be defeased, and the liability for those bonds has been removed from the financial statements. The total amount outstanding as of June 30, 2013, was \$8,760,000.

The annual debt service requirements for the 2007 Series E Certificates of Participation outstanding at June 30, 2013, were as follows:

Year Ending June 30	Principal	Interest	Total
2014	\$ 510,000	\$ 395,831	\$ 905,831
2015	215,000	375,432	590,432
2016	225,000	366,831	591,831
2017	235,000	357,831	592,831
2018	245,000	348,431	593,431
2019-2023	1,370,000	1,584,144	2,954,144
2024-2028	1,705,000	1,255,438	2,960,438
2029-2033	2,145,000	815,813	2,960,813
2034-2037	<u>2,110,000</u>	<u>256,500</u>	<u>2,366,500</u>
Total	<u>\$ 8,760,000</u>	<u>\$ 5,756,251</u>	<u>\$ 14,516,251</u>

8. LONG-TERM DEBT Continued

A. Governmental Activities Long-Term Debt Continued

Certificates of Participation - 2010 Series F

On July 28, 2010, the City issued \$20,615,000 in Certificates of Participation, Series F with interest rates ranging from 2% to 4.75% to: 1) provide for the advance refunding and defeasance of a portion of the \$2,925,000 2001 Refunding Certificates of Participation, Series A; a portion of the \$19,765,000 2002 Refunding Certificates of Participation, Series B; a portion of the \$16,345,000 Certificates of Participation, Series C; and a portion of the \$15,930,000 2002 Certificates of Participation, Series D; 2) finance certain public golf course improvements; 3) acquire a reserve fund surety policy; and 4) pay certain costs incurred in connection with the execution and delivery of the Certificates.

The Certificates were executed and delivered by and among the Bank of New York Trust Company, N.A. as Trustee. The refunding resulted in a reduction in total debt service payments by approximately \$1.2 million and an economic gain (difference between the present value of the old and new debt service payments) of \$807,175. The total amount outstanding as of June 30, 2013, was \$17,895,000 .

The annual debt service requirements for the Certificates of Participation, 2010 Series F outstanding at June 30, 2013 were as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 2,925,000	\$ 613,388	\$ 3,538,388
2015	3,005,000	520,625	3,525,625
2016	3,125,000	409,312	3,534,312
2017	3,250,000	281,813	3,531,813
2018	1,155,000	199,487	1,354,487
2019-2023	3,100,000	610,812	3,710,812
2024-2028	700,000	164,812	864,812
2029-2033	635,000	135,731	770,731
Total	\$ 17,895,000	\$ 2,935,980	\$ 20,830,980

Certificates of Participation - 2012 Series A

On May 15, 2012, the City issued \$16,450,000 in Certificates of Participation, Series 2012 A with interest rates ranging from 2.375% to 5.0% to: 1) provide for the advance refunding and defeasance of the remaining 2001 Certificates of Participation, Series C, 2) provide for the advance refunding and defeasance of the remaining 2002 Certificates of Participation, Series D; and 3) pay certain costs incurred in connection with the execution and delivery of the Certificates.

The Certificates were executed and delivered by and among the Bank of New York Trust Company, N.A. as Trustee. The refunding resulted in a reduction in total debt service payments by approximately \$2.4 million and an economic gain (difference between the present value of the old and new debt service payments) of \$2.1 million. The total amount outstanding as of June 30, 2013, was \$16,450,000.

8. LONG-TERM DEBT Continued

A. Governmental Activities Long-Term Debt Continued

The annual debt service requirements for the Certificates of Participation, 2012 Series A outstanding at June 30, 2013 were as follows:

Year Ending June 30	Principal	Interest	Total
2014	\$ -	\$ 680,469	\$ 680,469
2015	-	680,469	680,469
2016	-	680,469	680,469
2017	-	680,469	680,469
2018	-	680,469	680,469
2019-2023	2,475,000	3,315,000	5,790,000
2024-2028	7,255,000	2,502,950	9,757,950
2029-2032	6,720,000	617,800	7,337,800
Total	\$ 16,450,000	\$ 9,838,095	\$ 26,288,095

Certificates of Participation - 2012 Series B

On May 15, 2012, the City issued \$1,365,000 in Taxable Certificates of Participation, 2012 Series B with an interest rate of 2.75% to: 1) provide for the refunding of a portion of the July 1, 2012 Certificates of Participation, 2010 Series F; and 2) pay certain costs incurred in connection with the execution and delivery of the Certificates. The Certificates were executed and delivered by and among the Bank of New York Trust Company, N.A. as Trustee. The refunding resulted in a slight increase in the deferral of debt service payments at a more favorable rate, thus increasing total debt service payments by approximately \$252,000 and an economic loss (difference between the present value of the old and new debt service payments) of \$5,574. The total amount outstanding as of June 30, 2013, was \$1,365,000.

The annual debt service requirements for the Certificates of Participation, 2012 Series B outstanding at June 30, 2013:

Year Ending June 30	Principal	Interest	Total
2014	\$ -	\$ 37,538	\$ 37,538
2015	105,000	37,538	142,538
2016	110,000	34,650	144,650
2017	115,000	31,625	146,625
2018	115,000	28,463	143,463
2019-2020	920,000	32,863	952,863
Total	\$ 1,365,000	\$ 202,677	\$ 1,567,677

8. LONG-TERM DEBT Continued

A. Governmental Activities Long-Term Debt Continued

California Energy Commission - 2004 Loan

On August 5, 2005, a low-interest loan was received from the California Energy Commission to install solar panels at the City's Sanjon Yard facility to reduce energy use. The loan has an interest rate of 3.95% and a 15-year repayment schedule with 30 equal semi-annual payments of \$9,214.

The annual debt service requirements for this loan at June 30, 2013, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 14,152	\$ 4,275	\$ 18,427
2015	14,717	3,711	18,428
2016	15,296	3,132	18,428
2017	15,914	2,514	18,428
2018	16,549	1,879	18,428
2019-2020	35,248	1,752	37,000
Total	\$ 111,876	\$ 17,263	\$ 129,139

California Energy Resources Conservation and Development Commission - 2012 Loan

On August 15, 2011, a low-interest loan was received from the California Energy Commission to make energy-efficient improvements to City Hall to reduce energy use. The loan has an interest rate of 1.00% and a 6-year repayment schedule with 13 equal semi-annual payments of \$36,509.

The annual debt service requirements for this loan at June 30, 2013, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 69,986	\$ 3,031	\$ 73,017
2015	70,688	2,329	73,017
2016	71,393	1,625	73,018
2017	72,112	905	73,017
2018	34,618	182	34,800
Total	\$ 318,797	\$ 8,072	\$ 326,869

8. LONG-TERM DEBT Continued

B. Long-Term Debt of Business-Type Activities and Proprietary Funds

	Balance July 1, 2012	Additions	Deletions	Refunded Debt	Balance June 30, 2013	Classification	
						Amounts Due Within One Year	Amounts Due in More than One Year
Business-Type Activities:							
Wastewater Revenue Refunding COPs	\$ 20,300,000	\$ -	\$ -	\$ (20,300,000)	\$ -	\$ -	\$ -
Wastewater Revenue Refunding, 2012	-	18,475,000	-	-	18,475,000	870,000	17,605,000
Plus unamortized:							
Bond premium	186,217	1,598,031	(50,731)	(186,217)	1,547,300	76,097	1,471,203
Wastewater Revenue Refunding 2012, net	20,486,217	20,073,031	(50,731)	(20,486,217)	20,022,300	946,097	19,076,203
Water Revenue Refunding COPs	22,640,000	-	(630,000)	(22,010,000)	-	-	-
Water Revenue Refunding A & B	-	45,450,000	-	-	45,450,000	855,000	44,595,000
Plus unamortized:							
Bond premium	304,295	4,062,794	(90,284)	(304,295)	3,972,510	135,426	3,837,084
Water Revenue Refunding A & B, net	22,944,295	49,512,794	(720,284)	(22,314,295)	49,422,510	990,426	48,432,084
Safe Drinking Water Loan	16,289,983	-	(879,714)	-	15,410,269	900,865	14,509,404
Total business-type activities	\$ 59,720,495	\$ 69,585,825	\$ (1,650,729)	\$ (42,800,512)	\$ 84,855,079	\$ 2,837,388	\$ 82,017,691

Wastewater Revenue Refunding 2004 Certificates of Participation

Certificates of Participation in the amount of \$25,075,000 were issued on December 16, 2004. The Certificates were issued to provide for: 1) the defeasance of \$7,125,000 million of the City of Ventura 1996 Wastewater Revenue Refunding Bonds; 2) finance improvements to the City's water reclamation facility upgrade; 3) fund a reserve fund for the Certificates; and 4) pay costs in connection with the execution and delivery of the Certificates. The Certificates are due in annual principal installments of \$625,000 to \$1,405,000 through 2034. Interest rates range from 2.5% to 5% and is payable semi-annually on September 1 and March 1. The funding source for the repayment is lease payments made by the City to the Authority.

The Certificates were refunded in November 2012, from the proceeds of the 2012 Series A and Series B Certificates, and there was no outstanding balance as of June 30, 2013.

Wastewater Revenue Refunding, 2012 Series A and B

The City issued Wastewater Certificates of Participation 2012, Series A and Series B in the amount of \$2,560,000 and \$15,915,000, respectively. The taxable Series A Certificates and Series B Certificates were issued to provide funds for: (i) to advance refund all of the outstanding City of San Buenaventura 2004 Wastewater Revenue Certificates of Participation, and (ii) to pay costs incurred in connection with the issuance of the certificates. The Certificates are due in annual principal installments of \$630,000 to \$1,235,000 through 2034. Interest rates range from 0.97% to 5% and is payable semi-annually on January 1 and July 1. The total amount outstanding as of June 30, 2013, was \$18,475,000.

The Wastewater Revenue Refunding Certificates of Participation are secured by an irrevocable pledge of wastewater revenue. The principal and interest remaining on the certificates of participation is \$27,732,263, payable through fiscal year 2034. For the current year, principal and interest payment and pledged revenue (operating income) were \$87,649 and \$ 968,278 , respectively.

8. LONG-TERM DEBT Continued

B. Long-Term Debt of Business-Type Activities and Proprietary Funds Continued

The City completed the advance refunding of the Wastewater Revenue Bonds to reduce its total debt service over the next 22 years by approximately \$4,952,000 and to obtain an economic gain (difference between the present values of the and new debt service payments) of \$1,825,013.

Total Wastewater Revenue Refunding Certificates of Participation outstanding as of June 30, 2013, net of unamortized bond premium were as follows:

Principal outstanding at June 30, 2013	\$ 18,475,000
Add unamortized bond premium	<u>1,547,300</u>
Net Bonds outstanding at June 30, 2013	<u>\$ 20,022,300</u>

The annual debt service requirements for the Wastewater Revenue Refunding Certificates of Participation, 2012 Series A and Series B outstanding at June 30, 2013, were as follows:

Year Ending June 30	Principal	Interest	Total
2014	\$ 870,000	\$ 685,947	\$ 1,555,947
2015	885,000	677,508	1,562,508
2016	630,000	667,153	1,297,153
2017	640,000	657,955	1,297,955
2018	660,000	636,450	1,296,450
2019-2023	3,715,000	2,765,250	6,480,250
2024-2028	4,480,000	1,987,950	6,467,950
2029-2033	5,360,000	1,117,300	6,477,300
2034	1,235,000	61,750	1,296,750
Total	<u>\$ 18,475,000</u>	<u>\$ 9,257,263</u>	<u>\$ 27,732,263</u>

Water Revenue Refunding Certificates of Participation

Certificates of Participation in the amount of \$27,410,000 were issued on March 1, 2004. The Certificates were issued to provide for: (1) the defeasance of \$12,615,000 of the City of Ventura 1993 Water Revenue Refunding Bonds; (2) finance improvements to the City's water system; (3) fund a reserve fund for the Certificates; and (4) pay costs in connection with the execution and delivery of the Certificates. The Certificates are due in annual principal installments of \$505,000 to \$1,610,000 through 2034. Interest rates range from 3% to 5% and is payable semi-annually on October 1 and April 1. The funding source for the repayment is revenues from the Water Fund that provide cash for the lease payments to the Authority.

The Certificates were refunded in November 2012, from the proceeds of the 2012 Series A and Series B Certificates, and there was no outstanding balance as of June 30, 2013.

8. LONG-TERM DEBT Continued

B. Long-Term Debt of Business-Type Activities and Proprietary Funds Continued

Water Revenue Bonds 2012, Series A and B

The City issued Water Certificates of Participation Series 2012 A and Series B in the amount of \$11,095,000 and \$34,355,000, respectively. The taxable Series A Certificates and Series B Certificates were issued to provide funds for: (i) to advance refund all of the outstanding City of San Buenaventura 2004 Water Revenue Certificates of Participation, (ii) to acquire and construct certain improvements for the City’s Water System, and (iii) to pay costs incurred in connection with the issuance of the certificates. The Certificates are due in annual principal installments of \$855,000 to \$2,825,000 through 2043. Interest rates range from 0.4% to 5% and is payable semi-annually on January 1 and July 1. The total amount outstanding as of June 30, 2013, was \$45,450,000.

The City completed the advance refunding of the 2004 Water Revenue Bonds to reduce its total debt service over the next 22 years by approximately \$2,156,000 and to obtain an economic gain (difference between the present values of the and new debt service payments) of approximately \$1,357,000.

Total Water Revenue Refunding Certificates of Participation outstanding as of June 30, 2013, net of unamortized bond premium and deferral on refunding were as follows:

Principal outstanding at June 30, 2013	\$ 45,450,000
Add unamortized bond premium	<u>3,972,510</u>
Net Bonds outstanding at June 30, 2013	<u>\$ 49,422,510</u>

The annual debt service requirements for the Water Revenue Certificates of Participation, 2012 Series A and Series B outstanding at June 30, 2013, were as follows:

Year Ending June 30	Principal	Interest	Total
2014	\$ 855,000	\$ 1,855,316	\$ 2,710,316
2015	860,000	1,849,650	2,709,650
2016	865,000	1,840,591	2,705,591
2017	880,000	1,828,491	2,708,491
2018	895,000	1,813,485	2,708,485
2019-2023	4,755,000	8,741,185	13,496,185
2024-2028	5,590,000	7,923,418	13,513,418
2029-2033	7,970,000	6,509,946	14,479,946
2034-2038	9,975,000	4,497,875	14,472,875
2034-2043	<u>12,805,000</u>	<u>1,664,875</u>	<u>14,469,875</u>
Total	<u>\$ 45,450,000</u>	<u>\$ 38,524,832</u>	<u>\$ 83,974,832</u>

8. LONG-TERM DEBT Continued

B. Long-Term Debt of Business-Type Activities and Proprietary Funds Continued

Safe Drinking Water Loan

The City has entered into a funding agreement with the State of California Department of Water Resources for a construction loan under the Safe Drinking Water State Revolving Fund Law of 1997. The loan has an interest rate of 2.39% and a 20-year repayment schedule with 40 equal payments of \$631,910.

Year Ending June 30	Principal	Interest	Total
2014	\$ 900,865	\$ 362,955	\$ 1,263,820
2015	922,524	341,295	1,263,819
2016	944,704	319,115	1,263,819
2017	967,418	296,402	1,263,820
2018	990,677	273,142	1,263,819
2019-2023	5,322,327	996,772	6,319,099
2024-2028	5,361,754	325,437	5,687,191
Total	\$ 15,410,269	\$ 2,915,118	\$ 18,325,387

9. UNEARNED REVENUES

Unearned revenues at June 30, 2013, consist of:

General Fund:	
Business license tax	\$ 313,067
Recreational activities	396,749
Working Artists of Ventura impact fees	310,485
Grants	128,258
Other deposits	18,061
Total General Fund	<u>1,166,620</u>
Capital Projects Funds:	
Capital Improvement:	
Surfer's Point	21,586
Working Artists of Ventura impact fees	53,291
Gas Tax:	
Department of Transportation	263,970
Working Artists of Ventura impact fees	204,689
Parks and Recreation:	
Working Artists of Ventura impact fees	397,159
Housing and Community Development	
Grants	6,016
Total Capital Projects Funds	<u>946,711</u>
Other Governmental Funds:	
Working Artists of Ventura impact fees	<u>71,760</u>
Total Unearned Revenues	<u>\$ 2,185,091</u>

10. FUND BALANCES FOR GOVERNMENTAL FUNDS

Fund Balances

Governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2013, fund balance for governmental funds consisted of the following:

Nonspendable Fund Balance – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.

Restricted Fund Balance – includes amounts that are restricted for specific purposes stipulated by external resources providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed Fund Balance – includes amounts that can only be used for the specific purposes determined by a formal action of the City’s highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint. An ordinance is the most binding constraint.

Assigned Fund Balance – includes amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Council authorized the Chief Financial Officer to assign fund balance amounts to a specific purpose per Administrative Policies and Procedures 14.7- Financial Policies. Assigned amounts also include all residual amounts in governmental funds (except negative amounts) other than the General Fund, that are not classified as nonspendable, restricted, or committed.

Unassigned Fund Balance – the residual classification for the General Fund and includes all amounts not contained in the other classifications. Governmental funds report residual negative balances as unassigned fund balance.

In circumstances where an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

Fund balances at June 30, 2013, for the governmental funds are nonspendable, restricted, committed, assigned, or unassigned for the following purposes:

10. FUND BALANCES FOR GOVERNMENTAL FUNDS Continued

	General Fund	Certificates of Participation Debt Service	Capital Improvement Capital Projects	Gas Tax Capital Projects	Park and Recreation Capital Projects	Housing and Community Development Block Grant Capital Projects	Other Governmental Funds	Total Governmental Funds
Fund Balances:								
Nonspendable:								
Long-term Loans and Notes								
Receivable	\$ 859,192	\$ -	\$ -	\$ -	\$ -	\$ 667,902	\$ 4,200,713	\$ 5,727,807
Advance to RDA	5,394,951	-	-	-	-	-	2,630,953	8,025,904
Inventory	23,187	-	-	-	-	-	-	23,187
Subtotal	6,277,330	-	-	-	-	667,902	6,831,666	13,776,898
Restricted for:								
Capital Projects	4,139,224	-	-	7,025,479	-	-	-	11,164,703
Debt Service	-	5,269,425	-	-	-	-	474,513	5,743,938
General Grant & Categorical	1,352,936	-	-	-	-	-	-	1,352,936
Housing & Community Development	-	-	-	-	-	715,627	-	715,627
Public Protection	-	-	-	-	-	-	45,299	45,299
Transportation & Highways	-	-	-	16,002,285	-	-	-	16,002,285
Subtotal	5,492,160	5,269,425	-	23,027,764	-	715,627	519,812	35,024,788
Committed to:								
Capital Projects	-	-	-	-	-	-	315,375	315,375
Contingencies	12,000,000	-	-	-	-	-	-	12,000,000
Jobs Investment	1,634,402	-	-	-	-	-	-	1,634,402
Park and Recreation	-	-	-	-	374,135	-	-	374,135
Public Art	-	-	-	-	-	-	1,354,093	1,354,093
Public Ways and Facilities	-	-	-	-	-	-	1,437,589	1,437,589
Revenue Enhancement	390,691	-	-	-	-	-	-	390,691
Subtotal	14,025,093	-	-	-	374,135	-	3,107,057	17,506,285
Assigned to:								
Building & Safety	139,008	-	-	-	-	-	-	139,008
Capital Projects	348,496	-	2,149,611	-	-	-	-	2,498,107
Code Compliance Loans	95,242	-	-	-	-	-	-	95,242
Downtown Commercial Rehabilitation	693,638	-	-	-	-	-	-	693,638
Housing Preservation	440,795	-	-	-	-	-	-	440,795
Other Miscellaneous	101,625	-	-	-	-	-	-	101,625
Park and Recreation	23,000	-	-	-	4,309,097	-	-	4,332,097
Public Protection	446,153	-	-	-	-	-	142,570	588,723
Portobello Assessment	1,346,236	-	-	-	-	-	-	1,346,236
Subtotal	3,634,193	-	2,149,611	-	4,309,097	-	142,570	10,235,471
Unassigned:	-	-	-	-	-	-	(1,476,622)	(1,476,622)
Total fund balances	\$ 29,428,776	\$ 5,269,425	\$ 2,149,611	\$ 23,027,764	\$ 4,683,232	\$ 1,383,529	\$ 9,124,483	\$ 75,066,820

11. SELF-INSURANCE ACCRUED LIABILITIES

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is self-insured for the first \$1,000,000 in loss for each workers' compensation claim and the first \$1,000,000 for each general liability claim and up to \$25,000 for property damage claims. The City accounts for and finances its self-insured risks of loss in the Workers' Compensation Fund and Public Liability Fund. Excess insurance is purchased from commercial carriers for each workers' compensation and general liability claim losses in excess of the self-insured retention levels.

The outstanding claim liabilities in each of the self-insurance internal service funds are based on independent claims evaluation and also the results of separate actuarial studies and include amounts for claims incurred but not reported. Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. General and workers' compensation liabilities are carried at an actuarially determined rate. It is the City's practice to obtain full actuarial studies biannually for general liability and workers' compensation coverage. Premiums are charged by the internal service self-insurance funds using various allocation methods that include actual costs, trends in claims experience, claim severity and claims frequency. Revenues of the internal service self-insurance funds are expended to provide adequate resources to allay program administrative costs, preventative measures and to meet liabilities as they become due. Claims and judgments are generally liquidated by the internal service funds.

During the past three fiscal (claims) years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

The aggregate change in the balance of claims liabilities for the internal service self-insurance funds were as follows:

	June 30	
	2013	2012
Unpaid claims, beginning of year	\$ 9,635,751	\$ 8,739,503
Incurred claims and changes in estimates	2,206,501	4,109,445
Claim payments	<u>(3,438,106)</u>	<u>(3,213,197)</u>
Unpaid claims, end of year	<u>\$ 8,404,146</u>	<u>\$ 9,635,751</u>
Current portion	\$ 3,110,661	\$ 2,918,664
Noncurrent portion	<u>5,293,485</u>	<u>6,717,087</u>
Total claims and judgments payable	<u>\$ 8,404,146</u>	<u>\$ 9,635,751</u>

11. SELF-INSURANCE ACCRUED LIABILITIES Continued

At June 30, 2013, total estimated claims payable were as follows:

General Liability	\$ 692,628
Workers' Compensation	7,711,518
Total	<u><u>\$ 8,404,146</u></u>

12. PENSION PLANS

California Public Employees' Retirement (PERS)

Plan Description - The City contributes to the California Public Employees' Retirement System (PERS), an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and City ordinance. Copies of PERS' annual financial report may be obtained from their Executive Office located at 400 P Street, Sacramento, California 95814.

Retirement Program - Miscellaneous

Valuation Date	June 30, 2010
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Average Remaining Period	21 Years as of the Valuation Date
Asset Valuation Method	15 Year Smoothed Market
Actuarial Assumptions	
Investment Rate of Return	7.75% (net of administrative expenses)
Projected Salary Increases	3.55% to 14.45% depending on Age, Service, and type of employment
Inflation	3%
Payroll Growth	3.25%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 3% and an annual production growth of 0.25%

Retirement Program - Safety

Valuation Date	June 30, 2010
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Average Remaining Period	30 Years as of the Valuation Date
Asset Valuation Method	15 Year Smoothed Market
Actuarial Assumptions	
Investment Rate of Return	7.75% (net of administrative charges)
Projected Salary Increases	3.55% to 13.15% depending on Age, Service, and type of employment
Inflation	3%
Payroll Growth	3.25%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 3% and an annual production growth of 0.25%

12. PENSION PLANS Continued

Funding Policy - Active members are required by State statute to contribute 7% of their annual salary if a Miscellaneous member, and 9% if a Safety member. The employees contribute 4.5% of their required contribution and the City pays the remaining required employee contributions for all Miscellaneous employees and Safety employees in the Fire, Police, Police Management and for the Fire Chief and Police Chief (Fire Management Unit employees pay their own 9%). The City's employer required contributions rate for Safety employees was 37.878% and Miscellaneous was 13.113% for the fiscal year.

Annual Pension Cost - Required contributions were determined as part of the June 30, 2010, actuarial valuation using the factors in the table above. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. PERS unfunded actuarial accrued liability (or surplus) is being amortized as a level percentage of projected payrolls on a closed basis. These assumptions are the same that were used in computing the schedule of funding progress below in 2010.

THREE-YEAR TREND INFORMATION FOR PERS CONTRIBUTIONS

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Prior Year NPO Paid</u>	<u>Total APC Contributed</u>	<u>% APC Contributed</u>	<u>Net Pension Obligation</u>
Miscellaneous					
6/30/2011	\$ 2,736,548	\$ 121,107	\$ 2,857,655	104.4 %	\$ -
6/30/2012	5,527,780	-	4,129,709	74.7 %	1,398,071 (a)
6/30/2013	5,659,892	1,398,071	7,057,963	124.7 %	-
Safety					
6/30/2011	\$ 6,032,923	\$ 266,988	\$ 6,299,911	104.4 %	\$ -
6/30/2012	9,115,490	-	6,354,762	69.7 %	2,760,728 (a)
6/30/2013	9,538,744	2,760,728	12,299,472	128.9 %	-

(a) Due to technical problems with the new CalPERS software and interfaces to the City's financial system, the City had a Net Pension Obligation at June 30, 2012. The balance due to CalPERS was paid in August 2012.

A schedule of funding progress is presented below:

	<u>Actuarial Valuation Date</u>	<u>Actuarial Asset Value</u>	<u>Entry Age Actuarial Accrued Liability</u>	<u>Underfunded (Overfunded) Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>Underfunded (Overfunded) Actuarial Liability as Percentage of Covered Payroll</u>
Miscellaneous Employees Group	6/30/2012	\$ 188,864,728	\$ 213,214,115	\$ 24,349,387	88.6%	\$ 27,721,786	87.8 %
Safety Employees Group	6/30/2012	\$ 207,466,811	\$ 290,577,006	\$ 83,110,195	71.4%	\$ 19,636,890	423.2 %

The required schedule of funding progress immediately following the Notes to the basic Financial Statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

13. JOINT VENTURE TRANSACTIONS

South Coast Area Transit

The City is a participant in a joint venture agreement with the cities of Port Hueneme, Ojai, Oxnard, and the County of Ventura for investment in a public bus transportation system, South Coast Area Transit (SCAT). As of June 30, 2013, the City held a 30.2% interest in SCAT based upon the number of service miles in the City. The City's net equity in SCAT, accounted for under the equity method, was \$7,633,802 or 39.32% at June 30, 2013. The City's share of SCAT's net operating loss was \$883,371 for the fiscal year ended June 30, 2013, and the City's share of SCAT's capital grants was \$721,128 resulting in a net \$162,243 decrease in equity in fiscal year 2013. Complete separate financial statements are available from the SCAT office at 301 East Third Street, Oxnard, CA 93030.

14. COMMITMENTS AND CONTINGENCIES

The City is presently involved in certain matters of litigation that have arisen in the normal course of conducting City business. City management believes, based upon consultation with the City Attorney, that there are no cases that could result in a material adverse financial impact on the City. City management believes that the City's insurance programs are sufficient to cover any potential losses if an unfavorable outcome materializes from any case.

The City had the following commitments outstanding at June 30, 2013:

<u>Fund</u>	<u>Amount</u>
General	\$ 3,816,738
Capital Improvement Capital Projects	1,129,446
Gas Tax Capital Projects	2,929,869
Park and Recreation Capital Projects	64,437
Housing and Community Development Block Grant Capital Projects	151,798
Other Governmental Funds	52,184
Total	\$ 8,144,472

15. JOBS INVESTMENT FUND

During fiscal year 2007-08, the City entered into an agreement with DFJ Frontier Fund as a limited liability partner to invest a total of \$3 million in high-tech, start-up companies throughout the state of California, excluding Silicon Valley. The purpose of this venture capital arrangement is to promote economic growth within the State. When these start-up companies sell after maturing, investors will receive a percentage of the equity based upon their investment. Between fiscal year 2008 and 2009, the City expended \$2,550,000 of the \$3 million set-aside for this purpose. The City has treated this as an expenditure rather than an investment.

In addition, the City set aside \$1.6 million for the Ventura Jobs Coinvestment Account with DFJ Frontier Fund to invest in high-tech, start-up companies within the City of Ventura. DFJ Frontier has agreed to match the City's contributions in funding these companies. The City has expended \$1,132,000 of the \$1.6 million set aside for this purpose. The City has treated this as an expenditure rather than an investment.

Finally, \$682,000 has been expended to establish and provide start-up funding for the Ventura Technology Center incubator. The City displays the money set-aside for the Jobs Investment Fund as committed fund balance within the General Fund (see Note 10).

16. DEFERRED FEES

Due to the economic crisis in 2008, the City entered into an Impact Fee Deferral Loan Agreement, during fiscal year 2008, with Working Artists of Ventura (WAV) Apartments Partners (69 apartment and condominium rental housing units restricted to low and very low income households) to defer \$1,581,858 in planning and permitting fees. Of the amount initially deferred, \$1,311,165 was for the apartments and \$270,693 was for the condominiums.

The deferred fees are scheduled to be repaid over 55 years beginning in 2010. Because of the long-term repayment schedule with WAV and the economic crisis, no receivable had been recorded in the prior years. The WAV is now paying the apartment portion of the deferred charges and, as such, a receivable for the apartment portion has been recorded with a balance of \$1,164,252 as of June 30, 2013. Due to the time it has taken the real estate market to recover, the City granted WAV an extension for the sale of the market-rate condominiums until 2015, or sooner if WAV so decides. Once the condominiums begin to sell, a receivable for the condominium portion will be recorded.

17. DEFICIT FUND BALANCES AND NET POSITION

Below are plans to eliminate deficit fund balances and Net position:

Downtown Parking District

The deficit of \$868,664 includes substantial initial start up costs and capital expenditures, and these costs will be covered by future anticipated revenues.

Street Lighting District

The deficit of \$51,720 will be covered by transfers from the General fund.

Workers' Compensation

The rate of collections for this fund is reviewed and adjusted annually during the budget development. This process will be used to increase rates over time in order to cover the deficit of \$1,500,369 in this fund.

Employee Fringe Benefits

The deficit of \$4,397,267 in this fund is due to the long-term compensated absences balance of \$4,898,387. This long-term liability is not funded due to: 1) the expectation that much of the compensated absences will be used by employees throughout their employment with the City, and 2) the City does not anticipate a significant separation payout to employees in any given year.

18. RELATED ORGANIZATIONS

The Housing Authority of the City of Ventura's (Housing Authority) Board of Commissioners is appointed by the Mayor, while the Ventura Port District's Board of Commissioners is appointed by the City Council. However, these entities do not qualify as component units of the City pursuant to GASB Statements No. 14 and 39 because the City cannot impose its will on these entities and there is no potential for these entities to provide specific financial benefits to, or impose specific financial burdens on, the City. As a result, the Housing Authority and the Ventura Port District are considered as related organizations of the City.

18. RELATED ORGANIZATIONS Continued

Due to the economic crisis in 2008, the City entered into an Impact Fee Deferral Loan Agreement, during fiscal year 2008, with Working Artists of Ventura (WAV) Apartments Partners (69 apartment and condominium rental housing units restricted to low and very low income households) to defer \$1,581,858 in planning and permitting fees. Of the amount initially deferred, \$1,311,165 was for the apartments and \$270,693 was for the condominiums.

The deferred fees are scheduled to be repaid over 55 years beginning in 2010. Because of the long-term repayment schedule with WAV and the economic crisis, no receivable had been recorded in the prior years. The WAV project is now paying the apartment portion of the deferred charges; however, the condominium portion is still on hold. As such, a receivable for the apartment portion has been recorded. The balance as of June 30, 2012 is \$1,164,252.

19. RECENT CHANGES IN LEGISLATION AFFECTING CALIFORNIA REDEVELOPMENT AGENCIES

The Dissolution Act and AB 1484 also establish roles for the County Auditor-Controller, the California Department of Finance (the "DOF") and the California State Controller's office in the dissolution process and the satisfaction of enforceable obligations of the Dissolved RDAs.

The County Auditor-Controller is charged with establishing a Redevelopment Property Tax Trust Fund (the "RPTTF") for each Successor Agency and depositing into the RPTTF for each six-month period the amount of property taxes that would have been redevelopment property tax increment had the Dissolved RDA not been dissolved. The deposit in the RPTTF fund is to be used to pay to the Successor Agency the amounts due on the Successor Agency's enforceable obligations for the upcoming six-month period.

The Successor Agency is required to prepare a recognized obligation payment schedule (the "ROPS") approved by the oversight board setting forth the amounts due for each enforceable obligation during each six month period. The ROPS is submitted to the DOF for approval. The County Auditor-Controller will make payments to the Successor Agency from the RPTTF based on the ROPS amount approved by the DOF. The ROPS is prepared in advance for the enforceable obligations due over the next six months.

The process of making RPTTF deposits to be used to pay enforceable obligations of the Dissolved RDA will continue until all enforceable obligations have been paid in full and all non-housing assets of the Dissolved RDA have been liquidated.

Management believes, in consultation with legal counsel, that the obligations of the Dissolved RDA due to the City are valid enforceable obligations payable by the Successor Agency under the requirements of the Dissolution Act and AB 1484. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

20. SUCCESSOR AGENCY DISCLOSURES

The assets and liabilities of the former Redevelopment Agency were transferred to the Successor Agency to the City of Ventura Redevelopment Agency on February 1, 2012 as a result of the dissolution of the former Redevelopment Agency. The City is acting in a fiduciary capacity for the assets and liabilities. Disclosure related to advances receivable, capital assets and long term liabilities are as follows:

The advances between the former Redevelopment Agency and the City were established through a cooperation agreement, first approved in 1980, describing the operation support provided to the Agency, and the terms and conditions for repayment of City loans or advances. In June 1992 and May 1997, a restated and amended cooperation agreement was adopted for the purpose of restructuring the financial aspects of the relationship. In 2004, an amended cooperation agreement was adopted to establish a

20. SUCCESSOR AGENCY DISCLOSURES Continued

predictable revenue stream into the General Fund and provide for accumulation of project funds for the Agency. In 2011 , a second amended and restated cooperation agreement was adopted to update the status of the amounts paid to the City and the amount of existing indebtedness of the Agency owed to the City.

The 2011 amended agreement called for: 1) the Agency to reimburse the City with interest payments accruing at 5% on the total amount of principal owed by the Agency to the City beginning July 1, 2010; 2) the Agency to reimburse the City with principal installments of \$562,364 from May 15, 2011 through May 15, 2015; and 3) in the event there is insufficient tax increment revenue to make a debt payment, the Agency may request to defer that portion that cannot be paid in the current year to an upcoming year. Any request shall be presented to City Council at a regular meeting, on or before June 30 of that year.

The state law dissolving the Redevelopment Agency precluded the Agency or the Successor Agency from repaying loans that were previously made to the City under the aforementioned agreements. A subsequent trailer bill (AB 1484) allowed repayment of the loans under certain conditions, and then, only 80% of the loan balance may be repaid to the City with the remaining 20% being paid to the Redevelopment Successor Agency Housing Fund. The provisions of AB 1X26 and AB 1484 are currently being challenged in court by several municipalities throughout the state.

The City has entered into a cooperation agreement with the Successor Agency to loan funds to the Successor Agency, on an as-needed basis, through a line of credit as described in the agreement. Currently, the City supports the Successor Agency by making advances for administrative expenses and debt repayment and has classified the payments as nonspendable advances to the RDA in the City’s General Fund. The outstanding balance at June 30, 2013, was \$5,394,951.

The City’s Public Art Fund on January 26, 2008 loaned the Agency \$1,000,000 at 5% compound interest for a term of 2 years for the WAV project. In 2011, a second amendment to the promissory note was adopted to modify and extend the terms for repayment of the loan. The loan was extended for a term that expires on the earlier of (a) December 1, 2016, or (b) thirty (30) days after the last unit in the project is sold. The loan shall accrue simple interest at the rate of 3% per annum commencing on the date of disbursement with the exception of payment in default according to Section 7 of the original agreement. The outstanding balance at June 30, 2013, was \$1,241,742.

In 2009, the State of California required the former Redevelopment Agency to make certain payments to its county Supplemental Educational Revenue Augmentation Fund (SERAF). In fiscal year 2009-10 the amount paid was \$1,153,029 and for fiscal year 2010-11 the amount paid was \$236,182. At the time payments were due, the Agency was unable to make its full SERAF payments, and therefore borrowed the amounts from the Agency's Low and Moderate Income Housing Fund. As a result of the California Supreme Court decision to eliminate redevelopment agencies as of February 1, 2012, the Successor Agency is now responsible for repayment of the loan.

Capital Assets - The Successor Agency holds no capital assets.

Long Term Liabilities - Long-term liability activity for the year ended June 30, 2013 was as follows:

	Balance			Classification		
	July 1, 2012	Additions	Deletions	Balance June 30, 2013	Amounts Due Within One Year	Amounts Due in More than One Year
Fiduciary Funds:						
CalHFA HELP Loan - 2008	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000	\$ -	\$ 1,500,000
Tax Allocation Bonds - 2003	6,000,000	-	(285,000)	5,715,000	290,000	5,425,000
Tax Allocation Bonds - 2008	8,405,000	-	(90,000)	8,315,000	165,000	8,150,000
Total Fiduciary Funds	\$ 15,905,000	\$ -	\$ (375,000)	\$ 15,530,000	\$ 455,000	\$ 15,075,000

20. SUCCESSOR AGENCY DISCLOSURES Continued

CalHFA A HELP Loan - 2008

The Dissolved Agency entered into a loan agreement with the California Housing Finance Agency (CALHFA) on December 21, 2007 to borrow \$1.5 million at a 3.5% interest rate for a term of 10 years for the WAV project. Repayment is due, with simple interest, December 31, 2017. The CalHFA loan was a special obligation of the Dissolved Agency. The total amount outstanding as of June 30, 2013, was \$1.5 million.

Tax Allocation Bonds - 2003

Tax Allocation Bonds (TABs) in the amount of \$8,000,000 were issued by the Dissolved Agency on June 1, 2003. The bonds were issued to provide funds to: 1) repay certain advances made by the City to the Agency; 2) fund a reserve account for the bonds; and 3) pay costs of issuance of the bonds. The bonds are due in annual principal installments of \$205,000 to \$495,000 through 2028. Interest rates range from 2% to 4.25% and interest is payable semi-annually on February 1 and August 1. The funding source for the repayment is tax increment revenue. The total amount outstanding as of June 30, 2013, was \$ 5,715,000 .

The annual debt service requirements for the 2003 Tax Allocation Bonds outstanding at June 30, 2013, were as follows:

Year Ending			
June 30	Principal	Interest	Total
2014	\$ 290,000	\$ 221,070	\$ 511,070
2015	300,000	211,295	511,295
2016	310,000	200,807	510,807
2017	320,000	189,622	509,622
2018	335,000	177,791	512,791
2019-2023	1,875,000	679,991	2,554,991
2024-2028	2,285,000	250,382	2,535,382
Total	\$ 5,715,000	\$ 1,930,958	\$ 7,645,958

20. SUCCESSOR AGENCY DISCLOSURES Continued

The 2003 TABs were special obligations of the Dissolved Agency, which are secured by an irrevocable pledge of tax increment revenues payable to the Agency. The principal and interest remaining on the bonds is \$7,645,958, payable through August 2028. For the current year, principal and interest payments totaled \$515,058.

Tax Allocation Bonds - 2008

Tax Allocation Bonds in the amount of \$8,785,000 were issued by the Dissolved Agency on December 18, 2008. The bonds were issued to provide funds to 1) repay certain advances made by the City to the Agency; 2) fund a reserve account for the bonds; and 3) pay costs of issuance of the bonds. The bonds are due in annual principal installments of \$35,000 to \$695,000 through 2039. Interest rates range from 3% to 8% and is payable semi-annually on February 1 and August 1. The funding source for the repayment is tax increment revenue. The total amount outstanding as of June 30, 2013, was \$8,315,000.

The 2008 TABs were special obligations of the Dissolved Agency, which are secured by an irrevocable pledge of tax revenues payable to the Agency. The principal and interest remaining on the bonds is \$17,133,641, payable through August 2039. For the current year, principal and interest payments totaled \$702,931.

Year Ending	Principal	Interest	Total
June 30			
2014	\$ 165,000	\$ 606,669	\$ 771,669
2015	225,000	596,637	821,637
2016	265,000	583,278	848,278
2017	315,000	566,572	881,572
2018	375,000	545,600	920,600
2019-2023	1,650,000	2,371,017	4,021,017
2024-2028	1,420,000	1,823,337	3,243,337
2029-2033	1,695,000	1,156,931	2,851,931
2034-2038	1,765,000	551,000	2,316,000
2039-2042	440,000	17,600	457,600
Total	\$ 8,315,000	\$ 8,818,641	\$ 17,133,641

21. RESTATEMENT OF BEGINNING NET POSITION

The City did not properly capitalize costs to Construction in Progress in prior years, which caused for Capital Assets to be restated by \$4,638,886 as of July 1, 2012. This resulted in Net Position for governmental activities and business-type activities to be increased by \$2,128,006 and \$2,510,879, respectively.



Required Supplementary
Information

City of San Buenaventura

Required Supplemental Information

For the Year Ended June 30, 2013

1. BUDGETARY INFORMATION

Through the budget, the City Council sets the direction of the City, allocates its resources and establishes its priorities. The Annual Budget assures the efficient and effective use of the City's economic resources, as well as establishing that the highest priority objectives are accomplished.

The Annual Budget serves the fiscal period July 1 to June 30 and is a vehicle that accurately and openly communicates these priorities to the community, businesses, vendors, employees, and other public agencies. Additionally, it establishes the foundation of effective financial planning by providing resource planning and controls that permit the evaluation and adjustment of the City's performance.

The City prepares a one-year budget. The annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General, special revenue, and debt service funds. All annual appropriations expire at the end of the year. Capital projects funds adopt project-length plans.

The Finance and Technology Department, working with all operating departments and the City Manager, develops a preliminary budget. On or before May 1 each year, the City Manager transmits the proposed budget to the City Council. The proposed budget includes both the sources and types of funds for the proposed expenditures. The City Council conducts public hearings on the proposed budget prior to June 30. On or before July 1, the budget is adopted and enacted by the City Council.

The appropriated budget is prepared by fund, department and division. City department heads may make transfers of appropriations within their department. All transfers between departments require approval of the City Council. The legal level of budgetary control is at the department level for the General Fund and at the fund level for all other governmental funds. Appropriation revisions made during the year ended June 30, 2013, were not significant.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities. The commitments will be re-appropriated and honored in the subsequent year.

City of San Buenaventura
Required Supplemental Information
For the Year Ended June 30, 2013

1. BUDGETARY INFORMATION Continued

Following are the budget comparison schedules for the General Fund and all major special revenue funds.

Budget Comparison Schedule, General Fund

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Fund balance, July 1	\$ 28,353,781	\$ 28,353,781	\$ 28,353,781	\$ -
Resources (inflows):				
Current:				
Taxes	69,591,946	61,768,818	70,477,090	8,708,272
Licenses and permits	1,823,232	1,823,232	1,589,036	(234,196)
Intergovernmental	1,497,181	11,098,417	2,434,673	(8,663,744)
Charges for services	8,028,049	8,052,677	8,635,910	583,233
Fines and forfeitures	1,595,988	1,595,988	1,396,547	(199,441)
Use of money and property	1,530,887	1,530,887	817,796	(713,091)
Other revenue	4,904,752	10,049,861	3,659,626	(6,390,235)
Transfers in	1,939,105	3,547,748	3,491,544	(56,204)
Amount available for appropriations	90,911,140	99,467,628	92,502,222	(6,965,406)
Charges to appropriations (outflows):				
Current:				
General government	3,424,366	3,826,969	2,917,692	909,277
Human resources	1,001,014	992,165	826,520	165,645
Finance and technology	6,693,611	6,765,084	6,760,790	4,294
Community development	6,910,514	7,135,981	7,329,489	(193,508)
Parks, Rec & Com Partnerships	12,074,439	12,107,566	11,835,746	271,820
Public safety - police	29,075,944	30,824,620	30,143,761	680,859
Public safety - fire	16,888,371	17,014,082	16,822,799	191,283
Public works	8,774,194	9,504,713	8,288,283	1,216,430
Capital outlays	283,130	1,165,570	882,281	283,289
Transfers out	5,785,557	10,130,878	5,619,866	4,511,012
Total charges to appropriations	90,911,140	99,467,628	91,427,227	(8,040,401)
Excess of resources over (under) charges for appropriations	-	-	1,074,995	1,074,995
Fund balance, June 30	\$ 28,353,781	\$ 28,353,781	\$ 29,428,776	\$ 1,074,995

See Independent Auditors' Report.

City of San Buenaventura
Required Supplemental Information
For the Year Ended June 30, 2013

2. SCHEDULE OF FUNDING PROGRESS - DEFINED BENEFIT PENSION PLAN

A schedule of funding progress for the most recent years available, three actuarial valuations are presented below.

Actuarial Valuation Date	Actuarial Asset Value	Entry Age Actuarial Accrued Liability	Underfunded (Overfunded) Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Underfunded (Overfunded) Actuarial Liability as Percentage of Covered Payroll
Miscellaneous Employees Group						
06/30/10	\$171,259,629	\$192,586,854	\$ 21,327,225	88.9%	\$ 27,786,031	76.8%
06/30/11	182,309,724	205,505,646	23,195,922	88.7%	28,738,080	80.7%
06/30/12	188,864,728	213,214,115	24,349,387	88.6%	27,721,786	87.8%
Safety Employees Group						
06/30/10	\$190,490,790	\$268,876,170	\$ 78,385,380	70.8%	\$ 20,216,386	387.7%
06/30/11	202,429,520	275,332,767	72,903,247	73.5%	19,738,258	369.3%
06/30/12	207,466,811	290,577,006	83,110,195	71.4%	19,636,890	423.2%



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YEAR ENDED JUNE 30, 2013



Supplementary
Information



Major Governmental Funds



Major Governmental Funds

General Fund – The General Fund was established to account for sources and uses of financial resources traditionally associated with governments which are not required to be accounted for in another fund.

Certificates of Participation (COP) Debt Obligation Debt Service Fund – To account for the accumulation of resources and payment of long-term debt principal and interest for COP issued by the Public Facilities Financing Authority.

Capital Improvement Capital Projects Fund – To account for financial resources to be used for purchase or construction of major capital improvements (other than those funded through proprietary or special revenue funds).

Gas Tax Capital Projects Fund – To account for revenue received from the State of California and other sources to be used for street maintenance and improvements only.

Park and Recreation Capital Projects Fund – To account for park and recreation facilities tax revenue to be used for planning, acquisition, improvements or expansion of public parks, playgrounds, or other recreational facilities.

Housing and Community Development Block Grant Capital Projects Fund – To account for the revenue and expenditures related to Federal Community Development Block Grants.

City of San Buenaventura

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Certificates of Participation Debt Obligation Debt Service Fund For the year ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balance, July 1	\$ 5,193,034	\$ 5,193,034	\$ 5,193,034	\$ -
Resources (inflows):				
Use of money and property	-	-	4,099	4,099
Other revenue	904,136	863,063	56,220	(806,843)
Transfers in	3,533,997	3,533,997	4,034,980	500,983
Amount available for appropriations	4,438,133	4,397,060	4,095,299	(301,761)
Charges to appropriations (outflows):				
Principal retirement	1,992,596	1,992,596	2,320,000	(327,404)
Interest and other charges	1,541,401	1,541,401	1,183,805	357,596
Transfers out	904,136	863,063	515,103	347,960
Total charges to appropriations	4,438,133	4,397,060	4,018,908	378,152
Excess of resources over (under) charges for appropriations	-	-	76,391	76,391
Fund balance, June 30	\$ 5,193,034	\$ 5,193,034	\$ 5,269,425	\$ 76,391

See Independent Auditors' Report.

City of San Buenaventura

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Capital Improvement Capital Projects Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	\$ 2,758,932	\$ 2,758,932	\$ 2,758,932	\$ -
Resources (inflows):				
Taxes	-	-	90,214	90,214
Intergovernmental	246,149	3,060	361,246	358,186
Use of money and property	-	-	773	773
Other revenue	429,069	1,265,822	6,282	(1,259,540)
Transfers in	2,420,055	4,740,308	1,249,123	(3,491,185)
Amount available for appropriations	3,095,273	6,009,190	1,707,638	(4,301,552)
Charges to appropriations (outflows):				
Public works	-	-	575,683	(575,683)
Capital outlays	3,095,273	5,938,632	1,670,718	4,267,914
Transfers out	-	70,558	70,558	-
Total charges to appropriations	3,095,273	6,009,190	2,316,959	(3,692,231)
Excess of resources over (under) charges for appropriations	-	-	(609,321)	(609,321)
Fund balance, June 30	\$ 2,758,932	\$ 2,758,932	\$ 2,149,611	\$ (609,321)

See Independent Auditors' Report.

City of San Buenaventura

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Gas Tax Capital Projects Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	\$ 22,564,398	\$ 22,564,398	\$ 22,564,398	\$ -
Resources (inflows):				
Taxes	-	-	623,877	623,877
Intergovernmental	7,826,409	8,688,037	4,345,572	(4,342,465)
Use of money and property	128,916	128,916	27,885	(101,031)
Other revenue	8,732,423	9,684,125	84,107	(9,600,018)
Transfers in	-	95,330	95,330	-
Amount available for appropriations	16,687,748	18,596,408	5,176,771	(13,419,637)
Charges to appropriations (outflows):				
Public works	16,264,198	17,852,015	2,965,429	14,886,586
Capital outlays	170,421	339,415	1,400,643	(1,061,228)
Transfers out	253,129	404,978	347,333	57,645
Total charges to appropriations	16,687,748	18,596,408	4,713,405	(13,883,003)
Excess of resources over (under) charges for appropriations	-	-	463,366	463,366
Fund balance, June 30	\$ 22,564,398	\$ 22,564,398	\$ 23,027,764	\$ 463,366

See Independent Auditors' Report.

City of San Buenaventura

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Park and Recreation Capital Projects Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	\$ 5,539,960	\$ 5,539,960	\$ 5,539,960	\$ -
Resources (inflows):				
Taxes	150,000	150,000	146,454	(3,546)
Intergovernmental	-	124,851	-	(124,851)
Use of money and property	-	-	28,943	28,943
Other revenue	1,099,000	1,558,359	190,082	(1,368,277)
Transfers in	-	1,402,314	451,243	(951,071)
Amount available for appropriations	1,249,000	3,235,524	816,722	(2,418,802)
Charges to appropriations (outflows):				
Parks, Rec & Com Partnerships	-	63,000	261,771	(198,771)
Capital outlays	1,099,000	3,022,524	1,261,679	1,760,845
Transfers out	150,000	150,000	150,000	-
Total charges to appropriations	1,249,000	3,235,524	1,673,450	(1,562,074)
Excess of resources over (under) charges for appropriations	-	-	(856,728)	(856,728)
Fund balance, June 30	\$ 5,539,960	\$ 5,539,960	\$ 4,683,232	\$ (856,728)

See Independent Auditors' Report.

City of San Buenaventura

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Housing and Community Development Block Grant Capital Projects Fund For the year ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balance, July 1	\$ 1,385,608	\$ 1,385,608	\$ 1,385,608	\$ -
Resources (inflows):				
Intergovernmental	2,210,790	2,309,977	817,369	(1,492,608)
Use of money and property	1,613	1,613	3,937	2,324
Amount available for appropriations	2,212,403	2,311,590	821,306	(1,490,284)
Charges to appropriations (outflows):				
Community development	2,212,403	2,193,165	587,729	1,605,436
Capital outlays	-	118,425	235,656	(117,231)
Total charges to appropriations	2,212,403	2,311,590	823,385	(1,488,205)
Excess of resources over (under) charges for appropriations	-	-	(2,079)	(2,079)
Fund balance, June 30	\$ 1,385,608	\$ 1,385,608	\$ 1,383,529	\$ (2,079)

See Independent Auditors' Report.



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YEAR ENDED JUNE 30, 2013



Non-Major
Governmental Funds



Non-Major Governmental Funds

Supplemental Law Enforcement Services Fund – To account for revenues and expenditures related to Assembly Bill 3229 in the California State Budget to be used for front-line municipal police services.

Law Enforcement Fund – To account for revenue and costs related to special narcotics investigations and for providing police services on a contractual basis to other entities.

Public Art Fund – To account for revenue and expenditures related to the City's Public Art Program.

Successor Housing Agency – To manage the housing functions of the former Redevelopment Agency.

Downtown Parking District Fund – To account for revenue and expenditures related to the City's Downtown Parking Management Program.

Maintenance Assessment District Fund – To account for funds held in trust by the City as collected from property assessments to be used for maintenance and improvements such as landscape and lighting.

Street Lighting Fund – To account for street lighting revenue and expenditures for the City.

Municipal Improvement Revenue Bonds Fund – To account for the accumulation of resources and payment of long-term debt principal and interest for the parking structure leaseback and Revenue Refunding Bonds.

Portobello Dredging Fund – To account for improvements and dredging of the Portobello Canal.



COMPREHENSIVE ANNUAL

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013

City of San Buenaventura
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2013

	Special Revenue					
	Supplemental Law Enforcement Services	Law Enforcement	Public Art	Successor Housing Agency	Downtown Parking District	Maintenance Assessment District
ASSETS						
Assets:						
Cash and investments	\$ -	\$ 142,570	\$1,667,683	\$ -	\$ 48,691	\$ 1,442,809
Restricted cash and investments	-	-	-	-	-	-
Accounts receivable, net	-	-	2,000	-	5,618	3,539
Due from other funds	-	-	-	283,758	-	-
Due from others	-	-	-	-	5,653	2,195
Due from other governments	45,299	-	-	-	-	5,725
Loans and notes receivable	-	-	-	4,200,713	-	-
Due from Successor Agency	-	-	1,241,742	1,389,211	-	-
Total assets	\$ 45,299	\$ 142,570	\$2,911,425	\$ 5,873,682	\$ 59,962	\$ 1,454,268
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ 215	\$ 1,249	\$ 1,126	\$ 16,679
Due to other funds	-	-	-	766,987	927,500	-
Unearned revenue	-	-	-	71,760	-	-
Total liabilities	-	-	215	839,996	928,626	16,679
Fund Balances:						
Nonspendable	-	-	1,241,742	5,589,924	-	-
Restricted	45,299	-	-	-	-	-
Committed	-	-	1,669,468	-	-	1,437,589
Assigned	-	142,570	-	-	-	-
Unassigned	-	-	-	(556,238)	(868,664)	-
Total fund balances (deficit)	45,299	142,570	2,911,210	5,033,686	(868,664)	1,437,589
Total liabilities and fund balances	\$ 45,299	\$ 142,570	\$2,911,425	\$ 5,873,682	\$ 59,962	\$ 1,454,268

See Independent Auditors' Report.

<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<u>Street Lighting District</u>	<u>Municipal Improvement Revenue Bonds</u>	<u>Portobello Dredging</u>	<u>Other Governmental Funds</u>
\$ -	\$ (78)	\$ -	\$ 3,301,675
-	474,557	-	474,557
10,863	34	-	22,054
-	-	-	283,758
-	-	-	7,848
17,437	-	-	68,461
-	-	-	4,200,713
-	-	-	2,630,953
\$ 28,300	\$ 474,513	\$ -	\$ 10,990,019
\$ 80,020	\$ -	\$ -	\$ 99,289
-	-	-	1,694,487
-	-	-	71,760
80,020	-	-	1,865,536
-	-	-	6,831,666
-	474,513	-	519,812
-	-	-	3,107,057
-	-	-	142,570
(51,720)	-	-	(1,476,622)
(51,720)	474,513	-	9,124,483
\$ 28,300	\$ 474,513	\$ -	\$ 10,990,019

See Independent Auditors' Report.

City of San Buenaventura
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended June 30, 2013

	Special Revenue					
	Supplemental Law Enforcement Services	Law Enforcement	Public Art	Successor Housing Agency	Downtown Parking District	Maintenance Assessment District
REVENUES:						
Taxes	\$ 146,983	\$ -	\$ -	\$ -	\$ -	\$ 3,111
Intergovernmental	-	14,946	-	-	-	-
Charges for services	-	-	-	-	528,250	636,552
Use of money and property	-	575	38,440	45,081	400,044	10,048
Other revenue	-	-	8,269	-	-	-
Total revenues	146,983	15,521	46,709	45,081	928,294	649,711
EXPENDITURES:						
Current:						
Community development	-	-	-	26,100	-	-
Parks, Rec & Com Partnerships	-	-	94,246	-	-	-
Public safety - police	145,270	18,486	-	-	-	-
Public works	-	-	-	-	744,507	390,967
Debt Service:						
Principal retirement	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-
Total expenditures	145,270	18,486	94,246	26,100	744,507	390,967
REVENUES OVER (UNDER) EXPENDITURES	1,713	(2,965)	(47,537)	18,981	183,787	258,744
OTHER FINANCING SOURCES (USES):						
Transfers in	11,011	46,826	4,000	-	-	76,104
Transfers out	-	-	-	-	-	(132,761)
Total other financing sources (uses)	11,011	46,826	4,000	-	-	(56,657)
Net change in fund balances	12,724	43,861	(43,537)	18,981	183,787	202,087
FUND BALANCES:						
Beginning of year	32,575	98,709	2,954,747	5,014,705	(1,052,451)	1,235,502
End of year	\$ 45,299	\$ 142,570	\$ 2,911,210	\$ 5,033,686	\$ (868,664)	\$ 1,437,589

See Independent Auditors' Report.

<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Other Governmental Funds</u>
<u>Street Lighting District</u>	<u>Municipal Improvement Revenue Bonds</u>	<u>Portobello Dredging</u>	
\$ 881,176	\$ -	\$ 982	\$ 1,032,252
-	-	-	14,946
-	-	-	1,164,802
446	15,242	1,874	511,750
-	-	-	8,269
881,622	15,242	2,856	2,732,019
-	-	-	26,100
-	-	-	94,246
-	-	-	163,756
1,314,051	-	-	2,449,525
-	485,000	-	485,000
-	419,231	-	419,231
1,314,051	904,231	-	3,637,858
(432,429)	(888,989)	2,856	(905,839)
455,151	336,000	-	929,092
-	(186,404)	(1,346,116)	(1,665,281)
455,151	149,596	(1,346,116)	(736,189)
22,722	(739,393)	(1,343,260)	(1,642,028)
(74,442)	1,213,906	1,343,260	10,766,511
\$ (51,720)	\$ 474,513	\$ -	\$ 9,124,483

City of San Buenaventura

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Supplemental Law Enforcement Services Special Revenue Fund For the year ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balance, July 1	\$ 32,575	\$ 32,575	\$ 32,575	\$ -
Resources (inflows):				
Taxes	200,000	200,000	146,983	(53,017)
Use of money and property	1,682	1,682	-	(1,682)
Transfers in	97,032	115,035	11,011	(104,024)
Amount available for appropriations	298,714	316,717	157,994	(158,723)
Charges to appropriations (outflows):				
Public safety - police	298,714	316,717	145,270	171,447
Total charges to appropriations	298,714	316,717	145,270	(171,447)
Excess of resources over (under) charges for appropriations	-	-	12,724	12,724
Fund balance, June 30	\$ 32,575	\$ 32,575	\$ 45,299	\$ 12,724

See Independent Auditors' Report.

City of San Buenaventura

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Law Enforcement Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	<u>\$ 98,709</u>	<u>\$ 98,709</u>	<u>\$ 98,709</u>	<u>\$ -</u>
Resources (inflows):				
Intergovernmental	50,000	3,174	14,946	11,772
Use of money and property	26	26	575	549
Transfers in	165,714	61,800	46,826	(14,974)
Amount available for appropriations	<u>215,740</u>	<u>65,000</u>	<u>62,347</u>	<u>(2,653)</u>
Charges to appropriations (outflows):				
Public safety - police	215,740	65,000	18,486	46,514
Total charges to appropriations	<u>215,740</u>	<u>65,000</u>	<u>18,486</u>	<u>(46,514)</u>
Excess of resources over (under) charges for appropriations	<u>-</u>	<u>-</u>	<u>43,861</u>	<u>43,861</u>
Fund balance, June 30	<u>\$ 98,709</u>	<u>\$ 98,709</u>	<u>\$ 142,570</u>	<u>\$ 43,861</u>

See Independent Auditors' Report.

City of San Buenaventura

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Public Art Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	<u>\$ 2,954,747</u>	<u>\$ 2,954,747</u>	<u>\$ 2,954,747</u>	<u>\$ -</u>
Resources (inflows):				
Use of money and property	-	-	38,440	38,440
Other revenue	260,468	416,909	8,269	(408,640)
Transfers in	-	4,000	4,000	-
Amount available for appropriations	<u>260,468</u>	<u>420,909</u>	<u>50,709</u>	<u>(370,200)</u>
Charges to appropriations (outflows):				
Parks, Rec & Com Partnerships	260,468	420,909	94,246	326,663
Total charges for appropriations	<u>260,468</u>	<u>420,909</u>	<u>94,246</u>	<u>(326,663)</u>
Excess of resources over (under) charges for appropriations	-	-	(43,537)	(43,537)
Fund balance, June 30	<u>\$ 2,954,747</u>	<u>\$ 2,954,747</u>	<u>\$ 2,911,210</u>	<u>\$ (43,537)</u>

See Independent Auditors' Report.

City of San Buenaventura

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Successor Housing Agency Special Revenue Fund For the year ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balance, July 1	\$ 5,014,705	\$ 5,014,705	\$ 5,014,705	\$ -
Resources (inflows):				
Use of money and property	-	-	45,081	45,081
Other revenue	90,384	134,239	-	(134,239)
Amount available for appropriations	90,384	134,239	45,081	(89,158)
Charges to appropriations (outflows):				
Community development	90,384	134,239	26,100	108,139
Total charges to appropriations	90,384	134,239	26,100	(108,139)
Excess of resources over (under) charges for appropriations	-	-	18,981	18,981
Fund balance, June 30	\$ 5,014,705	\$ 5,014,705	\$ 5,033,686	\$ 18,981

See Independent Auditors' Report.

City of San Buenaventura

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Downtown Parking District Special Revenue Fund For the year ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balance, July 1	\$ (1,052,451)	\$ (1,052,451)	\$ (1,052,451)	\$ -
Resources (inflows):				
Charges for services	546,000	546,000	528,250	(17,750)
Use of money and property	437,000	465,724	400,044	(65,680)
Other revenue	-	82,313	-	(82,313)
Amount available for appropriations	983,000	1,094,037	928,294	(165,743)
Charges to appropriations (outflows):				
Public works	983,000	1,046,178	744,507	301,671
Total charges to appropriations	983,000	1,046,178	744,507	(301,671)
Excess of resources over (under) charges for appropriations	-	47,859	183,787	135,928
Fund balance, June 30	\$ (1,052,451)	\$ (1,004,592)	\$ (868,664)	\$ 135,928

See Independent Auditors' Report.

City of San Buenaventura

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Maintenance Assessment District Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	\$ 1,235,502	\$ 1,235,502	\$ 1,235,502	\$ -
Resources (inflows):				
Taxes	-	-	3,111	3,111
Charges for services	777,311	704,513	636,552	(67,961)
Use of money and property	1,178	1,178	10,048	8,870
Transfers in	-	76,103	76,104	1
Amount available for appropriations	778,489	781,794	725,815	(55,979)
Charges to appropriations (outflows):				
Public works	645,728	649,033	390,967	258,066
Transfers out	132,761	132,761	132,761	-
Total charges to appropriations	778,489	781,794	523,728	(258,066)
Excess of resources over (under) charges for appropriations	-	-	202,087	202,087
Fund balance, June 30	\$ 1,235,502	\$ 1,235,502	\$ 1,437,589	\$ 202,087

See Independent Auditors' Report.

City of San Buenaventura

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Street Lighting District Special Revenue Fund

For the year ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual Actual Amounts</u>	<u>Variance with Final Budget Positive</u>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Fund balance, July 1	<u>\$ (74,442)</u>	<u>\$ (74,442)</u>	<u>\$ (74,442)</u>	<u>\$ -</u>
Resources (inflows):				
Taxes	886,636	886,636	881,176	(5,460)
Intergovernmental	275	275	-	(275)
Use of money and property	3,000	3,000	446	(2,554)
Transfers in	487,124	487,124	455,151	(31,973)
Amount available for appropriations	<u>1,377,035</u>	<u>1,377,035</u>	<u>1,336,773</u>	<u>(40,262)</u>
Charges to appropriations (outflows):				
Public works	1,377,035	1,377,035	1,314,051	62,984
Total charges to appropriations	<u>1,377,035</u>	<u>1,377,035</u>	<u>1,314,051</u>	<u>(62,984)</u>
Excess of resources over (under) charges for appropriations	<u>-</u>	<u>-</u>	<u>22,722</u>	<u>22,722</u>
Fund balance, June 30	<u>\$ (74,442)</u>	<u>\$ (74,442)</u>	<u>\$ (51,720)</u>	<u>\$ 22,722</u>

See Independent Auditors' Report.

City of San Buenaventura

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Municipal Improvement Revenue Bonds Debt Service Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	\$ 1,213,906	\$ 1,213,906	\$ 1,213,906	\$ -
Resources (inflows):				
Use of money and property	128,469	128,469	15,242	(113,227)
Transfers in	336,000	336,000	336,000	-
Other revenue	655,193	906,997	-	(906,997)
Amount available for appropriations	1,119,662	1,371,466	351,242	(1,020,224)
Charges to appropriations (outflows):				
Principal retirement	485,000	485,000	485,000	-
Interest and other charges	419,731	419,731	419,231	500
Transfers out	214,931	466,735	186,404	280,331
Total charges to appropriations	1,119,662	1,371,466	1,090,635	280,831
Excess of resources over (under) charges for appropriations	-	-	(739,393)	(739,393)
Fund balance, June 30	\$ 1,213,906	\$ 1,213,906	\$ 474,513	\$ (739,393)

See Independent Auditors' Report.

City of San Buenaventura

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Portobello Dredging Capital Projects Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	\$ 1,343,260	\$ 1,343,260	\$ 1,343,260	\$ -
Resources (inflows):				
Taxes	100	100	982	882
Use of money and property	73,570	73,570	1,877	(71,693)
Amount available for appropriations	73,670	73,670	2,859	(70,811)
Charges to appropriations (outflows):				
Public works	185,800	185,800	3	185,797
Transfers out	-	1,346,236	1,346,116	120
Interest and other charges	79,943	79,943	-	79,943
Total charges to appropriations	265,743	1,611,979	1,346,119	(265,860)
Excess of resources over (under) charges for appropriations	(192,073)	(1,538,309)	(1,343,260)	195,049
Fund balance, June 30	\$ 1,151,187	\$ (195,049)	\$ -	\$ 195,049



Internal Service Funds



Internal Service Funds

Information Technology Fund – To account for costs related to the replacement and maintenance of the City's computer infrastructure. Costs are recovered through a monthly user fee charged to City departments.

Fleet Maintenance Fund – To account for costs related to operation of the central garage and fleet maintenance system, which provides vehicles and equipment for all City departments. Costs are recovered through a monthly user fee charged to City departments.

Facilities Maintenance Fund – To account for costs related to providing facility maintenance services to all City departments. A monthly fee, based on office square footage, is charged to City departments to recover these costs.

Digital Publishing Fund – To account for costs related to printing and reproduction of materials by all City departments. Costs are recovered through a monthly user fee and other fees charged to City departments using the service.

Workers' Compensation Fund – To account for costs and liabilities related to the Workers' Compensation Program. Costs are recovered through a monthly fee based on employee type, which are charged to City departments.

Employee Fringe Benefits Fund – To account for costs and liabilities related to health, life, dental, and disability insurance, public employees' retirement system, federal and state taxes, association dues, leave time benefits, and miscellaneous deductions paid by the City on behalf of the employees. A bi-weekly employee benefit charge based on a percentage of gross payroll is charged to City departments to recover these costs.

Risk Management Fund – To account for costs of providing public liability insurance coverage to operating funds. Costs are recovered from those funds which benefit from the insurance coverage.



COMPREHENSIVE ANNUAL

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013

City of San Buenaventura
Combining Statement of Net Position
Internal Service Funds
June 30, 2013

	<u>Information Technology</u>	<u>Fleet Maintenance</u>	<u>Facilities Maintenance</u>	<u>Digital Publishing</u>
ASSETS				
Current Assets:				
Cash and investments	\$ 570,372	\$ 4,359,751	\$ 1,369,460	\$ 298,853
Accounts receivable, net	29,142	76,780	13,033	449
Due from other funds	-	-	155,056	-
Due from others	-	7,418	-	-
Notes receivable	-	-	-	-
Total current assets	<u>599,514</u>	<u>4,443,949</u>	<u>1,537,549</u>	<u>299,302</u>
Noncurrent Assets				
Capital assets:				
Non-depreciable	-	188,353	-	-
Depreciable, net	840,901	6,519,858	642,027	21,199
Total noncurrent assets	<u>840,901</u>	<u>6,708,211</u>	<u>642,027</u>	<u>21,199</u>
Total assets	<u>1,440,415</u>	<u>11,152,160</u>	<u>2,179,576</u>	<u>320,501</u>
LIABILITIES				
Current liabilities:				
Accounts payable	158,629	167,429	189,131	7,713
Accrued payroll liabilities	-	-	-	-
Due to other governments	76	936	29	41
Claims and judgments payable	-	-	-	-
Compensated absences payable	-	-	-	-
Long-term debt - due within one year	-	-	84,138	-
Total current liabilities	<u>158,705</u>	<u>168,365</u>	<u>273,298</u>	<u>7,754</u>
Noncurrent liabilities				
Claims and judgments payable	-	-	-	-
Compensated absences payable	-	-	-	-
Long-term debt - due in more than one year	-	-	346,535	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>346,535</u>	<u>-</u>
Total liabilities	<u>158,705</u>	<u>168,365</u>	<u>619,833</u>	<u>7,754</u>
NET POSITION				
Net investment in capital assets	840,901	6,708,211	211,354	21,199
Unrestricted	440,809	4,275,584	1,348,389	291,548
Total net position	<u>\$ 1,281,710</u>	<u>\$ 10,983,795</u>	<u>\$ 1,559,743</u>	<u>\$ 312,747</u>

See Independent Auditors' Report.

Workers Compensation	Employee Fringe Benefits	Risk Management	Total
\$ 4,660,516	\$ 3,494,196	\$ 1,000,059	\$ 15,753,207
1,000	26,110	-	146,514
1,596,413	-	-	1,751,469
-	-	839	8,257
-	710,398	-	710,398
6,257,929	4,230,704	1,000,898	18,369,845
-	-	-	188,353
-	1,055	9,858	8,034,898
-	1,055	9,858	8,223,251
6,257,929	4,231,759	1,010,756	26,593,096
46,769	21,311	3,699	594,681
-	3,130,929	-	3,130,929
11	158	-	1,251
2,643,558	-	467,103	3,110,661
-	578,241	-	578,241
-	-	-	84,138
2,690,338	3,730,639	470,802	7,499,901
5,067,960	-	225,525	5,293,485
-	4,898,387	-	4,898,387
-	-	-	346,535
5,067,960	4,898,387	225,525	10,538,407
7,758,298	8,629,026	696,327	18,038,308
-	1,055	9,858	7,792,578
(1,500,369)	(4,398,322)	304,571	762,210
\$ (1,500,369)	\$ (4,397,267)	\$ 314,429	\$ 8,554,788

City of San Buenaventura
Combining Statement of Revenues, Expenditures and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2013

	<u>Information Technology</u>	<u>Fleet Maintenance</u>	<u>Facilities Maintenance</u>	<u>Digital Publishing</u>
OPERATING REVENUES:				
Internal service charges	\$ 3,630,059	\$ 3,677,919	\$ 3,447,934	\$ 432,616
Other operating revenues	11,326	482,696	178,189	523
Total operating revenues	3,641,385	4,160,615	3,626,123	433,139
OPERATING EXPENSES:				
Salaries and benefits	1,684,318	874,655	766,069	209,650
Contractual services	477,858	155,810	1,397,399	50,534
Materials and supplies	232,819	1,505,946	18,119	53,267
General and administrative	734,053	211,244	1,147,070	34,620
Insurance premiums and settlements	-	-	-	-
Depreciation	157,697	1,094,180	55,825	4,220
Total operating expenses	3,286,745	3,841,835	3,384,482	352,291
OPERATING INCOME (LOSS)	354,640	318,780	241,641	80,848
NONOPERATING REVENUES (EXPENSES):				
Investment income	-	-	-	-
Gain on disposal of assets	-	48,561	-	-
Interest expense	(7,756)	(37,106)	(26,573)	(4,064)
Total nonoperating revenues (expenses)	(7,756)	11,455	(26,573)	(4,064)
Income (loss) before transfers	346,884	330,235	215,068	76,784
Transfers in	-	20,151	155,249	-
Transfers out	-	(500,000)	(24,686)	-
Change in net position	346,884	(149,614)	345,631	76,784
NET POSITION:				
Beginning of year	934,826	11,133,409	1,214,112	235,963
End of year	\$ 1,281,710	\$ 10,983,795	\$ 1,559,743	\$ 312,747

See Independent Auditors' Report.

<u>Workers Compensation</u>	<u>Employee Fringe Benefits</u>	<u>Risk Management</u>	<u>Total</u>
\$ 2,773,946	\$ 6,990,146	\$ 1,499,373	\$ 22,451,993
337,399	10,192	33,465	1,053,790
3,111,345	7,000,338	1,532,838	23,505,783
110,972	1,119,841	217,340	4,982,845
310,019	61,949	68,476	2,522,045
7,449	2,261	33	1,819,894
167,101	124,166	462,463	2,880,717
1,906,444	5,999,292	1,128,329	9,034,065
-	602	758	1,313,282
2,501,985	7,308,111	1,877,399	22,552,848
609,360	(307,773)	(344,561)	952,935
-	28,029	-	28,029
-	-	-	48,561
(63,359)	(47,451)	(13,592)	(199,901)
(63,359)	(19,422)	(13,592)	(123,311)
546,001	(327,195)	(358,153)	829,624
-	-	-	175,400
-	-	-	(524,686)
546,001	(327,195)	(358,153)	480,338
(2,046,370)	(4,070,072)	672,582	8,074,450
\$ (1,500,369)	\$ (4,397,267)	\$ 314,429	\$ 8,554,788

City of San Buenaventura
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2013

	<u>Information Technology</u>	<u>Fleet Maintenance</u>	<u>Facilities Maintenance</u>	<u>Digital Publishing</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers/other funds	\$ 3,615,322	\$ 3,617,099	\$ 3,451,467	\$ 432,406
Cash payments to suppliers for goods and services	(1,187,319)	(1,798,107)	(2,445,711)	(98,127)
Cash payments for interfund services	(136,909)	(173,904)	(120,226)	(33,567)
Cash payments to employees for services	(1,684,317)	(874,655)	(766,069)	(209,649)
Insurance premiums and settlements	-	-	-	-
Other operating revenues	11,326	482,696	178,187	523
Net cash provided (used) by operating activities	<u>618,103</u>	<u>1,253,129</u>	<u>297,648</u>	<u>91,586</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Employee housing loans made	-	-	-	-
Payment of employee housing loans	-	-	-	-
Transfers to other funds	-	(500,000)	(24,686)	-
Transfers from other funds	-	20,151	155,249	-
Net cash provided (used) by noncapital	<u>-</u>	<u>(479,849)</u>	<u>130,563</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchase of capital assets	(322,105)	(878,621)	(194,664)	-
Payment of long-term debt	(177,192)	-	(83,784)	-
Proceeds from sale of assets	-	(76,068)	-	-
Interest paid	(7,756)	(37,106)	(26,573)	(4,064)
Net cash (used) by capital and related financing activities	<u>(507,053)</u>	<u>(991,795)</u>	<u>(305,021)</u>	<u>(4,064)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment income	-	-	-	-
Net increase (decrease) in cash and cash equivalents	<u>111,050</u>	<u>(218,515)</u>	<u>123,190</u>	<u>87,522</u>
CASH AND INVESTMENTS				
Beginning of year	459,322	4,578,266	1,246,270	211,331
End of year	<u>\$ 570,372</u>	<u>\$ 4,359,751</u>	<u>\$ 1,369,460</u>	<u>\$ 298,853</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 354,640	\$ 318,780	\$ 241,641	\$ 80,848
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	157,697	1,094,180	55,825	4,220
Changes in assets and liabilities:				
Accounts receivable	(15,091)	(53,402)	(12,618)	(250)
Due from other funds	-	-	(109,613)	-
Due from other governments	-	-	125,764	-
Due from others	354	(7,418)	-	40
Accounts payable	120,432	(99,945)	(3,340)	6,687
Accrued payroll liabilities	-	-	-	-
Due to other governments	71	934	(11)	41
Claims and judgments payable	-	-	-	-
Compensated absences payable	-	-	-	-
Total adjustments	<u>263,463</u>	<u>934,349</u>	<u>56,007</u>	<u>10,738</u>
Net cash provided (used) by operating activities	<u>\$ 618,103</u>	<u>\$ 1,253,129</u>	<u>\$ 297,648</u>	<u>\$ 91,586</u>

See Independent Auditors' Report.

	Workers Compensation	Employee Fringe Benefits	Risk Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers/other funds	\$ 2,972,946	\$ 7,028,327	\$ 1,938,905	\$ 23,056,472
Cash payments to suppliers for goods and services	(370,701)	(185,637)	(526,157)	(6,611,759)
Cash payments for interfund services	(70,437)	(26,839)	(10,415)	(572,297)
Cash payments to employees for services	(110,972)	(1,119,841)	(217,340)	(4,982,843)
Insurance premiums and settlements	(2,774,793)	(9,785,451)	(1,491,585)	(14,051,829)
Other operating revenues	337,399	10,192	33,466	1,053,789
Net cash provided (used) by operating activities	(16,558)	(4,079,249)	(273,126)	(2,108,467)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Employee housing loans made	-	(17,620)	-	(17,620)
Payment of employee housing loans	-	90,766	-	90,766
Transfers to other funds	-	-	-	(524,686)
Transfers from other funds	-	-	-	175,400
Net cash provided (used) by noncapital	-	73,146	-	(276,140)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchase of capital assets	-	-	-	(1,395,390)
Payment of long-term debt	-	-	-	(260,976)
Proceeds from sale of assets	-	-	-	(76,068)
Interest paid	(63,359)	(47,451)	(13,593)	(199,902)
Net cash (used) by capital and related financing activities	(63,359)	(47,451)	(13,593)	(1,932,336)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment income	-	28,029	-	28,029
Net increase (decrease) in cash and cash equivalents	(79,917)	(4,025,525)	(286,719)	(4,288,914)
CASH AND INVESTMENTS				
Beginning of year	4,740,433	7,519,721	1,286,778	20,042,121
End of year	\$ 4,660,516	\$ 3,494,196	\$ 1,000,059	\$ 15,753,207
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 609,360	\$ (307,773)	\$ (344,561)	\$ 952,935
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	602	758	1,313,282
Changes in assets and liabilities:				
Accounts receivable	(1,000)	(4,193)	-	(86,554)
Due from other funds	200,000	-	-	90,387
Due from other governments	-	2,252	440,204	568,220
Due from others	-	40,122	(672)	32,426
Accounts payable	43,431	(24,130)	(5,599)	37,536
Accrued payroll liabilities	-	(3,913,659)	-	(3,913,659)
Due to other governments	-	30	-	1,065
Claims and judgments payable	(868,349)	-	(363,256)	(1,231,605)
Compensated absences payable	-	127,500	-	127,500
Total adjustments	(625,918)	(3,771,476)	71,435	(3,061,402)
Net cash provided (used) by operating activities	\$ (16,558)	\$ (4,079,249)	\$ (273,126)	\$ (2,108,467)



COMPREHENSIVE ANNUAL

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013



Agency Funds



Agency Funds

Agency Funds:

Property Based Improvement District Fund – To account for the funds held in trust by the City as collected from property assessments to be used for the improvements and maintenance of the Downtown Property Based Improvement District.

Ventura, Oxnard, Camarillo Tourism Business Improvement District Fund (VOCTBID) – To account for the funds held in trust by the City as collected from hotel assessments. VOCTBID is a regional benefit assessment district established to help fund marketing and sales promotional efforts of lodging businesses in the member cities.

City of San Buenaventura
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2013

	<u>Agency Funds</u>		
	<u>Property Based Improvement District</u>	<u>Ventura Oxnard Camarillo Tourism Business Improvement District</u>	<u>Totals Agency Funds</u>
ASSETS			
Cash and cash equivalents	\$ 140,577	\$ 72,488	\$ 213,065
Accounts receivable, net	50,631	-	50,631
Due from others	2,791	108,696	111,487
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 193,999</u>	<u>\$ 181,184</u>	<u>\$ 375,183</u>
LIABILITIES			
Due to others	193,999	-	193,999
Deposits held for others	-	181,184	181,184
	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>\$ 193,999</u>	<u>\$ 181,184</u>	<u>\$ 375,183</u>

See Independent Auditors' Report.

City of San Buenaventura
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2013

	<u>Balance</u> <u>July 01, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2013</u>
<u>Property Based Improvement District</u>				
Assets:				
Cash and equivalents	\$ 130,514	\$ 451,145	\$ 441,082	\$ 140,577
Accounts receivable	43,610	471,833	464,812	50,631
Due from others	14,483	2,791	14,483	2,791
	<u>\$ 188,607</u>	<u>\$ 925,769</u>	<u>\$ 920,377</u>	<u>\$ 193,999</u>
Liabilities:				
Due to others	\$ 128,980	\$ 65,019	\$ -	\$ 193,999
Deposits held for others	59,627	-	59,627	-
	<u>\$ 188,607</u>	<u>\$ 65,019</u>	<u>\$ 59,627</u>	<u>\$ 193,999</u>
<u>Ventura Oxnard Camarillo Tourism Business Improvement District</u>				
Assets:				
Cash and investments	\$ 35,791	\$ 567,937	\$ 531,240	\$ 72,488
Due from others	73,319	108,696	73,319	108,696
	<u>\$ 109,110</u>	<u>\$ 676,633</u>	<u>\$ 604,559</u>	<u>\$ 181,184</u>
Liabilities:				
Deposits held for others	\$ 109,110	\$ 72,074	\$ -	\$ 181,184
<u>Totals - All Agency Funds</u>				
Assets:				
Cash and investments	\$ 166,305	\$ 1,019,082	\$ 972,322	\$ 213,065
Accounts receivable	43,610	471,833	464,812	50,631
Due from others	87,802	111,487	87,802	111,487
Total Assets	<u>\$ 297,717</u>	<u>\$ 1,602,402</u>	<u>\$ 1,524,936</u>	<u>\$ 375,183</u>
Liabilities:				
Due to others	\$ 128,980	\$ 65,019	\$ -	\$ 193,999
Deposits held for others	168,737	72,074	59,627	181,184
Total Liabilities	<u>\$ 297,717</u>	<u>\$ 137,093</u>	<u>\$ 59,627</u>	<u>\$ 375,183</u>

See Independent Auditors' Report.



Statistical Section

City of San Buenaventura
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For the year ended June 30, 2013

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City of San Buenaventura
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COMPREHENSIVE ANNUAL

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013

City of San Buenaventura
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2013	2012	2011	2010
Governmental activities:				
Net investment in capital assets	\$ 89,591,900	\$ 90,725,614	\$ 77,321,482	\$ 75,888,305
Restricted	43,584,613	46,682,770	34,753,149	35,392,720
Unrestricted	46,572,017	39,792,700	49,188,852	54,178,778
Total governmental activities net position	179,748,530	177,201,084	161,263,483	165,459,803
Business-type activities:				
Net investment in capital assets	114,667,356	138,392,282	141,883,333	135,783,591
Restricted	55,664,645	42,864,420	31,501,671	36,598,184
Unrestricted	22,367,910	7,249,397	18,251,002	46,699,760
Total business-type activities net position	192,699,911	188,506,099	191,636,006	219,081,535
Primary government:				
Net investment in capital assets	204,259,256	229,117,896	219,204,815	211,671,896
Restricted	99,249,258	89,547,190	66,254,820	71,990,904
Unrestricted	68,939,927	47,042,097	67,439,854	100,878,538
Total primary government net position	\$ 372,448,441	\$ 365,707,183	\$ 352,899,489	\$ 384,541,338

Fiscal Year					
2009	2008	2007	2006	2005	2004
\$ 74,354,906	\$ 80,359,775	\$ 72,471,553	\$ 61,243,588	\$ 50,801,739	\$ 34,465,491
39,856,243	38,634,489	43,023,154	37,975,503	42,284,534	54,603,313
<u>56,553,682</u>	<u>60,090,236</u>	<u>62,093,970</u>	<u>72,493,990</u>	<u>68,406,238</u>	<u>69,085,204</u>
<u>170,764,831</u>	<u>179,084,500</u>	<u>177,588,677</u>	<u>171,713,081</u>	<u>161,492,511</u>	<u>158,154,008</u>
129,877,532	128,436,041	127,477,656	111,965,178	102,241,593	42,586,428
26,051,636	58,901,995	58,695,479	61,527,419	67,471,175	27,709,014
<u>60,072,866</u>	<u>28,380,491</u>	<u>28,607,819</u>	<u>33,995,113</u>	<u>26,305,567</u>	<u>113,413,435</u>
<u>216,002,034</u>	<u>215,718,527</u>	<u>214,780,954</u>	<u>207,487,710</u>	<u>196,018,335</u>	<u>183,708,877</u>
204,232,438	208,795,816	199,949,209	173,208,766	153,043,332	77,051,919
65,907,879	97,536,484	101,718,633	99,502,922	109,755,709	82,312,327
<u>116,626,548</u>	<u>88,470,727</u>	<u>90,701,789</u>	<u>106,489,103</u>	<u>94,711,805</u>	<u>182,498,639</u>
<u>\$ 386,766,865</u>	<u>\$ 394,803,027</u>	<u>\$ 392,369,631</u>	<u>\$ 379,200,791</u>	<u>\$ 357,510,846</u>	<u>\$ 341,862,885</u>

Source: The Comprehensive Annual Financial Report.

City of San Buenaventura

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year			
	2013	2012	2011	2010
Expenses:				
Governmental activities:				
General government	\$ 3,587,971	\$ 3,838,752	\$ 2,938,785	\$ 4,057,019
Human resources	818,497	935,426	757,721	998,303
Finance and technology	6,289,356	6,903,495	8,974,168	7,211,920
Community development	7,824,888	8,821,255	9,784,289	8,061,820
Parks, Rec & Com Partnerships	13,858,724	13,874,230	12,857,684	7,662,891
Public safety - police	29,862,122	30,232,208	29,709,223	30,974,131
Public safety - fire	16,529,573	16,587,189	15,218,015	19,261,764
Public works	17,051,598	18,802,668	17,150,786	21,904,812
Interest on long term debt	1,615,215	2,720,811	5,057,876	3,804,449
Total governmental activities expenses	97,437,944	102,716,034	102,448,547	103,937,109
Business-type activities:				
Wastewater	15,582,433	18,525,753	17,091,823	15,095,598
Water	25,876,190	22,857,394	20,940,661	20,196,960
Golf	4,660,531	4,705,147	4,737,086	4,735,269
Paramedic services	-	-	-	-
Total business-type activities expenses	46,119,154	46,088,294	42,769,570	40,027,827
Total primary government expenses	143,557,098	148,804,328	145,218,117	143,964,936
Program revenues:				
Governmental activities:				
Charges for services:				
General government	4,370	1,474,049	952,233	837,862
Human resources	99	320,472	132,793	132,913
Finance and technology	4,305,576	2,345,531	1,725,803	1,886,441
Community development	1,405,753	1,047,892	1,048,606	783,815
Parks, Rec & Com Partnerships	3,107,603	2,695,290	2,693,611	2,464,904
Public safety - police	2,540,624	3,121,447	2,742,998	2,914,190
Public safety - fire	3,082,025	2,168,313	3,311,170	2,695,415
Public works	1,816,233	1,901,858	2,146,823	2,377,214
Operating grants and contributions	7,515,700	9,593,101	10,589,500	12,243,054
Capital grants and contributions	2,722,940	2,097,184	1,475,426	1,713,185
Total governmental activities program revenues	26,500,923	26,765,137	26,818,963	28,048,993
Business-type activities:				
Charges for services:				
Wastewater	19,143,025	17,221,369	16,326,078	16,978,451
Water	25,373,521	22,371,438	20,946,374	21,828,283
Golf	4,328,089	4,413,243	4,465,557	4,620,035
Paramedic services	-	-	-	-
Operating grants and contributions	-	-	-	16,467
Total business-type activities program revenue	48,844,635	44,006,050	41,738,009	43,443,236
Total primary government program revenues	75,345,558	70,771,187	68,556,972	71,492,229
Net revenues (expenses):				
Governmental activities:	(70,937,021)	(75,950,897)	(75,629,584)	(75,888,116)
Business-type activities:	2,725,481	(2,082,244)	(1,031,561)	3,415,409
Total net revenues (expenses):	\$ (68,211,540)	\$ (78,033,141)	\$ (76,661,145)	\$ (72,472,707)

Fiscal Year					
2009	2008	2007	2006	2005	2004
\$ 5,384,838	\$ 8,326,371	\$ 8,886,145	\$ 7,363,125	\$ 6,328,043	\$ 4,483,013
2,104,947	816,553	3,301,372	1,794,494	2,432,266	1,918,203
7,784,466	5,707,691	4,491,565	4,214,527	4,406,547	4,299,847
6,671,042	8,294,180	7,441,301	5,843,104	4,195,179	4,581,043
7,593,435	7,913,144	6,342,292	5,914,499	7,670,919	4,324,879
31,303,086	28,193,355	27,092,687	26,149,759	24,818,010	23,340,765
19,799,105	18,632,555	16,325,884	15,259,270	15,090,774	14,285,426
20,250,029	20,915,867	14,143,598	16,523,873	17,314,971	23,212,404
3,996,201	8,984,125	4,158,887	4,348,870	4,142,812	4,138,041
104,887,149	107,783,841	92,183,731	87,411,521	86,399,521	84,583,621
16,135,143	15,511,917	13,513,120	11,348,681	11,087,744	10,230,723
21,685,740	20,433,068	16,959,117	15,400,319	14,909,543	12,644,461
4,732,020	5,623,585	4,631,771	3,379,722	2,197,409	2,817,574
-	-	262,033	266,570	186,185	169,527
42,552,903	41,568,570	35,366,041	30,395,292	28,380,881	25,862,285
147,440,052	149,352,411	127,549,772	117,806,813	114,780,402	110,445,906
864,588	976,334	2,299,623	462,378	1,068,960	402,116
147,832	143,389	135,020	144,571	132,194	127,726
2,002,324	1,833,833	1,334,412	1,114,838	966,173	1,425,317
946,668	1,116,341	965,890	911,326	585,546	822,509
2,422,566	2,497,263	2,622,700	2,196,637	1,703,281	1,745,879
4,388,325	2,731,049	2,607,633	2,416,250	2,479,415	2,155,053
3,237,931	3,363,936	3,423,109	3,302,653	2,943,316	2,584,789
3,082,181	3,117,158	2,727,787	2,449,364	2,695,192	2,933,850
11,703,876	12,396,400	11,424,010	13,773,429	12,862,868	14,185,310
825,577	2,847,047	2,827,598	1,445,341	2,278,540	178,520
29,621,868	31,022,750	30,367,782	28,216,787	27,715,485	26,561,069
16,015,727	16,068,806	15,460,227	14,144,570	14,042,047	13,430,212
21,283,447	20,710,539	20,533,851	17,838,573	17,642,997	16,924,727
4,805,842	4,942,555	3,088,836	3,201,831	2,764,339	3,380,562
-	-	513,823	450,002	321,190	192,384
21,433	32,284	16,079	-	-	-
42,126,449	41,754,184	39,612,816	35,634,976	34,770,573	33,927,885
71,748,317	72,776,934	69,980,598	63,851,763	62,486,058	60,488,954
(75,265,281)	(76,761,091)	(61,815,949)	(59,194,734)	(58,684,036)	(58,022,552)
(426,454)	185,614	4,246,775	5,239,684	6,389,692	8,065,600
\$ (75,691,735)	\$ (76,575,477)	\$ (57,569,174)	\$ (53,955,050)	\$ (52,294,344)	\$ (49,956,952)

City of San Buenaventura
Changes in Net Position
Last Ten Fiscal Years, Continued
(accrual basis of accounting)

	Fiscal Year			
	2013	2012	2011	2010
General revenues and other changes in net position:				
Governmental activities:				
Taxes:				
Property taxes	\$ 28,080,259	\$ 22,007,885	\$ 23,498,798	\$ 21,562,198
Sales taxes	21,892,825	19,855,923	19,171,669	19,629,415
Utility users taxes	8,551,487	8,567,922	8,774,360	8,719,232
Transient occupancy taxes	4,449,554	4,044,659	3,435,953	3,468,286
Franchise taxes	3,978,508	3,920,079	3,278,467	2,984,316
Other taxes	3,405,451	2,717,330	2,075,351	2,165,157
Motor vehicle license - intergovernmental unrestricted	56,361	7,903,235	8,342,441	8,194,617
Investment earnings (loss)	(591,869)	711,713	1,136,757	1,859,859
Gain (loss) on sale of assets	-	-	-	-
Other general revenues	-	-	514	113
Transfers	1,533,885	1,537,220	1,823,954	1,999,895
Extraordinary gain on dissolution of RDA	-	20,622,532	-	-
Total governmental activities	71,356,461	91,888,498	71,538,264	70,583,088
Business-type activities:				
Investment income	491,337	489,557	301,096	1,663,987
Transfers	(1,533,885)	(1,537,220)	(1,823,954)	(1,999,895)
Total business-type activities	(1,042,548)	(1,047,663)	(1,522,858)	(335,908)
Total primary government	70,313,913	90,840,835	70,015,406	70,247,180
Change in Net position				
Governmental activities:	419,440	15,937,601	(4,091,320)	(5,305,028)
Business-type activities:	1,682,933	(3,129,907)	(2,554,419)	3,079,501
Total primary government	\$ 2,102,373	\$ 12,807,694	\$ (6,645,739)	\$ (2,225,527)

Source: The Comprehensive Annual Financial Report.

Fiscal Year					
2009	2008	2007	2006	2005	2004
\$ 21,207,266	\$ 23,783,852	\$ 22,182,764	\$ 20,216,123	\$ 18,800,820	\$ 16,732,650
20,132,921	22,613,278	21,336,603	24,447,868	21,413,725	20,407,600
9,019,829	8,796,097	-	-	-	-
3,707,592	4,078,171	-	-	-	-
3,713,057	2,770,318	-	-	-	-
2,125,750	2,752,235	18,118,646	17,556,734	16,107,077	15,288,753
8,480,754	8,308,227	7,887,568	7,697,659	7,909,188	4,770,850
(3,332,065)	3,329,387	3,976,243	2,568,014	2,330,922	1,266,955
(78,105)	2,960	969	914,131	28,567	142,835
206	885	2,580	62,058	135,399	47,720
1,968,407	1,038,110	86,987	(4,047,284)	(4,703,159)	1,008,775
-	-	-	-	-	-
66,945,612	77,473,520	73,592,360	69,415,303	62,022,539	59,666,138
2,678,368	2,573,463	3,133,456	2,182,407	1,216,607	422,793
(1,968,407)	(1,038,110)	(86,987)	4,047,284	4,703,159	(1,008,775)
709,961	1,535,353	3,046,469	6,229,691	5,919,766	(585,982)
67,655,573	79,008,873	76,638,829	75,644,994	67,942,305	59,080,156
(8,319,669)	712,429	11,776,411	10,220,569	3,338,503	1,643,586
283,507	1,720,967	7,293,244	11,469,375	12,309,458	7,479,618
\$ (8,036,162)	\$ 2,433,396	\$ 19,069,655	\$ 21,689,944	\$ 15,647,961	\$ 9,123,204

City of San Buenaventura
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2013	2012	2011	2010
General fund:				
Nonspendable	\$ 6,277,330	\$ 6,881,827	\$ 6,630,047	\$ 6,888,290
Restricted	5,492,160	6,205,841	5,260,641	613,989
Committed	14,025,093	14,758,348	15,873,858	16,304,014
Assigned	3,634,193	2,482,567	4,263,791	3,341,324
Unassigned	-	(1,974,802)	-	6,254,052
Reserved	-	-	-	-
Unreserved, designated	-	-	-	-
Unreserved, undesignated	-	-	-	-
Total general fund	<u>\$ 29,428,776</u>	<u>\$ 28,353,781</u>	<u>\$ 32,028,337</u>	<u>\$ 33,401,669</u>
All other governmental funds:				
Nonspendable	\$ 7,499,568	\$ 7,481,021	\$ 7,736,114	\$ 1,894,668
Restricted	29,532,628	29,721,619	28,908,283	34,416,429
Committed	3,481,192	7,117,565	2,758,900	2,548,364
Assigned	6,601,278	5,597,335	8,716,452	10,935,174
Unassigned	(1,476,622)	(1,709,097)	(8,052,579)	(8,268,260)
Reserved	-	-	-	-
Unreserved, designated:				
Reported in special revenue funds	-	-	-	-
Reported in capital project funds	-	-	-	-
Unreserved, undesignated:				
Reported in special revenue funds	-	-	-	-
Reported in capital project funds	-	-	-	-
Total all other governmental funds	<u>\$ 45,638,044</u>	<u>\$ 48,208,443</u>	<u>\$ 40,067,170</u>	<u>\$ 41,526,375</u>

The City of Ventura implemented GASB 54 for the fiscal year ended June 30, 2010.

Source: The Comprehensive Annual Financial Report.

Fiscal Year						
2009	2008	2007	2006	2005	2004	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
9,856,595	17,975,245	18,783,034	18,837,506	17,352,143	17,004,738	
19,002,989	19,925,883	24,013,323	24,763,519	28,907,664	26,009,715	
4,374,390	199,613	17,316	3,965,697	2,386,387	4,085,445	
<u>\$ 33,233,974</u>	<u>\$ 38,100,741</u>	<u>\$ 42,813,673</u>	<u>\$ 47,566,722</u>	<u>\$ 48,646,194</u>	<u>\$ 47,099,898</u>	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
15,653,881	16,213,150	15,000,171	19,812,878	25,881,240	35,734,823	
6,134,572	22,025,619	17,575,235	11,956,497	15,385,351	20,801,758	
1,350,390	6,126,887	6,277,234	8,591,515	6,128,690	8,643,217	
20,890,119	6,429,326	12,443,532	13,971,840	9,416,759	7,741,802	
2,811,406	(10,210,981)	(8,769,673)	(11,026,685)	(8,498,950)	(8,998,681)	
<u>\$ 46,840,368</u>	<u>\$ 40,584,001</u>	<u>\$ 42,526,499</u>	<u>\$ 43,306,045</u>	<u>\$ 48,313,090</u>	<u>\$ 63,922,919</u>	

City of San Buenaventura
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified basis of accounting)

	Fiscal Year			
	2013	2012	2011	2010
Revenues:				
Taxes	\$ 72,369,887	\$ 62,047,832	\$ 61,612,097	\$ 60,192,659
Licenses and permits	1,589,036	1,479,528	2,103,379	1,466,512
Intergovernmental	7,973,806	15,675,280	15,812,765	15,410,869
Charges for services	9,800,712	10,799,257	9,844,162	9,324,261
Fines and forfeitures	1,396,547	1,539,504	1,634,251	1,867,339
Use of money and property	1,395,183	1,819,529	2,311,668	3,311,893
Other revenues	4,004,586	3,704,070	3,074,872	2,678,112
Total revenues	98,529,757	97,065,000	96,393,194	94,251,645
Expenditures:				
Current:				
General government	2,917,692	3,066,519	2,677,327	3,291,986
Human resources	826,520	914,043	758,217	958,777
Finance and technology	6,760,790	6,429,465	7,305,876	6,364,935
Community development	7,943,318	8,148,331	7,014,408	3,632,431
Parks, Rec & Com Partnerships	12,191,763	12,333,478	11,217,429	6,473,828
Public safety - police	30,307,517	29,464,034	28,255,496	27,887,580
Public safety - fire	16,822,799	16,091,426	14,460,517	17,478,861
Public works	14,278,920	14,147,119	9,679,476	15,529,183
Capital outlays	5,450,977	4,585,131	13,774,000	12,621,513
Debt service:				
Principal retirement	2,805,000	3,780,000	11,255,000	3,235,000
Debt issuance cost	-	298,344	492,589	-
Interest and other charges	1,603,036	2,712,802	4,085,379	3,962,293
Total expenditures	101,908,332	101,970,692	110,975,714	101,436,387
Revenues over (under) expenditures	(3,378,575)	(4,905,692)	(14,582,520)	(7,184,742)
Other financing sources (uses):				
Issuance of certificates of participation	-	17,815,000	20,615,000	-
Payment to refunded bond escrow agent	-	(16,620,000)	-	-
Premium on issuance of debt	-	786,039	1,066,553	-
Payment to refunded bond escrow agent	-	-	(11,728,764)	-
Proceeds from long-term debt	-	-	-	-
Loss on investments	-	-	-	-
Transfers in	10,251,312	13,532,480	10,664,454	11,493,910
Transfers out	(8,368,141)	(10,219,566)	(8,867,260)	(9,455,466)
Total other financing sources (uses)	1,883,171	5,293,953	11,749,983	2,038,444
Extraordinary gain on dissolution of RDA	-	4,078,456	-	-
Net change in fund balances	\$ (1,495,404)	\$ 4,466,717	\$ (2,832,537)	\$ (5,146,298)
Debt service as a percentage of noncapital expenditures	4.6 %	6.6 %	14.6 %	7.6 %

Source: The Comprehensive Annual Financial Report.

		Fiscal Year					
		2009	2008	2007	2006	2005	2004
\$	63,653,856	\$ 66,216,070	\$ 66,434,879	\$ 63,438,858	\$ 59,388,852	\$ 55,517,938	
	1,004,297	1,429,502	1,880,019	1,780,881	1,579,719	1,337,911	
	14,533,194	17,710,064	16,011,106	14,339,327	15,485,211	10,541,690	
	11,869,844	9,896,330	8,987,034	9,029,969	7,287,355	7,736,141	
	2,226,912	1,945,958	1,865,739	1,802,109	1,820,848	1,734,950	
	5,432,453	6,071,537	6,395,623	6,152,912	4,127,490	3,355,993	
	3,016,857	4,303,991	4,420,729	3,257,395	4,844,575	3,672,874	
	101,737,413	107,573,452	105,995,129	99,801,451	94,534,050	83,897,497	
	4,701,884	7,698,414	8,276,104	6,707,261	5,706,403	3,964,093	
	1,952,090	1,923,705	1,867,800	2,597,156	2,402,167	2,163,885	
	6,499,052	4,741,342	4,357,976	4,039,047	4,308,317	4,117,355	
	4,432,927	7,302,655	4,284,899	3,249,855	3,360,216	2,953,387	
	6,608,893	6,612,536	6,066,137	5,780,510	5,825,207	5,575,664	
	30,576,837	29,429,286	27,504,321	27,560,257	26,243,467	24,352,859	
	19,398,973	18,391,152	16,505,456	15,816,543	15,828,561	14,878,097	
	16,967,429	17,223,138	15,494,191	14,638,986	13,964,871	13,205,851	
	11,156,906	18,305,935	18,894,966	14,167,948	21,175,816	22,230,168	
	2,845,000	4,573,857	2,885,689	2,864,960	2,748,074	2,371,232	
	-	-	-	-	-	-	
	3,787,781	9,048,333	4,199,188	4,382,321	4,174,214	4,130,575	
	108,927,772	125,250,353	110,336,727	101,804,844	105,737,313	99,943,166	
	(7,190,359)	(17,676,901)	(4,341,598)	(2,003,393)	(11,203,263)	(16,045,669)	
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	8,785,000	9,413,899	-	-	-	-	
	(4,943,206)	-	-	-	-	-	
	20,335,387	11,892,935	18,084,380	10,686,822	16,914,994	13,465,071	
	(15,597,222)	(10,798,959)	(19,275,377)	(14,769,946)	(19,775,264)	(12,471,296)	
	8,579,959	10,507,875	(1,190,997)	(4,083,124)	(2,860,270)	993,775	
	-	-	-	-	-	-	
\$	1,389,600	(7,169,026)	(5,532,595)	(6,086,517)	(14,063,533)	(15,051,894)	
	6.5 %	12.3 %	8.4 %	9.0 %	8.9 %	9.1 %	

City of San Buenaventura
Assessed Value of Taxable Property
Fiscal Year 2004 to 2013 Taxable Property Values

<u>Category</u>	<u>Fiscal Year</u>			
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Secured:				
Residential	\$ 8,889,591,482	\$ 8,960,488,147	\$ 8,901,964,312	\$ 8,906,419,037
Commercial	1,583,972,916	1,576,759,964	1,635,086,343	1,601,884,508
Industrial	809,194,746	800,089,165	805,913,288	810,498,262
Dry Farm	897,028	879,444	872,893	969,027
Govt. Owned	316,460	18,000	-	-
Institutional	22,209,321	20,096,357	14,746,476	14,278,714
Irrigated	13,173,153	12,148,738	8,597,832	7,850,105
Miscellaneous	26,647,551	28,538,789	28,460,965	27,580,331
Recreational	38,547,042	38,133,134	38,154,180	38,110,075
Vacant	103,255,783	110,286,121	106,020,696	122,719,985
Unknown	10,621,173	11,512,475	-	-
Total Secured:	11,498,426,655	11,558,950,334	11,539,816,985	11,530,310,044
SBE Nonunitary	439,241	439,241	439,241	659,229
Unsecured	558,804,441	555,119,230	562,632,304	619,749,174
TOTALS	\$ 12,057,670,337	\$ 12,114,508,805	\$ 12,102,888,530	\$ 12,150,718,447
Total Direct Rate	0.18807	0.18861	0.18973	0.19032

Notes:

This table has been revised in FY 2013, using the report provided by HdL.

In the prior years, the numbers in this table were derived from the Assessment Roll by Prime, which was provided by the Ventura County Assessor's Office.

Exempt values are not included in Total.

In 1978 the voters of the State of California passed Proposition 13 which limited taxes to a total maximum rate of 1%, based upon the assessed value of the property being taxed.

Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Data Source: Ventura County Assessor FY 2003/04 - 2012/13 Combined Tax Rolls

This report was compiled by HdL, Coren & Cone

Fiscal Year					
<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$ 9,311,187,001	\$ 9,069,270,263	\$ 8,399,778,007	\$ 7,534,740,293	\$ 6,725,308,225	\$ 6,170,882,436
1,606,308,615	1,492,221,860	1,342,084,461	1,254,060,283	1,178,438,811	1,097,128,883
796,369,102	734,768,680	684,786,756	618,087,315	595,570,371	551,348,799
950,030	915,899	897,943	649,819	645,060	640,703
10,710,000	348,805	35,240,391	1,657,248	1,682,527	1,651,842
15,425,998	15,249,964	17,189,841	17,968,449	13,162,788	13,100,830
7,818,787	8,630,639	8,544,782	8,562,799	7,455,577	6,963,750
24,990,684	23,144,967	22,746,343	21,467,633	17,914,671	15,819,214
40,579,346	47,559,998	39,441,725	38,869,874	38,526,538	38,276,039
104,745,016	85,238,768	81,115,477	80,695,701	106,479,822	74,341,519
-	4,080	4,000	-	104,216	-
11,919,084,579	11,477,353,923	10,631,829,726	9,576,759,414	8,685,288,606	7,970,154,015
659,229	659,229	1,078,448	1,207,227	1,363,335	1,207,022
592,995,509	597,490,896	571,679,436	548,508,549	519,386,103	491,184,868
\$ 12,512,739,317	\$ 12,075,504,048	\$ 11,204,587,610	\$ 10,126,475,190	\$ 9,206,038,044	\$ 8,462,545,905
0.18973	0.18913	0.18731	0.18666	0.18553	0.18387

City of San Buenaventura
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Rate per \$100 of taxable value)

Agency	Fiscal Year			
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Basic Levy ⁽¹⁾	1.00000	1.00000	1.00000	1.00000
Casitas Muni Water	0.00438	0.01688	0.01871	0.01358
Mesa Elementary	0.05110	0.05350	0.05200	0.04680
Oxnard Elementary	0.08510	0.09370	0.09690	0.09810
Oxnard High School	0.01990	0.01740	0.02820	0.01090
Rio Elementary	0.02890	0.03040	0.03070	0.02930
Ventura Community College Board	0.01910	0.01400	0.01510	0.01390
Ventura Unified	0.03190	0.03310	0.03240	0.03320
Total Direct & Overlapping ⁽²⁾ Tax Rates	1.24038	1.25898	1.27401	1.24578
City's Share of 1% Levy per Prop 13 ⁽³⁾	0.16381	0.16381	0.16381	0.16381
Total Direct Rate ⁽⁴⁾	0.18807	0.18861	0.18973	0.19032

⁽¹⁾ In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

⁽²⁾ Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.

⁽³⁾ City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the city. ERAF general fund tax shifts may not be included in tax ratio figures.

⁽⁴⁾ Because basic and debt rates vary by tax rate area, individual rates cannot be summed. The Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information.

Note:

This table had been revised in FY 2013, using the report provided by HdL. In the prior years, the numbers were calculated from the Direct and Overlapping Debt report that was compiled by the California Municipal Statistics, Inc.

Data Source: Ventura County Assessor FY 2003/04 - 2012/13
This report was compiled by HdL, Coren & Cone

Fiscal Year

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
0.01938	0.01235	0.01243	0.01399	0.01593	0.01808
0.04700	0.02310	0.02360	0.02510	0.02610	0.03850
0.08720	0.08270	0.06090	0.06910	0.08630	0.09120
0.01000	0.00980	0.01070	0.01220	0.01450	0.01330
0.02760	0.02860	0.03080	0.03450	0.03960	0.04740
0.01520	0.00500	0.01270	0.01300	0.01300	0.01660
0.03130	0.03230	0.03650	0.03800	0.04060	0.04600
1.23768	1.19385	1.18763	1.20589	1.23603	1.27108
0.16381	0.16381	0.16381	0.16381	0.16381	0.16381
0.18973	0.18913	0.18731	0.18666	0.18553	0.18387

**City of San Buenaventura
Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	2013		2004	
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
ASN Ventura LLC	\$ 124,241,261	1.08%		
Macerich Buenaventura, LTD	85,278,310	0.74%	71,055,619	0.89%
NRFC Ventura Holdings LLC	83,122,363	0.72%		
Raintree Ventura Colony LLC	53,163,700	0.46%		
Montalvo Shopping Center	46,225,800	0.40%		
Ventura Pines Associates, LLC	42,697,930	0.37%	21,443,557	0.27%
Ventura Gateway LLC	36,276,503	0.32%		
County Center Ltd.	33,964,158	0.30%	20,674,791	0.26%
Program 87A Limited	31,964,560	0.28%	26,494,204	0.33%
Time Warner NY Cable LLC	2,200,000	0.02%		
Weston Co. Ventura Apts.			38,066,280	0.48%
Archstone Communities Trust			31,474,272	0.39%
May Department Stores Co.			27,695,914	0.35%
Telephone & Main Assoc. LLC.			23,883,416	0.30%
Sears Roebuck & Co.			22,710,057	0.28%
Victoria Land Partners			20,175,896	0.25%
Top Ten Total	\$ 539,134,585	4.69%	\$ 303,674,006	3.81%
City Total	\$ 11,498,865,896		\$ 7,971,361,037	

Data Source: Ventura County Assessor 2012/13 and 2003/04 Combined Tax Rolls
This report was provided by HdL Companies.

City of San Buenaventura
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year ¹	Collected within the Fiscal Year of Levy		Collections in Subsequent Years ²	Total Collections To-Date	
		Amount	Percent of Levy		Amount ²	Percent of Levy
2004	\$ 14,679,933	\$ 14,549,118	99.11%	\$ 55,629	\$ 14,604,747	99.49%
2005	16,188,791	16,103,883	99.48%	39,942	16,143,825	99.72%
2006	17,598,566	17,226,875	97.89%	46,130	17,273,005	98.15%
2007	19,687,798	18,946,723	96.24%	59,258	19,005,981	96.54%
2008	20,806,443	19,969,645	95.98%	92,015	20,061,660	96.42%
2009	21,360,643	20,751,346	97.15%	174,888	20,926,234	97.97%
2010	20,369,228	17,640,817	86.61%	171,406	17,812,223	87.45%
2011	20,255,387	19,794,163	97.72%	103,915	19,898,078	98.24%
2012	20,317,140	20,026,521	98.57%	113,105	20,139,626	99.13%
2013	20,222,166	19,978,450	98.79%	106,312	20,084,762	99.32%

Source: ¹ Ventura County Assessor's Office

² Finance and Technology Department, City of San Buenaventura

City of San Buenaventura
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities			Total Governmental Activities ⁽¹⁾	Wastewater Revenue Bonds
	Certificates of Participation	Capital Leases	Loans		
2004	\$ 52,635,000	\$ -	\$ 7,963,812	\$ 60,598,812	\$ 6,750,721
2005	50,760,000	-	7,312,580	58,072,580	24,569,447
2006	48,825,000	-	6,852,506	55,677,506	24,019,430
2007	46,830,000	-	6,151,224	52,981,224	23,444,413
2008	55,780,000	-	5,806,898	61,586,898	22,859,395
2009	53,190,000	708,769	1,922,830	55,821,599	22,254,376
2010	50,500,000	531,577	1,844,206	52,875,783	21,634,359
2011	49,055,000	354,384	1,762,069	51,171,453	20,989,341
2012	47,275,000	177,192	1,676,262	49,128,454	20,319,323
2013	44,470,000	-	430,673	44,900,673	20,022,300

⁽¹⁾ The Total is different from prior year CAFRs due to the elimination of the Tax Allocation Bonds, which was no longer applicable as the Redevelopment Agency ceased to exist as of January 31, 2012. In addition, Capital Leases have been added to this table.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Source: The Comprehensive Annual Financial Report.

Business-Type Activities						
Water	Safe		Total	Total	Percentage	Debt
Revenue	Drinking	Capital	Business-Type	Primary	of Personal	Per
Bonds	Water Loan	Leases	Activities	Government	Income	Capita
\$ 26,871,342	\$ -	\$ -	\$ 33,622,063	\$ 94,220,875	3.46%	966
26,023,027	-	-	50,592,474	108,665,054	3.84%	1099
25,549,712	13,156,599	-	62,725,741	118,403,247	4.10%	1194
25,056,399	20,000,000	581,038	69,081,850	122,063,074	4.04%	1213
24,548,084	19,209,485	338,091	66,955,055	128,541,953	3.88%	1235
24,029,771	18,399,964	143,531	64,827,642	120,649,241	4.07%	1286
23,491,458	17,987,933	-	63,113,750	115,989,533	3.64%	1186
22,933,142	17,149,042	-	61,071,525	112,242,978	3.53%	1151
22,354,827	16,289,983	-	58,964,133	108,092,587	3.18%	996
49,422,510	15,410,269	-	84,855,079	129,755,752	3.86%	1198

City of San Buenaventura
Direct and Overlapping Debt
June 30, 2013

2012-13 Assessed Valuation:		\$ 12,046,321,313	
	Total Debt 6/30/2013	Percentage Applicable ⁽¹⁾	City's Share of Debt 6/30/2013
OVERLAPPING TAX AND ASSESSMENT DEBT			
Ventura County Community College District	\$ 308,659,326	11.520%	\$ 35,557,554
Ventura Unified School District	62,200,000	79.895%	49,694,690
Oxnard Union High School District	91,662,016	0.013%	11,916
Mesa Union School District	7,490,000	0.220%	16,478
Oxnard School District	152,703,139	0.018%	27,487
Rio School District	14,765,000	0.012%	1,761
Total Overlapping Tax and Assessment Debt			85,309,886
OVERLAPPING GENERAL FUND DEBT:			
Ventura County General Fund Obligations	388,450,000	11.516%	44,733,902
Ventura County Superintendent of Schools Certificates of Participation	11,510,000	11.516%	1,325,492
Ventura Unified School District Certificates of Participation	3,310,000	79.895%	2,644,525
Oxnard Union High School District Certificates of Participation	7,680,000	0.013%	998
Oxnard School District Certificates of Participation	4,845,100	0.018%	872
Rio School District Certificates of Participation	7,420,000	0.012%	890
Total Overlapping General Fund Debt			48,706,679
DIRECT DEBT:			
Certificates of Participation - 2007 Series E			8,760,000
Certificates of Participation - 2010 Series F			17,895,000
Certificates of Participation - 2012 Series A			16,450,000
Certificates of Participation - 2012 Series B			1,365,000
Sub-Total City of San Buenaventura General Fund Obligations			44,470,000
California Energy Commission 2004 Loan			111,876
Energy Resources Conservation and Dev Com 2012			318,797
Sub-Total Loans			430,673
Total Direct Debt			44,900,673
Total Direct and Overlapping General Fund Debt			93,607,352
Overlapping Tax Increment Debt(Successor Agency):			14,030,000
TOTAL OVERLAPPING DEBT			148,046,565
COMBINED TOTAL DEBT			\$ 154,551,515 ⁽²⁾
Ratios to 2012-13 Assessed Valuation:			
Total Overlapping Tax and Assessment Debt	0.71%		
Total Direct Debt (\$44,470,000)	0.37%		
Combined Total Debt	1.60%		

⁽¹⁾ The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

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

Note: Direct debt details can be found in the notes to the financial statements.

City of San Buenaventura
Legal Debt Margin Information
Last Ten Fiscal Years

Fiscal Year Ended June 30	(2)		Adjusted		Debt Limit Percentage	(1)		Total Debt Applicable to the Limit as a Percentage of Debt Limit
	Assessed Valuation	Conversion Percentage	Assessed Valuation	Debt Limit Percentage		Total Net Debt Applicable to Limit: General Obligation Bonds	Legal Debt Margin	
2004	\$ 9,579,866,892	25%	\$ 2,394,966,723	15%	\$ 359,245,008	-	\$ 359,245,008	0%
2005	10,514,075,917	25%	2,628,518,979	15%	394,277,847	-	394,277,847	0%
2006	11,616,549,581	25%	2,904,137,395	15%	435,620,609	-	435,620,609	0%
2007	11,204,644,465	25%	2,801,161,116	15%	420,174,167	-	420,174,167	0%
2008	12,071,967,113	25%	3,017,991,778	15%	452,698,767	-	452,698,767	0%
2009	12,510,994,901	25%	3,127,748,725	15%	469,162,309	-	469,162,309	0%
2010	12,144,316,207	25%	3,036,079,052	15%	455,411,858	-	455,411,858	0%
2011	12,094,107,122	25%	3,023,526,781	15%	453,529,017	-	453,529,017	0%
2012	12,104,792,837	25%	3,026,198,209	15%	453,929,731	-	453,929,731	0%
2013	12,046,321,313	25%	3,011,580,328	15%	451,737,049	-	451,737,049	0%

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Each parcel is assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: (1) Finance and Technology Department, City of San Buenaventura
(2) Ventura County Tax Assessor's Office

City of San Buenaventura
Pledged Wastewater Revenue Coverage
Last Ten Fiscal Years

Fiscal Year Ended June 30	Wastewater Fund Revenue Bonds					Coverage
	Operating Revenue	Less Operating Expenses	Net Available Revenue	Debt Service		
				Principal	Interest	
2004	\$ 13,430,212	\$ 8,563,847	\$ 4,866,365	\$ 470,000	\$ 408,768	5.54
2005	14,042,047	8,762,928	⁽¹⁾ 5,279,119	495,000	1,042,147	3.43
2006	14,144,570	8,708,803	⁽¹⁾ 5,435,767	625,000	1,108,375	3.14
2007	15,460,227	10,303,591	⁽¹⁾ 5,156,636	650,000	1,092,750	2.96
2008	16,068,806	11,288,545	⁽¹⁾ 4,780,261	660,000	1,076,500	2.75
2009	16,015,727	10,389,969	⁽¹⁾ 5,625,758	680,000	1,060,000	3.23
2010	16,978,451	10,818,322	⁽¹⁾ 6,160,129	695,000	1,039,599	3.55
2011	16,326,078	12,829,173	⁽¹⁾ 3,496,905	720,000	1,018,750	2.01
2012	17,221,369	14,356,162	2,865,207	745,000	993,550	1.65
2013	19,143,024	11,807,006	7,336,018	775,000	965,612	4.21

(1) The Operating Expenses inadvertently included depreciation in the prior year statistical tables.
 Since FY 2012, this table was corrected to properly reflect the correct expense and coverage ratio.

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
 Operating expenses do not include interest or depreciation expenses.

Source: Finance and Technology Department, City of San Buenaventura

City of San Buenaventura
Pledged Water Revenue Coverage
Last Ten Fiscal Years

Fiscal Year Ended June 30	Water Fund Revenue Bonds					
	Operating Revenue	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2004	\$ 16,924,727	\$ 10,981,192 ⁽¹⁾	\$ 5,943,535	\$ 880,000	\$ 1,202,325	2.85
2005	17,642,997	12,154,573 ⁽¹⁾	5,488,424	880,000	1,347,666	2.46
2006	17,838,573	12,817,841 ⁽¹⁾	5,020,732	505,000	1,181,550	2.98
2007	20,549,930	13,106,807 ⁽¹⁾	7,443,123	525,000	1,166,100	4.40
2008	20,742,823	14,464,514 ⁽¹⁾	6,278,309	540,000	1,151,475	3.71
2009	21,304,880	14,600,419 ⁽¹⁾	6,704,461	550,000	1,136,475	3.98
2010	21,844,750	15,777,292 ⁽¹⁾	6,067,458	570,000	1,118,963	3.59
2011	20,946,374	15,103,751 ⁽¹⁾	5,842,623	590,000	1,099,375	3.46
2012	22,371,438	17,128,731	5,242,707	610,000	1,078,375	3.11
2013	25,375,574	19,771,085	5,604,489	630,000	1,055,888	3.32

(1) The Operating Expenses inadvertently included depreciation in the prior year statistical tables. Since FY 2012, this table was corrected to properly reflect the correct expense and coverage ratio.

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation expenses.

Source: Finance and Technology Department, City of San Buenaventura

City of San Buenaventura
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate
2004 ⁽¹⁾	105,145	\$ 2,938,698	\$ 27,949	5.8%
2005 ⁽¹⁾	105,558	3,016,953	28,581	5.2%
2006 ⁽¹⁾	104,912	3,056,401	29,133	4.8%
2007 ⁽¹⁾	105,919	3,178,417	30,008	4.3%
2008 ⁽¹⁾	106,360	3,385,439	31,830	5.2%
2009 ⁽¹⁾	105,226	3,325,036	31,599	5.2%
2010 ⁽²⁾	108,687	3,586,988	32,625	9.0%
2011 ⁽²⁾	109,946	3,218,449	29,273	9.8%
2012 ⁽²⁾	107,166	3,352,367	31,282	9.1%
2013 ⁽²⁾	108,294	3,361,987	31,045	6.2%

(1) Source prior to FY 2010: Ventura City Economic Outlook by the UCSB Economic Forecast Project

(2) Source from FY 2010 and after: HdL Companies

City of San Buenaventura
Full-time City Employees
by Function
Last Ten Fiscal Years

Adopted Full-Time (FTE) Employees as of June 30th										
<u>Function</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Government	15	15	14	18	26	25	25	23	17	17
Human Resources	12	12	13	13	13	13	13	13	12	11
Finance and Technology	48	48	46	46	48	51	51	51	50	50
Community Development	47	47	47	29	34	35	35	34	34	30
Parks, Recreation & Community Partnerships	56	56	62	32	32	33	32	32	37	36
Public Safety - Police	165	160	161	172	185	181	176	179	184	182
Public Safety - Fire	83	83	74	104	112	111	108	106	105	103
Public Works	82	82	178	218	227	224	218	224	229	228
Ventura Water	99	99	-	-	-	-	-	-	-	-
Total	<u>607</u>	<u>602</u>	<u>595</u>	<u>632</u>	<u>676</u>	<u>673</u>	<u>657</u>	<u>660</u>	<u>667</u>	<u>657</u>

Source: Finance and Technology Department, City of San Buenaventura

City of San Buenaventura
Principal Employers
Current Year and Nine Years Ago

Employer ⁽¹⁾	2010		2001	
	Number of Employees	Percent of Total City Employment ⁽²⁾	Number of Employees	Percent of Total City Employment
County of Ventura	7,991	35.29%	7,500	---
Ventura County Health Care Agency	2,493	11.01%	1,820	---
Ventura Unified School District	1,916	8.46%	2,342	---
Ventura County Community College	1,913	8.45%	2,000	---
Community Memorial Health System	1,881	8.31%	1,440	---
Argon St Inc	990	4.37%	---	---
City of San Buenaventura	595	2.74%	650	---
Employer's Depot Inc.	550	2.43%	---	---
Meditech Health Services Inc.	400	1.77%	---	---
Judicial Council of California	370	1.63%	---	---

Note: This table shows the most current information available. The City does not have data after FY 2010.

(1) Principal employers are located within City limits.

(2) Percent of "Total Employment" as used above represents the total employment of all employers located within City limits.

Source: Ventura City Economic Outlook by the UCSB Economic Forecast Project

City of San Buenaventura
Investment Portfolio Statistics
Last Ten Fiscal Years

Year ended June 30	City		Trustee - Debt Financing Reserves	
	Average Portfolio	Average Effective Rate of Return	Average Portfolio	Average Effective Rate of Return
2004	\$ 140,789,775	2.61%	\$ 42,722,911	2.54%
2005	137,034,504	2.56%	53,012,582	2.62%
2006	138,953,579	3.30%	52,508,444	2.91%
2007	141,555,410	4.11%	37,076,372	3.90%
2008	140,351,262	4.63%	30,318,080	3.85%
2009	135,394,186	3.62%	26,498,280	3.70%
2010	134,577,573	2.09%	21,328,504	1.74%
2011	121,893,067	1.61%	29,625,916	0.63%
2012	113,479,757	-2.56%	10,272,502	1.19%
2013	128,812,083	0.79%	6,935,625	0.90%

Source: Finance and Technology Department, City of San Buenaventura

City of San Buenaventura
Operating Indicators
by Function
Last Ten Fiscal Years

	Fiscal Years									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Police:										
Arrests (number of persons)	4,708	5,141	5,473	5,751	6,009	5,772	5,633	5,400	5,314	5,483
Parking citations issued	11,986	11,531	10,304	12,830	12,768	12,981	12,597	9,690	13,478	10,624
Fire:										
Number of emergency calls	12,646	12,115	11,506	11,662	11,607	11,343	10,655	9,990	9,986	9,213
Inspections	12,009	10,981	11,151	14,807	15,638	17,999	21,697	25,083	25,440	20,209
Public works:										
Street resurfacing (lane miles)	38	72	91	26	63	60	36	45	109	51
Parks, Rec & Com Partnerships⁽¹⁾:										
Number of participants in fee-based programs	16,350	15,793	14,538	15,015	15,828	17,706	17,421	17,821	--	--
Number of visitors to Aquatics Ctr	172,346	154,421	129,457	122,835	119,364	111,740	45,182	--	--	--
Annual Community Volunteer Hrs	40,123	38,950	36,452	40,605	41,675	41,333	--	--	--	--
Water:										
Total system connections	30,680	30,370	30,311	30,289	30,279	30,222	30,199	29,929	29,420	29,420
Average daily consumption (million gallons per day)	13.3	12.9	12.2	13.1	13.9	15.0	15.9	14.1	15.2	14.8
Wastewater:										
Total system connections	25,183	25,254	25,197	25,178	25,163	25,131	25,115	24,865	24,475	24,475
Average daily sewage treatment (million gallons per day)	8.3	8.6	8.8	8.8	8.6	8.5	9.4	9.4	9.3	9.4
Golf courses:										
Buenaventura golf rounds played	64,666	63,983	66,569	68,522	65,254	67,895	77,507	77,650	65,929	23,086 ⁽³⁾
Olivas Park golf rounds played	59,093	60,680	59,879	65,387	61,422	54,078	11,670	- ⁽²⁾	57,656	88,902

(1) Beginning FY 2013, performance measures are being used to track operating indicators for Parks, Rec & Com Partnerships. The sign "--" shows data not available for that time period.

(2) Olivas Park Golf Course was closed for renovation from October 2005 to May 17, 2007.

(3) Buenaventura Golf Course was closed for renovation from May 16, 2004 to March 17, 2005.

Source: City of San Buenaventura

City of San Buenaventura
Capital Assets Statistics
by Function
Last Ten Fiscal Years

	Fiscal Years									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Police:										
Station	1	1	1	1	1	1	1	1	1	1
Fire:										
Fire stations	6	6	6	6	6	6	6	6	6	6
Public works:										
Street (miles)	297	297	297	297	294	294	294	294	294	294
Streetlights	1,122	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058
Traffic signals	133	133	133	133	132	132	132	132	132	132
Parks, Rec & Com Partnerships:										
Parks	33	33	33	33	33	33	33	26	26	26
Community centers	4	4	4	4	3	3	3	3	3	3
Water:										
Water mains (miles)	380	380	380	380	500	500	500	500	400	400
Maximum daily capacity (million gallons per day)	30	30	30	30	30	30	30	30	30	30
Wastewater:										
Sanitary sewers (miles)	300	290	290	290	475	475	475	475	475	475
Storm sewers (miles)	100	100	100	100	310	310	310	310	310	310
Maximum daily treatment capacity (million gallons per day)	14	14	14	14	14	14	14	14	14	14
Golf course:										
Municipal golf courses	2	2	2	2	2	2	2	2	2	2

Source: City of San Buenaventura

City of San Buenaventura
Wastewater Service Rates
Last Ten Fiscal Years

Fiscal Year Ended June 30	Wastewater Volume Rates Per Hundred Cubic Feet (HCF)							(1) Non- Residential
	Residential							
	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6		
2003	\$ 23.67	\$ 29.04	\$ 34.40	\$ 39.76	\$ 45.12	\$ 50.48	\$ 15.20	
2004	24.14	29.62	35.09	40.56	46.02	51.49	17.63	
2005	25.11	30.81	36.49	42.18	47.86	53.55	16.12	
2006	26.49	32.50	38.50	44.50	50.49	56.50	17.01	
2007	27.55	33.80	40.04	46.28	52.51	58.76	17.70	
2008	30.00	36.98	43.78	50.57	57.36	64.16	13.95	
2009	32.04	39.50	46.75	54.01	61.26	68.52	14.90	
2010	34.27	42.24	50.00	57.76	65.51	73.27	16.07	
2011	34.27	42.24	50.00	57.76	65.51	73.27	16.07	
2012	34.27	42.24	50.00	57.76	65.51	73.27	16.07	
2013	31.00	44.35	57.70	71.05	84.40	97.75	42.69	

NOTE:

1 HCF = 748 gallons

The City bills bi-monthly and by hundred cubic feet (HCF).

Rates are based on 3/4" meter, which is the standard household meter size.

The tier structure is in place to encourage wastewater conservation by customers.

(1) Commercial Group 1 (1-8 HCF)

Source: Ventura Water Department

City of San Buenaventura
Top Ten Wastewater Service Customers
Current Year and Nine Years Ago

Wastewater Service Customers By Type of Business	2012		2003	
	Total Payments	Percent of Total Wastewater System Service Charge Revenues	Total Payments	Percent of Total Wastewater System Service Charge Revenues
Hospital	\$ 182,677	1.11%	\$ 129,276	1.02%
Multifamily Apartments	120,300	0.73%	---	---
Multifamily Apartments	119,217	0.72%	---	---
Commercial	110,638	0.67%	51,984	0.41%
Government	107,463	0.65%	56,772	0.45%
Multifamily Apartments	97,730	0.59%	70,452	0.56%
Hospital	95,376	0.58%	---	---
Multifamily Apartments	94,245	0.57%	---	---
Educational	85,557	0.52%	---	---
Multifamily Apartments	80,402	0.49%	---	---
	\$ 1,093,605	6.63%	\$ 308,484	2.44%

Note:

FY 2012 is the most recent data available.

This schedule previously presented the top 10 wastewater customers of the City. Ventura Water staff has interpreted the Red Flags Rules to prohibit the disclosure of any customer information, including name and payment information from all outside reports. Accordingly, the customer names have been replaced with the type of customer for each of these accounts.

Source: Ventura Water Department

City of San Buenaventura
Water Sold by Type of Customer
Last Ten Fiscal Years
(in Hundred Cubic Feet)

Fiscal Year Ended June 30	HCF by Type of Customer						Total Direct Rate per HCF
	Residential	Commercial	Industrial	Municipal	Other	Total HCF	
2004	4,757,729	1,602,611	101,379	188,047	900,914	7,550,680	2.17
2005	4,800,912	1,701,385	70,985	178,051	968,369	7,719,702	2.15
2006	4,510,956	1,508,515	63,691	201,674	797,963	7,082,799	2.40
2007	5,157,275	1,676,746	83,423	251,689	849,979	8,019,112	2.40
2008	4,918,824	1,584,420	73,926	270,013	772,258	7,619,441	2.67
2009	4,688,698	1,518,433	50,373	262,832	423,340	6,943,676	3.07
2010	4,507,579	1,358,768	27,980	215,015	386,140	6,495,482	3.36
2011	4,330,911	1,326,449	29,763	194,651	208,416	6,090,190	3.44
2012	4,709,279	1,509,212	31,881	213,595	395,058	6,859,025	3.26
2013	4,577,218	1,649,706	26,189	301,278	304,412	6,858,803	3.70

Note:
1 HCF (hundred cubic feet) = 748 gallons

Source: Ventura Water Department

City of San Buenaventura
Water Rates
Last Ten Fiscal Years

Water Volume Rates Per Hundred Cubic Feet (HCF)						
Fiscal Year Ended June 30	Bi-Monthly Service Charge Base Rate	Residential			Non-Residential	
		Single Family HCF 1-16	Single Family HCF 17-42	Single Family HCF 43+		
		Multiple Family HCF 1-10	Multiple Family HCF 11-24	Multiple Family HCF 25+		
2004	8.69	1.41	1.87	3.00	1.87	
2005	9.40	1.53	2.02	3.24	2.02	
2006	9.82	1.60	2.11	3.39	2.11	
2007	10.22	1.67	2.20	3.53	2.20	
2008	11.14	1.82	2.40	3.85	2.40	
2009	12.94	1.91	2.52	4.04	2.52	
2010	15.03	2.02	2.66	4.27	2.66	
2011	15.03	2.02	2.66	4.27	2.66	
2012	15.03	2.02	2.66	4.27	2.66	
Fiscal Year Ended June 30	Bi-Monthly Service Charge Base Rate	Residential			Non-Residential	
		Single Family HCF 1-14	Single Family HCF 15-30	Single Family HCF 30 +		
		Multiple Family HCF 0-10	Multiple Family HCF 11-16	Multiple Family HCF 16+		
2013*	23.14	1.98	2.69	4.41	2.48	

NOTE:

1 HCF = 748 gallons

The City bills bi-monthly and by hundred cubic feet (HCF).

Rates are based on 3/4" meter, which is the standard household meter size.

The tier structure is in place to encourage water conservation by customers.

* The rate structure changed during FY 2013.

Source: Ventura Water Department

City of San Buenaventura
Top Ten Water System Customers
Current Year and Nine Years Ago

Water System Customers By Type of Business	2012		2003	
	Total Payments	Percent of Total Water Sales Revenues and Service Charges	Total Payments	Percent of Total Water Sales Revenues and Service Charges
Commercial	\$ 232,107	1.08%	\$ 129,276	1.02%
Hospital	182,801	0.85%	---	---
Commercial	153,711	0.72%	---	---
Government	133,740	0.62%	51,984	0.41%
Commercial	127,896	0.59%	56,772	0.45%
Hospital	125,056	0.58%	70,452	0.56%
Multifamily Apartments	93,087	0.43%	---	---
Multifamily Apartments	83,907	0.39%	---	---
Multifamily Apartments	77,180	0.36%	---	---
Multifamily Apartments	71,780	0.34%	---	---
	\$ 1,281,265	5.96%	\$ 308,484	2.44%

Note:

FY 2012 is the most recent data available.

This schedule previously presented the top 10 water customers of the City. Ventura Water staff has interpreted the Red Flags Rules to prohibit the disclosure of any customer information, including name and payment information from all outside reports. Accordingly, the customer names have been replaced with the type of customer for each of these accounts.

Source: Ventura Water Department

City of San Buenaventura
Annual Continuing Disclosure Requirements
Summary of All Certificates of Participations
For the year ended June 30, 2013

San Buenaventura Public Facilities Financing Authority Summary of All Issues:

<u>Amount Outstanding</u>	<u>General Fund</u>
\$ 8,760,000	2007 Refunding Certificates of Participation, Series E, \$11,420,000
17,895,000	2010 Refunding Certificates of Participation, Series F, \$20,615,000
16,450,000	2012 Refunding Certificates of Participation, Series A, \$16,450,000
1,365,000	2012 Refunding Certificates of Participation, Series B, \$1,365,000
	<u>Wastewater Fund</u>
2,560,000	2012 Taxable Wastewater Revenues Refunding Bonds, Series A
15,915,000	2012 Wastewater Revenue Refunding Bonds, Series B
	<u>Water Fund</u>
11,095,000	2012 Taxable Water Certificates of Participation, Series A
34,355,000	2012 Water Certificates of Participation, Series B

Source: Finance and Technology Department, City of San Buenaventura

City of San Buenaventura

Annual Continuing Disclosure Requirements, Continued

2012 Taxable Wastewater Revenues Refunding Bonds, Series A & B

For the year ended June 30, 2013

WASTEWATER SYSTEM				
NINE-YEAR HISTORIC OPERATING RESULTS				
FISCAL YEAR ENDED JUNE 30				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
REVENUES				
Service Charges and Sale Revenues	\$ 19,143,024	\$ 17,221,369	\$ 16,326,078	\$ 16,978,451
Transfers In	251,023	-	-	18,690
Gain on Sale of Assets		-	-	-
Investment Income	206,284	288,448	225,582	1,104,443
TOTAL REVENUES	19,600,331	17,509,817	16,551,660	18,101,584
OPERATION AND MAINTENANCE EXPENSE ⁽¹⁾				
	11,807,006	14,356,162	12,829,173	10,818,322
NET REVENUES	7,793,325	3,153,655	3,722,487	7,283,262
DEBT SERVICE				
1996 Bonds ⁽²⁾	-	-	-	-
2004 COP ⁽³⁾	160,935	1,738,550	1,738,750	1,734,599
2012 COP	430,622	-	-	-
TOTAL DEBT SERVICE	591,557	1,738,550	1,738,750	1,734,599
DEBT SERVICE COVERAGE	13.17	1.81	2.14	4.20
NET REVENUES AVAILABLE FOR SUBORDINATE DEBT SERVICE	\$ 7,201,768	\$ 1,415,105	\$ 1,983,737	\$ 5,548,663

(1) Excludes depreciation and bond amortization.

(2) 1996 Sewer Revenue Refunding Bonds were refinanced into 2004 Wastewater Revenue Certificates of Participation on Dec. 1, 2004.

(3) 2004 Wastewater Revenue Certificates were refunded into 2012 Taxable Wastewater Revenues Refunding Bonds, Series A & B in November 2012.

Source: The Comprehensive Annual Financial Report.

**WASTEWATER SYSTEM
NINE-YEAR HISTORIC OPERATING RESULTS
FISCAL YEAR ENDED JUNE 30**

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 16,015,727	\$ 16,068,806	\$ 15,460,227	\$ 14,144,570	\$ 14,042,047
109,519	-	-	7,003	56,789
-	-	-	-	-
1,771,660	1,734,356	1,797,241	1,513,379	574,053
17,896,906	17,803,162	17,257,468	15,664,952	14,672,889
10,389,969	11,288,545	10,303,591	8,708,803	8,762,928
7,506,937	6,514,617	6,953,877	6,956,149	5,909,961
-	-	-	-	880,738
1,740,000	1,736,500	1,742,750	1,733,375	230,911
-	-	-	-	-
1,740,000	1,736,500	1,742,750	1,733,375	1,111,649
4.31	3.75	3.99	4.01	5.32
\$ 5,766,937	\$ 4,778,117	\$ 5,211,127	\$ 5,222,774	\$ 4,798,312

City of San Buenaventura

Annual Continuing Disclosure Requirements, Continued

2012 Taxable Wastewater Revenues Refunding Bonds, Series A & B

For the year ended June 30, 2013

HISTORIC WASTEWATER SYSTEM USAGE

<u>Fiscal Year Ended June 30</u>	<u>Daily Average Flow (Million Gallons per Daily)</u>	<u>Increase (Decrease)</u>
2004	9.26	1.65%
2005	9.31	0.54%
2006	9.40	0.97%
2007	8.98	-4.47%
2008	8.73	-2.78%
2009	8.56	-1.95%
2010	8.80	2.80%
2011	8.81	0.11%
2012	8.55	-2.95%
2013	8.36	-2.22%

HISTORIC WASTEWATER SYSTEM SERVICE CONNECTIONS

<u>Fiscal Year Ended June 30</u>	<u>Service Connections</u>	<u>Increase (Decrease)</u>
2004	24,475	0.00%
2005	24,475	0.00%
2006	24,865	1.59%
2007	25,155	1.17%
2008	25,131	-0.10%
2009	25,163	0.13%
2010	25,178	0.06%
2011	25,197	0.08%
2012	25,254	0.23%
2013	25,280	0.10%

HISTORIC WASTEWATER SYSTEM SERVICE AND FLOW CHARGE REVENUES

<u>Fiscal Year Ended June 30</u>	<u>Service and Flow Charge Revenues</u>	<u>Increase (Decrease)</u>
2004	\$ 13,430,212	5.94%
2005	14,042,047	4.56%
2006	14,144,570	0.73%
2007	15,460,227	9.30%
2008	16,068,806	3.94%
2009	16,015,727	-0.33%
2010	16,978,451	6.01%
2011	16,326,078	-3.84%
2012	17,221,369	5.48%
2013	19,143,024	11.16%

Source: Ventura Water Department and the Comprehensive Annual Financial Report.

City of San Buenaventura
Annual Continuing Disclosure Requirements, Continued
2012 Taxable Wastewater Revenues Refunding Bonds, Series A & B
For the year ended June 30, 2013

Top 10 Wastewater Customers for 2012-2013

Wastewater Customers By Type of Business Based on Volume	Average HCF ⁽¹⁾ Per Day	Total Payments	Percent of Total Wastewater Revenues
Commercial	129.7	\$ 149,300	0.78%
Commercial	121.8	138,234	0.72%
Multifamily Residential	108.0	134,802	0.70%
Multifamily Residential	95.0	126,482	0.66%
Multifamily Residential	95.3	124,491	0.65%
Commercial	99.3	112,353	0.59%
Multifamily Residential	83.1	107,282	0.56%
Commercial	102.7	95,730	0.50%
Multifamily Residential	69.5	94,344	0.49%
Commercial	53.6	93,894	0.49%

(1) HCF stands for Hundred Cubic Feet.

Note: This schedule previously presented the top 10 wastewater customers of the City. Ventura Water staff has interpreted the Red Flags Rules to prohibit the disclosure of any customer information, including name and payment information from all outside reports. Accordingly, the customer names have been replaced with the type of customer for each of these accounts.

Source: Ventura Water Department and the Comprehensive Annual Financial Report

City of San Buenaventura
Annual Continuing Disclosure Requirements, Continued
2012 Taxable Water Certificates of Participation, Series A & B
For the year ended June 30, 2013

WATER SYSTEM
NINE-YEAR HISTORIC OPERATING RESULTS
FISCAL YEAR ENDED JUNE 30

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
REVENUES				
Service Charges & Sale Revenues	\$ 25,375,574	\$ 22,371,438	\$ 20,946,374	\$ 21,844,750
Transfers In	1,391,124	1,277,970	1,007,343	865,525
Gain on Sale of Assets	(2,053)	-	-	-
Investment Income	284,725	201,109	75,514	559,544
TOTAL REVENUES	27,049,370	23,850,517	22,029,231	23,269,819
OPERATION AND MAINTENANCE EXPENSE ⁽¹⁾	19,771,085	17,128,731	15,103,751	15,777,292
NET REVENUES	7,278,285	6,721,786	6,925,480	7,492,527
DEBT SERVICE				
2004 COP ⁽²⁾	896,925	1,688,375	1,689,375	1,688,963
2012 COP	1,176,117	-	-	-
TOTAL DEBT SERVICE	2,073,042	1,688,375	1,689,375	1,688,963
DEBT SERVICE COVERAGE	3.51	3.98	4.10	4.44
NET REVENUES AVAILABLE FOR SUBORDINATE DEBT SERVICE	\$ 5,205,243	\$ 5,033,411	\$ 5,236,105	\$ 5,803,564

(1) Excludes depreciation and bond amortization.

(2) 2004 Water Revenue Certificates of Participation were refunded into 2012 Taxable Water Certificates of Participation, Series A & B in November 2012.

Source: The Comprehensive Annual Financial Report.

**WATER SYSTEM
NINE-YEAR HISTORIC OPERATING RESULTS
FISCAL YEAR ENDED JUNE 30**

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 21,304,880	\$ 20,742,823	\$ 20,549,930	\$ 17,838,573	\$ 17,642,997
916,459	840,954	675,517	619,089	854,927
-	-	-	-	-
906,708	828,655	1,193,564	573,009	529,375
<u>23,128,047</u>	<u>22,412,432</u>	<u>22,419,011</u>	<u>19,030,671</u>	<u>19,027,299</u>
14,600,419	14,464,514	13,106,807	12,817,841	12,154,573
<u>8,527,628</u>	<u>7,947,918</u>	<u>9,312,204</u>	<u>6,212,830</u>	<u>6,872,726</u>
1,686,475	1,691,475	1,691,100	1,686,550	2,082,325
-	-	-	-	-
<u>1,686,475</u>	<u>1,691,475</u>	<u>1,691,100</u>	<u>1,686,550</u>	<u>2,082,325</u>
5.06	4.70	5.51	3.68	3.30
<u>\$ 6,841,153</u>	<u>\$ 6,256,443</u>	<u>\$ 7,621,104</u>	<u>\$ 4,526,280</u>	<u>\$ 4,790,401</u>

City of San Buenaventura
Annual Continuing Disclosure Requirements, Continued
2012 Taxable Water Certificates of Participation, Series A & B
For the year ended June 30, 2013

HISTORIC WATER SUPPLY
(in Acre-feet per year)

Fiscal Year Ended June 30	Pumped Water	Purchased Water ⁽¹⁾	Total
2004	16,030	5,964	21,994
2005	12,337	7,867	20,204
2006	11,657	6,658	18,315
2007	12,818	6,120	18,938
2008	12,923	6,079	19,002
2009	12,211	5,364	17,575
2010	10,877	6,002	16,879
2011	10,077	6,041	16,118
2012	11,708	5,105*	16,813*
2013	12,068	5,215	17,283

(1) Reflects Casitas Municipal Water District certification letters

PROJECTED WATER SUPPLY
(in Acre-feet per year)

Fiscal Year Ended June 30	Pumped Water	Purchased Water	Total
2008	18,300	8,000	26,300
2009	20,562	8,000	28,562
2010	21,900	8,000	29,900
2011	21,900	8,000	29,900
2012	21,900	8,000	29,900
2013	21,900	8,000	29,900
2014	21,900	8,000	29,900
2015	21,900	6,000	27,900
2016	16,000	6,000	22,000
2017	15,300	5,000	20,300
2018	16,000	5,000	21,000

Source: Ventura Water Department

*Note: These numbers were revised to reflect updated information.

City of San Buenaventura
Annual Continuing Disclosure Requirements, Continued
2012 Taxable Water Certificates of Participation, Series A & B
For the year ended June 30, 2013

HISTORIC WATER SYSTEM SERVICE CHARGES AND SALES REVENUES

<u>Fiscal Year Ended June 30</u>	<u>Service Charges and Sales Revenues</u>	<u>Increase</u>
2004	\$ 16,924,727	5.10%
2005	17,642,997	4.24%
2006	17,838,573	1.11%
2007	20,549,930	15.20%
2008	20,742,823	0.94%
2009	21,304,880	2.71%
2010	21,844,750	2.53%
2011	20,946,374	-4.11%
2012	22,371,438	6.80%
2013	25,375,574	13.43%

Source: The Comprehensive Annual Financial Report.

City of San Buenaventura
Annual Continuing Disclosure Requirements, Continued
2012 Taxable Water Certificates of Participation, Series A & B
For the year ended June 30, 2013

Top 10 Water Customers for 2012-2013			
Water Customers Based on Volume	Average HCF ⁽¹⁾ Per Day	Total Water Payments	Percent of Total Water Revenues
Reclaimed	2571.87	\$ 92,813	0.37%
Commercial	207.19	52,462	0.21%
Reclaimed	157.63	148,699	0.59%
Hospital	129.70	141,031	0.56%
Commercial	121.79	119,519	0.47%
Commercial	119.83	91,926	0.36%
Hospital	102.68	104,725	0.41%
Government Center	101.96	101,843	0.40%
Residential-Multi Family	99.32	100,851	0.40%
Residential-Multi Family	89.98	77,145	0.30%

(1) HCF stands for Hundred Cubic Feet.

Note: This schedule previously presented the top 10 water customers of the City. Ventura Water staff has interpreted the Red Flags Rules to prohibit the disclosure of any customer information, including name and payment information from all outside reports. Accordingly, the customer names have been replaced with the type of customer for each of these accounts.

Source: Ventura Water Department and the Comprehensive Annual Financial Report

City of San Buenaventura
Employee Relations and Collective Bargaining
For the year ended June 30, 2013

Employee Relations and Collective Bargaining

City employees are divided into thirteen (13) separate salary schedules (excluding temporary support staff) for the purpose of salary and benefit administration, eight (8) of which are represented by a bargaining union/association. These salary schedule groups are listed below:

<i>Salary Schedule</i>	<i>Number of Regular Employees Covered</i>	<i>Term of MOU</i>
Maintenance Unit (Non-Supervisory Maintenance, Operations and Laboratory Employees)	118	Jul. 1, 2010 – Jun. 30, 2013 with option to extend to December 31, 2013
General Unit (Non-Supervisory Clerical, Technical, Para-professional, Inspectors and Civilian Public Safety Employees)	127	Jul. 1, 2010 – Jun. 30, 2013 with option to extend to December 31, 2013
Supervisor Unit (Supervisory Employees)	74	Jul. 1, 2010 – Jun. 30, 2013 with option to extend to December 31, 2013
Professional Unit (Professional Employees)	26	Jul. 1, 2010 – Jun. 30, 2013 with option to extend to December 31, 2013
Police Unit (Police Officers, Corporals and Sergeants)	119	Jul. 1, 2010 – Jun. 30, 2013 with option to extend to December 31, 2013
Fire Unit (Basic Unit: Firefighter Trainee, Firefighter/Paramedic Trainees/ Firefighter, Firefighters/Paramedics and Fire Engineers) and (Fire Captain's Unit: Fire Captain)	66	Jan. 1, 2011 – Dec. 31, 2013 with option to extend to June 30, 2014
Police and Fire Recruits ⁽¹⁾ (Police Officer Trainee, Firefighter-Paramedic Recruit and Firefighter Recruit. Trainees in unit for less than six months)	0	No MOU
Police Management Unit (Police Commander and Assistant Police Chief)	7	Jul. 1, 2010 – Jun. 30, 2013 with option to extend to December 31, 2013
Fire Management Unit (Fire Battalion Chiefs, Assistant Fire Chief)	5	Jan. 1, 2011 – Dec. 31, 2013 with option to extend to June 30, 2014
Executive (Department Heads, City Attorney, City Manager)	11	No MOU - Unrepresented
Management (Division Heads and other managers)	26	No MOU - Unrepresented
Administrative Confidential (Administrative professional)	5	No MOU - Unrepresented
Confidential (Administrative Secretaries, Human Resources non-analyst staff, Legal Administrative Secretaries)	20	No MOU - Unrepresented

⁽¹⁾ The positions within this unit are non-safety trainee positions that upon completion of required training are promoted to either Police or Fire Unit represented positions.

Source: Human Resource Department, City of San Buenaventura



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www.cityofventura.net

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