

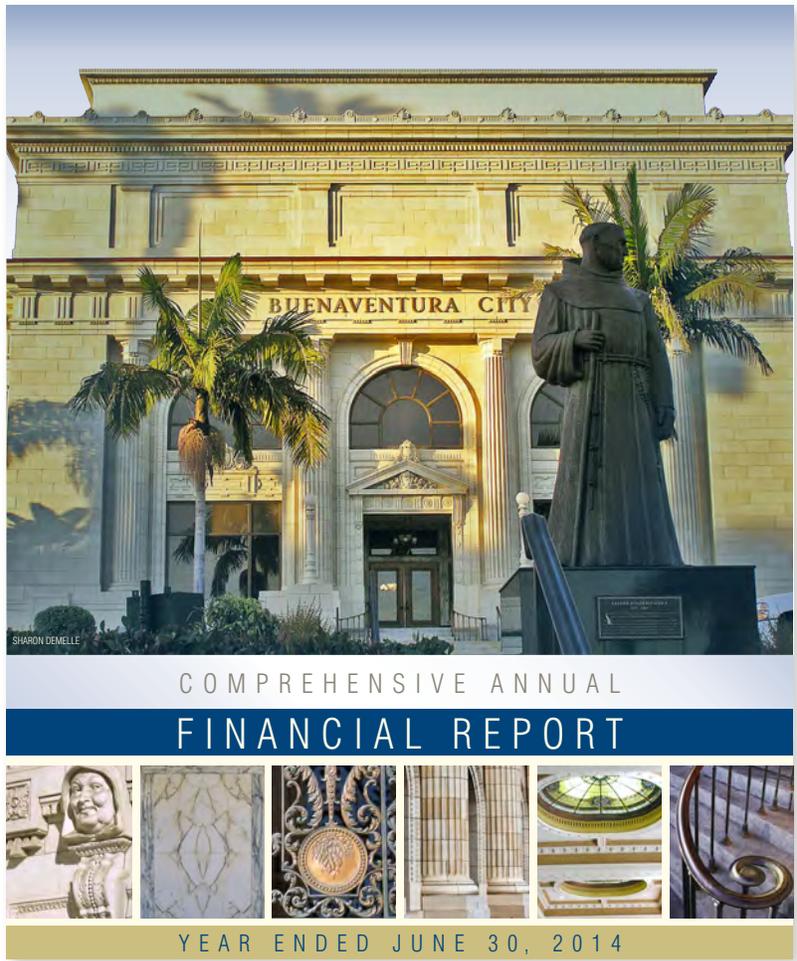


COMPREHENSIVE ANNUAL
FINANCIAL REPORT



YEAR ENDED JUNE 30, 2014

CITY OF
VENTURA
CALIFORNIA



Rick Raives, Acting Finance & Technology Director



Introductory Section





COMPREHENSIVE ANNUAL
FINANCIAL REPORT



YEAR ENDED JUNE 30, 2014

**City of San Buenaventura
 Comprehensive Annual Financial Report
 For the year ended June 30, 2014**

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COMPREHENSIVE ANNUAL
FINANCIAL REPORT



YEAR ENDED JUNE 30, 2014

December 18, 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, 2014.

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, 2014. 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 approximately 600 full time employee positions authorized in the FY 2013-14 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.

Financial Transactions in Fiscal Year 2014

During fiscal year 2007-2008, the City allocated \$5 million to the Jobs Investment Fund (JIF) Program. The purpose of the JIF was to promote jobs and economic growth. In fiscal year 2013-2014, City Council decided to dissolve the JIF and discontinue funding any further JIF activity. The dissolution resulted in the recognition of \$2 million in Other Revenues in fiscal year 2013-2014.

Economic Condition and Outlook

The economic condition of the City began returning to normal in fiscal year 2013 and continued improving in 2014 with stronger job creation, lower unemployment, more consumer spending and new housing. 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, manufacturing, healthcare industry, retail operations, and a well-developed agriculture-based food processing industry. Government services employ approximately 12,000 workers, providing relative stability to the City's employment base.

Ventura has a robust healthcare including: Community Memorial Hospital and Ventura County Medical Center. The healthcare field is the largest private employment sector in Ventura, comprising 18.6% of total jobs. Many supporting jobs such as retail medical suppliers, medical manufacturers, and business and legal service providers rely on Ventura's healthcare providers and further add to the healthcare economy.

Ventura is not a major agricultural producer; however, it is fortunate to be surrounded by 321,000 acres of agricultural land within Ventura County that provide 20,000 jobs and supply our farmers markets, grocery stores, and restaurants with fresh produce. Ventura's industrial zones areas accommodate food processing operations such as breweries, wineries, and juice manufacturing. Ventura is home to Dairy

Farmers of America, which produces Starbucks frappuccinos and Pepsi-Cola products, as well as several wineries.

Regarding employment, the LAEDC stated that “Ventura County’s unemployment rate dropped from 9.1% in 2012 to 7.8% in 2013 with expectations that the unemployment rate will drop over a full percentage point to 6.6% in 2014 and to 6.3% in 2015. Ventura’s best performing sectors were health care (accounting for nearly two-thirds of total nonfarm job gains in the county), retail trade, leisure and hospitality, and construction.” The LAEDC forecasts nonfarm employment will accelerate to 2.3% in 2015.

Regarding tourism, the report noted that “the short distance from Los Angeles County and more affordable lodging make Ventura an ideal destination for tourists. Hotel supply has remained largely unchanged since 2011 while demand has been growing, which may increase occupancy rates to more than 69% and average daily room rate by 3% in 2015.” In fact, recent occupancy rates are better than 70%.

In total, the City is expecting minor improvements in its overall revenue levels in the 2014-15 fiscal year. Staff scrutinized past expenditures and identified additional reductions in the amount of \$830,000 that were apportioned across all departments. The current 6-year Capital Improvement Plan consists of 154 projects totaling \$502 million.

The City has several new opportunities for economic development such as the Wellness District and Focus Area 1 as well as existing economic drivers including manufacturing and tourism. Several new events are expected to attract visitors and locals in 2015. Music promoters are organizing a Summer Concert Series, which is expected to draw as many as 1,900 attendees per show and generate \$1.5 million in economic activity.

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. The City maintained an average portfolio of about \$150 million in fiscal year 2014.

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 continue throughout fiscal year 2014-15. City’s average effective rate of return for fiscal year 2014 on its investments was less than 1% (0.92%).

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 Improvements Projects Plan. In support of this plan, the City successfully sold \$39.4 million in new bonds in November 2014, for Ventura

Water and Wastewater to replace aging infrastructure and to invest in new infrastructure over the next three years.

Major projects for both the General Fund and the Water/Wastewater Funds during fiscal year 2014-15 and their remaining appropriations include the following:

Enterprise Funds

- 2005 Sewer Rehabilitation - Harbor & Woolsey \$ 1.3 million
- Wastewater Plan UV Disinfectant Facility \$ 1.1 million
- Avenue Area Sewer Replacement \$ 2.5 million
- Wastewater Plant - Digester Improvement \$ 1.4 million
- Sewerline Replacement - Main and Brent Street Area \$ 3.9 million
- Waterline Replacement Montalvo Area \$ 2.4 million
- Foster Park Wellfield Production Restoration \$ 1.1 million
- Mound Well 2 \$ 6.9 million
- Golf Course Well 7 \$ 5.5 million
- Rehabilitate Gosnell Pump Station \$ 1.8 million
- Retrofit - Hall Canyon & Mariano Tanks \$ 2.3 million
- Five Pump Stations - Fixed Emergency Power \$ 2.1 million
- Well - Foothill Well \$ 4.7 million
- Waterline Replacement - Ondulando Tract Phase 1 \$ 2.5 million
- Automated Meter Reading Installation \$13.1 million
- Waterline Replacement Ondulando Tract- Phase 2 \$ 2.7 million
- Waterline Replacement Ondulando Tract- Phase 3 \$ 2.7 million
- Water - Energy Efficiency Projects \$ 2.5 million
- Waterline - Ventura/Oxnard Emergency Water Intertie \$ 2.0 million

Public Works

- Street Resurfacing - Ventura Avenue \$ 2.3 million
- Olivas Park Drive Extension \$12.2 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 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 operations and any new debt issues.

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, 2013. 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 directors 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,



Rick Raives
Acting Finance & Technology Director



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, 2013

Executive Director/CEO



DIRECTORY OF CITY OFFICIALS

Cheryl Heitmann
Mayor

Erik Nasarenko
Deputy Mayor

Neal Andrews
Councilmember

James L. Monahan
Councilmember

Carl E. Morehouse
Councilmember

Mike Tracy
Councilmember

Christy Weir
Councilmember



Mark Watkins
City Manager

Cyndi Rodriguez
City Clerk

Rick Raives
Acting Finance &
Technology Director

David Endaya
Fire Chief

Jeffrey Lambert
Community Development
Director

Ken Corney
Police Chief

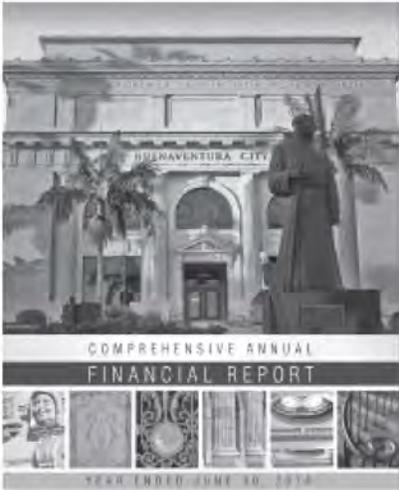
Elena Brokaw
Parks, Recreation &
Community Partnerships
Director

Rick Raives
Public Works
Director

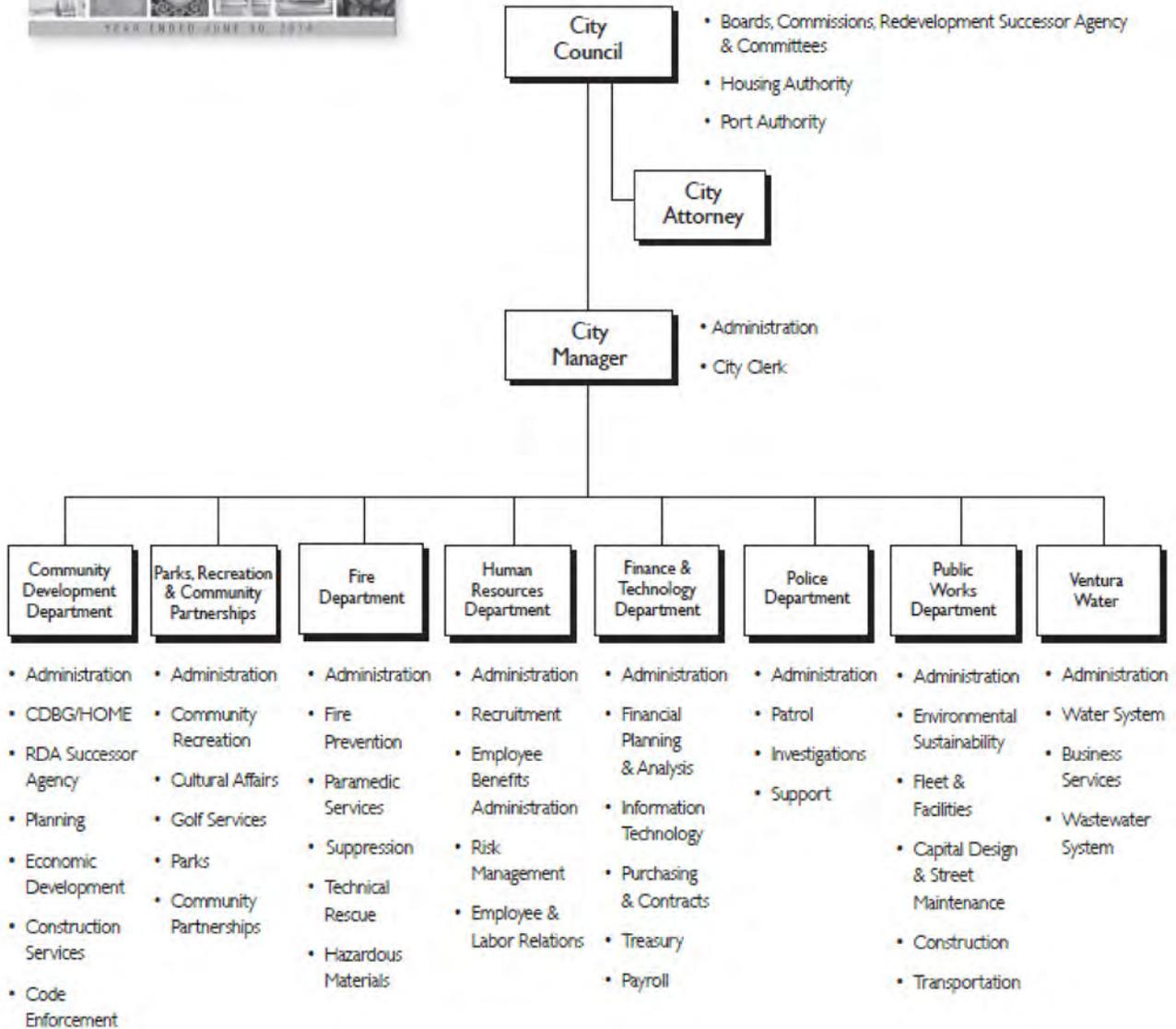
Jennifer Curtis
Human Resources
Director

Juli Scott
Interim City Attorney

Shana Epstein
Ventura Water
General Manager



ORGANIZATIONAL STRUCTURE





Financial Section





PHOTO COURTESY

COMPREHENSIVE ANNUAL
FINANCIAL REPORT



YEAR ENDED JUNE 30, 2014

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, 2014, 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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, 2014, 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.

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 for the General Fund 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 for the General Fund is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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.

Other Matters (Continued)

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 December 18, 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
December 18, 2014



Management's Discussion & Analysis



City of San Buenaventura
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED June 30, 2014

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, 2014. 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 \$394.5 million at June 30, 2014. Of this amount, \$70.1 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. Approximately 62% or \$244 million of the City's net position reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens. Although the City's investment in its 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 the capital assets themselves cannot be used to liquidate these liabilities.
- The City's total net position increased by \$22.1 million compared to last fiscal year. This is comprised of Governmental Activities which increased \$13.65 million and Business-Type Activities which increased net position by \$8.43 million. At the end of fiscal year 2014, the City is able to report positive balances in all three categories of net position for the government as a whole.
- The City's total net noncurrent liabilities decreased by \$7.4 million or 5.1% as debt principal payments were made during fiscal year 2013-14.
- As of June 30, 2014, the City's governmental funds reported combined ending fund balances of \$78.5 million, an increase of \$3.5 million in comparison with the prior year. The majority of this increase is due to higher sales tax revenues and property taxes brought about the continuing economic positive trends. Approximately 39% of the total amount or \$30.4 million is General Fund fund balance.
- As of June 30, 2014, the total fund balance for the General Fund was \$30.4 million, an increase of \$1.0 million from the prior year. Fund balance is classified per GASB Statement No. 54 as Nonspendable (\$6.5 million), Restricted (\$3.7 million), Committed (\$0.4 million), and Assigned (\$4.7 million). Additional information on the City's General Fund balances is located in Note 9.
- As of June 30, 2014, the City's other governmental funds, excluding the General Fund, reported combined ending fund balances of \$48.2 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" while 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 19 - 20 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 84.

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 primarily benefit governmental functions, financial activity has been allocated to the 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 \$394.5 million at June 30, 2014.

Approximately 62% 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 20.3% 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 \$70.1 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, 2014 and 2013
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets:						
Current and Other Assets	\$ 135,281	\$ 125,829	\$ 86,643	\$ 79,469	\$ 221,924	\$ 205,298
Capital Assets	143,107	142,578	198,306	199,522	341,413	342,100
Total Assets	278,388	268,407	284,949	278,991	563,337	547,398
Deferred Outflows of Resources	724	746	3,025	3,287	3,749	4,033
Liabilities:						
Current Liabilities	29,724	28,867	4,821	4,724	34,545	33,591
Long-Term Liabilities	55,988	60,537	82,018	84,855	138,006	145,392
Total Liabilities	85,712	89,404	86,839	89,579	172,551	178,983
Net Position:						
Net Investment in Capital Assets	102,760	89,592	141,570	114,667	244,330	204,259
Restricted	48,831	43,585	31,239	55,665	80,070	99,250
Unrestricted	41,808	46,571	28,325	22,368	70,133	68,939
Total Net Position	\$ 193,399	\$ 179,748	\$ 201,134	\$ 192,700	\$ 394,533	\$ 372,448

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, 2014, in relation to a year earlier. For the fiscal year ended June 30, 2014, total net position increased by \$22.1 million.

The following table summarizes the Statement of Activities for Governmental Activities and Business-Type Activities for the fiscal year ended June 30, 2014, with comparative totals for the fiscal year ended June 30, 2013.

Statement of Activities Fiscal Years Ended June 30, 2014 and 2013 (In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Program Revenues						
Charges for Service	\$ 18,758	\$ 16,262	\$ 54,339	\$ 48,845	\$ 73,097	\$ 65,107
Operating Grants	10,650	7,516	-	-	10,650	7,516
Capital Grants	2,503	2,723	-	-	2,503	2,723
General Revenues						
Taxes						
Property	28,974	28,080	-	-	28,974	28,080
Other	20,831	20,385	-	-	20,831	20,385
Intergovernmental Revenues						
Sales Taxes	22,812	21,893	-	-	22,812	21,893
Motor Vehicle License	-	56	-	-	-	56
Investment Earnings/ (loss)	772	(592)	1,083	491	1,855	(101)
Total Revenues	105,300	96,323	55,422	49,336	160,722	145,659
Expenses						
General Government	3,612	3,588	-	-	3,612	3,588
Human Resources	761	818	-	-	761	818
Finance and Technology	6,532	6,289	-	-	6,532	6,289
Community Development	6,773	7,825	-	-	6,773	7,825
Parks, Rec & Com Partnerships	13,301	13,859	-	-	13,301	13,859
Public Safety-Police	30,796	29,862	-	-	30,796	29,862
Public Safety-Fire	16,603	16,530	-	-	16,603	16,530
Public Works	15,626	17,052	-	-	15,626	17,052
Interest on Long Term Debt	1,693	1,615	-	-	1,693	1,615
Wastewater	-	-	14,649	15,582	14,649	15,582
Water	-	-	25,724	25,876	25,724	25,876
Golf Operations	-	-	4,612	4,661	4,612	4,661
Total Expenses	95,697	97,437	44,985	46,119	140,682	143,557
Increase (Decrease) In Net Position	9,603	(1,114)	10,437	3,217	20,040	2,102
Other Revenue	2,044	-	-	-	2,044	-
Transfers	2,003	1,534	(2,003)	(1,534)	-	-
Change In Net Position	13,651	419	8,434	1,683	22,084	2,102
Net Position-Beginning	179,748	179,329	192,700	191,017	372,448	370,346
Net Position- Ending	\$ 193,399	\$ 179,748	\$ 201,134	\$ 192,700	\$ 394,533	\$ 372,448

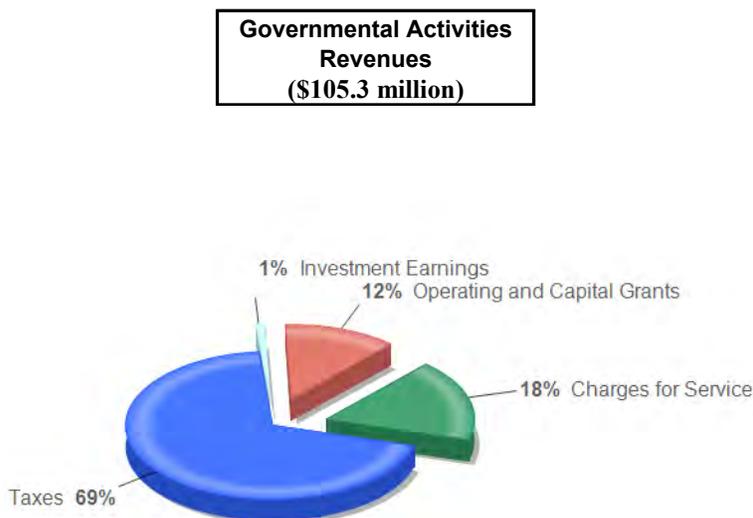
Governmental Activities

Revenue Highlights

Total revenues of governmental activities were \$105.3 million. The largest component of total revenue is taxes at \$72.6 million, making up 69% 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 (\$29.0 million), sales tax (\$22.8 million), and utility users tax (\$8.5 million). Some of the key changes in revenues are:

- Sales tax revenues increased by \$0.9 million or 4.20% compared to the prior year. After a few years of a downward trend, this major revenue source has been consistently increasing as the general economy has continued improving in 2014.
- Property taxes increased by \$0.9 million, mostly due to a recovering housing market that has resulted in higher assessed valuations.
- Investment earnings increased approximately \$1.9 million due to higher market yields and recovery in the market value of investments.
- Other revenue of \$2.0 million pertains to the sale of the City's interest in the Jobs Investment Fund (JIF). This investment fund was established for the purpose of creating jobs and generating revenue.

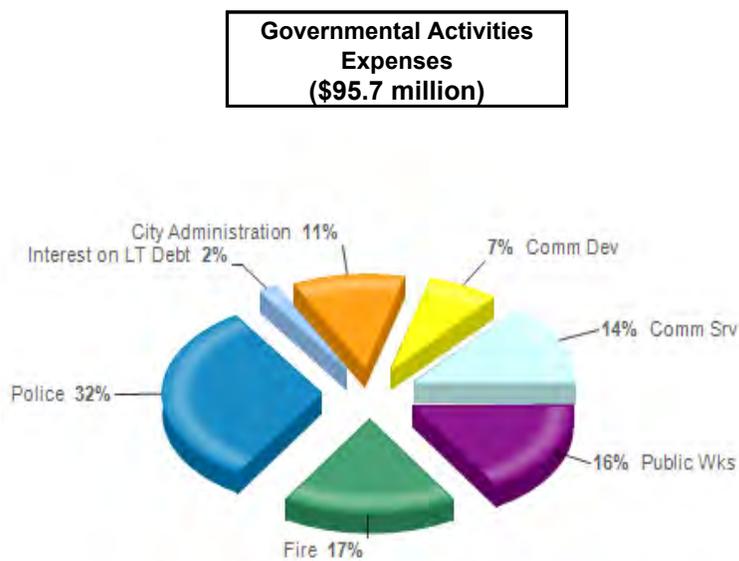
The governmental activities' chart below illustrates operating revenues by source. Sales, property, motor vehicle license, and other taxes are general revenues used to support overall government functions. These sources account for approximately \$72.6 million or 69% of total governmental revenue. Operating and capital grants make up 12% of revenues while charges for services amount to 18% of total governmental revenues.



Expense Highlights

Functional expenses for the year totaled approximately \$95.7 million in the governmental funds, a decrease of \$1.7 million from the prior year resulting from increases in some categories offset by decreases in others. The largest decrease occurred in Public Works down by \$1.4 million due to shift in activities in fiscal year 2014.

Public Safety activities consumed approximately \$47.4 million (49.5%) 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 \$15.6 million, Parks, Rec & Com Partnerships \$13.3 million, and Community Development \$6.8 million. Administration Expenses (including Finance and Technology, General Government, and Human Resources) and Interest on Long Term Debt, consumed a total of \$12.6 million (13%).



Business-Type Activities

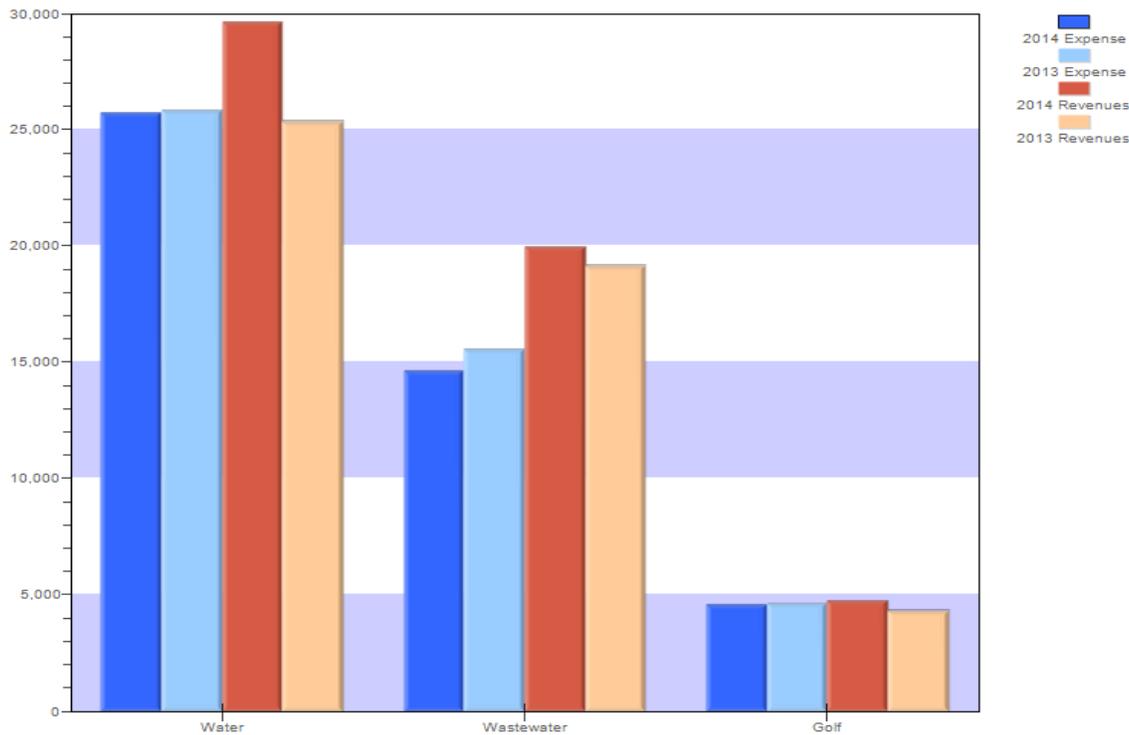
The City’s business-type activities realized a \$8.4 million increase in net position.

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, including investment earnings, for the fiscal year ended June 30, 2014, were \$55.4 million, an increase of \$6.1 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, 2014 and 2013
(in thousands)**



- Overall, operating revenues and investment earnings showed an increase of \$6.1 million or 12.3% increase from the prior year. A portion of the increase is due to utility service charges increasing approximately \$3.3 million or 7.8% from the prior year, with increases of \$4.6 million in the Water Fund and \$0.4 million in the Wastewater Fund. The increase is primarily the result of increased water usage during a generally warmer and drier year, and revised rate structure.
- Operating expenses decreased approximately \$1.1 million, mostly due to one-time general and administrative expenses in prior year. This one-time expense pertains to the penalty incurred by the Ventura Water to the State Water Resources Control Board Cleanup and Abatement account. The City also issued refunding debt that caused one time bond issuance costs.

GOVERNMENTAL 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, 2014, the City's governmental funds reported a combined ending fund balance of \$78.5 million, an increase of \$3.5 million in comparison with the prior year. Of the total \$78.5 million fund balance, \$6.5 million was nonspendable, \$41.8 million was restricted, \$8.9 million was committed, \$8.0 was assigned, and 13.3 million was unassigned. The nonspendable fund balance represents assets generated by prepayments, inventory and long-term receivables from other funds. The restricted fund balance represents resources that are subject to externally enforceable legal restrictions. The committed fund balance represents resources whose use is constrained by limitations that the City imposes upon itself through decisions made by City Council. The assigned fund balance describes the portion of fund balance that reflects the City's intended use of resources while the remaining fund balance is 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 \$1.0 million in fund balance with a \$30.4 million total fund balance at June 30, 2014. The increase is due to a modest increase in revenues, particularly sales tax revenues and property taxes.

Certificates of Participation Debt Obligation Debt Service Fund

Overall, fund balance in this fund decreased \$(114,042). The fund reported debt service payments of \$4.3 million for the year.

Capital Improvement Capital Projects Fund

The Capital Improvement Capital Projects Fund showed an increase of \$0.2 million in fund balance for the fiscal year 2013-2014. This increase was due to lower capital improvement expenditures in the current year.

Gas Tax Capital Projects Fund

The Gas Tax Capital Projects Fund showed an increase of \$350,085 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. The fund is reporting lower revenues and expenditures than the prior year as a result of transferring all activities related to the Transportation Development Act to a newly established fund in the non-major governmental funds.

Park and Recreation Capital Projects Fund

The Park and Recreation Capital Projects Fund experienced an increase of \$308,298 in fund balance for fiscal year 2013-2014. 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 an increase of approximately \$9,298 in fund balance for fiscal year 2013-2014. 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 \$96.0 million, \$94.3 million, and \$10.8 million, respectively. Total net position increased \$8.4 million in the year ended June 30, 2014. As previously explained, utility charges were approximately \$3.3 million higher, and general and administrative services in the Wastewater and Water 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, 2014				
	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>from Final Budget</u>
Revenues				
Taxes	\$ 71,798,521	\$ 71,865,077	\$ 72,684,269	\$ 819,192
Licenses and permits	1,790,232	1,790,232	2,280,313	490,081
Intergovernmental	981,097	2,535,153	2,212,104	(323,049)
Charges for services	8,229,875	8,284,175	9,753,414	1,469,239
Fines and forfeitures	1,595,988	1,595,988	1,745,183	149,195
Use of money and property	1,573,337	1,573,337	1,073,311	(500,026)
Other revenues	<u>6,958,032</u>	<u>13,238,189</u>	<u>5,590,874</u>	<u>(7,647,315)</u>
Total revenues	<u>92,927,082</u>	<u>100,882,151</u>	<u>95,339,468</u>	<u>(5,542,683)</u>
Transfers in	<u>1,406,556</u>	<u>1,544,203</u>	<u>1,420,111</u>	<u>(124,092)</u>
Total other financing sources (uses)	<u>1,406,556</u>	<u>1,544,203</u>	<u>1,420,111</u>	<u>(124,092)</u>
Total Revenues	<u>\$ 94,333,638</u>	<u>\$ 102,426,354</u>	<u>\$ 96,759,579</u>	<u>\$ (5,666,775)</u>

The amended fiscal year 2014 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. The increase was due higher property tax, sales tax, and transient occupancy tax revenues. Charges for services also realized higher revenues in all departments, including higher emergency response and other reimbursements, increased building and safety permits, and higher parks and recreation service revenues. As previously mentioned, other revenue includes \$2.0 million proceeds from the sale of the City's interest in Jobs Investment Fund (JIF) Program. Another significant variance is Use of Money and Property, although higher than the prior year, this revenue source came under budget.

**SUMMARY OF GENERAL FUND
EXPENDITURES
BUDGET AND ACTUAL
Fiscal Year Ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
Expenditures				
Current				
General government	\$ 3,271,165	\$ 3,734,317	\$ 3,007,231	\$ 727,086
Human resources	848,113	848,113	750,641	97,472
Finance & technology	6,966,731	7,144,349	6,628,115	516,234
Community development	6,776,993	6,699,136	6,176,225	522,911
Parks, Rec & Com Partnerships	11,625,746	11,849,334	11,758,908	90,426
Public safety - Police	30,330,119	31,450,201	31,475,118	(24,917)
Public safety - Fire	17,278,335	17,904,993	17,517,291	387,702
Public works	8,512,680	9,899,245	8,616,615	1,282,630
Capital outlays	256,851	366,382	252,322	114,060
Total expenditures	85,866,733	89,896,070	86,182,466	3,713,604
Transfers out	8,466,905	12,530,284	9,623,726	2,906,558
Total Expenditures	\$ 94,333,638	\$ 102,426,354	\$ 95,806,192	\$ 6,620,162

The amended fiscal year 2014 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, 2013.

Each department except for the Police and Fire Departments ended the year within their respective spending authority to varying degrees. The negative variances in both departments were due to higher personnel costs caused by unexpected situations requiring overtime and holiday payout.

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 1980. As of June 30, 2014, infrastructure assets, including streets, totaled \$33.3 million, net of accumulated depreciation.

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)
Fiscal Years Ended June 30, 2014 and 2013
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 20,592	\$ 20,208	\$ 497	\$ 497	\$ 21,089	\$ 20,705
Water Rights	-	-	1,222	1,222	1,222	1,222
Buildings and improvements	72,454	65,098	114,256	70,147	186,710	135,245
Improvements other than buildings	19,964	19,885	62,661	62,139	82,625	82,024
Machinery and equipment	56,557	51,892	132,679	131,101	189,236	182,993
Infrastructure	108,000	101,878	2,493	1,615	110,493	103,493
Construction in progress	13,846	25,183	9,089	48,554	22,935	73,737
Total	\$ 291,413	\$ 284,144	\$ 322,897	\$ 315,275	\$ 614,310	\$ 599,419

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2014, amounts to \$341.4 million (net of accumulated depreciation). Capital assets include 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 are vehicle replacements including a fire engine, traffic equipment and systems, park and field improvements, building improvements, and water & wastewater system improvements. Depreciation expense in the Governmental and Business-Type activities totaled \$7.2 million and \$8.8 million, respectively.

Long-Term Obligations

At June 30, 2014, the City has a number of debt issues outstanding and reported total long-term debt of \$138.0 million. Of this amount, \$82.0 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 Years Ended June 30, 2014 and 2013
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Certificates of Participation	\$ 41,035	\$ 44,470	\$ -	\$ -	\$ 41,035	\$ 44,470
Revenue Bonds	-	-	62,200	63,925	62,200	63,925
Loans	334	431	14,509	15,410	14,843	15,841
Unamortized bond premium	1,707	1,756	5,308	5,520	7,015	7,276
Total	\$ 43,076	\$ 46,657	\$ 82,017	\$ 84,855	\$ 125,093	\$ 131,512

The City's debt decreased by \$6.4 million during the current fiscal year due to normal scheduled principal maturities. 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 7 to the financial statements. The City reports items of significant financial importance to the long-term debt information in its subsequent event disclosure on Note 20.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The focus of this sectional of the annual report is to provide an overview of the financial condition of the City of Ventura as of June 30, 2014, taking into consideration the national and local economic conditions and their impacts on the City. Recognizing economic events across the world and nation do not directly affect City of Ventura, the events do contribute to consumer confidence and spending habits within the City, such as tourism and investments.

The United States (U.S.) economy has continued the sluggish recovery from the effects of the great recession which began in 2008, closing the fiscal year ending June 30, 2014 with a 4th quarter growth rate of approximately 4% and 2.4% for calendar year 2013. U.S. consumer confidence index rose from 83.5 in May to 85.2 in June 2014 due primarily increased stock market gains and reductions in the unemployment rate. U.S. consumers are still cautious but improved employment numbers and other economic factors have provided hope to consumers. The national unemployment fell to 6.1 percent in June but the underemployment remained over 12%. The unemployment rate in California was reduced to 7.4% in June while the rate the Oxnard, Thousand Oaks, and Ventura areas decreased to 7%. As of March 2014, the state had recovered 88% of the jobs that it lost in the great recession.

Unemployment rate Per current population survey	Bureau of Labor Statistics (percent)		
	July 2013	June 2014	Sept 2014
National	7.3	6.1	5.9
California	9.0	7.4	7.3
Oxnard-Thousand Oaks-Ventura	8.3	7.0	6.4 preliminary

Despite the improved unemployment numbers, there are other issues that are creating uncertainty. Perhaps the most significant is the discount rate charged by the Federal Reserve, which has kept interest rates artificially low for an extended period of time. This low rate has made credit more affordable, provided support to housing prices, and fueled a significant increase in stock market prices. Once the Federal Reserve begins to raise interest rates, there will be ripples felt through the entire economy which could slow economic growth, slow business expansion, and impact the stock market. Additionally, increasing retirements of baby boomers will shrink the share of Americans who are working and this will likely inhibit the economy's ability to accelerate. The federal government will need to borrow, raise taxes, or cut spending to support Social Security and Medicare. As in previous years, increased health care costs will likely have a negative impact on the economy.

On a positive note, government spending cuts and increased taxes will reduce the government's drag on the economy. The Congressional Budget Office has projected that the economy will continue to grow approximately 3% through 2016 and weaken starting in 2017.

The State of California ended the fiscal year ending June 30, 2014 with a positive cash balance after seven years of operating in the negative. The major contributing drivers for the positive cash balance were increased revenue from a temporary 0.5% increase in sales tax throughout the state, personal income taxes, and corporate taxes. Sales tax revenues increased 5.1% in 2013 and are projected to increase 5.1% in 2014 and 5.9% in 2015. Income tax revenues were fueled by increased employment where the state ranked 4th nationally in new job creation. Because of the size of the California economy, improvements in the global and national economy should result in a disproportionate share of that improvement.

Similar to the improvement in the national and state economies, Ventura County is also slowly recovering from the recession. Property tax revenues increased 3.2% to approximately \$29 million while sales tax revenues increased 4.2% to \$22.8 million. Sales taxes have continued to increase but only to the 2007 level. Sales tax revenues are projected to continue increasing approximately 2% annually over the next three years. Business sectors that affect Ventura County's economy include: Healthcare, Financial Services, Defense, Agriculture, and now an established hub for information technology and biotechnology industries. Three specific concerns in Ventura County are discussion of Navy base closure, Amgen workforce reduction, and corporation restructuring.

The City of Ventura intends to continue partnerships with Community Memorial Hospital, Ventura County Medical

Center, and Kaiser Permanente to create a “Wellness District” in the area of their respective facilities. Additionally, the City is partnering with these health providers to increase the number and type of medical specialists in Ventura.

The City of Ventura’s focus in fiscal year 2014 was sustainability. Tough choices were made to accomplish City Council’s goals and start the restoration of City reserves. The City of Ventura ended fiscal year 2014 with a positive net fund balance. This was made possible by increasing revenues and City departments making sacrifices to stay within the City budget and do whatever was possible with less resources.

Budget Challenges

On June 16, 2014, City Council adopted the fiscal year 2014-15 and 2015-16 Operating and Capital Improvement Budget. City Council’s goals for fiscal year 2014-15 are:

- Creating and Maintaining Economic Development and Vitality
- Delivering Core Services
- Safe and Clean Ventura
- Enhancing Public Trust

The budget challenge will continue to be economic development to grow and sustain our local economy to fund the City’s needs in future years. Aging water and wastewater infrastructures will need to be repaired and replaced through a combination of debt financing and “pay as you go.” Continued restoration of City reserves, Internal Service Funds, and Fund Balances will need to remain a focus. Retention of our skilled workforce is the only way to maintain output with the same labor budget. Losses in the work force will result in an increased requirement for more staffing due to knowledge and capabilities of the new employees. Also a large portion of the labor budget will have to cover training of the skills required to perform the functions.

The current economy is more favorable than in recent years, but key revenues, such as property tax, sales tax, and utility users’ tax revenues are expected to increase only slightly in fiscal year 2014-15. The adopted 2014-15 operating revenues are projected to be at \$220 million (excluding transfers). The General Fund accounts for 41% of this revenue, 35% represents Ventura Water revenues, and 24% represents all other funds.

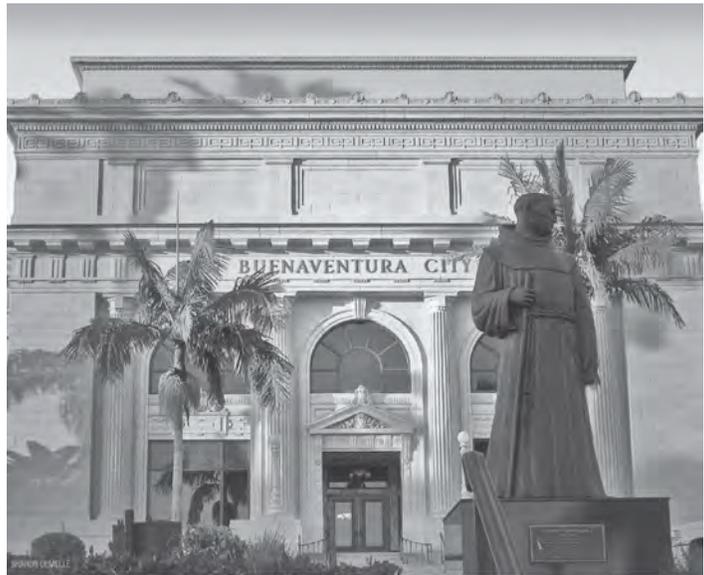
The General Fund is the City’s primary operating fund from which the traditional services associated with local government are provided (police, fire, recreation, public works, etc.). The General Fund is particularly affected by economic factors.

Employees now contribute their full portion of pension costs and new hires after December 2012 are in tier II of CalPERS plan. CalPERS has an underfunded pension plan for existing employees to address. Due to changes in the State actuarial assumptions, the City of Ventura is facing a \$1 million increase in retirement cost over the next five years. The City’s CalPERS cost for Public Safety personnel is expected to increase by \$968,000 and retirement costs for miscellaneous personnel will increase by \$269,000.

Looking ahead, the City has positioned itself to move towards economic recovery by focusing on creating and maintaining economic development through partnerships with our community and other organizations towards economic vitality.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Ventura’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 Rick Raives, Acting Finance and Technology Director, at RRaives@CityofVentura.net, or Rudolf J. Livingston, CPA, Assistant Finance Director at RLivingston@CityofVentura.net or P.O. Box 99, Ventura, CA 93002-0099, (805) 654-7812.



COMPREHENSIVE ANNUAL
FINANCIAL REPORT



YEAR ENDED JUNE 30, 2014



Government-Wide Financial Statements





COMPREHENSIVE ANNUAL
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YEAR ENDED JUNE 30, 2014

City of San Buenaventura
Statement of Net Position
June 30, 2014

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and investments	\$ 85,518,254	\$ 55,830,091	\$ 141,348,345
Restricted cash and investments	6,075,115	-	6,075,115
Accounts receivable, net	680,333	7,906,408	8,586,741
Interest receivable	293,222	-	293,222
Due from others	3,781,533	636,053	4,417,586
Due from other governments	6,141,173	82,466	6,223,639
Internal balances	3,315,175	(3,315,175)	-
Inventory	21,073	-	21,073
Prepaid items	71,667	-	71,667
Total current assets	<u>105,897,545</u>	<u>61,139,843</u>	<u>167,037,388</u>
Noncurrent assets:			
Restricted cash and investments	-	25,360,526	25,360,526
Loans and notes receivable, net	13,922,378	-	13,922,378
Due from Successor Agency	7,976,662	-	7,976,662
Accounts receivable, net	-	142,673	142,673
Equity interest in SCAT	7,484,311	-	7,484,311
Capital assets			
Non-depreciable	34,437,618	10,808,003	45,245,621
Depreciable, net	108,668,995	187,497,844	296,166,839
Total capital assets	<u>143,106,613</u>	<u>198,305,847</u>	<u>341,412,460</u>
Total noncurrent assets	<u>172,489,964</u>	<u>223,809,046</u>	<u>396,299,010</u>
Total assets	<u>278,387,509</u>	<u>284,948,889</u>	<u>563,336,398</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts on refunding	723,763	3,024,704	3,748,467
Total deferred outflows of resources	<u>723,763</u>	<u>3,024,704</u>	<u>3,748,467</u>
LIABILITIES			
Current liabilities:			
Accounts payable	2,691,234	2,612,944	5,304,178
Accrued payroll liabilities	2,985,060	-	2,985,060
Interest payable	615,174	1,438,944	2,054,118
Due to other governments	5,897,775	1,406	5,899,181
Deposits held for others	15,190,226	625,419	15,815,645
Unearned revenue	2,344,350	142,673	2,487,023
Total current liabilities	<u>29,723,819</u>	<u>4,821,386</u>	<u>34,545,205</u>
Noncurrent liabilities:			
Long-term debt - due within one year	6,089,571	2,667,524	8,757,095
Long-term debt - due in more than one year	49,898,839	79,350,166	129,249,005
Total noncurrent liabilities	<u>55,988,410</u>	<u>82,017,690</u>	<u>138,006,100</u>
Total liabilities	<u>85,712,229</u>	<u>86,839,076</u>	<u>172,551,305</u>
NET POSITION			
Net investment in capital assets	<u>102,759,488</u>	<u>141,570,254</u>	<u>244,329,742</u>
Restricted for:			
Capital projects	33,254,881	29,050,436	62,305,317
Debt service	6,349,628	2,188,566	8,538,194
Community development	7,928,616	-	7,928,616
Special projects	1,298,132	-	1,298,132
Total restricted	<u>48,831,257</u>	<u>31,239,002</u>	<u>80,070,259</u>
Unrestricted	<u>41,808,297</u>	<u>28,325,260</u>	<u>70,133,557</u>
Total net position	<u>\$ 193,399,042</u>	<u>\$ 201,134,516</u>	<u>\$ 394,533,558</u>

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, 2014

Functions/Programs	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government:					
Governmental activities:					
General government	\$ 3,612,121	\$ 5,936	\$ -	\$ -	\$ 5,936
Human resources	760,624	30	-	-	30
Finance and technology	6,531,954	4,770,606	251,835	-	5,022,441
Community development	6,773,048	1,424,544	786,042	-	2,210,586
Parks, Rec & Com Partnerships	13,300,894	3,085,551	200,332	124,851	3,410,734
Public safety- police	30,796,108	3,567,758	470,224	-	4,037,982
Public safety- fire	16,602,525	2,916,017	1,268,449	-	4,184,466
Public works	15,625,636	2,987,491	7,672,841	2,377,830	13,038,162
Interest on long-term debt	1,692,891	-	-	-	-
Total governmental activities	95,695,801	18,757,933	10,649,723	2,502,681	31,910,337
Business-type activities:					
Wastewater	14,648,974	19,959,617	-	-	19,959,617
Water	25,723,561	29,635,399	-	-	29,635,399
Golf	4,612,001	4,743,769	-	-	4,743,769
Total business-type activities	44,984,536	54,338,785	-	-	54,338,785
Total primary government	\$140,680,337	\$ 73,096,718	\$ 10,649,723	\$ 2,502,681	\$ 86,249,122
General Revenues:					
Taxes:					
Property taxes					
Utility users taxes					
Transient occupancy taxes					
Franchise taxes					
Other taxes					
Total taxes					
Intergovernmental Revenues:					
Sales taxes - intergov unrestricted					
Total intergovernmental revenues					
Investment earnings					
Other Revenue					
Transfers					
Total general revenues and transfers					
Change in net position					
Net position - beginning of year					
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
\$ (3,606,185)	\$ -	\$ (3,606,185)
(760,594)	-	(760,594)
(1,509,513)	-	(1,509,513)
(4,562,462)	-	(4,562,462)
(9,890,160)	-	(9,890,160)
(26,758,126)	-	(26,758,126)
(12,418,059)	-	(12,418,059)
(2,587,474)	-	(2,587,474)
(1,692,891)	-	(1,692,891)
(63,785,464)	-	(63,785,464)
-	5,310,643	5,310,643
-	3,911,838	3,911,838
-	131,768	131,768
-	9,354,249	9,354,249
(63,785,464)	9,354,249	(54,431,215)
28,974,412	-	28,974,412
8,503,378	-	8,503,378
4,779,537	-	4,779,537
4,101,803	-	4,101,803
3,446,376	-	3,446,376
49,805,506	-	49,805,506
22,811,948	-	22,811,948
22,811,948	-	22,811,948
771,883	1,083,250	1,855,133
2,043,745	-	2,043,745
2,002,894	(2,002,894)	-
77,435,976	(919,644)	76,516,332
13,650,512	8,434,605	22,085,117
179,748,530	192,699,911	372,448,441
\$ 193,399,042	\$ 201,134,516	\$ 394,533,558



COMPREHENSIVE ANNUAL
FINANCIAL REPORT



YEAR ENDED JUNE 30, 2014



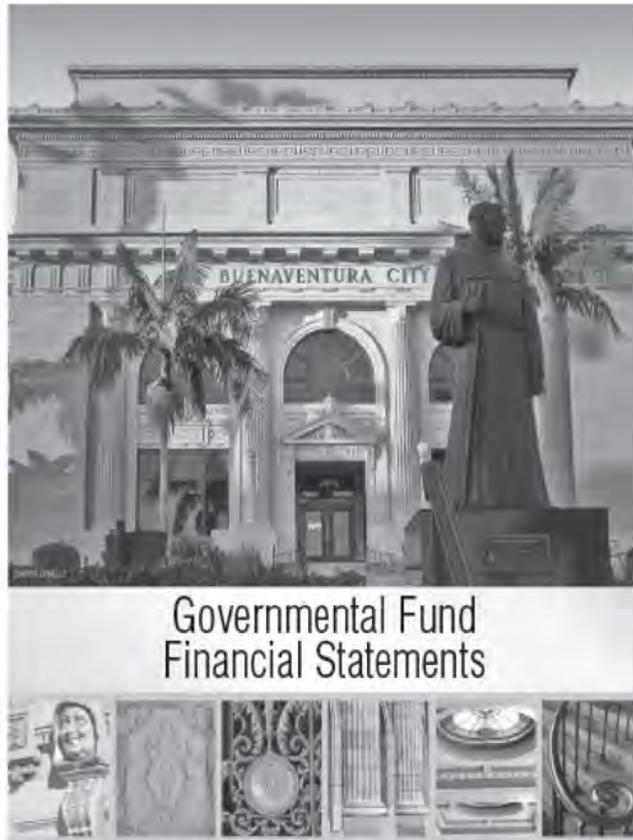
Fund Financial Statements





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, 2014

City of San Buenaventura
Balance Sheet
Governmental Funds
June 30, 2014

	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	\$ 29,642,143	\$ -	\$ 2,368,743	\$ 22,448,368	\$ 4,991,530
Restricted cash and investments	-	5,211,426	-	-	-
Accounts receivable, net	237,948	-	-	70,389	-
Interest receivable	293,222	-	-	-	-
Due from other funds	4,397,290	-	-	705,803	-
Due from others	3,437,057	-	-	-	-
Due from other governments	4,930,925	-	150,000	440,209	-
Inventory	21,073	-	-	-	-
Prepaid items	71,667	-	-	-	-
Loans and notes receivable	1,348,767	-	59,930	230,189	446,636
Due from Successor Agency	5,394,951	-	-	-	-
Total assets	\$ 49,775,043	\$ 5,211,426	\$ 2,578,673	\$ 23,894,958	\$ 5,438,166
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 1,180,338	\$ -	\$ 39,554	\$ 126,162	\$ -
Due to other funds	1,396,413	56,043	-	-	-
Due to other governments	5,860	-	-	-	-
Deposits held for others	15,190,226	-	-	-	-
Unearned revenue	1,367,418	-	59,930	285,666	446,636
Total liabilities	19,140,255	56,043	99,484	411,828	446,636
Deferred inflows of resources					
Unavailable revenues	252,625	-	150,000	105,281	-
Total deferred inflows of resources	252,625	-	150,000	105,281	-
Fund balances (deficit)					
Nonspendable	6,487,293	-	-	-	-
Restricted	3,728,620	5,211,426	-	23,377,849	-
Committed	393,747	-	1,818,412	-	2,359,785
Assigned	4,700,221	-	510,777	-	2,631,745
Unassigned	15,072,282	(56,043)	-	-	-
Total fund balances (deficit)	30,382,163	5,155,383	2,329,189	23,377,849	4,991,530
Total liabilities and fund balances	\$ 49,775,043	\$ 5,211,426	\$ 2,578,673	\$ 23,894,958	\$ 5,438,166

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
\$ 133,431	\$ 4,972,564	\$ 64,556,779
-	863,689	6,075,115
-	31,669	340,006
-	-	293,222
-	283,758	5,386,851
88,005	2,787	3,527,849
550,857	69,183	6,141,174
-	-	21,073
-	-	71,667
6,991,280	4,139,103	13,215,905
-	2,581,711	7,976,662
\$ 7,763,573	\$ 12,944,464	\$ 107,606,303

\$ 90,237	\$ 223,657	\$ 1,659,948
283,758	1,731,875	3,468,089
5,891,228	260	5,897,348
-	-	15,190,226
104,000	80,700	2,344,350
6,369,223	2,036,492	28,559,961

1,523	-	509,429
1,523	-	509,429

-	-	6,487,293
1,392,827	8,083,223	41,793,945
-	4,340,348	8,912,292
-	179,872	8,022,615
-	(1,695,471)	13,320,768
1,392,827	10,907,972	78,536,913
\$ 7,763,573	\$ 12,944,464	\$ 107,606,303

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, 2014

Total Fund Balances - Total Governmental Funds **\$ 78,536,913**

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. 7,484,311

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	\$	34,303,660	
Depreciable		233,254,629	
Accumulated depreciation		<u>(134,001,627)</u>	133,556,662

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. (615,174)

Unavailable revenue is reported as revenue on the accrual basis in the Government-Wide Statement of Net Position. 509,429

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	\$	2,133,386	
Fleet Maintenance Fund		11,595,263	
Facilities Maintenance Fund		1,542,316	
Reproduction Services Fund		383,463	
Workers' Compensation Fund		2,132,960	
Employee Fringe Benefits Fund		(4,525,313)	
Risk Management Fund		<u>2,683,215</u>	15,945,290

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. (1,707,152)

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. 723,763

Long-term liabilities - due within one year (3,325,000)

Long-term liabilities - due more than one year (37,710,000)

Total long-term liabilities (42,018,389)

Net Position of Governmental Activities **\$193,399,042**

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



COMPREHENSIVE ANNUAL
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YEAR ENDED JUNE 30, 2014

City of San Buenaventura
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2014

	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	\$ 72,684,269	\$ -	\$ 144,067	\$ 1,193,808	\$ 456,989
Licenses and permits	2,280,313	-	-	-	-
Intergovernmental	2,212,104	-	335,646	3,683,428	124,851
Charges for services	9,753,414	-	-	-	-
Fines and forfeitures	1,745,183	-	-	-	-
Use of money and property	1,073,311	1,345	20,907	425,177	99,341
Other revenue	5,590,874	-	314,226	135,535	48,153
Total revenues	95,339,468	1,345	814,846	5,437,948	729,334
EXPENDITURES					
Current					
General government	3,007,231	-	-	-	-
Human resources	750,641	-	-	-	-
Finance and technology	6,628,115	-	-	-	-
Community development	6,176,225	-	-	-	-
Parks, Rec & Com Partnerships	11,758,908	-	-	-	2,522
Public safety - police	31,475,118	-	-	-	-
Public safety - fire	17,517,291	-	-	-	-
Public works	8,616,615	-	429,985	3,714,491	-
Capital outlays	252,322	-	1,437,419	796,568	416,246
Debt service					
Principal retirement	-	2,925,000	-	-	-
Interest and other charges	-	1,337,744	-	-	-
Total expenditures	86,182,466	4,262,744	1,867,404	4,511,059	418,768
REVENUES OVER (UNDER) EXPENDITURES					
	9,157,002	(4,261,399)	(1,052,558)	926,889	310,566
OTHER FINANCING SOURCES (USES)					
Transfers in	1,420,111	4,319,235	1,267,970	456,645	155,079
Transfers out	(9,623,726)	(171,878)	(35,834)	(1,033,449)	(157,347)
Total other financing sources (uses)	(8,203,615)	4,147,357	1,232,136	(576,804)	(2,268)
Net change in fund balances	953,387	(114,042)	179,578	350,085	308,298
FUND BALANCES (DEFICIT)					
Beginning of year	29,428,776	5,269,425	2,149,611	23,027,764	4,683,232
End of year	\$ 30,382,163	\$ 5,155,383	\$ 2,329,189	\$ 23,377,849	\$ 4,991,530

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
\$ -	\$ 1,066,083	\$ 75,545,216
-	-	2,280,313
680,230	1,170,659	8,206,918
-	1,129,754	10,883,168
-	-	1,745,183
4,804	578,232	2,203,117
-	4,479	6,093,267
685,034	3,949,207	106,957,182
-	-	3,007,231
-	-	750,641
-	-	6,628,115
600,778	12,242	6,789,245
-	48,217	11,809,647
-	203,386	31,678,504
-	-	17,517,291
-	2,405,571	15,166,662
74,958	339,298	3,316,811
-	510,000	3,435,000
-	400,797	1,738,541
675,736	3,919,511	101,837,688
9,298	29,696	5,119,494
-	2,181,186	9,800,226
-	(427,393)	(11,449,627)
-	1,753,793	(1,649,401)
9,298	1,783,489	3,470,093
1,383,529	9,124,483	75,066,820
\$ 1,392,827	\$ 10,907,972	\$ 78,536,913

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, 2014

Net Change in Fund Balances - Total Governmental Funds **\$ 3,470,093**

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	\$ 5,429,166	
Depreciation expense	<u>(6,204,698)</u>	(775,532)

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. (149,491)

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. (22,138)

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 unavailable revenue from the prior year. 230,338

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. 3,435,000

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. 45,650

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.

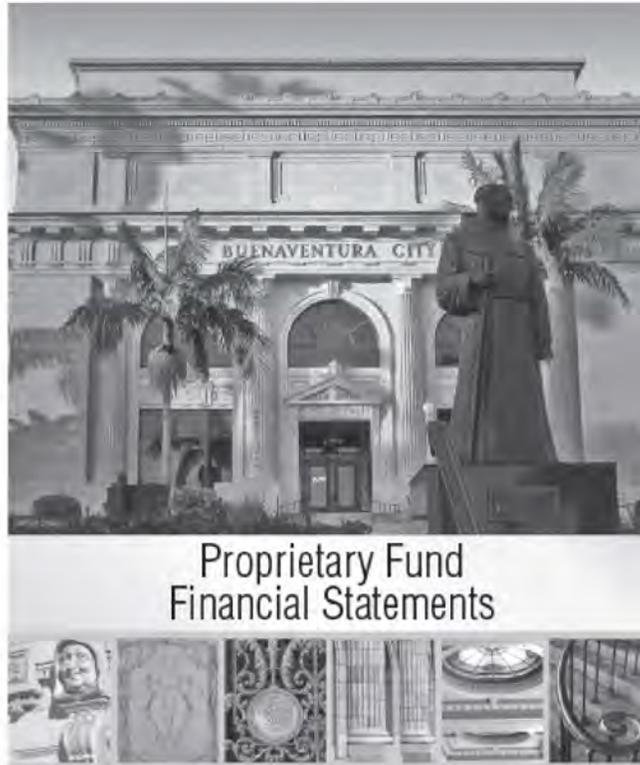
	<u>7,390,502</u>	
Change in Net Position of Governmental Activities		<u>\$ 13,650,512</u>

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



COMPREHENSIVE ANNUAL
FINANCIAL REPORT



YEAR ENDED JUNE 30, 2014

City of San Buenaventura
Statement of Net Position
Proprietary Funds
June 30, 2014

	Major Enterprise Funds		Non-Major Enterprise Fund	Total	Governmental Activities
	Wastewater	Water	Golf		Internal Service Funds
ASSETS					
Current assets					
Cash and investments	\$ 27,997,732	\$ 27,832,359	\$ -	\$ 55,830,091	\$ 20,961,474
Accounts receivable, net	3,957,198	3,949,210	-	7,906,408	340,327
Due from other funds	-	-	56,043	56,043	1,396,413
Due from others	-	-	636,053	636,053	253,685
Due from other governments	-	82,466	-	82,466	-
Notes receivable	-	-	-	-	706,473
Total current assets	31,954,930	31,864,035	692,096	64,511,061	23,658,372
Noncurrent assets					
Restricted cash and investments	381,877	24,978,649	-	25,360,526	-
Accounts receivable, net	66,652	76,021	-	142,673	-
Capital assets					
Non-depreciable	1,749,017	8,441,592	617,394	10,808,003	133,955
Depreciable, net	78,971,812	95,626,587	12,899,445	187,497,844	9,415,992
Total capital assets	80,720,829	104,068,179	13,516,839	198,305,847	9,549,947
Total noncurrent assets	81,169,358	129,122,849	13,516,839	223,809,046	9,549,947
Total assets	113,124,288	160,986,884	14,208,935	288,320,107	33,208,319
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amounts on refunding	1,173,287	1,851,417	-	3,024,704	-
Total deferred outflows of resources	1,173,287	1,851,417	-	3,024,704	-
LIABILITIES					
Current liabilities					
Accounts payable	528,153	2,071,892	12,899	2,612,944	1,031,285
Accrued payroll liabilities	-	-	-	-	2,985,060
Unearned revenue	66,652	76,021	-	142,673	-
Interest payable	338,754	1,100,190	-	1,438,944	-
Due to other funds	-	-	3,371,218	3,371,218	-
Due to other governments	363	1,043	-	1,406	426
Deposits held for others	-	625,419	-	625,419	-
Claims and judgments payable	-	-	-	-	2,140,230
Compensated absences payable	-	-	-	-	538,936
Long-term debt - due within one year	885,000	1,782,524	-	2,667,524	85,405
Total current liabilities	1,818,922	5,657,089	3,384,117	10,860,128	6,781,342
Noncurrent liabilities					
Claims and judgments payable	-	-	-	-	5,269,007
Compensated absences payable	-	-	-	-	4,964,375
Long-term debt - due in more than one year	18,191,203	61,158,963	-	79,350,166	248,305
Total noncurrent liabilities	18,191,203	61,158,963	-	79,350,166	10,481,687
Total liabilities	20,010,125	66,816,052	3,384,117	90,210,294	17,263,029
NET POSITION					
Net investment in capital assets	63,128,936	64,924,479	13,516,839	141,570,254	9,216,237
Restricted for					
Capital projects	13,980,421	15,070,015	-	29,050,436	-
Debt service	366,035	1,822,531	-	2,188,566	-
Unrestricted	16,812,058	14,205,223	(2,692,021)	28,325,260	6,729,053
Total net position	\$ 94,287,450	\$ 96,022,248	\$ 10,824,818	201,134,516	\$ 15,945,290

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, 2014

	<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	\$ 18,874,024	\$ 26,883,149	\$ -	\$ 45,757,173	\$ -
Golf fee charges	-	-	4,743,699	4,743,699	-
Internal service charges	-	-	-	-	23,295,162
Other operating revenues	1,085,593	2,752,250	70	3,837,913	1,318,601
Total operating revenues	19,959,617	29,635,399	4,743,769	54,338,785	24,613,763
OPERATING EXPENSES					
Salaries and benefits	3,480,636	5,173,667	168,269	8,822,572	5,089,287
Contractual services	1,766,522	1,727,356	3,046,917	6,540,795	2,723,881
Materials and supplies	639,498	1,930,243	-	2,569,741	1,731,771
General and administrative	4,499,730	10,248,908	454,442	15,203,080	2,937,305
Insurance premiums and settlements	-	-	-	-	7,559,177
Depreciation	3,460,117	4,437,591	942,373	8,840,081	1,012,173
Total operating expenses	13,846,503	23,517,765	4,612,001	41,976,269	21,053,594
OPERATING INCOME (LOSS)	6,113,114	6,117,634	131,768	12,362,516	3,560,169
NONOPERATING REVENUES (EXPENSES)					
Investment income	438,447	641,716	3,087	1,083,250	164,619
Gain on disposal of assets	-	-	-	-	20,488
Interest expense	(802,471)	(2,205,796)	-	(3,008,267)	(7,069)
Total nonoperating revenues (expenses)	(364,024)	(1,564,080)	3,087	(1,925,017)	178,038
Income (loss) before transfers	5,749,090	4,553,554	134,855	10,437,499	3,738,207
Transfers in	-	1,545,584	76,495	1,622,079	3,756,461
Transfers out	(1,854,761)	(451,160)	(1,319,052)	(3,624,973)	(104,166)
Change in net position	3,894,329	5,647,978	(1,107,702)	8,434,605	7,390,502
NET POSITION					
Beginning of year	90,393,121	90,374,270	11,932,520	192,699,911	8,554,788
End of year	\$ 94,287,450	\$ 96,022,248	\$ 10,824,818	201,134,516	\$ 15,945,290

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

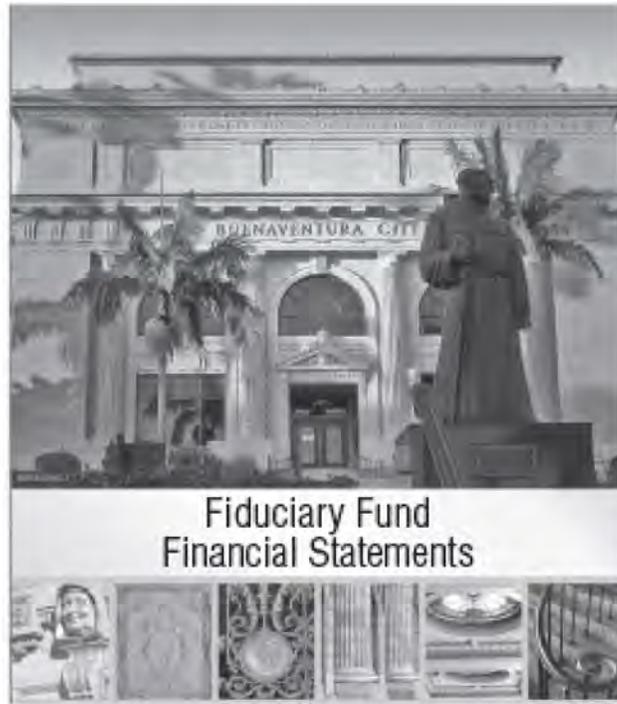
City of San Buenaventura
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2014

	Major Enterprise Funds		Non-Major Enterprise Fund	Total	Governmental Activities Internal Service Funds
	Wastewater	Water	Golf		
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers/other funds	\$19,349,673	\$ 29,848,037	\$ 4,509,446	\$ 53,707,156	\$ 23,210,978
Cash payments to suppliers for goods and services	(7,224,817)	(13,395,506)	(3,025,213)	(23,645,536)	(6,957,174)
Cash payments to employees for services	(3,480,636)	(5,173,667)	(168,269)	(8,822,572)	(5,089,287)
Insurance premiums and settlements	-	-	-	-	(8,673,272)
Other operating revenues	-	-	-	-	1,318,599
Net cash provided (used) by operating activities	8,644,220	11,278,864	1,315,964	21,239,048	3,809,844
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Payment of employee housing loans	-	-	-	-	3,925
Transfers to other funds	(1,854,761)	(451,160)	(1,319,052)	(3,624,973)	(104,166)
Transfers from other funds	-	1,545,584	76,495	1,622,079	3,756,461
Net cash provided (used) by noncapital financing activities	(1,854,761)	1,094,424	(1,242,557)	(2,002,894)	3,656,220
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Purchase of capital assets	(2,065,979)	(5,481,021)	(76,495)	(7,623,495)	(2,373,009)
Proceeds from sale of assets	-	-	-	-	54,625
Payment of long-term debt	(870,000)	(855,000)	-	(1,725,000)	(96,963)
Repayment of state water loan	-	(900,866)	-	(900,866)	-
Interest paid on debt	(599,095)	(2,279,931)	-	(2,879,026)	(7,069)
Net cash provided(used) by capital and related financing activities	(3,535,074)	(9,516,818)	(76,495)	(13,128,387)	(2,422,416)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investment income	438,447	641,716	3,087	1,083,250	164,619
Net cash provided by investing activities	438,447	641,716	3,087	1,083,250	164,619
Net increase (decrease) in cash and cash equivalents	3,692,832	3,498,186	-	7,191,017	5,208,267
CASH AND INVESTMENTS, Beginning of year	24,686,777	49,312,822	-	73,999,599	15,753,207
CASH AND INVESTMENTS, End of year	\$28,379,609	\$ 52,811,008	\$ -	\$ 81,190,617	\$ 20,961,474
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ 6,113,114	\$ 6,117,634	\$ 131,768	\$ 12,362,516	\$ 3,560,169
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	3,460,117	4,437,591	942,373	8,840,081	1,012,173
Changes in assets and liabilities:					
Accounts receivable	(523,091)	303,525	-	(219,566)	(193,812)
Due from other funds	-	-	(56,043)	(56,043)	355,056
Due from other governments	-	(82,466)	-	(82,466)	(10,658)
Due from others	-	-	(178,280)	(178,280)	(234,770)
Accounts payable	(317,904)	407,391	3,099	92,586	436,605
Accrued payroll liabilities	-	-	-	-	(145,869)
Deferred revenue	(86,852)	(8,421)	-	(95,273)	-
Due to other funds	-	-	475,368	475,368	-
Due to other governments	(1,163)	605	(2,321)	(2,879)	(824)
Deposits held for others	-	103,005	-	103,005	-
Claims and judgments payable	-	-	-	-	(994,909)
Compensated absences payable	-	-	-	-	26,683
Total adjustments	2,531,107	5,161,230	1,184,196	8,876,533	249,675
Net cash provided (used) by operating activities	\$ 8,644,220	\$ 11,278,864	\$ 1,315,964	\$ 21,239,048	\$ 3,809,844
Reconciliation of cash to Statement of Net Position					
Cash and investments	\$27,997,732	\$ 27,832,359	\$ -	\$ 55,830,091	\$ 20,961,474
Noncurrent restricted cash and investments	381,877	24,978,649	-	25,360,526	-
\$28,379,609	\$ 52,811,008	\$ -	\$ 81,190,617	\$ 20,961,474	
Noncash investing, capital, and financing activities:					
Change in fair value of investments	\$ 186,769	\$ 194,328	\$ -	\$ 381,097	\$ 144,514



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 properties held by the Agency and the 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.



COMPREHENSIVE ANNUAL
FINANCIAL REPORT



YEAR ENDED JUNE 30, 2014

City of San Buenaventura
Statement of Net Position
Fiduciary Funds
June 30, 2014

ASSETS	Redevelopment Successor Agency Private Purpose Trust Fund	Agency Funds
CURRENT ASSETS		
Cash and cash equivalents	\$ 483,333	\$ 95,876
Interest receivable	56	-
Accounts receivable, net	-	158,037
Due from others	-	124,178
TOTAL CURRENT ASSETS	<u>483,389</u>	<u>378,091</u>
NONCURRENT ASSETS		
Restricted cash and investments	1,392,423	-
Loans and notes receivable	2,000,000	-
Land and buildings held for resale	397,030	-
TOTAL NONCURRENT ASSETS	<u>3,789,453</u>	<u>-</u>
TOTAL ASSETS	<u>4,272,842</u>	<u>378,091</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	216,970	\$ -
Interest payable	461,402	-
Due to others	-	55,371
Deposits held for others	-	322,720
Notes and bonds payable - due within one year	796,723	-
TOTAL CURRENT LIABILITIES	<u>1,475,095</u>	<u>378,091</u>
LONG-TERM LIABILITIES		
Due to City of San Buenaventura	7,976,662	-
Notes and bonds payable - due in more than one year	14,278,277	-
TOTAL LONG-TERM LIABILITIES	<u>22,254,939</u>	<u>-</u>
TOTAL LIABILITIES	<u>23,730,034</u>	<u>378,091</u>
NET POSITION		
Net position held in trust for private purpose	<u>(19,457,192)</u>	
TOTAL NET POSITION	<u>\$ (19,457,192)</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, 2014

	Redevelopment Successor Agency Private Purpose Trust Fund
ADDITIONS	
RPTTF distributions	\$ 2,005,088
Other revenue	88,040
Total Additions	<u>2,093,128</u>
DEDUCTIONS	
Administrative expenses	505,811
Interest and other charges	867,303
Total Deductions	<u>1,373,114</u>
Change in Net Position	720,014
NET POSITION	
Beginning of Year	<u>(20,177,206)</u>
End of Year	<u>\$ (19,457,192)</u>

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



Notes to Basic Financial Statements





COMPREHENSIVE ANNUAL
FINANCIAL REPORT



YEAR ENDED JUNE 30, 2014

City of San Buenaventura
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For the Year Ended June 30, 2014

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For the Year Ended June 30, 2014

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City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2014

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, deferred outflows of resources, liabilities and deferred inflows of resources, 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 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:

City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES , Continued

B. Basis of Accounting and Measurement Focus , Continued

- 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 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.

City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2014

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, deferred outflows of resources, current liabilities and deferred inflows of resources are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

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.

City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2014

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, deferred outflows of resources, liabilities and deferred inflows of resources (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, 2012. 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 19).

City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2014

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 (VOCTBID) - 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.

City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2014

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. Infrastructure acquired prior to fiscal years ended after June 30, 1980 is not reported.

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.

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

City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES , Continued

I. *Compensated Absences , Continued*

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.

City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2014

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, 2014, the restricted Net Position balance was \$48,831,257 for governmental activities.

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 9 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.

City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES , Continued

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. The City has only one type of item that qualifies for reporting in this category. *Deferred amounts on refunding* are deferred and amortized ratably over the life of the outstanding debt.

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. The City has only one type of item that qualifies for reporting in this category. Accordingly, the item, *unavailable revenues*, is reported only on the governmental fund balance sheet. The governmental funds report unavailable revenues from various sources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts becomes available.

Q. *New Pronouncements*

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

- 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.
- GASB 71 - "Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 68", effective for the fiscal years beginning after June 15, 2014.

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

2. CASH AND INVESTMENTS

A. CASH AND INVESTMENTS

Cash and investments as of June 30, 2014, are classified in the accompanying financial statements as follows:

Government-Wide Statement of Net Position:	
Cash and investments	\$ 141,348,345
Restricted cash and investments (held by bond trustee):	
Current amount	6,075,115
Noncurrent amount	25,360,526
Fiduciary Fund Statement of Net Position:	
Private Purpose Trust Fund	1,875,756
Agency Funds	95,876
Total cash and investments	<u><u>\$ 174,755,618</u></u>

Cash and investments as of June 30, 2014, consist of the following:

Cash on hand	\$ 32,150
Deposits with financial institutions	13,455,760
Investments	161,267,708
Total cash and investments	<u><u>\$ 174,755,618</u></u>

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

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

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

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 to 60 Months
Federal Agency Securities	\$ 105,824,273	\$ -	\$ -	\$ 105,824,273
Local Agency Investment Fund	37,368,751	37,368,751	-	-
Medium Term Notes	8,149,890	1,029,020	-	7,120,870
Medium Term Notes In Default	925,000	925,000	-	-
Held by bond trustee:				
Money Market Funds	8,903,721	8,903,721	-	-
Local Agency Investment Fund	96,073	96,073	-	-
Total	\$ 161,267,708	\$ 48,322,565	\$ -	\$ 112,945,143

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

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	Market Value of Investment	Minimum Rating	Amount	Rating ¹	Not Rated
Federal Agency Securities	\$ 105,824,273	N/A	\$ 105,824,273	AA/Aaa	\$ -
Local Agency Investment Fund	37,368,751	N/A	-		37,368,751
Medium Term Notes					
JP Morgan Chase	1,029,020	A	1,029,020	A/A3	-
3M Company	1,001,100	A	1,001,100	AA-/Aa2	-
Pepsi Co.	1,000,300	A	1,000,300	A-/A1	-
Simon Property Group	1,115,190	A	1,115,190	A/A2	-
Wells Fargo	1,008,850	A	1,008,850	A+/A2	-
General Electric Cap Corp	2,016,020	A	2,016,020	AAA/Aaa	-
Apple	979,410	A	979,410	A+/Aa	-
Medium Term Notes in Default ²	925,000	N/A	-		925,000
Held by bond trustee:					
Money Market Funds	8,903,721	N/A	8,903,721	AAA/Aaa	-
Local Agency Investment Fund	96,073	N/A	-		96,073
Total	\$ 161,267,708		\$ 122,877,884		\$ 38,389,824

¹ The ratings were with Moody's and S & P as of June 30, 2014.

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 \$1.3M in distributions from the bankruptcy court through June 30, 2014.

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:

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

2. CASH AND INVESTMENTS , Continued

F. Concentration of Credit Risk , Continued

<u>Issuer</u>	<u>Investment Type</u>	<u>Reported Amount</u>	<u>Percent of Portfolio</u>
Federal Home Loan Bank	Federal Agency Securities	\$ 27,744,870	18%
Federal Home Loan Mort Corp	Federal Agency Securities	29,713,338	20%
Federal National Mort Assoc.	Federal Agency Securities	48,366,065	32%
		<u>\$ 105,824,273</u>	

There are no limits on the above Federal Agency Securities.

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 and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: 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, 2014, 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.

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

3. LOANS AND NOTES RECEIVABLE

At June 30, 2014, loans and notes receivable consisted of the following:

Loan Description	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014
City Home	\$ 36,456	\$ -	\$ -	\$ 36,456
Chapel Lane Senior Housing Project	657,500	-	-	657,500
Kids and Family	100,000	-	-	100,000
Turning Point Transitional Housing	-	104,000	-	104,000
Business Assistance Program				
Micro Loan	849,920	30,300	(99,965)	780,255
Code Compliance Assistance	152,349	41,147	(36,169)	157,327
Commercial Rehabilitation Loan	150,096	91,781	(25,620)	216,257
Economic Development Loan	1,030,127	336,359	(901,448)	465,038
City Officials	710,398	-	(3,925)	706,473
Successor Housing Agency				
Homebuyer Assistance Program	22,600	-	-	22,600
Working Artists Community	1,455,738	7,952	(69,887)	1,393,803
CHFA HELP Program Loan	8,615	-	(8,615)	-
Affordable Housing Development				
Working Artists of Ventura (City)	1,037,384	129,236	-	1,166,620
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)	392,000	-	-	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
Ventura Housing Authority	-	467,059	(2,059)	465,000
Homebuyer Assistance Program (City)	594,964	974,891	-	1,569,855
Housing Preservation Program	1,972,246	57,713	(1,048,735)	981,224
CEDC Los Angeles Apartments	299,970	-	-	299,970
Total	\$ 13,878,363	\$ 2,240,438	\$ (2,196,423)	\$ 13,922,378

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.

C. Kids and Family

The Community Development Block Grant funded a loan of \$100,000 to Kids & Families Together for acquiring a property for

City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2014

3. LOANS AND NOTES RECEIVABLE , Continued

C. *Kids and Family , Continued*

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. *Turning Point Foundation*

Community Development Block Grant (CDBG) funded loan (\$104,000), at 0% interest, for site acquisition for the development of a 10-unit Transitional housing facility in the Westside to serve up to 15 disabled veterans per year. As long as there is no default under the terms of the Loan documents, the entire principal amount shall be forgiven in full on the fifth anniversary of the date of the Note, which is on the fifth year from the date of issuance of the certificate of occupancy. As of June 30, 2014, the certificate of occupancy has not been issued. The loan is recorded in the Housing and Community Development Block Grant Capital Projects Fund.

E. *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. Outstanding loan balance at June 30, 2014 amounted to \$780,255. These loans are reported under the Housing and Community Development Block Grant Capital Project Fund.

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. Outstanding loan balance at June 30, 2014 amounted to \$157,327 reported in the General Fund.

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. Outstanding loan balance at June 30, 2014 amounted to \$216,257 reported in the General Fund.

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. Outstanding balance at June 30, 2014 amounted to \$465,038 reported in the General Fund.

F. *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.

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

3. LOANS AND NOTES RECEIVABLE , Continued

F. City Officials , Continued

The City has four 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.

The following table summarizes the loan activity:

Date Issued	Original Amount of Loan	Term of Loan	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
2003	\$ 325,000	*	\$ 325,000	\$ -	\$ -	\$ 325,000
2009	474,000	*	247,500	-	-	247,500
2010	150,000	*	137,898	-	(3,925)	133,973
Total			\$ 710,398	\$ -	\$ (3,925)	\$ 706,473

* 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%.

G. 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, 2014 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, 2014 was \$ 1,393,803.

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, 2014 was \$0. The program is no longer active and the one remaining loan was paid in the current year.

City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2014

3. LOANS AND NOTES RECEIVABLE , Continued

H. *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. This loan is reported in the General Fund and several Special Revenue Funds.

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.

The Agency entered into an agreement on May 1, 2010 to loan \$550,000 to a limited partnership to assist with the acquisition and development on an affordable housing project located outside the Downtown's Redevelopment Project Area. The loan is to be disbursed over the course of three fiscal years (fiscal year 2009-10 \$406,000; fiscal year 2010-11 \$72,000; and fiscal year 2011-12 \$72,000) from the Low and Moderate Housing Set-Aside Funds. The loan is secured by a deed of trust bearing simple interest at 3 percent commencing on the date of the initial disbursement. The term expires 55 years after the date of recordation of the affordability covenant against the property. Payments are due on May 1st of each year and with payment of the outstanding principal and accrued interest equal to the Agency's pro-rata share of residual receipts. These loans are reported in the Housing and Community Development Block Grant Capital Project Fund and in the Successor Housing Agency Special Revenue Fund.

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.

The Agency entered into an agreement on December 17, 2009, to loan \$392,000 to a limited partnership to assist with the rehabilitation of property within the Agency's Downtown Redevelopment Project Area. The loan is to be disbursed over the course of four fiscal years (fiscal year 2009-10 \$306,400; fiscal year 2010-11 \$28,550; and fiscal year 2012-13 \$28,500) from the Low and Moderate Housing Set-Aside Funds. The loan is secured by a deed of trust bearing simple interest at 3 percent commencing on the date of the initial disbursement. The term expires 55 years after 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 Agency's pro-rata share of residual receipts. These loans are reported in the Housing and Community Development Block Grant Capital Project Fund and in the Successor Housing Agency Special Revenue Fund.

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.

The Agency entered into an Owner Participation Agreement on February 16, 2010 to loan \$1,700,000 to a limited partnership to assist with the acquisition and development on an affordable housing project located outside the Downtown's Redevelopment Project Area. The loan is to be disbursed over the course of three fiscal years (fiscal year 2009-10 \$1,100,000; fiscal year

City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2014

3. LOANS AND NOTES RECEIVABLE , Continued

H. *Affordable Housing Development , Continued*

2010-11 \$300,000; and fiscal year 2011-12 \$300,000) from the Low and Moderate Housing Set-Aside Funds. Financial assistance is in the form of two loans: 1) Acquisition \$1,100,000, and 2) Development \$600,000 both secured by separate deeds of trust bearing simple interest at 3 percent commencing on the date of the initial disbursement. The term expires 55 years after 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 Agency's pro-rata share of residual receipts. These loans are reported in the Housing and Community Development Block Grant Capital Project Fund and in the Successor Housing Agency Special Revenue Fund.

Ventura Housing Authority - The City loaned the Housing Authority \$465,000 through the HOME program to purchase property for the Housing Authority's affordable housing stock.

These loans only require principal payments. As long as there is no default under the Loan Agreements, there shall be no payments due and all amounts due and owing shall be forgiven in full by the City upon the expiration of the 15-year term. This loan is reported in the Housing and Community Development Block Grant Capital Project Fund.

I. *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.

J. *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%. Outstanding loan balance at June 30, 2014 amounted to \$981,224. These loans are reported in the General Fund and the Housing and Community Development Block Grant Capital Project Fund.

K. *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.

Due to the nature of these Loans and Notes Receivable as long-term and/or forgivable, these loans are offset by amounts in the Unearned Revenues in the governmental fund financial statements.

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

4. INTERFUND TRANSACTIONS

Fund Financial Statements

Due to/from Other Funds

As of June 30, 2014, balances of due to/from other funds were as follows:

	Due from other funds					Total
	General Fund	Capital Projects	Other Governmental Funds	Internal Services	Other Enterprise Fund	
		Gas Tax Capital Projects		Workers Compensation	Golf Course	
Due to other funds						
General Fund	\$ -	\$ -	\$ -	\$ 1,396,413	\$ -	\$1,396,413
Certificates of Participation	-	-	-	-	56,043	56,043
Housing and Community Development Block Grant	-	-	283,758	-	-	283,758
Other Governmental Funds	1,026,072	705,803	-	-	-	1,731,875
Other Enterprise Fund-Golf Course	3,371,218	-	-	-	-	3,371,218
Total	\$ 4,397,290	\$ 705,803	\$ 283,758	\$ 1,396,413	\$ 56,043	\$6,839,307

General Fund

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

Certificates of Participation Debt Obligation Debt Service

Represents bond draw by the Golf Fund at year-end.

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 and the Municipal Improvement Revenue Bonds Debt Service were in 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.

Golf Enterprise Fund

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

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

4. INTERFUND TRANSACTIONS , Continued

Transfers

Transfers for the year ended June 30, 2014 were as follows:

	Transfers In									
	Major Funds									Total
	General Fund	Certificates of Participation- Debt Obligation	Capital Project Funds				Enterprise		Internal Service Funds	
			Capital Improve- ment	Gas Tax	Park and Recreat- ion	Other Govern- mental Funds	Water	Golf		
Transfers Out										
General Fund	\$ -	\$3,215,183	\$1,235,897	\$ 50,000	\$155,079	\$ 1,294,567	\$ -	\$ -	\$3,673,000	\$ 9,623,726
Certificates of Participation- Debt Obligation	-	-	32,073	-	-	-	-	76,495	63,310	171,878
Capital Projects Funds:										
CIP General	-	-	-	-	-	35,834	-	-	-	35,834
Gas Tax	211,720	-	-	-	-	821,729	-	-	-	1,033,449
Parks and Recreation	150,000	-	-	-	-	7,347	-	-	-	157,347
Other Governmental Funds	57,023	-	-	370,370	-	-	-	-	-	427,393
Wastewater	278,062	-	-	14,675	-	16,440	1,545,584	-	-	1,854,761
Water	424,291	-	-	21,600	-	5,269	-	-	-	451,160
Golf Course	215,000	1,104,052	-	-	-	-	-	-	-	1,319,052
Internal Service Funds	84,015	-	-	-	-	-	-	-	20,151	104,166
	<u>\$1,420,111</u>	<u>\$4,319,235</u>	<u>\$1,267,970</u>	<u>\$456,645</u>	<u>\$155,079</u>	<u>\$2,181,186</u>	<u>\$1,545,584</u>	<u>\$ 76,495</u>	<u>\$3,756,461</u>	<u>\$15,178,766</u>

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

4. INTERFUND TRANSACTIONS , Continued

The transfers were for the following purposes:

Transfers, Continued

General Fund transfers to:

Certificates of Participation Debt Obligation	\$ 3,215,183	For payment of the annual debt service requirements.
Capital Improvement	1,235,897	For reimbursement of funding provided for improvement projects financed through prior debt financing.
Gas Tax	50,000	To provide matching funds for the Bike Safety Education program
Parks and Recreation	155,079	For reimbursement of funding provided for improvement projects financed through prior debt financing.
Other Governmental Funds	1,294,567	To cover shortfalls in Public Art, Street Lighting District and Municipal Improvement Revenue Bonds.
Internal Service Funds	3,673,000	To provide additional funding to Information Technology, Facilities Maintenance, Workers Compensation and Risk Management funds.
	<u>\$ 9,623,726</u>	

Certificate of Participation Debt Obligation transfers to:

Capital Improvement	\$ 32,073	For reimbursement of funding provided for improvement projects financed through prior debt financing.
Enterprise Funds	76,495	For reimbursement of funding provided for improvement projects financed through prior debt financing for golf improvements.
Internal Service Funds	63,310	For reimbursement of funding provided for improvement projects financed through prior debt financing for City Hall capital improvements.
	<u>\$ 171,878</u>	

CIP General transfers to:

Other Governmental Funds	\$ 35,834	To provide funding for public art program.
	<u>\$ 35,834</u>	

Gas Tax transfers to:

General Fund	\$ 211,720	For reimbursement of Gas Tax eligible expenditures for Traffic Safety.
Other Governmental Funds	821,729	To transfer TDA funds out of Gas Tax to establish the new fund.
	<u>\$ 1,033,449</u>	

Park and Recreation transfers to:

General Fund	\$ 150,000	For reimbursement of funding provided for improvement projects financed through prior debt financing.
Other Governmental Funds	7,347	To provide funding for public art program.
	<u>\$ 157,347</u>	

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

4. INTERFUND TRANSACTIONS, Continued
Transfers, Continued

Other Governmental Funds transfers to:

General Fund	\$ 57,023	To provide for City overhead expenses for maintenance assessment districts.
Gas Tax	370,370	For reimbursement of funding for improvement projects that are TDA eligible.
	<u>\$ 427,393</u>	

Wastewater transfers to:

General Fund	\$ 278,062	Annual Ventura Water right-of-way payment.
Gas Tax	14,675	To provide for Construction in Progress street resurfacing-manhole improvements.
Other Governmental Funds	16,440	To provide funding for public art program.
Water	1,545,584	For reimbursement of the Ventura Water administration and billing expenditures shared by Wastewater.
	<u>\$ 1,854,761</u>	

Water transfers to:

General Fund	\$ 424,291	For annual Ventura Water right-of-way payment, web services, and storm drain impacts.
Other Governmental Funds	5,269	To provide funding for public art program.
Gas Tax	21,600	To provide for Construction in Progress street resurfacing water valve improvements.
	<u>\$ 451,160</u>	

Golf Course transfers to:

General Fund	\$ 215,000	For annual land lease payment.
Certificates of Participation Debt Obligation	1,104,052	For payment of the annual debt service requirements.
	<u>\$ 1,319,052</u>	

Internal Service Funds transfers to:

General Fund	\$ 84,015	For reimbursement of purchase of police radios.
Internal Service Funds	20,151	For annual payment of shared warehouse services.
	<u>\$ 104,166</u>	

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

5. CAPITAL ASSETS

A. CAPITAL ASSETS

At June 30, 2014, the City's capital assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Non-depreciable assets:			
Land	\$ 20,592,017	\$ 497,497	\$ 21,089,515
Water rights	-	1,221,838	1,221,838
Construction in progress	13,845,601	9,088,668	22,934,268
Total non-depreciable assets	34,437,618	10,808,003	45,245,621
Depreciable assets:			
Buildings and improvements	72,453,942	114,256,418	186,710,360
Improvements other than buildings	19,963,604	62,661,080	82,624,684
Machinery and equipment	56,557,344	132,679,393	189,236,737
Infrastructure	107,999,838	2,493,439	110,493,277
Total depreciable assets	256,974,728	312,090,330	569,065,058
Less accumulated depreciation for:			
Buildings and improvements	(31,471,176)	(28,561,755)	(60,032,931)
Improvements other than buildings	(8,932,062)	(36,470,337)	(45,402,399)
Machinery and equipment	(33,178,361)	(58,997,919)	(92,176,280)
Infrastructure	(74,724,134)	(562,475)	(75,286,609)
Total accumulated depreciation	(148,305,733)	(124,592,486)	(272,898,219)
Total depreciable assets, net	108,668,995	187,497,844	296,166,839
Total capital assets	\$ 143,106,613	\$ 198,305,847	\$ 341,412,460

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

5. CAPITAL ASSETS , Continued

A. CAPITAL ASSETS , Continued

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

	<u>Balance July 1,2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30,2014</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 20,207,668	\$ 384,349	\$ -	\$ 20,592,017
Construction in progress	25,183,061	8,154,096	(19,491,556)	13,845,601
Total capital assets, not being depreciated	<u>45,390,729</u>	<u>8,538,445</u>	<u>(19,491,556)</u>	<u>34,437,618</u>
Capital assets, being depreciated:				
Buildings and improvements	65,098,367	7,355,575	-	72,453,942
Improvements other than buildings	19,884,624	78,980	-	19,963,604
Machinery and equipment	51,891,701	5,199,046	(533,403)	56,557,344
Infrastructure	101,878,155	6,121,683	-	107,999,838
Total capital assets, being depreciated	<u>238,752,847</u>	<u>18,755,284</u>	<u>(533,403)</u>	<u>256,974,728</u>
Less accumulated depreciation for:				
Buildings and improvements	(30,036,707)	(1,434,469)	-	(31,471,176)
Improvements other than buildings	(8,231,833)	(700,229)	-	(8,932,062)
Machinery and equipment	(30,694,069)	(2,961,419)	477,127	(33,178,361)
Infrastructure	(72,603,382)	(2,120,752)	-	(74,724,134)
Total accumulated depreciation	<u>(141,565,991)</u>	<u>(7,216,869)</u>	<u>477,127</u>	<u>(148,305,733)</u>
Total capital assets, being depreciated, net	<u>97,186,856</u>	<u>11,538,415</u>	<u>(56,276)</u>	<u>108,668,995</u>
	<u>\$ 142,577,585</u>	<u>\$ 20,076,860</u>	<u>\$ (19,547,832)</u>	<u>\$ 143,106,613</u>

Depreciation expense in governmental activities for capital assets for the year ended June 30, 2014, is composed of the following:

General Government	\$ 659,120
Finance and Technology	35,136
Community Development	81,368
Parks, Recreation and Community Partnerships	1,677,731
Public Safety	653,188
Public Works	3,098,153
Internal Service Fund depreciation charged to functions	1,012,173
Total depreciation expense	<u>\$ 7,216,869</u>

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

5. CAPITAL ASSETS , Continued

A. CAPITAL ASSETS , Continued

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

	<u>Balance</u> <u>July 1,2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30,2014</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	48,553,777	7,233,079	(46,698,188)	9,088,668
Total capital assets, not being depreciated	<u>50,273,112</u>	<u>7,233,079</u>	<u>(46,698,188)</u>	<u>10,808,003</u>
Capital assets, being depreciated:				
Buildings and improvements	70,147,462	44,108,956	-	114,256,418
Improvements other than buildings	62,138,897	522,183	-	62,661,080
Machinery and equipment	131,100,669	1,578,724	-	132,679,393
Infrastructure	1,614,700	878,739	-	2,493,439
Total capital assets, being depreciated	<u>265,001,728</u>	<u>47,088,602</u>	<u>-</u>	<u>312,090,330</u>
Less accumulated depreciation for:				
Buildings and improvements	(26,542,245)	(2,019,510)	-	(28,561,755)
Improvements other than buildings	(35,125,689)	(1,344,648)	-	(36,470,337)
Machinery and equipment	(53,615,704)	(5,382,215)	-	(58,997,919)
Infrastructure	(468,767)	(93,708)	-	(562,475)
Total accumulated depreciation	<u>(115,752,405)</u>	<u>(8,840,081)</u>	<u>-</u>	<u>(124,592,486)</u>
Total capital assets, being depreciated, net	<u>149,249,323</u>	<u>38,248,521</u>	<u>-</u>	<u>187,497,844</u>
Total business-type activities	<u>\$ 199,522,435</u>	<u>\$ 45,481,600</u>	<u>\$ (46,698,188)</u>	<u>\$ 198,305,847</u>

Depreciation expense in business-type activities for capital assets for the year ended June 30, 2014, is composed of the following:

Wastewater	\$ 3,460,117
Water	4,437,591
Golf Course	942,373
Total depreciation expense	<u>\$ 8,840,081</u>

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

6. 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, 2014 was \$1,362,499.

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

7. 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, 2014 is as follows:

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014	Classification	
					Amounts Due Within One Year	Amounts Due in More than One Year
Governmental Activities:						
Certificates of Participation - 2007 Series E	\$ 8,760,000	\$ -	\$ (510,000)	\$ 8,250,000	\$ 215,000	\$ 8,035,000
Certificates of Participation-2010 Series F	17,895,000	-	(2,925,000)	14,970,000	3,005,000	11,965,000
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	105,000	1,260,000
California Energy Commission 2004 Loan	111,876	-	(14,297)	97,579	14,717	82,862
Energy Resources Conservation & Dev Comm 2012 Loan	318,797	-	(82,666)	236,131	70,688	165,443
Unamortized bond premium	<u>1,755,632</u>	<u>-</u>	<u>(48,480)</u>	<u>1,707,152</u>	<u>-</u>	<u>1,707,152</u>
Subtotal long-term debt	46,656,305	-	(3,580,443)	43,075,862	3,410,405	39,665,457
Other noncurrent liabilities:						
Claims and judgments payable (Note 10)	8,404,146	1,059,421	(2,054,330)	7,409,237	2,140,230	5,269,007
Compensated absences payable	<u>5,476,628</u>	<u>4,057,846</u>	<u>(4,031,163)</u>	<u>5,503,311</u>	<u>538,936</u>	<u>4,964,375</u>
Total governmental activities	\$ 60,537,079	\$ 5,117,267	\$ (9,665,936)	\$ 55,988,410	\$ 6,089,571	\$ 49,898,839

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, 2014, was \$8,250,000.

The annual debt service requirements for the 2007 Series E Certificates of Participation outstanding at June 30, 2014, were as follows:

Year Ending June 30	Principal	Interest	Total
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	255,000	338,631	593,631
2020-2024	1,425,000	1,526,163	2,951,163
2025-2029	1,785,000	1,176,900	2,961,900
2030-2034	2,245,000	713,925	2,958,925
2035-2037	<u>1,620,000</u>	<u>156,275</u>	<u>1,776,275</u>
Total	\$ 8,250,000	\$ 5,360,419	\$ 13,610,419

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

7. 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, 2014, was \$14,970,000.

The annual debt service requirements for the Certificates of Participation, 2010 Series F outstanding at June 30, 2014 were as follows:

Year Ending			
June 30	Principal	Interest	Total
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	570,000	170,763	740,763
2020-2024	3,230,000	484,212	3,714,212
2025-2029	-	150,813	150,813
2030-2033	635,000	105,569	740,569
Total	\$ 14,970,000	\$ 2,322,594	\$ 17,292,594

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 at June 30, 2014, was \$16,450,000.

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

7. 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, 2014 were as follows:

Year Ending June 30	Principal	Interest	Total
2015	\$ -	\$ 680,469	\$ 680,469
2016	-	680,469	680,469
2017	-	680,469	680,469
2018	-	680,469	680,469
2019	-	680,469	680,469
2020-2024	3,215,000	3,246,681	6,461,681
2025-2029	8,355,000	2,155,000	10,510,000
2030-2032	4,880,000	353,600	5,233,600
Total	\$ 16,450,000	\$ 9,157,626	\$ 25,607,626

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, 2014, was \$1,365,000.

The annual debt service requirements for the Certificates of Participation, 2012 Series B outstanding at June 30, 2014:

Year Ending June 30	Principal	Interest	Total
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	645,000	25,300	670,300
2020	275,000	7,563	282,563
Total	\$ 1,365,000	\$ 165,139	\$ 1,530,139

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

7. 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, 2014, are as follows:

Year Ending June 30	Principal	Interest	Total
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	17,209	1,219	18,428
2020	17,894	533	18,427
Total	\$ 97,579	\$ 12,988	\$ 110,567

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, 2014, are as follows:

Year Ending June 30	Principal	Interest	Total
2015	\$ 70,688	\$ 2,329	\$ 73,017
2016	71,393	1,625	73,018
2017	72,112	905	73,017
2018	21,938	181	22,119
Total	\$ 236,131	\$ 5,040	\$ 241,171

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

7. LONG-TERM DEBT , Continued

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

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014	Classification	
					Amounts Due Within One Year	Amounts Due in More than One Year
Business-Type Activities:						
Wastewater Revenue Refunding, 2012	\$ 18,475,000	\$ -	\$ (870,000)	\$ 17,605,000	\$ 885,000	\$ 16,720,000
Plus unamortized:						
Bond premium	1,547,300	-	(76,097)	1,471,203	-	1,471,203
Wastewater Revenue Refunding 2012, net	20,022,300	-	(946,097)	19,076,203	885,000	18,191,203
Water Revenue Refunding 2012	45,450,000	-	(855,000)	44,595,000	860,000	43,735,000
Plus unamortized:						
Bond premium	3,972,510	-	(135,426)	3,837,084	-	3,837,084
Water Revenue Refunding A & B, net	49,422,510	-	(990,426)	48,432,084	860,000	47,572,084
Safe Drinking Water Loan	15,410,269	-	(900,866)	14,509,403	922,524	13,586,879
Total business-type activities	\$ 84,855,079	\$ -	\$(2,837,389)	\$ 82,017,690	\$ 2,667,524	\$ 79,350,166

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, 2014, was \$17,605,000.

The Wastewater Revenue Refunding Certificates of Participation are secured by an irrevocable pledge of wastewater net revenue, which totaled \$7,071,324 for the current year. The principal and interest remaining on the certificates of participation is \$26,176,316, payable through fiscal year 2034. For the current year, principal and interest payments were \$870,000 and \$685,947, respectively.

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 old and the new debt service payments) of \$1,825,013.

Total Wastewater Revenue Refunding Certificates of Participation outstanding as of June 30, 2014, net of unamortized bond premium were as follows:

Series A, Principal outstanding at June 30, 2014	\$ 1,690,000
Series B, Principal outstanding at June 30, 2014	15,915,000
Add unamortized bond premium	1,471,203
Net Bonds outstanding at June 30, 2014	\$ 19,076,203

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

7. LONG-TERM DEBT , Continued

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

The annual debt service requirements for the Wastewater Revenue Refunding Certificates of Participation, 2012 Series A outstanding at June 30, 2014, were as follows:

Year Ending June 30	Principal	Interest	Total
2015	\$ 885,000	\$ 22,458	\$ 907,458
2016	630,000	12,103	642,103
2017	175,000	2,905	177,905
Total	\$ 1,690,000	\$ 37,466	\$ 1,727,466

The annual debt service requirements for the Wastewater Revenue Refunding Certificates of Participation, 2012 Series B outstanding at June 30, 2014, were as follows:

Year Ending June 30	Principal	Interest	Total
2015	\$ -	\$ 655,050	\$ 655,050
2016	-	655,050	655,050
2017	465,000	655,050	1,120,050
2018	660,000	636,450	1,296,450
2019	685,000	610,050	1,295,050
2020-2024	3,865,000	2,616,650	6,481,650
2025-2029	4,630,000	1,836,550	6,466,550
2030-2034	5,610,000	869,000	6,479,000
Total	\$ 15,915,000	\$ 8,533,850	\$ 24,448,850

Water Revenue Refunding 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, 2014, was \$44,595,000.

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 old and the new debt service payments) of approximately \$1,357,000.

Total Water Revenue Refunding Certificates of Participation outstanding as of June 30, 2014, net of unamortized bond premium and deferral on refunding were as follows:

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

7. LONG-TERM DEBT , Continued

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

Series A, Principal outstanding at June 30, 2014	\$ 34,355,000
Series B, Principal outstanding at June 30, 2014	10,240,000
Add unamortized bond premium	<u>3,837,084</u>
Net Bonds outstanding at June 30, 2014	<u>\$ 48,432,084</u>

The annual debt service requirements for the Water Revenue Certificates of Participation, 2012 Series A outstanding at June 30, 2014, were as follows:

Year Ending June 30	Principal	Interest	Total
2015	\$ -	\$ 1,614,806	\$ 1,614,806
2016	-	1,614,806	1,614,806
2017	-	1,614,806	1,614,806
2018	-	1,614,806	1,614,806
2019	-	1,614,806	1,614,806
2020-2024	-	8,074,031	8,074,031
2025-2029	5,075,000	7,667,956	12,742,956
2030-2034	8,300,000	6,181,441	14,481,441
2035-2039	10,485,000	3,986,375	14,471,375
2040-2043	10,495,000	1,082,377	11,577,377
Total	<u>\$ 34,355,000</u>	<u>\$ 35,066,210</u>	<u>\$ 69,421,210</u>

The annual debt service requirements for the Water Revenue Refunding Certificates of Participation, 2012 Series B outstanding at June 30, 2014, were as follows:

Year Ending June 30	Principal	Interest	Total
2015	\$ 860,000	\$ 234,844	\$ 1,094,844
2016	865,000	225,785	1,090,785
2017	880,000	213,685	1,093,685
2018	895,000	198,679	1,093,679
2019	910,000	181,068	1,091,068
2020-2024	4,885,000	533,845	5,418,845
2025-2029	945,000	15,403	960,403
Total	<u>\$ 10,240,000</u>	<u>\$ 1,603,309</u>	<u>\$ 11,843,309</u>

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

7. 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
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	1,014,496	249,324	1,263,820
2020-2024	5,450,291	868,808	6,319,099
2025-2028	4,219,293	204,077	4,423,370
Total	\$ 14,509,403	\$ 2,552,163	\$ 17,061,566

The Water Revenue Refunding Certificates and the Safe Drinking Water Loan are secured by an irrevocable pledge of water net revenue, which totalled \$10,539,146 for the current year. Debt service for the year on these debts totalled \$3,974,136 for the current year.

C. Conduit Debt

In 2011, the City of San Buenaventura (“City”) issued \$350,000,000 in Revenue Bonds (“2011 Conduit Bonds”) on behalf of the Community Memorial Health System (“CMHS”). The proceeds of the 2011 conduit bonds were used to: a) finance and refinance the acquisition, construction, equipping and improvement of certain health care facilities, including a new hospital tower for Community Memorial Hospital (the “Project”) located in Ventura, California; b) pay a portion of the capitalized interest on the 2011 conduit bonds during the period of construction of the Project; and c) fund a debt service reserve account. The obligation of CMHS to make payments will be secured by a Construction and Permanent Deed of Trust (“Deed of Trust”) granting an interest in certain properties and related health care facilities and equipment owned by CMHS. The City has no obligation to make the debt service payments in the event that the CMHS is not able to make the required revenue payments. Accordingly, this debt is excluded from the Statement of Net Position. As of June 30, 2014, the outstanding amount was \$350,000,000.

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

8. UNEARNED REVENUES

Unearned revenues at June 30, 2014, consist of:

General Fund:	
Business license	\$ 472,947
Recreational activities	383,037
Working Artists of Ventura impact fees	349,165
Grants	144,638
Other deposits	17,631
Total General Fund	<u>1,367,418</u>
Capital Projects Funds:	
Capital Improvement:	
Working Artists of Ventura impact fees	59,930
Gas Tax:	
Department of Transportation	55,477
Working Artists of Ventura impact fees	230,189
Parks and Recreation:	
Working Artists of Ventura impact fees	446,636
Housing and Community Development	
Grants	104,000
Total Capital Projects Funds	<u>896,232</u>
Other Governmental Funds:	
Working Artists of Ventura impact fees	<u>80,700</u>
Total Unearned Revenues	<u><u>\$ 2,344,350</u></u>

City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2014

9. 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, 2014, 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 and advances 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 City Council, which is the highest level of decision-making authority. 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. City Council annually authorizes the City's Financial Policies which authorize the Finance and Technology Director to assign fund balance amounts to a specific purpose.

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. The City Council has established a \$12 million stabilization reserve to be used for emergencies, significant economic downturns, and other unforeseen events that cannot be covered by operating and other reserves. Once established by ordinance approved by the City Council, the funds can only be used by the City for the purposes identified.

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, 2014, for the governmental funds are nonspendable, restricted, committed, assigned, or unassigned for the following purposes:

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

9. 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	\$ 999,602	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 999,602
Advance to Successor RDA	5,394,951	-	-	-	-	-	-	5,394,951
Inventory	21,073	-	-	-	-	-	-	21,073
Prepaid items	71,667	-	-	-	-	-	-	71,667
Subtotal	6,487,293	-	-	-	-	-	-	6,487,293
Restricted for:								
Capital Projects	2,780,196	-	-	19,535,301	-	-	-	22,315,497
Debt Service	-	5,211,426	-	-	-	-	863,689	6,075,115
General Grant & Categorical	948,424	-	-	-	-	-	-	948,424
Housing & Community Development	-	-	-	-	-	1,392,827	-	1,392,827
Successor Housing Agency	-	-	-	-	-	-	5,812,072	5,812,072
Public Protection	-	-	-	-	-	-	72,774	72,774
Transportation & Highways	-	-	-	3,842,548	-	-	1,334,688	5,177,236
Subtotal	3,728,620	5,211,426	-	23,377,849	-	1,392,827	8,083,223	41,793,945
Committed to:								
Capital Projects	-	-	1,818,412	-	-	-	228,038	2,046,450
Park and Recreation	-	-	-	-	2,359,785	-	-	2,359,785
Public Art	-	-	-	-	-	-	2,579,648	2,579,648
Public Ways and Facilities	-	-	-	-	-	-	1,532,662	1,532,662
Revenue Enhancement	393,747	-	-	-	-	-	-	393,747
Subtotal	393,747	-	1,818,412	-	2,359,785	-	4,340,348	8,912,292
Assigned to:								
Capital Projects Code	510,763	-	510,777	-	-	-	-	1,021,540
Compliance Loans	63,747	-	-	-	-	-	-	63,747
Downtown Commercial Rehabilitation	610,628	-	-	-	-	-	-	610,628
Housing Preservation	430,817	-	-	-	-	-	-	430,817

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

9. FUND BALANCES FOR GOVERNMENTAL FUNDS , Continued

	General Fund	Certificates of Participation Debt Obligation 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
Other								
Miscellaneous	230,063	-	-	-	-	-	-	230,063
Montalvo								
Outreach	25,000	-	-	-	-	-	-	25,000
Park and Recreation	23,000	-	-	-	2,631,745	-	-	2,654,745
Public Protection	1,459,967	-	-	-	-	-	179,872	1,639,839
Keys Dredging	1,346,236	-	-	-	-	-	-	1,346,236
Subtotal	4,700,221	-	510,777	-	2,631,745	-	179,872	8,022,615
Unassigned:	15,072,282	(56,043)	-	-	-	-	(1,695,471)	13,320,768
Total fund balances	\$ 30,382,163	\$ 5,155,383	\$ 2,329,189	\$ 23,377,849	\$ 4,991,530	\$ 1,392,827	\$ 10,907,972	\$ 78,536,913

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

10. 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	
	2014	2013
Unpaid claims, beginning of year	\$ 8,404,146	\$ 9,635,751
Incurred claims and changes in estimates	1,059,421	2,206,501
Claim payments	<u>(2,054,330)</u>	<u>(3,438,106)</u>
Unpaid claims, end of year	<u>\$ 7,409,237</u>	<u>\$ 8,404,146</u>
Current portion	\$ 2,140,230	\$ 3,110,661
Noncurrent portion	<u>5,269,007</u>	<u>5,293,485</u>
Total claims and judgments payable	<u>\$ 7,409,237</u>	<u>\$ 8,404,146</u>

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

10. SELF-INSURANCE ACCRUED LIABILITIES , Continued

At June 30, 2014, total estimated claims payable were as follows:

General Liability	\$ 665,699
Workers' Compensation	6,743,538
Total	<u>\$ 7,409,237</u>

11. 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, 2011
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Average Remaining Period	23 Years as of the Valuation Date
Asset Valuation Method	15 Years Smoothed Market
Actuarial Assumptions	
Investment Rate of Return	7.5% (net of administrative expenses)
Projected Salary Increases	3.3% to 14.2% depending on Age, Service, and type of employment
Inflation	2.75%
Payroll Growth	3%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 2.75% and an annual production growth of 0.25%

Retirement Program - Safety

Valuation Date	June 30, 2011
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Average Remaining Period	31 Years as of the Valuation Date
Asset Valuation Method	15 Years Smoothed Market
Actuarial Assumptions	
Investment Rate of Return	7.5% (net of administrative expenses)
Projected Salary Increases	3.3% to 14.2% depending on Age, Service, and type of employment
Inflation	2.75%
Payroll Growth	3%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 2.75% and an annual production growth of 0.25%

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

11. 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%).

During the year ended June 30, 2013, the California's Public Employees' Pension Reform Act ("PEPRA" or AB340) went into effect. Employees hired after January 1, 2013 who are new to the CalPERS system are required to pay half of their plan's normal cost. The new miscellaneous members contribute 6.25% of their annual covered salary.

The City's employer required contribution rates for Safety and Miscellaneous employees were 39.552% and 13.466%, respectively, for the fiscal year. Actual contributions amounted to \$10,112,341 and \$5,554,144 for safety employees and miscellaneous employees, respectively, during fiscal year ended June 30, 2014.

Annual Pension Cost - Required contributions were determined as part of the June 30, 2011, 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 2011.

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					
06/30/2012	\$ 5,527,780	\$ -	\$ 4,129,709	74.7 %	\$ 1,398,071 (a)
06/30/2013	5,659,892	1,398,071	7,057,963	124.7 %	-
06/30/2014	5,554,144	-	5,554,144	100.0 %	-
Safety					
06/30/2012	\$ 9,115,490	\$ -	\$ 6,354,762	69.7 %	\$ 2,760,728 (a)
06/30/2013	9,538,744	2,760,728	12,299,472	128.9 %	-
06/30/2014	10,112,341	-	10,112,341	100.0 %	-

(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 Value of Assets*</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	06/30/13	\$ 174,227,204	\$ 221,979,454	\$ 47,752,250	78.5%	\$ 28,209,286	169.3 %
Safety Employees Group	06/30/13	\$ 191,329,875	\$ 301,571,006	\$ 110,241,131	63.4%	\$ 20,531,936	536.9 %

* Beginning with the 6/30/2013 valuation, Actuarial Value of Assets equals Market Value of Assets per CalPERS Direct Rate Smoothing Policy.

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

11. PENSION PLANS , Continued

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.

12. 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, 2014, the City held a 30.03% 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 \$7,484,311 or 39.56% at June 30, 2014. The City's share of SCAT's net operating loss was \$756,683 for the fiscal year ended June 30, 2014, and the City's share of SCAT's capital grants was \$607,192 resulting in a net \$149,491 decrease in equity in fiscal year 2014. Complete separate financial statements are available from the SCAT office at 301 East Third Street, Oxnard, CA 93030.

13. COMMITMENTS AND CONTINGENCIES

The City of Ventura filed suit against United Water Conservation District (UWCD) to recover amounts that City believed it had been overcharged by UWCD in prior years. The City prevailed with the trial court and was awarded \$1.75 million. UWCD appealed the decision to the appellate court but paid this money to the City to avoid accruing further penalties and interest. The case remains with the appellate court and final determination of liability has not been decided. The City believes that it will prevail and is, therefore, recognizing the payment from UWCD as revenue in the Water Fund. If the City is required to refund the money to UWCD, the Water Fund will recognize an expense at that time for the amount of the repayment. The Water Fund has restricted the cash to be used for repayment to UWCD if the court rules against the City.

The City is also 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, 2014:

<u>Fund</u>	<u>Amount</u>
General	\$ 1,640,451
Capital Improvement Capital Projects	133,011
Gas Tax Capital Projects	1,366,430
Park and Recreation Capital Projects	40,175
Housing and Community Development Block Grant Capital Projects	131,390
Other Governmental Funds	11,000
Total Governmental Funds	<u>3,322,457</u>
Wastewater	1,413,419
Water	6,282,739
Other Proprietary Funds	1,540,557
Total Proprietary Funds	<u>9,236,715</u>
Total	<u><u>\$ 12,559,172</u></u>

City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2014

14. JOBS INVESTMENT FUND

During fiscal year 2007-08, the City allocated \$5 million to the Jobs Investment Fund("JIF") Program.

In the same fiscal year, the City entered into an agreement with DFJ Frontier Fund as a limited liability partner to invest a total of \$3 million, out of the \$5 million JIF monies, 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. The City expended \$2.7 million of the \$3 million set-aside for this purpose.

Out of the \$5 million allocated for the JIF, the City set aside \$1.6 million for the Ventura Jobs Coinvestment Account ("VJCIA") 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 expended \$1.132 million of the \$1.6 million set aside for this purpose. The City has treated this as an expenditure rather than an investment as this was intended to create jobs and improve economy.

The remaining \$400,000 of the JIF monies were allocated and used for Ventura Ventures Technology Center ("V2TC"). The City has treated these transactions as expenditures rather than an investment as these were intended to create jobs and improve economy.

In fiscal year 2013-2014, the City approved to dissolve the JIF and the limited partnership agreement with DFJ Frontier, which also resulted to freezing the remaining assets in VJCIA. This action did not affect the V2TC, which remains a viable entity under City staff management.

The dissolution resulted in revenues of \$2 million being recognized in fiscal year 2013-2014 in the Governmental Activities column of the Government-wide Financial Statements and in the General Fund in the Fund Financial Statements. The proceeds from the sale of the JIF investments and the remaining JIF funds were transferred to the Public Liability Fund and the Worker's Compensation Fund for \$1.2 million and \$1.66 million, respectively, in accordance with the City Council action and the City Budget.

15. 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 revenue had been recorded in the prior years. The WAV is now paying the apartment portion and, as such, revenue is being recognized as payments are received. 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. Since management is uncertain about the collectibility of the deferred fees related to the condominiums, the \$270,693 receivable balance is totally offset by an allowance for doubtful accounts.

16. DEFICIT FUND BALANCES AND NET POSITION

Below are plans to eliminate deficit Fund Balances and Net Position:

Downtown Parking District Special Revenue Fund

The deficit of \$513,198 includes substantial initial start up costs and capital expenditures, and these costs will be covered by future anticipated revenues.

City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2014

16. DEFICIT FUND BALANCES AND NET POSITION , Continued

Street Lighting District Special Revenue Fund

The deficit of \$75,535 will be covered by transfers from the General fund.

Employee Fringe Benefits Internal Service Fund

The deficit of \$4,525,313 is due to the long-term compensated absences balance of \$4,964,375. 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.

17. 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. RECENT CHANGES IN LEGISLATION AFFECTING CALIFORNIA REDEVELOPMENT AGENCIES

On June 29, 2011, Assembly Bills 1x 26 (the "Dissolution Act") and 1x 27 were enacted. The Dissolution Act required each California Redevelopment Agency (the "RDA") to suspend nearly all activities and prepare for impending dissolution. On December 29, 2011, the California Supreme Court upheld the Dissolution Act and struck down Assembly Bill 1x 27.

Under the Dissolution Act, each RDA was dissolved (the "Dissolved RDA") as of February 1, 2012. A Successor Agency (the "Successor Agency") was created for each Dissolved RDA. On January 30, 2012, the City elected to serve as the Successor Agency of the City of San Buenaventura Redevelopment Agency (the "Successor Agency of Ventura").

The Dissolution Act also allowed the sponsoring community that formed the Dissolved RDA to elect to assume the housing functions and take over the certain housing assets of the Dissolved RDA. On January 30, 2012, the City elected to serve as the Housing Successor Agency (the "Successor Housing Agency of Ventura").

On June 27, 2012, the Legislature passed and the Governor signed AB 1484, which made technical and substantive amendments to the Dissolution Act.

The Dissolution Act and AB 1484 established roles for the County Auditor-Controller, the California Department of Finance (the "DOF") and the California State Controller's Office (the "SCO") 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 the amount of property taxes that would have been redevelopment property tax increment for each six-month period had the Dissolved RDA not been dissolved. The deposit in the RPTTF fund is to be used to pay enforceable obligations of the Successor Agency as listed on the semi-annual Recognized Obligation Payments Schedule (the "ROPS"), which is approved by both the Successor Agency's Oversight Board and 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

City of San Buenaventura

Notes to the Basic Financial Statements

For the Year Ended June 30, 2014

18. RECENT CHANGES IN LEGISLATION AFFECTING CALIFORNIA REDEVELOPMENT AGENCIES , Continued

enforceable obligations payable by the Successor Agency of Ventura 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.

The Due Diligence Review (the "DDR") required by AB 1484 that established the "meet and confer" process that provides the Successor Agency a formalized means of communication with the DOF over matters related to disputes regarding an enforceable obligation or a dispute within the DDR had been completed. Also, the required review by the SCO has been completed and closed. The Successor Agency of Ventura has successfully met all of the new deadlines and procedures imposed by AB 1484.

The SCO had been directed to review the propriety of any transfers of assets between the Dissolved RDA and other public bodies that occurred after January 1, 2011. The SCO's review of the City of Ventura's Dissolved RDA transfers of assets resulted in no findings and that all of the assets of the City of Ventura's Dissolved RDA had been transferred to the Successor Agency of Ventura and the Successor Housing Agency of Ventura.

The Successor Agency was also required by the Dissolution Act and AB 1484 to prepare a Long Range Property Management Plan (the "Property Management Plan") that addresses the disposition and use of the properties of the Dissolved RDA. The Property Management Plan must be submitted to the DOF for approval no later than six months following the issuance to the Successor Agency of the Finding of Completion (the "FOC"). The Successor Agency of Ventura's FOC was issued by the DOF on April 26, 2013 and the Property Management Plan was submitted by the Successor Agency of Ventura to the DOF on July 5, 2013. The Property Management Plan was approved by the DOF on February 20, 2014, which specifies that the Successor Agency of Ventura will reach compensation agreements with other taxing entities for properties retained for future development.

19. 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 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-

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

19. SUCCESSOR AGENCY DISCLOSURES , Continued

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, 2014, 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, 2014, was \$1,192,500

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, 2014 was as follows:

	Balance			Classification		
	July 1, 2013	Additions	Deletions	Balance June 30, 2014	Amounts Due Within One Year	Amounts Due in More than One Year
Fiduciary Funds:						
CalHFA HELP Loan - 2008	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000	\$ 271,723	\$ 1,228,277
Tax Allocation Bonds - 2003	5,715,000	-	290,000	5,425,000	300,000	5,125,000
Tax Allocation Bonds - 2008	8,315,000	-	165,000	8,150,000	225,000	7,925,000
Total Fiduciary Funds	\$ 15,530,000	\$ -	\$ 455,000	\$ 15,075,000	\$ 796,723	\$ 14,278,277

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 \$1.2 million at a 3.5% interest rate for a term of 10 years for the WAV project. Annual principal repayments begin in October 2014 with simple interest. Final payment is due on December 31, 2017. The CalHFA loan was a special obligation of the Dissolved Agency. The total amount outstanding as of June 30, 2014, was \$1.5 million.

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

19. SUCCESSOR AGENCY DISCLOSURES , Continued

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, 2014, was \$ 5,425,000 .

The annual debt service requirements for the 2003 Tax Allocation Bonds outstanding at June 30, 2014, were as follows:

Year Ending June 30	Principal	Interest	Total
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	345,000	165,250	510,250
2020-2024	1,950,000	602,666	2,552,666
2025-2029	<u>1,865,000</u>	<u>162,456</u>	<u>2,027,456</u>
Total	<u>\$ 5,425,000</u>	<u>\$ 1,709,887</u>	<u>\$ 7,134,887</u>

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 \$7,134,887, payable through August 2028. For the current year, principal and interest payments totaled \$511,070.

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 2038. 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, 2014, was \$8,150,000.

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 \$16,361,971, payable through August 2038. For the current year, principal and interest payments totaled \$771,669.

City of San Buenaventura
Notes to the Basic Financial Statements
For the Year Ended June 30, 2014

19. SUCCESSOR AGENCY DISCLOSURES , Continued

Year Ending June 30	Principal	Interest	Total
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	440,000	519,581	959,581
2020-2024	1,550,000	2,258,572	3,808,572
2025-2029	1,775,000	1,699,531	3,474,531
2030-2034	1,300,000	1,038,000	2,338,000
2035-2039	1,905,000	404,200	2,309,200
Total	<u>\$ 8,150,000</u>	<u>\$ 8,211,971</u>	<u>\$ 16,361,971</u>

20. SUBSEQUENT EVENTS

In October 2014, the City of San Buenaventura Public Facilities Financing Authority (“PFFA”) issued 2014 Water Revenue Bonds, Series C (“Water Bonds”) and 2014 Wastewater Revenue Bonds, Series C (“Wastewater Bonds”) in the amount of \$16,645,000 and \$22,730,000, respectively. Proceeds from the sale of the Water Bonds will be used to acquire and construct certain improvements for the City’s water system and pay costs incurred in connection with the issuance of the Water Bonds. Proceeds from the sale of the Wastewater Bonds will be used to acquire and construct certain improvements for the City’s wastewater system and pay costs incurred in connection with the issuance of the Wastewater Bonds.



Required Supplementary
Information



City of San Buenaventura

Required Supplementary Information

For the Year Ended June 30, 2014

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, 2014, 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 Supplementary Information
For the Year Ended June 30, 2014

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 Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balance, July 1	\$ 29,428,776	\$ 29,428,776	\$ 29,428,776	\$ -
Resources (inflows):				
Current:				
Taxes	71,798,521	71,865,077	72,684,269	819,192
Licenses and permits	1,790,232	1,790,232	2,280,313	490,081
Intergovernmental	981,097	2,535,153	2,212,104	(323,049)
Charges for services	8,229,875	8,284,175	9,753,414	1,469,239
Fines and forfeitures	1,595,988	1,595,988	1,745,183	149,195
Use of money and property	1,573,337	1,573,337	1,073,311	(500,026)
Other revenue	6,958,032	13,238,189	5,590,874	(7,647,315)
Transfers in	1,406,556	1,544,203	1,420,111	(124,092)
Amount available for appropriations	94,333,638	102,426,354	96,759,579	(5,666,775)
Charges to appropriations (outflows):				
Current:				
General government	3,271,165	3,734,317	3,007,231	727,086
Human resources	848,113	848,113	750,641	97,472
Finance and technology	6,966,731	7,144,349	6,628,115	516,234
Community development	6,776,993	6,699,136	6,176,225	522,911
Parks, Rec & Com Partnerships	11,625,746	11,849,334	11,758,908	90,426
Public safety - police	30,330,119	31,450,201	31,475,118	(24,917)
Public safety - fire	17,278,335	17,904,993	17,517,291	387,702
Public works	8,512,680	9,899,245	8,616,615	1,282,630
Capital outlays	256,851	366,382	252,322	114,060
Transfers out	8,466,905	12,530,284	9,623,726	2,906,558
Total charges to appropriations	94,333,638	102,426,354	95,806,192	(6,620,162)
Excess of resources over (under) charges for appropriations	-	-	953,387	953,387
Fund balance, June 30	\$ 29,428,776	\$ 29,428,776	\$ 30,382,163	\$ 953,387

See Independent Auditors' Report.

City of San Buenaventura
Required Supplementary Information
For the Year Ended June 30, 2014

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.

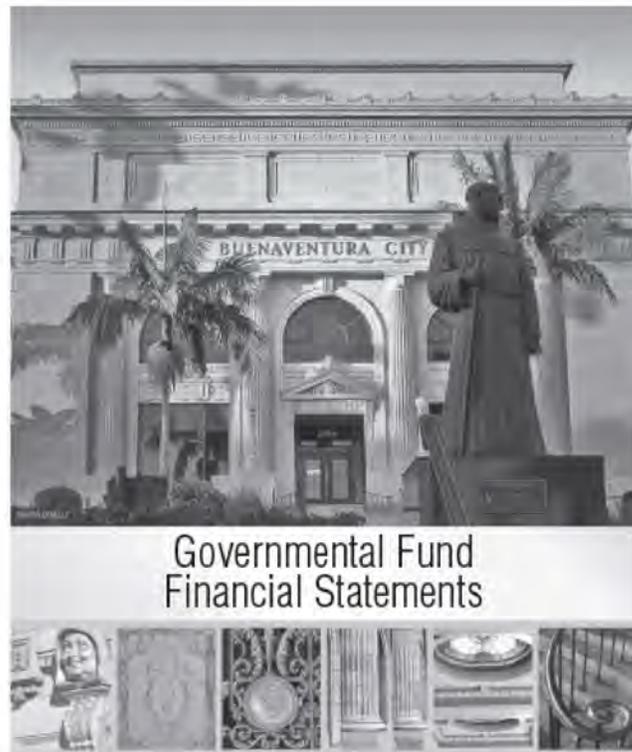
Actuarial Valuation Date	Actuarial Value of Assets*	Entry Age Actuarial Liability	Underfunded (Overfunded) Actuarial Liability	Funded Ratio	Covered Payroll	Underfunded (Overfunded) Actuarial Liability as Percentage of Covered Payroll
Miscellaneous Employees Group						
06/30/11	\$ 161,371,537	\$ 205,505,646	\$ 44,134,109	78.5%	\$ 28,738,080	153.6%
06/30/12	157,468,698	213,214,115	55,745,417	73.9%	27,721,786	201.1%
06/30/13	174,227,204	221,979,454	47,752,250	78.5%	28,209,286	169.3%
Safety Employees Group						
06/30/11	\$ 180,178,910	\$ 275,332,767	\$ 95,153,857	65.4%	\$ 19,738,258	482.1%
06/30/12	172,909,959	290,577,006	117,667,047	59.5%	19,636,890	599.2%
06/30/13	191,329,875	301,571,006	110,241,131	63.4%	20,531,936	536.9%

* 6/30/12 and 6/30/11 numbers were changed to Market Value of Assets (previously reported as Actuarial Value of Assets). Beginning with the 6/30/2013 valuation, Actuarial Value of Assets equals Market Value of Assets per CalPERS Direct Rate Smoothing Policy.



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.

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

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, 2014

	<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	\$ 5,269,425	\$ 5,269,425	\$ -
Resources (inflows):				
Use of money and property	6,002	6,002	1,345	(4,657)
Other revenue	-	216,378	-	(216,378)
Transfers in	4,256,394	4,256,394	4,319,235	62,841
Amount available for appropriations	4,262,396	4,478,774	4,320,580	(158,194)
Charges to appropriations (outflows):				
Principal retirement	2,925,000	2,925,000	2,925,000	-
Interest and other charges	1,337,396	1,337,396	1,337,744	(348)
Transfers out	-	216,378	171,878	44,500
Total charges to appropriations	4,262,396	4,478,774	4,434,622	44,152
Excess of resources over (under) charges for appropriations	-	-	(114,042)	(114,042)
Fund balance, June 30	\$ 5,193,034	\$ 5,269,425	\$ 5,155,383	\$ (114,042)

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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	\$ 2,758,932	\$ 2,149,611	\$ 2,149,611	\$ -
Resources (inflows):				
Taxes	-	-	144,067	144,067
Intergovernmental	2,600,000	2,750,000	335,646	(2,414,354)
Use of money and property	-	-	20,907	20,907
Other revenue	-	1,190,982	314,226	(876,756)
Transfers in	2,350,409	3,435,302	1,267,970	(2,167,332)
Amount available for appropriations	4,950,409	7,376,284	2,082,816	(5,293,468)
Charges to appropriations (outflows):				
Public works	-	-	429,985	(429,985)
Capital outlays	4,950,409	7,237,727	1,437,419	5,800,308
Transfers out	-	138,557	35,834	102,723
Total charges to appropriations	4,950,409	7,376,284	1,903,238	(5,473,046)
Excess of resources over (under) charges for appropriations	-	-	179,578	179,578
Fund balance, June 30	\$ 2,758,932	\$ 2,149,611	\$ 2,329,189	\$ 179,578

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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	\$ 22,564,398	\$ 23,027,764	\$ 23,027,764	\$ -
Resources (inflows):				
Taxes	-	-	1,193,808	1,193,808
Intergovernmental	9,131,875	9,405,467	3,683,428	(5,722,039)
Use of money and property	118,916	118,916	425,177	306,261
Other revenue	3,986,694	9,480,370	135,535	(9,344,835)
Transfers in	-	1,220,710	456,645	(764,065)
Amount available for appropriations	13,237,485	20,225,463	5,894,593	(14,330,870)
Charges to appropriations (outflows):				
Public works	12,626,616	19,394,242	3,714,491	15,679,751
Capital outlays	-	-	796,568	(796,568)
Transfers out	610,869	831,221	1,033,449	(202,228)
Total charges to appropriations	13,237,485	20,225,463	5,544,508	(14,680,955)
Excess of resources over (under) charges for appropriations	-	-	350,085	350,085
Fund balance, June 30	\$ 22,564,398	\$ 23,027,764	\$ 23,377,849	\$ 350,085

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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	\$ 5,539,960	\$ 4,683,232	\$ 4,683,232	\$ -
Resources (inflows):				
Taxes	150,000	150,000	456,989	306,989
Intergovernmental	-	-	124,851	124,851
Use of money and property	-	-	99,341	99,341
Other revenue	111,500	661,348	48,153	(613,195)
Transfers in	951,325	953,050	155,079	(797,971)
Amount available for appropriations	1,212,825	1,764,398	884,413	(879,985)
Charges to appropriations (outflows):				
Parks, Rec & Com Partnerships	31,500	48,254	2,522	45,732
Capital outlays	1,031,325	1,558,797	416,246	1,142,551
Transfers out	150,000	157,347	157,347	-
Total charges to appropriations	1,212,825	1,764,398	576,115	(1,188,283)
Excess of resources over (under) charges for appropriations	-	-	308,298	308,298
Fund balance, June 30	\$ 5,539,960	\$ 4,683,232	\$ 4,991,530	\$ 308,298

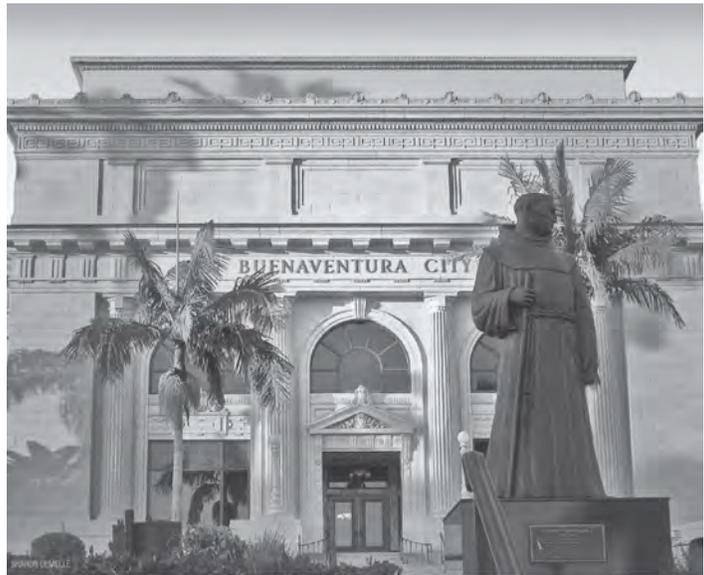
See Independent Auditors' Report.

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, 2014

	<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	\$ 1,383,529	\$ 1,383,529	\$ -
Resources (inflows):				
Intergovernmental	2,311,697	2,009,475	680,230	(1,329,245)
Use of money and property	1,613	1,613	4,804	3,191
Amount available for appropriations	2,313,310	2,011,088	685,034	(1,326,054)
Charges to appropriations (outflows):				
Community development	2,313,310	2,009,088	600,778	1,408,310
Capital outlays	-	2,000	74,958	(72,958)
Total charges to appropriations	2,313,310	2,011,088	675,736	(1,335,352)
Excess of resources over (under) charges for appropriations	-	-	9,298	9,298
Fund balance, June 30	\$ 1,385,608	\$ 1,383,529	\$ 1,392,827	\$ 9,298

See Independent Auditors' Report.



COMPREHENSIVE ANNUAL
FINANCIAL REPORT



YEAR ENDED JUNE 30, 2014



Supplementary
Information





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 revenues and expenditures related to the City's Public Art Program.

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

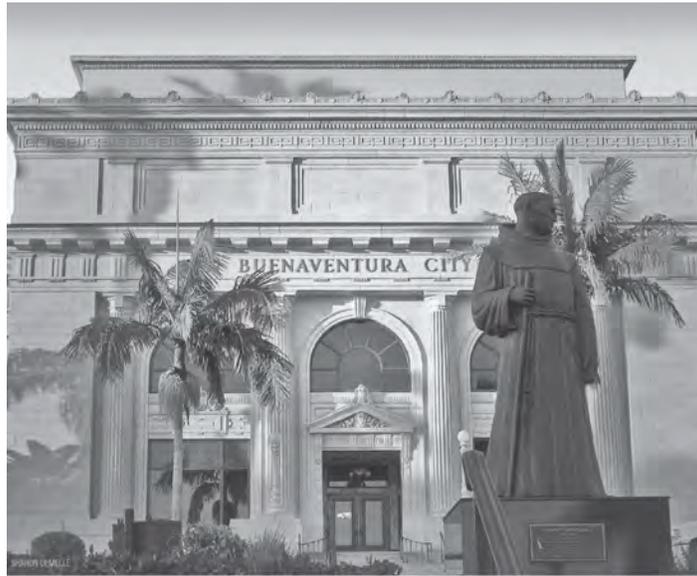
Downtown Parking District Fund – To account for revenue and expenditures related to the City's Downtown Parking Management Program.

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 revenues and expenditures for the City that are not included in the Maintenance Assessment District.

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.

Transportation Development Act (TDA) Fund – To account for revenue received from the State of California and uses for the development and support of public transportation.



COMPREHENSIVE ANNUAL
FINANCIAL REPORT



YEAR ENDED JUNE 30, 2014

City of San Buenaventura
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2014

	Special Revenue				
	Supplemental Law Enforcement Services	Law Enforcement	Public Art	Successor Housing Agency	Downtown Parking District
ASSETS					
Assets:					
Cash and investments	\$ 44,651	\$ 179,872	\$ 1,616,841	\$ -	\$ 191,211
Restricted cash and investments	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-
Due from other funds	-	-	-	283,758	-
Due from others	-	-	25	-	2,762
Due from other governments	28,123	-	-	-	-
Loans and notes receivable	-	-	-	4,139,103	-
Due from Successor Agency	-	-	1,192,500	1,389,211	-
Total assets	\$ 72,774	\$ 179,872	\$ 2,809,366	\$ 5,812,072	\$ 193,973
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	-	-	1,680	-	1,108
Due to other funds	-	-	-	610,442	705,803
Due to other governments	-	-	-	-	260
Unearned revenue	-	-	-	80,700	-
Total liabilities	-	-	1,680	691,142	707,171
Fund Balances:					
Restricted	72,774	-	-	5,812,072	-
Committed	-	-	2,807,686	-	-
Assigned	-	179,872	-	-	-
Unassigned	-	-	-	(691,142)	(513,198)
Total fund balances (deficit)	72,774	179,872	2,807,686	5,120,930	(513,198)
Total liabilities and fund balances	\$ 72,774	\$ 179,872	\$ 2,809,366	\$ 5,812,072	\$ 193,973

See Independent Auditors' Report.

<u>Special Revenue</u>		<u>Debt Service</u>	<u>Capital Projects</u>		<u>Total</u>
<u>Maintenance Assessment District</u>	<u>Street Lighting District</u>	<u>Municipal Improvement Revenue Bonds</u>	<u>Transportation Development Act</u>	<u>Other Governmental Funds</u>	
\$ 1,522,681	\$ -	\$ -	\$ 1,417,308	\$ -	4,972,564
-	-	863,689	-	-	863,689
22,742	8,893	34	-	-	31,669
-	-	-	-	-	283,758
-	-	-	-	-	2,787
22,850	18,210	-	-	-	69,183
-	-	-	-	-	4,139,103
-	-	-	-	-	2,581,711
\$ 1,568,273	\$ 27,103	\$ 863,723	\$ 1,417,308	\$ -	12,944,464
\$ 35,611	\$ 102,638	\$ -	\$ 82,620	\$ -	223,657
-	-	415,630	-	-	1,731,875
-	-	-	-	-	260
-	-	-	-	-	80,700
35,611	102,638	415,630	82,620	-	2,036,492
-	-	863,689	1,334,688	-	8,083,223
1,532,662	-	-	-	-	4,340,348
-	-	-	-	-	179,872
-	(75,535)	(415,596)	-	-	(1,695,471)
1,532,662	(75,535)	448,093	1,334,688	-	10,907,972
\$ 1,568,273	\$ 27,103	\$ 863,723	\$ 1,417,308	\$ -	12,944,464

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, 2014

	Special Revenue				
	Supplemental Law Enforcement Services	Law Enforcement	Public Art	Successor Housing Agency	Downtown Parking District
REVENUES:					
Taxes	189,474	-	-	-	-
Intergovernmental	-	78,040	-	-	-
Charges for services	-	-	-	-	560,260
Use of money and property	-	649	-	98,298	458,875
Other revenue	-	-	3,291	1,188	-
Total revenues	189,474	78,689	3,291	99,486	1,019,135
EXPENDITURES:					
Current:					
Community development	-	-	-	12,242	-
Parks, Rec & Com Partnerships	-	-	48,217	-	-
Public safety - police	161,999	41,387	-	-	-
Public works	-	-	-	-	663,669
Capital outlays	-	-	-	-	-
Debt Service:					
Principal retirement	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Total expenditures	161,999	41,387	48,217	12,242	663,669
REVENUES OVER (UNDER) EXPENDITURES	27,475	37,302	(44,926)	87,244	355,466
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	91,402	-	-
Transfers out	-	-	(150,000)	-	-
Total other financing sources (uses)	-	-	(58,598)	-	-
Net change in fund balances	27,475	37,302	(103,524)	87,244	355,466
FUND BALANCES:					
Beginning of year	\$ 45,299	\$ 142,570	\$ 2,911,210	\$ 5,033,686	\$ (868,664)
End of year	<u>\$ 72,774</u>	<u>\$ 179,872</u>	<u>\$ 2,807,686</u>	<u>\$ 5,120,930</u>	<u>\$ (513,198)</u>

See Independent Auditors' Report.

<u>Special Revenue</u>		<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<u>Maintenance Assessment District</u>	<u>Street Lighting District</u>	<u>Municipal Improvement Revenue Bonds</u>	<u>Transportation Development Act</u>	<u>Other Governmental Funds</u>
796	875,813	-	-	1,066,083
-	-	-	1,092,619	1,170,659
569,379	-	115	-	1,129,754
13,332	313	-	6,765	578,232
-	-	-	-	4,479
583,507	876,126	115	1,099,384	3,949,207
-	-	-	-	12,242
-	-	-	-	48,217
-	-	-	-	203,386
431,411	1,307,176	-	3,315	2,405,571
-	-	-	339,298	339,298
-	-	510,000	-	510,000
-	-	400,797	-	400,797
431,411	1,307,176	910,797	342,613	3,919,511
152,096	(431,050)	(910,682)	756,771	29,696
-	407,235	884,262	798,287	2,181,186
(57,023)	-	-	(220,370)	(427,393)
(57,023)	407,235	884,262	577,917	1,753,793
95,073	(23,815)	(26,420)	1,334,688	1,783,489
<u>\$ 1,437,589</u>	<u>\$ (51,720)</u>	<u>\$ 474,513</u>	<u>\$ -</u>	<u>\$ 9,124,483</u>
<u>\$ 1,532,662</u>	<u>\$ (75,535)</u>	<u>\$ 448,093</u>	<u>\$ 1,334,688</u>	<u>\$ 10,907,972</u>

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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	\$ 32,575	\$ 45,299	\$ 45,299	\$ -
Resources (inflows):				
Taxes	172,260	172,260	189,474	17,214
Use of money and property	1,682	1,682	-	(1,682)
Transfers in	295,826	295,826	-	(295,826)
Amount available for appropriations	469,768	469,768	189,474	(280,294)
Charges to appropriations (outflows):				
Public safety - police	469,768	469,768	161,999	307,769
Total charges to appropriations	469,768	469,768	161,999	(307,769)
Excess of resources over (under) charges for appropriations	-	-	27,475	27,475
Fund balance, June 30	\$ 32,575	\$ 45,299	\$ 72,774	\$ 27,475

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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	<u>\$ 98,709</u>	<u>\$ 142,570</u>	<u>\$ 142,570</u>	<u>\$ -</u>
Resources (inflows):				
Intergovernmental	50,000	50,000	78,040	28,040
Use of money and property	26	26	649	623
Amount available for appropriations	<u>50,026</u>	<u>50,026</u>	<u>78,689</u>	<u>28,663</u>
Charges to appropriations (outflows):				
Public safety - police	50,026	50,026	41,387	8,639
Total charges to appropriations	<u>50,026</u>	<u>50,026</u>	<u>41,387</u>	<u>(8,639)</u>
Excess of resources over (under) charges for appropriations	<u>-</u>	<u>-</u>	<u>37,302</u>	<u>37,302</u>
Fund balance, June 30	<u>\$ 98,709</u>	<u>\$ 142,570</u>	<u>\$ 179,872</u>	<u>\$ 37,302</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	\$ 2,954,747	\$ 2,911,210	\$ 2,911,210	\$ -
Resources (inflows):				
Other revenue	344,365	335,972	3,291	(332,681)
Transfers in	-	88,332	91,402	3,070
Amount available for appropriations	344,365	424,304	94,693	(329,611)
Charges to appropriations (outflows):				
Parks, Rec & Com Partnerships	344,365	274,304	48,217	226,087
Transfers out	-	150,000	150,000	-
Total charges for appropriations	344,365	424,304	198,217	(226,087)
Excess of resources over (under) charges for appropriations	-	-	(103,524)	(103,524)
Fund balance, June 30	\$ 2,954,747	\$ 2,911,210	\$ 2,807,686	\$ (103,524)

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, 2014

	<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	\$ 5,033,686	\$ 5,033,686	\$ -
Resources (inflows):				
Use of money and property	-	-	98,298	98,298
Other revenue	78,777	120,241	1,188	(119,053)
Amount available for appropriations	78,777	120,241	99,486	(20,755)
Charges to appropriations (outflows):				
Community development	78,777	120,241	12,242	107,999
Total charges to appropriations	78,777	120,241	12,242	(107,999)
Excess of resources over (under) charges for appropriations	-	-	87,244	87,244
Fund balance, June 30	\$ 5,014,705	\$ 5,033,686	\$ 5,120,930	\$ 87,244

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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	\$ (868,664)	\$ (868,664)	\$ (868,664)	\$ -
Resources (inflows):				
Charges for services	535,500	535,500	560,260	24,760
Use of money and property	469,406	469,406	458,875	(10,531)
Amount available for appropriations	1,004,906	1,004,906	1,019,135	14,229
Charges to appropriations (outflows):				
Public works	1,004,906	1,004,906	663,669	341,237
Total charges to appropriations	1,004,906	1,004,906	663,669	(341,237)
Excess of resources over (under) charges for appropriations	-	-	355,466	355,466
Fund balance, June 30	\$ (868,664)	\$ (868,664)	\$ (513,198)	\$ 355,466

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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	\$ 1,437,589	\$ 1,437,589	\$ 1,437,589	\$ -
Resources (inflows):				
Taxes	-	-	796	796
Charges for services	671,601	671,601	569,379	(102,222)
Use of money and property	1,178	1,178	13,332	12,154
Amount available for appropriations	672,779	672,779	583,507	(89,272)
Charges to appropriations (outflows):				
Public works	615,756	615,756	431,411	184,345
Transfers out	57,023	57,023	57,023	-
Total charges to appropriations	672,779	672,779	488,434	(184,345)
Excess of resources over (under) charges for appropriations	-	-	95,073	95,073
Fund balance, June 30	\$ 1,437,589	\$ 1,437,589	\$ 1,532,662	\$ 95,073

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, 2014

	<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>\$ (51,720)</u>	<u>\$ (51,720)</u>	<u>\$ -</u>
Resources (inflows):				
Taxes	876,323	877,177	875,813	(1,364)
Intergovernmental	275	275	-	(275)
Use of money and property	3,000	3,000	313	(2,687)
Transfers in	498,275	498,275	407,235	(91,040)
Amount available for appropriations	<u>1,377,873</u>	<u>1,378,727</u>	<u>1,283,361</u>	<u>(95,366)</u>
Charges to appropriations (outflows):				
Public works	1,377,873	1,378,727	1,307,176	71,551
Total charges to appropriations	<u>1,377,873</u>	<u>1,378,727</u>	<u>1,307,176</u>	<u>(71,551)</u>
Excess of resources over (under) charges for appropriations	<u>-</u>	<u>-</u>	<u>(23,815)</u>	<u>(23,815)</u>
Fund balance, June 30	<u>\$ (74,442)</u>	<u>\$ (51,720)</u>	<u>\$ (75,535)</u>	<u>\$ (23,815)</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	\$ 474,513	\$ 474,513	\$ 474,513	\$ -
Resources (inflows):				
Charges for services	-	-	115	115
Use of money and property	40,469	40,469	-	(40,469)
Transfers in	884,262	884,262	884,262	-
Other revenue	160,000	160,000	-	(160,000)
Amount available for appropriations	1,084,731	1,084,731	884,377	(200,354)
Charges to appropriations (outflows):				
Principal retirement	485,000	485,000	510,000	(25,000)
Interest and other charges	439,731	439,731	400,797	38,934
Transfers out	160,000	160,000	-	160,000
Total charges to appropriations	1,084,731	1,084,731	910,797	173,934
Excess of resources over (under) charges for appropriations	-	-	(26,420)	(26,420)
Fund balance, June 30	\$ 474,513	\$ 474,513	\$ 448,093	\$ (26,420)

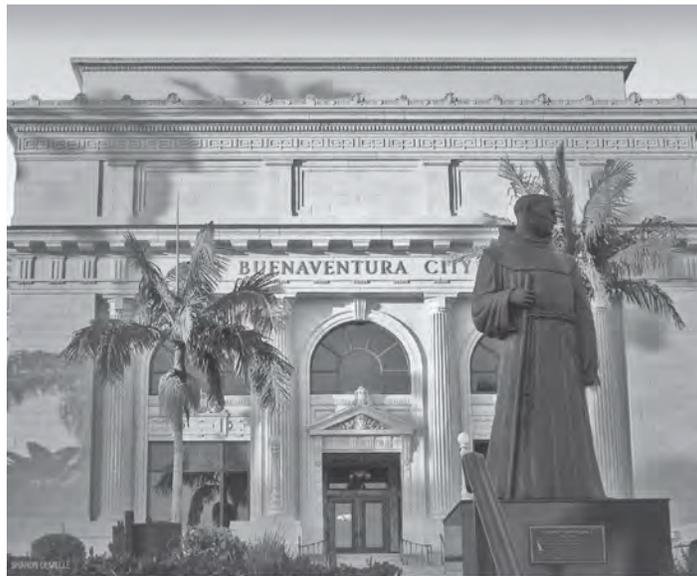
See Independent Auditors' Report.

City of San Buenaventura

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Transportation Development Act Capital Projects Fund For the year ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Fund balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Intergovernmental	460,000	1,195,685	1,092,619	(103,066)
Use of money and property	-	-	6,765	6,765
Transfers in	-	171,099	798,287	627,188
Amount available for appropriations	460,000	1,366,784	1,897,671	530,887
Charges to appropriations (outflows):				
Public works	263,415	468,569	3,315	465,254
Capital outlays	196,585	314,937	339,298	(24,361)
Transfers out	-	984,435	220,370	764,065
Total charges to appropriations	460,000	1,767,941	562,983	(1,204,958)
Excess of resources over (under) charges for appropriations	-	(401,157)	1,334,688	1,735,845
Fund balance, June 30	\$ -	\$ (401,157)	\$ 1,334,688	\$ 1,735,845

See Independent Auditors' Report.



COMPREHENSIVE ANNUAL
FINANCIAL REPORT

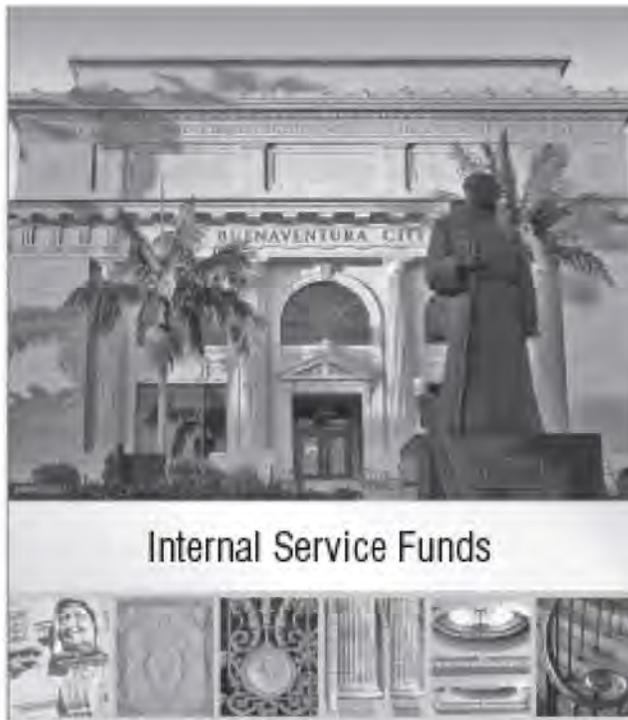


YEAR ENDED JUNE 30, 2014



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.

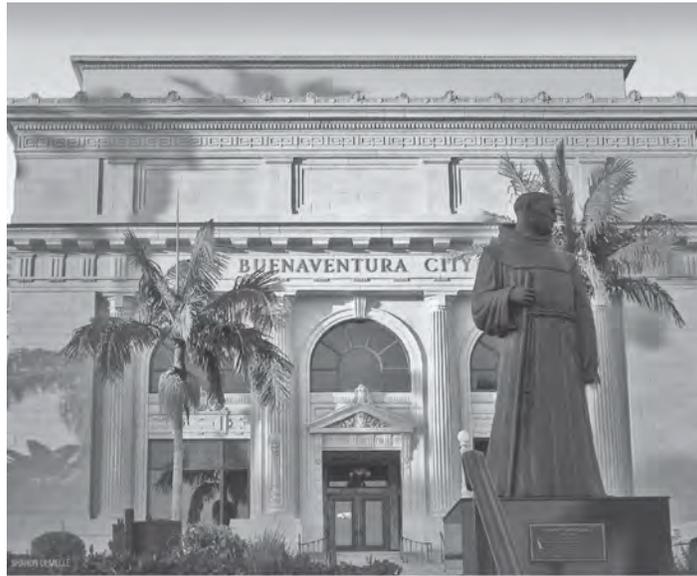
Facilities Maintenance Fund – To account for costs related to providing facility maintenance services to all City departments. A monthly fee, based on office square footage occupied, is charged to City departments to recover these costs.

Digital Publishing Fund – To account for costs related to digital publishing services as well as 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, 2014

City of San Buenaventura
Combining Statement of Net Position
Internal Service Funds
June 30, 2014

	<u>Information Technology</u>	<u>Fleet Maintenance</u>	<u>Facilities Maintenance</u>	<u>Digital Publishing</u>
ASSETS				
Current assets:				
Cash and investments	\$ 1,556,807	\$ 3,687,625	\$ 1,458,744	\$ 374,657
Accounts receivable, net	-	41,289	23,172	-
Due from other funds	-	-	-	-
Due from others	74	20,262	10,658	-
Notes receivable	-	-	-	-
Total current assets	<u>1,556,881</u>	<u>3,749,176</u>	<u>1,492,574</u>	<u>374,657</u>
Noncurrent assets				
Capital assets				
Non-depreciable	-	133,955	-	-
Depreciable, net	656,784	8,151,808	580,057	17,791
Total noncurrent assets	<u>656,784</u>	<u>8,285,763</u>	<u>580,057</u>	<u>17,791</u>
Total assets	<u>2,213,665</u>	<u>12,034,939</u>	<u>2,072,631</u>	<u>392,448</u>
LIABILITIES				
Current liabilities:				
Accounts payable	80,188	439,464	196,605	8,985
Accrued payroll liabilities	-	-	-	-
Due to other governments	91	212	-	-
Claims and judgments payable	-	-	-	-
Compensated absences payable	-	-	-	-
Long-term debt - due within one year	-	-	85,405	-
Total current liabilities	<u>80,279</u>	<u>439,676</u>	<u>282,010</u>	<u>8,985</u>
Noncurrent liabilities				
Claims and judgments payable	-	-	-	-
Compensated absences payable	-	-	-	-
Long-term debt - due in more than one year	-	-	248,305	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>248,305</u>	<u>-</u>
Total liabilities	<u>80,279</u>	<u>439,676</u>	<u>530,315</u>	<u>8,985</u>
NET POSITION				
Net investment in capital assets	656,784	8,285,763	246,347	17,791
Unrestricted	1,476,602	3,309,500	1,295,969	365,672
Total net position	<u>\$ 2,133,386</u>	<u>\$ 11,595,263</u>	<u>\$ 1,542,316</u>	<u>\$ 383,463</u>

See Independent Auditors' Report.

<u>Workers Compensation</u>	<u>Employee Fringe Benefits</u>	<u>Risk Management</u>	<u>Total</u>
\$ 7,488,386	\$ 3,256,293	\$ 3,138,962	\$ 20,961,474
640	254,338	20,888	340,327
1,396,413	-	-	1,396,413
320	42,238	180,133	253,685
-	706,473	-	706,473
8,885,759	4,259,342	3,339,983	23,658,372
-	-	-	133,955
-	452	9,100	9,415,992
-	452	9,100	9,549,947
8,885,759	4,259,794	3,349,083	33,208,319
9,257	296,617	169	1,031,285
-	2,985,060	-	2,985,060
4	119	-	426
1,711,338	-	428,892	2,140,230
-	538,936	-	538,936
-	-	-	85,405
1,720,599	3,820,732	429,061	6,781,342
5,032,200	-	236,807	5,269,007
-	4,964,375	-	4,964,375
-	-	-	248,305
5,032,200	4,964,375	236,807	10,481,687
6,752,799	8,785,107	665,868	17,263,029
-	452	9,100	9,216,237
2,132,960	(4,525,765)	2,674,115	6,729,053
\$ 2,132,960	\$ (4,525,313)	\$ 2,683,215	\$ 15,945,290

City of San Buenaventura
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2014

	<u>Information Technology</u>	<u>Fleet Maintenance</u>	<u>Facilities Maintenance</u>	<u>Digital Publishing</u>
OPERATING REVENUES:				
Internal service charges	\$ 4,077,032	\$ 3,749,410	\$ 3,453,815	\$ 419,832
Other operating revenues	13,617	476,394	41,641	943
Total operating revenues	<u>4,090,649</u>	<u>4,225,804</u>	<u>3,495,456</u>	<u>420,775</u>
OPERATING EXPENSES:				
Salaries and benefits	1,916,758	870,847	715,925	209,738
Contractual services	541,259	159,605	1,533,949	52,121
Materials and supplies	130,300	1,538,951	6,790	52,947
General and administrative	1,073,798	269,492	1,250,424	34,434
Insurance premiums and settlements	-	-	-	-
Depreciation	187,930	757,505	61,970	3,408
Total operating expenses	<u>3,850,045</u>	<u>3,596,400</u>	<u>3,569,058</u>	<u>352,648</u>
OPERATING INCOME (LOSS)	<u>240,604</u>	<u>629,404</u>	<u>(73,602)</u>	<u>68,127</u>
NONOPERATING REVENUES (EXPENSES):				
Investment income	11,072	25,440	10,085	2,589
Gain on disposal of assets	-	20,488	-	-
Interest expense	-	-	(7,069)	-
Total nonoperating revenues (expenses)	<u>11,072</u>	<u>45,928</u>	<u>3,016</u>	<u>2,589</u>
Income (loss) before transfers	<u>251,676</u>	<u>675,332</u>	<u>(70,586)</u>	<u>70,716</u>
Transfers in	600,000	20,151	73,310	-
Transfers out	-	(84,015)	(20,151)	-
Change in net position	<u>851,676</u>	<u>611,468</u>	<u>(17,427)</u>	<u>70,716</u>
NET POSITION:				
Beginning of year	1,281,710	10,983,795	1,559,743	312,747
End of year	<u>\$ 2,133,386</u>	<u>\$ 11,595,263</u>	<u>\$ 1,542,316</u>	<u>\$ 383,463</u>

See Independent Auditors' Report.

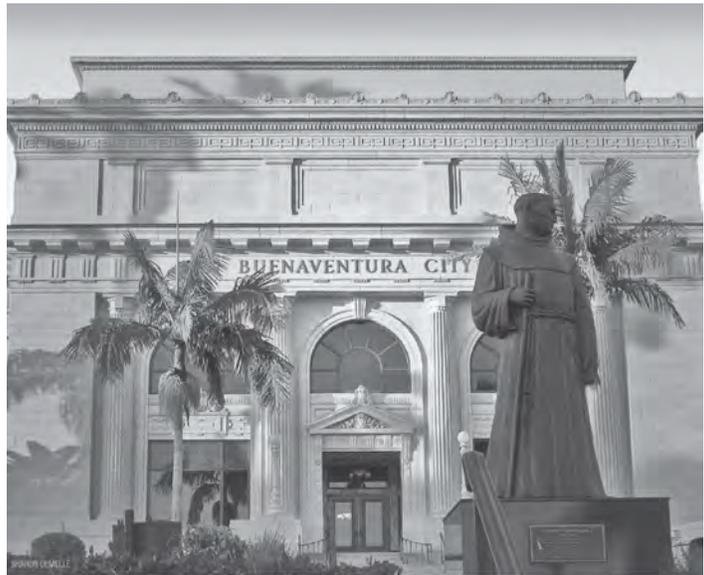
<u>Workers Compensation</u>	<u>Employee Fringe Benefits</u>	<u>Risk Management</u>	<u>Total</u>
\$ 2,866,585	\$ 7,029,115	\$ 1,699,373	\$ 23,295,162
513,699	23,729	248,578	1,318,601
3,380,284	7,052,844	1,947,951	24,613,763
109,829	1,015,799	250,391	5,089,287
314,887	44,930	77,130	2,723,881
746	2,037	-	1,731,771
166,059	112,019	31,079	2,937,305
867,047	6,047,771	644,359	7,559,177
-	602	758	1,012,173
1,458,568	7,223,158	1,003,717	21,053,594
1,921,716	(170,314)	944,234	3,560,169
51,613	42,268	21,552	164,619
-	-	-	20,488
-	-	-	(7,069)
51,613	42,268	21,552	178,038
1,973,329	(128,046)	965,786	3,738,207
1,660,000	-	1,403,000	3,756,461
-	-	-	(104,166)
3,633,329	(128,046)	2,368,786	7,390,502
(1,500,369)	(4,397,267)	314,429	8,554,788
\$ 2,132,960	\$ (4,525,313)	\$ 2,683,215	\$ 15,945,290

City of San Buenaventura
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2014

	Information Technology	Fleet Maintenance	Facilities Maintenance	Digital Publishing
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers/other funds	\$ 4,106,100	\$ 3,772,058	\$ 3,588,074	\$ 420,281
Cash payments to suppliers for goods and services	(1,823,782)	(1,696,736)	(2,783,718)	(138,270)
Cash payments to employees for services	(1,916,758)	(870,847)	(715,925)	(209,738)
Insurance premiums and settlements	-	-	-	-
Other operating revenues	13,617	476,393	41,641	942
Net cash provided (used) by operating activities	<u>379,177</u>	<u>1,680,868</u>	<u>130,072</u>	<u>73,215</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Payment of employee housing loans	-	-	-	-
Transfers to other funds	-	(84,015)	(20,151)	-
Transfers from other funds	600,000	20,151	73,310	-
Net cash provided (used) by noncapital financing activities	<u>600,000</u>	<u>(63,864)</u>	<u>53,159</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchase of capital assets	(3,814)	(2,369,195)	-	-
Payment of long-term debt	-	-	(96,963)	-
Proceeds from sale of assets	-	54,625	-	-
Interest paid	-	-	(7,069)	-
Net cash (used) by capital and related financing activities	<u>(3,814)</u>	<u>(2,314,570)</u>	<u>(104,032)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment income	11,072	25,440	10,085	2,589
Net increase (decrease) in cash and cash equivalents	<u>986,435</u>	<u>(672,126)</u>	<u>89,284</u>	<u>75,804</u>
CASH AND INVESTMENTS				
Beginning of year	570,372	4,359,751	1,369,460	298,853
End of year	<u>\$ 1,556,807</u>	<u>\$ 3,687,625</u>	<u>\$ 1,458,744</u>	<u>\$ 374,657</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 240,604	\$ 629,404	\$ (73,602)	\$ 68,127
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	187,930	757,505	61,970	3,408
Changes in assets and liabilities:				
Accounts receivable	29,142	35,492	(10,139)	449
Due from other funds	-	-	155,056	-
Due from other governments	-	-	(10,658)	-
Due from others	(74)	(12,844)	-	-
Accounts payable	(78,441)	272,035	7,474	1,272
Accrued payroll liabilities	-	-	-	-
Due to other governments	16	(724)	(29)	(41)
Claims and judgments payable	-	-	-	-
Compensated absences payable	-	-	-	-
Total adjustments	138,573	1,051,464	203,674	5,088
Net cash provided (used) by operating activities	<u>\$ 379,177</u>	<u>\$ 1,680,868</u>	<u>\$ 130,072</u>	<u>\$ 73,215</u>
Noncash investing, capital, and financing activities				
Change in fair value of investments	\$ 10,697	\$ 25,440	\$ 10,085	\$ 2,589

See Independent Auditors' Report.

<u>Workers Compensation</u>	<u>Employee Fringe Benefits</u>	<u>Risk Management</u>	<u>Total</u>
\$ 3,066,625	\$ 6,758,649	\$ 1,499,191	\$ 23,210,978
(519,211)	116,282	(111,739)	(6,957,174)
(109,829)	(1,015,799)	(250,391)	(5,089,287)
(1,835,027)	(6,166,957)	(671,288)	(8,673,272)
513,699	23,729	248,578	1,318,599
<u>1,116,257</u>	<u>(284,096)</u>	<u>714,351</u>	<u>3,809,844</u>
-	3,925	-	3,925
-	-	-	(104,166)
1,660,000	-	1,403,000	3,756,461
<u>1,660,000</u>	<u>3,925</u>	<u>1,403,000</u>	<u>3,656,220</u>
-	-	-	(2,373,009)
-	-	-	(96,963)
-	-	-	54,625
-	-	-	(7,069)
-	-	-	(2,422,416)
51,613	42,268	21,552	164,619
<u>2,827,870</u>	<u>(237,903)</u>	<u>2,138,903</u>	<u>5,208,267</u>
4,660,516	3,494,196	1,000,059	15,753,207
<u>\$ 7,488,386</u>	<u>\$ 3,256,293</u>	<u>\$ 3,138,962</u>	<u>\$ 20,961,474</u>
\$ 1,921,716	\$ (170,314)	\$ 944,234	\$ 3,560,169
-	602	758	1,012,173
360	(228,228)	(20,888)	(193,812)
200,000	-	-	355,056
-	-	-	(10,658)
(320)	(42,238)	(179,294)	(234,770)
(37,512)	275,307	(3,530)	436,605
-	(145,869)	-	(145,869)
(7)	(39)	-	(824)
(967,980)	-	(26,929)	(994,909)
-	26,683	-	26,683
(805,459)	(113,782)	(229,883)	249,675
<u>\$ 1,116,257</u>	<u>\$ (284,096)</u>	<u>\$ 714,351</u>	<u>\$ 3,809,844</u>
\$ 51,613	\$ 22,538	\$ 21,552	\$ 144,514



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YEAR ENDED JUNE 30, 2014



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, 2014

	<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	\$ 902	\$ 94,974	\$ 95,876
Accounts receivable, net	50,725	107,312	158,037
Due from others	3,744	120,434	124,178
TOTAL ASSETS	<u>\$ 55,371</u>	<u>\$ 322,720</u>	<u>\$ 378,091</u>
LIABILITIES			
Due to others	\$ 55,371	\$ -	\$ 55,371
Deposits held for others	-	322,720	322,720
TOTAL LIABILITIES	<u>\$ 55,371</u>	<u>\$ 322,720</u>	<u>\$ 378,091</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, 2014

	<u>Balance</u> <u>July 01, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2014</u>
<u>Property Based Improvement District</u>				
Assets:				
Cash and cash equivalents	\$ 140,577	\$ 435,608	\$ 575,283	\$ 902
Accounts receivable	50,631	440,644	440,550	50,725
Due from others	2,791	3,744	2,791	3,744
Total Assets	<u>\$ 193,999</u>	<u>\$ 879,996</u>	<u>\$ 1,018,624</u>	<u>\$ 55,371</u>
Liabilities:				
Due to others	\$ 193,999	\$ -	\$ 138,628	\$ 55,371
Total Liabilities	<u>\$ 193,999</u>	<u>\$ -</u>	<u>\$ 138,628</u>	<u>\$ 55,371</u>
<u>Ventura Oxnard Camarillo Tourism Business Improvement District</u>				
Assets:				
Cash and cash equivalents	\$ 72,488	\$ 682,550	\$ 660,064	\$ 94,974
Accounts receivable	-	789,671	682,359	107,312
Due from others	108,696	120,434	108,696	120,434
Total Assets	<u>\$ 181,184</u>	<u>\$ 1,592,655</u>	<u>\$ 1,451,119</u>	<u>\$ 322,720</u>
Liabilities:				
Deposits held for others	\$ 181,184	\$ 772,195	\$ 630,659	\$ 322,720
<u>Totals - All Agency Funds</u>				
Assets:				
Cash and cash equivalents	\$ 213,065	\$ 1,118,158	\$ 1,235,347	\$ 95,876
Accounts receivable	50,631	1,230,315	1,122,909	158,037
Due from others	111,487	124,178	111,487	124,178
Total Assets	<u>\$ 375,183</u>	<u>\$ 2,472,651</u>	<u>\$ 2,469,743</u>	<u>\$ 378,091</u>
Liabilities:				
Due to others	\$ 193,999	\$ -	\$ 138,628	\$ 55,371
Deposits held for others	181,184	772,195	630,659	322,720
Total Liabilities	<u>\$ 375,183</u>	<u>\$ 772,195</u>	<u>\$ 769,287</u>	<u>\$ 378,091</u>

See Independent Auditors' Report.

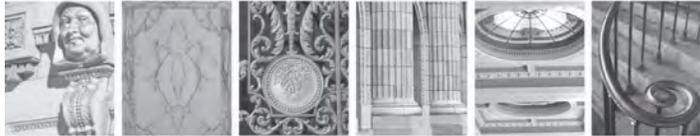


Statistical Section





COMPREHENSIVE ANNUAL
FINANCIAL REPORT



YEAR ENDED JUNE 30, 2014

City of San Buenaventura
Index to the Statistical Section
For the year ended June 30, 2014

STATISTICAL SECTION

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For the year ended June 30, 2014

Operating Information

These schedules contain service and infrastructure data to help the reader understand how information in the government's financial report relates to the services the government provides and the activities it performs.

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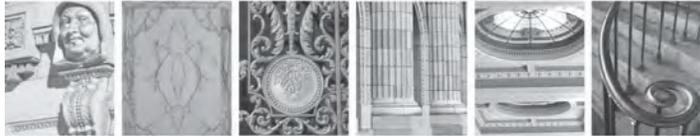
ANNUAL CONTINUING DISCLOSURE REQUIREMENTS (unaudited)

On November 10, 1994, the Securities and Exchange Commission adopted a regulation requiring annual disclosure for most municipal securities issued on and after July 3, 1995. The schedules in this section contain the Annual Continuing Disclosure Requirements for all outstanding obligations issued since that time. The specific requirements are identified in each of the financing documents specific to each outstanding issue.

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COMPREHENSIVE ANNUAL
FINANCIAL REPORT



YEAR ENDED JUNE 30, 2014

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

	Fiscal Year			
	2014	2013	2012	2011
Governmental activities:				
Net investment in capital assets	\$ 102,759,488	\$ 89,591,900	\$ 90,725,614	\$ 77,321,482
Restricted	48,831,257	43,584,613	46,682,770	34,753,149
Unrestricted	41,808,297	46,572,017	39,792,700	49,188,852
Total governmental activities net position	193,399,042	179,748,530	177,201,084	161,263,483
Business-type activities:				
Net investment in capital assets	141,570,254	114,667,356	138,392,282	141,883,333
Restricted	31,239,002	55,664,645	42,864,420	31,501,671
Unrestricted	28,325,260	22,367,910	7,249,397	18,251,002
Total business-type activities net position	201,134,516	192,699,911	188,506,099	191,636,006
Primary government:				
Net investment in capital assets	244,329,742	204,259,256	229,117,896	219,204,815
Restricted	80,070,259	99,249,258	89,547,190	66,254,820
Unrestricted	70,133,557	68,939,927	47,042,097	67,439,854
Total primary government net position	\$ 394,533,558	\$ 372,448,441	\$ 365,707,183	\$ 352,899,489

Source: The Comprehensive Annual Financial Report.

Fiscal Year					
2010	2009	2008	2007	2006	2005
\$ 75,888,305	\$ 74,354,906	\$ 80,359,775	\$ 72,471,553	\$ 61,243,588	\$ 50,801,739
35,392,720	39,856,243	38,634,489	43,023,154	37,975,503	42,284,534
54,178,778	56,553,682	60,090,236	62,093,970	72,493,990	68,406,238
<u>165,459,803</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>
135,783,591	129,877,532	128,436,041	127,477,656	111,965,178	102,241,593
36,598,184	26,051,636	58,901,995	58,695,479	61,527,419	67,471,175
46,699,760	60,072,866	28,380,491	28,607,819	33,995,113	26,305,567
<u>219,081,535</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>
211,671,896	204,232,438	208,795,816	199,949,209	173,208,766	153,043,332
71,990,904	65,907,879	97,536,484	101,718,633	99,502,922	109,755,709
100,878,538	116,626,548	88,470,727	90,701,789	106,489,103	94,711,805
<u>\$ 384,541,338</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>

Source: The Comprehensive Annual Financial Report.

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

	Fiscal Year			
	2014	2013	2012	2011
Expenses:				
Governmental activities:				
General government	\$ 3,612,121	\$ 3,587,971	\$ 3,838,752	\$ 2,938,785
Human resources	760,624	818,497	935,426	757,721
Finance and technology	6,531,954	6,289,356	6,903,495	8,974,168
Community development	6,773,048	7,824,888	8,821,255	9,784,289
Parks, Rec & Com Partnerships	13,300,894	13,858,724	13,874,230	12,857,684
Public safety - police	30,796,108	29,862,122	30,232,208	29,709,223
Public safety - fire	16,602,525	16,529,573	16,587,189	15,218,015
Public works	15,625,636	17,051,598	18,802,668	17,150,786
Interest on long term debt	1,692,891	1,615,215	2,720,811	5,057,876
Total governmental activities expenses	95,695,801	97,437,944	102,716,034	102,448,547
Business-type activities:				
Wastewater	14,648,974	15,582,433	18,525,753	17,091,823
Water	25,723,561	25,876,190	22,857,394	20,940,661
Golf	4,612,001	4,660,531	4,705,147	4,737,086
Paramedic services	-	-	-	-
Total business-type activities expenses	44,984,536	46,119,154	46,088,294	42,769,570
Total primary government expenses	140,680,337	143,557,098	148,804,328	145,218,117
Program revenues:				
Governmental activities:				
Charges for services:				
General government	5,936	4,370	1,474,049	952,233
Human resources	30	99	320,472	132,793
Finance and technology	4,770,606	4,305,576	2,345,531	1,725,803
Community development	1,424,544	1,405,753	1,047,892	1,048,606
Parks, Rec & Com Partnerships	3,085,551	3,107,603	2,695,290	2,693,611
Public safety - police	3,567,758	2,540,624	3,121,447	2,742,998
Public safety - fire	2,916,017	3,082,025	2,168,313	3,311,170
Public works	2,987,491	1,816,233	1,901,858	2,146,823
Operating grants and contributions	10,649,723	7,515,700	9,593,101	10,589,500
Capital grants and contributions	2,502,681	2,722,940	2,097,184	1,475,426
Total governmental activities program revenues	31,910,337	26,500,923	26,765,137	26,818,963
Business-type activities:				
Charges for services:				
Wastewater	19,959,617	19,143,025	17,221,369	16,326,078
Water	29,635,399	25,373,521	22,371,438	20,946,374
Golf	4,743,769	4,328,089	4,413,243	4,465,557
Paramedic services	-	-	-	-
Operating grants and contributions	-	-	-	-
Total business-type activities program revenue	54,338,785	48,844,635	44,006,050	41,738,009
Total primary government program revenues	86,249,122	75,345,558	70,771,187	68,556,972

Source: The Comprehensive Annual Financial Report.

Fiscal Year						
	2010	2009	2008	2007	2006	2005
\$	4,057,019	\$ 5,384,838	\$ 8,326,371	\$ 8,886,145	\$ 7,363,125	\$ 6,328,043
	998,303	2,104,947	816,553	3,301,372	1,794,494	2,432,266
	7,211,920	7,784,466	5,707,691	4,491,565	4,214,527	4,406,547
	8,061,820	6,671,042	8,294,180	7,441,301	5,843,104	4,195,179
	7,662,891	7,593,435	7,913,144	6,342,292	5,914,499	7,670,919
	30,974,131	31,303,086	28,193,355	27,092,687	26,149,759	24,818,010
	19,261,764	19,799,105	18,632,555	16,325,884	15,259,270	15,090,774
	21,904,812	20,250,029	20,915,867	14,143,598	16,523,873	17,314,971
	3,804,449	3,996,201	8,984,125	4,158,887	4,348,870	4,142,812
	103,937,109	104,887,149	107,783,841	92,183,731	87,411,521	86,399,521
	15,095,598	16,135,143	15,511,917	13,513,120	11,348,681	11,087,744
	20,196,960	21,685,740	20,433,068	16,959,117	15,400,319	14,909,543
	4,735,269	4,732,020	5,623,585	4,631,771	3,379,722	2,197,409
	-	-	-	262,033	266,570	186,185
	40,027,827	42,552,903	41,568,570	35,366,041	30,395,292	28,380,881
	143,964,936	147,440,052	149,352,411	127,549,772	117,806,813	114,780,402
	837,862	864,588	976,334	2,299,623	462,378	1,068,960
	132,913	147,832	143,389	135,020	144,571	132,194
	1,886,441	2,002,324	1,833,833	1,334,412	1,114,838	966,173
	783,815	946,668	1,116,341	965,890	911,326	585,546
	2,464,904	2,422,566	2,497,263	2,622,700	2,196,637	1,703,281
	2,914,190	4,388,325	2,731,049	2,607,633	2,416,250	2,479,415
	2,695,415	3,237,931	3,363,936	3,423,109	3,302,653	2,943,316
	2,377,214	3,082,181	3,117,158	2,727,787	2,449,364	2,695,192
	12,243,054	11,703,876	12,396,400	11,424,010	13,773,429	12,862,868
	1,713,185	825,577	2,847,047	2,827,598	1,445,341	2,278,540
	28,048,993	29,621,868	31,022,750	30,367,782	28,216,787	27,715,485
	16,978,451	16,015,727	16,068,806	15,460,227	14,144,570	14,042,047
	21,828,283	21,283,447	20,710,539	20,533,851	17,838,573	17,642,997
	4,620,035	4,805,842	4,942,555	3,088,836	3,201,831	2,764,339
	-	-	-	513,823	450,002	321,190
	16,467	21,433	32,284	16,079	-	-
	43,443,236	42,126,449	41,754,184	39,612,816	35,634,976	34,770,573
	71,492,229	71,748,317	72,776,934	69,980,598	63,851,763	62,486,058

Source: The Comprehensive Annual Financial Report.

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

	Fiscal Year			
	2014	2013	2012	2011
Net revenues (expenses):				
Governmental activities:	(63,785,464)	(70,937,021)	(75,950,897)	(75,629,584)
Business-type activities:	9,354,249	2,725,481	(2,082,244)	(1,031,561)
Total net revenues (expenses):	\$ (54,431,215)	\$ (68,211,540)	\$ (78,033,141)	\$ (76,661,145)
General revenues and other changes in net position:				
Governmental activities:				
Taxes:				
Property taxes	\$ 28,974,412	\$ 28,080,259	\$ 29,856,727	\$ 31,340,711
Sales taxes	22,811,948	21,892,825	19,855,923	19,171,669
Utility users taxes	8,503,378	8,551,487	8,567,922	8,774,360
Transient occupancy taxes	4,779,537	4,449,554	4,044,659	3,435,953
Franchise taxes	4,101,803	3,978,508	3,920,079	3,278,467
Other taxes	3,446,376	3,405,451	2,717,330	2,075,351
Motor vehicle license - intergovernmental unrestricted	-	56,361	54,393	500,528
Investment earnings (loss)	771,883	(591,869)	711,713	1,136,757
Gain (loss) on sale of assets	-	-	-	-
Other general revenues	-	-	-	514
Transfers	2,002,894	1,533,885	1,537,220	1,823,954
Extraordinary gain on dissolution of RDA	-	-	20,622,532	-
Total governmental activities	75,392,231	71,356,461	91,888,498	71,538,264
Business-type activities:				
Investment income	1,083,250	491,337	489,557	301,096
Transfers	(2,002,894)	(1,533,885)	(1,537,220)	(1,823,954)
Total business-type activities	(919,644)	(1,042,548)	(1,047,663)	(1,522,858)
Total primary government	74,472,587	70,313,913	90,840,835	70,015,406
Change in Net position				
Governmental activities:	13,650,512	419,440	15,937,601	(4,091,320)
Business-type activities:	8,434,605	1,682,933	(3,129,907)	(2,554,419)
Total primary government	\$ 22,085,117	\$ 2,102,373	\$ 12,807,694	\$ (6,645,739)

Source: The Comprehensive Annual Financial Report.

Fiscal Year					
2010	2009	2008	2007	2006	2005
(75,888,116)	(75,265,281)	(76,761,091)	(61,815,949)	(59,194,734)	(58,684,036)
3,415,409	(426,454)	185,614	4,246,775	5,239,684	6,389,692
<u>\$ (72,472,707)</u>	<u>\$ (75,691,735)</u>	<u>\$(76,575,477)</u>	<u>\$(57,569,174)</u>	<u>\$(53,955,050)</u>	<u>\$(52,294,344)</u>
\$ 29,436,667	\$ 29,319,493	\$ 31,615,218	\$ 29,451,478	\$ 27,136,081	\$ 24,409,352
19,629,415	20,132,921	22,613,278	21,336,603	24,447,868	21,413,725
8,719,232	9,019,829	8,796,097	-	-	-
3,468,286	3,707,592	4,078,171	-	-	-
2,984,316	3,713,057	2,770,318	-	-	-
2,165,157	2,125,750	2,752,235	18,118,646	17,556,734	16,107,077
320,148	368,527	476,861	618,854	777,701	2,300,656
1,859,859	(3,332,065)	3,329,387	3,976,243	2,568,014	2,330,922
-	(78,105)	2,960	969	914,131	28,567
113	206	885	2,580	62,058	135,399
1,999,895	1,968,407	1,038,110	86,987	(4,047,284)	(4,703,159)
-	-	-	-	-	-
<u>70,583,088</u>	<u>66,945,612</u>	<u>77,473,520</u>	<u>73,592,360</u>	<u>69,415,303</u>	<u>62,022,539</u>
1,663,987	2,678,368	2,573,463	3,133,456	2,182,407	1,216,607
(1,999,895)	(1,968,407)	(1,038,110)	(86,987)	4,047,284	4,703,159
<u>(335,908)</u>	<u>709,961</u>	<u>1,535,353</u>	<u>3,046,469</u>	<u>6,229,691</u>	<u>5,919,766</u>
<u>70,247,180</u>	<u>67,655,573</u>	<u>79,008,873</u>	<u>76,638,829</u>	<u>75,644,994</u>	<u>67,942,305</u>
(5,305,028)	(8,319,669)	712,429	11,776,411	10,220,569	3,338,503
3,079,501	283,507	1,720,967	7,293,244	11,469,375	12,309,458
<u>\$ (2,225,527)</u>	<u>\$ (8,036,162)</u>	<u>\$ 2,433,396</u>	<u>\$ 19,069,655</u>	<u>\$ 21,689,944</u>	<u>\$ 15,647,961</u>

Source: The Comprehensive Annual Financial Report.

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

	Fiscal Year			
	2014	2013	2012	2011
General fund:				
Nonspendable	\$ 6,487,293	\$ 6,277,330	\$ 6,881,827	\$ 6,630,047
Restricted	3,728,620	5,492,160	6,205,841	5,260,641
Committed	393,747	14,025,093	14,758,348	15,873,858
Assigned	4,700,221	3,634,193	2,482,567	4,263,791
Unassigned	15,072,282	-	(1,974,802)	-
Reserved	-	-	-	-
Unreserved, designated	-	-	-	-
Unreserved, undesignated	-	-	-	-
Total general fund	\$ 30,382,163	\$ 29,428,776	\$ 28,353,781	\$ 32,028,337
All other governmental funds:				
Nonspendable	\$ -	\$ 7,499,568	\$ 7,481,021	\$ 7,736,114
Restricted	38,065,325	29,532,628	29,721,619	28,908,283
Committed	8,518,545	3,481,192	7,117,565	2,758,900
Assigned	3,322,394	6,601,278	5,597,335	8,716,452
Unassigned	(1,751,514)	(1,476,622)	(1,709,097)	(8,052,579)
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	\$ 48,154,750	\$ 45,638,044	\$ 48,208,443	\$ 40,067,170

Source: The Comprehensive Annual Financial Report.

Fiscal Year						
2010	2009	2008	2007	2006	2005	
\$ 6,888,290	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
613,989	-	-	-	-	-	-
16,304,014	-	-	-	-	-	-
3,341,324	-	-	-	-	-	-
6,254,052	-	-	-	-	-	-
-	9,856,595	17,975,245	18,783,034	18,837,506	17,352,143	
-	19,002,989	19,925,883	24,013,323	24,763,519	28,907,664	
-	4,374,390	199,613	17,316	3,965,697	2,386,387	
<u>\$ 33,401,669</u>	<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>	
\$ 1,894,668	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
34,416,429	-	-	-	-	-	-
2,548,364	-	-	-	-	-	-
10,935,174	-	-	-	-	-	-
(8,268,260)	-	-	-	-	-	-
-	15,653,881	16,213,150	15,000,171	19,812,878	25,881,240	
-	6,134,572	22,025,619	17,575,235	11,956,497	15,385,351	
-	1,350,390	6,126,887	6,277,234	8,591,515	6,128,690	
-	20,890,119	6,429,326	12,443,532	13,971,840	9,416,759	
-	2,811,406	(10,210,981)	(8,769,673)	(11,026,685)	(8,498,950)	
<u>\$ 41,526,375</u>	<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>	

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

	Fiscal Year			
	2014	2013	2012	2011
Revenues:				
Taxes	\$ 75,545,216	\$ 72,369,887	\$ 62,047,832	\$ 61,612,097
Licenses and permits	2,280,313	1,589,036	1,479,528	2,103,379
Intergovernmental	8,206,918	7,973,806	15,675,280	15,812,765
Charges for services	10,883,168	9,800,712	10,799,257	9,844,162
Fines and forfeitures	1,745,183	1,396,547	1,539,504	1,634,251
Use of money and property	2,203,117	1,395,183	1,819,529	2,311,668
Other revenues	6,093,267	4,004,586	3,704,070	3,074,872
Total revenues	106,957,182	98,529,757	97,065,000	96,393,194
Expenditures:				
Current:				
General government	3,007,231	2,917,692	3,066,519	2,677,327
Human resources	750,641	826,520	914,043	758,217
Finance and technology	6,628,115	6,760,790	6,429,465	7,305,876
Community development	6,789,245	7,943,318	8,148,331	7,014,408
Parks, Rec & Com Partnerships	11,809,647	12,191,763	12,333,478	11,217,429
Public safety - police	31,678,504	30,307,517	29,464,034	28,255,496
Public safety - fire	17,517,291	16,822,799	16,091,426	14,460,517
Public works	15,166,662	14,278,920	14,147,119	9,679,476
Capital outlays	3,316,811	5,450,977	4,585,131	13,774,000
Debt service:				
Principal retirement	3,435,000	2,805,000	3,780,000	11,255,000
Debt issuance cost	-	-	298,344	492,589
Interest and other charges	1,738,541	1,603,036	2,712,802	4,085,379
Total expenditures	101,837,688	101,908,332	101,970,692	110,975,714
Revenues over (under) expenditures	5,119,494	(3,378,575)	(4,905,692)	(14,582,520)
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	9,800,226	10,251,312	13,532,480	10,664,454
Transfers out	(11,449,627)	(8,368,141)	(10,219,566)	(8,867,260)
Total other financing sources (uses)	(1,649,401)	1,883,171	5,293,953	11,749,983
Extraordinary gain on dissolution of RDA	-	-	4,078,456	-
Net change in fund balances	\$ 3,470,093	\$ (1,495,404)	\$ 4,466,717	\$ (2,832,537)
Debt service as a percentage of noncapital expenditures	5.4 %	4.6 %	6.6 %	14.6 %

Source: The Comprehensive Annual Financial Report.

Fiscal Year					
2010	2009	2008	2007	2006	2005
\$ 60,192,659	\$ 63,653,856	\$ 66,216,070	\$ 66,434,879	\$ 63,438,858	\$ 59,388,852
1,466,512	1,004,297	1,429,502	1,880,019	1,780,881	1,579,719
15,410,869	14,533,194	17,710,064	16,011,106	14,339,327	15,485,211
9,324,261	11,869,844	9,896,330	8,987,034	9,029,969	7,287,355
1,867,339	2,226,912	1,945,958	1,865,739	1,802,109	1,820,848
3,311,893	5,432,453	6,071,537	6,395,623	6,152,912	4,127,490
2,678,112	3,016,857	4,303,991	4,420,729	3,257,395	4,844,575
94,251,645	101,737,413	107,573,452	105,995,129	99,801,451	94,534,050
3,291,986	4,701,884	7,698,414	8,276,104	6,707,261	5,706,403
958,777	1,952,090	1,923,705	1,867,800	2,597,156	2,402,167
6,364,935	6,499,052	4,741,342	4,357,976	4,039,047	4,308,317
3,632,431	4,432,927	7,302,655	4,284,899	3,249,855	3,360,216
6,473,828	6,608,893	6,612,536	6,066,137	5,780,510	5,825,207
27,887,580	30,576,837	29,429,286	27,504,321	27,560,257	26,243,467
17,478,861	19,398,973	18,391,152	16,505,456	15,816,543	15,828,561
15,529,183	16,967,429	17,223,138	15,494,191	14,638,986	13,964,871
12,621,513	11,156,906	18,305,935	18,894,966	14,167,948	21,175,816
3,235,000	2,845,000	4,573,857	2,885,689	2,864,960	2,748,074
-	-	-	-	-	-
3,962,293	3,787,781	9,048,333	4,199,188	4,382,321	4,174,214
101,436,387	108,927,772	125,250,353	110,336,727	101,804,844	105,737,313
(7,184,742)	(7,190,359)	(17,676,901)	(4,341,598)	(2,003,393)	(11,203,263)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	8,785,000	9,413,899	-	-	-
-	(4,943,206)	-	-	-	-
11,493,910	20,335,387	11,892,935	18,084,380	10,686,822	16,914,994
(9,455,466)	(15,597,222)	(10,798,959)	(19,275,377)	(14,769,946)	(19,775,264)
2,038,444	8,579,959	10,507,875	(1,190,997)	(4,083,124)	(2,860,270)
-	-	-	-	-	-
\$ (5,146,298)	\$ 1,389,600	\$ (7,169,026)	\$ (5,532,595)	\$ (6,086,517)	\$ (14,063,533)
7.6 %	6.5 %	12.3 %	8.4 %	9.0 %	8.9 %

City of San Buenaventura
Assessed Value of Taxable Property
Fiscal Year 2005 to 2014 Taxable Property Values

<u>Category</u>	<u>Fiscal Year</u>			
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Secured				
Residential	9,272,772,075	8,889,591,482	8,960,488,147	8,901,964,312
Commercial	976,309,783	1,583,972,916	1,576,759,964	1,635,086,343
Industrial	789,314,686	809,194,746	800,089,165	805,913,288
Dry Farm	-	897,028	879,444	872,893
Govt. Owned	-	316,460	18,000	-
Institutional	89,744,073	22,209,321	20,096,357	14,746,476
Irrigated	14,600,655	13,173,153	12,148,738	8,597,832
Public	23,063,112	-	-	-
Miscellaneous	30,129,559	26,647,551	28,538,789	28,460,965
Recreational	16,208,429	38,547,042	38,133,134	38,154,180
Vacant	149,595,981	103,255,783	110,286,121	106,020,696
Professional	411,018,456	-	-	-
Social	14,012,382	-	-	-
Unknown	595,505	10,621,173	11,512,475	-
Total Secured:	11,787,364,696	11,498,426,655	11,558,950,334	11,539,816,985
SBE Nonunitary	439,241	439,241	439,241	439,241
Unsecured	533,154,089	558,804,441	555,119,230	562,632,304
TOTALS	12,320,958,026	12,057,670,337	12,114,508,805	12,102,888,530
Total Direct Rate	1.05297	0.18807	0.18861	0.18973

Notes:

- A) This table has been revised in FY 2013, using the report provided by HdL companies.
 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.
- B) Exempt values are not included in Total.
- C) 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.
- D) In FY2014, secured categories have been updated to include additional items due to more detailed information available.

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 FY2004/05 - 2011/12 Combined Tax Rolls
 HdL,Coren & Cone FY2012/2013
 MuniServices, LLC FY2013/14

Fiscal Year					
2010	2009	2008	2007	2006	2005
8,906,419,037	9,311,187,001	9,069,270,263	8,399,778,007	7,534,740,293	6,725,308,225
1,601,884,508	1,606,308,615	1,492,221,860	1,342,084,461	1,254,060,283	1,178,438,811
810,498,262	796,369,102	734,768,680	684,786,756	618,087,315	595,570,371
969,027	950,030	915,899	897,943	649,819	645,060
-	10,710,000	348,805	35,240,391	1,657,248	1,682,527
14,278,714	15,425,998	15,249,964	17,189,841	17,968,449	13,162,788
7,850,105	7,818,787	8,630,639	8,544,782	8,562,799	7,455,577
-	-	-	-	-	-
27,580,331	24,990,684	23,144,967	22,746,343	21,467,633	17,914,671
38,110,075	40,579,346	47,559,998	39,441,725	38,869,874	38,526,538
122,719,985	104,745,016	85,238,768	81,115,477	80,695,701	106,479,822
-	-	-	-	-	-
-	-	-	-	-	-
-	-	4,080	4,000	-	104,216
11,530,310,044	11,919,084,579	11,477,353,923	10,631,829,726	9,576,759,414	8,685,288,606
659,229	659,229	659,229	1,078,448	1,207,227	1,363,335
619,749,174	592,995,509	597,490,896	571,679,436	548,508,549	519,386,103
12,150,718,447	12,512,739,317	12,075,504,048	11,204,587,610	10,126,475,190	9,206,038,044
0.19032	0.18973	0.18913	0.18731	0.18666	0.18553

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

Agency	Fiscal Year			
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Basic Levy ⁽¹⁾	1.00000	1.00000	1.00000	1.00000
Casitas Muni Water	0.00567	0.00438	0.01688	0.01871
Unified Schools ⁽⁵⁾	0.03060	0.00000	0.00000	0.00000
Mesa Elementary ⁽⁵⁾	0.00000	0.05110	0.05350	0.05200
Oxnard Elementary ⁽⁵⁾	0.00000	0.08510	0.09370	0.09690
Oxnard High School ⁽⁵⁾	0.00000	0.01990	0.01740	0.02820
Rio Elementary ⁽⁵⁾	0.00000	0.02890	0.03040	0.03070
Ventura Community College Board	0.01670	0.01910	0.01400	0.01510
Ventura Unified ⁽⁵⁾	0.00000	0.03190	0.03310	0.03240
Total Direct & Overlapping Tax Rates ⁽²⁾	1.05297	1.24038	1.25898	1.27401
City's Share of 1% Levy per Prop 13 ⁽³⁾	0.15897	0.16381	0.16381	0.16381
Total Direct Rate ⁽⁴⁾	1.05297	0.18807	0.18861	0.18973

⁽¹⁾ In 1978, California voters passed Proposition 13 which set the property tax rate at a 1% fixed amount. This 1% 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.

⁽⁵⁾ In FY 2014, Unified School consisted of Mesa Elementary, Oxnard Elementary, Oxnard High School, Rio Elementary and Ventura Unified.

Note:

This table has 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 2004/05 - 2011/12
HdL, Coren & Cone for FY 2012-13
MuniServices LLC for FY 2013-14

Fiscal Year					
<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
0.01358	0.01938	0.01235	0.01243	0.01399	0.01593
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.04680	0.04700	0.02310	0.02360	0.02510	0.02610
0.09810	0.08720	0.08270	0.06090	0.06910	0.08630
0.01090	0.01000	0.00980	0.01070	0.01220	0.01450
0.02930	0.02760	0.02860	0.03080	0.03450	0.03960
0.01390	0.01520	0.00500	0.01270	0.01300	0.01300
0.03320	0.03130	0.03230	0.03650	0.03800	0.04060
1.24578	1.23768	1.19385	1.18763	1.20589	1.23603
0.16381	0.16381	0.16381	0.16381	0.16381	0.16381
0.19032	0.18973	0.18913	0.18731	0.18666	0.18553

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

Taxpayer	2014		2005	
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
Macerich Buenaventura, LTD	\$ 89,289,415	0.72%	\$ 75,612,891	0.83%
Jefferson at Pelican Point	84,774,999	0.69%	-	-%
Asn Ventura Llc	71,730,137	0.58%	-	-%
Raintree Ventura Colony Llc	60,003,100	0.49%	-	-%
Blank Pursuant CA Gc625421	53,175,332	0.43%	-	-%
Asn Ventura 1031 Llc	44,175,669	0.36%	-	-%
Ventura Pines Assoc Llc	43,556,672	0.35%	-	-%
Montalvo Square Assoc Llc	40,235,000	0.33%	48,861,374	0.54%
Ventura Gateway Llc	36,702,020	0.30%	31,143,335	0.34%
County Center Ltd	34,669,070	0.28%	22,864,248	0.25%
Archstone Communities Trust	-	-%	32,066,379	0.35%
Lowes Hiw, Inc.	-	-%	28,381,850	0.31%
May Department Stores Co.	-	-%	27,994,100	0.31%
Telephone; Main Assoc Llc	-	-%	24,329,301	0.27%
Program 87A, LTD	-	-%	23,401,889	0.26%
Weston Co Ventura Apts	-	-%	22,453,873	0.25%
Top Ten Total	\$ 558,311,414	4.53%	\$ 337,109,240	3.71%
City Total	\$ 12,361,494,011		\$ 9,126,397,106	

Data Source: 2013-2014, 2004-2005 Los Angeles County Assessor data compiled by MuniServices, LLC

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

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections To-Date	
		Amount	Percent of Levy		Amount	Percent of Levy
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%
2014	20,935,951	20,645,794	98.61%	77,323	20,723,117	98.98%

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
	Certificates of Participation	Capital Leases	Loans	
2005	\$ 50,760,000	\$ -	\$ 7,312,580	\$ 58,072,580
2006	48,825,000	-	6,852,506	55,677,506
2007	46,830,000	-	6,151,224	52,981,224
2008	55,780,000	-	5,806,898	61,586,898
2009	53,190,000	708,769	1,922,830	55,821,599
2010	50,500,000	531,577	1,844,206	52,875,783
2011	49,055,000	354,384	1,762,069	51,171,453
2012	47,275,000	177,192	1,676,262	49,128,454
2013	44,470,000	-	430,673	44,900,673
2014	41,035,000	-	333,710	41,368,710

⁽¹⁾ The Total is different on 2012 CAFR 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.

⁽²⁾ Bond premiums and discounts were inadvertently included in prior years information. Beginning FY2014, information includes bond outstanding balance.

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

Wastewater Revenue Bonds⁽²⁾	Water Revenue Bonds⁽²⁾	Safe Drinking Water Loan	Capital Leases	Total Business-Type Activities	Total Primary Government	Percentage of Personal Income	Debt Per Capita
\$ 24,569,447	\$26,023,027	\$ -	\$ -	\$ 50,592,474	\$ 108,665,054	3.84 %	1099
24,019,430	25,549,712	13,156,599	-	62,725,741	118,403,247	4.10 %	1194
23,444,413	25,056,399	20,000,000	581,038	69,081,850	122,063,074	4.04 %	1213
22,859,395	24,548,084	19,209,485	338,091	66,955,055	128,541,953	3.88 %	1235
22,254,376	24,029,771	18,399,964	143,531	64,827,642	120,649,241	4.07 %	1286
21,634,359	23,491,458	17,987,933	-	63,113,750	115,989,533	3.64 %	1186
20,989,341	22,933,142	17,149,042	-	61,071,525	112,242,978	3.53 %	1151
20,319,323	22,354,827	16,289,983	-	58,964,133	108,092,587	3.18 %	996
20,022,300	49,422,510	15,410,269	-	84,855,079	129,755,752	3.86 %	1198
17,605,000	44,595,000	14,509,403	-	76,709,403	118,078,113	3.42 %	1084

City of San Buenaventura
Direct and Overlapping Debt
June 30, 2014

2013-14 Assessed Valuation:

\$12,449,927,426

	Total Debt 6/30/2014	Percentage Applicable⁽¹⁾	City's Share of Debt 6/30/2014
OVERLAPPING TAX AND ASSESSMENT DEBT			
Ventura County Community College District	\$ 300,628,714	11.534%	\$ 34,674,516
Ventura Unified School District	59,940,000	79.341%	47,556,995
Oxnard Union High School District	138,907,016	0.016%	22,225
Mesa Union High School District	7,350,000	0.317%	23,300
Oxnard School District	159,868,139	0.017%	27,178
Rio School District	14,040,000	0.009%	1,264
Total Overlapping Tax and Assessment Debt			82,305,478
OVERLAPPING GENERAL FUND DEBT			
Ventura County General Fund Obligations	398,360,000	11.530%	45,930,908
Ventura County Superintendent of Schools Certificates of Participation	11,160,000	11.530%	1,286,748
Ventura Unified School District Certificates of Participation	3,025,000	79.341%	2,400,065
Oxnard Union High School District Certificates of Participation	6,820,000	0.016%	1,091
Oxnard School District Certificates of Participation	4,600,800	0.017%	782
Rio School District Certificates of Participation	7,145,000	0.009%	643
Total Overlapping General Fund Debt			49,620,237
DIRECT DEBT			
Certificates of Participation- 2007 Series E			8,250,000
Certificates of Participation- 2010 Series F			14,970,000
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			41,035,000
California Energy Commission 2004 Loan			97,579
Energy Resources Conservation and Dev Com 2012			236,131
Sub-Total Loans			333,710
Total Direct Debt			41,368,710
Total Direct and Overlapping General Fund Debt			90,988,947
Overlapping Tax Increment Debt (Successor Agency):			13,575,000
TOTAL OVERLAPPING DEBT			145,500,715
COMBINED TOTAL DEBT			\$ 186,869,425 ⁽²⁾

Ratios to 2013-14 Assessed Valuation:

Total Overlapping Tax and Assessment Debt.....	0.66%
Total Direct Debt (\$41,035,000).....	0.33%
Combined Total Debt.....	1.50%

⁽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.

Source: MuniServices, LLC.

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

Fiscal Year Ended June 30	(2) Gross Assessed Valuation	Conversion Percentage	Adjusted Assessed Valuation	Debt Limit Percentage	Debt Limit	(1) Total Net Debt Applicable to Limit: General Obligation Bonds		Legal Debt Margin	Total Debt Applicable to the Limit as a Percentage of Debt Limit
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%	
2014	12,449,927,426	25%	3,112,481,857	15%	466,872,278	-	466,872,278	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 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	
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
2014	19,959,617	10,386,386		9,573,231	870,000	681,727	6.17

(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						Coverage
	Operating Revenue	Less Operating Expenses	Net Available Revenue	Debt Service			
				Principal	Interest		
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	
2014	29,635,399	19,080,174	10,555,225	860,000	1,853,606	3.89	

⁽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 ⁽¹⁾	Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate
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%
2014 ⁽³⁾	108,961	3,456,979	31,727	7.0%

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

(2) Source from FY 2010 - 2013: HdL Companies

(3) Source from FY 2014: MuniServices, LLC.

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

Function	Adopted Full-Time (FTE) Equivalents as of June 30th									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Government	15	15	15	14	18	26	25	25	23	17
Human Resources	11	12	12	13	13	13	13	13	13	12
Finance and Technology	47	48	48	46	46	48	51	51	51	50
Community Development	45	47	47	47	29	34	35	35	34	34
Parks, Recreation & Community Partnerships	53	56	56	62	32	32	33	32	32	37
Public Safety - Police	165	165	160	161	172	185	181	176	179	184
Public Safety - Fire	83	83	83	74	104	112	111	108	106	105
Public Works	81	82	82	178	218	227	224	218	224	229
Ventura Water	98	99	99	-	-	-	-	-	-	-
Total	598	607	602	595	632	677	673	658	662	668

Source: Finance and Technology Department, City of San Buenaventura

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

Employer	2014		2006	
	Number of Employees	Percent of Total City Employment⁽²⁾	Number of Employees	Percent of Total City Employment
County of Ventura	7,855	12.71%	7,191	12.62%
Ventura Unified School District	1,782	2.88%	2,340	4.11%
Ventura County Health Care Agency	--	--	2,100	3.68%
Community Memorial Health Systems	1,374	2.22%	1,725	3.03%
Ventura County Community College	864	1.40%	1,877	3.29%
Employer's Depot Inc.	623	1.01%	--	--
City of San Buenaventura	597	0.97%	1,065	1.87%
Patagonia Works (Lost Arrow Corp)	532	0.86%	--	--
Target*	415	0.67%	--	--
Ventura Superior Court	302	0.49%	--	--
Coors Tek Inc	267	0.43%	--	--
Ventura County Star	--	--	430	0.75%
Buenaventura Medical Clinic	--	--	421	0.74%
The California Mushroom Farm	--	--	385	0.68%
ARC Industries	--	--	300	0.53%
Total Top 10 Employers	14,611			
Total City Labor Force (1)	61,800			

Source: MuniServices, LLC for 2014
2006 UCSB Ventura County Economic Forecast for 2006

Results based on direct correspondence with City's local businesses.

(1) Total City Labor Force provided by EDD Labor Force Data.

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

* Target has two locations.

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
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%
2014	147,902,355	0.92%	5,688,769	-0.23%

Source: Finance and Technology Department, City of San Buenaventura

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

	Fiscal Years									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Police:										
Arrests (number of persons)	4,177	4,708	5,141	5,473	5,751	6,009	5,772	5,633	5,400	5,314
Parking citations issued	12,190	11,986	11,531	10,304	12,830	12,768	12,981	12,597	9,690	13,478
Fire:										
Number of emergency calls	12,897	12,646	12,115	11,506	11,662	11,607	11,343	10,655	9,990	9,986
Inspections	10,417	12,009	10,981	11,151	14,807	15,638	17,999	21,697	25,083	25,440
Public works:										
Street resurfacing (lane miles)	88	47	72	91	26	63	60	36	45	109
Parks and recreation:										
Number of participants in fee-based programs	16,103	16,350	15,793	14,538	15,015	15,828	17,706	17,421	17,821	--
Number of visitors to Aquatics Ctr	147,927	172,346	154,421	129,457	122,835	119,364	11,740	45,182	--	--
Annual Community Volunteer Hrs	39,450	40,123	38,950	36,452	40,605	41,675	41,333	--	--	--
Water:										
Total system connections	30,700	30,680	30,370	30,311	30,289	30,279	30,222	30,199	29,929	29,420
Average daily consumption (million gallons per day)	13.4	13.3	12.9	12.2	13.1	13.9	15.0	15.9	14.1	15.2
Wastewater:										
Total system connections	25,183	25,183	25,254	25,197	25,178	25,163	25,131	25,115	24,865	24,475
Average daily sewage treatment (million gallons per day)	8.6	8.3	8.6	8.8	8.8	8.6	8.5	9.4	9.4	9.3
Golf courses:										
Buenaventura golf rounds played ⁽³⁾	65,129	64,666	63,983	66,569	68,522	65,254	67,895	77,507	77,650	65,929
Olivas Park golf rounds played	60,610	59,093	60,680	59,879	65,387	61,422	54,078	11,670	-	57,656

(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

(4) Street resurfacing in 2013 and 2010 decreased due to budget reductions and timings. Data in 2013 has been corrected to reflect completed project.

(5) Fire inspections for 2012 and 2014 decreased due to staff vacancies and extended medical leave.

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

	Fiscal Years									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
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)	695	695	695	690	690	690	690	685	685	685
Streetlights	1,150	1,122	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058
Traffic signals	134	133	133	133	133	132	132	132	132	132
Parks and recreation:										
Parks	33	33	33	33	33	33	33	33	26	26
Community centers	4	4	4	4	4	3	3	3	3	3
Water:										
Water mains (miles)	380	380	380	380	380	500	500	500	500	400
Maximum daily capacity (millions gallons per day)	30	30	30	30	30	30	30	30	30	30
Wastewater:										
Sanitary sewers (miles)	300	300	290	290	290	475	475	475	475	475
Storm sewers (miles)	100	100	100	100	100	310	310	310	310	310
Maximum daily treatment capacity (million gallons per day)	14	14	14	14	14	14	14	14	14	14
Golf courses:										
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		
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 ⁽²⁾	31.67	45.24	58.85	72.47	86.09	99.71	43.54	
2014	33.54	48.00	62.45	76.91	91.36	105.82	46.21	

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)
 (2) New rate structure implemented; Assume HCF for each tier for comparative purposes

Source: Ventura Water Department

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

Wastewater Service Customers By Type of Business	2014		2006 ⁽¹⁾	
	Total Payments	Percent of Total Wastewater System Service Charge Revenues	Total Payments	Percent of Total Wastewater System Service Charge Revenues
Government	163,546	0.82 %	145,253	1.03 %
Hospital	143,507	0.72 %	70,850	0.50 %
Multifamily Apartments	126,368	0.63 %	114,586	0.81 %
Hospital	122,309	0.61 %	61,794	0.44 %
Multifamily Apartments	114,170	0.57 %	76,946	0.54 %
Educational	111,814	0.56 %	-	- %
Multifamily Apartments	108,691	0.54 %	69,062	0.49 %
Multifamily Apartments	87,529	0.44 %	70,364	0.50 %
Multifamily Apartment	83,292	0.42 %	64,008	0.45 %
Multifamily Apartments	80,443	0.40 %	60,831	0.43 %
Multifamily Apartments	-	- %	52,997	0.37 %
	1,141,669	5.71 %	786,691	5.56 %

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.

(1) 2006 is the only available information.

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	
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*	4,567,650	1,407,948	31,881	213,111	246,029	6,466,619	3.46
2013*	4,578,381	1,410,421	26,189	256,445	245,536	6,516,972	3.89
2014	4,687,547	1,422,819	25,303	288,835	248,007	6,672,511	4.44

Note:

1 HCF (hundred cubic feet) = 748 gallons

* Correction in FY2012 and FY2013 reflect city data only. Prior data in FY2012 and FY2013 reflects city and county.

Source: Ventura Water Department

City of San Buenaventura
Water Rates
Last Ten Fiscal Years

Fiscal Year Ended June 30	Bi-Monthly Service Charge Base Rate	Water Volume Rates Per Hundred Cubic Feet (HCF)				
		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+		
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
2014	25.11	2.15	2.92	4.79	2.70

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 beginning FY2013.

Source: Ventura Water Department

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

Water System Customers By Type of Business	2014		2006⁽¹⁾	
	Total Payments	Percent of Total Water Sales Revenues and Service Charges	Total Payments	Percent of Total Water Sales Revenues and Service Charges
Commercial	259,526	0.93 %	405,511	2.27 %
Commercial	200,671	0.72 %	288,399	1.62 %
Commercial	159,103	0.57 %	107,939	0.61 %
Commercial	141,893	0.51 %	71,356	0.40 %
Multifamily Apartments	128,909	0.46 %	80,172	0.45 %
Hospital	108,988	0.39 %	72,394	0.41 %
Hospital	107,447	0.39 %	--	-- %
Reclaimed	105,856	0.38 %	92,862	0.52 %
Municipal/Interruptible	105,632	0.38 %	148,361	0.83 %
Reclaimed	90,862	0.33 %	--	-- %
Multifamily Apartments	-	- %	71,969	0.40 %
Commercial	-	- %	70,125	0.39 %
	1,408,887	5.06 %	1,409,088	7.90 %

Note:

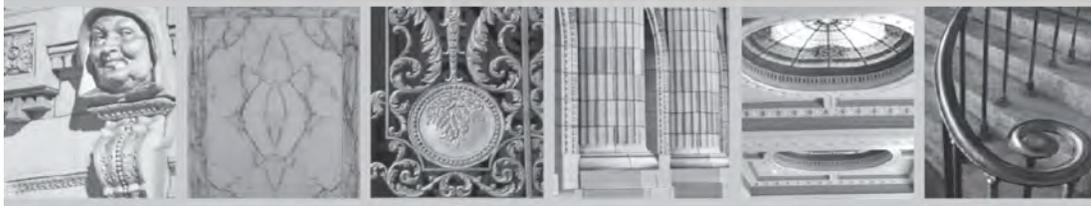
This schedule previously presented the top 10 water customers of the City. Ventura Water staff has interpreted the Red Flags Rules to prohibit the disclosure of any customer information, including name and payment information from all outside reports. Accordingly, the customer names have been replaced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

(1) 2006 is the only available information.

Source: Ventura Water Department



Annual Continuing Disclosure Requirements





Annual Continuing Disclosure Requirements



Annual Continuing Disclosure Requirements

On November 10, 1994, the Securities and Exchange Commission adopted a regulation requiring annual disclosure for most municipal securities issued on and after July 3, 1995. The schedules in this section contain the Annual Continuing Disclosure Requirements for all outstanding obligations issued since that time. The specific requirements are identified in each of the financing documents specific to each outstanding issue.

City of San Buenaventura
Annual Continuing Disclosure Requirements
Public Facilities Financing Authority
For the year ended June 30, 2014

City of San Buenaventura
8,250,000 2007 Certificates of Participation, Series E
14,970,000 2010 Certificates of Participation, Series F
16,450,000 2012 Certificates of Participation, Series A
1,365,000 2012 Certificates of Participation, Series B
Fiscal Year Ended June 30

Per the Continuing Disclosure Certificates in the Official Statements, the City shall disseminate the Comprehensive Annual Financial Report to meet the continuing disclosure requirements. The filing of this Comprehensive Annual Financial Report satisfies the requirements. There are no deficiencies to report.

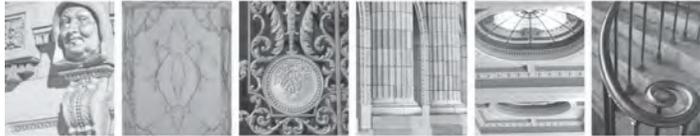
City of San Buenaventura
Annual Continuing Disclosure Requirements
Summary of All Certificates of Participations
For the year ended June 30, 2014

San Buenaventura Public Facilities Financing Authority Summary of All Issues:

<u>Amount Outstanding</u>	<u>General Fund</u>
\$ 8,250,000	2007 Refunding Certificates of Participation, Series E, \$11,420,000
14,970,000	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>
1,690,000	2012 Taxable Wastewater Revenues Refunding Bonds, Series A
15,915,000	2012 Wastewater Revenue Refunding Bonds, Series B
	<u>Water Fund</u>
10,240,000	2012 Taxable Water Certificates of Participation, Series A
34,355,000	2012 Water Certificates of Participation, Series B



COMPREHENSIVE ANNUAL
FINANCIAL REPORT



YEAR ENDED JUNE 30, 2014

City of San Buenaventura
Annual Continuing Disclosure Requirements, Continued
2012 Taxable Wastewater Revenues Refunding Bonds, Series A & B
For the year ended June 30, 2014

WASTEWATER SYSTEM				
TEN-YEAR HISTORIC OPERATING RESULTS				
FISCAL YEAR ENDED JUNE 30				
	2014	2013³	2012³	2011³
REVENUES				
Service Charges and Sale Revenues	\$ 18,874,024	\$ 18,951,438	\$ 16,783,407	\$ 16,172,837
Transfers In	-	251,023	-	-
Other Revenue	-	54,388	46,894	4,864
Investment Income	438,447	206,284	288,448	225,582
TOTAL REVENUES	19,312,471	19,463,133	17,118,749	16,403,283
OPERATION AND MAINTENANCE EXPENSE ⁽¹⁾				
	12,241,147	13,525,210	15,960,751	14,140,212
NET REVENUES	7,071,324	5,937,923	1,157,998	2,263,071
DEBT SERVICE				
1996 Bonds ⁽⁴⁾	-	-	-	-
2004 COP ⁽²⁾	-	482,806	1,738,550	1,738,750
2012 COP	1,555,947	87,649	-	-
TOTAL DEBT SERVICE	1,555,947	570,455	1,738,550	1,738,750
DEBT SERVICE COVERAGE	4.54	10.41	0.68	1.30
NET REVENUES AVAILABLE FOR SUBORDINATE DEBT SERVICE	\$ 5,515,377	\$ 5,367,468	\$ (580,552)	\$ 524,321

NOTE: Historic Wastewater system service connections can be found in Statistical section, "Operating Indicators" page 141

(1) Excludes depreciation and bond amortization.

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

(3) Fiscal year 2010 to 2013, data had been revised to reflect information in the 2012 Wastewater Revenue Bonds Series C Official Statement.

(4) 1996 Sewer Revenue Refunding Bonds were refinanced into 2004 Wastewater Revenue Certificates of Participation on December 1, 2004

Source: The Comprehensive Annual Financial Report.

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

2010³	2009	2008	2007	2006	2005
\$ 16,804,801	\$ 16,015,727	\$ 16,068,806	\$ 15,460,227	\$ 14,144,570	\$ 14,042,047
18,690	109,519	-	-	7,003	56,789
324	-	-	-	-	-
1,104,443	1,771,660	1,734,356	1,797,241	1,513,379	574,053
17,928,258	17,896,906	17,803,162	17,257,468	15,664,952	14,672,889
11,988,224	10,389,969	11,288,545	10,303,591	8,708,803	8,762,928
5,940,034	7,506,937	6,514,617	6,953,877	6,956,149	5,909,961
-	-	-	-	-	880,738
1,734,599	1,740,000	1,736,500	1,742,750	1,733,375	230,911
-	-	-	-	-	-
1,734,599	1,740,000	1,736,500	1,742,750	1,733,375	1,111,649
3.42	4.31	3.75	3.99	4.01	5.32
\$ 4,205,435	\$ 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, 2014

HISTORIC WASTEWATER SYSTEM USAGE

Fiscal Year Ended June 30	Daily Average Flow (Million Gallons per Day)	Increase (Decrease)
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%
2014	8.59	2.75%

HISTORIC WASTEWATER SYSTEM SERVICE CONNECTIONS

Fiscal Year Ended June 30	Service Connections	Increase (Decrease)
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%
2014	25,310	0.12%

HISTORIC WASTEWATER SYSTEM SERVICE AND FLOW CHARGE REVENUES

Fiscal Year Ended June 30	Service and Flow Charge Revenues	Increase (Decrease)
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%
2014	19,959,617	4.27%

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, 2014

Top 10 Wastewater Customers for 2013-2014

Wastewater Customers By Type of Business Based on Volume	Average HCF⁽¹⁾ Per Day	Total Payments	Percent of Total Wastewater Revenues
Government	134.0	\$163,546	0.82%
Hospital	117.2	143,507	0.72 %
Multifamily Residential	112.5	126,368	0.63 %
Hospital	99.6	122,309	0.61 %
Multifamily Residential	89.8	114,170	0.57 %
Education	133.2	111,814	0.56 %
Multifamily Residential	80.6	108,691	0.54 %
Multifamily Residential	67.2	87,529	0.44 %
Multifamily Residential	69.5	83,292	0.42 %
Multifamily Residential	67.4	80,443	0.40 %

(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.

City of San Buenaventura
Annual Continuing Disclosure Requirement, Continued
Historic Water System Deliveries in Acre Feet Per Year
For the Year Ended June 30, 2014
Last Ten Fiscal Years
(in Hundred Cubic Feet)

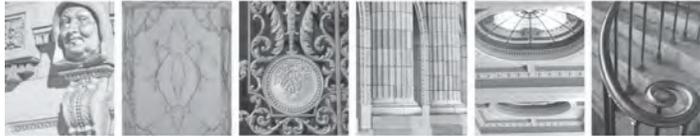
Fiscal Year June 30	Residential	Commercial	Industrial, Public Agency and Other	Total	Increase/ (Decrease)
2005	11,021	3,906	2,795	17,722	2.24 %
2006	10,355	3,463	2,441	16,259	(8.26)%
2007	11,839	3,849	2,720	18,408	13.22 %
2008	11,726	3,920	1,992	17,638	(4.18)%
2009	11,179	3,763	1,739	16,681	(5.43)%
2010	10,743	3,384	1,564	15,691	(5.93)%
2011	10,325	3,370	1,465	15,160	(3.38)%
2012	10,813	3,492	1,516	15,821	4.36 %
2013	10,855	3,522	1,661	16,038	1.37 %
2014	11,124	3,539	1,768	16,431	2.45 %

Note:
1 Acre Feet = 435.60 HCF (hundred cubic feet)

Source: (1) FY 2005-2007 data derived from Ventura Water Department
(2) FY 2008-2009 data derived from Official Statement 2012 Water Bond, Series A.
(3) FY 2010-2014 data derived from Official Statement 2014 Water Bond, Series C.



COMPREHENSIVE ANNUAL
FINANCIAL REPORT



YEAR ENDED JUNE 30, 2014

City of San Buenaventura
Annual Continuing Disclosure Requirements, Continued
2012 Taxable Water Certificates of Participation, Series A & B
For the year ended June 30, 2014

WATER SYSTEM				
TEN-YEAR HISTORIC OPERATING RESULTS				
FISCAL YEAR ENDED JUNE 30				
	2014⁽²⁾	2013⁽²⁾	2012⁽²⁾	2011⁽²⁾
REVENUES				
Service Charges and Sale Revenues	\$ 29,635,399	\$ 25,292,540	\$ 22,069,750	\$ 20,847,410
Transfers In	1,545,584	1,391,124	1,277,970	1,007,343
Other Revenues	-	7,099	3,329	3,416
Investment Income	641,716	284,725	201,109	75,514
TOTAL REVENUES	31,822,699	26,975,488	23,552,158	21,933,683
OPERATION AND MAINTENANCE EXPENSE ⁽¹⁾				
	19,531,334	19,002,248	16,479,917	14,149,894
NET REVENUES	12,291,365	7,973,240	7,072,241	7,783,789
DEBT SERVICE				
2004 COP ⁽²⁾	-	1,163,850	1,688,375	1,689,375
SRF Loan	1,263,820	1,263,820	1,263,820	1,263,820
2012 COP	2,710,316	247,604	-	-
TOTAL DEBT SERVICE	3,974,136	2,675,274	2,952,195	2,953,195
DEBT SERVICE COVERAGE	2.65	2.98	2.40	2.64
NET REVENUES AVAILABLE FOR SUBORDINATE DEBT SERVICE				
	\$ 8,317,229	\$ 5,297,966	\$ 4,120,046	\$ 4,830,594

NOTE: Historic Water System Service Connections can be found in Statistical section, "Operating Indicators" page 141

(1) Excludes depreciation and bond amortization.

(2) Fiscal year 2010 to 2013, data had been revised to reflect information in the 2012 Water Revenue Bonds Series C Official Statement.

Source: The Comprehensive Annual Financial Report.

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

2010⁽²⁾	2009	2008	2007	2006	2005
\$ 21,701,586	\$ 21,304,880	\$ 20,742,823	\$ 20,549,930	\$ 17,838,573	\$ 17,642,997
865,525	916,459	840,954	675,517	619,089	854,927
19,577	-	-	-	-	-
559,544	906,708	828,655	1,193,564	573,009	529,375
23,146,232	23,128,047	22,412,432	22,419,011	19,030,671	19,027,299
16,254,139	14,600,419	14,464,514	13,106,807	12,817,841	12,154,573
6,892,093	8,527,628	7,947,918	9,312,204	6,212,830	6,872,726
1,688,963	1,686,475	1,691,475	1,691,100	1,686,550	2,082,325
1,263,820	-	-	-	-	-
-	-	-	-	-	-
2,952,783	1,686,475	1,691,475	1,691,100	1,686,550	2,082,325
2.33	5.06	4.70	5.51	3.68	3.68
\$ 3,939,310	\$ 6,841,153	\$ 6,256,443	\$ 7,621,104	\$ 4,526,280	\$ 4,790,401

City of San Buenaventura

Annual Continuing Disclosure Requirements, Continued

2012 Taxable Water Certificates of Participation, Series A & B

For the Year Ended June 30, 2014

HISTORIC WATER SUPPLY (in Acre-feet per year)

Fiscal Year Ended June 30	Pumped Water	Purchased Water⁽¹⁾	Total
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
2014	12,143	5,646	17,789

(1) Reflects Casitas Municipal Water District certification letters

PROJECTED WATER SUPPLY (in Acre-feet per year)

Fiscal Year Ended June 30	Pumped Water	Purchased Water¹	Total
2015	13,724	5,111	18,835*
2016	13,724	5,111	18,835*
2017	13,724	5,111	18,835*
2018	13,724	5,111	18,835*
2019	13,724	5,111	18,835*

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

Source: Ventura Water Department

City of San Buenaventura
Annual Continuing Disclosure Requirements, Continued
2012 Taxable Water Certificates of Participation, Series A & B
For the Year Ended June 30, 2014

HISTORIC WATER SYSTEM SERVICE CHARGES AND SALES REVENUES

<u>Fiscal Year Ended June 30</u>	<u>Service Charges and Sales Revenues</u>	<u>Increase/(decrease)</u>
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%
2014	29,635,399	16.79%

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, 2014

Top 10 Water Customers for 2013-2014

Water Customers Based on Volume	Average HCF ⁽¹⁾ Per Day	Total Water Payments	Average HCF Revenues
Commercial	476.0	\$ 259,526	0.93%
Commercial	157.0	200,671	0.72%
Commercial	134.0	159,103	0.57%
Commercial	133.2	141,893	0.51%
Residential-Multi Family	112.5	128,909	0.46%
Hospital	117.2	108,988	0.39%
Hospital	99.6	107,447	0.39%
Reclaimed	366.7	105,856	0.38%
Government	120.2	105,632	0.38%
Reclaimed	346.1	90,862	0.33%

(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
 Annual Continuing Disclosure Requirements, Continued
 2012 Taxable Water Certificates of Participation, Series A & B
 2012 Taxable Wastewater Revenue Refunding Bonds, Series A & B
 For the year ended June 30, 2014

Ventura Water - FY 2013-2014 Water and Wastewater Rates

FY 2013-2014 Water Rates				FY 2013-2014 Wastewater Rates																																																																																																																																																																																																																																																																																																																																																																																																			
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border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: center;">Customer Classification</th> </tr> <tr> <th></th> <th># HCF CAP *</th> <th>Bimonthly Rate \$</th> </tr> </thead> <tbody> <tr> <td colspan="3">Single Family</td> </tr> <tr> <td>Fixed Charge</td> <td></td> <td>\$18.35</td> </tr> <tr> <td>Flow Charge</td> <td>30</td> <td>\$2.78</td> </tr> <tr> <td colspan="3">Multi Family</td> </tr> <tr> <td>Fixed Charge</td> <td></td> <td>\$13.68</td> </tr> <tr> <td>Flow Charge</td> <td>24</td> <td>\$2.78</td> </tr> <tr> <td colspan="3">* HCF CAP determined based on average winter water usage for 2 full billing cycles for bills received February through May</td> </tr> <tr> <td colspan="3">Churches</td> </tr> <tr> <td>Fixed Charge</td> <td></td> <td>\$18.35</td> </tr> <tr> <td>Flow Charge</td> <td>Per HCF</td> <td>\$2.43</td> </tr> <tr> <td colspan="3">Schools</td> </tr> <tr> <td></td> <td>(\$/100 ADA)</td> <td>\$133.25</td> </tr> <tr> <td colspan="3">Industrial</td> </tr> <tr> <td>Flow (per million gallons)</td> <td></td> <td>\$3,835.63</td> </tr> <tr> <td>Chemical Oxygen Demand **</td> <td></td> <td>\$159.08</td> </tr> <tr> <td>Suspended Solids **</td> <td></td> <td>\$294.92</td> </tr> <tr> <td colspan="3">**per 1000 pounds</td> </tr> <tr> <td colspan="3">Estuary Protection Charge</td> </tr> <tr> <td colspan="3">4% of Total Wastewater Bill</td> </tr> <tr> <td>Single Family - Cap*</td> <td>30</td> <td>\$4.07</td> </tr> <tr> <td>Multi Family - Cap*</td> <td>24</td> <td>\$3.21</td> </tr> <tr> <td>Non Residential No Cap</td> <td></td> <td>4% of WW Bill</td> </tr> <tr> <th style="color: green;">Misc. User Fees - As of Dec 2013</th> <th colspan="2" style="color: green;">Fixed Fees</th> </tr> <tr> <td>NSF Check</td> <td></td> <td>\$35.00</td> </tr> <tr> <td>Open or Change Service</td> <td></td> <td>\$52.00</td> </tr> <tr> <td>Post 10 Day Turnoff Notice</td> <td></td> <td>\$52.00</td> </tr> <tr> <td>Shut off & Lock Service</td> <td></td> <td>\$64.00</td> </tr> <tr> <td>Conduct Flow Test</td> <td></td> <td>\$351.00</td> </tr> <tr> <td>Same Day Service</td> <td></td> <td>\$75.00</td> </tr> <tr> <td>After Hours Charge</td> <td></td> <td>\$75.00</td> </tr> <tr> <td>Tampering Fee</td> <td></td> <td>\$150.00</td> </tr> </tbody> </table>				Customer Classification				# HCF CAP *	Bimonthly Rate \$	Single Family			Fixed Charge		\$18.35	Flow Charge	30	\$2.78	Multi Family			Fixed Charge		\$13.68	Flow Charge	24	\$2.78	* HCF CAP determined based on average winter water usage for 2 full billing cycles for bills received February through May			Churches			Fixed Charge		\$18.35	Flow Charge	Per HCF	\$2.43	Schools				(\$/100 ADA)	\$133.25	Industrial			Flow (per million gallons)		\$3,835.63	Chemical Oxygen Demand **		\$159.08	Suspended Solids **		\$294.92	**per 1000 pounds			Estuary Protection Charge			4% of Total Wastewater Bill			Single Family - Cap*	30	\$4.07	Multi Family - Cap*	24	\$3.21	Non Residential No Cap		4% of WW Bill	Misc. User Fees - As of Dec 2013	Fixed Fees		NSF Check		\$35.00	Open or Change Service		\$52.00	Post 10 Day Turnoff Notice		\$52.00	Shut off & Lock Service		\$64.00	Conduct Flow Test		\$351.00	Same Day Service		\$75.00	After Hours Charge		\$75.00	Tampering Fee		\$150.00	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Customer Classification</th> <th>Per HCF</th> <th>Bimonthly Fixed Charge</th> </tr> </thead> <tbody> <tr> <td colspan="2">Commercial Group 1:</td> <td>\$3.26</td> <td>\$18.35</td> </tr> <tr> <td>A.</td> <td>Laundromats</td> <td></td> <td></td> </tr> <tr> <td>B.</td> <td>Car Wash</td> <td></td> <td></td> </tr> <tr> <td>C.</td> <td>Professional Offices</td> <td></td> <td></td> </tr> <tr> <td>D.</td> <td>Convalescent homes</td> <td></td> <td></td> </tr> <tr> <td>E.</td> <td>Wholesale Establishments</td> <td></td> <td></td> </tr> <tr> <td>F.</td> <td>Offices</td> <td></td> <td></td> </tr> <tr> <td>G.</td> <td>Retail Establishments</td> <td></td> <td></td> </tr> <tr> <td>H.</td> <td>Public Buildings</td> <td></td> <td></td> </tr> <tr> <td>I.</td> <td>Barber & Beauty Shops</td> <td></td> <td></td> </tr> <tr> <td>J.</td> <td>Gas Stations & Garages</td> <td></td> <td></td> </tr> <tr> <td>K.</td> <td>Bars w/out dining facilities</td> <td></td> <td></td> </tr> <tr> <td>L.</td> <td>Theaters</td> <td></td> <td></td> </tr> <tr> <td>M.</td> <td>Gyms</td> <td></td> <td></td> </tr> <tr> <td>N.</td> <td>Hospitals</td> <td></td> <td></td> </tr> <tr> <td>O.</td> <td>Grocery stores w/out garbage grinders</td> <td></td> <td></td> </tr> <tr> <td colspan="2">Group 2</td> <td>\$3.72</td> <td>\$18.35</td> </tr> <tr> <td>A.</td> <td>Hotels & Motels w/out dining facilities</td> <td></td> <td></td> </tr> <tr> <td>B.</td> <td>Commercial laundries</td> <td></td> <td></td> </tr> <tr> <td colspan="2">Group 3</td> <td>\$4.80</td> <td>\$18.35</td> </tr> <tr> <td colspan="2"></td> <td>Bimonthly Fixed Charge</td> <td></td> </tr> <tr> <td>A.</td> <td>Hotels w/dining facilities</td> <td></td> <td></td> </tr> <tr> <td colspan="2">Group 4</td> <td>\$5.84</td> <td>\$18.35</td> </tr> <tr> <td colspan="2"></td> <td>Bimonthly Fixed Charge</td> <td></td> </tr> <tr> <td>A.</td> <td>Mortuaries</td> <td></td> <td></td> </tr> <tr> <td>B.</td> <td>Grocery stores with garbage grinders</td> <td></td> <td></td> </tr> <tr> <td colspan="2">Group 5</td> <td>\$5.33</td> <td>\$18.35</td> </tr> <tr> <td>A.</td> <td>Bakeries</td> <td></td> <td></td> </tr> <tr> <td>B.</td> <td>Restaurants</td> <td></td> <td></td> </tr> <tr> <td>C.</td> <td>Multi-use shopping centers</td> <td></td> <td></td> </tr> <tr> <td colspan="2">Group 6</td> <td>\$1.13</td> <td>\$18.35</td> </tr> <tr> <td>A.</td> <td>Plant Nurseries</td> <td></td> <td></td> </tr> </tbody> </table>				Customer Classification		Per HCF	Bimonthly Fixed Charge	Commercial Group 1:		\$3.26	\$18.35	A.	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After Hours Charge		\$75.00																																																																																																																																																																																																																																																																																																																																																																																																					
Tampering Fee		\$150.00																																																																																																																																																																																																																																																																																																																																																																																																					
Customer Classification		Per HCF	Bimonthly Fixed Charge																																																																																																																																																																																																																																																																																																																																																																																																				
Commercial Group 1:		\$3.26	\$18.35																																																																																																																																																																																																																																																																																																																																																																																																				
A.	Laundromats																																																																																																																																																																																																																																																																																																																																																																																																						
B.	Car Wash																																																																																																																																																																																																																																																																																																																																																																																																						
C.	Professional Offices																																																																																																																																																																																																																																																																																																																																																																																																						
D.	Convalescent homes																																																																																																																																																																																																																																																																																																																																																																																																						
E.	Wholesale Establishments																																																																																																																																																																																																																																																																																																																																																																																																						
F.	Offices																																																																																																																																																																																																																																																																																																																																																																																																						
G.	Retail Establishments																																																																																																																																																																																																																																																																																																																																																																																																						
H.	Public Buildings																																																																																																																																																																																																																																																																																																																																																																																																						
I.	Barber & Beauty Shops																																																																																																																																																																																																																																																																																																																																																																																																						
J.	Gas Stations & Garages																																																																																																																																																																																																																																																																																																																																																																																																						
K.	Bars w/out dining facilities																																																																																																																																																																																																																																																																																																																																																																																																						
L.	Theaters																																																																																																																																																																																																																																																																																																																																																																																																						
M.	Gyms																																																																																																																																																																																																																																																																																																																																																																																																						
N.	Hospitals																																																																																																																																																																																																																																																																																																																																																																																																						
O.	Grocery stores w/out garbage grinders																																																																																																																																																																																																																																																																																																																																																																																																						
Group 2		\$3.72	\$18.35																																																																																																																																																																																																																																																																																																																																																																																																				
A.	Hotels & Motels w/out dining facilities																																																																																																																																																																																																																																																																																																																																																																																																						
B.	Commercial laundries																																																																																																																																																																																																																																																																																																																																																																																																						
Group 3		\$4.80	\$18.35																																																																																																																																																																																																																																																																																																																																																																																																				
		Bimonthly Fixed Charge																																																																																																																																																																																																																																																																																																																																																																																																					
A.	Hotels w/dining facilities																																																																																																																																																																																																																																																																																																																																																																																																						
Group 4		\$5.84	\$18.35																																																																																																																																																																																																																																																																																																																																																																																																				
		Bimonthly Fixed Charge																																																																																																																																																																																																																																																																																																																																																																																																					
A.	Mortuaries																																																																																																																																																																																																																																																																																																																																																																																																						
B.	Grocery stores with garbage grinders																																																																																																																																																																																																																																																																																																																																																																																																						
Group 5		\$5.33	\$18.35																																																																																																																																																																																																																																																																																																																																																																																																				
A.	Bakeries																																																																																																																																																																																																																																																																																																																																																																																																						
B.	Restaurants																																																																																																																																																																																																																																																																																																																																																																																																						
C.	Multi-use shopping centers																																																																																																																																																																																																																																																																																																																																																																																																						
Group 6		\$1.13	\$18.35																																																																																																																																																																																																																																																																																																																																																																																																				
A.	Plant Nurseries																																																																																																																																																																																																																																																																																																																																																																																																						
1 HCF = 748 gallons				Note: Rates for water sold outside the City limits shall have a surcharge of \$0.76 per hcf																																																																																																																																																																																																																																																																																																																																																																																																			

Source: Ventura Water Department

City of San Buenaventura
Employee Relations and Collective Bargaining
For the year ended June 30, 2014

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)	117	Jan. 1, 2014 - June 30, 2015 with City option to extend thru Dec. 31, 2015
General Unit (Non-Supervisory Clerical, Technical, Paraprofessional, Inspectors and Civilian Public Safety Employees)	124	Jan. 1, 2014 - June 30, 2015 with City option to extend thru Dec. 31, 2015
Supervisor Unit (Supervisory Employees)	72	Jan. 1, 2014 - June 30, 2015 with City option to extend thru Dec. 31, 2015
Professional Unit (Professional Employees)	27	Jan. 1, 2014 - June 30, 2015 with City option to extend thru Dec. 31, 2015
Police Unit (Police Officers, Corporals and Sergeants)	114	Jan. 1, 2014 - June 30, 2015 with City option to extend thru Dec. 31, 2015
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 (negotiations in process)
Police and Fire Recruits ⁽¹⁾ (Police Officer Trainee, Firefighter-Paramedic Recruit and Firefighter Recruit. Trainees in unit for less than six months)	5	No MOU - not represented by a bargaining unit
Police Management Unit (Police Commander and Assistant Police Chief)	7	Jan. 1, 2014 - June 30, 2015 with City option to extend thru Dec. 31, 2015
Fire Management Unit (Fire Battalion Chiefs, Assistant Fire Chief)	5	Jan. 1, 2011 - Dec. 31, 2013 with option to extend to June 30, 2014 (negotiations in process)
Executive (Department Heads, City Attorney, City Manager)	10	No MOU - not represented by a bargaining unit
Management (Division Heads and other managers)	26	No MOU - not represented by a bargaining unit
Administrative Confidential (Administrative professional)	5	No MOU - not represented by a bargaining unit
Confidential (Administrative Secretaries, Human Resources non-analyst staff, Legal Administrative Secretaries)	20	No MOU - not represented by a bargaining unit

⁽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

Photography:



Donna Granata



Karen Moser



Donna Granata



Bernie Goldstein



Susan Vernand Magness



CITY OF
VENTURA
www.cityofventura.net

In compliance with the Americans with Disabilities Act, this document is available in alternate formats by contacting the Finance & Technology Department at 805/658-4787 or 805/654-7804 or by contacting the California Relay Service. 