

City of
Thousand Oaks
California



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

Fiscal Year Ended June 30, 2011



**CITY OF THOUSAND OAKS, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2011**



**Prepared by
Finance Department**

**John F. Adams
Finance Director/City Treasurer**

**CITY OF THOUSAND OAKS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For The Fiscal Year Ended June 30, 2011**

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION	
Letter of Transmittal	iii-xii
GFOA Certificate of Achievement	xiii
Organization Chart with City Officials	xiv
FINANCIAL SECTION	
Independent Auditors' Report.....	1-2
Management's Discussion and Analysis (Unaudited)	3-22
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	23
Statement of Activities	24-25
Governmental Fund Financial Statements:	
Balance Sheet - Governmental Funds	26-27
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	28
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	29-30
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	31
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Governmental Fund	32
Budget and Actual - Library Special Revenue Fund	33
Budget and Actual - State Gas Tax Special Revenue Fund	34
Proprietary Fund Financial Statements:	
Statement of Net Assets - Proprietary Funds	35-36
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Funds	37-38
Statement of Cash Flows - Proprietary Funds	39-40
Fiduciary Fund Financial Statement:	
Statement of Fiduciary Assets and Liabilities - Agency Funds	41
Notes to Basic Financial Statements	42-89
Required Supplementary Information (Unaudited)	
Schedule of Funding Progress - City's Single-Employer Defined Benefit Pension Plan for Hourly/Part-time Employees	90
Schedule of Funding Progress - City's Full-Time Employees	91
Combining Financial Statements and Schedules:	
Combining Balance Sheet - Nonmajor Governmental Funds.....	92-94
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds.....	95-97

**CITY OF THOUSAND OAKS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For The Fiscal Year Ended June 30, 2011**

TABLE OF CONTENTS

Page

FINANCIAL SECTION (continued)

**Schedules of Revenues, Expenditures and Changes in Fund Balances -
 Budget and Actual:**

Landscaping and Lighting Districts Special Revenue Fund	98
Traffic and Bicycle Safety Special Revenue Fund	99
Community Facilities Districts Special Revenue Fund	100
Home and Community Development Block Grant (CDBG) Special Revenue Fund	101
County Flood Control Benefit Assessment Special Revenue Fund	102
Combining Statement of Net Assets - Internal Service Funds.....	103
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets - Internal Service Funds	104
Combining Statement of Cash Flows - Internal Service Funds	105
Combining Statement of Assets and Liabilities - Agency Funds	106-107
Combining Statement of Changes in Assets and Liabilities - Agency Funds	108-111

STATISTICAL SECTION (Unaudited)

Table of Contents	112
Table 1 Net Assets by Component.....	113-114
Table 2 Changes in Net Assets.....	115-118
Table 3 Fund Balances of Governmental Funds.....	119-120
Table 4 Changes in Fund Balances of Governmental Funds.....	121-122
Table 5 Assessed Value and Estimated Actual Value of Taxable Property	123
Table 6 Direct and Overlapping Property Tax Rates.....	124
Table 7 Principal Property Tax Payers.....	125
Table 8 Property Tax Levies and Collections.....	126
Table 9 Ratios of Outstanding Debt by Type	127-128
Table 10 Ratio of Net General Bonded Debt Outstanding	129
Table 11 Computation of Direct and Overlapping Debt.....	130
Table 12 Legal Debt Margin Information	131-132
Table 13 Pledged Revenue Coverage	133-135
Table 14 Demographic and Economic Statistics	136
Table 15 Principal Employers	137
Table 16 Full-time Equivalent Employees by Function.....	138
Table 17 Operating Indicators by Function	139-140
Table 18 Capital Asset Statistics by Function	141



INTRODUCTORY SECTION

- Letter of Transmittal
- Certificate of Achievement – Government Finance Officers Association
- Organization Chart with City Officials



City of Thousand Oaks

FINANCE DEPARTMENT
JOHN F. ADAMS, DIRECTOR

December 12, 2011

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

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Thousand Oaks, California for the fiscal year ended June 30, 2011. The format and content of this CAFR comply with the principles and standards of accounting and financial reporting adopted by the Governmental Accounting Standards Board (GASB) and contains all information needed for readers to gain a reasonable understanding of City of Thousand Oaks' financial affairs.

INTRODUCTION

This report was prepared by the City's Finance Department. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Lance, Soll and Lunghard, LLP, Certified Public Accountants, have issued an unqualified ("clean") opinion on the City's financial statements for the fiscal year ended June 30, 2011. The independent auditors' report is located at the front of the financial section of this report.

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

CITY OF THOUSAND OAKS PROFILE

Located approximately 40 miles northwest of Los Angeles, halfway between the cities of Los Angeles and Santa Barbara, the City of Thousand Oaks is the second largest city in Ventura County, with an estimated population of 127,557, as of January 1, 2011. Twelve miles inland from the Pacific Ocean and nestled against the pristine Santa Monica Mountains to the south, the City is surrounded by a ring of more than 56 square miles of open space with rolling green hills that are legally protected by public ownership from future development.

Thousand Oaks was incorporated on October 7, 1964, as a general law city. The City operates under a City Council-City Manager form of government and provides traditional municipal and public enterprise services, which are listed below:

Municipal Services

Highways and streets
Public safety
Library and cultural
Planning and zoning
Housing/community development
General administrative support

Public Enterprise Services

Water
Wastewater (sewer)
Golf course
Transportation
Solid waste management
Theatres

The City Council consists of five members elected by the community at large and selects the Mayor from its members, generally, for a one-year term. City Council terms are four years with elections held every two years. The City Council appoints the City Manager and City Attorney. An organization chart listing the names of the City Council members and other City officials, as of June 30, 2011, is included at the back of the Introductory Section of the CAFR.

Primary responsibility for financial administration of the City rests with the Finance Director/City Treasurer. He is appointed by the City Manager and is responsible for establishing and maintaining the accounting and management information systems for the City. He is also responsible for the receipt, investments, and disbursement of all City funds.

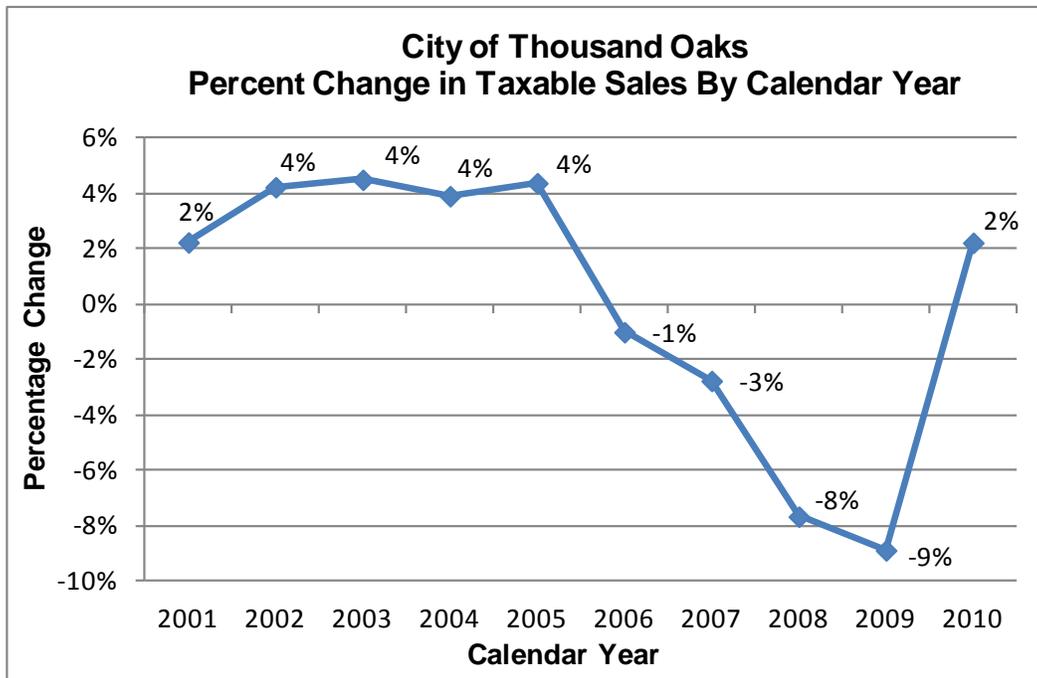
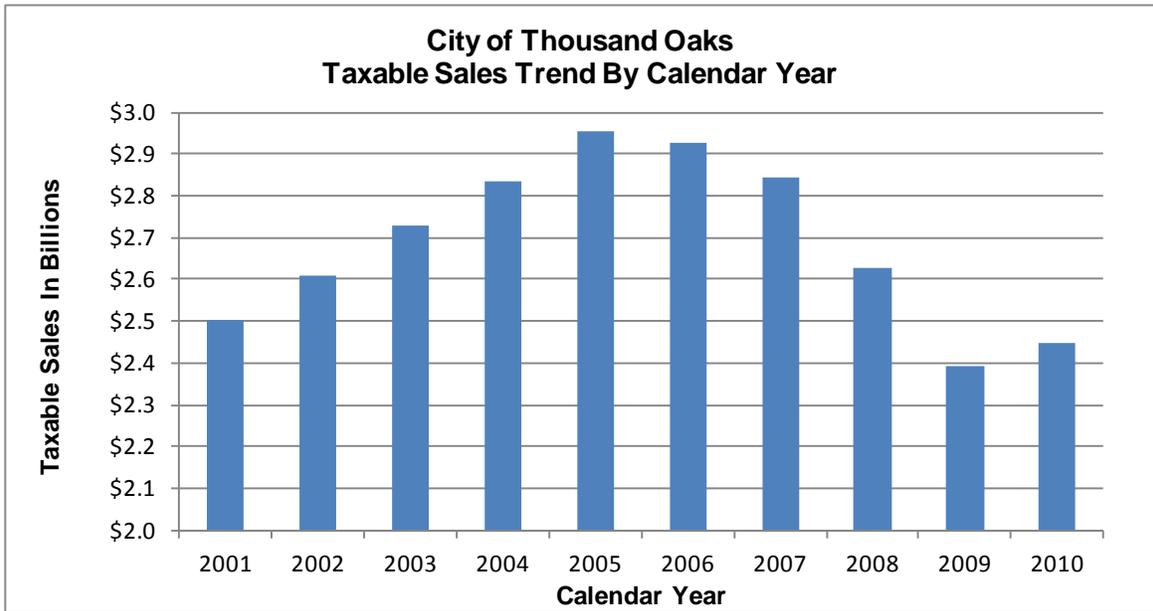
FISCAL/ECONOMIC CONDITIONS AND OUTLOOK

The City of Thousand Oaks incorporated without a general municipal property tax¹; however, the City now receives a small portion of the local property tax revenue. Due to this, the City developed a strong mix of General Fund revenue sources including sales tax, transient occupancy tax, vehicle license fees, business license tax, building/engineering permit fees, service charges, and investment earnings. The Water, Wastewater, Golf Course, Transportation, Solid Waste Management, and Theatre enterprises are self-sustaining through user fee charges.

Sales tax revenue remains the primary General Fund revenue source and provides for 38 percent of general municipal services such as public safety, street maintenance, and code enforcement. The City has been successful in developing a diverse retail base that maximizes sales tax revenue and generally offsets cyclical economic elasticity. While the City's retail sales began to decline slightly prior to the Great Recession, which began in December 2007, sales tumbled significantly through 2008 and 2009 along with

¹ The state property tax allocation system developed in 1979 in response to Proposition 13 continues to be the basis for the property tax allocation among local governments today. Since 1979, one significant change to the original property tax shares contained in AB 8, relates to the so-called "no and low property tax cities." Certain cities that did not levy a property tax, levied only a very low property tax, or were not incorporated as cities prior to the passage of Proposition 13 were not allocated a significant share of the property tax under AB 8. The Legislature has acted to gradually increase the share of property taxes going to these cities, including Thousand Oaks. **Source:** State of California Legislative Analyst's Office

the rest of the nation. However, the strength of the local economy was evident as taxable sales grew again in 2010 following the end of the recession in June 2009. The local retail market's taxable sales increased by 2 percent, or \$53 million, from \$2.394 billion in the prior calendar year to \$2.447 billion in 2010 due to improved automotive sales, increased fuel prices, and increased traffic throughout regional shopping centers. The Oaks mall continues to report increased sales following the 2009 completion of the first phase of a \$350 million renovation and expansion. A second phase is nearing completion for the second half of calendar year 2011 with a compliment of three new restaurants. The graphs below illustrate the changes in the City's taxable sales by calendar year over a ten-year period.



Taxable sales data is directly tied to economic activity, trends in the City, and the health of the General Fund as its primary revenue source. The current data indicates that consumers are continuing to show confidence and increase their spending slightly over the past year despite weak job growth and the volatile stock market, which is good for the sustainability of the recovery.

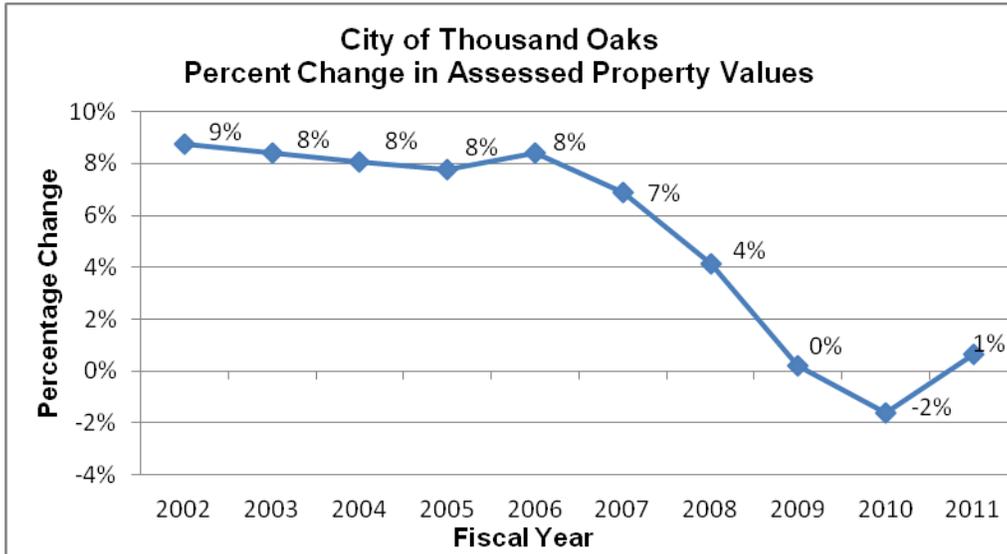
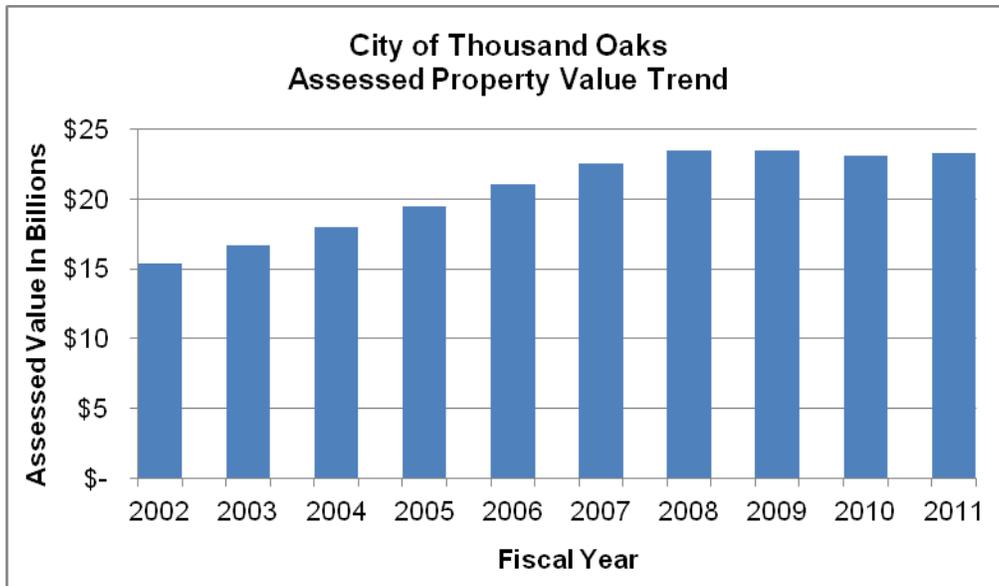
Consistent with the nationwide trend, sales of new residential property continued to be very soft. The median home price for Ventura County decreased from 2010 to 2011 by approximately 4.1 percent; however, the City of Thousand Oaks median home price experienced a 1.0 percent increase, reaching \$490,000 in 2011 and remains about \$135,000 above the County's median. Thousand Oaks continues to be the most expensive region in Ventura County, particularly the Westlake Village sub-market. In July 2011, sales of homes priced at or above \$500,000 represented 20 percent of all transactions in Southern California, compared to 22 percent a year ago, and 13.6 percent at the low in February 2009.

Homeowner distress in Ventura County is more prevalent in the west county than it is in the east county regions. During August 2011, Notice of Defaults (NODs) for the County of Ventura numbered 1,375, of which there were 137 (or 10 percent) in the City of Thousand Oaks. The County also had a total of 613 foreclosures, of which the City of Thousand Oaks had 35, or 5.7 percent. The City had the lowest rate of occurrences in the County for both NODs and foreclosures at 3.6 and 0.9 per 1,000 households respectively.

Data released by CoreLogic (based in Santa Ana) showed foreclosure activity in Ventura County in July compared to a year ago. Activity in the Oxnard-Thousand Oaks-Ventura area was 2.1 percent, lower than the national foreclosure rate of 3.4 percent.

Commercial and industrial real estate markets in Ventura County are still struggling after the end of the last recession. Layoffs in the government sector have hurt office vacancies over the past year, while the industrial market has improved over the past 12 months. The retail market has been sluggish for the past couple of years, but there are more projects being planned throughout the County in anticipation of the rebound in the economy.

As the graphs on the following page indicate, the City of Thousand Oaks' assessed property has maintained its value quite well compared to other cities across California and the nation. This is due to the slow growth over the last decade, the maturity of the City, and the desirable location.



The pace of job growth in Ventura County has been relatively slow. Although more than 3,300 new jobs were created in the private sector in the last 12 months, this was offset by a reduction of 2,800 jobs in the public sector. The 2011 Ventura County Real Estate and Economic Outlook noted that 2011 will be the first year in which total employment will increase in the county since 2006.

As of June 2011, the City's work force consisted of 70,400 of its 127,557 residents. The City's unemployment rate was 8.0 percent compared to Ventura County's unemployment rate of 10.3 percent and the State of California's rate of 12.1 percent.

The City's largest employer, Amgen Inc., showed no change from the prior year with 6,600 employees; however, in October 2011 the company announced that it would lay off 226 research and development employees at its' Thousand Oaks headquarters. In addition to Amgen, a number of nationally recognized employers such as Baxter

Bioscience, Anthem-Blue Cross, Verizon, Teledyne Scientific, Jafra International Cosmetics, J. D. Power and Associates, Skyworks Solutions Inc., and General Dynamics Electronics Systems are located in Thousand Oaks. The presence of large companies in the community continues to be complimented by more than 4,100 local companies that employ less than fifty employees.

Tourism continued to be a focus of the business community as it welcomed the Amgen Tour of California, the largest cycling event in the nation, to the Conejo Valley for the second consecutive year in May 2011. The last stage of the race went from Santa Clarita to the finish line in the City of Thousand Oaks. The event was seen by thousands of local spectators, who were able to spend time in Thousand Oaks, and viewers on national television.

The economy of Thousand Oaks continued to benefit from the success of the Thousand Oaks Civic Arts Plaza's two professional theatres, the popularity of the Gardens of the World, the public's increased use of the Santa Monica Mountains National Recreation Area located on the City's southern periphery, and recovering business activity in the manufacturing and technology fields. With the number of local assets increasing, including the addition of two swimming pools at California Lutheran University and the expansion of The Oaks mall, the City and its' Conejo Valley neighbors, Westlake Village and Agoura Hills, commenced a study to review the feasibility of forming a tourism collaborative to add to the economic vitality of the entire Conejo Valley.

The two-phased study evaluated assets within the Conejo Valley and the region to determine what attractions would bring visitors, and induce those who visit, to stay longer and utilize local businesses. The study found that a long-term plan would benefit the Conejo Valley. The study also determined that at least 75 percent of the survey respondents felt tourism was acceptable if it focused on friends and family of residents and nature and cultural tourists. The primary concern was that the assets of the cities "suffer a lack of centralized organization" that would highlight their value for locals and visitors. The report recommended the creation of a tourism master plan with short and long-term goals, such as future events to draw attention to the area and the creation of a tourism hub, which would include shopping, dining, and lodging. Representatives from each city and the local Chamber of Commerce are working to develop strategies for the future.

As part of the City's plan to maintain its economic vitality, the emphasis on economic development will continue in four areas: 1) Business retention, 2) Protection of the community's local retail base, 3) Increase in the local job base, with an emphasis on jobs being filled by local residents, and 4) Provision of specific business assistance services through the Economic Development Collaborative-Ventura County. Business attraction will play a more limited role, with a focus on those companies which, by their presence, will enhance the existing job base with better paying jobs and/or offer a component to the local economy that enhances its balance.

LONG TERM FINANCIAL PLANNING

In anticipation of the future financial changes created by reaching build-out, the City adopted a Financial Strategic Plan (Plan) in February 2005 for the General Fund that forecasted activity through fiscal year 2012-13. In June 2007, City Council directed expansion of the Plan to examine the City as a whole and include the City's major funds. The Plan has proven to be an invaluable tool, providing early warnings of potential structural deficits, allowing staff to analyze and recommend various reductions in allocations to maintain balanced budgets, and providing the City Council with time to be proactive and develop the course to maintain services while reducing costs. As a result, the General Fund experienced an increase in net assets in fiscal year 2010-11. Currently, staff is working to revise the ten-year financial plan to include fiscal year 2010-11 financial results, fiscal year 2011-12 and fiscal year 2012-13 Adopted Budgets and preparing eight years of projections through fiscal year 2020-21 for the City's Major Funds, which will be presented to City Council in early 2012.

The City's strong creditworthiness is reflected by Standard and Poor's (S&P) AAA and AA+ ratings for its 2010 Wastewater Revenue Refunding Bonds and 2010 Public Financing Authority Refunding Lease Revenue Bonds, respectively, as of June 30, 2011. The rating for the Public Financing Authority Refunding Lease Revenue Bonds was based on: 1) The City's strong general creditworthiness, 2) Its covenant to budget and 3) Appropriate the underlying lease payments. The City's creditworthiness was determined by the stable assessed value of the residential community, above-average income and wealth indicators, and the City's history of strong unreserved fund balance. The rating for the 2010 Wastewater Revenue Refunding Bonds was based on: 1) A primarily residential system with healthy income indicators, 2) Adequate treatment capacity combined with the City's nearly built-out status, and 3) Strong debt service coverage and liquidity.

To support the City's commitment to long term financial planning, the City Council has adopted extensive financial policies, including a General Fund 20 percent reserve policy. As of June 30, 2011, the City's General Fund total fund balance was \$78.8 million. In compliance with the City's Governmental Fund Balance Policy for the General Fund committed fund balance includes a 15 percent working capital reserve and a 5 percent emergency reserve, the City has designated \$18.3 million, meeting the City's policy requirements.

SIGNIFICANT EVENTS AND ACCOMPLISHMENTS

Thousand Oaks is a self-contained community that meets the commercial, retail, social, cultural, recreational, and educational needs of its citizens and businesses. As a result, entertainment, education, recreational facilities, open space, and attractive, safe streets and neighborhoods are important aspects of our community.

The Thousand Oaks Civic Arts Plaza has been home to City Hall and the performing arts since its opening in October 1994. Even under current economic conditions, the theater complex continues to provide a variety of quality programs including performances of theatre, dance, classical music, popular entertainment, Broadway

musicals and other public events. Experiencing a loss of \$0.2 million, or approximately 10.8 percent during the fiscal year, the theatres finished their seventeenth year of operations with net assets of \$1.8 million.

Recreational facilities remain a priority as evidenced by a close supportive working relationship between the City and the Conejo Recreation and Park District (CRPD). Along with a commitment to parks and recreational facilities, a City priority is the acquisition and preservation of open space. The City and CRPD formed Conejo Open Space Conservation Agency, a joint powers authority, entrusted with the responsibility of preserving, protecting and managing open space resources in the Conejo Valley. In total, the City has more than 56 square miles dedicated to open space, which represents nearly one-third of all land in the planning area of the City of Thousand Oaks. In fiscal year 2010-11, 296 acres were annexed through a transfer from the Mountains Recreation and Conservation Authority preserving open space in various locations throughout the City. The City's Los Robles Greens Golf Course (LRGGC) provides a high quality facility with reasonable fees for the City's golfers and a beautiful banquet facility for special events. Under the management of EAGLE Golf, LRGGC continues to operate with a modest operating gain, while other municipal facilities struggle for survival.

The City of Thousand Oaks has a strong commitment to its residents' safety, security, well-being, and cultural activities. During the past decade, Thousand Oaks has continually been recognized as one of the safest cities with a population of more than 100,000. In June 2011, the City received the distinction of being the third safest city in California and the sixth safest U.S. city for cities with populations between 100,000 and 500,000 nationwide. This has significant implications as far as attracting and retaining businesses, the community's quality of life, and reduced cost of law enforcement to the City. Additionally, the City actively contributes to the well-being and cultural enhancement of its community as evidenced by the approximately \$185,000 in Social Services and Community Events Endowment Fund grants awarded in fiscal year 2010-11 to a variety of organizations such as Conejo Valley Senior Concerns, Society of Saint Vincent De Paul, CRPD, Villa Esperanza, Manna, Big Brothers and Big Sisters, New West Symphony, Conejo Civic Ballet, Conejo Schools Foundation, Conejo Valley Youth Orchestra, and to music and sports programs at Thousand Oaks, Newbury Park, and Westlake Village high schools.

The City and its citizens also have a commitment to the physical enhancement of Thousand Oaks Boulevard (Boulevard), the community's central core. In January 2005, Boulevard property owners within the three-mile area between Conejo Road on the west and Duesenberg Drive on the east, voted to create a Property-Based Business Improvement District (PBID) to provide a stable revenue source to address the redevelopment of some Boulevard properties, upgrades to others, and needed amenities to the area to make it more appealing to shoppers. On June 14, 2011, Thousand Oaks Boulevard Specific Plan, funded by PBID, was reviewed and approved by Council.

SIGNIFICANT CITY RECOGNITION

In November 2010, the City's Public Works Department received full accreditation from the American Public Works Association (APWA), the only California agency out of 63 accredited agencies throughout the United States to have received the award. The accreditation recognizes the Public Works Department's compliance with APWA recommended best practices and procedures and was awarded after a lengthy self-assessment and on-site review.

In keeping with the City Council's fiscal year 2010-11 top priorities to implement and enhance environmental programs by promoting construction of Leadership in Energy & Environmental Design (LEED) certified buildings, the City's Community Transportation Center Building project was awarded the LEED Silver Certification from the U.S. Green Building Council, in November 2010. The U.S. Green Building Council is the nation's preeminent program for the design, construction, and operation of high performance green buildings. The project certification was based on energy use, lighting, water, and material use, as well as incorporating a variety of other sustainable strategies. LEED certified buildings save money for families, businesses, and taxpayers, reduce greenhouse gas emissions, and contribute to a healthier environment for the community.

Comprehensive Annual Financial Report:

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 for its comprehensive annual financial report for the fiscal year ended June 30, 2010. This was the twenty-first consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. A copy of the certificate for the fiscal year ended June 30, 2010, is included in the Introductory Section of this CAFR.

Operating and Capital Budget:

The GFOA awarded the Certificate of Achievement for Distinguished Budget Presentation to the City for its Operating and Capital Budgets for fiscal years 2009-10 and 2010-11. In order to be awarded a Certificate of Achievement, a government unit must publish budget documents of the highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's recommended practices on budgeting. The GFOA Certificate of Achievement is valid for the two years of the biennial budgets submitted for the award.

The California Society of Municipal Finance Officers (CSMFO) awarded the Certificate of Excellence in Budgeting to the City for its Operating and Capital Budgets for fiscal years 2009-10 and 2010-11. In order to be awarded a Certificate of Excellence, a government unit must receive a minimum of seventy points out of an eighty point maximum based on guidelines established by the CSMFO. The CSMFO Certificate of Excellence is valid for the two years of the biennial budget submitted for the award.

ACKNOWLEDGEMENTS

Preparation of a financial report of this scope would not be possible without the support of the City Council and City Manager, the cooperation of the various departments and the efforts of the entire staff of the Finance Department, and our auditors, Lance, Soll and Lunghard, LLP. Special thanks must go to Deputy Finance Director Carole W. Wilson, Accounting Manager Catherine Haywood, Budget Officer Brent Sakaida, Senior Accountants May Ju, Elisa Magana, and Fay Menkin, Senior Financial Analyst Jaime Boscarino, and Accountant Margarita Barragan for their extensive work in the preparation of this report. Additional thanks go to other members of the Finance Department who assisted with the report.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John F. Adams". The signature is fluid and cursive, with a large initial "J" and a long, sweeping horizontal line at the end.

John F. Adams
Finance Director/City Treasurer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Thousand Oaks
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

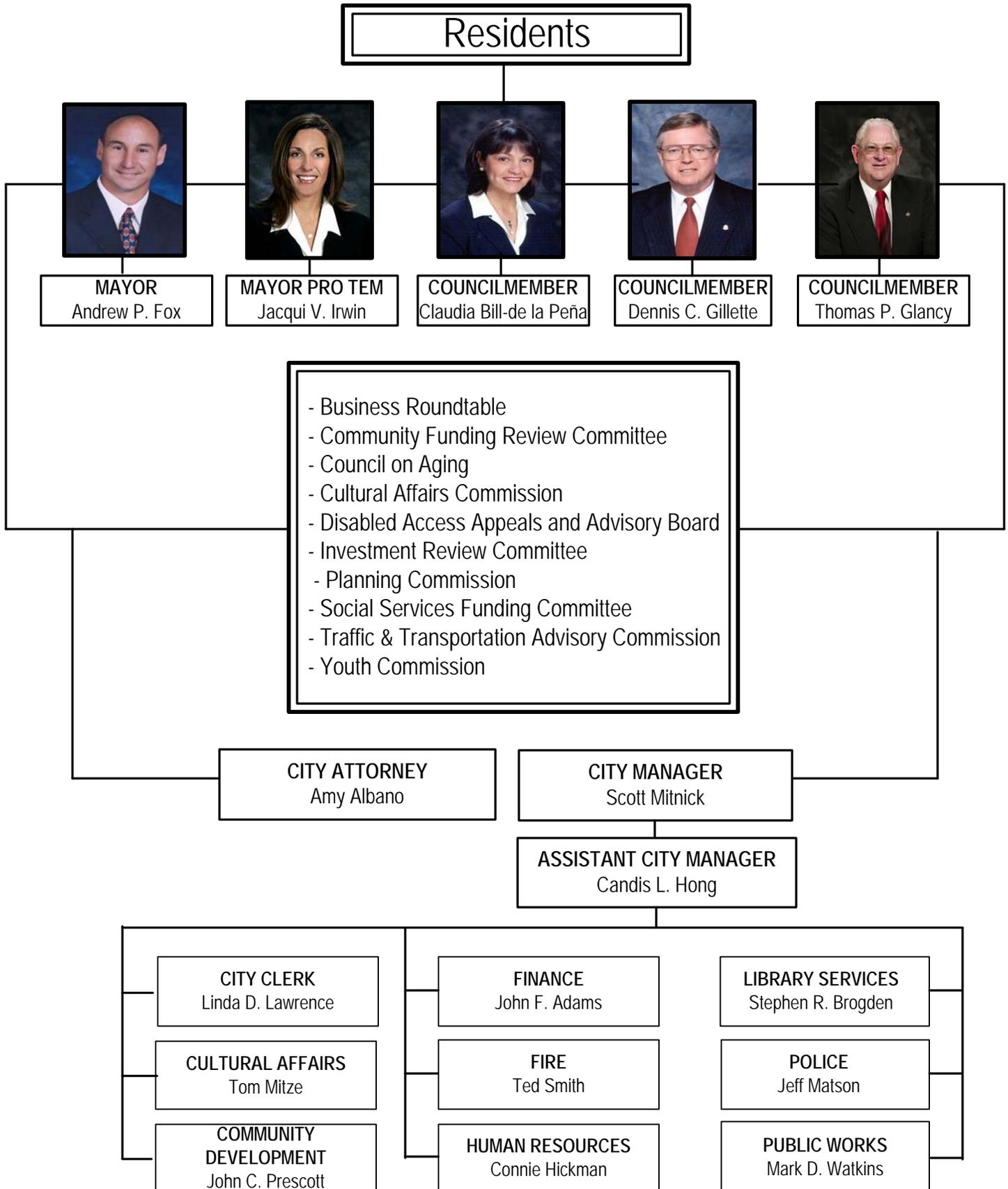
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

CITY OF THOUSAND OAKS





FINANCIAL SECTION

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining Financial Statements and Schedules

City of Thousand Oaks
Year Ended June 30, 2011

Independent Auditors' Report



CERTIFIED PUBLIC ACCOUNTANTS

- Brandon W. Burrows, CPA
- David E. Hale, CPA, CFP
A Professional Corporation
- Donald G. Slater, CPA
- Richard K. Kikuchi, CPA
- Susan F. Matz, CPA
- Shelly K. Jackley, CPA
- Bryan S. Gruber, CPA

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of City Council
City of Thousand Oaks, California

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 Thousand Oaks, California (City), as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Thousand Oaks, California's management. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Thousand Oaks, California, as of June 30, 2011, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparison for the General, Library and State Gas Tax Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We would like to draw the reader's attention to Note 19 – "California Redevelopment Agency Uncertainty". The note provides information on two bills passed, AB1X26 and 27, which dissolve redevelopment agencies effective October 1, 2011 and provide an option to avoid dissolution by making certain defined payments.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2011, on our consideration of the City of Thousand Oaks, California's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.



To the Honorable Mayor and Members of City Council
City of Thousand Oaks, California

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Thousand Oaks, California's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Lance, Soll & Lughard, LLP

Brea, California
November 16, 2011

Management's Discussion and Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Thousand Oaks (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Letter of Transmittal, which can be found on pages iii-x of this report. Comparative data on the government-wide financial statements is only presented in Management's Discussion and Analysis.

FINANCIAL HIGHLIGHTS

Government-wide

- On June 30, 2011, City assets exceeded its liabilities by \$816.1 million (net assets). Of this amount, \$176.6 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors (Page 7).
- City total net assets increased \$3.5 million during the fiscal year. Governmental activities net assets increased less than \$0.1 million compared to the prior fiscal year's increase of \$3.6 million (Pages 8-11). Business-type activities increased \$3.5 million compared to the prior fiscal year's increase of \$2.7 million (Pages 11-12).

Fund Based

- At the close of fiscal year 2010-11, governmental funds reported combined ending fund balance of \$188.1 million, a decrease of \$3.0 million compared to the prior fiscal year's decrease of \$1.9 million. The ending fund balance is primarily identified as: \$65.8 million restricted (35 percent), \$66.1 million assigned (35 percent), and \$46.7 million committed (25 percent) (Page 13).
- At the close of fiscal year 2010-11, fund balance for the General Fund was \$78.8 million consisting primarily of \$30.4 million in committed funds, including meeting the City's Council Reserve Policy and \$48.0 million in assigned funds (Page 14).
- At the close of fiscal year 2010-11, General Fund revenues, including transfers in and proceeds from sale of properties, were \$66.0 million compared to the final budget of \$65.9 million. Total revenues were \$2.7 million higher than the prior fiscal year's revenues of \$63.3 million (Page 14-15).
- At the close of fiscal year 2010-11, General Fund expenditures, including capital outlay and transfers out, were \$66.0 million. Total expenditures, including one-time expenditures for capital outlay of \$2.1 million, exceeded revenues and decreased fund balance by \$0.1 million (Pages 15-16).
- At the close of fiscal year 2010-11, Library Fund's revenues, excluding transfers in, decreased \$1.1 million compared to the \$1.0 million increase in the prior fiscal year, primarily due to one-time revenue received in fiscal year 2009-10 (Page 16).

- At the close of fiscal year 2010-11, proprietary funds reported combined ending unrestricted net assets of \$67.6 million, an increase of \$1.3 million compared to the prior fiscal year (Pages 17- 18).
- As of June 30, 2011, the City had three material construction commitments outstanding as evidenced by contractual commitments with contractors: 1) \$4.4 million, with \$2.3 million spent to date, for the 101/23 Freeways Interchange improvements design, funded by federal grants including an American Recovery and Reinvestment Act (ARRA) grant; 2) \$2.7 million, with \$1.8 million spent to date, for Citywide pavement overlay projects, funded by State Gas Tax revenues, ARRA grants, Thousand Oaks Redevelopment Agency funds, and Thousand Oaks Road Improvement Developer funds; and 3) \$1.6 million, with \$0.1 million spent to date, for 401/403 Hillcrest Drive solar panels installation, funded by General Fund reserves and an ARRA grant.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Government-wide financial statements distinguish City governmental activities that are principally supported by taxes and intergovernmental revenues from other business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities of the City and the Thousand Oaks Redevelopment Agency, a blended component unit, include general government, public safety, transportation, community development, and culture and leisure. Business-type activities of the City include water, wastewater, golf course, transportation, solid waste management, and theatres operations. The government-wide financial statements can be found on pages 23-25 of this report.

Fund financial statements

Fund financial statements are designed to report information about groupings of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. City funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City maintains several individual governmental funds organized by their type (special revenue, debt service, and capital projects funds). Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Library, State Gas Tax, Thousand Oaks Redevelopment Agency Debt Service, Thousand Oaks Redevelopment Agency Capital Projects, and Capital Improvements funds, which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements shown on pages 92-102.

The City adopts a biennial appropriated budget for its General Fund and special revenue funds. Budgetary comparison statements have been provided to demonstrate compliance with this budget on pages 32-34.

The basic governmental funds financial statements can be found on pages 26-31 of this report.

Proprietary funds are generally used to account for services for which the City charges outside customers or internal departments of the City. Proprietary funds provide the same type of information as shown in the government-wide statements, only in more detail. The City maintains the following two types of proprietary funds:

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the operations of water, wastewater, golf course, transportation, solid waste management, and theatres.
- **Internal service funds** are used to report activities that provide internal services for the City. The City uses internal service funds to account for its liability, workers' compensation, and vision insurance coverage. Because internal service funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements found on pages 103-105.

The basic proprietary fund financial statements can be found on pages 35-40 of this report.

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

The basic fiduciary fund financial statement can be found on page 41 of this report.

Notes to basic financial statements

The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 42-89 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (RSI) concerning the City's progress in funding its obligation to provide other post-employment pension benefits to its hourly and full-time employees. RSI can be found on pages 90-91 of this report.

Combining statements for non-major governmental funds, internal service funds, and agency funds are presented immediately following the RSI. Combining financial statements and schedules can be found on pages 92-111 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. City assets exceeded liabilities by \$816.1 million at the close of fiscal year 2010-11 as summarized below:

Statement of Net Assets						
June 30, 2011						
	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Assets:						
Current and other assets	\$ 259,371,180	\$ 266,398,412	\$ 82,606,560	\$ 81,267,409	\$ 341,977,740	\$ 347,665,821
Capital assets (net of depreciation)	<u>469,393,787</u>	<u>468,932,551</u>	<u>187,130,427</u>	<u>187,331,651</u>	<u>656,524,214</u>	<u>656,264,202</u>
Total assets	<u>728,764,967</u>	<u>735,330,963</u>	<u>269,736,987</u>	<u>268,599,060</u>	<u>998,501,954</u>	<u>1,003,930,023</u>
Liabilities:						
Current and other liabilities	47,456,473	60,250,250	9,754,178	9,722,016	57,210,651	69,972,266
Noncurrent liabilities outstanding	<u>90,016,315</u>	<u>95,325,324</u>	<u>35,141,942</u>	<u>37,516,490</u>	<u>125,158,257</u>	<u>132,841,814</u>
Total liabilities	<u>137,472,788</u>	<u>155,575,574</u>	<u>44,896,120</u>	<u>47,238,506</u>	<u>182,368,908</u>	<u>202,814,080</u>
Net assets:						
Invested in capital assets, net of related debt	436,968,437	434,777,106	153,821,273	151,530,649	590,789,710	586,307,755
Restricted	46,508,324	38,654,458	2,196,556	2,018,609	48,704,880	40,673,067
Unrestricted	<u>107,815,418</u>	<u>106,323,825</u>	<u>68,823,038</u>	<u>67,811,296</u>	<u>176,638,456</u>	<u>174,135,121</u>
Total net assets	<u>\$ 591,292,179</u>	<u>\$ 579,755,389</u>	<u>\$ 224,840,867</u>	<u>\$ 221,360,554</u>	<u>\$ 816,133,046</u>	<u>\$ 801,115,943</u>

A more detailed statement of net assets is shown on page 23.

The largest portion (72 percent) of the City's net assets reflects its investment of \$590.8 million in capital assets (land, buildings and improvements, equipment, intangibles, infrastructure, and construction in progress, net of accumulated depreciation), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another portion of the City's net assets of \$48.7 million (6 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$176.6 million (22 percent) may be used to meet the government's ongoing obligations to citizens and creditors, and to meet City imposed designations (e.g., reserves, endowments, pending litigations, contingencies, and capital projects).

At the end of fiscal year 2010-11, the City shows positive balances in all three categories of net assets, for the government as a whole, as well as for its separate governmental activities and business-type activities.

Statement of Activities

The statement of activities shows how the City's net assets changed during fiscal year 2010-11. Provided below is a summary of changes in net assets.

The City's net assets increased overall by \$3.5 million during fiscal year 2010-11. These increases are explained in the governmental and business-type activities on the following pages.

Statement of Activities Year Ended June 30, 2011

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 15,435,556	\$ 16,589,955	\$ 51,018,001	\$ 50,052,380	\$ 66,453,557	\$ 66,642,335
Operating grants and contributions	13,906,945	11,453,153	3,989,932	3,620,080	17,896,877	15,073,233
Capital grants and contributions	1,652,089	1,622,157	175,441	225,179	1,827,530	1,847,336
General revenues:						
Property tax	34,355,639	36,833,910	-	-	34,355,639	36,833,910
Sales tax	22,123,406	23,873,911	-	-	22,123,406	23,873,911
Transient occupancy tax	2,702,879	2,281,581	-	-	2,702,879	2,281,581
Franchise taxes	5,790,082	5,200,169	-	-	5,790,082	5,200,169
Business tax	1,708,860	1,673,282	-	-	1,708,860	1,673,282
Property transfer tax	588,295	573,839	-	-	588,295	573,839
Unrestricted intergovernmental	10,302,283	10,186,178	-	-	10,302,283	10,186,178
Contributions, unrestricted	1,535,345	6,161,617	-	-	1,535,345	6,161,617
Unrestricted invest./interest earnings	931,529	1,595,797	-	-	931,529	1,595,797
Total revenues	<u>111,032,908</u>	<u>118,045,549</u>	<u>55,183,374</u>	<u>53,897,639</u>	<u>166,216,282</u>	<u>171,943,188</u>
Expenses:						
General government	15,818,365	16,318,024	-	-	15,818,365	16,318,024
Public safety	27,165,601	26,917,106	-	-	27,165,601	26,917,106
Transportation	27,308,063	24,205,410	-	-	27,308,063	24,205,410
Community development	26,004,932	31,472,631	-	-	26,004,932	31,472,631
Culture and leisure	10,880,231	11,438,101	-	-	10,880,231	11,438,101
Interest on long-term debt	3,672,066	4,002,329	-	-	3,672,066	4,002,329
Water	-	-	19,430,010	18,690,402	19,430,010	18,690,402
Wastewater	-	-	18,565,664	18,795,351	18,565,664	18,795,351
Golf course	-	-	4,923,681	5,099,519	4,923,681	5,099,519
Transportation	-	-	3,764,116	3,447,324	3,764,116	3,447,324
Solid waste management	-	-	1,424,288	1,332,067	1,424,288	1,332,067
Theatres	-	-	3,716,595	3,915,498	3,716,595	3,915,498
Total expenses	<u>110,849,258</u>	<u>114,353,601</u>	<u>51,824,354</u>	<u>51,280,161</u>	<u>162,673,612</u>	<u>165,633,762</u>
Excess in net assets before transfers	183,650	3,691,948	3,359,020	2,617,478	3,542,670	6,309,426
Transfers	(121,293)	(123,548)	121,293	123,548	-	-
Change in net assets	62,357	3,568,400	3,480,313	2,741,026	3,542,670	6,309,426
Net assets - beginning, as restated	591,229,822	576,186,989	221,360,554	218,619,528	812,590,376	794,806,517
Net assets - ending	<u>\$ 591,292,179</u>	<u>\$ 579,755,389</u>	<u>\$ 224,840,867</u>	<u>\$ 221,360,554</u>	<u>\$ 816,133,046</u>	<u>\$ 801,115,943</u>

A more detailed statement of activities is shown on pages 24-25.

Governmental activities increased the City's net assets by slightly less than \$0.1 million compared to the prior fiscal year's increase of \$3.6 million. The growth accounted for 2 percent of the total growth in City net assets. Key elements of the growth in net assets are as follows:

Program revenues increased \$1.3 million due to an increase of \$2.5 million in operating grants and contributions, offset by a \$1.2 million decrease in charges for services. The major changes are highlighted below:

- Operating grants and contributions increased by \$2.5 million due to increased federal grant revenues, including \$1.4 million for pavement overlay and \$2.0 million for Route 101/23 Interchange improvements, offset by \$0.8 million decrease in revenue from the County Participation Agreement for library funding, as the prior fiscal year included a one-time \$1.0 million correction for underpayments for fiscal years 2000-01 through 2009-10.
- Charges for services decreased \$1.2 million due to: \$0.4 million decrease in cost allocation fees as a result of reductions in central service expenses; \$0.4 million decrease in reimbursements from Verizon for street-related projects; and \$0.2 million decrease in County Flood Control Fund revenue under the National Pollution Discharge Permit Program which, in fiscal year 2009-10, included a fiscal year 2008-09 remittance received in January 2010.

General revenues decreased \$8.3 million primarily due to \$4.6 million decrease in contributions, \$2.5 million decrease in property taxes, and \$1.8 million decrease in sales tax, which are highlighted below:

- Unrestricted contributions consisting of developer donations of land and infrastructure decreased \$4.6 million compared to the prior fiscal year.
- Property tax revenue decreased \$2.5 million due to lower assessed property valuations in the Thousand Oaks Redevelopment Agency (Agency) of 5 percent, from \$2.3 billion to slightly under \$2.2 billion. Citywide assessed valuations also decreased 2 percent from the prior fiscal year, to \$23.1 billion. The decline in both Citywide and Agency assessed property valuations reflect the result of appeals and reassessments.
- Sales tax revenue decreased \$1.8 million primarily due to timing issues created by the State of California's Triple Flip scheme which includes wide variances due to estimates and late reconciliations.

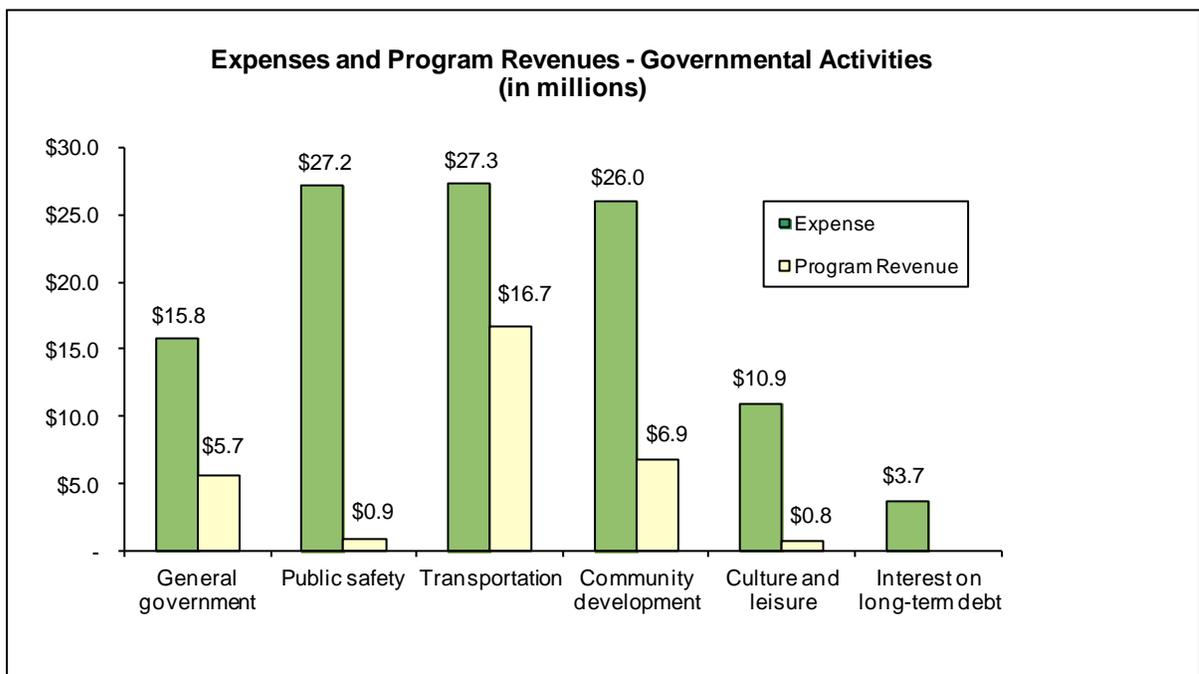
Expenses decreased \$3.5 million primarily due to decreases of \$5.5 million in community development, \$0.6 million in culture and leisure, and \$0.3 million in interest on long-term debt, offset by \$3.1 million increase in transportation and \$0.2 million increase for public safety. These changes are highlighted below.

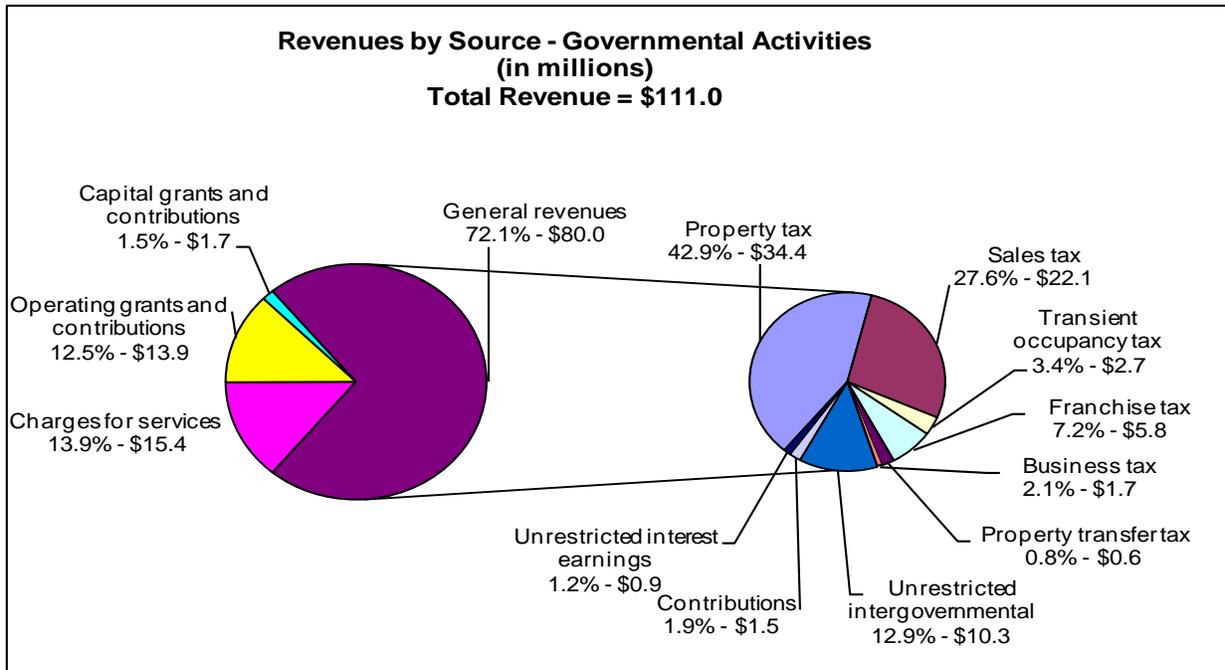
- Community development expenses decreased \$5.5 million from the previous fiscal year primarily due to a reduction of \$4.9 million in Supplemental Educational Revenue Augmentation Funds (SERAF) payments, as mandated by

state legislation. The decrease is also due to a \$1.1 million decrease in affordable housing project loan expenses, offset by \$0.6 million payment to the Housing Trust Fund.

- Culture and leisure expenses decreased \$0.6 million primarily due to reductions in Library operating costs of \$0.9 million which consisted of \$0.7 million decrease in salary and benefits due to staffing reductions and \$0.2 million decrease in maintenance and operating costs, offset by \$0.2 million for the completion of the Rancho Potrero Equestrian Center facilities improvements.
- Interest on long-term debt decreased \$0.3 million due to lower interest rates realized from refunding the Library Certificates of Participation in June 2010.
- Transportation expenses increased \$3.1 million primarily due to \$2.1 million increase in costs for the 101/23 Freeways Interchange improvements project and \$1.0 million increase in costs related to slurry seal projects.
- Public Safety expenses increased \$0.2 million due to \$0.4 million increase in contracted police service costs billed through the County of Ventura, offset by \$0.2 million decrease in costs billed for special events.

As shown below, transportation is the largest program (\$27.3 million), followed by public safety (\$27.2 million), community development, which includes the Agency, (\$26.0 million), general government (\$15.8 million), culture and leisure (\$10.9 million) and interest on long-term debt (\$3.7 million). General revenues, such as property and sales tax, are not shown by program, but are effectively used to support program activities citywide.



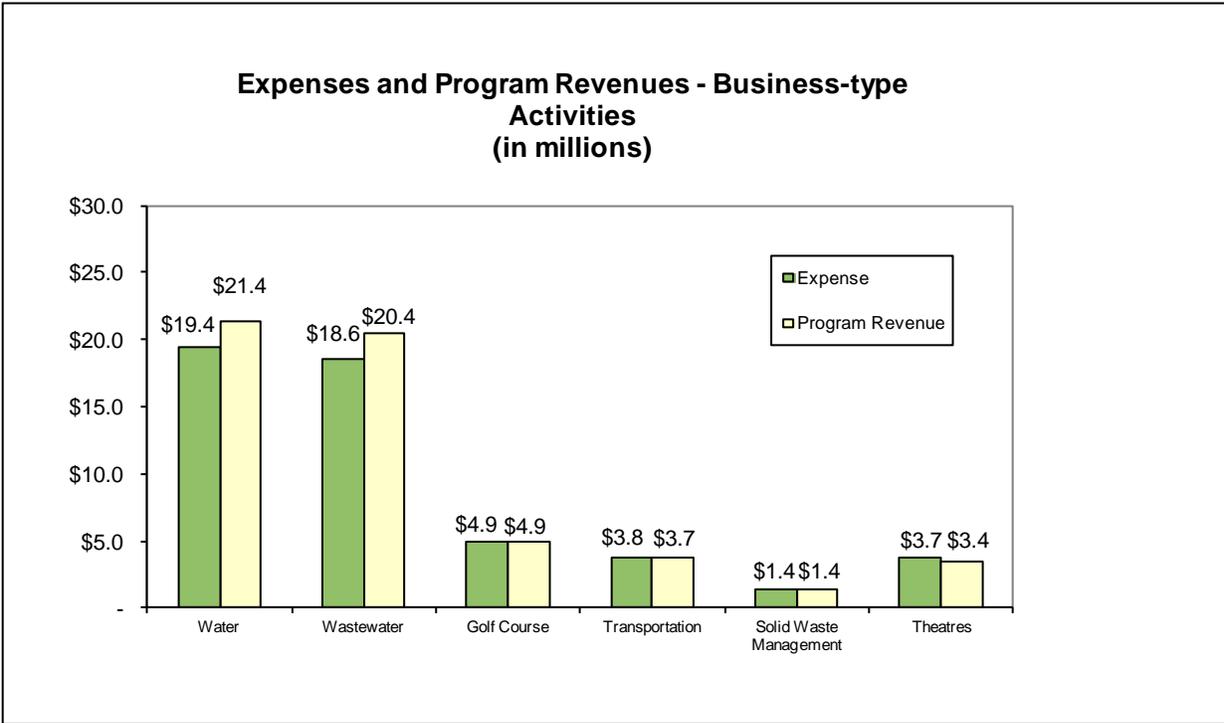


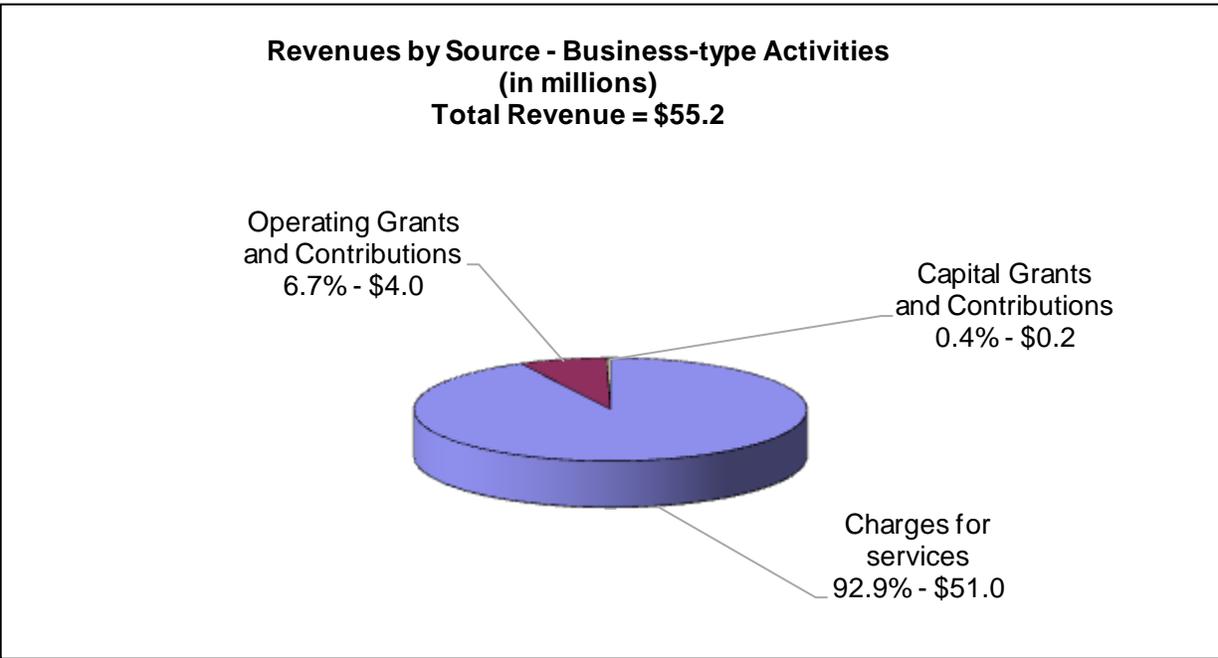
Business-type activities increased the City's net assets by \$3.5 million, compared to prior fiscal year's increase of \$2.7 million, accounting for 98 percent of the total growth. This was the result of \$55.3 million in program revenues and transfers, and \$51.8 million in expenses. Key elements of net asset changes from the prior fiscal year are as follows:

- Water Utility Fund's net assets increased \$2.0 million, or 3.8 percent, compared to the prior fiscal year's increase of \$0.3 million. The \$1.7 million net increase was primarily due to \$2.5 million increase in water sales resulting from increased water rates, offset by \$0.6 million increase in cost of purchased water.
- Wastewater Utility Fund's net assets increased \$2.0 million, or 1.4 percent, which is comparable to the prior fiscal year's increase of \$2.3 million with operations remaining flat.
- Golf Course Fund's net assets decreased \$0.1 million, or 1.2 percent, which is lower compared to prior fiscal year's increase of \$0.1 million. The \$0.2 million net decrease is primarily due to a decline in revenues of \$0.4 million resulting from 5.8 percent fewer golfers, offset by a decrease in expenses of \$0.2 million.
- Transportation Fund's net assets increased \$0.1 million, or 5.0 percent, which is comparable to the prior fiscal year's increase of \$0.4 million with operations remaining flat.

- Solid Waste Fund’s net assets remained relatively flat, compared to prior fiscal year’s increase of \$0.3 million. This net decrease of \$0.3 million primarily resulted from decreases in non-recurring state grants of \$0.1 million and slight increases in contracted services and employee expenses.
- Theatres Fund’s net assets decreased \$0.2 million, or 10.8 percent, which is lower than the prior fiscal year’s decrease of \$0.4 million. The \$0.2 million net increase was due to revenues remaining comparable to the prior fiscal year, while expenses decreased \$0.2 million primarily due to salary and benefits savings of \$0.1 million as a result of staffing reductions to meet demand and \$0.1 million decrease in cost allocation charges mainly due to decreased central service expenses.
- Internal Service Funds (ISF) allocation of operating loss decreased net assets of business-type activities \$0.3 million and is comparable to prior fiscal year’s decrease of \$0.3 million.

As shown below, and on the next page, Water and Wastewater funds have the greatest total expenses with \$19.4 million and \$18.6 million, respectively, out of \$51.8 million in total business-type expenses. For all the business-type activities below, fees provide the largest share of revenues (93 percent), except for the Transportation Fund with revenues primarily from State of California Transportation Development Act funds.





FINANCIAL ANALYSIS OF CITY FUNDS

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, unrestricted 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 the close of fiscal year 2010-11, City governmental funds reported a combined ending fund balance of \$188.1 million, a decrease of \$3.0 million in comparison with the prior fiscal year balance of \$191.1 million. Approximately \$112.4 million, or 60 percent, includes \$46.7 million in committed fund balance and \$66.1 million in assigned fund balance. Refer to pages 26-34 for more detail of governmental funds.

General Fund – Fund Balance Analysis

The General Fund is the chief operating fund of the City. As of June 30, 2011, ending fund balance decreased by slightly under \$0.1 million, to \$78.8 million, compared to prior fiscal year’s decrease of \$2.3 million.

General Fund’s fund balance consists of \$0.4 million in nonspendable inventories, \$30.4 million in funds committed to grant endowments, emergency reserve, working capital reserve, and capital projects, and \$48.0 million in assigned funds for compensated absences, continuing appropriations, encumbrances, legal contingency, loans and

notes receivable, and public building replacement/maintenance. Refer to page 69 for more detail of fund balance.

Below is a five year trend on the General Fund:

	Changes to General Fund Balance by Fiscal Year				
	2011	2010	2009	2008	2007
General Fund					
Revenues	\$ 64,130,607	\$ 60,948,544	\$ 64,538,551	\$ 72,602,769	\$ 73,210,166
Expenditures	(64,072,723)	(62,209,417)	(66,826,411)	(67,045,535)	(66,789,103)
Financing sources (uses)	(136,165)	(1,040,191)	(1,079,399)	(2,008,782)	(2,212,804)
Operating surplus/(deficit)	(78,281)	(2,301,064)	(3,367,259)	3,548,452	4,208,259
Beginning fund balance	78,894,113	81,195,177	84,562,436	81,013,984	76,805,725
Ending fund balance	\$ 78,815,832	\$ 78,894,113	\$ 81,195,177	\$ 84,562,436	\$ 81,013,984

General Fund – Revenue and Expenditure Analysis

General Fund Revenues for fiscal year 2010-11, including transfers in and proceeds from sale of property, were \$66.0 million, an increase of 4.3 percent, or \$2.7 million, compared to prior fiscal year. The chart below compares General Fund revenues for the past two fiscal years followed by key information:

	Comparison of General Fund Revenues				
	Fiscal Year 2011	Fiscal Year 2010	Variance Over/(Under) last year	% of increase (decrease) over last year	% of total
Property tax	\$ 6,326,650	\$ 6,696,908	\$ (370,258)	-5.53%	9.6%
Sales tax	24,999,316	21,470,741	3,528,575	16.43%	37.9%
Transient occupancy tax	2,702,879	2,281,581	421,298	18.47%	4.1%
Franchise tax	5,790,082	5,200,168	589,914	11.34%	8.8%
Property transfer tax	588,294	573,840	14,454	2.52%	0.9%
Business license	1,926,804	1,901,860	24,944	1.31%	2.9%
License & permits	2,902,400	2,417,750	484,650	20.05%	4.4%
Intergovernmental	11,336,082	11,011,583	324,499	2.95%	17.2%
Charges for services	4,907,062	5,472,827	(565,765)	-10.34%	7.4%
Use of money & property	1,465,506	2,041,737	(576,231)	-28.22%	2.2%
Fines and forfeitures	332,962	375,492	(42,530)	-11.33%	0.5%
Other revenue	852,570	1,504,057	(651,487)	-43.32%	1.3%
Other financing sources	1,839,836	2,322,179	(482,343)	-20.77%	2.8%
Total Revenues	\$ 65,970,443	\$ 63,270,723	\$ 2,699,720	4.27%	100%

- Tax revenue increased \$4.2 million due to an increase of \$3.5 million in sales tax of which \$2.6 million is attributed to the State of California's Triple Flip scheme which creates wide variances due to payments made from outdated estimates and reconciling payments or reductions for prior year activities, \$0.6 million in franchise tax primarily due to an increase in trash collection fees, and \$0.4 million in transient occupancy tax, offset by a decrease of \$0.4 million in property taxes.
- License and permits increased \$0.5 million primarily due to an increase in construction activity.
- Intergovernmental revenue increased \$0.3 million due to a one-time payment of \$0.3 million in delinquent motor vehicle in-lieu fees for fiscal years 2005-06 through 2009-10.
- Other revenue decreased \$0.7 million due to non-recurring revenues realized in fiscal year 2009-10 which included \$0.4 million in reimbursements related to street projects, \$0.2 million landscape review deposits recognized as revenue based on staff review, and a \$0.1 million audit settlement.
- Use of money and property decreased by \$0.6 million, due to the decline of the investment portfolio rate of return from 1.967 percent in fiscal year 2009-10 to 1.442 percent in the current fiscal year and a 1.630 percent reduction in the average daily cash balance.
- Charges for services decreased \$0.6 million primarily from \$0.4 million reduction in cost allocation charges mainly due to decreased central service expenditures.
- Other financing sources decreased \$0.5 million primarily due to a decline in traffic safety transfers to the General Fund of \$0.4 million due to the reduced number of traffic citations issued.

General Fund Expenditures for fiscal year 2010-11 (including capital outlay and transfers out) increased \$0.5 million, or 0.7 percent. The chart below compares general fund expenditures for the last two fiscal years followed by key information:

Comparison of General Fund Expenditures

	Fiscal Year 2011	Fiscal Year 2010	Variance Over/(Under) last year	% of increase (decrease) over last year	% of total
General government	\$ 14,133,840	\$ 14,319,294	\$ (185,454)	-1.3%	21.4%
Public safety	25,557,048	25,271,180	285,868	1.1%	38.7%
Transportation	9,374,810	9,324,174	50,636	0.5%	14.2%
Community development	11,493,063	10,813,170	679,893	6.3%	17.4%
Culture and leisure	1,377,371	1,455,343	(77,972)	-5.4%	2.1%
Capital outlay	2,136,591	1,026,256	1,110,335	108.2%	3.2%
Other financing uses	1,976,001	3,362,370	(1,386,369)	-41.2%	3.0%
Total Expenditures	\$ 66,048,724	\$ 65,571,787	\$ 476,937	0.7%	100%

- General government expenditures decreased 1.3 percent, or \$0.2 million, compared to prior fiscal year. This is primarily attributed to a decrease of slightly over \$0.1 million in salaries and benefits resulting from staffing reductions.
- Public safety expenditures increased 1.1 percent, or \$0.3 million, compared to prior fiscal year. Public safety expenditures are comprised of police services contracted through the County of Ventura.
- Community development expenditures increased 6.3 percent, or \$0.7 million, primarily due to a one-time payment of \$1.5 million for undergrounding of electrical lines, offset by \$0.7 million decrease in salaries and benefits due to staff reductions.
- Capital outlay expenditures increased 108.2 percent, or \$1.1 million due to the upgrade of the citywide phone system.
- Transfers out of \$2.0 million include the Library Fund subsidy of \$0.8 million and debt service of \$1.2 million. Overall transfers decreased \$1.4 million primarily due to a decrease in the Library Fund subsidy as the fund had reserves from a non-recurring revenue of \$1.0 million received in fiscal year 2009-10 for library services provided to unincorporated areas which was carried forward for use in fiscal year 2010-11.

Library Fund

The Library Fund provides for the operation of the City's library system. Property taxes, library assistance from the State of California, and other revenues are restricted for library operations and maintenance expenditures.

The Library Fund's beginning reserves of \$1.0 million was the result of non-recurring revenue paid by the County of Ventura for underpaying for services provided to residents of unincorporated areas from fiscal years 2000-01 through 2009-10. Revenues (excluding transfers in) decreased \$1.1 million primarily due to this non-recurring payment received in fiscal year 2009-10. Expenditures also decreased \$0.5 million and are primarily attributed by a decrease of \$0.7 million in salaries and benefits realized from staffing reductions, offset by an increase of \$0.1 million in other maintenance and operations expenditures.

State Gas Tax Fund

The State Gas Tax Fund accounts for revenues derived from gasoline purchases which are restricted for the construction and maintenance of City streets and other street related projects.

The City's State Gas Tax Fund fund balance decreased \$1.0 million compared to prior fiscal year's increase of \$2.3 million. The net decrease in fund balance of \$3.3 million is due to an increase in expenditures of \$4.5 million for street projects including: the Norwegian Grade rehabilitation for \$1.8 million, pavement overlay for \$1.6 million and Wendy Drive/101 Interchange for \$0.8 million. The increase in expenditures is offset by an increase in intergovernmental federal grant revenue of \$1.3 million.

Redevelopment Agency Debt and Capital Funds

The Redevelopment Agency Debt and Capital Funds account for incremental property tax revenues from the project areas which are used to finance the activities of the Agency including capital projects, the accumulation of resources and payments of principal and interest for the Agency’s project areas, and to account for the financial activities of the Agency.

The fund balances of the Redevelopment Agency Debt Service and Capital Projects Funds decreased \$0.8 million, compared to the prior fiscal year’s decrease of \$2.7 million. This \$1.9 million net increase was primarily the result of a decrease in expenditures of \$4.8 million in SERAF payments and \$1.1 million in affordable housing projects loans, offset by a \$1.8 million increase in capital expenditures and a \$1.9 million decrease in tax increment revenue.

Capital Improvements Fund

The Capital Improvements Fund accounts for developer agreement and developer impact fee revenues which are used to finance road improvements, bridge improvements, undergrounding of utilities, as well as capital facilities fees restricted for public facilities.

The fund balance of the Capital Improvements Fund experienced a minimal decrease compared to \$0.4 million decrease during the prior fiscal year primarily due to an increase in fee revenue. In fiscal year 2010-11 the City modified its accounting policy to recognize developer fee revenue in the fiscal year it is collected. Therefore, beginning fund balance was restated from \$13.3 million to \$24.8 million, an \$11.5 million increase.

Proprietary funds

The City’s proprietary funds provide the same type of information found in the government-wide financial statements in greater detail.

Unrestricted net assets, change in unrestricted net assets and change in total net assets for the Water, Wastewater, Golf Course, Transportation, Solid Waste Management, and Theatres funds, are detailed below.

City of Thousand Oaks
 Proprietary Funds
 Year Ended June 30, 2011

Fund	Unrestricted Net Assets	Change in Unrestricted Net Assets	Change in Total Net Assets
Water	\$ 16,317,217	\$ 2,567,430	\$ 2,025,485
Wastewater	43,681,007	(1,071,452)	2,030,581
Golf Course	669,894	175,891	(110,113)
Transportation	9,676	8	108,412
Solid Waste Management	5,841,264	(98,136)	(31,369)
Theatres	1,058,684	(240,666)	(221,350)
Total	\$ 67,577,742	\$ 1,333,075	\$ 3,801,646

Other factors concerning the finances of these six funds have been addressed in the discussion of the City's business-type activities on pages 11-13. Proprietary financial statements can be found on pages 35-40.

BUDGETARY HIGHLIGHTS

General Fund

The General Fund budget and actual report can be found on page 32. The \$19.8 million increase in ending fund balance between the original and final budget is the result of City Council approved budget adjustments. Major budget adjustments include the following increases: \$10.0 million for capital project carryovers; \$5.5 million in grant funded operating carryovers, and \$0.4 million in maintenance and operations carryovers. Additionally, in June 2010, the City Council approved various reductions of \$3.9 million in operating appropriations in anticipation of declining revenues and use of fund balance reserves to cover non-recurring costs. The fiscal year 2010-11 decrease in fund balance was \$0.1 million and was \$25.2 million less than the budgeted \$25.3 million decrease in fund balance. The variances are highlighted below.

- Revenues, including transfers in, are \$0.1 million, or 0.1 percent, higher than budgetary estimates as a result of receiving greater than anticipated sales tax revenue of \$2.0 million, licenses and permits of \$0.5 million, transient occupancy tax of \$0.5 million, and intergovernmental revenue of \$0.2 million. These revenue increases are offset by the following lower than anticipated budget estimates in use of money and property of \$1.2 million, property tax of \$0.7 million, and charges for current services of \$0.5 million.
- Actual expenditures are less than budgetary estimates by \$25.1 million primarily due to \$9.0 million in operating expenditure savings including major non-recurring items, \$14.2 million in unspent capital outlay, \$1.2 million decrease in General Fund transfers to the Library Fund and \$0.6 million to the County Flood Control Fund.
- Of the \$9.0 million savings in operating expenditures, \$8.7 million will be carried over to fiscal year 2011-12 and include: encumbrances of \$2.9 million, \$5.5 million in grant funded operating projects, and \$0.3 million in maintenance and operations projects. Of the \$14.2 million in unspent capital outlay, \$8.7 million will be carried over to fiscal year 2011-12.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets

Investments in capital assets for governmental and business-type activities as of June 30, 2011 totaled \$656.5 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment, infrastructure, intangibles, and construction in progress. The total increase in capital assets for fiscal year 2010-11 was \$0.3 million, which includes a 0.1 percent increase for governmental activities and a 0.1 percent decrease for business-type activities. Additional information

on the City's capital assets can be found on pages 62-66 in the notes to basic financial statements. Capital assets are summarized as follows.

City of Thousand Oaks
Capital Assets (net of accumulated depreciation)
June 30, 2011

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 128,271,100	\$ 127,329,885	\$ 5,770,967	\$ 5,770,967	\$ 134,042,067	\$ 133,100,852
Intangibles, non-depreciable	285,297	121,403	135,338	133,538	420,635	254,941
Buildings and improvements	114,756,731	117,095,283	176,714,217	169,642,504	291,470,948	286,737,787
Equipment	3,139,960	2,315,057	3,228,165	3,431,102	6,368,125	5,746,159
Intangibles, depreciable	323,843	376,257	358,876	407,105	682,719	783,362
Infrastructure	210,795,662	214,124,129	-	-	210,795,662	214,124,129
Construction in progress	11,821,194	7,570,537	922,864	7,946,435	12,744,058	15,516,972
Total capital assets, net	<u>\$ 469,393,787</u>	<u>\$ 468,932,551</u>	<u>\$ 187,130,427</u>	<u>\$ 187,331,651</u>	<u>\$ 656,524,214</u>	<u>\$ 656,264,202</u>

Major capital asset events during fiscal year 2010-11 included the following:

- The \$0.8 million net increase in governmental activity equipment is primarily due to the purchase and installation of a citywide phone system.
- The \$0.9 million net increase in governmental activity land is primarily due to the donation of 295.9 acres of open space from the Mountains Recreation and Conservation Authority.
- The \$4.3 million net increase in construction in progress is primarily due to pavement overlay and Wendy Drive/101 Freeway Interchange improvements projects.
- Business-type activity buildings and improvements net increase of \$7.1 million is primarily due to completion of interceptor improvements, north and south headworks at Hill Canyon Treatment Plant (HCTP), and biosolids improvements at HCTP.

Long-term debt

At the end of fiscal year 2010-11, the City had total bonded debt outstanding of \$91.5 million. Of this amount, \$64.3 million was secured by pledged Agency tax revenues, \$15.8 million was secured by the City's obligation to pay the Public Financing Authority (Authority) lease payments for occupancy and use of specified properties, and \$11.4 million was secured by net revenues from the City's wastewater system operation. Bonded debt decreased overall by \$5.7 million primarily due to ongoing debt service payments for the 1998 Wastewater System and the Authority's 2002 Certificates of Participation. Additional information on long-term liabilities can be found on pages 70-76 in the notes to basic financial statements. Bonded debt outstanding is summarized on the following page:

City of Thousand Oaks' Outstanding Bonded Debt
June 30, 2011

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Tax allocation bonds payable	\$ 64,340,000	\$ 68,660,000	\$ -	\$ -	\$ 64,340,000	\$ 68,660,000
Lease revenue bonds*	15,760,748	16,311,498	-	-	15,760,748	16,311,498
Revenue bonds*	-	-	11,396,335	12,228,823	11,396,335	12,228,823
Total outstanding debt	<u>\$ 80,100,748</u>	<u>\$ 84,971,498</u>	<u>\$ 11,396,335</u>	<u>\$ 12,228,823</u>	<u>\$ 91,497,083</u>	<u>\$ 97,200,321</u>

*Net of unamortized discounts and deferred amounts

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The focus of this annual report is the economic condition of the City as of June 30, 2011; however, since global, national, and local economic conditions continued to struggle over the past year, it is critical that the economic impacts be addressed.

At the national level, the Federal government is facing unparalleled budgetary and economic challenges. The \$1.3 trillion budget deficit projected for 2011 will be the third-largest shortfall in the past 65 years, exceeded only by deficits of the preceding two years. Although economic output began to expand again two years ago when the "Great Recession" ended, the pace of the recovery has been slow, and there is significant concern regarding the economy with turmoil in financial markets in the United States and overseas.

The Federal Reserve has maintained the federal funds target rate at zero to one quarter of one percent since 2008. In August 2011, the Federal Open Market Committee released its statement anticipating the federal funds rate will remain at exceptionally low levels through mid-2013. The actions of the Federal Reserve have created an extremely low interest rate environment reducing the City's interest revenue. The City's June 2011 yield on its investments was 1.442 percent, down 53 basis points from the prior year and 194 basis points from fiscal year 2008-09.

The State of California's recurring inability to balance its budget continues to have negative impacts on local governments. In response to prior year take-aways from cities, California voters passed Proposition 22 by an overwhelming majority in November 2010. The intent of this measure was to stop future State raids of local government funds. Despite this clear voter mandate, in June 2011, the State Legislators passed, and the Governor signed, three potentially illegal bills, which will have severe negative impacts on local governments in fiscal year 2011-12 and beyond, if upheld by the California Supreme Court.

The first bill was AB 1X 26 which eliminates local redevelopment agencies. The second bill was AB 1X 27 which requires local redevelopment agencies to pay a "ransom" payment of \$1.7 billion statewide in the first year and \$400 million statewide each year thereafter in order to avoid the AB 1X 26 elimination. These bills require the Thousand Oaks Redevelopment Agency to make a "ransom" payment of \$5.9 million for fiscal year 2011-12 and \$1.4 million each year thereafter in order to continue in existence and

carry on efforts to revitalize areas in the City to provide jobs and a strong local economy. This is in addition to the \$7.4 million in redevelopment agency payments that Thousand Oaks local taxpayer's made to the State in fiscal years 2008-09 and 2009-10.

The third bill involved the potentially illegal diversion of City Vehicle License Fee Revenue (SB 89), which was approved at the last minute with no advance warning and/or discussion in the State Legislature on June 28, 2011. This was done by the State to sweep approximately \$130 million from local cities to a special law enforcement account beginning July 1, 2011. Preliminary analysis estimates that the "net" cost to the City's General Fund will be approximately \$260,000 per year.

The California Public Employees Retirement System's investment portfolio reported a 21.7 percent return for the fiscal year ended June 30, 2011. The return will help offset the impact of the 23.4 percent loss in fiscal year 2008-09. However, the overall decline of the value of the investment portfolio will impact the City's future employer contribution rates for the foreseeable future. The City's employer contribution rate for fiscal year 2011-12 increased to 13.849 percent from 12.031 percent. In fiscal year 2012-13, the City's employer contribution rate is anticipated to increase to 14.749 percent, with another increase to 15.0 percent in fiscal year 2013-14.

On June 14, 2011, the City Council adopted a structurally balanced Operating Budget and Capital Improvements Program Budget for fiscal years 2011-12 and 2012-13. The City Council and departments have worked proactively throughout the recession and recovery to ensure that, with the reduction in revenues, the City could still provide the essential services that residents have come to depend on. These efforts included: voluntary retirement incentives, innovative reductions in law enforcement contract costs, additional reductions in maintenance & operations allocations, and the cooperation of dedicated employees who have forgone cost of living increases and absorbed holiday closures.

As a result of these efforts, the adopted fiscal year 2011-12 General Fund budget is \$67.7 million, which is \$1.6 million more (or 2.4%) than fiscal year 2010-11 actual expenditures of \$66.1 million and includes more than \$3 million in non-recurring expenditures funded with reserves.

Fiscal year 2011-12 General Fund operating revenue is projected at \$64.6 million, which is a \$1.5 million decrease (or 2.3 percent) from prior year actual operating revenue of \$66.1 million. As discussed on pages 14-15, sales tax revenue in fiscal year 2010-11 was \$25.0 million, or \$3.5 million more than the previous fiscal year and is budgeted at \$24.6 million in fiscal year 2011-12.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of City finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of Thousand Oaks, 2100 Thousand Oaks Boulevard, Thousand Oaks, California 91362, or call (805) 449-2200, or e-mail finance@toaks.org. This report is also available online at the City's website at www.toaks.org.

Basic Financial Statements

- Government-wide Financial Statements
- Governmental Fund Financial Statements
- Proprietary Fund Financial Statements
- Fiduciary Fund Financial Statement
- Notes to Basic Financial Statements

Government-wide Financial Statements

CITY OF THOUSAND OAKS
Statement of Net Assets
June 30, 2011

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and investments (notes 1 and 2)	\$ 195,996,616	74,187,250	270,183,866
Receivables (notes 1 and 3):			
Accounts	1,904,901	6,645,046	8,549,947
Accrued interest	2,923,258	181,304	3,104,562
Intergovernmental	10,224,513	389,819	10,614,332
Notes/loans	29,222,421	-	29,222,421
Assets held for resale (note 4)	9,454,786	-	9,454,786
Internal balances	2,084,704	(2,084,704)	-
Inventories - supplies (note 1)	386,487	652,317	1,038,804
Prepaid items and other assets (note 1)	6,546	122,544	129,090
Noncurrent assets:			
Deferred charges	1,464,580	156,247	1,620,827
Restricted cash and investments (notes 1 and 2)	1,461,386	1,313,974	2,775,360
Net OPEB asset (note 15)	4,240,982	1,042,763	5,283,745
Capital assets (notes 1 and 5):			
Land	128,271,100	5,770,967	134,042,067
Intangibles, non-depreciable	285,297	135,338	420,635
Buildings and improvements	163,683,828	263,364,426	427,048,254
Equipment	10,192,503	7,455,835	17,648,338
Intangibles, depreciable	734,487	482,291	1,216,778
Infrastructure	394,156,331	-	394,156,331
Construction in progress	11,821,194	922,864	12,744,058
Accumulated depreciation	(239,750,953)	(91,001,294)	(330,752,247)
Total assets	728,764,967	269,736,987	998,501,954
Liabilities:			
Accounts payable (note 1)	10,465,392	3,690,647	14,156,039
Accrued liabilities (note 1)	326,136	370,895	697,031
Due to other agencies (note 1)	6,727,105	15,114	6,742,219
Unearned revenue (note 1)	29,937,840	4,914,668	34,852,508
Deposits (note 1)	-	762,854	762,854
Noncurrent liabilities (note 8):			
Due within one year	7,968,687	3,468,298	11,436,985
Due in more than one year	82,047,628	31,673,644	113,721,272
Total liabilities	137,472,788	44,896,120	182,368,908
Net assets (note 10):			
Invested in capital assets, net of related debt	436,968,437	153,821,273	590,789,710
Restricted for:			
Street related purposes	35,574,533	-	35,574,533
Assessment districts	7,199,527	-	7,199,527
Culture and leisure	368,888	-	368,888
Community development	2,243,985	-	2,243,985
Debt service	293,475	2,196,556	2,490,031
Public safety	827,916	-	827,916
Unrestricted	107,815,418	68,823,038	176,638,456
Total net assets	\$ 591,292,179	224,840,867	816,133,046

See accompanying notes to basic financial statements.

CITY OF THOUSAND OAKS
Statement of Activities
Year ended June 30, 2011

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs				
Governmental activities:				
General government	\$ 15,818,365	5,620,394	64,169	1,501
Public safety	27,165,601	518,740	396,202	33,814
Transportation	27,308,063	4,271,158	10,863,293	1,570,594
Community development	26,004,932	4,764,843	2,097,744	-
Culture and leisure	10,880,231	260,421	485,537	46,180
Interest on long-term debt	3,672,066	-	-	-
Total governmental activities	<u>110,849,258</u>	<u>15,435,556</u>	<u>13,906,945</u>	<u>1,652,089</u>
Business-type activities:				
Water	19,430,010	21,283,333	-	94,805
Wastewater	18,565,664	20,028,254	301,198	80,636
Golf Course	4,923,681	4,874,576	-	-
Transportation	3,764,116	301,075	3,388,734	-
Solid Waste Management	1,424,288	1,388,587	-	-
Theatres	3,716,595	3,142,176	300,000	-
Total business-type activities	<u>51,824,354</u>	<u>51,018,001</u>	<u>3,989,932</u>	<u>175,441</u>
Total government	<u>\$ 162,673,612</u>	<u>66,453,557</u>	<u>17,896,877</u>	<u>1,827,530</u>

General revenues:

 Taxes:

- Property tax
- Sales taxes
- Transient occupancy tax
- Franchise taxes
- Business tax
- Property transfer tax

 Unrestricted intergovernmental revenue

 Contributions not restricted for specific programs

 Unrestricted investment/interest earnings

Transfers, net (note 6)

 Total general revenues and transfers

 Change in net assets

Net assets - beginning, as restated

Net assets - ending

See accompanying notes to basic financial statements.

Net (Expenses) Revenues and Changes in Net Assets		
Governmental Activities	Business-type Activities	Total
(10,132,301)	-	(10,132,301)
(26,216,845)	-	(26,216,845)
(10,603,018)	-	(10,603,018)
(19,142,345)	-	(19,142,345)
(10,088,093)	-	(10,088,093)
(3,672,066)	-	(3,672,066)
<u>(79,854,668)</u>	<u>-</u>	<u>(79,854,668)</u>
-	1,948,128	1,948,128
-	1,844,424	1,844,424
-	(49,105)	(49,105)
-	(74,307)	(74,307)
-	(35,701)	(35,701)
-	(274,419)	(274,419)
-	<u>3,359,020</u>	<u>3,359,020</u>
<u>(79,854,668)</u>	<u>3,359,020</u>	<u>(76,495,648)</u>
34,355,639	-	34,355,639
22,123,406	-	22,123,406
2,702,879	-	2,702,879
5,790,082	-	5,790,082
1,708,860	-	1,708,860
588,295	-	588,295
10,302,283	-	10,302,283
1,535,345	-	1,535,345
931,529	-	931,529
(121,293)	121,293	-
<u>79,917,025</u>	<u>121,293</u>	<u>80,038,318</u>
62,357	3,480,313	3,542,670
591,229,822	221,360,554	812,590,376
<u>\$ 591,292,179</u>	<u>224,840,867</u>	<u>816,133,046</u>

Governmental Fund Financial Statements

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CITY OF THOUSAND OAKS
Balance Sheet
Governmental Funds
June 30, 2011

Page 1 of 2

	General Fund	Library	State Gas Tax	Thousand Oaks Redevelopment Agency Debt Service
Assets				
Cash and investments	\$ 70,969,669	136,753	15,555,437	22,584,783
Receivables:				
Accounts	1,444,963	14,740	7,954	-
Accrued interest	223,317	-	34,487	-
Intergovernmental	5,154,055	144,939	2,446,101	7,542
Notes/loans	494,686	-	-	-
Assets held for resale	-	-	-	-
Interfund receivables	5,218,317	-	-	-
Inventories - supplies	386,487	-	-	-
Advances to other funds	1,166,952	-	-	-
Restricted cash and investments	-	-	-	293,475
Total assets	\$ 85,058,446	296,432	18,043,979	22,885,800
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	\$ 4,059,034	296,098	309,021	-
Due to other agencies	15,265	-	-	6,711,840
Interfund payables	-	-	-	-
Unearned revenue	2,168,315	334	2,965,357	-
Advances from other funds	-	-	-	-
Total liabilities	6,242,614	296,432	3,274,378	6,711,840
Fund balances:				
Nonspendable	386,487	-	-	-
Restricted	-	-	14,769,601	16,173,960
Committed	30,382,360	-	-	-
Assigned	47,971,223	-	-	-
Unassigned	75,762	-	-	-
Total fund balances	78,815,832	-	14,769,601	16,173,960
Total liabilities and fund balances	\$ 85,058,446	296,432	18,043,979	22,885,800

See accompanying notes to basic financial statements.

Thousand Oaks Redevelopment Agency Capital Projects	Capital Improvements	Other Governmental Funds	Total Governmental Funds
23,126,659	24,778,807	26,039,419	183,191,527
59,285	-	377,918	1,904,860
2,286,652	62,944	283,830	2,891,230
2,032	15,600	2,454,244	10,224,513
27,678,157	-	1,049,578	29,222,421
9,454,786	-	-	9,454,786
-	-	-	5,218,317
-	-	-	386,487
-	-	-	1,166,952
-	-	1,167,911	1,461,386
<u>62,607,571</u>	<u>24,857,351</u>	<u>31,372,900</u>	<u>245,122,479</u>
542,283	77,867	5,088,968	10,373,271
-	-	-	6,727,105
-	8	1,888,309	1,888,317
29,995,336	-	1,779,773	36,909,115
-	-	1,166,952	1,166,952
<u>30,537,619</u>	<u>77,875</u>	<u>9,924,002</u>	<u>57,064,760</u>
9,454,786	-	-	9,841,273
7,786,060	17,839,576	9,242,655	65,811,852
14,829,106	-	1,444,252	46,655,718
-	6,939,900	11,145,650	66,056,773
-	-	(383,659)	(307,897)
<u>32,069,952</u>	<u>24,779,476</u>	<u>21,448,898</u>	<u>188,057,719</u>
<u>62,607,571</u>	<u>24,857,351</u>	<u>31,372,900</u>	<u>245,122,479</u>

CITY OF THOUSAND OAKS
Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Assets
June 30, 2011

Amounts reported for governmental activities in the statement of net assets (page 23) are different because:

Total fund balances - total governmental funds (page 27)	\$ 188,057,719
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds.	469,393,787
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	12,683,383
Internal service funds are used by management to account for the cost of providing liability, workers' compensation, and vision insurance coverage on a Citywide basis. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	9,210,041
Long-term liabilities, including compensated absences, bonds payable, and interest payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(88,052,751)
Net assets of governmental activities (page 23)	\$ 591,292,179

See accompanying notes to basic financial statements.

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CITY OF THOUSAND OAKS
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year ended June 30, 2011

Page 1 of 2

	General Fund	Library	State Gas Tax	Thousand Oaks Redevelopment Agency Debt Service
Revenues:				
Taxes	\$ 40,407,221	5,546,865	698,880	16,640,763
Licenses and permits	4,829,204	-	-	-
Fines and forfeitures	332,962	157,633	-	-
Use of money and property	1,465,506	23,958	187,887	61
Charges for current services	4,907,062	15,556	-	-
Intergovernmental revenue	11,336,082	401,975	4,978,323	-
Other	852,570	59,674	9,759	253
Total Revenues	<u>64,130,607</u>	<u>6,205,661</u>	<u>5,874,849</u>	<u>16,641,077</u>
Expenditures:				
Current:				
General government	14,133,840	-	-	-
Public safety	25,557,048	-	-	-
Transportation	9,374,810	-	5,926,579	-
Community development	11,493,063	-	-	11,536,529
Culture and leisure	1,377,371	7,704,553	-	-
Debt service:				
Principal	-	-	-	4,320,000
Interest	-	-	-	2,969,481
Capital Outlay	2,136,591	297,496	-	-
Total expenditures	<u>64,072,723</u>	<u>8,002,049</u>	<u>5,926,579</u>	<u>18,826,010</u>
Excess (deficiency) of revenues over (under) expenditures	<u>57,884</u>	<u>(1,796,388)</u>	<u>(51,730)</u>	<u>(2,184,933)</u>
Other financing sources (uses):				
Transfers in	1,819,294	818,927	-	2,529,900
Transfers out	(1,976,001)	-	(961,025)	-
Proceeds from sale of property	20,542	-	-	-
Total other financing sources (uses)	<u>(136,165)</u>	<u>818,927</u>	<u>(961,025)</u>	<u>2,529,900</u>
Net change in fund balance	(78,281)	(977,461)	(1,012,755)	344,967
Fund balance-beginning, as restated	<u>78,894,113</u>	<u>977,461</u>	<u>15,782,356</u>	<u>15,828,993</u>
Fund balance-ending	<u>\$ 78,815,832</u>	<u>-</u>	<u>14,769,601</u>	<u>16,173,960</u>

See accompanying notes to basic financial statements.

Thousand Oaks Redevelopment Agency Capital Projects	Capital Improvements	Other Governmental Funds	Total Governmental Funds
4,160,191	-	1,692,571	69,146,491
-	-	-	4,829,204
-	-	755,284	1,245,879
1,008,716	383,657	203,577	3,273,362
-	1,135,988	3,602,285	9,660,891
-	-	4,513,234	21,229,614
104,778	93,173	1,205,552	2,325,759
<u>5,273,685</u>	<u>1,612,818</u>	<u>11,972,503</u>	<u>111,711,200</u>
-	-	36,702	14,170,542
-	-	1,442,410	26,999,458
-	26,233	7,400,065	22,727,687
1,332,247	114,128	1,609,199	26,085,166
-	-	269,466	9,351,390
-	-	555,000	4,875,000
-	-	616,202	3,585,683
1,954,712	814,461	1,643,398	6,846,658
<u>3,286,959</u>	<u>954,822</u>	<u>13,572,442</u>	<u>114,641,584</u>
<u>1,986,726</u>	<u>657,996</u>	<u>(1,599,939)</u>	<u>(2,930,384)</u>
-	-	1,990,932	7,159,053
(3,089,900)	(666,982)	(586,438)	(7,280,346)
-	-	-	20,542
<u>(3,089,900)</u>	<u>(666,982)</u>	<u>1,404,494</u>	<u>(100,751)</u>
(1,103,174)	(8,986)	(195,445)	(3,031,135)
<u>33,173,126</u>	<u>24,788,462</u>	<u>21,644,343</u>	<u>191,088,854</u>
<u>32,069,952</u>	<u>24,779,476</u>	<u>21,448,898</u>	<u>188,057,719</u>

CITY OF THOUSAND OAKS
Reconciliation of Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
Year Ended June 30, 2011

Amounts reported for governmental activities in the statement of activities (page 25) are different because:

Net change in fund balances - total governmental funds (page 30)	\$ (3,031,135)
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Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays were exceeded by depreciation in the current period.	(871,083)
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The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.	1,332,319
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(1,539,563)
--	-------------

The issuance of long-term debt (i.e., bonds, loans payable) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amount is the net effect of these differences in the treatment of long-term debt and related items.	4,150,203
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Some expenses (i.e., long and short-term compensated absences and insurance) reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	466,988
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Internal service funds are used by management to account for the cost of providing general liability, workers' compensation, and vision insurance coverage on a City-wide basis. The net revenue of certain activities of internal service funds is reported with governmental activities.	(445,372)
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Change in net assets of governmental activities (page 25)	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border-top: 1px solid black; border-bottom: 3px double black;">\$ 62,357</td> </tr> </table>	\$ 62,357
\$ 62,357		

See accompanying notes to basic financial statements.

CITY OF THOUSAND OAKS
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
Year ended June 30, 2011

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes	\$ 40,830,000	38,596,500	40,407,221	1,810,721
Licenses and permits	5,040,300	4,301,250	4,829,204	527,954
Fines and forfeitures	420,200	390,200	332,962	(57,238)
Use of money and property	2,893,000	2,634,850	1,465,506	(1,169,344)
Charges for current services	5,639,900	5,444,600	4,907,062	(537,538)
Intergovernmental revenue	11,421,136	11,183,454	11,336,082	152,628
Other	433,700	1,205,039	852,570	(352,469)
Total Revenues	66,678,236	63,755,893	64,130,607	374,714
Expenditures:				
Current:				
General government	16,406,030	21,228,820	14,133,840	7,094,980
Public safety	27,277,269	26,686,887	25,557,048	1,129,839
Transportation	10,586,672	10,636,473	9,374,810	1,261,663
Community development	11,637,182	10,790,834	11,493,063	(702,229)
Culture and leisure	1,674,785	1,614,288	1,377,371	236,917
Capital Outlay	3,355,095	16,360,635	2,136,591	14,224,044
Total expenditures	70,937,033	87,317,937	64,072,723	23,245,214
Excess (deficiency) of revenues over (under) expenditures	(4,258,797)	(23,562,044)	57,884	23,619,928
Other financing sources (uses):				
Transfers in	2,171,768	2,106,768	1,819,294	(287,474)
Transfers out	(3,481,051)	(3,864,421)	(1,976,001)	1,888,420
Proceeds from sale of property	15,000	15,000	20,542	5,542
Total other financing sources (uses)	(1,294,283)	(1,742,653)	(136,165)	1,606,488
Net change in fund balance	(5,553,080)	(25,304,697)	(78,281)	25,226,416
Fund balance-beginning	78,894,113	78,894,113	78,894,113	-
Fund balance-ending	\$ 73,341,033	53,589,416	78,815,832	25,226,416

See accompanying notes to basic financial statements.

CITY OF THOUSAND OAKS
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Library Special Revenue Governmental Fund
Year ended June 30, 2011

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes	\$ 6,585,000	5,660,000	5,546,865	(113,135)
Fines and forfeitures	145,000	145,000	157,633	12,633
Use of money and property	35,000	35,000	23,958	(11,042)
Charges for current services	33,700	15,000	15,556	556
Intergovernmental revenue	235,000	395,000	401,975	6,975
Other	15,000	43,200	59,674	16,474
Total Revenues	<u>7,048,700</u>	<u>6,293,200</u>	<u>6,205,661</u>	<u>(87,539)</u>
Expenditures:				
Current:				
Culture and leisure	8,645,492	8,053,337	7,704,553	348,784
Capital Outlay	469,740	1,559,616	297,496	1,262,120
Total expenditures	<u>9,115,232</u>	<u>9,612,953</u>	<u>8,002,049</u>	<u>1,610,904</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,066,532)</u>	<u>(3,319,753)</u>	<u>(1,796,388)</u>	<u>1,523,365</u>
Other financing sources (uses):				
Transfers in	1,991,598	1,991,968	818,927	(1,173,041)
Total other financing sources (uses)	<u>1,991,598</u>	<u>1,991,968</u>	<u>818,927</u>	<u>(1,173,041)</u>
Net change in fund balance	(74,934)	(1,327,785)	(977,461)	350,324
Fund balance-beginning	<u>977,461</u>	<u>977,461</u>	<u>977,461</u>	<u>-</u>
Fund balance-ending	<u>\$ 902,527</u>	<u>(350,324)</u>	<u>-</u>	<u>350,324</u>

See accompanying notes to basic financial statements.

CITY OF THOUSAND OAKS
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
State Gas Tax Fund
Year ended June 30, 2011

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes	\$ 2,500,000	2,500,000	698,880	(1,801,120)
Use of money and property	572,300	572,300	187,887	(384,413)
Intergovernmental revenue	19,666,353	20,220,507	4,978,323	(15,242,184)
Other	-	-	9,759	9,759
Total Revenues	<u>22,738,653</u>	<u>23,292,807</u>	<u>5,874,849</u>	<u>(17,417,958)</u>
Expenditures:				
Current:				
Transportation	19,048,111	38,432,996	5,926,579	32,506,417
Capital Outlay	600,000	1,800,000	-	1,800,000
Total expenditures	<u>19,648,111</u>	<u>40,232,996</u>	<u>5,926,579</u>	<u>34,306,417</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,090,542</u>	<u>(16,940,189)</u>	<u>(51,730)</u>	<u>16,888,459</u>
Other financing sources (uses):				
Transfers out	(1,005,000)	(995,000)	(961,025)	33,975
Total other financing sources (uses)	<u>(1,005,000)</u>	<u>(995,000)</u>	<u>(961,025)</u>	<u>33,975</u>
Net change in fund balance	2,085,542	(17,935,189)	(1,012,755)	16,922,434
Fund balance-beginning	<u>15,782,356</u>	<u>15,782,356</u>	<u>15,782,356</u>	<u>-</u>
Fund balance-ending	<u>\$ 17,867,898</u>	<u>(2,152,833)</u>	<u>14,769,601</u>	<u>16,922,434</u>

See accompanying notes to basic financial statements.

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Proprietary Fund Financial Statements

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CITY OF THOUSAND OAKS
Statement of Net Assets
Proprietary Funds
June 30, 2011

Page 1 of 2

	Business-type Activities			
	Water Utility	Wastewater Utility	Golf Course	Transportation
Assets:				
Current assets:				
Cash and investments	\$ 16,193,626	42,751,378	3,977,700	1,981,727
Receivables:				
Accounts	3,335,238	2,498,724	226,806	48,409
Accrued interest	40,556	104,970	9,207	4,181
Intergovernmental	-	15,242	-	374,577
Inventories - supplies	177,449	400,911	73,957	-
Prepaid items	-	-	53,865	-
Total current assets	19,746,869	45,771,225	4,341,535	2,408,894
Noncurrent assets:				
Restricted cash and investments	-	1,313,974	-	-
Deferred charges	-	156,247	-	-
Net OPEB asset	301,334	573,619	-	9,676
Capital assets:				
Land	2,343,423	1,463,180	1,217,610	-
Intangibles, non-depreciable	45,473	89,865	-	-
Buildings and improvements	56,440,577	195,107,974	10,495,253	418,936
Equipment	890,431	2,426,971	1,041,427	2,590,791
Intangibles, depreciable	482,291	-	-	-
Construction in progress	322,108	141,081	2,954	115,282
Less accumulated depreciation	(21,944,453)	(63,461,139)	(4,228,479)	(839,791)
Total noncurrent assets	38,881,184	137,811,772	8,528,765	2,294,894
Total assets	58,628,053	183,582,997	12,870,300	4,703,788
Liabilities:				
Current liabilities:				
Accounts payable	2,445,397	592,950	135,186	215,038
Accrued liabilities	-	370,895	-	-
Due to other agencies	-	-	15,114	-
Interfund payables	-	-	3,330,000	-
Unearned revenue	-	120,000	191,341	2,175,803
Deposits	758,726	500	-	-
Compensated absences - current	175,683	329,214	-	9,553
Notes/loans payable - current	-	1,601,215	-	-
Revenue bonds payable - current	-	1,119,622	-	-
Capital lease payable - current	-	-	107,561	-
Total current liabilities	3,379,806	4,134,396	3,779,202	2,400,394
Noncurrent liabilities:				
Claims payable	-	-	-	-
Compensated absences	351,180	523,943	-	8,500
Notes/loans payable	-	20,094,446	-	-
Revenue bonds payable, (net of unamortized discounts and deferred amounts)	-	10,276,713	-	-
Capital lease payable	-	-	109,597	-
Total noncurrent liabilities	351,180	30,895,102	109,597	8,500
Total liabilities	3,730,986	35,029,498	3,888,799	2,408,894
Net assets:				
Invested in capital assets, net of related debt	38,579,850	102,675,936	8,311,607	2,285,218
Restricted for fiscal agent bond repayment	-	2,196,556	-	-
Unrestricted	16,317,217	43,681,007	669,894	9,676
Total net assets	\$ 54,897,067	148,553,499	8,981,501	2,294,894

See accompanying notes to basic financial statements.

Business-type Activities			Govt. Activities - Internal Service Funds
Solid Waste Management	Theatres	Total	
5,844,158	3,438,661	74,187,250	12,805,089
275,693	260,176	6,645,046	41
14,716	7,674	181,304	32,028
-	-	389,819	-
-	-	652,317	-
-	68,679	122,544	-
<u>6,134,567</u>	<u>3,775,190</u>	<u>82,178,280</u>	<u>12,837,158</u>
-	-	1,313,974	-
-	-	156,247	-
43,821	114,313	1,042,763	-
746,754	-	5,770,967	-
-	-	135,338	-
156,000	745,686	263,364,426	-
14,500	491,715	7,455,835	-
-	-	482,291	-
341,439	-	922,864	-
(59,071)	(468,361)	(91,001,294)	-
<u>1,243,443</u>	<u>883,353</u>	<u>189,643,411</u>	-
<u>7,378,010</u>	<u>4,658,543</u>	<u>271,821,691</u>	<u>12,837,158</u>
166,087	135,989	3,690,647	92,121
-	-	370,895	-
-	-	15,114	-
-	-	3,330,000	-
71,488	2,356,036	4,914,668	-
-	3,628	762,854	-
41,100	84,350	639,900	-
-	-	1,601,215	-
-	-	1,119,622	-
-	-	107,561	-
<u>278,675</u>	<u>2,580,003</u>	<u>16,552,476</u>	<u>92,121</u>
-	-	-	2,289,700
58,449	250,816	1,192,888	-
-	-	20,094,446	-
-	-	10,276,713	-
-	-	109,597	-
<u>58,449</u>	<u>250,816</u>	<u>31,673,644</u>	<u>2,289,700</u>
<u>337,124</u>	<u>2,830,819</u>	<u>48,226,120</u>	<u>2,381,821</u>
1,199,622	769,040	153,821,273	-
-	-	2,196,556	-
<u>5,841,264</u>	<u>1,058,684</u>	<u>67,577,742</u>	<u>10,455,337</u>
<u>7,040,886</u>	<u>1,827,724</u>	<u>223,595,571</u>	<u>10,455,337</u>
		1,245,296	Adjustment to reflect accumulated internal service fund profit related to enterprise funds
		<u>\$ 224,840,867</u>	Net assets of business-type activities (page 23)

CITY OF THOUSAND OAKS
Statement of Revenues, Expenses, and Changes In Fund Net Assets
Proprietary Funds
Year ended June 30, 2011

Page 1 of 2

	Business-type Activities			
	Water Utility	Wastewater Utility	Golf Course	Transportation
Operating revenues:				
Sales of water and wastewater services	\$ 20,437,502	17,664,021	-	-
Theatre rentals and fees	-	-	-	-
Charges for services and supplies	-	-	-	-
Bus and subsidized taxi fares	-	-	-	254,543
Green fees, cart rentals and course memberships	-	-	4,309,516	-
Recycling fees	-	-	-	-
Fees for service	571,316	1,783,731	-	-
Other	51,220	58,000	523,611	10,261
Total operating revenues	21,060,038	19,505,752	4,833,127	264,804
Operating expenses:				
Salaries and employee benefits	3,083,643	6,053,498	-	117,650
Contract services	690,034	3,416,477	4,272,188	2,597,481
Utilities	384,333	925,552	-	2,913
Purchase of water	11,550,728	-	-	-
Materials and supplies	908,911	1,693,710	-	682,483
Claims expenses	-	-	-	-
Administrative expenses	1,060,557	279,307	1,024	114,921
Depreciation	1,674,447	4,827,724	495,157	248,250
Total operating expenses	19,352,653	17,196,268	4,768,369	3,763,698
Operating income (loss)	1,707,385	2,309,484	64,758	(3,498,894)
Nonoperating revenues (expenses):				
Gain on sale of property	-	1,000	-	-
Interest income	196,315	479,792	41,449	7,835
Interest expense	-	(1,015,423)	(155,312)	-
Bond issuance costs	-	(168,816)	-	-
Donations	-	-	-	-
Rental of facilities	26,980	42,710	-	28,436
Federal assistance	-	301,198	-	635,933
State tax subventions	-	-	-	2,752,801
Total nonoperating revenues (expenses)	223,295	(359,539)	(113,863)	3,425,005
Income (loss) before contributions and transfers	1,930,680	1,949,945	(49,105)	(73,889)
Capital contributions	94,805	80,636	-	-
Transfers in	-	-	-	182,301
Transfers out	-	-	(61,008)	-
Change in net assets	2,025,485	2,030,581	(110,113)	108,412
Total net assets - beginning	52,871,582	146,522,918	9,091,614	2,186,482
Total net assets - ending	\$ 54,897,067	148,553,499	8,981,501	2,294,894

See accompanying notes to basic financial statements.

Business-type Activities			Govt. Activities Internal Service Funds
Solid Waste Management	Theatres	Total	
-	-	38,101,523	-
-	2,807,177	2,807,177	-
-	-	-	519,128
-	-	254,543	-
-	-	4,309,516	-
1,269,001	-	1,269,001	-
-	-	2,355,047	-
53,224	297,739	994,055	-
<u>1,322,225</u>	<u>3,104,916</u>	<u>50,090,862</u>	<u>519,128</u>
637,729	1,866,402	11,758,922	-
559,453	1,075,464	12,611,097	-
61,405	371,696	1,745,899	-
-	-	11,550,728	-
69,254	36,258	3,390,616	-
-	-	-	1,485,715
87,534	242,195	1,785,538	-
4,581	71,511	7,321,670	-
<u>1,419,956</u>	<u>3,663,526</u>	<u>50,164,470</u>	<u>1,485,715</u>
<u>(97,731)</u>	<u>(558,610)</u>	<u>(73,608)</u>	<u>(966,587)</u>
-	-	1,000	-
66,362	37,260	829,013	199,882
-	-	(1,170,735)	-
-	-	(168,816)	-
-	300,000	300,000	-
-	-	98,126	-
-	-	937,131	-
-	-	2,752,801	-
<u>66,362</u>	<u>337,260</u>	<u>3,578,520</u>	<u>199,882</u>
<u>(31,369)</u>	<u>(221,350)</u>	<u>3,504,912</u>	<u>(766,705)</u>
-	-	175,441	-
-	-	182,301	-
-	-	(61,008)	-
<u>(31,369)</u>	<u>(221,350)</u>	<u>3,801,646</u>	<u>(766,705)</u>
<u>7,072,255</u>	<u>2,049,074</u>		<u>11,222,042</u>
<u>7,040,886</u>	<u>1,827,724</u>		<u>10,455,337</u>
		<u>(321,333)</u>	Adjustment to reflect internal service fund loss related to enterprise funds
		<u>\$ 3,480,313</u>	Change in net assets of business-type activities (page 25)

CITY OF THOUSAND OAKS
Statement of Cash Flows - Proprietary Funds
Year ended June 30, 2011

Page 1 of 2

	Business-type Activities			
	Water Utility	Wastewater Utility	Golf Course	Transportation
Cash flows from operating activities:				
Cash received from customers	\$ 20,991,783	19,994,196	4,850,182	1,690,017
Cash payments for goods and services	(14,129,393)	(7,254,671)	(4,586,209)	(3,763,155)
Cash payments to employees	(3,030,742)	(5,993,238)	-	(117,099)
Net cash provided by (used for) operating activities	<u>3,831,648</u>	<u>6,746,287</u>	<u>263,973</u>	<u>(2,190,237)</u>
Cash flows from noncapital financing activities:				
Property taxes and state tax subventions received	-	-	-	2,752,801
Federal assistance	-	301,198	-	635,933
Donations	-	-	-	-
Transfers in	-	-	-	182,301
Transfers out	-	-	(61,008)	-
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>301,198</u>	<u>(61,008)</u>	<u>3,571,035</u>
Cash flows from capital and related financing activities:				
Payments for capital acquisitions	(1,037,697)	(5,279,216)	(109,264)	(356,654)
Proceeds from sale of property	-	1,000	-	-
Net proceeds refunding bonds issued	-	(150,611)	-	-
Principal repayments	-	(2,391,959)	-	-
Capital lease obligation repayments	-	-	(99,889)	-
Interest paid	-	(1,015,423)	(155,312)	-
Net cash used for capital and related financing activities	<u>(1,037,697)</u>	<u>(8,836,209)</u>	<u>(364,465)</u>	<u>(356,654)</u>
Cash flows from investing activities:				
Interest received	195,887	508,985	43,104	5,224
Rental payments received	26,980	42,710	-	28,436
Net cash provided by investing activities	<u>222,867</u>	<u>551,695</u>	<u>43,104</u>	<u>33,660</u>
Net increase (decrease) in cash and cash equivalents	3,016,818	(1,237,029)	(118,396)	1,057,804
Cash and cash equivalents, beginning of year (including \$1,305,336 for the Wastewater Utility fund reported in restricted accounts)				
	<u>13,176,808</u>	<u>45,302,381</u>	<u>4,096,096</u>	<u>923,923</u>
Cash and cash equivalents, end of year (including \$1,313,974 for the Wastewater Utility fund reported in restricted accounts)				
	<u>\$ 16,193,626</u>	<u>44,065,352</u>	<u>3,977,700</u>	<u>1,981,727</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income (loss)	\$ 1,707,385	2,309,484	64,758	(3,498,894)
Adjustments to reconcile operating loss to net cash used for operating activities:				
Depreciation expense	1,674,447	4,827,724	495,157	248,250
(Increase) decrease in accounts/notes receivable	(109,045)	275,882	36,532	(247)
Decrease in due from other governments	-	92,908	-	339,743
(Increase) in inventories	(38,264)	(5,872)	(23,288)	-
(Increase) decrease in prepaid expenses	5,609	2,896	(23,297)	-
(Increase) decrease in net OPEB asset	(210)	(414)	-	(8)
Increase (decrease) in accounts payables	497,825	(913,392)	(85,183)	(365,357)
(Decrease) in accrued liabilities	-	(23,257)	-	-
Increase in due to other agencies	-	-	3,771	-
(Decrease) in due to other funds	-	-	(185,000)	-
Increase (decrease) in compensated absences	53,111	60,674	-	559
Increase (decrease) in unearned revenue and deposits	40,790	119,654	(19,477)	1,085,717
Increase in claims payable	-	-	-	-
Total adjustments	<u>2,124,263</u>	<u>4,436,803</u>	<u>199,215</u>	<u>1,308,657</u>
Net cash provided by (used for) operating activities	<u>\$ 3,831,648</u>	<u>6,746,287</u>	<u>263,973</u>	<u>(2,190,237)</u>
Noncash investing, capital, and financing activities:				
Contributions of property, plant and equipment from developers and other funds	94,805	80,636	-	-

See accompanying notes to basic financial statements.

Business-type Activities			Govt. Activities
Solid Waste Management	Theatres	Total	Internal Service Funds
1,434,032	2,728,407	51,688,617	519,119
(764,442)	(1,803,596)	(32,301,466)	(1,510,438)
(625,830)	(1,875,474)	(11,642,383)	-
43,760	(950,663)	7,744,768	(991,319)
-	-	2,752,801	-
-	-	937,131	-
-	300,000	300,000	-
-	-	182,301	-
-	-	(61,008)	-
-	300,000	4,111,225	-
(71,348)	(90,827)	(6,945,006)	-
-	-	1,000	-
-	-	(150,611)	-
-	-	(2,391,959)	-
-	-	(99,889)	-
-	-	(1,170,735)	-
(71,348)	(90,827)	(10,757,200)	-
69,416	40,456	863,072	208,815
-	-	98,126	-
69,416	40,456	961,198	208,815
41,828	(701,034)	2,059,991	(782,504)
5,802,330	4,139,695	73,441,233	13,587,593
5,844,158	3,438,661	75,501,224	12,805,089
(97,731)	(558,610)	(73,608)	(966,587)
4,581	71,511	7,321,670	-
24,351	(67,532)	159,941	(9)
15,968	-	448,619	-
-	-	(67,424)	-
-	6,661	(8,131)	-
(39)	(90)	(761)	-
13,204	(84,644)	(937,547)	(36,923)
-	-	(23,257)	-
-	-	3,771	-
-	-	(185,000)	-
11,938	(8,982)	117,300	-
71,488	(308,977)	989,195	-
-	-	-	12,200
141,491	(392,053)	7,818,376	(24,732)
43,760	(950,663)	7,744,768	(991,319)
-	-	175,441	-

Fiduciary Fund Financial Statement

CITY OF THOUSAND OAKS
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2011

Agency Funds

Assets:	
Cash and investments	\$ 5,366,652
Accounts receivable	34,035
Accrued interest receivable	12,683
Intergovernmental receivable	1,545
Total assets	<u>\$ 5,414,915</u>
Liabilities:	
Accounts payable	\$ 42,757
Due to other agencies	12,380
Deposits	5,359,778
Total liabilities	<u>\$ 5,414,915</u>

See accompanying notes to basic financial statements.

Notes to Basic Financial Statements

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Description of Reporting Entity

The City of Thousand Oaks (City), California, was incorporated in 1964 and is a general law city covering approximately 56 square miles. The City operates under a City Council-City Manager form of government.

The Thousand Oaks Redevelopment Agency (Agency) was established pursuant to the Community Redevelopment Law of California as modified in Part I of Division 24 of the State of California Health and Safety Code. The Agency is broadly empowered to engage in the general economic revitalization and redevelopment of the City through acquisition and development of property in those areas of the City determined to be in a declining condition.

The Thousand Oaks Public Financing Authority (Authority) was formed for the acquisition, improvement, and construction of various capital improvements, which are leased by the City. The Authority is a joint powers authority between the City and the Agency.

The Agency and the Authority are included in the accompanying financial statements. The criteria used in determining the scope of the reporting entity are based on the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14. The City is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's board, or because the component unit will provide a financial benefit or impose a financial burden on the City. The Agency and the Authority have been accounted for as "blended" component units of the City. The following specific criteria were used in determining that the Agency and the Authority were "blended" component units:

- The members of the City Council also act as the governing bodies of the Agency and the Authority.
- The Agency and the Authority are managed by employees of the City.

The City and the Agency are financially interdependent. The City makes loans to the Agency to use on redevelopment projects. Property tax revenues of the Agency are used to repay the loans from the City. The Authority issues indebtedness, which is used to purchase assets leased to the City. Lease payments from the City to the Authority are used for the Authority's debt service.

Despite being legally separate, these entities are so intertwined with the City that they are, in substance, part of the City's operations. Accordingly, the balances and transactions of these component units are reported within the funds of the City. Separate financial statements for the Agency may be obtained from the City of Thousand Oaks' Finance Department at City Hall. The City does not issue separate financial statements for the Authority.

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

The Agency's debt service and capital projects funds are reported as major governmental funds and are located within the basic financial statements section. The Authority's debt service and capital projects funds are reported as nonmajor governmental funds and are located within the combining financial statements and schedules section.

(b) Implementation of New Accounting Principles

Effective July 1, 2010, the City adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The objective of GASB Statement No. 54 is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions.

GASB Statement No. 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The initial distinction that is made in reporting fund balance information is identifying amounts that are considered *nonspendable*, such as fund balance associated with inventories. This Statement also provides for additional classification as restricted, committed, assigned, and unassigned based on the relative strength of the constraints that control how specific amounts can be spent.

GASB Statement No. 54 improves financial reporting by providing fund balance categories and classifications that will be more easily understood. Elimination of the *reserved* component of fund balance in favor of a *restricted* classification will enhance the consistency between information reported in the government-wide statements and information in the governmental fund financial statements and avoid confusion about the relationship between reserved fund balance and restricted net assets.

Effective July 1, 2010, the City adopted the provisions of GASB Statement No. 59, *Financial Instruments Omnibus*. The objective of GASB Statement No. 59 is to update and improve existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice.

GASB Statement No. 59 improves financial reporting by providing more complete information, by improving consistency of measurements, and by providing clarifications of existing standards.

(c) Government-wide and Fund Financial Statements

The government-wide financial statements consist of the statement of net assets and statement of activities, as well as, report information on all of the nonfiduciary activities of the City and its component units. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements, with the exception of interfund

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

services provided and used, which are not eliminated in the process of consolidation. All internal balances in the statement of net assets have been eliminated, with the exception of those representing balances between governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total government column. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major proprietary funds are reported as separate columns in the fund financial statements.

In accordance with GASB Statement No. 34, reconciliations of the differences between the fund and government-wide financial statements are provided on pages 28 and 31.

(d) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all assets and liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Operating statements present increases (revenues) and decreases (expenses) in total net assets. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the current financial resources measurement focus, only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources"

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

during a period. Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets regardless of their spending measurement focus. However, special reporting treatments are used to indicate that they should not be considered "available spendable resources" since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables is deferred until they become current receivables. Noncurrent portions of other long-term receivables are offset by fund balance relative to imposed constraints and classified accordingly.

Under the modified accrual basis of accounting, revenues are considered to be available when they are collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. For this purpose, the City considers property taxes and taxpayer assessed taxes, such as sales taxes and gas taxes, as available if they are collected within 60 days of the end of the fiscal year. Other revenues treated as susceptible to accrual consist of franchise taxes, special assessments, licenses, charges for services, interest, and grant revenues. Expenditures generally are recorded when a liability is incurred, except for principal and interest on general long-term liabilities and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities are reported as other financing sources.

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the City except those required to be accounted for in another fund.

The **Library Fund** provides for administration of the City's library system. Property taxes, library assistance from the State of California, and other revenues are restricted for library maintenance and operations expenditures in this fund.

The **State Gas Tax Fund** accounts for revenues derived from gasoline purchases and are restricted for the construction and maintenance of City streets and other street related projects.

The **Thousand Oaks Redevelopment Agency Debt Service Fund** is used to account for the accumulation of resources and payment of principal and interest for the Agency's project areas.

The **Thousand Oaks Redevelopment Agency Capital Projects Fund** is used to account for the financial activities of the Agency. Although the Agency is a unit of government legally distinct from the City, the City Council serves as its governing body and has continuing oversight responsibility for its operation and financial management.

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

The **Capital Improvements Fund** accounts for developer agreement funds and developer impact fees collected for road improvements, bridge improvements, and undergrounding of utilities, as well as capital facilities fees restricted for public facilities.

The City reports the following major enterprise funds:

The **Water Utility Fund** accounts for the operation of the City's water utility, a self-supporting activity, which renders services on a user-charge basis to residents and businesses located in Thousand Oaks.

The **Wastewater Utility Fund** accounts for the operation of the City's wastewater utility, a self-supporting activity, which renders services on a user-charge basis to residents and businesses located in Thousand Oaks.

The **Golf Course Fund** accounts for the operation of the Los Robles Greens Golf Course.

The **Transportation Fund** accounts for the operation of the Thousand Oaks transit system. Fare revenues and transfers from the City are recognized in this fund.

The **Solid Waste Management Fund** accounts for the solid waste management activities of the City, which includes recycling, source reduction, hazardous waste disposal, and composting.

The **Theatres Fund** accounts for the operation of the 1,800 seat Kavli Performing Arts Theatre and the 400 seat Scherr Forum Theatre. The theatres began operations in October 1994.

Additionally, the City reports the following fund types:

The **Special Revenue Funds** account for specific revenues that are legally restricted to expenditures for particular purposes.

The **Debt Service Funds** account for the accumulation of resources and payment of principal and interest of the Authority.

The **Capital Projects Funds** account for the City's equipment replacement program and other capital expenditures.

The **Internal Service Funds** account for the cost of providing general liability, workers' compensation, and vision insurance coverage.

The **Agency Funds** account for the resources held by the City in a fiduciary capacity for individuals, governmental entities, and others.

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of GASB. For proprietary fund type activities, the City has elected to apply all applicable GASB pronouncements, as well as any applicable pronouncements of the Financial Accounting Standards Board (FASB), the Accounting Principles Board (APB), or any Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The City has elected not to follow subsequent private sector guidance.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City's fiduciary funds include agency funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City currently reports the following fiduciary funds:

The **Strong Motion Instrumentation Fund** is used to collect fees from applicants for building permits that are used to regulate the statewide strong motion instrumentation program, which accumulates information needed to make homes and other structures safe from destructive earthquakes.

The **County Flood Zone Fund** is used to collect flood control fees and charges as a condition of land development in order to derive revenue to be used for certain flood control purposes.

The **Environmental Impact Reports Fund** accumulates deposits to reimburse the City for costs incurred in the preparation and/or processing of environmental review documents.

The **Planning Security Deposits Fund** accounts for deposits placed with the City as required by the Planning Commission. The deposits are performance-oriented and are refunded to the depositor upon successful completion of required services or conditions.

The **Public Works Deposits Fund** accounts for a wide variety of deposits placed with the City. Many of these deposits are performance-oriented and are refunded to the depositor upon successful completion of required services or conditions.

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

The **Conejo Coalition for Youth and Families (CCYF) Fund** is used to account for the activities of CCYF which is a joint powers agreement between the City, the Conejo Recreation and Park District, and the Conejo Valley Unified School District. The City acts as treasurer for CCYF for the contributions received from participating agencies.

The **Public Access Television Fund** accounts for money collected to promote and encourage the use of Public Access Television.

The **Law Enforcement Fund** accounts for Drug Abuse Resistance Education (DARE) donations and state drug seizure funds.

The **Thousand Oaks Plan Assist School Sites (TOPASS) Fund** is used to account for the activities of TOPASS which is a non-profit foundation. The City invests and has physical custody of the funds which were initially a donation from the City. Interest earnings on the principal are used for school improvements.

The **Conejo Open Space Conservation Agency (COSCA) Fund** is used to account for the activities of COSCA which is a joint powers agreement between the City and Conejo Recreation and Park District. The City acts as treasurer for COSCA for funds received on COSCA's behalf.

The **Miscellaneous Flow Through Fund** is used to account for miscellaneous fees collected that are passed through to other agencies.

The basic fiduciary fund financial statement can be found on page 41 of this report.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted first, and then unrestricted resources as they are needed.

(e) Fund Balance Reporting and Governmental Fund Type Definitions

As of June 30, 2011, governmental funds are made up of the following fund balance categories:

Nonspendable Fund Balance cannot be converted to cash (i.e., prepaid items and inventories of supplies) and will not be converted to cash soon enough to affect the current period.

Restricted Fund Balance has externally enforceable limitations on the use (i.e., limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments, and limitations imposed by law through constitutional provisions or enabling legislation).

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

Committed Fund Balance has self-imposed limitations on use set in place prior to the end of the fiscal year and imposed at the highest level of decision making (City Council) that requires formal action at the same level to remove.

Assigned Fund Balance has limitations resulting from intended use established by the highest level of decision making, by a body designated for that purpose, or by an official designated for that purpose (delegated by the City Council to the City Manager).

Unassigned Fund Balance is comprised of the excess of nonspendable, restricted, committed, and assigned total fund balance (i.e., residual net resources).

The accounting policies of the City consider restricted fund balance spent first when expenditure is incurred for purposes for which both restricted and unrestricted fund balance are available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

In all cases, encumbrance amounts have been assigned for specific purposes for which resources already have been allocated.

(f) Cash and Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, the City's investments are stated at fair value. As of June 30, 2011, the aggregate unrealized gain for the City's entire investment portfolio across all funds was \$297,064, with \$169,410 of that amount in the General Fund.

The City manages the cash activity of all funds daily, allowing for maximum investment of available unrestricted cash balances. In accordance with state law and the City's formal investment policy, available cash and investment balances consist primarily of collateralized and/or insured certificates of deposit, U.S. Government and Federal Agency obligations, and the State Treasurer's Local Agency Investment Fund (LAIF). LAIF operates in accordance with appropriate state laws and regulations and audit oversight by the California Bureau of Audits and the State Controller's Office. A substantial portion of the City's investments are in short-term, highly liquid instruments, with original maturities of three months or less (including \$62,636,117 of funds on deposit with LAIF). Fair value is determined annually and is based on current market prices received from the securities custodian. The fair value of participants' position in the pool is substantially the same as the value of the pool shares. The City's policy is to hold investments until maturity, or until market values equal or exceed cost.

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

For purposes of the statement of cash flows, all cash and investments held by the proprietary funds are classified as cash and cash equivalents. The proprietary funds participate in the City's pooled investments, including highly liquid investments, such as the LAIF and money market (Invesco Aim) funds.

(g) Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are reported as "interfund receivables/payables". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Property taxes attach as an enforceable lien on property as of January 1. Secured property taxes are levied on July 1 and are payable in two installments, on December 10 and April 10. The County of Ventura bills and collects property taxes on behalf of the City. Delinquent property taxes receivable as of June 30, 2011, was \$297,616.

Rebatable arbitrage earnings from the investment of tax exempt securities are treated as a reduction in investment revenue. The liability is recorded within accrued liabilities in the fund that has incurred the rebatable arbitrage. As of June 30, 2011, the City did not have a liability due.

(h) Inventories and Prepaid Items

Inventories held by enterprise funds are stated at average cost, which approximates a first-in, first-out (FIFO) basis. Inventories in the enterprise funds include various accessories used for water and wastewater service repair and maintenance. Inventories held by governmental funds are accounted for utilizing the consumption method. Inventories in the General Fund consist principally of fuel, auto parts, and other miscellaneous materials and are stated at average cost. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The inventories and prepaid items recorded in the governmental funds do not reflect current appropriable resources and therefore, an equivalent portion of fund balance is nonspendable.

(i) Restricted Cash and Investments

Some debt covenants require resources to be set aside as restricted assets to cover one annual principle and interest payment. As required, amounts are set aside in the Thousand Oaks Redevelopment Agency Debt Service Fund and Wastewater Utility Fund.

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

(j) Capital Assets

Capital assets are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Included in capital assets are land, buildings and improvements, equipment, intangibles, infrastructure, and construction in progress. City policy has set the capitalization threshold for reporting capital assets at \$5,000. Donated assets are recorded at estimated fair market value at the date of donation. Capital outlay is recorded as expenditures in the General, special revenue, and capital projects funds, and as assets in the government-wide financial statements to the extent the City's capitalization threshold is met. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings and Improvements – 20 to 50 years
Equipment – 3 to 15 years
Intangibles – 2 to 50 years
Infrastructure – 10 to 50 years

(k) Self-insurance

The City provides vision insurance under a self-insurance plan and is self-insured for workers' compensation and general liability claims below the insured limits. The City contracts with outside agencies to supervise and administer the self-insurance programs. Estimated liabilities related to outstanding workers' compensation and general liability claims (including estimates for incurred but not reported claims) are based upon actuarial valuations and are recorded in the internal service funds.

(l) Compensated Absences

Compensated absences is paid time off made available to employees in connection with accrued vacation, miscellaneous, and sick leave. Accrued sick leave is available for use only during each employee's tenure with the City, except for credit on accumulated sick leave, which is applied to an employee's service time upon retirement. The City accrues for compensated absences in the government-wide and proprietary fund statements of net assets. In prior fiscal years, the liability for compensated absences in the governmental funds has been liquidated primarily by the General Fund and the Library Fund.

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

Detail of compensated absences recorded in the government-wide statement of net assets as of June 30, 2011, is as follows.

Fund Type	Current Portion	Noncurrent Portion	Total
Governmental Activities:			
General Fund	\$ 1,701,063	\$ 2,739,666	\$ 4,440,729
Library	271,636	655,910	927,546
County Flood Control Benefit Assessment	23,542	28,592	52,134
Landscape and Lighting Districts	51,417	59,889	111,306
Redevelopment Agency	69,939	126,745	196,684
Total Governmental Activities	<u>\$ 2,117,597</u>	<u>\$ 3,610,802</u>	<u>\$ 5,728,399</u>
Business-type Activities:			
Water	175,683	351,180	526,863
Wastewater	329,214	523,943	853,157
Transportation	9,553	8,500	18,053
Solid Waste	41,100	58,449	99,549
Theatres	84,350	250,816	335,166
Total Business-type Activities	<u>\$ 639,900</u>	<u>\$ 1,192,888</u>	<u>\$ 1,832,788</u>
Total Compensated Absences	<u>\$ 2,757,497</u>	<u>\$ 4,803,690</u>	<u>\$ 7,561,187</u>

(m) Long-term Liabilities

In the government-wide and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net assets. Bond premiums, discounts, issuance costs, and gain or loss on defeasance are deferred and amortized over the life of the bonds. Bond payables are reported net of the applicable bond premiums, discounts, and gain or loss on defeasance, while bond issuance costs are reported as deferred charges.

In the fund financial statements, the governmental funds recognize bond premiums, discounts, issuance costs, and gain or loss on defeasance during the current period. The face amount of debt issued and premiums are reported as other financing sources, while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In prior fiscal years, any net pension obligation has been primarily liquidated by the General Fund. The City has not liquidated any net other postemployment benefit obligation in the past as the City reports a net other postemployment benefit asset.

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements
(Continued)

June 30, 2011

(n) Reconciliation of Government-wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net assets - governmental activities* as reported in the government-wide statement of net assets. One element of the reconciliation explains that “long-term liabilities, including compensated absences, and bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this (\$88,052,751) difference are as follows:

Tax allocation bonds payable	(\$64,340,000)
Lease Revenue bonds payable	(15,760,748)
Notes/loans payable	(1,600,000)
Compensated absences	(5,728,399)
Interest payable	<u>(623,604)</u>

Net adjustment to decrease fund balance – *total governmental funds* to arrive at *net assets – governmental activities* **(\$88,052,751)**

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of the reconciliation explains that “governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” This is the amount by which depreciation exceeded capital outlays in the current period. The details of this (\$871,083) difference are as follows:

Capital Outlay	\$12,883,975
Depreciation Expense	<u>(13,755,058)</u>

Net adjustment to decrease net *changes in fund balances – total governmental funds* to arrive at *changes in net assets of governmental activities* **(\$871,083)**

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

Another element of the reconciliation states that “the net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.” The details of this \$1,332,319 difference are as follows:

In the statement of activities, only the gain (loss) on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold. (\$203,026)

Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources. 1,535,345

Net adjustments to increase *net changes in fund balances – total governmental funds* to arrive at *changes in net assets of governmental activities* **\$1,332,319**

Another element of the reconciliation states that “the issuance of long-term debt (bonds, certificates of participation, loans payable) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$4,150,203 difference are as follows:

Tax allocation bonds principal payments \$4,320,000
Lease revenue bonds principal payments 555,000
Amortization of debt issuance costs, premiums, and discounts (724,797)

Net adjustment to increase *net changes in fund balances – total governmental funds* to arrive at *changes in net assets of governmental activities* **\$4,150,203**

Another element of the reconciliation states that “some expenses (i.e., long and short-term compensated absences and insurance) reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this \$466,988 difference are as follows:

Compensated absences \$498,459
Accrued interest (38,383)
Net change in prepaid expense 6,912

Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities* **\$466,988**

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

(o) Budgetary Data

The City is a general law city in the State of California (State) and does not legally require a budget. However, City Council biennially reviews and adopts an annual budget for the major governmental funds: General, Library, State Gas Tax, Thousand Oaks Redevelopment Agency Debt Service, Thousand Oaks Redevelopment Agency Capital Projects, and Capital Improvements. City Council also biennially reviews and adopts an annual budget for the following nonmajor governmental funds: Landscape and Lighting Districts, Traffic and Bicycle Safety, Community Facilities Districts, HOME and Community Development Block Grant, and County Flood Control Benefit Assessment funds. The Federal Asset Seizure, American Recovery and Reinvestment Act and Housing Trust special revenue funds do not have a legally adopted budget. Consistent with generally accepted accounting principles, the modified accrual basis is used during the budget process. Operating appropriations lapse at the end of each fiscal year. The budgetary level of control for all governmental fund types is the fund level. The City Manager has the discretion to transfer appropriations between departments within a fund, but changes to the total appropriation of a fund or transfers between funds must be approved by City Council.

Budgetary data is presented in the basic financial statements, pages 32-34, and combining financial statements and schedules sections, pages 98-102.

(p) Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in all governmental funds. Amounts encumbered at the end of the current fiscal year that are not included in restricted or committed fund balance shall be considered assigned and will be reported by function. Encumbrances are not included in reported expenditures.

(q) Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as well as disclosure of contingent assets and liabilities on the financial statements. Actual results could differ from those estimates.

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

(2) CASH AND INVESTMENTS

Cash and investments as of June 30, 2011, are classified in the accompanying financial statements as follows:

Statement of Net Assets:	
Cash and investments	\$ 270,183,866
Restricted cash and investments	2,775,360
Fiduciary Funds:	
Cash and investments	5,366,652
Total cash and investments	\$ 278,325,878

Cash and investments as of June 30, 2011, consist of the following:

Cash on hand	\$ 104,146
Deposits with financial institutions	73,977,975
Investments	204,243,757
Total cash and investments	\$ 278,325,878

(a) 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**, **credit risk**, and **concentration of credit risk**. This table does not address investments of debt proceeds held by bond trustee that are governed by the provision of debt agreements of the City, rather than by the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of *Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	None	N/A
U.S. Agencies	5 years	None	None
City of Thousand Oaks Debt Obligations	5 years	None	N/A
State of California Debt Obligations	5 years	None	N/A
State of California Local Agency Debt Obligations	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	10%	5%
Collateralized Certificates of Deposit	5 years	None	None
Repurchase Agreements	30 days	None	None
Medium-Term Notes	5 years	30%	10%
Mutual Funds	N/A	15%	10%
Money Market Funds	N/A	15%	None
Local Agency Investment Fund (LAIF)	N/A	None	N/A

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

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

(b) Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustee are 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. The table also identifies certain provisions of these debt agreements that address **interest rate risk, credit risk, and concentration of credit risk.**

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Allowed</u>	<u>Maximum Investment in One Issuer</u>
U.S. Treasury Obligations	None	None	N/A
U.S. Agencies	None	None	None
U.S. Dollar Denominated Deposit Accounts, Federal Funds, and Banker's Acceptances	1 year	None	None
Commercial Paper	270 days	None	None
FDIC Insured Certificates of Deposit	None	None	None
State Obligations	None	None	None
Pre-refunded Municipal Obligations	None	None	None
Money Market Funds	N/A	None	None
Investment Contracts	None	None	None
LAIF	N/A	None	N/A

(c) 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. The City manages its exposure to interest rate risk 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. The City monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. The City has no specific limitations with respect to this metric.

<u>Investment Type</u>		<u>Weighted Average Maturity (in years)</u>
U.S. Agencies – Fixed Coupons	\$ 96,338,653	3.22
U.S. Agencies – Step-Up Coupons	14,963,847	4.38
Medium Term Notes	14,147,877	0.47
LAIF	62,636,117	0.65
Money Market Funds	84	0.04
GNMA Passthrough Securities	4,486	5.07
Held by Fiscal Agent:		
Money Market Funds	879,056	0.13
U.S. Agencies – Fixed Coupons	1,303,406	1.72
LAIF	<u>13,970,231</u>	0.65
Total	<u>\$204,243,757</u>	

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

(d) 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 (Standard & Poor's). Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual rating as of year-end for each investment type:

<u>Investment Type</u>		<u>Minimum Legal Rating</u>	<u>AAA</u>	<u>AA/A</u>	<u>Unrated</u>
U.S. Agencies – Fixed Coupons	\$ 96,338,653	None	\$98,338,653		
U.S. Agencies – Step-Up Coupons	14,963,847	None	14,963,847		
Medium Term Notes	14,147,877	A	14,147,877		
LAIF	62,636,117	None			\$ 62,636,117
Money Market Funds	84	AAA/Aaa	84		
GNMA Passthrough Securities	4,486	None	4,486		
Held by Fiscal Agent:					
Money Market Funds	879,056	AAA/Aaa	1,131,557		
U.S. Agencies – Fixed Coupons*	1,303,406	AAA/Aaa	1,303,406		
LAIF	<u>13,970,231</u>	None			13,970,231
Total	<u>\$ 204,243,757</u>				

*Minimum rating required for Federal National Mortgage Association (FNMA) and Federal Home Loan Mortgage Corporation (FHLMC) only.

(e) Custodial Credit Risk

The 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 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 a failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. As of June 30, 2011, \$73,977,975 of the City's deposits or investments were exposed to custodial credit risk.

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. The market value of the pledged securities in the collateral pool must equal at least 110 percent 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 percent of the secured public deposits. As of June 30, 2011, the City had \$64,405,281 in deposits collateralized by securities held by a third party trust department.

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

The City also had \$1,432,973 in debt proceeds held by a bond trustee invested in U.S. dollar denominated deposit accounts with domestic commercial bank pursuant to the debt agreements and \$8,139,721 invested in U.S. dollar denominated deposit accounts with a domestic commercial bank pursuant to an escrow agreement.

(f) Concentration of Credit Risk

The investment policy of the City contains no 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 percent or more of total City investments are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Reported Amount</u>
Federal Home Loan Bank	Coupon Securities	\$36,364,042
Federal Home Loan Mortgage Corporation	Coupon Securities	\$14,974,788
Federal National Mortgage Association	Coupon Securities	\$51,012,255
Comerica Bank	Certificates of Deposit	\$30,000,000
Community Bank	Certificates of Deposit	\$28,000,000

(g) Investment in State Investment Pool

The City is a voluntary participant in 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 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 is recorded on an amortized cost basis.

(3) LOANS AND NOTES RECEIVABLE

The Agency engages in projects designed to improve, construct, and preserve low and moderate income housing units. Under these projects, loans are provided under favorable terms to non-profit organizations or developers who agree to comply with the Agency's terms. As of June 30, 2011, loans and notes receivable totaling \$27,678,157 are as follows:

Shadows Apartments	\$ 6,900,000
Los Feliz Drive	6,600,000
Hillcrest Drive	6,056,500
Bella Vista Apartments	4,139,200
Oak Creek Senior Villas	2,450,000
Hacienda de Feliz	600,000
Warwick Apartments	420,000
Housing Rehabilitation	372,674
Others	<u>139,783</u>
Total loans/notes receivable	<u>\$27,678,157</u>

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

Major loan projects the Agency is involved in are described as follows:

Shadows Apartments

During fiscal year 2006-07, the Agency entered into a \$6.9 million loan agreement with Shadows TC Investors for the acquisition, rehabilitation, and operation of Shadows Apartments, a 148 unit low and very-low income housing project. The outstanding balance of the loan bears interest at a rate of 3 percent per annum. The repayment on the loan shall be made from residual receipts and the Agency expects the loan to be repaid in full by April 1, 2062.

Los Feliz Drive

During fiscal year 2006-07, the Agency entered into a \$5.9 million loan agreement with Area Housing Authority of the County of Ventura for the acquisition and pre-development of a 60 unit low and very-low income housing project on five parcels located on Los Feliz Drive. During February 2010, an Owner Participation Agreement was executed and an additional \$0.7 million loan was issued to fund pre-development costs. The loan is due on September 30, 2011, unless financing is approved and construction is ready to commence by the same date, or later, upon mutual agreement.

Hillcrest Drive

During fiscal years 2006-07 and 2007-08, the Agency entered into a \$5.6 million loan agreement with Many Mansions for the acquisition and pre-development of five parcels located on Hillcrest Drive and Los Feliz Drive. The project will be developed with 60 units with an affordability level targeted to a mix of low, very low, and extremely low income families. During February 2010, the Agency issued an additional \$0.5 million one-year loan to fund pre-construction costs. The loan is due on March 30, 2012, unless financing is approved and construction is ready to commence by the same date, or later, upon mutual agreement.

Bella Vista Apartments

During fiscal year 2004-05, the Agency entered into a \$4.1 million loan agreement with Many Mansions for the acquisition, rehabilitation, and operation of Bella Vista Apartments, a 72 unit low and very-low income housing project. The outstanding balance of the loan bears interest at a rate of 3 percent per annum. The repayment on the loan shall be made from residual receipts and the Agency expects the loan to be repaid in full by June 29, 2060.

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

Oak Creek Senior Villas

During fiscal year 2004-05, the Agency entered into a \$2.4 million loan agreement with Oak Creek Housing Investors, L.P. for the development and construction of Oak Creek Senior Villas, a 57 unit low and very-low income senior housing project. The outstanding balance of the loan bears interest at a rate of 3 percent per annum. The repayment on the loan shall be made from residual receipts and the Agency expects the loan to be repaid in full by December 18, 2057.

(4) ASSETS HELD FOR RESALE

As part of Low and Moderate Income Housing Fund activities, the Agency exercises its option to acquire restricted properties for resale to preserve affordable housing units. The Agency subsequently resells the properties to income eligible homebuyers, in accordance with the affordable housing program, at below market value. As part of the Thousand Oaks Boulevard Project Area Property Acquisition Program implementation strategy, the Agency also acquires properties to create a sustainable downtown. These assets held for resale are accounted for at the lower of cost or market value in the governmental funds and an equivalent portion of fund balance is identified as nonspendable.

Pursuant to the 1989 Option Agreement between 2800 Skyline Associates and the Agency, the Agency opted to retire a \$2.2 million loan receivable, along with the accumulated interest receivable, for the return of Schillo Gardens Apartments from Conejo Valley Housing Corporation, a 501(c)(3) non-profit organization. Schillo Gardens Apartments is an affordable housing project in the City of Thousand Oaks managed by Many Mansions. On February 16, 2006, the Agency completed the transaction and recorded \$4.9 million in assets held for resale.

During January, 2010, the Agency acquired the Westside Properties, four parcels located within the downtown portion of the Thousand Oaks Redevelopment Agency Project Area on East Thousand Oaks Boulevard and Oakwood Drive. These parcels contain four small businesses operating on a month-to-month lease and generate rental revenues for the Agency. During February 2011, the Agency also acquired an adjacent vacant land parcel. When the time is appropriate, proposals for acquisition and development of the Westside Properties will be solicited. The Agency recorded \$3.9 million in assets held for resale upon acquisition.

As of June 30, 2011, assets held for resale totaling \$9.5 million consist of the Schillo Gardens Apartments for \$4.9 million, the Westside Properties for \$3.9 million, and two Park Lane Condominiums for \$0.7 million acquired during fiscal years 2005-06 through 2006-07.

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

(5) CAPITAL ASSETS

(a) Governmental Activities:

Capital assets governmental activity for the year ended June 30, 2011, was as follows:

Capital Assets Governmental Activity				
	Balance at July 1, 2010	Additions	Disposals	Balance at June 30, 2011
Capital assets, not being depreciated:				
Land	\$ 127,329,885	\$ 1,043,845	\$ 102,630	\$ 128,271,100
Intangibles	121,403	163,894	-	285,297
Construction in progress	7,570,537	6,948,621	2,697,964	11,821,194
Total	<u>135,021,825</u>	<u>8,156,360</u>	<u>2,800,594</u>	<u>140,377,591</u>
Capital assets, being depreciated:				
Buildings and improvements	162,489,641	1,194,187	-	163,683,828
Equipment	9,158,493	1,636,498	602,488	10,192,503
Intangibles	709,231	25,256	-	734,487
Infrastructure	388,004,191	6,152,140	-	394,156,331
Total	<u>560,361,556</u>	<u>9,008,081</u>	<u>602,488</u>	<u>568,767,149</u>
Less accumulated depreciation for:				
Buildings and improvements	45,394,358	3,532,739	-	48,927,097
Equipment	6,843,436	685,369	476,262	7,052,543
Intangibles	332,974	77,670	-	410,644
Infrastructure	173,880,062	9,480,607	-	183,360,669
Total	<u>226,450,830</u>	<u>13,776,385</u>	<u>476,262</u>	<u>239,750,953</u>
Total, net depreciation	<u>333,910,726</u>	<u>(4,768,304)</u>	<u>126,226</u>	<u>329,016,196</u>
Total capital assets, net	<u>\$ 468,932,551</u>	<u>\$ 3,388,056</u>	<u>\$ 2,926,820</u>	<u>\$ 469,393,787</u>

Land additions of \$1.0 million resulted primarily from the donation of 295.9 acres of open space from the Mountains Recreation and Conservation Authority.

Construction in progress additions of \$6.9 million resulted primarily from \$3.9 million for pavement overlay, \$1.1 million for the Wendy Drive/101 Freeway Interchange improvements, \$0.4 million for video system equipment, \$0.2 million for the expansion of traffic signal coordination, and \$0.2 million for the Thousand Oaks Library fire suppression system. The remaining \$1.1 million resulted from various projects such as: Erbes Road pedestrian improvements, Lynn Road bike lanes, Municipal Service Center expansion, and storm drain improvements.

Buildings and improvements additions of \$1.2 million resulted primarily from \$0.5 million for the Civic Arts Plaza security bollards and \$0.4 million for the upgrade to the City phone system. The remaining \$0.3 million resulted from various projects such as the Rancho Potrero Equestrian Center, Kelley Road storm drain improvements, and Senior Center improvements.

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

Infrastructure additions of \$6.2 million resulted primarily from \$2.1 million of road improvements, \$1.3 million for the Conejo Creek bike path, \$0.7 million for undergrounding of utilities, \$0.5 million in SR 23 Interchange landscaping, and \$0.5 million in developer donations for street signs, traffic signals, roads, sidewalks, and storm drains. The remaining \$1.1 million resulted from various projects such as the Norwegian Grade guardrail, Olsen Road widening, and replacement of corrugated pipes.

(b) Business-type Activities:

Water Fund buildings and improvements additions of \$1.9 million were primarily for installation of water meters for \$0.6 million, \$0.4 million for Ventu Park hydro/line replacement, and \$0.3 million for pump station and reservoir improvements. The additional \$0.6 million was for miscellaneous improvements to the water system, sewer utility holes, and pipes.

Wastewater Fund buildings and improvements additions of \$12.5 million were for completion of Interceptor improvements for \$6.3 million, Hill Canyon Treatment Plant (HCTP) north and south headworks for \$2.8 million, HCTP biosolids improvements for \$2.5 million, and HCTP upgrades for \$0.9 million.

Capital asset business-type activity for the year ended June 30, 2011, was as follows:

	Capital Asset Business-type Activity			
	Balance at July 1, 2010	Additions	Disposals	Balance at June 30, 2011
Water Utility Fund:				
Capital assets, not being depreciated:				
Land	\$ 2,343,423	\$ -	\$ -	\$ 2,343,423
Intangibles	45,473	-	-	45,473
Construction in progress	533,090	249,879	460,861	322,108
Total	<u>2,921,986</u>	<u>249,879</u>	<u>460,861</u>	<u>2,711,004</u>
Capital assets, being depreciated:				
Buildings and improvements	55,209,285	1,864,991	633,699	56,440,577
Equipment	890,431	-	-	890,431
Intangibles	482,291	-	-	482,291
Total	<u>56,582,007</u>	<u>1,864,991</u>	<u>633,699</u>	<u>57,813,299</u>
Less accumulated depreciation for:				
Buildings and improvements	19,722,651	1,555,668	112,192	21,166,127
Equipment	584,361	70,550	-	654,911
Intangibles	75,186	48,229	-	123,415
Total	<u>20,382,198</u>	<u>1,674,447</u>	<u>112,192</u>	<u>21,944,453</u>
Total, net depreciation	<u>36,199,809</u>	<u>190,544</u>	<u>521,507</u>	<u>35,868,846</u>
Water Utility Fund net capital assets	<u>\$ 39,121,795</u>	<u>\$ 440,423</u>	<u>\$ 982,368</u>	<u>\$ 38,579,850</u>

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

**Capital Asset Business-type Activity
(continued)**

	Balance at July 1, 2010	Additions	Disposals	Balance at June 30, 2011
<u>Wastewater Utility Fund:</u>				
Capital assets, not being depreciated:				
Land	\$ 1,463,180	\$ -	\$ -	\$ 1,463,180
Intangibles	88,065	1,800	-	89,865
Construction in progress	7,140,991	68,852	7,068,762	141,081
Total	<u>8,692,236</u>	<u>70,652</u>	<u>7,068,762</u>	<u>1,694,126</u>
Capital assets, being depreciated:				
Buildings and improvements	183,011,149	12,514,814	417,989	195,107,974
Equipment	2,449,289	117,934	140,252	2,426,971
Total	<u>185,460,438</u>	<u>12,632,748</u>	<u>558,241</u>	<u>197,534,945</u>
Less accumulated depreciation for:				
Buildings and improvements	57,201,077	4,682,126	143,202	61,740,001
Equipment	1,715,792	145,598	140,252	1,721,138
Total	<u>58,916,869</u>	<u>4,827,724</u>	<u>283,454</u>	<u>63,461,139</u>
Total, net depreciation	<u>126,543,569</u>	<u>7,805,024</u>	<u>274,787</u>	<u>134,073,806</u>
Wastewater Utility Fund net capital assets	<u>\$ 135,235,805</u>	<u>\$ 7,875,676</u>	<u>\$ 7,343,549</u>	<u>\$ 135,767,932</u>
<u>Golf Course Fund:</u>				
Capital assets, not being depreciated:				
Land	\$ 1,217,610	\$ -	\$ -	\$ 1,217,610
Construction in progress	2,263	691	-	2,954
Total	<u>1,219,873</u>	<u>691</u>	<u>-</u>	<u>1,220,564</u>
Capital assets, being depreciated:				
Buildings and improvements	10,495,253	-	-	10,495,253
Equipment	939,822	108,573	6,968	1,041,427
Total	<u>11,435,075</u>	<u>108,573</u>	<u>6,968</u>	<u>11,536,680</u>
Less accumulated depreciation for:				
Buildings and improvements	3,150,949	314,509	-	3,465,458
Equipment	589,341	180,648	6,968	763,021
Total	<u>3,740,290</u>	<u>495,157</u>	<u>6,968</u>	<u>4,228,479</u>
Total, net depreciation	<u>7,694,785</u>	<u>(386,584)</u>	<u>-</u>	<u>7,308,201</u>
Golf Course Fund net capital assets	<u>\$ 8,914,658</u>	<u>\$ (385,893)</u>	<u>\$ -</u>	<u>\$ 8,528,765</u>
<u>Transportation Fund:</u>				
Capital assets, not being depreciated:				
Construction in progress	\$ -	\$ 115,282	\$ -	\$ 115,282
Total	<u>-</u>	<u>115,282</u>	<u>-</u>	<u>115,282</u>
Capital assets, being depreciated:				
Buildings and improvements	400,074	18,862	-	418,936
Equipment	2,368,281	222,510	-	2,590,791
Total	<u>2,768,355</u>	<u>241,372</u>	<u>-</u>	<u>3,009,727</u>
Less accumulated depreciation for:				
Buildings and improvements	8,319	19,055	-	27,374
Equipment	583,222	229,195	-	812,417
Total	<u>591,541</u>	<u>248,250</u>	<u>-</u>	<u>839,791</u>
Total, net depreciation	<u>2,176,814</u>	<u>(6,878)</u>	<u>-</u>	<u>2,169,936</u>
Transportation Fund net capital assets	<u>\$ 2,176,814</u>	<u>\$ 108,404</u>	<u>\$ -</u>	<u>\$ 2,285,218</u>

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

**Capital Asset Business-type Activity
(continued)**

	Balance at July 1, 2010	Additions	Disposals	Balance at June 30, 2011
Solid Waste Management Fund:				
Capital assets, not being depreciated:				
Land	\$ 746,754	\$ -	\$ -	\$ 746,754
Construction in progress	270,091	71,348	-	341,439
Total	<u>1,016,845</u>	<u>71,348</u>	<u>-</u>	<u>1,088,193</u>
Capital assets, being depreciated:				
Buildings and improvements	156,000	-	-	156,000
Equipment	14,500	-	-	14,500
Total	<u>170,500</u>	<u>-</u>	<u>-</u>	<u>170,500</u>
Less accumulated depreciation for:				
Buildings and improvements	50,176	3,143	-	53,319
Equipment	4,314	1,438	-	5,752
Total	<u>54,490</u>	<u>4,581</u>	<u>-</u>	<u>59,071</u>
Total, net depreciation	<u>116,010</u>	<u>(4,581)</u>	<u>-</u>	<u>111,429</u>
Solid Waste Fund net capital assets	<u>\$ 1,132,855</u>	<u>\$ 66,767</u>	<u>\$ -</u>	<u>\$ 1,199,622</u>
Theatres Fund:				
Capital assets, being depreciated:				
Buildings and improvements	654,859	90,827	-	745,686
Equipment	491,715	-	-	491,715
Total	<u>1,146,574</u>	<u>90,827</u>	<u>-</u>	<u>1,237,401</u>
Less accumulated depreciation for:				
Buildings and improvements	150,944	46,986	-	197,930
Equipment	245,906	24,525	-	270,431
Total	<u>396,850</u>	<u>71,511</u>	<u>-</u>	<u>468,361</u>
Total, net depreciation	<u>749,724</u>	<u>19,316</u>	<u>-</u>	<u>769,040</u>
Theatres Fund net capital assets	<u>\$ 749,724</u>	<u>\$ 19,316</u>	<u>\$ -</u>	<u>\$ 769,040</u>
Total capital assets, net	<u>\$ 187,331,651</u>	<u>\$ 8,124,693</u>	<u>\$ 8,325,917</u>	<u>\$ 187,130,427</u>

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

(c) Depreciation Expense

Depreciation expense charged to functions/programs of the primary government as of June 30, 2011, was as follows:

Governmental activities:	
General government	\$ 1,598,269
Public safety	325,588
Transportation	9,834,607
Community development	253,942
Culture and leisure	1,763,979
Total depreciation expense - governmental activities	<u>\$ 13,776,385</u>
Business-type activities:	
Water	\$ 1,674,447
Wastewater	4,827,724
Golf Course	495,157
Transportation	248,250
Solid Waste Management	4,581
Theatres	71,511
Total depreciation expense - business-type activities	<u>\$ 7,321,670</u>

(d) Construction and Significant Commitments

As of June 30, 2011, the City had three material construction commitments evidenced by contractual commitments with contractors: 1) \$4.4 million (\$2.3 million spent to date) for 101/23 Freeways Interchange improvements design work, funded by federal grant revenue including American Recovery and Reinvestment Act (ARRA) grants, 2) \$2.7 million (\$1.8 million spent to date) for citywide pavement overlay projects, funded by State Gas Tax revenue, ARRA grants, Thousand Oaks Redevelopment Agency funds, and Thousand Oaks Road Improvement Developer Fee revenue, and 3) \$1.6 million (\$0.1 million spent to date) for 401/403 Hillcrest Drive solar panels installation, funded by General Fund reserves and ARRA grants.

On March 8, 2011, the Agency approved a funding agreement with the Thousand Oaks Auto Mall Association in the amount of \$8.6 million to construct and finance public improvements pursuant to the Auto Mall specific plan approved by City Council on December 14, 2010. As part of the agreement, the Agency placed \$1.5 million in an escrow account to provide for a portion of future public improvements, as well as \$6.6 million to provide financing for the Auto Mall Association's cost of infrastructure improvements.

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements
(Continued)

June 30, 2011

(6) INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

(a) Interfund Receivables and Payables

Total interfund receivables and payables as of June 30, 2011, are as follows:

<u>Receivable Fund:</u>	<u>Payable Fund:</u>	<u>Purpose</u>	<u>Amount</u>
General	Golf Course	Internal loan	\$ 3,330,000
	Capital Improvement	Interest due	8
	Other governmental	Advance payments	1,888,309
Total Interfund Receivables/Payables			<u>\$ 5,218,317</u>

Interfund receivable/payable of \$3,330,000 between the Golf Course Fund and General Fund will be paid as follows:

On February 1, 2005, the Los Robles Golf Course Fund borrowed \$4,290,000 from the General Fund to redeem in full all outstanding 1999 Los Robles Golf Course Lease Revenue Bonds. The Golf Course loan is properly recorded as an interfund payable in the proprietary funds and as an interfund receivable in the General Fund. Annual loan payments ranging from \$135,000 to \$330,000 are due June 30 of each year starting 2006 through 2024. An initial interest rate of 2.9 percent due June 30 of each year starting 2005 was adjusted on July 1, 2010, to 3.58 percent, and each five years thereafter to ½ of one percent greater than the City's investment portfolio monthly yield. As of June 30, 2011, \$3,330,000 was outstanding.

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

(b) Interfund Transfers

The following interfund transfers are reflected in the fund financial statements for governmental and proprietary funds for the year ended June 30, 2011:

From Fund:	To Fund:	Purpose	Amount
General	Library	Library subsidy	\$ 818,927
General	Other governmental funds	COP debt service payment	1,157,074
RDA capital*	RDA debt*	Debt service transfer	2,529,900
RDA capital	Other governmental funds	Housing trust fund funding requirement	560,000
State Gas Tax	General	Reimbursement for engineering expenditures	961,025
Other governmental funds	General	Reimbursement for traffic enforcement expenditures and reimbursement of administrative costs	586,438
Capital Improvement	Transportation	Transportation subsidy	182,301
Capital Improvement	General	Reimbursement for engineering expenditures, Library facility transfer and Police facility transfer	271,831
Capital Improvement	Other governmental funds	Reimbursement for signal maintenance	212,850
Golf Course	Other governmental funds	Non-resident fee transfer to Open Space Fund	61,008
Total Transfers In/Out			<u>\$ 7,341,354</u>

* Low & Moderate Income Housing Capital Projects and Debt Service Funds

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

(7) FUND BALANCES FOR GOVERNMENTAL FUNDS

Fund balances as of June 30, 2011, for the governmental funds are categorized as nonspendable, restricted, committed, assigned or unassigned for the following purposes:

	Major Funds						Total Other Governmental Funds	Total Governmental Funds
	General Fund	Library Fund	State Gas Tax Fund	TO RDA		Capital Improvements Fund		
				TO RDA Debt Service Fund	TO RDA Capital Projects Fund			
Fund Balances:								
Nonspendable:								
Inventories	\$ 386,487	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 386,487	
Assets held for resale	-	-	-	-	9,454,786	-	9,454,786	
Subtotal	386,487	-	-	-	9,454,786	-	9,841,273	
Restricted for:								
Capital projects	-	-	14,769,601	-	271,963	17,839,576	33,524,971	
Debt service	-	-	-	-	-	998	998	
Housing & community dev.	-	-	-	-	7,514,097	-	8,533,074	
Law enforcement	-	-	-	-	-	241,639	241,639	
RDA debt service reserve	-	-	-	16,173,960	-	-	16,173,960	
Special assessment districts	-	-	-	-	-	7,337,210	7,337,210	
Subtotal	-	-	14,769,601	16,173,960	7,786,060	17,839,576	65,811,852	
Committed to:								
Capital projects	4,092,800	-	-	-	14,829,106	-	20,366,158	
Grant endowments	8,000,000	-	-	-	-	-	8,000,000	
Emergency reserve	4,572,390	-	-	-	-	-	4,572,390	
Working capital reserve	13,717,170	-	-	-	-	-	13,717,170	
Subtotal	30,382,360	-	-	-	14,829,106	-	46,655,718	
Assigned to:								
Equipment replacement	-	-	-	-	-	11,096,072	11,096,072	
Capital projects	-	-	-	-	-	6,939,900	6,939,900	
Compensated absences	5,570,000	-	-	-	-	-	5,570,000	
Continuing appropriations	15,609,531	-	-	-	-	-	15,609,531	
Encumbrances	2,906,423	-	-	-	-	-	2,906,423	
Legal contingency	2,500,000	-	-	-	-	-	2,500,000	
Loans and notes receivable	6,385,269	-	-	-	-	49,578	6,434,847	
Public bldg replacement/mtnc	15,000,000	-	-	-	-	-	15,000,000	
Subtotal	47,971,223	-	-	-	-	6,939,900	66,056,773	
Unassigned:	75,762	-	-	-	-	(383,659)	(307,897)	
Total fund balances	\$78,815,832	\$ -	\$14,769,601	\$16,173,960	\$32,069,952	\$24,779,476	\$ 188,057,719	

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

(8) LONG-TERM LIABILITIES

The following is a summary of changes in the City's long-term liabilities for the year ended June 30, 2011:

	Balance at July 1, 2010	Additions	Disposals	Balance at June 30, 2011	Due Within One Year
Governmental Activities					
Claims payable (1)	\$ 2,277,500	\$ 1,226,979	\$ 1,214,779	\$ 2,289,700	\$ 845,340
Compensated absences (1)	6,226,858	4,146,698	4,645,157	5,728,399	2,117,597
Matured unpaid interest (2)	249,468	48,000	-	297,468	-
Notes/loans payable	1,600,000	-	-	1,600,000	-
Tax allocation bonds payable	68,660,000	-	4,320,000	64,340,000	4,505,000
Lease revenue bonds (3)	16,311,498	10,308	561,058	15,760,748	500,750
Total	\$ 95,325,324	\$ 5,431,985	\$ 10,740,994	\$ 90,016,315	\$ 7,968,687
Business-type Activities:					
Water Utility Fund:					
Compensated absences (1)	\$ 473,752	\$ 494,943	\$ 441,832	\$ 526,863	\$ 175,683
Wastewater Utility Fund:					
Compensated absences (1)	792,483	565,423	504,749	853,157	329,214
Notes/loans payable	23,255,132	-	1,559,471	21,695,661	1,601,215
Revenue refunding bonds (4)	12,228,823	272,134	1,104,622	11,396,335	1,119,622
Golf Course Fund:					
Capital lease payable	317,047	62,071	161,960	217,158	107,561
Transportation Fund:					
Compensated absences (1)	17,494	5,209	4,650	18,053	9,553
Solid Waste Management Fund:					
Compensated absences (1)	87,611	111,251	99,313	99,549	41,100
Theatres Fund:					
Compensated absences (1)	344,148	74,722	83,704	335,166	84,350
Total	\$ 37,516,490	\$ 1,585,753	\$ 3,960,301	\$ 35,141,942	\$ 3,468,298

- (1) Refer to note 11 for additional detail of insurance claims payable and note 1(l) for additional detail of compensated absences.
- (2) The matured unpaid interest for the \$1.6 million HELP Loan will not be paid until fiscal year 2014-15, therefore it is noncurrent and no proceeds of long-term debt are recorded in the fund-level financial statements. Refer to note 8(c) for additional detail.
- (3) Lease revenue bonds of \$15,760,748 consist of par amount of \$16,405,000 and unamortized capitalized issue premium of \$127,209, net of unamortized capitalized loss on defeasance of \$216,461 and cumulative principal payments of \$555,000.
- (4) Revenue refunding bonds of \$11,396,335 consist of par amount of \$11,690,000 and unamortized capitalized issue premium of \$726,335, net of principal payments of \$1,020,000.

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

(a) Governmental Activities – Tax Allocation Bonds Payable

2005 Tax Allocation Refunding Bonds

On December 22, 2005, the Agency issued \$56,215,000 Thousand Oaks Boulevard Redevelopment Project 2005 Tax Allocation Refunding Bonds, Series A and Series B. The Series A bond proceeds were used to redeem the Agency's 1995 Tax Allocation Refunding Bonds totaling \$42,415,000. The purpose of the Series B bonds is to finance projects to implement the Thousand Oaks Boulevard Redevelopment Plan. These bonds are special obligations of the Agency and are secured by pledged tax revenues. For the current fiscal year, principal and interest paid and total tax increment revenues were \$4,999,600 and \$14,714,106, respectively. The bonds mature annually in amounts ranging from \$1,105,000 on December 1, 2006, to \$4,885,000 in 2021. Interest on the bonds is payable on June 1 and December 1 of each year, with interest rates ranging from 4 percent to 5.25 percent. As of June 30, 2011, \$43,655,000 was outstanding.

2005 Housing Tax Allocation Refunding Bonds

On December 22, 2005, the Agency issued \$21,500,000 Low and Moderate Redevelopment Project 2005 Housing Tax Allocation Refunding Bonds, Series A and Series B. The Series A bond proceeds were used to redeem the Agency's 1998 Housing Tax Allocation Bonds totaling \$10,205,000. The purpose of the Series B bonds is to finance additional low and moderate income housing projects. These bonds are special obligations of the Agency and are secured by pledged tax revenues. For the current fiscal year, principal and interest paid and total tax increment revenues were \$1,997,791 and \$4,160,191, respectively. The bonds mature annually in amounts ranging from \$1,035,000 on December 1, 2007, to \$1,950,000 in 2021. Interest on the bonds is payable on June 1 and December 1 of each year, with interest rates ranging from 3.5 percent to 5.375 percent. As of June 30, 2011, \$17,085,000 was outstanding.

2002 Tax Allocation Refunding Bonds

On February 6, 2002, the Agency issued \$4,295,000 Newbury Road Redevelopment Project 2002 Tax Allocation Refunding Bonds. The bond proceeds were used to redeem the Agency's 1992 Tax Allocation Bonds totaling \$2,065,000. The purpose of the remaining proceeds is to finance projects to implement the Newbury Road Redevelopment Plan. These bonds are special obligations of the Agency and are secured by pledged tax revenues. For the current fiscal year, principal and interest paid and total tax increment revenues were \$292,090 and \$1,926,657, respectively. The bonds mature annually in amounts ranging from \$40,000 on April 1, 2003, to \$275,000 in 2032. Interest on the bonds is payable on April 1 and October 1 of each year, with interest rates ranging from 2.5 percent to 5.5 percent. As of June 30, 2011, \$3,600,000 was outstanding.

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

Future Debt Payments – Tax Allocation Bonds

As of June 30, 2011, the total future debt payments for the tax allocation bonds, including interest thereon, are as follows:

Year Ending June 30,	Tax Allocation Bonds		
	Principal	Interest	Total
2012	\$ 4,505,000	\$ 2,782,209	\$ 7,287,209
2013	4,700,000	2,586,375	7,286,375
2014	4,905,000	2,381,643	7,286,643
2015	5,120,000	2,167,219	7,287,219
2016	5,345,000	1,941,904	7,286,904
2017-2021	30,575,000	5,851,864	36,426,864
2022-2026	7,735,000	711,816	8,446,816
2027-2031	1,180,000	277,200	1,457,200
2032	275,000	15,125	290,125
Total	<u>\$ 64,340,000</u>	<u>\$ 18,715,355</u>	<u>\$ 83,055,355</u>

(b) Governmental Activities – Lease Revenue Bonds

Thousand Oaks Public Financing Authority – 2010 Refunding Lease Revenue Bonds

On June 29, 2010, the Authority issued \$16,405,000 2010 Refunding Lease Revenue Bonds. The purpose of the bonds is to redeem the Authority's 2002 Refunding Certificates of Participation and provide reserves for the 2010 bondholder payments. These bonds are payable solely from and secured by a pledge of revenues consisting primarily of lease payments to be made by the City pursuant to a lease agreement. The bonds mature annually in amounts ranging from \$555,000 on June 1, 2011, to \$1,105,000 in 2032. Interest on the bonds is payable on June 1 and December 1 of each year, with interest rates ranging from 2 percent to 5 percent. As of June 30, 2011, \$15,850,000 was outstanding.

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

Future Debt Payments – Refunding Lease Revenue Bonds

As of June 30, 2011, the total future debt payments for the 2010 Refunding Lease Revenue Bonds, including interest thereon, are as follows:

Year Ending June 30,	2010 Refunding Lease Revenue Bonds		
	Principal	Interest	Total
2012	\$ 505,000	\$ 652,463	\$ 1,157,463
2013	520,000	637,313	1,157,313
2014	535,000	621,713	1,156,713
2015	560,000	600,313	1,160,313
2016	580,000	577,913	1,157,913
2017-2021	3,255,000	2,524,363	5,779,363
2022-2026	3,940,000	1,837,088	5,777,088
2027-2031	4,850,000	931,494	5,781,494
2032	1,105,000	51,106	1,156,106
Total	<u>\$ 15,850,000</u>	<u>\$ 8,433,766</u>	<u>\$ 24,283,766</u>

(c) Governmental Activities – Notes/Loans Payable

California Housing Finance Agency HELP Loan

On April 20, 2005, the Agency received \$1.6 million HELP Loan from the State of California, and the funds were loaned to Many Mansions for the acquisition of the Bella Vista Apartments, a 72 unit low and very-low income housing project. Principal and 3 percent per annum simple interest are due on April 20, 2015. As of June 30, 2011, outstanding principal and accrued interest totaled \$1.6 million and \$0.3 million, respectively.

(d) Business-type Activities – Notes/Loans Payable

State of California – 1999 State Water Resources Control Board

On March 12, 1999, the State Water Resources Control Board (SWRCB) authorized a State of California loan to the City. The purpose of the loan is for operational improvements to the Hill Canyon Wastewater Treatment Plant (HCTP) to comply with all waste discharge requirements and to prepare for the capacity expansion of the HCTP. On October 5, 1999, the City borrowed \$2,355,514. The interest rate on the loan is 2.4 percent and the loan is to be repaid in twenty equal installments (principal and interest) each June 15 beginning 2000 through 2019, with the exception of 2002. As of June 30, 2011, \$1,070,341 was outstanding.

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

State of California – 2000 State Water Resources Control Board

On January 11, 2000, the SWRCB authorized a State of California loan to the City. The purpose of the loan is for operational improvements to the HCTP to comply with all waste discharge requirements and to prepare for the capacity expansion of the HCTP. In fiscal year 2000-01, the City borrowed \$20,100,000 and in fiscal year 2001-02, the City borrowed an additional \$8,751,032. During fiscal year 2002-03, the City borrowed an additional \$976,474 that resulted in a total state loan of \$29,827,506. The interest rate on the loan is 2.7 percent. Accrued interest accumulated during construction, in the amount of \$1,308,946, was transferred to the principal balance increasing the total amount owed to the state to \$31,136,452. The loan is to be repaid in twenty annual installments (principal and interest) beginning in fiscal year 2003-04. As of June 30, 2011, \$20,625,320 was outstanding.

Future Debt Payments – 1999-2000 State Water Resources Control Board Loan Payable

As of June 30, 2011, the total future debt payments for the SWRCB loan payable, including interest thereon, are as follows:

Year Ending June 30,	1999 SWRCB Loan			2000 SWRCB Loan		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 123,039	\$ 25,618	\$ 148,657	\$ 1,478,247	\$ 556,884	\$ 2,035,131
2013	125,922	22,735	148,657	1,518,159	516,971	2,035,130
2014	128,944	19,713	148,657	1,559,150	475,981	2,035,131
2015	132,038	16,619	148,657	1,601,247	433,884	2,035,131
2016	135,244	13,413	148,657	1,644,480	390,650	2,035,130
2017-2021	425,154	20,563	445,717	8,912,882	1,262,768	10,175,650
2022-2026	-	-	-	3,911,155	159,105	4,070,260
Total	<u>\$1,070,341</u>	<u>\$ 118,661</u>	<u>\$1,189,002</u>	<u>\$ 20,625,320</u>	<u>\$ 3,796,243</u>	<u>\$ 24,421,563</u>

(e) Business-type Activities – Revenue Refunding Bonds

2010 Wastewater Revenue Refunding Bonds

On January 28, 2010, the City issued \$11,690,000 revenue refunding bonds. The purpose of the bonds is to redeem the City's 1998 Wastewater System Certificates of Participation and provide reserves for the 2010 Bondholder payments. These bonds are payable from and secured solely by net revenues derived from the operation of the City's wastewater system. The bonds mature annually in amounts ranging from \$1,020,000 on October 1, 2010, to \$1,370,000 in fiscal year 2019-20. Interest on the bonds is payable on April 1 and October 1 of each year, with interest rates ranging from 1.5 percent to 5 percent. As of June 30, 2011, amounts outstanding with and without amortized premiums were \$11,396,335 and \$10,670,000, respectively.

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

Future Debt Payments – 2010 Wastewater Revenue Refunding Bonds

As of June 30, 2011, the total future debt payments for the 2010 Wastewater Revenue Refunding Bonds, including interest thereon, are as follows:

Year Ending June 30,	2010 Wastewater Revenue Refunding Bonds		
	Principal	Interest	Total
2012	\$ 1,035,000	\$ 359,463	\$ 1,394,463
2013	1,065,000	333,138	1,398,138
2014	1,090,000	306,263	1,396,263
2015	1,115,000	281,425	1,396,425
2016	1,160,000	238,488	1,398,488
2017-2020	5,205,000	378,819	5,583,819
Total	<u>\$ 10,670,000</u>	<u>\$ 1,897,596</u>	<u>\$ 12,567,596</u>

(f) Business-type Activities Capital Lease Payable

Effective January 1, 2007, the Golf Course Fund entered into a management agreement with Evergreen Alliance Golf LLP (EAGL), which included capital lease obligations for equipment. As of June 30, 2011, lease agreements covering Toro equipment package, golf carts, Prolink Prostar GPS, John Deere tractor, a Club Car Café Express beverage cart, and a rotary mower and six utility carts totaled \$798,849. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the lease inception date.

The assets acquired through capital leases are as follows:

Year Ending June 30, 2011	Golf Course
Asset:	
Toro equipment package	\$ 297,958
Golf carts	227,946
Prolink Prostar GPS	185,671
John Deere tractor	12,805
Club Car Café Express beverage cart	12,398
Rotary mower & six utility carts	62,071
Less: Accumulated depreciation	(598,061)
Total	<u>\$ 200,788</u>

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2011, were as follows:

<u>Year Ending June 30,</u>	<u>Golf Course</u>
2012	\$ 125,629
2013	69,806
2014	49,212
Total minimum lease payments	<u>244,647</u>
Less: Interest	<u>(27,489)</u>
Present value of minimum lease payments	<u>\$ 217,158</u>

The \$16,369 difference between the \$200,788 net book value of the assets and the \$217,158 present value of the capital lease obligation is due to the timing difference between straight line depreciation and scheduled lease payments. The depreciation schedule adopted matches the useful lives of the assets to the remaining term of the lease obligation.

(9) NON-OBLIGATORY DEBT

(a) Assessment Debt

There are various special assessment districts in the City that have issued special assessment debt. Mello-Roos Bonds have been issued for improvements in these special assessment districts. The bonds are liabilities of the property owners and are secured by liens against the assessed property. The City acts merely as the fiscal agent for the collection of principal and interest payments from the property owners, disbursement of such monies to the bondholders and, if appropriate, beginning foreclosures. As such, these bonds in the outstanding amount of \$31,838,492 at June 30, 2011, are not considered obligations of the City and are not reflected in the accompanying basic financial statements.

(b) Multifamily Housing Mortgage Revenue Bonds

Multifamily Housing Mortgage Revenue Bonds provide financing for multifamily rental projects. The bonds are secured by payments made by the project owner and by the underlying property. The bonds are also secured by third-party guarantees for the unequivocal and timely payment of the principal and interest on the bonds.

Multifamily Housing Mortgage Revenue Bonds in the outstanding amount of \$11,654,979 at June 30, 2011, are not considered obligations of the City and are not reflected in the accompanying basic financial statements.

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

(10) NET ASSETS – GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES

The government-wide statement of net assets on page 23 includes three equity categories: net assets invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The category “invested in capital assets, net of related debt” presents the City’s equity interest in capital assets less outstanding principal of related debt. The category “restricted net assets” is designed to reflect net assets that are subject to restrictions beyond the City’s control (externally imposed or imposed by law). The category “unrestricted net assets” equals any remaining balance and can be subdivided into designated and undesignated portions. Designations reflect the City’s self-imposed limitations on the use of otherwise available current financial resources. Detail of the three categories is as follows:

**GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES - NET ASSETS
AS OF JUNE 30, 2011**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
Net assets:			
Invested in capital assets, net of related debt:			
Total capital assets, net of depreciation	\$ 469,393,787	\$ 187,130,427	\$ 656,524,214
Total capital related debt	<u>(32,425,350)</u>	<u>(33,309,154)</u>	<u>(65,734,504)</u>
Invested in capital assets, net of related debt	<u>436,968,437</u>	<u>153,821,273</u>	<u>590,789,710</u>
 Restricted for:			
Street related purposes	35,574,533	-	35,574,533
Assessment districts	7,199,527	-	7,199,527
Culture and leisure	368,888	-	368,888
Community development	2,243,985	-	2,243,985
Debt service	293,475	2,196,556	2,490,031
Public safety	827,916	-	827,916
Total restricted	<u>46,508,324</u>	<u>2,196,556</u>	<u>48,704,880</u>
 Unrestricted, designated for:			
Capital improvement projects	6,939,900	-	6,939,900
Fixed asset replacement equipment	11,145,650	-	11,145,650
Community recreation and open space	1,444,252	-	1,444,252
Internal service funds	9,292,349	-	9,292,349
General fund, reserved*	9,678,179	-	9,678,179
General fund, contingencies	43,794,601	-	43,794,601
General fund, capital projects	20,373,698	-	20,373,698
Redevelopment agency deficit	905,807	-	905,807
Other post employment benefits	4,240,982	-	4,240,982
Business-type activity purposes	-	68,823,038	68,823,038
Total unrestricted	<u>107,815,418</u>	<u>68,823,038</u>	<u>176,638,456</u>
Total net assets	<u>\$ 591,292,179</u>	<u>\$ 224,840,867</u>	<u>\$ 816,133,046</u>

* Reserved for encumbrances, inventories, and receivables.

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

(11) RISK MANAGEMENT

The City maintains self-insurance programs for general liability, workers' compensation, and vision claims. The City contracts with an actuarial consultant to calculate estimated reserve requirements for general liability and workers' compensation claims on an annual basis. The actuarially determined liabilities at June 30, 2011, were \$622,900 for general liability and \$1,666,800 for workers' compensation, which included estimates for incurred, but not reported, claims. No liability has been accrued for vision claims, as any accrued claims are deemed immaterial. Liability insurance has been purchased for general liability claims in excess of \$1,000,000 per occurrence to a maximum of \$20,000,000. A workers' compensation policy has been purchased for claims in excess of \$500,000. The coverage is statutory. A reserve has been accumulated in the Vision Insurance Fund equal to one year of claims experience.

All applicable funds of the City participate in the workers' compensation, general liability, and vision insurance programs and make payments to the respective internal service funds based upon loss experience and exposure.

The claims liability (claims payable) reported at June 30, 2011, is in compliance with the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. There were no claims paid in the previous three fiscal years that exceeded insurance coverage limits.

Changes in the General Liability and Workers' Compensation Funds aggregate undiscounted outstanding claims liability for fiscal years 2010-11 and 2009-10 and are presented as follows:

2010-11	Claims Payable Balance July 1, 2010	Current Fiscal Year Claims & Changes in Estimates	Current Fiscal Year Claims Payments	Claims Payable Balance June 30, 2011
General Liability	\$ 540,000	\$ 678,098	\$ (595,198)	\$ 622,900
Workers' Compensation	1,737,500	548,881	(619,581)	1,666,800
Total	<u>\$ 2,277,500</u>	<u>\$ 1,226,979</u>	<u>\$ (1,214,779)</u>	<u>\$ 2,289,700</u>

2009-10	Claims Payable Balance July 1, 2009	Current Fiscal Year Claims & Changes in Estimates	Current Fiscal Year Claims Payments	Claims Payable Balance June 30, 2010
General Liability	\$ 150,500	\$ 992,798	\$ (603,298)	\$ 540,000
Workers' Compensation	1,779,200	420,701	(462,401)	1,737,500
Total	<u>\$ 1,929,700</u>	<u>\$ 1,413,499</u>	<u>\$ (1,065,699)</u>	<u>\$ 2,277,500</u>

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

(12) JOINTLY GOVERNED ORGANIZATION

(a) Conejo Open Space Conservation Agency (COSCA)

In 1977, the City entered into a Joint Powers Agreement with the Conejo Recreation and Park District (CRPD) to form COSCA. The Agency is governed by a five-member board consisting of two City Council members, two CRPD members, and one private citizen of the City. Expenses of COSCA are shared equally between the City and CRPD. The City is responsible for the fiscal management of COSCA activities. The City has an equity interest in COSCA of fifty percent. The equity interest has been recorded in capital assets in the statement of net assets, because the amount is material to the City. Separate audited financial statements for COSCA are available from the City of Thousand Oaks' Finance Department.

Financial information for COSCA for the year ended June 30, 2011, is as follows:

	Joint Venture	City Portion
Total assets	\$ 68,148,163	\$ 34,074,082
Total liabilities	44,674	22,337
Net assets:		
Investment in capital assets	67,188,889	33,594,445
Unrestricted net assets	914,600	457,300
Total net assets, June 30, 2011	\$ 68,103,489	\$ 34,051,745
Total revenues	3,434,568	1,717,284
Total expenses	(1,241,581)	(620,791)
Changes in net assets	\$ 2,192,987	\$ 1,096,493

(b) Ventura Council of Governments (VCOG)

The City is a member of VCOG, which is a voluntary joint powers authority representing the ten cities of Ventura County as well as the County. VCOG's goal is to facilitate cooperative sub-regional and regional planning, coordination, and technical assistance on issues of mutual concern. The governing body consists of a member and an alternate appointed by each City and the County of Ventura Board of Supervisors. In addition, VCOG provides a regional platform for the review of federal and state projects, which involves the use of federal and/or state funds in various forms.

Financial information for VCOG is available from the City of Camarillo's Finance Department.

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

(c) Conejo Coalition for Youth and Families (CCYF)

The City is a member of CCYF, formerly known as the Conejo Substance Abuse Prevention Authority (CSAPA). CCYF is comprised of the City, the Conejo Recreation and Park District, and the Conejo Valley Unified School District. The board of directors consists of one elected representative, one elected alternate appointed by the governing body of each participating agency, and an at large member of the CCYF Advisory Council appointed by the government agency representatives. The purpose of CCYF is to encourage, facilitate, and support activities and programs to strengthen youth and their families by working collaboratively with youth, parents, and community organizations. On October 14, 2008, the CCYF Board unanimously passed a motion to dissolve the Joint Powers Agreement and, as of June 30, 2011, all remaining CCYF funds were distributed to its members.

Financial information for CCYF can be found in the Combining Financial Statements for Agency Funds on pages 106-111.

(d) California Statewide Communities Development Authority (CSCDA)

The City is a member of the CSCDA which is a joint powers authority sponsored by the California State Association of Counties and the League of California Cities. The mission of CSCDA is to “provide local governments and private entities access to low-cost, tax-exempt financing for projects that provide a tangible public benefit, contribute to social and economic growth and improve the overall quality of life in local communities throughout California.”

Financial information for CSCDA can be found at www.cacommunities.org.

(13) RETIREMENT PLANS

(a) California Public Employees’ Retirement System (CalPERS)

Plan Description – Full Time Employees

The City contributes to CalPERS, an agent multiple-employer defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Separate financial statements for CalPERS may be obtained by contacting CalPERS at CalPERS, Lincoln Plaza North, 400 Q Street, Sacramento, California 95811 or by visiting the CalPERS website at www.calpers.ca.gov. Benefit provisions and all other requirements are established by state statute and City ordinance. The City’s payroll for employees covered by CalPERS for the year ended June 30, 2011, was \$31,408,533 out of total payroll of \$36,016,122.

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements *(Continued)*

June 30, 2011

All full-time City employees are eligible to participate in CalPERS, with benefits vesting after 5 years of service. Members who retire at age 50 with at least 5 years of credited service are entitled to an annual retirement benefit, payable monthly for life, equal to the product of the benefit factor, years of service, and final compensation. The years of service is the amount credited by CalPERS to a member while he or she is employed in the group. The benefit factor comes from the 2% at 55 Miscellaneous benefit factor table and depends on the member's age at retirement. The factors range from 1.426% at age 50 to 2.418% at age 63 and up. Final compensation for members is the monthly average of the member's highest 12 consecutive months' full-time equivalent monthly pay.

Funding Policy – Full Time Employees

Participants are required to contribute 7 percent of their annual covered salary as established by state statute. The City makes the contributions required by CalPERS on behalf of its employees. The City is required to contribute at an actuarially determined rate of annual covered payroll for non-safety employees. The City does not have a required contribution for safety employees, since the City contracts for police services, and the Ventura County Fire Protection District provides fire services. The rate from July 1, 2010 to June 30, 2011, was 12.031 percent. The actual rate for fiscal year 2011-12 is 13.849 percent, and the projected rate for fiscal year 2012-13 is 14.749 percent.

Annual Pension Cost – Full Time Employees

For fiscal year 2010-11, the City's annual pension cost and actual contribution was \$3,778,761. The required contribution for fiscal year 2010-11 was determined as part of the June 30, 2008, actuarial valuation using the Entry Age Normal Cost Method in which projected benefits are determined for all members and the associated liabilities are spread in a manner that produces level annual cost as a percent of pay in each year from the age of hire to the assumed retirement age. The actuarial assumptions included (a) 7.75 percent investment rate of return (net of administrative expenses) compounded annually, (b) projected salary growth that varies depending on entry age, duration of service, and type of employment, ranging from 3.25 percent to 14.45 percent for non-safety employees, and (c) overall payroll growth of 3.25 percent compounded annually. All three, (a), (b), and (c) include an inflation component of 3.0 percent compounded annually. The actuarial value of the City's assets was determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a fifteen year period. The City's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period as of the most recent actuarial valuation as of June 30, 2010, is estimated at twenty-two years.

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

Three-year Trend Information – Full Time Employees

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2008-09	\$ 3,940,808	100%	-
2009-10	\$ 3,916,676	100%	-
2010-11	\$ 3,778,761	100%	-

Funded Status and Funding Progress – Full Time Employees

As of the most recent actuarial valuation date of June 30, 2010, the plan was 83.6 percent funded. The actuarial accrued liability for benefits was \$198,773,625, and the actuarial value of assets was \$166,131,243, resulting in an unfunded actuarial accrued liability (UAAL) of \$32,642,382. The covered payroll (annual payroll of active employees covered by the plan) was \$32,544,468, and the ratio of the UAAL to the covered payroll was 100.3 percent.

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The RSI can be found on page 91.

(b) City of Thousand Oaks Defined Benefit Pension Plan

Plan Description – Part Time Employees

Effective January 1, 1992, hourly and part-time employees became eligible to participate in the City of Thousand Oaks' single-employer defined benefit pension plan. City Council approved establishment of this defined benefit pension plan. The Finance Director works with the Plan Administrator to amend the plan as a result of changes in federal law. The City contracts for administration services with Aon Hewitt and contracts for investment services with City National Investments for the plan. Separate financial statements for Aon Hewitt may be obtained by contacting them at Aon Hewitt, 707 Wilshire Boulevard, Suite 2600, Los Angeles, CA 90017. Separate financial statements for City National Investments may be obtained by contacting them at City National Corporation, City National Plaza, 555 South Flower Street, Los Angeles, CA 90071. The City's payroll for employees covered by the plan was \$2,178,953 for the year ended December 31, 2010.

The plan is a career average retirement plan that provides eligible employees retirement benefits equal to 2 percent of compensation earned after implementation of the plan for the last 30 years of employment. The plan vests immediately upon participation and provides termination benefits of a lump sum distribution upon termination or the greater of present value of accrued retirement benefit and accumulation of employee contributions with

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

interest at 5 percent. Attainment of age 65 is required to receive retirement benefits. The plan also provides death benefits at the greater of present value of accrued retirement benefit and accumulation of employee contributions with interest at 5 percent.

Funding Policy – Part Time Employees

Participants are required to contribute 3.5 percent of their salary to the plan. The City currently contributes 7 percent, which covers the actuarially determined amount and the administrative costs of the plan.

Annual Pension Cost and Net Pension Obligation (Asset) – Part Time Employees

For the fiscal year ended June 30, 2011, the City's annual pension cost was \$128,745. The City's actual contribution was \$128,745. The required annual contribution for fiscal year 2010-11 was determined as part of the January 1, 2010, actuarial valuation using the projected unit credit method with contributions determined as a percent of pay. Significant actuarial assumptions used in the valuation of the pension plan included (a) a rate of return on pre-retirement benefits of 6 percent and post-retirement benefits of 8 percent, (b) additional projected salary increases of 5 percent a year, (c) level dollar amortization method, (d) ten year open period amortization period, and (e) no inflation rate or post retirement benefit increases. The actuarial value of the City's assets was determined using a technique that smoothes the effects of short-term volatility in the market value of investments over a two to five year period depending on the amount of investment gains and/or losses.

Changes in the net pension obligation (asset) during the fiscal year ended June 30, 2011, are as follows:

Net pension obligation (asset) at June 30, 2010		\$	-
Annual required contribution for 2011 (fiscal year)	\$ 128,745		
Interest on net pension obligation	-		
Adjustment to annual required contribution	-		
Annual pension cost			128,745
Employer contributions made			128,745
Net pension obligation (asset) at June 30, 2011		\$	-

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Historical information is important to assist the reader of the financial statements in assessing the City's progress in accumulating sufficient resources to pay pension benefits as they become payable.

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

The three year trend information is as follows:

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
2008-09	\$ 100,618	100%	\$ (10)
2009-10	\$ 125,915	100%	\$ -
2010-11	\$ 128,745	100%	\$ -

Funded Status and Funding Progress – Part Time Employees

As of the most recent actuarial valuation date of January 1, 2011, the plan was 67.3 percent funded. The actuarial accrued liability for benefits was \$2,125,826, and the actuarial value of assets was \$1,430,784, resulting in an unfunded actuarial accrued liability (UAAL) of \$695,042. The covered payroll (annual payroll of active employees covered by the plan) was \$2,178,953, and the ratio of the UAAL to the covered payroll was 31.9 percent.

The schedule of funding progress, presented as RSI following the notes to financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits. The RSI can be found on page 90.

(14) DEFERRED COMPENSATION

The City provides a 401(a) plan and offers a 457 deferred compensation plan to its employees pursuant to applicable Federal and State laws. The City contributes on behalf of permanent employees into the 401(a) plan. Contribution amounts are determined per contract between the City and the employee organizations for the City's management, professional, and general employees and Council decision for the City's executive management. Employees participating in either the 401(a) or 457 deferred compensation plans may defer income tax recognition on contributions to the plans, up to specified amounts, and on earnings resulting from the investment of these contributions. Both 401(a) and 457 deferred compensation funds are invested by the plan administrator in any one of several approved investment programs mutually agreed upon by the participant and the plan administrator, which acts as a trustee for the plans. Funds may be withdrawn from the plans upon retirement, disability, or separation from City employment by the participant and, at that time, such funds become subject to income tax.

Federal law requires that Internal Revenue Code (IRC) Section 401(a) and Section 457 plan assets are to be held in trust for employees. In accordance with IRC Sections 401(a) and 457, all assets in the plans remain the property of the employees, and are not legally the property of the City and are not subject to claims of the City's general creditors. These assets have been placed in a trust, and as such represent a general liability of the plan administrator to these employees. With respect to such amounts, the City has no liability for

CITY OF THOUSAND OAKS

***Notes to Basic Financial Statements
(Continued)***

June 30, 2011

losses under the plans, but does have the duty of due care in monitoring the plan administrator's performance. Participants' rights under the plans are equal to the fair market value of the deferred amount for each participant. As of June 30, 2011, deferred compensation assets were \$39,594,687 and have been excluded from the City's financial statements. Employee contributions to the 401(a) plan totaled \$171,565, employee contributions to the 457 plan totaled \$2,500,713, and employer contributions to the 401(a) plan totaled \$509,729 for the fiscal year ended June 30, 2011.

(15) POSTEMPLOYMENT HEALTHCARE PLAN

(a) Plan Description

In addition to the pension benefits described in Note (13), the City provides other postemployment benefits (OPEB) through the California Employers' Retiree Benefit Trust (CERBT), an agent multiple-employer defined benefit healthcare plan administered by the CalPERS, by contributing a predetermined monthly maximum of \$435 for each eligible retiree and spouse toward health insurance. These benefits are provided per contract between the City and the employee associations for the City's management, professional, and general employees. Health insurance premiums for the City Manager, City Attorney, and City Council are fully covered per Council decision. As of June 30, 2011, there were 218 participants receiving these healthcare benefits. Separate financial statements for the CERBT may be obtained by writing to CalPERS at Lincoln Plaza North, 400 Q Street, Sacramento, CA 95811, or by visiting the CalPERS website at www.calpers.ca.gov.

(b) Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the City, City Council, and/or the employee associations. Currently, contributions are not required from plan members. During fiscal year 2006-07, the City adopted GASB Statement No. 45, joined the CERBT, and deposited pay-as-you-go premiums of \$828,226 and a one-time employer contribution of \$6 million in the CERBT. The purpose of these contributions was to prefund benefits and cover the required City contribution rate of 4.48 percent of annual covered payroll (annual payroll of active employees covered by the plan). As of June 30, 2011, the City calculated and recorded a Net OPEB Asset, representing the difference between the Annual Required Contribution (ARC) and actual contributions, as presented on the following page:

CITY OF THOUSAND OAKS

**Notes to Basic Financial Statements
(Continued)**

June 30, 2011

Annual required contribution (ARC)	\$ 1,352,063
Interest on net OPEB obligation (asset)	(420,110)
Adjustment to ARC	<u>363,990</u>
Annual OPEB cost	1,295,943
Contribution made	<u>(1,299,111)</u>
(Increase) decrease in net OPEB obligation (asset)	(3,168)
Net OPEB obligation (asset) June 30, 2010	<u>(5,280,577)</u>
Net OPEB obligation (asset) June 30, 2011	<u><u>\$ (5,283,745)</u></u>

The contribution rate of 4.48 percent is based on the ARC of \$1.4 million, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the annual normal cost and amortize any unfunded actuarial accrued liabilities (or funding excess) over a thirty year period.

(c) Annual OPEB Cost and Net OPEB Obligation (Asset)

For fiscal year 2010-11, the City's annual OPEB cost (expense) of \$1,295,943 was slightly below the ARC. Information on the annual OPEB cost, actual contribution, percentage of annual OPEB cost contributed, and net OPEB obligation (asset) for the current and prior fiscal years is as follows:

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Actual Contribution</u>	<u>Annual OPEB Cost Contributed</u>	<u>Obligation (Asset)</u>
6/30/2009	\$ 1,250,810	\$ 1,254,611	100%	\$ (5,258,030)
6/30/2010	\$ 1,279,032	\$ 1,301,579	102%	\$ (5,280,577)
6/30/2011	\$ 1,295,943	\$ 1,299,111	100%	\$ (5,283,745)

(d) Funded Status and Funding Progress

The funded status of the plan as of June 30, 2011, is as follows:

Actuarial accrued liability (AAL)	\$ 18,861,369
Actuarial value of plan assets	<u>(6,234,088)</u>
Unfunded actuarial accrued liability (UAAL)	<u><u>\$ 12,627,281</u></u>
Funded ratio (actuarial value of plan assets/AAL)	33.1%
Covered payroll (active plan members)	\$ 30,469,151
UAAL as a percentage of covered payroll	41.4%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements *(Continued)*

June 30, 2011

contributions of the City are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress is presented as RSI following the notes to basic financial statements on page 91.

(e) Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

As of the most recent actuarial valuation date of July 1, 2010, the entry age normal actuarial cost method was used. The actuarial assumptions included a 7.75 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 7.6 percent beginning January 1, 2012, reduced by decrements to an ultimate rate of 5.5 percent after nine years. An inflation rate is not applicable since postemployment healthcare benefits are not based on inflation or payroll, but rather determined based on the healthcare cost trend rate. A 3.25 percent annual rate of increase in future salaries is also assumed in the valuation. The City's unfunded actuarial accrued liability will be amortized as a level percentage of projected covered payroll on a closed basis. The amortization period as of June 30, 2011, was twenty-six years.

(16) TERMINATION BENEFITS

On May 11, 2010, City Council approved a Resolution of Intention amending the City's contract with CalPERS to allow a retirement incentive of two additional years of service credit. To qualify for the incentive, an employee must be of retirement age (50 years or older), have at least five years of service with CalPERS, and must retire within the period of time designated by the City. On May 25, 2010, City Council designated the official filing period for retirement to be between July 12, 2010 and December 30, 2010. The retirement incentive was targeted to certain positions, and of the 46 total potential retirements, 26 eligible employees accepted the retirement incentive. The total estimated cost of additional employer contributions to CalPERS based on 26 retirements is \$1.1 million amortized over 20 years, or approximately \$81,000 per fiscal year based on an amortization factor of 13.24. This is expected to increase the City's employer contribution rate by 0.26 percent, beginning in fiscal year 2012-13.

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements
(Continued)

June 30, 2011

(17) CONTINGENT LIABILITIES

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

The City is subject to various lawsuits and claims involving public liability and other actions incidental to the ordinary course of City operations. In the aggregate, those claims seek monetary damages in significant amounts. To the extent the outcome of such litigation may be determined to result in financial loss to the City, in the opinion of City management, any potential liability for these actions is adequately provided for in the basic financial statements. The timing of potential payment of such losses cannot presently be determined.

(18) RESTATEMENT OF PRIOR YEAR BALANCE

Governmental Funds restatement of beginning fund balance reflected on page 30 shows an \$11,474,432 increase to the Capital Improvements Fund beginning fund balance. This is the result of a change in accounting policy within the Capital Improvements Fund. Prior to fiscal year 2010-11, the City recognized developer fee revenue to match expenditures in AB1600 regulated developer fee funds. Revenue in excess of expenditures was recorded as unearned revenue. Beginning in the current fiscal year, the City's accounting policy is to recognize developer fee revenue in the fiscal year it is collected; therefore, all unearned revenue in the Capital Improvements Fund was restated as fund balance, resulting in an increase to beginning fund balance.

Capital Improvements Fund - Restatement of Fund Balance
June 30, 2011

Fund balance, beginning	\$ 13,314,030
Adjustment:	
Reclassification of unearned revenue	<u>11,474,432</u>
Fund balance, beginning, as restated	<u>\$ 24,788,462</u>

This restatement is also reflected on the Statement of Activities on page 24.

(19) TRANSACTIONS WITH THE STATE OF CALIFORNIA

On July 23, 2009, the State adopted legislation requiring a shift of monies during fiscal years 2009-10 and 2010-11 to be deposited into the County Supplemental Educational Revenue Augmentation Fund (SERAF). These monies were to be distributed to meet the

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements (Continued)

June 30, 2011

State's Proposition 98 obligations to schools. The California Redevelopment Association (CRA) and its member agencies filed a legal action in an attempt to stop these amounts from having to be paid; however, in May 2010, the Sacramento Superior Court upheld the legislation.

The Agency remitted its share of the SERAF shift for fiscal years 2009-10 and 2010-11 in the amount of \$6.1 million and \$1.3 million, respectively.

(20) SUBSEQUENT EVENT

California Redevelopment Agency Uncertainty

On July 18, 2011, the CRA and the League of California Cities (League) filed a petition for writ of mandate with the California Supreme Court, requesting the Court to declare unconstitutional two bills that were passed as part of the 2011-12 State Budget, AB1X 26 and 27. AB1X 26 dissolves redevelopment agencies effective October 1, 2011. AB1X 27 gives redevelopment agencies an option to avoid dissolution if they commit to making defined payments for the benefit of the State, school districts and certain special districts. In fiscal year 2011-12, these payments amount to a statewide total of \$1.7 billion. In fiscal year 2012-13 and subsequent years, the payments total \$400 million, annually. Each city or county's share of these payments is determined based on its proportionate share of statewide tax increment.

CRA and the League contend that AB1X 26 and 27 are unconstitutional because they violate Proposition 22 which was passed by the voters in November, 2010. The effect of the legislation is to achieve a possible unconstitutional result, the use of redevelopment agencies' tax increment funds to benefit the State and other units of local government, by way of threatening of the dissolution of redevelopment agencies.

Therefore, the CRA and the League have requested that the Court issue a stay, suspending the effectiveness of AB1X 26 and 27 until the Court can rule on its constitutionality. CRA and the League also asked the Court to expedite the briefing and hearing of the case so that a decision can be rendered by the Court before January 15, 2012, when the first payments are due. On August 11th, the California Supreme Court agreed to hear the case and granted a partial stay which was subsequently clarified.

As of the time of the issuance of this report, the outcome of AB1X 26 and 27 upon the Agency is unknown and consequently the status and even future existence of the Agency is uncertain as such. In accordance with AB1X 27, the Agency has passed a resolution of intent to continue and will be required to make a payment to the State in the estimated amount of \$5.9 million in fiscal year 2011-12 to avoid dissolution should the legislation be upheld by the court. Two equal installments are due January 15 and May 15, 2012.

Required Supplementary Information

CITY OF THOUSAND OAKS

**Required Supplementary Information
(Unaudited)**

June 30, 2011

The following schedule of funding progress and schedule of employer contributions are related to the City's Single-Employer Defined Benefit Pension Plan for hourly/part-time employees.

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Proj Unit Credit (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a) / (c)
1/1/2006	\$ 823,974	\$ 1,435,884	\$ 611,910	57.4%	\$ 1,783,684	34.3%
1/1/2007	924,159	1,499,144	574,985	61.6%	1,981,782	29.0%
1/1/2008	1,068,132	1,613,747	545,615	66.2%	1,877,678	29.1%
1/1/2009	1,145,054	1,848,348	703,294	62.0%	2,216,345	31.7%
1/1/2010	1,260,752	1,974,981	714,229	63.8%	2,130,478	33.5%
1/1/2011	1,430,784	2,125,826	695,042	67.3%	2,178,953	31.9%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended June 30	Actual Contribution (a)	Annual Required Contribution (b)	Percentage Contributed (a / b)	Annual Pension Cost (c)	Percentage Contributed (a / c)	Net Pension Obligation (Asset) at Year End
2006	\$ 98,603	\$ 98,603	100%	\$ 98,591	100%	\$ 141
2007	109,191	109,191	100%	109,180	100%	130
2008	104,501	104,501	100%	104,491	100%	120
2009	100,748	100,628	100%	100,618	100%	(10)
2010	125,905	125,915	100%	125,915	100%	0
2011	128,745	128,745	100%	128,745	100%	0

CITY OF THOUSAND OAKS

**Required Supplementary Information
(Continued)**

June 30, 2011

The following schedule of funding progress is related to the California Public Employees' Retirement System (CalPERS), an agent multiple-employer defined benefit pension plan.

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF FUNDING PROGRESS (IN THOUSANDS) - FULL-TIME EMPLOYEES**

PERS Valuation Date	For Fiscal Year Ending	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded/ (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	UAAL* As a % of Payroll
06/30/05	06/30/08	\$ 131,731	\$ 114,976	\$ 16,755	87.3%	\$ 27,300	61.4%
06/30/06	06/30/09	143,314	125,434	17,880	87.5%	28,754	62.2%
06/30/07	06/30/10	154,752	136,959	17,793	88.5%	30,044	59.2%
06/30/08	06/30/11	166,906	147,881	19,025	88.6%	31,613	60.2%
06/30/09	06/30/12	184,386	156,446	27,940	84.8%	32,432	86.2%
06/30/10	06/30/13	198,774	166,131	32,642	83.6%	32,544	100.3%

The following schedule of funding progress is related to the California Employers' Retiree Benefit Trust, an agent multiple-employer defined benefit healthcare plan administered by CalPERS.

**CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST
SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	For Fiscal Year Ending	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded/ (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	UAAL* As a % of Payroll
01/01/07	06/30/07	\$17,033,849	\$ -	\$17,033,849	0.0%	\$29,632,804	57.5%
07/01/08	06/30/08	17,486,483	5,974,128	11,512,355	34.2%	30,591,614	37.6%
07/01/08	06/30/09	17,939,117	6,026,579	11,912,538	33.6%	31,636,745	37.7%
07/01/08	06/30/10	18,833,356	6,816,919	12,016,437	36.2%	31,783,780	37.8%
07/01/10	06/30/11	18,861,369	6,234,088	12,627,281	33.1%	26,758,500	47.2%

*Unfunded Actuarial Accrued Liability (UAAL)

Combining Financial Statements and Schedules

- Nonmajor Governmental Funds - Combining Financial Statements and Special Revenue Funds Budget to Actual Schedules
- Internal Service Funds - Combining Financial Statements
- Agency Funds - Combining Financial Statements

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Landscape and Lighting Districts Fund - The various Thousand Oaks Maintenance Districts and the Thousand Oaks Citywide Lighting District were established to provide landscape/open space maintenance and street lighting throughout the City of Thousand Oaks. Property taxes and service fees are levied specifically for these purposes.

Traffic and Bicycle Safety Fund - Traffic and court fines as well as pedestrian facilities grant funding (SB 821, Art. 3) are collected in this fund.

Community Facilities Districts Fund - The Districts are authorized under the Mello-Roos Community Facilities Act of 1982 to levy special taxes upon the land of the Districts and to issue bonds secured by special taxes. The proceeds, held by a trustee, are to be used to develop public improvements within each District. The fund is used to account for administration and technical services to the district as well as to collect the assessments to pay the debt. Since the debt is not a liability of the City, any capital improvements are not recorded as a City expenditure. At June 30, 2011, there are three districts, Community Facilities District No. 1988-1 (Lang Ranch), Community Facilities District No. 1994-1 (Marketplace Public Pedestrian, Traffic Circulation and Parking Facilities), and Community Facilities District No. 1997-1 (Promenade Public Parking Facilities).

Federal Asset Seizure Fund - As required by the U.S. Department of Justice, this fund was established in order to account for the receipt and expenditure of federal asset seizure money.

HOME and Community Development Block Grant (CDBG) Fund - As required by grant regulations, this fund was established in order to account for the receipt and expenditure of HOME Disaster Relief Funds from the California Department of Housing and Community Development Division of Community Affairs and CDBG funds allocated to the City by the U.S. Department of Housing and Urban Development (HUD).

American Recovery and Reinvestment Act (ARRA) Grant Fund - As required by federal law, this fund was established in order to account for the receipt and expenditure of ARRA Funds.

County Flood Control Benefit Assessment Fund - Ventura County Flood Control District determines property tax assessments countywide for flood control purposes and apportions the assessments to each city to be used exclusively for flood control purposes.

NONMAJOR GOVERNMENTAL FUNDS, continued

Housing Trust Fund – This fund was established for the creation, preservation, and rehabilitation of affordable housing for very-low, low, and moderate income households within the City. Revenues include fees collected from residential developments in lieu of constructing affordable housing units, linkage fees from applicable non-residential developments, gifts, and grants.

Debt Service Funds

Thousand Oaks Public Financing Authority Fund – This fund was established to account for the accumulation of resources and payment of principal and interest of the Thousand Oaks Public Financing Authority.

Capital Projects Funds

Fixed Asset Replacement Fund – This fund is used to account for the City's equipment replacement program. Amounts billed to City departments are recorded as revenues and the expenditures for replacement of equipment are recorded in this fund.

Community Recreation and Open Space Endowment Fund – This fund includes revenues from bedroom taxes collected from developers, an annual 10 percent transfer of unreserved/undesignated General Fund balance, donations from the Adopt-an-Oak Tree program, and \$2 per round for non-resident golfers from the Golf Course Fund. Revenues are used for the development of parks and purchase of open space throughout the City of Thousand Oaks.

Thousand Oaks Public Financing Authority Fund – This fund was established to account for the fiscal activities of the Thousand Oaks Public Financing Authority. Although the Authority is a unit of government legally distinct from the City of Thousand Oaks, the City Council has virtual oversight responsibility due to the financing arrangement of the Authority. The Authority has issued certificates of participation used to finance various capital project acquisition, construction, and improvements.

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CITY OF THOUSAND OAKS
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2011

Special Revenue Funds				
	Landscape and Lighting Districts	Traffic and Bicycle Safety	Community Facilities Districts	Federal Asset Seizure
<u>Assets</u>				
Cash and investments	\$ 6,853,988	295,093	4,724,321	384,963
Receivables:				
Accounts	19,924	-	10,581	-
Accrued interest	17,922	759	10,184	904
Intergovernmental	112,809	151,006	21,877	4,386
Notes/loans	-	-	-	-
Restricted cash and investments	-	-	-	-
Total assets	\$ 7,004,643	446,858	4,766,963	390,253
<u>Liabilities and Fund Balance</u>				
Liabilities:				
Accounts payable	\$ 670,947	-	4,058,659	-
Interfund payables	-	9,195	10,021	-
Unearned revenue	-	-	-	148,614
Advances from other funds	-	-	-	-
Total liabilities	670,947	9,195	4,068,680	148,614
Fund balances:				
Restricted	6,333,696	437,663	698,283	241,639
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	6,333,696	437,663	698,283	241,639
Total liabilities and fund balances	\$ 7,004,643	446,858	4,766,963	390,253

See accompanying independent auditors' report.

Special Revenue Funds					Debt Service Funds	
HOME and Community Development Block Grant	American Recovery and Reinvestment Act Grants	County Flood Control Benefit Assessment	Housing Trust Fund	Total	Thousand Oaks Public Financing Authority	
-	-	-	1,013,377	13,271,742	39	
-	-	347,413	-	377,918	-	
247,500	-	-	2,527	279,796	-	
119,945	1,883,398	160,823	-	2,454,244	-	
1,000,000	-	-	-	1,000,000	-	
-	-	-	-	-	1,167,911	
<u>1,367,445</u>	<u>1,883,398</u>	<u>508,236</u>	<u>1,015,904</u>	<u>17,383,700</u>	<u>1,167,950</u>	
48,190	241,807	18,428	-	5,038,031	-	
68,682	1,641,591	158,820	-	1,888,309	-	
1,247,500	383,659	-	-	1,779,773	-	
-	-	-	-	-	1,166,952	
<u>1,364,372</u>	<u>2,267,057</u>	<u>177,248</u>	<u>-</u>	<u>8,706,113</u>	<u>1,166,952</u>	
3,073	-	330,988	1,015,904	9,061,246	998	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	(383,659)	-	-	(383,659)	-	
<u>3,073</u>	<u>(383,659)</u>	<u>330,988</u>	<u>1,015,904</u>	<u>8,677,587</u>	<u>998</u>	
<u>1,367,445</u>	<u>1,883,398</u>	<u>508,236</u>	<u>1,015,904</u>	<u>17,383,700</u>	<u>1,167,950</u>	

CITY OF THOUSAND OAKS
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2011

Capital Projects Funds					
	Fixed Asset Replacement	Community Recreation and Open Space Endowment Fund	Thousand Oaks Public Financing Authority	Total	Total Nonmajor Governmental Funds
<u>Assets</u>					
Cash and investments	\$ 11,147,009	1,440,667	179,962	12,767,638	26,039,419
Receivables:					
Accounts	-	-	-	-	377,918
Accrued interest	-	3,585	449	4,034	283,830
Intergovernmental	-	-	-	-	2,454,244
Notes/loans	49,578	-	-	49,578	1,049,578
Restricted cash and investments	-	-	-	-	1,167,911
Total assets	\$ 11,196,587	1,444,252	180,411	12,821,250	31,372,900
<u>Liabilities and Fund Balance</u>					
Liabilities:					
Accounts payable	\$ 50,937	-	-	50,937	5,088,968
Interfund payables	-	-	-	-	1,888,309
Unearned revenue	-	-	-	-	1,779,773
Advances from other funds	-	-	-	-	1,166,952
Total liabilities	50,937	-	-	50,937	9,924,002
Fund balances:					
Restricted	-	-	180,411	180,411	9,242,655
Committed	-	1,444,252	-	1,444,252	1,444,252
Assigned	11,145,650	-	-	11,145,650	11,145,650
Unassigned	-	-	-	-	(383,659)
Total fund balances	11,145,650	1,444,252	180,411	12,770,313	21,448,898
Total liabilities and fund balances	\$ 11,196,587	1,444,252	180,411	12,821,250	31,372,900

See accompanying independent auditors' report.

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CITY OF THOUSAND OAKS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended June 30, 2011

Special Revenue Funds				
	Landscape and Lighting Districts	Traffic and Bicycle Safety	Community Facilities Districts	Federal Asset Seizure
Revenues:				
Taxes	\$ 1,681,171	-	-	-
Fines and forfeitures	-	755,284	-	-
Use of money and property	103,643	5,696	43,887	5,400
Charges for current services	3,094,813	-	-	-
Intergovernmental revenue	-	57,225	-	20,628
Other	30,805	-	256,442	-
Total Revenues	4,910,432	818,205	300,329	26,028
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	1,344,392	-	-	26,028
Transportation	4,390,974	68,276	-	-
Community development	-	-	318,180	-
Culture and leisure	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay	106,125	-	-	-
Total expenditures	5,841,491	68,276	318,180	26,028
Excess (deficiency) of revenues over (under) expenditures	(931,059)	749,929	(17,851)	-
Other financing sources (uses):				
Transfers in	212,850	-	-	-
Transfers out	-	(582,438)	-	-
Total other financing sources (uses)	212,850	(582,438)	-	-
Net change in fund balance	(718,209)	167,491	(17,851)	-
Fund balance-beginning	7,051,905	270,172	716,134	241,639
Fund balance-ending	\$ 6,333,696	437,663	698,283	241,639

See accompanying independent auditors' report.

Special Revenue Funds					Debt Service Funds	
HOME and Community Development Block Grant	American Recovery and Reinvestment Act Grants	County Flood Control Benefit Assessment	Housing Trust Fund	Total	Thousand Oaks Public Financing Authority	
-	-	-	-	1,681,171	-	-
-	-	-	-	755,284	-	-
-	-	180	15,545	174,351	4,605	-
-	-	507,472	-	3,602,285	-	-
943,270	3,492,111	-	-	4,513,234	-	-
-	-	41,096	-	328,343	-	-
<u>943,270</u>	<u>3,492,111</u>	<u>548,748</u>	<u>15,545</u>	<u>11,054,668</u>	<u>4,605</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	1,370,420	-	-
-	2,264,987	504,506	-	7,228,743	-	-
925,915	-	-	-	1,244,095	-	-
-	-	-	-	-	-	-
-	-	-	-	-	555,000	-
-	-	-	-	-	616,202	-
2,105	1,535,168	-	-	1,643,398	-	-
<u>928,020</u>	<u>3,800,155</u>	<u>504,506</u>	<u>-</u>	<u>11,486,656</u>	<u>1,171,202</u>	<u>-</u>
<u>15,250</u>	<u>(308,044)</u>	<u>44,242</u>	<u>15,545</u>	<u>(431,988)</u>	<u>(1,166,597)</u>	<u>-</u>
-	-	-	560,000	772,850	1,157,074	-
(4,000)	-	-	-	(586,438)	-	-
<u>(4,000)</u>	<u>-</u>	<u>-</u>	<u>560,000</u>	<u>186,412</u>	<u>1,157,074</u>	<u>-</u>
11,250	(308,044)	44,242	575,545	(245,576)	(9,523)	-
<u>(8,177)</u>	<u>(75,615)</u>	<u>286,746</u>	<u>440,359</u>	<u>8,923,163</u>	<u>10,521</u>	<u>-</u>
<u>3,073</u>	<u>(383,659)</u>	<u>330,988</u>	<u>1,015,904</u>	<u>8,677,587</u>	<u>998</u>	<u>-</u>

CITY OF THOUSAND OAKS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended June 30, 2011

Page 3 of 3

	Capital Projects Funds				Total Nonmajor Governmental Funds
	Fixed Asset Replacement	Community Recreation and Open Space Endowment Fund	Thousand Oaks Public Financing Authority	Total	
Revenues:					
Taxes	\$ -	11,400	-	11,400	1,692,571
Fines and forfeitures	-	-	-	-	755,284
Use of money and property	-	21,840	2,781	24,621	203,577
Charges for current services	-	-	-	-	3,602,285
Intergovernmental revenue	-	-	-	-	4,513,234
Other	873,956	3,253	-	877,209	1,205,552
Total Revenues	873,956	36,493	2,781	913,230	11,972,503
Expenditures:					
Current:					
General government	36,702	-	-	36,702	36,702
Public safety	71,990	-	-	71,990	1,442,410
Transportation	171,322	-	-	171,322	7,400,065
Community development	365,104	-	-	365,104	1,609,199
Culture and leisure	269,466	-	-	269,466	269,466
Debt service:					
Principal	-	-	-	-	555,000
Interest	-	-	-	-	616,202
Capital Outlay	-	-	-	-	1,643,398
Total expenditures	914,584	-	-	914,584	13,572,442
Excess (deficiency) of revenues over (under) expenditures	(40,628)	36,493	2,781	(1,354)	(1,599,939)
Other financing sources (uses):					
Transfers in	-	61,008	-	61,008	1,990,932
Transfers out	-	-	-	-	(586,438)
Total other financing sources (uses)	-	61,008	-	61,008	1,404,494
Net change in fund balance	(40,628)	97,501	2,781	59,654	(195,445)
Fund balance-beginning	11,186,278	1,346,751	177,630	12,710,659	21,644,343
Fund balance-ending	\$ 11,145,650	1,444,252	180,411	12,770,313	21,448,898

See accompanying independent auditors' report.

CITY OF THOUSAND OAKS
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Landscape and Lighting Districts Special Revenue Governmental Fund
Year ended June 30, 2011

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes	\$ 1,750,200	1,750,200	1,681,171	(69,029)
Use of money and property	202,500	202,500	103,643	(98,857)
Charges for current services	3,060,000	3,060,000	3,094,813	34,813
Other	10,000	14,200	30,805	16,605
Total Revenues	<u>5,022,700</u>	<u>5,026,900</u>	<u>4,910,432</u>	<u>(116,468)</u>
Expenditures:				
Current:				
Public safety	1,258,615	1,258,615	1,344,392	(85,777)
Transportation	4,707,522	5,076,126	4,390,974	685,152
Capital Outlay	1,067,800	3,015,251	106,125	2,909,126
Total expenditures	<u>7,033,937</u>	<u>9,349,992</u>	<u>5,841,491</u>	<u>3,508,501</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,011,237)</u>	<u>(4,323,092)</u>	<u>(931,059)</u>	<u>3,392,033</u>
Other financing sources (uses):				
Transfers in	260,000	260,000	212,850	(47,150)
Total other financing sources (uses)	<u>260,000</u>	<u>260,000</u>	<u>212,850</u>	<u>(47,150)</u>
Net change in fund balance	(1,751,237)	(4,063,092)	(718,209)	3,344,883
Fund balance-beginning	<u>7,051,905</u>	<u>7,051,905</u>	<u>7,051,905</u>	<u>-</u>
Fund balance-ending	<u>\$ 5,300,668</u>	<u>2,988,813</u>	<u>6,333,696</u>	<u>3,344,883</u>

See accompanying independent auditors' report.

CITY OF THOUSAND OAKS
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Traffic and Bicycle Safety Special Revenue Governmental Fund
Year ended June 30, 2011

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Fines and forfeitures	\$ 700,000	700,000	755,284	55,284
Use of money and property	10,900	10,900	5,696	(5,204)
Intergovernmental revenue	60,000	60,000	57,225	(2,775)
Total Revenues	<u>770,900</u>	<u>770,900</u>	<u>818,205</u>	<u>47,305</u>
Expenditures:				
Current:				
Transportation	115,000	387,948	68,276	319,672
Total expenditures	<u>115,000</u>	<u>387,948</u>	<u>68,276</u>	<u>319,672</u>
Excess of revenues over expenditures	<u>655,900</u>	<u>382,952</u>	<u>749,929</u>	<u>366,977</u>
Other financing sources (uses):				
Transfers out	(750,000)	(750,000)	(582,438)	167,562
Total other financing sources (uses)	<u>(750,000)</u>	<u>(750,000)</u>	<u>(582,438)</u>	<u>167,562</u>
Net change in fund balance	(94,100)	(367,048)	167,491	534,539
Fund balance-beginning	<u>270,172</u>	<u>270,172</u>	<u>270,172</u>	<u>-</u>
Fund balance-ending	<u>\$ 176,072</u>	<u>(96,876)</u>	<u>437,663</u>	<u>534,539</u>

See accompanying independent auditors' report.

CITY OF THOUSAND OAKS
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Community Facilities Districts Special Revenue Governmental Fund
Year ended June 30, 2011

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Use of money and property	\$ -	-	43,887	43,887
Other	-	-	256,442	256,442
Total Revenues	<u>-</u>	<u>-</u>	<u>300,329</u>	<u>300,329</u>
Expenditures:				
Current:				
Community development	58,300	256,736	318,180	(61,444)
Total expenditures	<u>58,300</u>	<u>256,736</u>	<u>318,180</u>	<u>(61,444)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(58,300)</u>	<u>(256,736)</u>	<u>(17,851)</u>	<u>238,885</u>
Net change in fund balance	(58,300)	(256,736)	(17,851)	238,885
Fund balance-beginning	<u>716,134</u>	<u>716,134</u>	<u>716,134</u>	<u>-</u>
Fund balance-ending	<u>\$ 657,834</u>	<u>459,398</u>	<u>698,283</u>	<u>238,885</u>

See accompanying independent auditors' report.

CITY OF THOUSAND OAKS
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
HOME and Community Development Block Grant (CDBG) Special Revenue Governmental Fund
Year ended June 30, 2011

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental revenue	\$ 677,100	729,330	943,270	213,940
Total Revenues	<u>677,100</u>	<u>729,330</u>	<u>943,270</u>	<u>213,940</u>
Expenditures:				
Current:				
Community development	1,204,428	2,003,944	925,915	1,078,029
Capital Outlay	318,211	399,996	2,105	397,891
Total expenditures	<u>1,522,639</u>	<u>2,403,940</u>	<u>928,020</u>	<u>1,475,920</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(845,539)</u>	<u>(1,674,610)</u>	<u>15,250</u>	<u>1,689,860</u>
Other financing sources (uses):				
Transfers out	-	-	(4,000)	(4,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(4,000)</u>	<u>(4,000)</u>
Net change in fund balance	(845,539)	(1,674,610)	11,250	1,685,860
Fund balance-beginning	<u>(8,177)</u>	<u>(8,177)</u>	<u>(8,177)</u>	<u>-</u>
Fund balance-ending	<u>\$ (853,716)</u>	<u>(1,682,787)</u>	<u>3,073</u>	<u>1,685,860</u>

See accompanying independent auditors' report.

CITY OF THOUSAND OAKS
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
County Flood Control Benefit Assessment Special Revenue Governmental Fund
Year ended June 30, 2011

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Use of money and property	\$ 7,100	7,100	180	(6,920)
Charges for current services	121,100	121,100	507,472	386,372
Other	221,500	221,500	41,096	(180,404)
Total Revenues	<u>349,700</u>	<u>349,700</u>	<u>548,748</u>	<u>199,048</u>
Expenditures:				
Current:				
Transportation	526,450	706,350	504,506	201,844
Total expenditures	<u>526,450</u>	<u>706,350</u>	<u>504,506</u>	<u>201,844</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(176,750)</u>	<u>(356,650)</u>	<u>44,242</u>	<u>400,892</u>
Other financing sources (uses):				
Transfers in	153,285	583,685	-	(583,685)
Total other financing sources (uses)	<u>153,285</u>	<u>583,685</u>	<u>-</u>	<u>(583,685)</u>
Net change in fund balance	(23,465)	227,035	44,242	(182,793)
Fund balance-beginning	<u>286,746</u>	<u>286,746</u>	<u>286,746</u>	<u>-</u>
Fund balance-ending	<u>\$ 263,281</u>	<u>513,781</u>	<u>330,988</u>	<u>(182,793)</u>

See accompanying independent auditors' report.

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INTERNAL SERVICE FUNDS

Liability Insurance Fund - This fund was established to account for the cost of providing general liability coverage on a Citywide basis.

Workers' Compensation Fund – This fund was established to account for the cost of providing workers' compensation coverage on a Citywide basis.

Vision Insurance Fund – This fund was established to account for the cost of providing vision coverage on a Citywide basis.

CITY OF THOUSAND OAKS
Combining Statement of Net Assets
Internal Service Funds
June 30, 2011

	Liability Insurance	Workers' Compensation Insurance	Vision Insurance	Total
Assets:				
Current assets:				
Cash and investments	\$ 4,454,677	8,296,334	54,078	12,805,089
Receivables:				
Accounts	-	-	41	41
Accrued interest	11,058	20,847	123	32,028
Total current assets	<u>4,465,735</u>	<u>8,317,181</u>	<u>54,242</u>	<u>12,837,158</u>
Total assets	<u>4,465,735</u>	<u>8,317,181</u>	<u>54,242</u>	<u>12,837,158</u>
Liabilities:				
Current liabilities:				
Accounts payable	62,731	26,332	3,058	92,121
Noncurrent liabilities:				
Claims payable	622,900	1,666,800	-	2,289,700
Total liabilities	<u>685,631</u>	<u>1,693,132</u>	<u>3,058</u>	<u>2,381,821</u>
Net assets:				
Unrestricted	3,780,104	6,624,049	51,184	10,455,337
Total net assets	<u>\$ 3,780,104</u>	<u>6,624,049</u>	<u>51,184</u>	<u>10,455,337</u>

See accompanying independent auditors' report.

CITY OF THOUSAND OAKS
Combining Statement of Revenues, Expenses, and Changes In Fund Net Assets
Internal Service Funds
Year ended June 30, 2011

	Liability Insurance	Workers' Compensation Insurance	Vision Insurance	Total
Operating revenues:				
Charges for services and supplies	\$ 472,032	-	47,096	519,128
Total operating revenues	<u>472,032</u>	<u>-</u>	<u>47,096</u>	<u>519,128</u>
Operating expenses:				
Claims expenses	884,136	548,881	52,698	1,485,715
Total operating expenses	<u>884,136</u>	<u>548,881</u>	<u>52,698</u>	<u>1,485,715</u>
Operating income (loss)	<u>(412,104)</u>	<u>(548,881)</u>	<u>(5,602)</u>	<u>(966,587)</u>
Nonoperating revenues (expenses):				
Interest income	67,831	131,261	790	199,882
Total nonoperating revenues	<u>67,831</u>	<u>131,261</u>	<u>790</u>	<u>199,882</u>
Income (loss) before contributions and transfers	<u>(344,273)</u>	<u>(417,620)</u>	<u>(4,812)</u>	<u>(766,705)</u>
Change in net assets	(344,273)	(417,620)	(4,812)	(766,705)
Total net assets - beginning	<u>4,124,377</u>	<u>7,041,669</u>	<u>55,996</u>	<u>11,222,042</u>
Total net assets - ending	<u>\$ 3,780,104</u>	<u>6,624,049</u>	<u>51,184</u>	<u>10,455,337</u>

See accompanying independent auditors' report.

CITY OF THOUSAND OAKS
Combining Statement of Cash Flows
Internal Service Funds
Year ended June 30, 2011

	Liability Insurance	Workers' Compensation Insurance	Vision Insurance	Total
Cash flows from operating activities:				
Cash received from customers	\$ 472,032	-	47,087	519,119
Cash payments for goods and services	(827,173)	(630,011)	(53,254)	(1,510,438)
Net cash used for operating activities	<u>(355,141)</u>	<u>(630,011)</u>	<u>(6,167)</u>	<u>(991,319)</u>
Cash flows from investing activities:				
Interest received	70,749	137,234	832	208,815
Net cash provided by investing activities	<u>70,749</u>	<u>137,234</u>	<u>832</u>	<u>208,815</u>
Net decrease in cash and cash equivalents	(284,392)	(492,777)	(5,335)	(782,504)
Cash and cash equivalents, beginning of year	4,739,069	8,789,111	59,413	13,587,593
Cash and cash equivalents, end of year	<u>\$ 4,454,677</u>	<u>8,296,334</u>	<u>54,078</u>	<u>12,805,089</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating loss	\$ (412,104)	(548,881)	(5,602)	(966,587)
Adjustments to reconcile operating loss to net cash used for operating activities:				
(Increase) in accounts/notes receivable	-	-	(9)	(9)
(Decrease) in accounts payables	(25,937)	(10,430)	(556)	(36,923)
Increase (decrease) in claims payable	82,900	(70,700)	-	12,200
Total adjustments	<u>56,963</u>	<u>(81,130)</u>	<u>(565)</u>	<u>(24,732)</u>
Net cash used for operating activities	<u>\$ (355,141)</u>	<u>(630,011)</u>	<u>(6,167)</u>	<u>(991,319)</u>

See accompanying independent auditors' report.

AGENCY FUNDS

Agency Funds are used to account for assets held by the City in a fiduciary capacity for individuals, governmental entities, and others.

Strong Motion Instrumentation Fund - This fund is used to collect fees from applicants for building permits that are used to regulate the statewide strong motion instrumentation program, which accumulates information needed to make homes and other structures safe from destructive earthquakes.

County Flood Zone Fund - Flood control fees and charges are collected as a condition of land development in order to derive revenue to be used for certain flood control purposes.

Environmental Impact Reports Fund - Accumulated in this fund are deposits to reimburse the City for costs incurred in the preparation and/or processing of environmental review documents.

Planning Security Deposits Fund - This fund was established in order to account for deposits placed with the City as required by the Planning Commission. The deposits are performance-oriented and are refunded to the depositor upon successful completion of required services or conditions.

Public Works Deposits Fund - This fund was established in order to account for a wide variety of deposits placed with the City. Many of these deposits are performance-oriented and are refunded to the depositor upon successful completion of required services or conditions.

Conejo Coalition for Youth and Families Fund - Conejo Coalition for Youth and Families (CCYF) is a joint powers agreement between the City, the Conejo Recreation and Park District, and the Conejo Valley Unified School District. The City acts as treasurer for CCYF for the contributions received from the participating agencies.

Public Access Television Fund - This fund was established to account for money collected to promote and encourage the use of Public Access Television.

Law Enforcement Fund - This fund was established to account for Drug Abuse Resistance Education (DARE) donations and state drug seizure funds.

TOPASS Fund - Thousand Oaks Plan to Assist School Sites is a non-profit foundation. The City of Thousand Oaks invests and has physical custody of the funds which were initially a donation from the City. Interest earnings on the principal are used for school improvements.

AGENCY FUNDS, continued

COSCA Fund - Conejo Open Space Conservation Agency is a joint powers agreement between the City and Conejo Recreation and Park District. The City acts as treasurer for the Agency for funds received on the Agency's behalf.

Miscellaneous Flow Through Fund - This fund was established to account for miscellaneous fees collected that are passed through to other agencies.

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CITY OF THOUSAND OAKS
Combining Statement of Assets and Liabilities - Agency Funds
June 30, 2011

Page 1 of 2

	Strong Motion Instrumentation	County Flood Zone	Environment Impact Reports	Planning Security Deposits	Public Works Deposits
Assets:					
Cash and investments	\$ 3,102	2,896	6,690	784,906	1,354,731
Accounts receivable	-	-	-	-	-
Accrued interest receivable	-	-	-	1,834	3,869
Intergovernmental receivable	-	-	-	-	-
Total assets	\$ <u>3,102</u>	<u>2,896</u>	<u>6,690</u>	<u>786,740</u>	<u>1,358,600</u>
Liabilities:					
Accounts payable	\$ 3,102	2,896	-	19,812	2,175
Due to other agencies	-	-	6,690	5,690	-
Deposits	-	-	-	761,238	1,356,425
Total liabilities	\$ <u>3,102</u>	<u>2,896</u>	<u>6,690</u>	<u>786,740</u>	<u>1,358,600</u>

See accompanying independent auditors' report.

Conejo Coalition for Youth and Families	Public Access Television	Law Enforcement	TOPASS	COSCA	Misc. Flow Through	Total
-	403,572	482,163	973,463	950,928	404,201	5,366,652
-	27,654	410	-	5,971	-	34,035
-	-	1,190	2,430	2,375	985	12,683
-	-	1,545	-	-	-	1,545
-	431,226	485,308	975,893	959,274	405,186	5,414,915
-	-	256	-	5,002	9,514	42,757
-	-	-	-	-	-	12,380
-	431,226	485,052	975,893	954,272	395,672	5,359,778
-	431,226	485,308	975,893	959,274	405,186	5,414,915

CITY OF THOUSAND OAKS
Combining Statement of Changes in Assets and Liabilities - Agency Funds
Year Ended June 30, 2011

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
<u>Strong Motion Instrumentation</u>				
Assets:				
Cash and investments	\$ 4,514	9,429	10,841	3,102
Total assets	<u>\$ 4,514</u>	<u>9,429</u>	<u>10,841</u>	<u>3,102</u>
Liabilities:				
Accounts payable	\$ 4,514	8,952	10,364	3,102
Due to other agencies	-	9,429	9,429	-
Total liabilities	<u>\$ 4,514</u>	<u>18,381</u>	<u>19,793</u>	<u>3,102</u>
<u>County Flood Zone</u>				
Assets:				
Cash and investments	\$ 7,770	16,597	21,471	2,896
Total assets	<u>\$ 7,770</u>	<u>16,597</u>	<u>21,471</u>	<u>2,896</u>
Liabilities:				
Accounts payable	\$ 7,770	16,597	21,471	2,896
Due to other agencies	-	16,597	16,597	-
Total liabilities	<u>\$ 7,770</u>	<u>33,194</u>	<u>38,068</u>	<u>2,896</u>
<u>Environment Impact Reports</u>				
Assets:				
Cash and investments	\$ 7,890	37,673	38,873	6,690
Total assets	<u>\$ 7,890</u>	<u>37,673</u>	<u>38,873</u>	<u>6,690</u>
Liabilities:				
Accounts payable	\$ 1,200	-	1,200	-
Due to other agencies	6,690	-	-	6,690
Deposits	-	37,673	37,673	-
Total liabilities	<u>\$ 7,890</u>	<u>37,673</u>	<u>38,873</u>	<u>6,690</u>

(Continued ...)

CITY OF THOUSAND OAKS
Combining Statement of Changes in Assets and Liabilities - Agency Funds
Year Ended June 30, 2011

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
(Continued ...)				
<u>Planning Security Deposits</u>				
Assets:				
Cash and investments	\$ 1,016,001	263,754	494,849	784,906
Accrued interest receivable	3,214	6,512	7,892	1,834
Total assets	<u>\$ 1,019,215</u>	<u>270,266</u>	<u>502,741</u>	<u>786,740</u>
Liabilities:				
Accounts payable	\$ 634	98,484	79,306	19,812
Due to other agencies	5,690	-	-	5,690
Deposits	1,012,891	268,235	519,888	761,238
Total liabilities	<u>\$ 1,019,215</u>	<u>366,719</u>	<u>599,194</u>	<u>786,740</u>
<u>Public Works Deposits</u>				
Assets:				
Cash and investments	\$ 1,807,021	217,003	669,293	1,354,731
Accrued interest receivable	5,335	12,030	13,496	3,869
Total assets	<u>\$ 1,812,356</u>	<u>229,033</u>	<u>682,789</u>	<u>1,358,600</u>
Liabilities:				
Accounts payable	\$ 999	649,794	648,618	2,175
Deposits	1,811,357	215,536	670,468	1,356,425
Total liabilities	<u>\$ 1,812,356</u>	<u>865,330</u>	<u>1,319,086</u>	<u>1,358,600</u>
<u>Conejo Coalition for Youth and Families</u>				
Assets:				
Cash and investments	\$ 6,582	60	6,642	-
Accrued interest receivable	19	-	19	-
Total assets	<u>\$ 6,601</u>	<u>60</u>	<u>6,661</u>	<u>-</u>
Liabilities:				
Accounts payable	\$ -	6,643	6,643	-
Deposits	6,601	41	6,642	-
Total liabilities	<u>\$ 6,601</u>	<u>6,684</u>	<u>13,285</u>	<u>-</u>
(Continued ...)				

CITY OF THOUSAND OAKS
Combining Statement of Changes in Assets and Liabilities - Agency Funds
Year Ended June 30, 2011

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
(Continued ...)				
<u>Public Access Television</u>				
Assets:				
Cash and investments	\$ 456,044	92,267	144,739	403,572
Accounts receivable	20,542	27,654	20,542	27,654
Total assets	<u>\$ 476,586</u>	<u>119,921</u>	<u>165,281</u>	<u>431,226</u>
Liabilities:				
Deposits	\$ 476,586	119,921	165,281	431,226
Total liabilities	<u>\$ 476,586</u>	<u>119,921</u>	<u>165,281</u>	<u>431,226</u>
<u>Law Enforcement</u>				
Assets:				
Cash and investments	\$ 420,933	89,182	27,952	482,163
Accounts receivable	-	410	-	410
Accrued interest receivable	1,275	3,431	3,516	1,190
Intergovernmental receivable	31,480	1,545	31,480	1,545
Total assets	<u>\$ 453,688</u>	<u>94,568</u>	<u>62,948</u>	<u>485,308</u>
Liabilities:				
Accounts payable	\$ 462	20,377	20,583	256
Deposits	453,226	83,683	51,857	485,052
Total liabilities	<u>\$ 453,688</u>	<u>104,060</u>	<u>72,440</u>	<u>485,308</u>
<u>TOPASS</u>				
Assets:				
Cash and investments	\$ 957,953	15,520	10	973,463
Accrued interest receivable	2,910	7,102	7,582	2,430
Total assets	<u>\$ 960,863</u>	<u>22,622</u>	<u>7,592</u>	<u>975,893</u>
Liabilities:				
Accounts payable	\$ -	10	10	-
Deposits	960,863	15,040	10	975,893
Total liabilities	<u>\$ 960,863</u>	<u>15,050</u>	<u>20</u>	<u>975,893</u>
(Continued ...)				

CITY OF THOUSAND OAKS
Combining Statement of Changes in Assets and Liabilities - Agency Funds
Year Ended June 30, 2011

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
(Continued ...)				
<u>COSCA</u>				
Assets:				
Cash and investments	\$ 874,918	84,517	8,507	950,928
Accounts receivable	52	106,724	100,805	5,971
Accrued interest receivable	2,715	6,771	7,111	2,375
Total assets	<u>\$ 877,685</u>	<u>198,012</u>	<u>116,423</u>	<u>959,274</u>
Liabilities:				
Accounts payable	\$ -	5,002	-	5,002
Deposits	877,685	90,096	13,509	954,272
Total liabilities	<u>\$ 877,685</u>	<u>95,098</u>	<u>13,509</u>	<u>959,274</u>
<u>Misc. Flow Through</u>				
Assets:				
Cash and investments	\$ 399,278	55,331	50,408	404,201
Accrued interest receivable	1,180	2,879	3,074	985
Total assets	<u>\$ 400,458</u>	<u>58,210</u>	<u>53,482</u>	<u>405,186</u>
Liabilities:				
Accounts payable	\$ -	53,820	44,306	9,514
Due to other agencies	10,894	34,726	45,620	-
Deposits	389,564	14,318	8,210	395,672
Total liabilities	<u>\$ 400,458</u>	<u>102,864</u>	<u>98,136</u>	<u>405,186</u>
<u>Total Agency Funds</u>				
Assets:				
Cash and investments	\$ 5,958,904	881,333	1,473,585	5,366,652
Accounts receivable	20,594	134,788	121,347	34,035
Accrued interest receivable	16,648	38,725	42,690	12,683
Intergovernmental receivable	31,480	1,545	31,480	1,545
Total assets	<u>\$ 6,027,626</u>	<u>1,056,391</u>	<u>1,669,102</u>	<u>5,414,915</u>
Liabilities:				
Accounts payable	\$ 15,579	859,679	832,501	42,757
Due to other agencies	23,274	60,752	71,646	12,380
Deposits	5,988,773	844,543	1,473,538	5,359,778
Total liabilities	<u>\$ 6,027,626</u>	<u>1,764,974</u>	<u>2,377,685</u>	<u>5,414,915</u>



STATISTICAL SECTION

City of Thousand Oaks
Year Ended June 30, 2011

Statistical Section

This part of the City of Thousand Oaks CAFR presents detailed information regarding five categories: financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information. These tables are presented as a context for understanding the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These tables contain trend information over multiple years in order to better help the reader understand how the City's financial performance has changed over time.	113-122
Revenue Capacity These tables contain information regarding the City's largest own-source revenue, property tax.	123-126
Debt Capacity These tables present information regarding the City's current debt requirements and the City's financial ability to issue additional debt in the future.	127-135
Demographic and Economic Information These tables present demographic and economic indicators that provide the reader a better understanding of the environment within which the City's activities take place and allow for comparison between cities.	136-137
Operating Information These tables provide information regarding the City's operations and resources in order to help the reader gain knowledge about how the City's financial statistics relate to the services the City provides.	138-141

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Table 1

CITY OF THOUSAND OAKS

**Net Assets by Component
Last Ten Fiscal Years
(accrual basis of accounting)**

Page 1 of 2

	Fiscal Year			
	2002	2003	2004	2005
Governmental activities				
Invested in capital assets, net of related debt	\$ 365,241,448	\$ 369,996,592	\$ 376,118,873	\$ 387,500,748
Restricted	22,704,659	25,750,801	25,412,896	28,561,340
Unrestricted	57,472,121	69,968,316	82,251,419	80,992,727
Total governmental activities net assets	<u>\$ 445,418,228</u>	<u>\$ 465,715,709</u>	<u>\$ 483,783,188</u>	<u>\$ 497,054,815</u>
Business-type activities				
Invested in capital assets, net of related debt	\$ 93,092,469	\$ 99,389,027	\$ 118,714,518	\$ 128,678,380
Restricted	1,866,059	1,902,498	1,897,857	1,523,477
Unrestricted	59,400,092	62,492,737	50,275,435	52,989,706
Total business-type activities net assets	<u>\$ 154,358,620</u>	<u>\$ 163,784,262</u>	<u>\$ 170,887,810</u>	<u>\$ 183,191,563</u>
Primary government				
Invested in capital assets, net of related debt	\$ 458,333,917	\$ 469,385,619	\$ 494,833,391	\$ 516,179,128
Restricted	24,570,718	27,653,299	27,310,753	30,084,817
Unrestricted	116,872,213	132,461,053	132,526,854	133,982,433
Total primary government net assets	<u>\$ 599,776,848</u>	<u>\$ 629,499,971</u>	<u>\$ 654,670,998</u>	<u>\$ 680,246,378</u>

Source: City of Thousand Oaks

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$ 407,648,885	\$ 418,355,893	\$ 434,736,557	\$ 436,277,657	\$ 434,777,106	\$ 436,968,437
31,169,108	35,924,063	40,440,983	37,727,131	38,654,458	46,508,324
93,153,410	87,581,092	96,217,592	102,182,201	106,323,825	107,815,418
<u>\$ 531,971,403</u>	<u>\$ 541,861,048</u>	<u>\$ 571,395,132</u>	<u>\$ 576,186,989</u>	<u>\$ 579,755,389</u>	<u>\$ 591,292,179</u>
\$ 132,493,444	\$ 142,591,730	\$ 146,826,463	\$ 148,313,106	\$ 151,530,649	\$ 153,821,273
1,523,349	2,531,163	2,522,780	2,734,026	2,018,609	2,196,556
61,425,928	57,703,269	63,558,847	67,572,396	67,811,296	68,823,038
<u>\$ 195,442,721</u>	<u>\$ 202,826,162</u>	<u>\$ 212,908,090</u>	<u>\$ 218,619,528</u>	<u>\$ 221,360,554</u>	<u>\$ 224,840,867</u>
\$ 540,142,329	\$ 560,947,623	\$ 581,563,020	\$ 584,590,763	\$ 586,307,755	\$ 590,789,710
32,692,457	38,455,226	42,963,763	40,461,157	40,673,067	48,704,880
154,579,338	145,284,361	159,776,439	169,754,597	174,135,121	176,638,456
<u>\$ 727,414,124</u>	<u>\$ 744,687,210</u>	<u>\$ 784,303,222</u>	<u>\$ 794,806,517</u>	<u>\$ 801,115,943</u>	<u>\$ 816,133,046</u>

Table 2

CITY OF THOUSAND OAKS

**Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)**

Page 1 of 4

	Fiscal Year			
	2002	2003	2004	2005
Expenses				
Governmental activities:				
General government	\$ 15,148,327	\$ 16,155,325	\$ 18,743,165	\$ 16,836,359
Public safety	16,200,821	17,032,257	18,305,823	20,972,606
Transportation	17,233,966	17,789,530	18,502,833	19,415,792
Community development	18,870,752	19,326,347	22,339,860	29,125,569
Culture and leisure	9,343,516	9,905,099	10,160,421	11,515,230
Interest on long-term debt	4,231,170	4,232,706	4,109,257	4,050,846
Total governmental activities expenses	<u>81,028,552</u>	<u>84,441,264</u>	<u>92,161,359</u>	<u>101,916,402</u>
Business-type activities:				
Water	11,770,859	11,713,434	13,093,821	13,104,690
Wastewater	13,406,288	13,788,971	14,753,954	15,752,429
Golf Course	2,818,137	3,051,369	2,799,133	2,885,140
Transportation	1,893,454	2,078,897	2,078,980	2,244,824
Solid Waste Management	1,050,906	1,125,666	1,109,634	1,204,671
Theatres	3,005,419	3,010,764	3,280,574	3,364,571
Total business-type activities expenses	<u>33,945,063</u>	<u>34,769,101</u>	<u>37,116,096</u>	<u>38,556,325</u>
Total primary government expenses	<u>\$114,973,615</u>	<u>\$119,210,365</u>	<u>\$129,277,455</u>	<u>\$140,472,727</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 5,541,084	\$ 4,426,444	\$ 4,781,210	\$ 4,675,931
Public safety	374,060	144,451	329,051	392,748
Transportation	3,845,931	3,907,474	3,954,579	3,687,538
Community development	6,622,209	6,177,535	5,961,355	5,423,463
Culture and leisure	280,419	258,776	224,910	283,789
Operating grants and contributions	8,338,423	9,877,163	10,104,962	9,714,763
Capital grants and contributions	7,177,090	9,419,175	2,986,952	1,909,794
Total governmental activities program revenues	<u>32,179,216</u>	<u>34,211,018</u>	<u>28,343,019</u>	<u>26,088,026</u>
Business-type activities:				
Charges for services:				
Water	13,272,570	12,740,282	13,714,416	13,531,341
Wastewater	22,672,708	20,125,976	19,667,533	24,859,087
Golf Course	2,073,448	2,492,027	2,719,273	2,692,445
Transportation	158,476	162,423	159,198	173,349
Solid Waste Management	1,420,114	1,330,498	1,356,590	1,495,382
Theatres	2,605,622	2,343,250	2,545,525	2,747,968
Operating grants and contributions	1,857,679	2,030,305	2,510,548	2,235,469
Capital grants and contributions	1,521,673	767,946	914,728	2,570,615
Total business-type activities program revenues	<u>45,582,290</u>	<u>41,992,707</u>	<u>43,587,811</u>	<u>50,305,656</u>
Total primary government program revenues	<u>\$ 77,761,506</u>	<u>\$ 76,203,725</u>	<u>\$ 71,930,830</u>	<u>\$ 76,393,682</u>
Net (expense)/revenue				
Governmental activities	\$ (48,849,336)	\$ (50,230,246)	\$ (63,818,340)	\$ (75,828,376)
Business-type activities	11,637,227	7,223,606	6,471,715	11,749,331
Total Primary government net expense	<u>\$ (37,212,109)</u>	<u>\$ (43,006,640)</u>	<u>\$ (57,346,625)</u>	<u>\$ (64,079,045)</u>

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$ 17,206,821	\$ 14,664,399	\$ 18,130,375	\$ 19,274,242	\$ 16,318,024	\$ 15,818,365
22,786,609	25,127,397	26,181,258	26,737,000	26,917,106	27,165,601
20,986,608	23,588,625	24,322,484	24,812,778	24,205,410	27,308,063
24,669,138	37,508,148	24,412,525	23,525,974	31,472,631	26,004,932
10,018,836	11,128,984	11,497,376	11,657,026	11,438,101	10,880,231
4,333,241	4,522,922	4,432,146	4,426,267	4,002,329	3,672,066
<u>100,001,253</u>	<u>116,540,475</u>	<u>108,976,164</u>	<u>110,433,287</u>	<u>114,353,601</u>	<u>110,849,258</u>
13,613,806	15,685,054	16,651,251	17,578,603	18,690,402	19,430,010
15,326,168	16,485,524	18,530,603	18,033,389	18,795,351	18,565,664
2,632,059	3,558,463	5,229,818	5,002,620	5,099,519	4,923,681
2,153,046	2,392,015	2,656,945	2,928,854	3,447,324	3,764,116
1,095,095	1,218,699	1,225,934	1,250,469	1,332,067	1,424,288
3,261,166	3,531,891	3,959,594	4,152,677	3,915,498	3,716,595
<u>38,081,340</u>	<u>42,871,646</u>	<u>48,254,145</u>	<u>48,946,612</u>	<u>51,280,161</u>	<u>51,824,354</u>
<u>\$138,082,593</u>	<u>\$159,412,121</u>	<u>\$157,230,309</u>	<u>\$159,379,899</u>	<u>\$165,633,762</u>	<u>\$162,673,612</u>
\$ 5,364,362	\$ 4,599,023	\$ 5,443,275	\$ 5,569,675	\$ 6,584,710	\$ 5,620,394
410,837	415,859	454,311	473,720	643,054	518,740
3,892,761	4,141,942	4,055,638	4,231,897	4,693,392	4,271,158
5,956,075	6,178,994	5,498,065	4,462,726	4,352,037	4,764,843
260,221	265,160	268,351	256,812	316,762	260,421
15,910,652	13,984,520	12,520,302	11,360,407	11,453,153	13,906,945
2,157,451	4,299,200	10,556,495	2,792,857	1,622,157	1,652,089
<u>33,952,359</u>	<u>33,884,698</u>	<u>38,796,437</u>	<u>29,148,094</u>	<u>29,665,265</u>	<u>30,994,590</u>
14,370,069	15,817,257	17,180,172	18,436,321	18,896,852	21,283,333
23,293,090	21,780,500	24,047,603	21,871,495	20,657,404	20,028,254
2,847,771	3,767,811	5,527,842	5,570,050	5,307,892	4,874,576
229,971	238,923	266,518	285,926	396,405	301,075
1,587,575	1,686,762	1,676,715	1,574,351	1,602,364	1,388,587
3,055,383	3,320,816	4,000,422	3,569,127	3,191,463	3,142,176
2,083,574	2,338,808	3,548,963	2,845,062	3,620,080	3,989,932
2,389,038	1,194,074	1,481,682	236,070	225,179	175,441
<u>49,856,471</u>	<u>50,144,951</u>	<u>57,729,917</u>	<u>54,388,402</u>	<u>53,897,639</u>	<u>55,183,374</u>
<u>\$ 83,808,830</u>	<u>\$ 84,029,649</u>	<u>\$ 96,526,354</u>	<u>\$ 83,536,496</u>	<u>\$ 83,562,904</u>	<u>\$ 86,177,964</u>
\$ (66,048,894)	\$ (82,655,777)	\$ (70,179,727)	\$ (81,285,193)	\$ (84,688,336)	\$ (79,854,668)
11,775,131	7,273,305	9,475,772	5,441,790	2,617,478	3,359,020
<u>\$ (54,273,763)</u>	<u>\$ (75,382,472)</u>	<u>\$ (60,703,955)</u>	<u>\$ (75,843,403)</u>	<u>\$ (82,070,858)</u>	<u>\$ (76,495,648)</u>

Table 2

CITY OF THOUSAND OAKS

Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)

General Revenue and Other Changes in Net Assets	Fiscal Year			
	2002	2003	2004	2005
Governmental activities:				
Taxes				
Property tax	\$ 23,875,870	\$ 25,607,658	\$ 29,263,803	\$ 30,831,917
Sales tax	24,221,482	25,401,457	27,073,530	26,555,848
Transient occupancy tax	2,037,777	1,940,146	2,087,242	2,203,145
Franchise tax	3,857,711	4,175,821	4,374,567	4,715,999
Business tax	1,440,791	1,523,739	1,577,169	1,633,662
Property transfer tax	1,089,291	1,077,855	1,343,817	1,171,795
Unrestricted intergovernmental revenue	6,854,219	7,904,954	8,103,466	9,987,394
Proceeds from the sale of property	9,802,019	306,841	8,528,797	10,323,579
Unrestricted investment/interest earnings	2,889,340	2,471,292	421,841	2,231,086
Transfers	(330,331)	(534,036)	(631,833)	(554,422)
Special item (1)	-	-	-	-
Total governmental activities	<u>75,738,169</u>	<u>69,875,727</u>	<u>82,142,399</u>	<u>89,100,003</u>
Business-type activities:				
Transfers	330,331	534,036	631,833	554,422
Total business-type activities	<u>330,331</u>	<u>534,036</u>	<u>631,833</u>	<u>554,422</u>
Total primary government	<u>\$ 76,068,500</u>	<u>\$ 70,409,763</u>	<u>\$ 82,774,232</u>	<u>\$ 89,654,425</u>
Change in Net Assets				
Governmental activities	\$ 26,888,833	\$ 19,645,481	\$ 18,324,059	\$ 13,271,627
Business-type activities	11,967,558	7,757,642	7,103,548	12,303,753
Total primary government	<u>\$ 38,856,391</u>	<u>\$ 27,403,123</u>	<u>\$ 25,427,607</u>	<u>\$ 25,575,380</u>

Note: (1) In fiscal year 2005-06 the City of Thousand Oaks redeemed 1995 Tax Allocation Bonds in full and was subject to an early redemption penalty.

Source: City of Thousand Oaks

2006	2007	2008	2009	2010	2011
\$ 32,970,013	\$ 32,239,737	\$ 34,762,919	\$ 37,321,236	\$ 36,833,910	\$ 34,355,639
29,919,102	28,176,057	26,356,909	24,132,888	23,873,911	22,123,406
2,541,091	2,830,919	2,859,810	2,493,840	2,281,581	2,702,879
4,720,176	5,363,492	5,117,984	5,282,424	5,200,169	5,790,082
1,781,543	1,826,253	1,843,606	1,782,198	1,673,282	1,708,860
1,300,101	1,120,684	703,515	525,900	573,839	588,295
7,634,036	9,531,713	9,965,147	10,225,069	10,186,178	10,302,283
18,746,601	6,449,961	12,529,289	1,668,014	6,161,617	1,535,345
2,677,146	5,116,742	6,180,788	2,686,701	1,595,797	931,529
(476,027)	(110,136)	(606,156)	(41,220)	(123,548)	(121,293)
(848,300)	-	-	-	-	-
<u>100,965,482</u>	<u>92,545,422</u>	<u>99,713,811</u>	<u>86,077,050</u>	<u>88,256,736</u>	<u>79,917,025</u>
<u>476,027</u>	<u>110,136</u>	<u>606,156</u>	<u>41,220</u>	<u>123,548</u>	<u>121,293</u>
<u>476,027</u>	<u>110,136</u>	<u>606,156</u>	<u>41,220</u>	<u>123,548</u>	<u>121,293</u>
<u>\$101,441,509</u>	<u>\$ 92,655,558</u>	<u>\$100,319,967</u>	<u>\$ 86,118,270</u>	<u>\$ 88,380,284</u>	<u>\$ 80,038,318</u>
\$ 34,916,588	\$ 9,889,645	\$ 29,534,084	\$ 4,791,857	\$ 3,568,400	\$ 62,357
12,251,158	7,383,441	10,081,928	5,483,010	2,741,026	3,480,313
<u>\$ 47,167,746</u>	<u>\$ 17,273,086</u>	<u>\$ 39,616,012</u>	<u>\$ 10,274,867</u>	<u>\$ 6,309,426</u>	<u>\$ 3,542,670</u>

Table 3

CITY OF THOUSAND OAKS

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

Page 1 of 2

	Fiscal Year				
	2002	2003	2004	2005	2006
General Fund					
Reserved	\$ 2,395,726	\$ 2,390,354	\$ 2,348,887	\$ 6,345,922	\$ 5,686,993
Unreserved	58,149,748	65,424,443	70,496,143	66,974,161	71,118,732
Nonspendable	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total General Fund	<u>\$ 60,545,474</u>	<u>\$ 67,814,797</u>	<u>\$ 72,845,030</u>	<u>\$ 73,320,083</u>	<u>\$ 76,805,725</u>
All other governmental funds					
Reserved	\$ 13,586,109	\$ 12,932,927	\$ 15,242,109	\$ 15,895,720	\$ 21,938,971
Unreserved, reported in:					
Special revenue funds	10,882,088	12,437,165	13,831,186	15,577,334	14,357,717
Capital projects funds	38,007,252	44,462,953	44,420,861	38,939,654	63,308,782
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>\$ 62,475,449</u>	<u>\$ 69,833,045</u>	<u>\$ 73,494,156</u>	<u>\$ 70,412,708</u>	<u>\$ 99,605,470</u>

Note: The City of Thousand Oaks implemented GASB 54 for the fiscal year ended June 30, 2011, therefore information on fund balance categories is unavailable for prior fiscal years.

Source: City of Thousand Oaks

2007	2008	2009	2010	2011
\$ 9,222,787	\$ 8,078,178	\$ 7,346,454	\$ 7,452,277	\$ -
71,791,197	76,484,258	73,848,723	71,441,836	-
-	-	-	-	386,487
-	-	-	-	30,382,360
-	-	-	-	47,971,223
-	-	-	-	75,762
<u>\$ 81,013,984</u>	<u>\$ 84,562,436</u>	<u>\$ 81,195,177</u>	<u>\$ 78,894,113</u>	<u>\$ 78,815,832</u>
\$ 28,821,905	\$ 27,574,498	\$ 28,675,993	\$ 35,259,948	\$ -
15,202,299	17,607,477	21,464,035	18,554,270	-
45,493,233	47,247,642	50,226,170	46,906,091	-
-	-	-	-	9,454,786
-	-	-	-	65,811,852
-	-	-	-	16,273,358
-	-	-	-	18,085,550
-	-	-	-	(383,659)
<u>\$ 89,517,437</u>	<u>\$ 92,429,617</u>	<u>\$100,366,198</u>	<u>\$100,720,309</u>	<u>\$109,241,887</u>

Table 4

CITY OF THOUSAND OAKS

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

Page 1 of 2

	Fiscal Year				
	2002	2003	2004	2005	2006
Revenues					
Taxes	\$57,562,562	\$60,006,178	\$66,138,570	\$66,968,618	\$72,644,232
Licenses and permits	7,239,208	6,982,590	6,333,498	6,069,507	6,828,237
Fines and forfeitures	1,167,411	1,321,663	1,332,619	1,271,982	1,315,310
Use of money and property	6,497,769	6,463,226	3,757,861	5,374,862	11,767,522
Charges for current services	13,247,498	15,183,181	9,364,412	8,589,077	8,262,238
Intergovernmental revenue	10,597,982	13,649,835	12,189,331	14,623,435	15,264,763
Reimbursements	2,871,129	1,543,454	2,308,675	1,586,882	1,548,917
Other	176,517	108,943	105,974	132,483	1,152,685
Total revenues	99,360,076	105,259,070	101,530,940	104,616,846	118,783,904
Expenditures					
Current:					
General government	11,319,112	13,208,695	16,283,067	15,621,138	15,766,855
Public safety	16,073,327	16,931,218	18,153,673	20,810,401	22,695,988
Transportation	19,286,208	15,336,249	16,170,952	15,743,581	19,517,689
Community development (2)	19,134,039	19,803,419	22,587,027	29,297,954	24,898,340
Culture and leisure	8,447,716	8,957,013	9,346,445	10,559,066	9,155,333
Debt service:					
Principal	16,786,140	1,821,140	1,916,140	1,996,140	2,086,140
Interest	4,231,170	4,232,706	4,116,462	4,058,309	4,288,548
Issuance cost (1)	949,311	-	-	-	1,662,447
Payment to refunded bond escrow agent - prior	-	-	-	-	-
Capital outlay	19,893,683	9,827,731	3,674,055	10,187,907	9,789,053
Total expenditures	116,120,706	90,118,171	92,247,821	108,274,496	109,860,393
Excess (deficiency) of revenues over (under) expenditures	(16,760,630)	15,140,899	9,283,119	(3,657,650)	8,923,511
Other financing sources (uses)					
Transfers in	7,502,069	8,253,922	8,038,150	20,256,583	36,084,301
Transfers out	(7,832,400)	(8,787,958)	(8,669,983)	(20,811,005)	(36,560,328)
Refunding bonds issued	23,953,653	-	-	1,600,000	77,715,000
Premium on refunding bonds issued	-	-	-	-	178,731
Discount on refunding bonds issued	-	-	-	-	(216,183)
Payment to refunded bond escrow agent - current	-	-	-	-	(52,620,000)
Proceeds from sale of property	248,658	20,056	40,058	5,677	21,672
Special Item	-	-	-	-	(848,300)
Total other financing sources (uses)	23,871,980	(513,980)	(591,775)	1,051,255	23,754,893
Net change in fund balances	\$ 7,111,350	\$14,626,919	\$ 8,691,344	\$ (2,606,395)	\$32,678,404
Debt service as a percentage of noncapital expenditures	23.9%	8.0%	7.2%	6.4%	6.8%

Notes:

- (1) In fiscal year 2005-06, the City redeemed 1995 Tax Allocation Bonds in full.
- (2) In fiscal year 2006-07, the increase in community development expenditures included \$15 million in Redevelopment Agency loans issued to affordable housing projects. Agency loans are recorded as expenditures when issued.

Source: City of Thousand Oaks

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$74,087,967	\$73,371,615	\$71,989,974	\$67,116,846	\$69,146,491
7,067,251	6,444,165	5,206,207	4,319,610	4,829,204
1,355,570	1,406,029	1,565,993	1,356,890	1,245,879
10,372,723	11,324,470	6,467,079	4,505,561	3,273,362
9,658,202	12,746,634	10,030,782	9,876,944	9,660,891
16,333,547	15,926,155	20,861,029	17,490,908	21,229,614
1,636,729	1,630,729	1,759,091	-	-
824,383	403,694	190,291	3,271,990	2,325,759
<u>121,336,372</u>	<u>123,253,491</u>	<u>118,070,446</u>	<u>107,938,749</u>	<u>111,711,200</u>
17,977,207	16,062,522	17,306,010	14,530,618	14,170,542
25,042,113	26,105,855	26,599,446	26,684,654	26,999,458
18,745,267	20,280,207	22,524,959	15,762,955	22,727,687
37,478,789	24,442,524	23,404,601	31,093,436	26,085,166
10,205,274	10,130,739	10,035,034	9,718,996	9,351,390
1,565,000	4,195,000	4,380,000	4,560,000	4,875,000
4,528,991	4,447,340	4,240,684	4,034,636	3,585,683
-	-	-	253,368	-
-	-	-	1,214,341	-
<u>11,603,594</u>	<u>10,528,549</u>	<u>4,998,150</u>	<u>3,416,204</u>	<u>6,846,658</u>
<u>127,146,235</u>	<u>116,192,736</u>	<u>113,488,884</u>	<u>111,269,208</u>	<u>114,641,584</u>
<u>(5,809,863)</u>	<u>7,060,755</u>	<u>4,581,562</u>	<u>(3,330,459)</u>	<u>(2,930,384)</u>
8,832,240	9,903,957	9,252,559	8,428,849	7,159,053
(8,942,376)	(10,510,113)	(9,293,779)	(8,552,397)	(7,280,346)
-	-	-	16,405,000	-
-	-	-	133,266	-
-	-	-	-	-
-	-	-	(15,107,427)	-
40,225	6,033	28,980	76,215	20,542
-	-	-	-	-
<u>(69,911)</u>	<u>(600,123)</u>	<u>(12,240)</u>	<u>1,383,506</u>	<u>(100,751)</u>
<u>\$ (5,879,774)</u>	<u>\$ 6,460,632</u>	<u>\$ 4,569,322</u>	<u>\$ (1,946,953)</u>	<u>\$ (3,031,135)</u>
5.5%	8.6%	8.5%	8.1%	8.3%

Table 5

CITY OF THOUSAND OAKS

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

Fiscal Year Ended June 30	City			Redevelopment Agency			Total Direct Tax Rate (2)	
	Secured	Unsecured	Utility (1)	Taxable Assessed Value (3)	Secured	Unsecured		Taxable Assessed Value (3)
2002	\$ 14,899,046,938	\$ 483,652,161	\$ -	\$ 15,382,699,099	\$ 1,238,518,164	\$ 127,956,828	\$ 1,366,474,992	-
2003	16,178,580,783	494,170,718	427,494	16,673,178,995	1,428,367,127	118,607,359	1,546,974,486	-
2004	17,555,818,856	463,265,855	462,362	18,019,547,073	1,508,918,282	115,223,265	1,624,141,547	-
2005	18,980,036,105	439,553,913	-	19,419,590,018	1,615,810,669	139,235,545	1,755,046,214	-
2006	20,549,787,821	506,781,847	-	21,056,569,668	1,721,179,674	176,572,580	1,897,752,254	-
2007	21,965,931,041	540,377,371	-	22,506,308,412	1,894,051,482	185,416,327	2,079,467,809	-
2008	22,852,908,161	586,664,390	-	23,439,572,551	2,070,600,242	198,440,279	2,269,040,521	-
2009	22,869,843,040	618,113,555	-	23,487,956,595	2,131,628,371	190,361,183	2,321,989,554	-
2010	22,512,173,551	595,248,952	-	23,107,422,503	1,999,781,752	181,279,237	2,181,060,989	-
2011	22,678,655,445	578,996,865	-	23,257,652,310	2,012,751,826	181,485,437	2,194,237,263	-

Notes:

- (1) State utility unitary valuations are reported in total by County only and no longer by individual City, except for voter-approved debt. There were no valuations to report for fiscal year 2001-02 and fiscal years 2004-05 through 2010-11.
- (2) The City does not have a direct property tax rate.
- (3) Taxable assessed values reflect market values as established by the County Assessor on January 1, for assessment in the following fiscal year.

Source: Ventura County Auditor-Controller

Table 6

CITY OF THOUSAND OAKS

**Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

Fiscal Year	City Direct Rate (1)	Overlapping Rates					Total Direct & Overlapping Rates
		County Flood Zone #3 Debt Service (2)	Prop 13 Maximum 1% Tax (3)	Conejo Valley Unified School District Bond (2)	Ventura Community College Bond (2)	Metropolitan Water (2)	
2002	-	0.001632	1.000000	0.025900	-	0.007700	1.035232
2003	-	0.000624	1.000000	0.025300	0.017800	0.006700	1.050424
2004	-	0.000297	1.000000	0.024500	0.016600	0.006100	1.047497
2005	-	-	1.000000	0.028000	0.013000	0.005800	1.046800
2006	-	-	1.000000	0.026700	0.013000	0.005200	1.044900
2007	-	-	1.000000	0.024900	0.012700	0.004700	1.042300
2008	-	-	1.000000	0.024200	0.005000	0.004500	1.033700
2009	-	-	1.000000	0.025000	0.015200	0.004300	1.044500
2010	-	-	1.000000	0.026400	0.013900	0.004300	1.044600
2011	-	-	1.000000	0.028500	0.015100	0.003700	1.047300

Notes:

(1) The City does not have a direct rate.

(2) Overlapping rates are those of local and county governments and/or special districts that apply to property owners within certain geographic boundaries in the City.

(3) In 1978, California voters passed Proposition 13 which sets the property tax rate at 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resided 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 school and water district bonds.

Source: Ventura County Auditor-Controller

Table 7

CITY OF THOUSAND OAKS

**Principal Property Tax Payers
Current Year and Nine Years Ago**

<u>Taxpayer</u>	2011		2002	
	<u>Taxable Assessed Value (1)</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Total Taxable Assessed Value</u>
AMGEN INC.	\$ 1,138,807,881	4.90%	\$ 832,549,959	5.41%
MACERICH OAKS LLC (2)	324,219,763	1.39%	-	0.00%
BAXTER HEALTHCARE CORP.	177,683,345	0.76%	140,652,341	0.91%
CONTINUING LIFE COMMUNITIES THOUSAND OAKS LLC	174,675,505	0.75%	-	0.00%
DUESENBERG INVESTMENT CO	115,952,107	0.50%	-	0.00%
SKYWORKS SOLUTIONS INC.	75,697,941	0.33%	-	0.00%
REGENCY CENTERS LP	70,511,587	0.30%	-	0.00%
SHAPELL INDUSTRIES INC.	66,019,175	0.28%	49,643,617	0.32%
LOS ROBLES HOSPITAL	65,587,493	0.28%	50,169,015	0.33%
ONE BAXTER WAY LP	65,500,000	0.28%	-	0.00%
THE OAKS SHOPPING CENTER LP (2)	-	0.00%	137,770,415	0.90%
ROCKWELL SEMICONDUCTOR SYSTEMS	-	0.00%	95,260,700	0.62%
LANG RANCH ASSOCIATES	-	0.00%	57,419,656	0.37%
U S A INVESTMENTS INC.	-	0.00%	56,376,449	0.37%
ESSEX PORTFOLIO	-	0.00%	53,995,709	0.35%
MERGED CENTERS	-	0.00%	46,969,156	0.31%
TOTAL	\$ 2,274,654,797	9.78%	\$ 1,520,807,017	9.89%

Notes:

(1) Assessed valuation includes land, buildings, and improvements.

(2) Macerick Oaks LLC acquired The Oaks Shopping Center LP.

Source: Information Services Department of the Ventura County Tax Collector's Office

Table 8

CITY OF THOUSAND OAKS

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2002	\$ 20,217,776	\$ 20,085,111	99.3%	\$ -	\$ -	-
2003	21,778,802	21,658,407	99.4%	-	-	-
2004	24,560,775	24,437,503	99.5%	-	-	-
2005	25,865,249	25,722,345	99.4%	-	-	-
2006	29,295,470	29,052,106	99.2%	190,777	29,242,883	99.8%
2007	32,111,585	31,693,931	98.7%	402,618	32,096,549	100.0%
2008	36,647,595	36,065,366	98.4%	309,152	36,374,518	99.3%
2009	37,438,880	36,880,898	98.5%	153,099	37,033,997	98.9%
2010	37,320,750	36,942,155	99.0%	65,665	37,007,820	99.2%
2011	35,517,611	35,219,996	99.2%	N/A	35,219,996	99.2%

Notes:

- (1) On January 11, 2005, the Thousand Oaks City Council approved formation of a property-based Business Improvement District (PBID) within a defined area of Thousand Oaks Boulevard and several adjacent parcels. City Council action followed an election, where a majority of the property owners within the District voted to assess themselves over five years to fund district operations. This assessment shall commence with the tax year beginning July 1, 2005 and ending June 30, 2010. On September 7, 2010 PBIB was extended for a ten year term commencing on January 1, 2011 and ending on December 31, 2020.
- (2) Information regarding property tax collections in subsequent years and total collections to date was not available from the Ventura County Auditor-Controller for years prior to fiscal year 2005-06.

Source: Ventura County Auditor-Controller

Table 9

CITY OF THOUSAND OAKS

**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Page 1 of 2

Fiscal Year	Governmental Activities			
	Notes/Loans Payable-RDA (1)	Tax Allocation Bonds (2)	Certificates of Participation (3)	Refunding Lease Revenue Bonds (4)
2002	\$ -	\$ 62,645,000	\$ 19,110,000	\$ -
2003	-	61,270,000	18,770,000	-
2004	-	59,805,000	18,425,000	-
2005	-	58,265,000	18,075,000	-
2006	1,600,000	81,750,000	17,705,000	-
2007	1,600,000	80,565,000	17,325,000	-
2008	1,600,000	76,760,000	16,935,000	-
2009	1,600,000	72,795,000	16,520,000	-
2010	1,600,000	68,660,000	-	16,405,000
2011	1,600,000	64,340,000	-	15,850,000

Notes:

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

- (1) The Agency issued the HELP loan in fiscal year 2005-06 to provide financing for Many Mansions' affordable housing project.
- (2) The Agency issued \$4,295,000 Tax Allocation Bonds in fiscal year 2001-02. The Agency issued \$56,215,000 and \$21,500,000 Tax Allocation Bonds and redeemed 1995 Tax Allocation Bonds in full for \$43,595,000 in fiscal year 2005-06.
- (3) The Authority redeemed 1995 General Fund Certificates of Participation in full for \$12,745,000 in fiscal year 2001-02. Original issue amount was for \$15,365,000. Issued \$19,655,000 General Fund Refunding Certificates of Participation in fiscal year 2001-02. In fiscal year 2009-10 the Certificates of Participation were redeemed through the issuance of refunding lease revenue bonds.
- (4) The Authority issued \$16,405,000 2010 Refunding Lease Revenue Bonds in fiscal year 2009-10. The purpose of the bonds is to redeem the 2002 General Fund Refunding Certificates of Participation and provide reserves for the 2010 bondholder payments.
- (5) On January 1, 2007 Golf Course Fund entered into a management agreement with Evergreen Alliance Golf LLP which included capital lease obligations for equipment.
- (6) The Authority Issued \$4,950,000 Lease Revenue Bonds in fiscal year 1999-00. The bonds were redeemed in full for \$4,705,000 in fiscal year 2004-05.
- (7) The City redeemed 1998 Wastewater System Certificates of Participation in fiscal year 2008-09 with revenue refunding bonds.
- (8) The City issued \$11,690,000 revenue refunding bonds in fiscal year 2009-10. The purpose of the bonds is to redeem the City's 1998 Wastewater System Certificates of Participation and provide reserves for the 2010 bondholder payments. Revenue Refunding Bonds of \$11,396,335 consist of par amount of \$11,690,000 and unamortized capitalized issue premiums of \$726,335, net of principal payments of \$1,020,000.
- (9) See Table 14 for personal income and population data.

Source: City of Thousand Oaks

Business-type Activities							
Wastewater	Capital Lease (5)	Golf Course (6)	Certificates of Participation (7)	Revenue Refunding Bonds (8)	Total Primary Government	Percentage of Personal Income (9)	Debt Per Capita (9)
\$ 30,906,268	\$ -	\$ 4,950,000	\$ 20,420,000	\$ -	\$ 138,031,268	3.1%	\$ 1,140.99
33,092,357	-	4,830,000	19,830,000	-	137,792,357	2.9%	1,111.35
31,794,437	-	4,705,000	19,220,000	-	133,949,437	2.7%	1,062.41
30,463,537	-	-	18,590,000	-	125,393,537	2.5%	986.48
29,097,016	-	-	17,935,000	-	148,087,016	2.9%	1,160.16
27,693,918	76,727	-	17,255,000	-	144,438,918	2.8%	1,130.73
26,253,163	410,388	-	16,050,000	-	137,598,163	2.4%	1,069.55
24,773,945	472,259	-	14,815,000	-	130,503,945	2.3%	1,015.09
23,255,132	317,047	-	-	12,228,823	122,148,955	2.1%	938.10
21,695,661	217,158	-	-	11,396,335	114,881,996	2.1%	900.63

Table 10

CITY OF THOUSAND OAKS

Ratio of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	Gross Bonded Debt (1)	Less: Debt Payable from Redevelopment Revenues	Net Bonded Debt	Percentage of Actual Taxable Value of Property (2)	Debt Per Capita (3)
2002	\$ 81,755,000	\$ 62,645,000	\$ 19,110,000	0.12%	\$ 157.97
2003	80,040,000	61,270,000	18,770,000	0.11%	151.39
2004	78,230,000	59,805,000	18,425,000	0.10%	146.14
2005	76,340,000	58,265,000	18,075,000	0.09%	142.20
2006	99,455,000	81,750,000	17,705,000	0.08%	138.71
2007	97,890,000	80,565,000	17,325,000	0.08%	135.63
2008	93,695,000	76,760,000	16,935,000	0.07%	131.64
2009	89,315,000	72,795,000	16,520,000	0.07%	128.50
2010	85,065,000	68,660,000	16,405,000	0.07%	125.99
2011	80,190,000	64,340,000	15,850,000	0.07%	124.26

Notes:

- (1) Gross bonded debt includes all long-term debt except workers' compensation payable, accrued vacation, and arbitrage rebate tax.
- (2) See Table 5 for property value data.
- (3) See Table 14 for population data.

Sources: Ventura County Auditor-Controller, State of California Department of Finance, and the City of Thousand Oaks

Table 11

CITY OF THOUSAND OAKS

**Computation of Direct and Overlapping Debt
June 30, 2011**

<u>Jurisdiction</u>	<u>Net General Obligation Debt Outstanding</u>	<u>Percentage Applicable to City of Thousand Oaks (1)</u>	<u>Amount Applicable to City of Thousand Oaks June 30, 2011</u>
<u>Overlapping Tax and Assessment Debt:</u>			
Metropolitan Water District	\$ 227,670,000	1.182 %	\$ 2,691,059
Ventura County Community College District	314,522,814	22.267	70,034,795
Conejo Valley Unified School District	31,501,749	89.753	28,273,765
City of Thousand Oaks Community Facilities Districts	27,649,191	100.00	27,649,191 (2)
<u>Overlapping General Fund Debt:</u>			
Ventura County General Fund Obligations	101,290,000	22.260	22,547,154
Ventura County Superintendent of Schools Certificates	12,140,000	22.260	<u>2,702,364</u>
Subtotal overlapping and assessment debt			153,898,328
<u>City Direct Debt:</u>			
City of Thousand Oaks Revenue Lease Refunding Bonds	15,850,000	100.00	<u>15,850,000</u>
Subtotal direct debt			15,850,000
Total Direct and Overlapping Debt			<u><u>\$169,748,328</u></u> (3)

Notes:

- (1) Percentage of overlapping agency's assessed valuation located within boundaries of the City.
- (2) Excludes accreted value of capital appreciation bonds.
- (3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

Table 12

City of Thousand Oaks

**Legal Debt Margin Information
Last Ten Fiscal Years**

Page 1 of 2

	<u>2002 (1)</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Debt limit	\$ 576,851,216	\$ 625,244,212	\$ 675,733,015	\$ 728,234,626
Total net debt applicable to limit	<u>19,110,000</u>	<u>18,770,000</u>	<u>18,425,000</u>	<u>18,075,000</u>
Legal debt margin	<u>\$ 557,741,216</u>	<u>\$ 606,474,212</u>	<u>\$ 657,308,015</u>	<u>\$ 710,159,626</u>
Total net debt applicable to the limit as percentage of debt limit	3.31%	3.00%	2.73%	2.48%

Notes:

- (1) Total City bonded debt increased by \$6.5 million during fiscal year 2001-02 due to the issuance of 2002 Public Financing Authority Refunding Certificates of Participation.
- (2) Per California Government Code Section 43605, 15 percent of the assessed value shall be used for debt limit calculations. However, as of fiscal year 1981-82, assessed value no longer was calculated as 25 percent of market value and instead is calculated as 100 percent of market value. In order to reflect the intent of the debt limit stipulation, the 15 percent has been adjusted to one-fourth of 15 percent (3.75 percent) in this calculation.

Sources: Ventura County Auditor-Controller and the City of Thousand Oaks

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$ 789,621,363	\$ 843,986,565	\$ 878,983,971	\$ 880,798,372	\$ 866,528,344	\$ 872,161,962
<u>17,705,000</u>	<u>17,325,000</u>	<u>16,935,000</u>	<u>16,520,000</u>	<u>16,405,000</u>	<u>15,850,000</u>
<u>\$ 771,916,363</u>	<u>\$ 826,661,565</u>	<u>\$ 862,048,971</u>	<u>\$ 864,278,372</u>	<u>\$ 850,123,344</u>	<u>\$ 856,311,962</u>
2.24%	2.05%	1.93%	1.88%	1.89%	1.82%

Legal Debt Margin Calculation for Fiscal Year 2010-11

Assessed value	<u>\$ 23,257,652,310</u>
Debt limit (3.75% of total assessed value) (2)	872,161,962
Net amount of debt applicable to debt limit	<u>15,850,000</u>
Legal debt margin	<u>\$ 856,311,962</u>

Table 13

CITY OF THOUSAND OAKS

**Pledged-Revenue Coverage
Last Ten Fiscal Years**

Page 1 of 3

Fiscal Year	Wastewater Certificates of Participation					
	Gross Revenue (1)	Less: Operating Expenses (6)	Net Revenue Available for Debt Service	Debt Service		Coverage (3)
				Principal (2)	Interest	
2002	\$22,697,083	\$ 9,712,595	\$ 12,984,488	\$ 570,000	\$ 920,580	8.71
2003	20,133,451	10,017,472	10,115,979	590,000	900,565	6.79
2004	19,674,165	9,761,787	9,912,378	610,000	879,260	6.66
2005	24,969,196	9,870,494	15,098,702	630,000	856,468	10.16
2006	23,351,896	10,260,234	13,091,662	655,000	832,210	8.80
2007	21,801,500	10,532,423	11,269,077	680,000	806,845	7.58
2008	24,050,801	12,531,888	11,518,913	1,205,000	780,178	5.80
2009	21,877,495	12,023,182	9,854,313	1,235,000	727,355	5.02
2010	20,768,806	12,590,224	8,178,582	760,000	672,700	5.71
2011	20,330,452	12,368,544	7,961,908	795,000	640,425	5.55

Notes:

- (1) Gross revenue includes operating revenues, non-operating revenues, and operating transfers in.
- (2) On April 1, 2008 and April 1, 2009, a prepayment of \$500,000 was made.
- (3) Coverage reflects net revenue available divided by principal plus interest.
- (4) Issued two tax allocation bonds in fiscal year 2004-05 and one in fiscal year 2001-02.
- (5) Golf Course revenue bonds were redeemed in fiscal year 2004-05.
- (6) Operating expenses include operating expenses less depreciation.

Source: City of Thousand Oaks

Tax Allocation Bonds

Property Tax Increment	Debt Service		Coverage (3)
	Principal (4)	Interest (4)	
\$ -	\$ -	\$ -	-
15,835,826	40,000	253,434	53.97
18,672,712	70,000	218,846	64.65
19,419,920	75,000	216,921	66.52
20,650,391	75,000	1,717,451	11.52
18,918,812	1,185,000	3,590,015	3.96
20,952,113	3,805,000	3,483,698	2.87
22,978,725	3,965,000	3,319,618	3.15
22,663,230	4,135,000	3,148,429	3.11
20,800,954	4,320,000	2,969,481	2.85

Table 13

Pledged-Revenue Coverage
Last Ten Fiscal Years

Page 3 of 3

Golf Course Revenue Bond (5)						
Fiscal Year	Gross Revenue (1)	Less: Operating Expenses (6)	Net Revenue Available for Debt Service	Debt Service		Coverage (3)
				Principal	Interest	
2002	\$ 2,073,448	\$ 2,179,075	\$ (105,627)	\$ 220,000	\$ 250,892	(0.22)
2003	2,492,027	2,411,369	80,658	120,000	260,250	0.21
2004	2,719,273	2,218,671	500,602	125,000	254,719	1.32
2005	2,692,445	2,339,238	353,207	4,705,000	197,031	0.07
2006	-	-	-	-	-	-
2007	-	-	-	-	-	-
2008	-	-	-	-	-	-
2009	-	-	-	-	-	-
2010	-	-	-	-	-	-
2011	-	-	-	-	-	-

Table 14

CITY OF THOUSAND OAKS

**Demographic and Economic Statistics
Last Ten Calendar Years**

Calendar Year	Population	Personal Income	Per Capita Personal Income	School Enrollment	Unemployment Rate
2002	120,975	\$ 4,470,338,668	\$ 36,953	21,331	4.4%
2003	123,986	4,696,142,966	37,876	21,962	4.4%
2004	126,081	4,894,881,368	38,823	22,345	4.1%
2005	127,112	5,058,280,903	39,794	22,499	3.7%
2006	127,644	5,110,099,896	40,034	22,479	3.3%
2007	127,739	5,249,561,944	41,096	22,215	3.8%
2008	128,650	5,635,127,300	43,802	22,115	4.9%
2009	128,564	5,575,692,116	43,369	21,732	8.0%
2010	130,209	5,868,910,257	45,073	21,202	8.3%
2011	127,557	5,433,800,643	42,599	21,111	8.0%

Notes:

Population and School Enrollment figures are as of January of each calendar year.
2011 unemployment figure is as of June.

Population estimates provided in the California Department of Finance's report incorporated 2010 Census numbers as benchmarks. Therefore, the population estimates for 2010 and 2011 published in the California Department of Finance's report may be noticeably different from the previous year estimates.

Sources: California Department of Finance
University of California, Santa Barbara
Conejo Valley Unified School District
State of California Employment Development Department

Table 15

CITY OF THOUSAND OAKS
Principal Employers
Current Year and Nine Years Ago

	2011		2002	
	Employees	Percent of Total City Employment	Employees	Percent of Total City Employment
Amgen Inc.	6,600	9.4%	6,600	9.7%
Anthem Blue Cross	2,835	4.0%	3,596	5.3%
Los Robles Regional Medical Center	1,501	2.1%	1,610	2.4%
Conejo Valley Unified School District (2)	1,216	1.7%	1,777	2.6%
Verizon (3)	717	1.0%	2,630	3.9%
City of Thousand Oaks(1)	582	0.8%	639	0.9%
Skyworks Solutions Inc.	580	0.8%	-	0.0%
Baxter Bioscience	550	0.8%	609	0.9%
Silver Star Automotive Group	526	0.7%	485	0.7%
California Lutheran University (2)	463	0.7%	-	0.0%
Teradyne	-	0.0%	2,000	2.9%
Conexant	-	0.0%	505	0.7%
Total	15,570	22.1%	20,451	30.1%

Notes:

(1) City of Thousand Oaks' labor force does not include City Council and Planning Commission members.

(2) Represents full time employees only for 2011.

(3) Represents 2010 data, 2011 not available.

Sources: City of Thousand Oaks and the State of California Employment Development Department

Table 16

CITY OF THOUSAND OAKS

**Full-time Equivalent City Government Employees by Function
Last Nine Fiscal Years**

Function (1)	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government									
Central Administration	22	19	22	22	31	31	29	27	25
Finance	53	52	46	52	53	51	51	49	48
Legal	6	4	6	6	6	6	5	6	5
Police (2)	120	113	113	113	113	116	114	112	111
Community Development									
Building & Safety	35	32	34	34	31	32	30	29	27
Planning	34	34	34	35	33	33	32	32	27
Redevelopment	5	5	5	4	6	6	6	5	5
Public Works									
Central Administration	90	91	89	88	88	85	84	81	80
Landscape	31	30	30	31	34	32	29	27	24
Streets & Highways	30	32	31	31	32	32	30	29	27
Wastewater	36	36	37	35	35	40	40	39	39
Water	13	13	12	11	13	13	13	10	13
Library	50	49	47	48	48	50	48	45	38
Cultural Affairs (3)	23	22	21	23	16	20	20	19	16
Total (4)	<u>548</u>	<u>532</u>	<u>527</u>	<u>533</u>	<u>539</u>	<u>547</u>	<u>531</u>	<u>510</u>	<u>485</u>

Notes:

- (1) Employee by function data is not available for periods prior to fiscal year 2002-03.
- (2) The City contracts with the County of Ventura for Police services.
- (3) In fiscal year 2006-07, employees were reclassified from the Community and Cultural Services Department to the City Manager's Office, resulting in the decrease in Community and Cultural Services and increase in General Government - Central Administration. In fiscal year 2009-10 the Community & Cultural Services Department had a name change to Cultural Affairs.
- (4) Totals do not include unfilled (vacant) positions or hourly employees.

Source: City of Thousand Oaks

Table 17

CITY OF THOUSAND OAKS

**Operating Indicators by Function
Last Ten Fiscal Years**

Page 1 of 2

Function	2002	2003	2004	2005
General Government				
Business licenses	10,845	11,247	11,438	11,249
Building permits issued (1)	5,268	5,449	4,407	3,977
Library				
Total volumes in collection (2)	290,863	322,516	336,409	353,412
Police				
Physical arrests	3,981	4,262	4,287	3,975
Parking violations (3)	-	-	6,899	5,071
Traffic violations	11,914	14,264	12,432	10,909
Highways and streets				
Potholes repaired (4)	41	34	50	108
Water				
Services	16,037	16,211	16,357	16,470
Average daily consumption (gallons per household)	547	551	589	574
Gallons per day purchased from Calleguas Municipal Water District	12,030,613	11,468,721	12,198,818	11,664,984
Wastewater				
Services	36,205	36,764	37,152	37,371
Average daily sewage treatment (millions of gallons)	10.52	11.09	11.07	11.98

Notes:

- (1) Building permits have decreased both due to the economy and the City transitioning from a growth city to a maintenance city.
- (2) The total number of volumes in the Library collection was under-represented in fiscal year 2005-06, but is correctly presented in fiscal year 2006-07. Beginning in fiscal year 2007-08, volumes include print, audio, and video materials.
- (3) Parking violation data is not available for periods prior to fiscal year 2003-04.
- (4) In fiscal years 2007-08 and 2008-09, pothole repair increased due to the State Route 23 expansion project.

Source: City of Thousand Oaks

2006	2007	2008	2009	2010	2011
11,406	11,222	12,271	11,605	11,031	11,089
3,551	2,963	2,345	1,790	1,777	2,017
353,053	426,182	450,985	450,537	455,833	460,737
4,274	4,623	4,555	3,646	3,034	2,852
5,621	6,344	5,108	6,335	5,186	4,176
12,965	12,378	12,235	13,603	12,522	12,153
62	121	1,126	1,339	1,282	942
16,488	16,536	16,844	16,886	16,907	16,924
588	597	583	504	452	418
11,785,034	13,173,325	13,003,525	12,265,940	10,601,420	9,804,111
37,474	37,655	37,739	37,799	37,873	37,921
10.76	10.40	10.60	10.65	9.82	9.77

Table 18

CITY OF THOUSAND OAKS

**Capital Asset Statistics by Function
Last Ten Fiscal Years**

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Golf Courses:										
Municipal golf courses	1	1	1	1	1	1	1	1	1	1
Libraries:										
Public libraries	2	2	2	2	2	2	2	2	2	2
Highways and streets:										
Streets (miles) (1)	380	380	380	380	380	380	387	387	377	377
Streetlights	7,152	7,198	7,247	7,741	7,749	7,816	7,828	7,833	7,841	7,829
Traffic signals (2)	122	122	123	126	128	132	134	135	137	137
Water:										
Water mains (miles) (3)	279	282	292	297	297	306	317	317	317	320
Fire hydrants (3)	1,789	1,819	1,849	1,859	1,865	1,934	1,964	1,964	1,964	1,964
Wastewater:										
Sanitary sewers (miles)	532	535	537	548	548	550	557	559	560	563

Notes:

- (1) Fiscal year 2009-10 decrease is a result of an updated Pavement Management Study which revealed that 10 miles of local streets previously listed as City streets were actually private.
- (2) Includes pedestrian signals.
- (3) Fiscal year 2006-07 increase is a result of the physical survey performed under the Water Master Plan. Includes privately owned hydrants representing less than 1.5% of hydrants citywide.

Source: City of Thousand Oaks