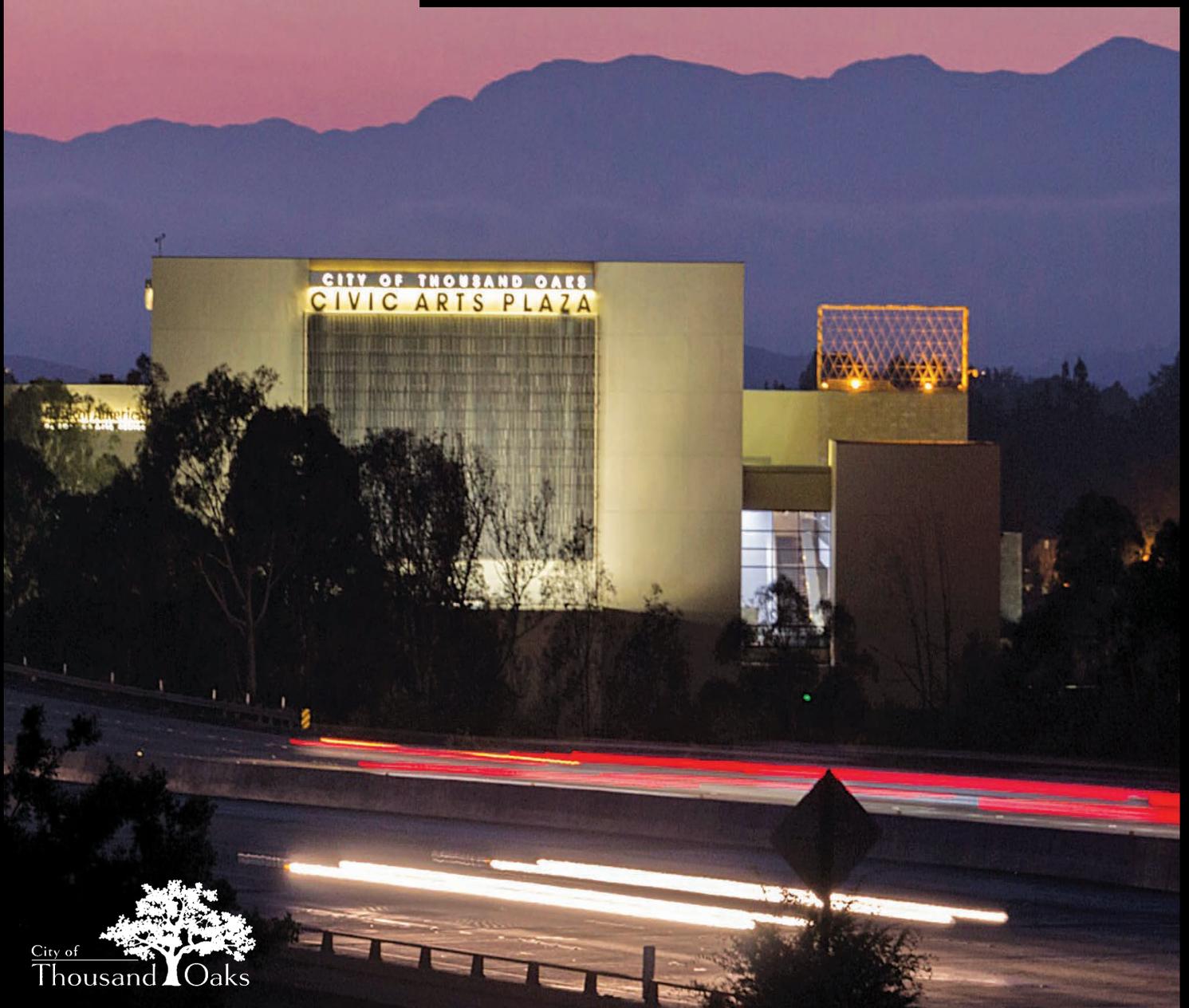


# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED • JUNE 30, 2017



CITY OF THOUSAND OAKS • CALIFORNIA

**CITY OF THOUSAND OAKS, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2017**



**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, 2017**

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## INTRODUCTORY SECTION

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

John F. Adams  
Finance Director/Treasurer

December 18, 2017

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, 2017. 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 the 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 controls that it has established for this purpose. Because the cost of internal controls 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 unmodified opinion on the City's financial statements for the fiscal year ended June 30, 2017. The independent auditors' report is located at the front of the financial section of this report.

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

## **CITY OF THOUSAND OAKS PROFILE**

Thousand Oaks was incorporated on October 7, 1964, as a general law city. The City celebrated its 50<sup>th</sup> anniversary on October 7, 2014. 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 131,457, as of January 1, 2017.

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 open space with rolling green hills that are legally protected by public ownership from future development. In 1977 The City and Conejo Recreation and Park District formed Conejo Open Space Conservation Agency (COSCA), entrusted with the responsibility of preserving, protecting, and managing open space resources. COSCA is celebrating its 40<sup>th</sup> anniversary in 2017 with a variety of events. In total, the City has more than 15,194 acres dedicated to open space, which represents forty percent of all land in the planning area of the City.



The City operates under a City Council - City Manager form of government and provides traditional municipal and public enterprise services, including:

Municipal Services

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

Public Enterprise Services

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

City Council consists of five members elected by the community at large and selects the Mayor from its members for a one-year term. City Council terms are four years, with elections held every two years. City Council appoints the City Manager and City Attorney. An organization chart listing the names of City Council members and other City officials, as of June 30, 2017, is included at the back of the Introductory Section of the CAFR.

Per the City’s Municipal Code, the City Manager is required to “prepare and submit the annual budget to City Council and be responsible for its administration after adoption.” The City Manager presents an operating and capital budget to City Council for review and adoption. The biennial budget is consistent with Generally Accepted Accounting Principles (GAAP). All governmental funds are budgeted and accounted for using the modified accrual basis of accounting and proprietary funds on an accrual basis. The budgetary level of control for all governmental fund types is at the fund level.



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, as well as the receipt, investment, and disbursement of all City funds.

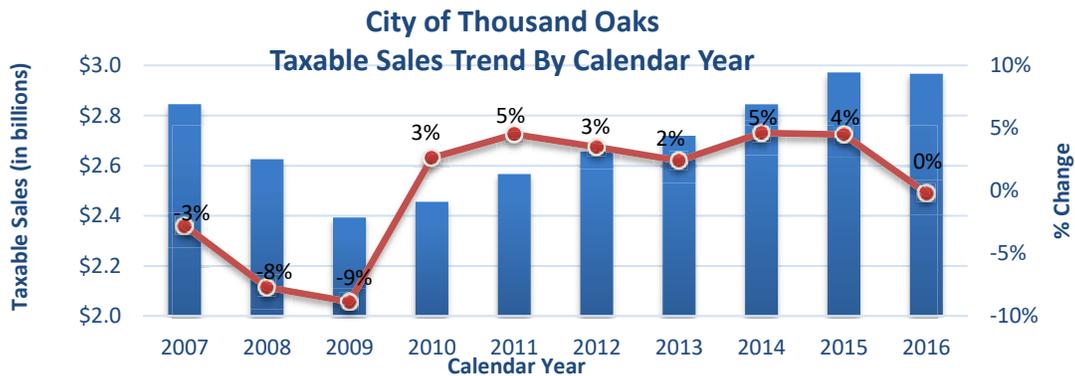
## FISCAL/ECONOMIC CONDITIONS AND OUTLOOK

The City of Thousand Oaks incorporated without a general municipal property tax<sup>1</sup>; however, the City now receives a small portion of the local property tax revenue. Due to this, the City relies on a strong mix of General Fund revenue sources including sales tax, property tax in-lieu of vehicle license fees, transient occupancy tax, business license tax, and building/engineering permit fees. The Water, Wastewater, Golf Course, Transportation, Solid Waste, and Theatres enterprises are supported through user fee charges.



Sales tax revenue remains the primary General Fund revenue source, providing funding for 37 percent of general municipal services. The City enjoys a diverse retail base that maximizes sales tax revenue and generally offsets cyclical economic elasticity. The local economy is strong, with taxable sales

increasing steadily as shown in the chart below. The City has welcomed the addition of several new businesses over the past year, including Ferrari, ADRX, Inc., Gelson’s Market, and Sports Academy.

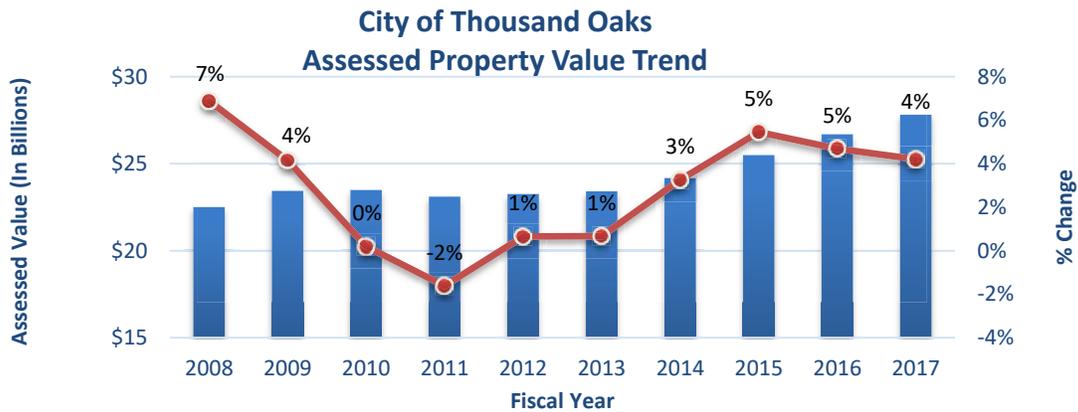


<sup>1</sup> The state property tax allocation system developed in 1979 in response to Proposition 13 is the basis for the property tax allocation among local governments today. Since 1979, one significant change to the original property tax shares contained in AB 8, relates to the so-called “no and 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 housing market continues to perform well. The City's net taxable assessed value increased 4.2 percent in fiscal year 2016-17, which exceeded the countywide increase of 3.7 percent. The County Assessor continues to review the market values of properties that were reduced during the recession. As a result, approximately 22,500 properties countywide are being assessed at a market value higher than their assessed value.

Signs of a strengthening housing recovery are reflected in the fiscal year 2017-18 County Property Tax Assessment Roll released in June 2017, in which the City's net taxable assessed value increased 4.8 percent.



Retail and industrial vacancy rates continue to remain low at 8.0 percent and 0.5 percent, respectively. Office vacancy rates are still on the higher end at 13 percent.

The unemployment rate decreased from 5.3 percent in the prior year to 4.3 percent. The recession high for unemployment was over 8.0 percent while pre-recession, the City's unemployment rate hovered around 4.0 percent. Employers within the City also added approximately 1,470 jobs to the job base and the number of business licenses decreased approximately 3.7 percent during the fiscal year, although total revenue was comparable.

The economy of Thousand Oaks continues to benefit from the success of many tourist attractions including the Thousand Oaks Civic Arts Plaza's two world-class theatres, the Gardens of the World, and the Santa Monica National Park located on the City's southern periphery.



With these attractions, the City, along with the Greater Conejo Valley Chamber of Commerce and Agoura Hills, formed the Conejo Valley Tourism Improvement District (CVTID) in fiscal year 2012-13 to market and promote the Conejo Valley as a great tourist destination. The City relies on transient occupancy tax as a General Fund revenue source, with revenue slightly decreasing from \$4.7 million in fiscal year 2015-16 to \$4.6 million in fiscal year 2016-17.

As part of the City's commitment to maintain its economic vitality through business activity in the various retail, manufacturing, and technology fields, the emphasis on economic development will continue in four areas: business retention, protection

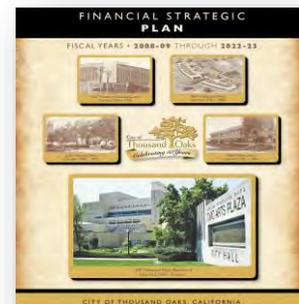


of the community's local retail base, increase in the local job base, with an emphasis on jobs being filled by local residents, and provision of specific business assistance services through the Economic Development Collaborative-Ventura County. The City is currently preparing an Economic Development Strategic Plan, which will include a Market and Economic analysis, along with Economic Development Goals and an Implementation Plan. The City is also in

the process of preparing a Downtown Revitalization Study regarding identifying and evaluating strategies for the implementation of a revitalization plan for the City's downtown area between Erbes Road and Conejo School Road. This will include streetscape improvements within the core downtown.

## LONG TERM FINANCIAL PLANNING

In anticipation of future financial challenges created by reaching build-out, the City adopted a Ten-Year Financial Strategic Plan (Plan) in February 2005 for the General Fund. The City updated the Plan in December 2014 in order to forecast activity through fiscal year 2023-24, as well as provide a more comprehensive financial analysis by including the majority of the City's governmental and enterprise 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 City Council with time to be proactive and develop the course to maintain services, while reducing costs. In addition, in fiscal year 2015-16 the City prepared a Fiscal Sustainability Study to specifically focus on areas in which there is expected to be financial challenges moving forward. Included in this analysis was various options that City Council could consider to address these challenges.



In addition, staff focused its efforts on engagement of the community during the development of the fiscal year 2017-2019 Operating and CIP Budgets this spring. The Your City, Your Priorities campaign was developed as an integral part of the budget process. This new outreach effort provided an opportunity for residents and the public to learn about and share their priorities for the City's budget. Staff received information regarding the community's vision for the future of City services. Staff relied on this information in conjunction with the Financial Strategic Plan and Fiscal Sustainability Study during development of the fiscal year 2017-2019 Operating and CIP Budgets this spring. This forward-thinking approach attributed to the General Fund experiencing an increase in fund balance of \$9.5 million in fiscal year 2016-17.



The City's strong creditworthiness is reflected by the 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, 2017. The rating for the 2010 Wastewater Revenue Refunding Bonds was affirmed by S&P in June 2013 with a stable outlook based on strong economic fundamentals, strong financial policies, competitive rates, low system indebtedness, and limited capital needs over the next five years with plans to fund through pay-as-you-go financing. The rating for the 2010 Public Financing Authority Refunding Lease Revenue Bonds was affirmed by S&P in August 2013 with a stable outlook based on the City's very strong income and wealth indicators, very strong financial position, relatively low level of funding interdependencies with the federal government, and strong financial management policies.

To support the City's commitment to long-term financial planning, City Council has adopted extensive financial policies, including a General Fund 20 percent reserve policy (15 percent working capital reserve and a 5 percent emergency reserve) and a fund balance policy in compliance with Government Accounting Standards Board (GASB) Statement No. 54. As of June 30, 2017, the City's General Fund total fund balance was \$115.1 million. In compliance with the City's Governmental Fund Balance Policy for the General Fund, the City designated \$21.4 million towards reserves, meeting the City's policy objectives.

## **SIGNIFICANT EVENTS AND ACCOMPLISHMENTS**

Thousand Oaks is a 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 City has a strong commitment to its residents' safety, security, well-being, and cultural activities. Thousand Oaks has continually been recognized as one of the safest cities with a population of more than 100,000. According to Niche.com, the City is the 3<sup>rd</sup> safest city in the country with a population over 100,000. In addition,



according to SafeWise.com, Thousand Oaks is the 26th safest city in the state, regardless of population size. This contributes positively towards attracting and retaining businesses and the community's quality of life.

Education plays an important role in having a strong and vibrant community. The Conejo Valley Unified School District consistently receives high API scores throughout all schools in the District. The City is also home to one university, California Lutheran University, and several private schools. California Lutheran University was ranked 14<sup>th</sup> among regional universities in the West in the most recent edition of the U.S. News and World Report. It's no surprise that the City was ranked by Niche.com as the 19<sup>th</sup> best city to raise a family in America in 2017.



In March 2016, it was announced that the Los Angeles Rams selected California Lutheran University (CLU) as the site for their temporary training facility until a permanent location is developed. The Rams invested in the construction of fields and amenities and will turn the improvements over to CLU at the end of their tenure. The Rams are considering the City for their permanent training facility. At the May 9, 2017 City Council Goal Setting, City Council set its number one priority to "Find a Permanent Home for the Los Angeles Rams in Thousand Oaks."



The Thousand Oaks Boulevard Undergrounding Project was completed in the Spring of 2017. This was a major project that removed approximately 1.5 miles of overhead electrical wires and 53 electrical poles along a stretch of Thousand Oaks Boulevard. The project was funded primarily by former Redevelopment Agency bond proceeds and the General Fund.



The City's Newbury Park Library celebrated its 25<sup>th</sup> anniversary. The Newbury Park Library was opened in 1991. The facility houses the library and the community gallery, showcasing the work of local artists and is one of two library branches.

The City has a strong commitment to sustainability and this is reflected throughout the community. The Oaks Shopping Center is the first shopping center in the country to earn the prestigious BREEAM USA In-Use Green Building Certification, which measures and monitors the environmental performance of existing buildings. The Oaks has 6,000 solar panels producing 1,652kW of power, LED lighting with control protocols to minimize energy consumption and lower carbon footprint, more than 500 tons of mixed recycling annually, and integrated thermal controls to save energy.



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 2016-17 to a variety of organizations. This funding assists organizations with providing a variety of programs to the community such as legal services for seniors, counseling services, nursing care for seniors, after school care for children, scholarships for students, mentoring for youths, and to music and sports programs at the City's high school and middle schools.

## **SIGNIFICANT CITY RECOGNITION**

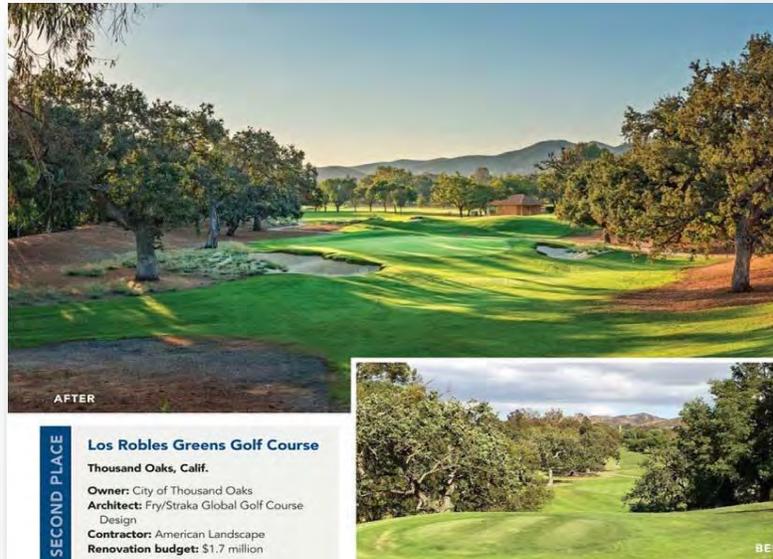
Thanks to hard-working and dedicated City staff, the City received several significant recognitions throughout the year. The following is just a sample of those accomplishments.

Thousand Oaks Television (TOTV) earned two 2<sup>nd</sup> place awards from the National Association of Telecommunications Officers and Advisors. The recognition honors creative media programs distributed on government television channels throughout the U.S. TOTV won for its program entitled, "Taste of TO: Billy Dz BBQ" in both the Interview/Talk Show and Public Information Series categories.



TOTV focuses on local government, state, and national issues and provides a variety of original programming, including live and recorded public meetings and on-site coverage of local events.

The City's Los Robles Greens Golf Course earned "Renovation of the Year" honors from Golf Inc. magazine. The renovation included the removal of over 30 acres of turf and the irrigation system was modernized. In addition, almost 40 acres were converted to a more native habitat, with drought resistant vegetation. Through this effort, the course is anticipated to utilize 20 to 25 percent less water annually.



The Public Works Department (PWD) was recognized for various achievements, including receiving the Transit Agency of the Year from the California Transit Association for the Small Operators Category, the Gold Peak performance Award for zero permit violations at Hill Canyon Treatment Plan over the past two years, and was ranked as one of the "50 Best Bike Cities" by Bicycling Magazine.

## AWARDS

### 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, 2016. This was the 27<sup>th</sup> 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, 2016, 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 2015-16 and 2016-17. 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 2015-16 and 2016-17. 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 budgets submitted for the award.

**ACKNOWLEDGEMENTS**

Preparation of a financial report of this scope would not be possible without the support and leadership of the City Council, the Finance/Audit Committee, City management, and 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 Jaime Boscarino, Accounting Manager Elisa Magana, Budget Officer Brent Sakaida, Senior Accountant James Russell-Field, and Accountant Janna Bogue 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,



John F. Adams  
Finance Director/City Treasurer





Government Finance Officers Association

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

Presented to

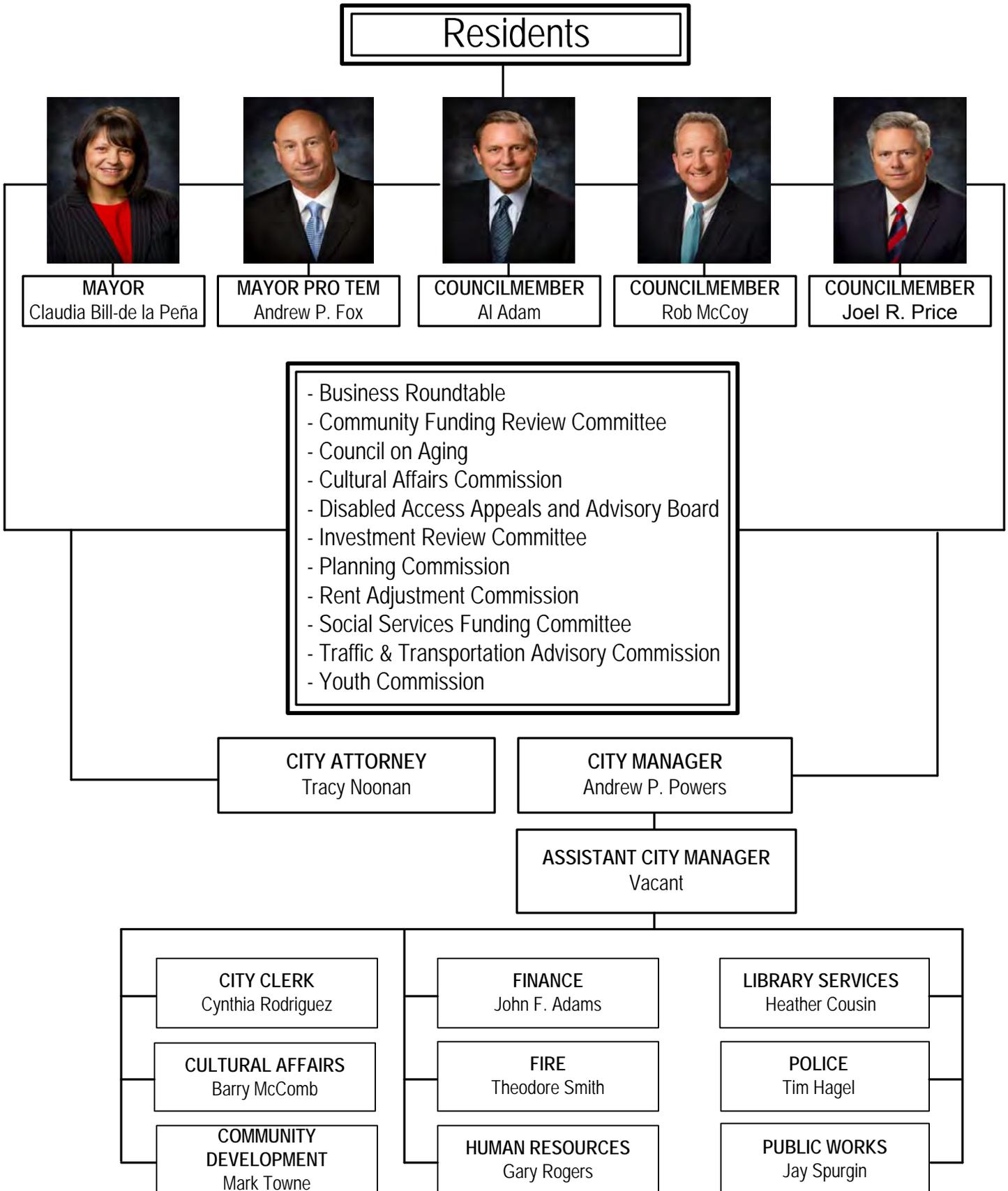
**City of Thousand Oaks  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

Executive Director/CEO

# 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, 2017

# Independent Auditors' Report





## INDEPENDENT AUDITORS' REPORT

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Thousand Oaks, California, (the City) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

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

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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





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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Thousand Oaks, California, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows and the respective budgetary comparison for the General Fund, the Library Fund, the State Gas Tax Fund and the Thousand Oaks Housing Successor Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

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

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

#### ***Other Information***

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

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



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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2017 on our consideration of the City'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Lance, Soll & Lughard, LLP*

Brea, California  
December 18, 2017



# 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, 2017. 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 iv - xiii 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, 2017, City assets and deferred outflows exceeded liabilities and deferred inflows by \$839.4 million (net position). Of this amount, \$185.1 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors (Page 8).
- City total net position increased \$3.8 million during the fiscal year. Governmental activities net position decreased \$1.7 million compared to the prior fiscal year's decrease of \$7.0 million (Pages 9-12). Business-type activities increased \$5.5 million compared to the prior fiscal year's increase of \$6.5 million (Pages 12-14).

#### **Fund based**

- At the close of fiscal year 2016-17, governmental funds reported combined ending fund balance of \$170.7 million, an increase of \$4.2 million compared to the prior fiscal year's increase of \$14.7 million. The \$10.5 million net decrease is primarily due to the sale of Schillo Gardens property in the prior fiscal year, offset with an increase in charges for current services revenue and one-time revenue coming in higher than anticipated and a decrease in expenditures in the current fiscal year. The ending fund balance is primarily identified as: \$35.2 million restricted (21 percent), \$51.4 million committed (30 percent), and \$79.6 million assigned (34 percent) (Page 14).
- At the close of fiscal year 2016-17, fund balance for the General Fund was \$115.1 million consisting primarily of \$49.4 million in committed funds and \$61.2 million in assigned funds (Pages 14-15).
- At the close of fiscal year 2016-17, General Fund revenues, including transfers in and proceeds from sale of properties, were \$80.4 million. Total revenues were \$1.7 million lower than the prior fiscal year's revenues of \$82.1 million (Pages 15-16).
- At the close of fiscal year 2016-17, General Fund expenditures, including transfers out, were \$70.9 million. Total expenditures were \$1.3 million lower than the prior fiscal year's expenditures of \$72.2 million (Pages 16-17).

- At the close of fiscal year 2016-17, Library Fund revenues, excluding transfers in, were \$7.1 million. Total revenues were \$0.4 million higher than prior fiscal year's revenues of \$6.7 million (Page 17).
- At the close of fiscal year 2016-17, proprietary funds reported combined ending unrestricted net position of \$42.7 million, an increase of \$9.3 million compared to the prior fiscal year's increase of \$5.6 million (Page 18).

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

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

Government-wide financial statements distinguish City governmental activities that are principally supported by taxes and intergovernmental revenues from other business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities of the City include general government, public safety, transportation, community development, 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 24-26 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, Capital Improvements, and Thousand Oaks Housing Successor 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 111-124.

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 33-36.

The basic governmental funds financial statements can be found on pages 27-32 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 126-128.

The basic proprietary funds financial statements can be found on pages 37-42 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 funds financial statements can be found on page 43-44 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 45-102 of this report.

### **Other information**

In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information (RSI) concerning the City's progress in funding its obligation to provide pension and other post-employment benefits to its hourly and full-time employees, the Schedules of Changes in Net Pension Liability and Related Ratios, Schedule of Plan Contributions, and Schedule of Investment Returns. RSI can be found on pages 103-108 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 111-135 of this report.

Statistical tables regarding: fiscal trends, revenue capacity, debt capacity, demographic and economic information, and operating information can be found on pages 136-166 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. City assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$839.4 million at the close of fiscal year 2016-17 as summarized below:

Statement of Net Position						
June 30, 2017						
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Assets:</b>						
Current and other assets	\$ 240,638,607	\$ 232,898,689	\$ 107,894,207	\$ 98,323,617	\$ 348,532,814	\$ 331,222,306
Capital assets (net of depreciation)	<u>465,822,564</u>	<u>476,252,095</u>	<u>178,246,403</u>	<u>185,129,964</u>	<u>644,068,967</u>	<u>661,382,059</u>
Total assets	<u>706,461,171</u>	<u>709,150,784</u>	<u>286,140,610</u>	<u>283,453,581</u>	<u>992,601,781</u>	<u>992,604,365</u>
<b>Deferred outflows of resources:</b>						
Deferred charges	154,615	164,922	-	-	154,615	164,922
Deferred pension items	<u>13,918,069</u>	<u>5,476,360</u>	<u>4,744,480</u>	<u>1,923,573</u>	<u>18,662,549</u>	<u>7,399,933</u>
Total deferred outflows of resources	<u>14,072,684</u>	<u>5,641,282</u>	<u>4,744,480</u>	<u>1,923,573</u>	<u>18,817,164</u>	<u>7,564,855</u>
<b>Liabilities:</b>						
Current and other liabilities	46,303,006	48,374,723	14,178,006	16,946,976	60,481,012	65,321,699
Noncurrent liabilities outstanding	<u>71,106,868</u>	<u>59,641,898</u>	<u>36,091,418</u>	<u>32,614,171</u>	<u>107,198,286</u>	<u>92,256,069</u>
Total liabilities	<u>117,409,874</u>	<u>108,016,621</u>	<u>50,269,424</u>	<u>49,561,147</u>	<u>167,679,298</u>	<u>157,577,768</u>
<b>Deferred inflows of resources:</b>						
Deferred pension items	<u>3,117,694</u>	<u>5,112,681</u>	<u>1,251,813</u>	<u>1,908,215</u>	<u>4,369,507</u>	<u>7,020,896</u>
Total deferred inflows of resources	<u>3,117,694</u>	<u>5,112,681</u>	<u>1,251,813</u>	<u>1,908,215</u>	<u>4,369,507</u>	<u>7,020,896</u>
<b>Net position:</b>						
Net investments in capital assets	453,336,316	463,170,097	162,523,929	166,146,712	615,860,245	629,316,809
Restricted	35,187,559	40,171,977	3,224,630	34,008,294	38,412,189	74,180,271
Unrestricted	<u>111,482,412</u>	<u>98,320,690</u>	<u>73,615,294</u>	<u>33,752,786</u>	<u>185,097,706</u>	<u>132,073,476</u>
Total net position	<u>\$ 600,006,287</u>	<u>\$ 601,662,764</u>	<u>\$ 239,363,853</u>	<u>\$ 233,907,792</u>	<u>\$ 839,370,140</u>	<u>\$ 835,570,556</u>

A more detailed statement of net position is shown on page 24.

The largest portion (73 percent) of the City's net position reflects its investment of \$615.9 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 position, \$38.4 million (5 percent), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$185.1 million (22 percent) may be used to meet the government's ongoing obligations to citizens and creditors, as well as to meet City imposed designations (e.g., reserves, endowments, pending litigations, contingencies, and capital projects).

## Statement of Activities

The statement of activities shows how the City's net position changed during fiscal year 2016-17. The City's net position increased overall by \$3.8 million during the fiscal year. These increases are explained in the governmental and business-type activities on the following pages. Provided below is a summary of changes in net position.

	Statement of Activities					
	Year Ended June 30, 2017					
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$ 19,771,566	\$ 19,622,430	\$ 59,053,672	\$ 59,509,660	\$ 78,825,238	\$ 79,132,090
Operating grants and contributions	5,914,541	6,801,627	300,000	300,000	6,214,541	7,101,627
Capital grants and contributions	3,412,100	2,129,634	4,346,733	4,304,759	7,758,833	6,434,393
General revenues:						
Property tax	17,874,024	16,952,325	-	-	17,874,024	16,952,325
Property tax in-lieu of VLF	11,606,510	11,139,579	-	-	11,606,510	11,139,579
Sales tax	29,136,957	25,721,479	-	-	29,136,957	25,721,479
Transient occupancy tax	4,538,143	4,671,343	-	-	4,538,143	4,671,343
Franchise taxes	6,473,304	6,689,427	-	-	6,473,304	6,689,427
Business tax	2,000,963	2,009,687	-	-	2,000,963	2,009,687
Property transfer tax	1,075,442	1,194,435	-	-	1,075,442	1,194,435
Other taxes	26,998	29,306	-	-	26,998	29,306
Unrestricted intergovernmental	59,298	54,339	-	-	59,298	54,339
Contributions, unrestricted	1,142,403	59,877	-	-	1,142,403	59,877
Unrestricted invest./interest earnings	(77,968)	1,606,973	-	-	(77,968)	1,606,973
Total revenues	<u>102,954,281</u>	<u>98,682,461</u>	<u>63,700,405</u>	<u>64,114,419</u>	<u>166,654,686</u>	<u>162,796,880</u>
Expenses:						
General government	18,559,780	17,205,376	-	-	18,559,780	17,205,376
Public safety	33,414,773	28,895,575	-	-	33,414,773	28,895,575
Transportation	31,862,406	33,722,007	-	-	31,862,406	33,722,007
Community development	9,531,142	13,902,102	-	-	9,531,142	13,902,102
Culture and leisure	10,697,550	11,312,504	-	-	10,697,550	11,312,504
Interest on long-term debt	556,540	595,822	-	-	556,540	595,822
Water	-	-	21,774,730	20,465,622	21,774,730	20,465,622
Wastewater	-	-	18,875,727	18,408,978	18,875,727	18,408,978
Golf course	-	-	5,477,483	6,993,159	5,477,483	6,993,159
Transportation	-	-	6,813,792	6,779,428	6,813,792	6,779,428
Solid waste management	-	-	1,264,791	1,244,484	1,264,791	1,244,484
Theatres	-	-	4,026,388	3,684,483	4,026,388	3,684,483
Total expenses	<u>104,622,191</u>	<u>105,633,386</u>	<u>58,232,911</u>	<u>57,576,154</u>	<u>162,855,102</u>	<u>163,209,540</u>
Transfers, net (note 6)	11,433	-	(11,433)	-	-	-
Change in net position	(1,656,477)	(6,950,925)	5,456,061	6,538,265	3,799,584	(412,660)
Net position - beginning, as restated (note 17)	601,662,764	608,613,689	233,907,792	227,369,527	835,570,556	835,983,216
Net position - ending	<u>\$ 600,006,287</u>	<u>\$ 601,662,764</u>	<u>\$ 239,363,853</u>	<u>\$ 233,907,792</u>	<u>\$ 839,370,140</u>	<u>\$ 835,570,556</u>

A more detailed statement of activities is shown on pages 25-26.

**Governmental activities** decreased the City's net position \$1.7 million compared to the prior fiscal year's decrease of \$7.0 million. Key elements of the decrease in net position were as follows:

**Program revenues** increased \$0.5 million primarily due to increases in capital grants and contributions of \$1.3 million, offset by a decrease in operating grants and contributions of \$0.9 million. The major changes are highlighted below:

- Capital grants and contributions increased \$1.3 million due to \$1.3 million increase in transportation activities primarily due to developer fee revenue related to road improvement projects.
- Operating grants and contributions decreased \$0.9 million primarily due to \$0.7 million decrease in community development related grants, \$0.1 million net decrease in overall gas tax revenue for transportation activities, and \$0.1 million decrease in general government activities revenue due to non-recurring reimbursements for reimbursable state-mandated programs.

**General revenues** increased \$3.7 million primarily due to \$3.4 million increase in sales tax revenue, \$1.1 million increase in unrestricted contributions, \$0.9 million increase in property tax, \$0.5 million increase in property tax in-lieu of vehicle license fee (VLF), offset by \$1.7 million decrease in investment earnings, and \$0.2 million decrease in franchise fee taxes as highlighted below:

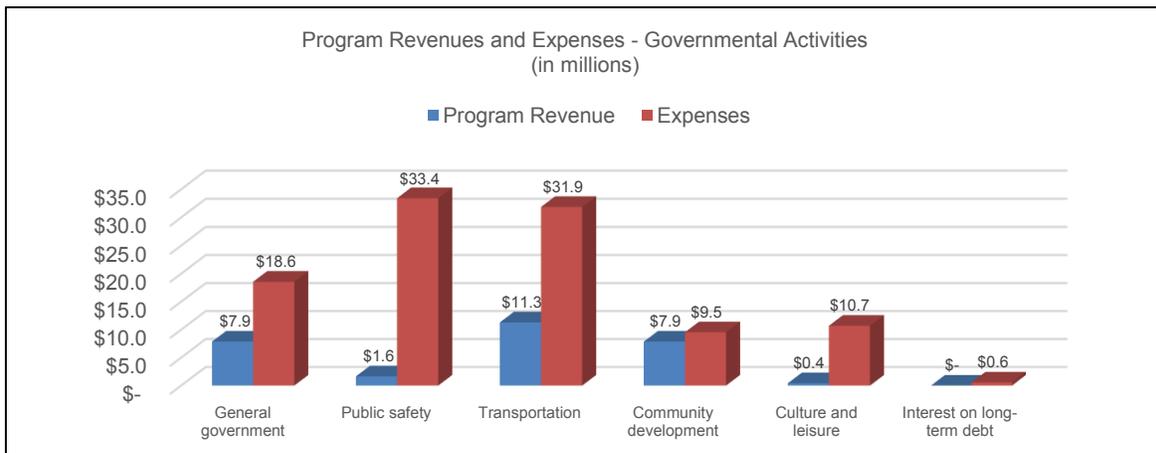
- Sales tax revenue increased \$3.4 million primarily due to a net \$4.9 million increase related to the close out of the State of California's Triple Flip, which creates variances due to payments made from outdated estimates and reconciling payments or reductions for prior year activities. This is offset by a decrease of \$1.5 million attributed to a decline in sales growth.
- Unrestricted contributions increased \$1.1 million primarily due to developer donations of capital assets.
- Property tax increased \$0.9 million primarily due to an increase in assessed valuation over prior fiscal year.
- Property tax in-lieu of VLF revenue increased \$0.5 million and experienced similar growth as property tax since it is linked to assessed valuations.
- Investment earnings decreased \$1.7 million due to a negative fair market value adjustment.
- Franchise fees taxes decreased \$0.2 million primarily due to a \$0.2 million decrease in utilities franchise fees and a \$0.1 million decrease in cable franchise fees revenue, offset by a \$0.1 million increase in rubbish franchise fees revenue.

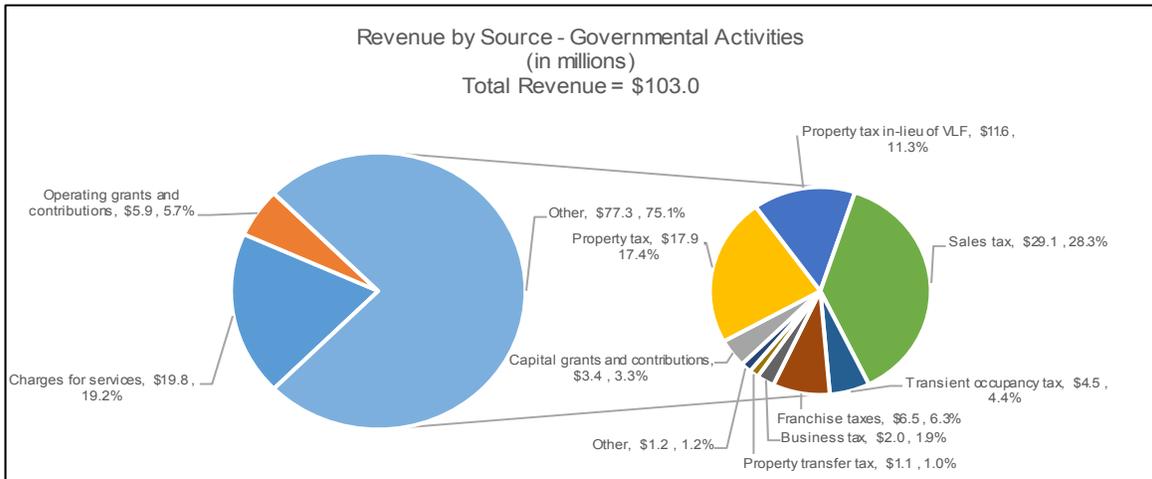
**Expenses** decreased \$1.0 million primarily due to a decrease of \$4.4 million in community development, \$1.9 million decrease in transportation, \$0.6 million

decrease in culture and leisure, offset by an \$4.5 million increase in public safety and \$1.4 million increase in general government. These changes are highlighted below:

- Community development expenses decreased \$4.4 million primarily due to non-recurring prior year expenses of \$2.9 million for the Thousand Oaks Boulevard project and the prior year loss of \$1.4 million from the sale of the Schillo Gardens property.
- Transportation expenses decreased \$1.9 million primarily due to a net change in project costs. In fiscal year 2016-17, the City incurred \$2.9 million in costs related to the Thousand Oaks Boulevard Project and \$4.2 million in costs for projects related to road and pavement improvements. In fiscal year 2015-16 the City incurred \$7.6 million in costs related to the Thousand Oaks Boulevard Project, and \$1.7 million in road and pavement expenses. In addition to the project costs, the City incurred a \$0.2 million increase in salary and benefits related to transportation.
- Culture and leisure expenses decreased \$0.6 million primarily due to \$0.6 million decrease in allocation of pension costs.
- Public safety expenses increased \$4.5 million primarily due to a \$3.2 million increase in expenditures related to construction of Fire Station 35 in Newbury Park, and a \$1.3 million increase due to increase in Ventura County Sheriff's department contract for police services.
- General government expenses increased \$1.4 million primarily due to a \$1.0 million increase in allocated pension costs, \$0.2 million increase for expenses related to city-wide pavement slurry seal, and \$0.2 million increase in compensated absences.

As shown on the charts on the following page, public safety is the largest program (\$33.4 million), followed by transportation (\$31.9 million), general government (\$18.6 million), culture and leisure (\$10.7 million), community development (\$9.5 million), and interest on long-term debt (\$0.6 million). General revenues, such as property and sales tax, are not shown by program, but are effectively used to support program activities citywide.



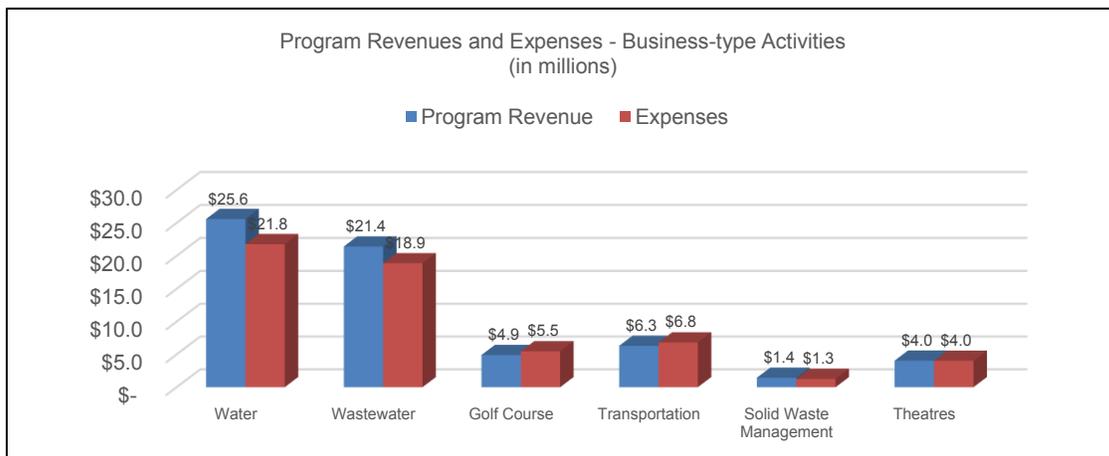


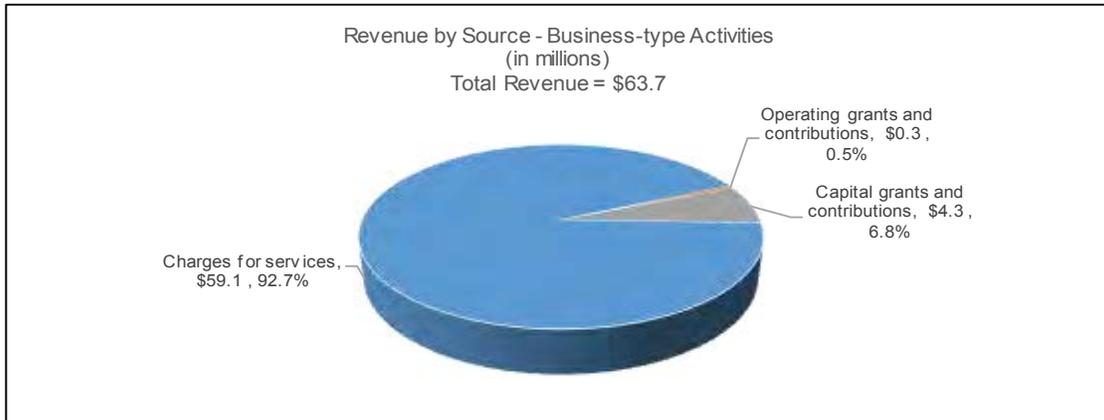
**Business-type activities** increased the City's net position by \$5.5 million, compared to prior fiscal year's increase of \$6.5 million. This increase was the result of \$63.7 million in program revenues exceeding \$58.2 million in expenses. Key elements of net position changes from the prior fiscal year were as follows:

- Water Utility Fund's net position increased \$3.9 million, or 5.7 percent, compared to the prior fiscal year's increase of \$3.0 million. While adjustments in the water rate structure allows the fund to continue to generate stable net income to invest in capital assets, this \$0.9 million net increase was primarily due to a \$2.7 million increase in the sale of water related to water rate adjustments, offset by an increase in 0.9 increase in the purchase of water, \$0.3 million increase in expenses for salary and benefits, and \$0.4 decrease in interest income due to a decrease in the fair market value of investments.
- Wastewater Utility Fund's net position decreased \$2.7 million, or 1.8 percent, compared to prior fiscal year's increase of \$4.2 million. This \$1.5 million net decrease was primarily due to a decrease of \$1.0 million in fees for service related to declines in revenue for residential and commercial connection fees, a \$0.5 million decrease in interest income due to a decrease in fair market value adjustments, and \$0.1 increase in materials and supplies.
- Golf Course Fund's net position decreased \$0.6 million, or 8.0 percent, compared to prior fiscal year's decrease of \$0.9 million. The \$0.3 million net increase was primarily due to a \$1.8 million decrease in other revenue related to a non-recurring prior year reimbursement for turf removal, offset by a \$1.5 million decrease in contract services, and a \$0.6 million increase in green fees revenue.
- Transportation Fund's net position decreased \$0.5 million, or 10.8 percent, compared to prior fiscal year's decrease of \$0.2 million. This \$0.3 million net decrease was primarily due to a \$0.2 million decrease in fees for service, and \$0.1 million decrease related to bus and taxi fares.

- Solid Waste Management Fund’s net position increased \$0.2 million, or 3.0 percent, compared to prior fiscal year’s increase of \$0.2 million. This comparable net increase was the result of offsetting expenses comprised of a \$0.1 million increase in salary and benefits, which was offset by a \$0.1 million decrease in contract services.
- Theatres Fund’s net position increased less than \$0.1 million, or 3.0 percent, compared to prior fiscal year’s decrease of less than \$0.1 million. This was primarily due to an increase of \$0.5 million related to theatre rentals and fees, offset by a \$0.2 million increase in contact services, \$0.2 million increase in administrative expenses, and a decrease in other revenue of \$0.1 million.
- Internal Service Funds (ISF) allocation of operating profit decreased net position of business type activities by \$0.2 million which was \$0.4 million lower when compared to prior fiscal year’s increase of \$0.2 million. The decrease was primarily due to an increase in reserves for liability insurance to account for an increase in estimated outstanding losses.

As shown on below and on the following page, Water and Wastewater funds have the greatest total expenses with \$21.8 million and \$18.9 million, respectively, out of \$58.2 million in total business-type expenses. For all the business-type activities below, charges for services 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, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the close of fiscal year 2016-17, City governmental funds reported a combined ending fund balance of \$170.7 million, an increase of \$4.2 million in comparison with the prior fiscal year balance of \$166.5 million. The increase in fund balance was primarily due to an increase in General Fund of \$9.5 million, increase in other governmental funds of \$1.5 million, offset by a decrease to Capital Improvements Fund of \$5.2 million and a decrease to State Gas Tax Fund of \$1.4 million. Approximately \$166.2 million, or 97.4 percent, consists of \$35.2 million in restricted fund balance, \$51.4 million in committed funds, and \$79.6 million in assigned fund balance. Refer to pages 27-36 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, 2017, ending fund balance increased \$9.5 million, to \$115.1 million, compared to prior fiscal year's increase of \$9.9 million.

General Fund's fund balance consists of \$2.2 million in nonspendable inventories, loans and notes receivable, and advances to other funds, \$49.4 million in funds committed to capital projects, grant endowments, loans, emergency reserve, and working capital reserve, and \$61.2 million in assigned funds for continuing appropriations, general government, public safety, transportation, community development, culture and leisure, legal contingency, loans and notes receivable, compensated absences, pavement management program, unfunded pension costs, and public building

replacement/maintenance. The remaining \$2.3 million is unassigned. Refer to page 78 for more detail of fund balance.

Below is a five-year trend on the General Fund:

	2016-17	2015-16	2014-15	2013-14	2012-13
Revenues	\$ 78,083,676	\$ 80,027,940	\$ 74,948,364	\$ 71,052,994	\$ 66,854,660
Expenditures	(67,588,526)	(70,000,330)	(67,913,488)	(65,317,617)	(61,195,318)
Other financing sources (uses)	(948,233)	(139,474)	(725,227)	(1,001,336)	(1,445,750)
Operating surplus/(deficit)	9,546,917	9,888,136	6,309,649	4,734,041	4,213,592
Beginning fund balance	105,592,914	95,704,778	89,395,129	84,661,088	80,447,496
Ending fund balance	<u>\$ 115,139,831</u>	<u>\$ 105,592,914</u>	<u>\$ 95,704,778</u>	<u>\$ 89,395,129</u>	<u>\$ 84,661,088</u>
Fund balance categories:					
Nonspendable	\$ 2,236,692	\$ 3,911,863	\$ 3,945,620	\$ 3,925,151	\$ 444,070
Committed	49,360,297	36,627,164	41,296,049	30,679,785	32,150,306
Assigned	61,225,142	62,654,198	48,584,436	53,756,465	50,970,528
Unassigned	2,317,700	2,399,689	1,878,673	1,033,728	1,096,184
Fund balance	<u>\$ 115,139,831</u>	<u>\$ 105,592,914</u>	<u>\$ 95,704,778</u>	<u>\$ 89,395,129</u>	<u>\$ 84,661,088</u>

### General Fund – Revenue and Expenditure Analysis

**General Fund Revenues** for fiscal year 2016-17, including transfers in and proceeds from sale of property, were \$80.4 million, a decrease of \$1.7 million, or 2.0 percent, compared to prior fiscal year. The chart below compares General Fund revenues for the past two fiscal years followed by key information:

	Fiscal Year 2016-17	Fiscal Year 2015-16	Variance Over/(Under) Last Year	% of Increase (Decrease) Over Prior Year	% of Total
Property tax	\$ 8,871,540	\$ 8,385,392	\$ 486,148	5.8%	11.0%
Property tax - in lieu of VLF	11,606,510	11,139,579	466,931	4.2%	14.4%
Sales tax	28,736,341	30,251,446	(1,515,105)	-5.0%	35.7%
Transient occupancy tax	4,538,143	4,671,343	(133,200)	-2.9%	5.6%
Franchise tax	6,473,303	6,689,428	(216,125)	-3.2%	8.1%
Property transfer tax	1,075,442	1,194,435	(118,993)	-10.0%	1.4%
Business license	2,233,751	2,255,556	(21,805)	-1.0%	2.8%
Other licenses & permits	4,532,351	4,933,761	(401,410)	-8.1%	5.6%
Fines and forfeitures	346,026	270,222	75,804	28.1%	0.4%
Use of money & property	743,723	2,343,384	(1,599,661)	-68.3%	0.9%
Charges for services	6,709,161	6,138,008	571,153	9.3%	8.4%
Intergovernmental revenue	804,944	691,041	113,903	16.5%	1.0%
Other revenue	1,412,441	1,064,345	348,096	32.7%	1.8%
Other financing sources	2,339,107	2,058,613	280,494	13.6%	2.9%
Total Revenues	<u>\$ 80,422,783</u>	<u>\$ 82,086,553</u>	<u>\$ (1,663,770)</u>	-2.0%	100.0%

- Charges for services increased \$0.6 million primarily due to an increase in cost allocation of \$0.5 million along with overall increases in various permit fees.
- Property tax increased \$0.5 million due to an increase in assessed valuations.
- Property tax – in lieu of VLF increased \$0.5 million and experienced similar growth as property tax since it is linked to assessed valuations.
- Other revenue increased \$0.3 million primarily due to non-recurring revenue received in the current fiscal year of \$0.7 million for reimbursement of utility undergrounding project costs.
- Use of money decreased \$1.6 million primarily due to the City recording a \$0.5 million net unrealized gain in the prior fiscal year compared to \$1.6 million net unrealized loss in the current fiscal year, creating a \$1.1 million decrease to the fair value of investments and a \$0.4 million increase primarily due to the investment portfolio rate of return increase from 1.047 percent in fiscal year 2015-16 to 1.156 percent in fiscal year 2016-17.
- Sales tax decreased \$1.5 million primarily attributed to the close out of the State of California’s Triple Flip, which creates wide variances due to payments made from outdated estimates and reconciling payments or reductions for prior year activities.
- Other licenses and permits decreased \$0.4 million primarily due to a decrease in construction permit activity.

**General Fund Expenditures** for fiscal year 2016-17, including transfers out, decreased \$1.3 million, or 1.9 percent. The chart below compares general fund expenditures for the last two fiscal years followed by key information:

	Fiscal Year 2016-17	Fiscal Year 2015-16	Variance Over/(Under) Prior Fiscal Year	% of Increase/ (Decrease) Over Prior Fiscal Year	% of Total
General government	\$ 17,903,332	\$ 17,525,334	\$ 377,998	2.1%	24.3%
Public safety	28,699,301	27,404,807	\$ 1,294,494	4.5%	37.9%
Transportation	10,249,456	9,598,966	\$ 650,490	6.3%	13.3%
Community development	8,653,782	11,669,046	\$ (3,015,264)	-34.8%	16.2%
Culture and leisure	1,911,387	2,491,156	\$ (579,769)	-30.3%	3.5%
Capital outlay	171,268	1,311,021	\$ (1,139,753)	-665.5%	1.8%
Other financing uses	3,287,340	2,198,087	\$ 1,089,253	33.1%	3.0%
<b>Total Expenditures</b>	<b>\$ 70,875,866</b>	<b>\$ 72,198,417</b>	<b>\$ (1,322,551)</b>	<b>-1.9%</b>	<b>100.0%</b>

- Community development decreased \$3.0 million, or 34.8 percent, primarily due to \$2.7 million decrease in construction costs resulting from the completion of the Thousand Oaks Boulevard undergrounding project in the prior fiscal year.
- Public safety expenditures increased \$1.3 million, or 4.5 percent, compared to prior fiscal year. This is primarily due to an increase of \$1.2 million, or 4.3 percent, in police contract costs.
- Other financing uses increased \$1.1 million, or 33.1 percent, primarily due to an increase of \$1.0 million in transfers out to the Library Fund subsidy.
- Capital outlay expenditures decreased \$1.1 million, or 665.5 percent, primarily due to Civic Arts Plaza fire alarm upgrades and fiber to city facilities projects completed in the prior fiscal year with minimal expenditures in the current fiscal year.
- Transportation expenditures increased \$0.7 million, or 6.3 percent, primarily due to an increase in construction costs.

## **Other Major Governmental Funds**

### ***Library Fund***

The Library Fund provides for the operation of the City's library system. Property taxes and other revenues are restricted for library operations and maintenance expenditures. Due to General Fund support for the Library Fund to balance program appropriations, fund balance is always zero.

Revenues, excluding transfers in, increased \$0.4 million and is primarily due to an increase in property taxes resulting from an increase in assessed valuations. Expenditures increased \$1.3 million primarily due to \$0.8 million increase in capital improvement projects.

### ***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 \$1.4 million compared to prior fiscal year's increase of \$3.8 million. The net decrease of \$5.1 million in fund balance is primarily due to a decrease of \$2.8 million for a non-recurring Congestion Mitigation and Air Quality grant revenue and \$2.2 million increase in street project expenditures.

### ***Capital Improvements Fund***

The Capital Improvements Fund accounts for developer agreement and developer impact fee revenues and Successor Agency revenue bond proceeds 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 decreased \$5.2 million, compared to prior fiscal year's decrease of \$7.9 million. The \$2.7 million net decrease is primarily due to a \$4.7 million decrease for prior year non-recurring expenditures related to Thousand Oaks Boulevard undergrounding project, offset by a \$3.2 million increase in expenditures related to the transfer of fire facility developer fees to Ventura County Fire Protection District, and a \$1.2 million increase in charges for current services revenue related to road and traffic signal fees.

### ***Thousand Oaks Housing Successor Fund***

The Thousand Oaks Housing Successor Fund accounts for specific revenues that are legally restricted to expenditures for housing functions performed by the City. As a result of the dissolution of the former Redevelopment Agency on February 1, 2012, the loans and notes were transferred to the Thousand Oaks Housing Successor Fund.

The fund balance of the Thousand Oaks Housing Successor Fund decreased \$0.4 million, compared to prior fiscal year's increase of \$6.4 million. The \$6.8 million net decrease is primarily due to the sale of Schillo Gardens property of \$6.3 million, \$0.2 million decrease due to fair value adjustments, and \$0.1 million decrease in rental revenues.

### **Proprietary funds**

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

Details on net position for the Water, Wastewater, Golf Course, Transportation, Solid Waste Management, and Theatres funds, are provided below.

City of Thousand Oaks  
Proprietary Funds  
Fiscal Year Ended June 30, 2017

Fund	Unrestricted Net Position	Change in Unrestricted Net Position	Total Net Position	Change in Total Net Position
Water	\$ 35,595,988	\$ 4,607,057	\$ 72,089,346	\$ 3,864,627
Wastewater	39,795,818	4,704,886	152,046,648	2,646,005
Golf Course	(2,095,556)	(359,196)	6,535,689	(572,095)
Transportation	29,907	15,765	4,288,601	(519,329)
Solid Waste Management	2,063,647	237,540	5,795,156	170,582
Theatres	(1,942,749)	138,764	(1,559,826)	48,579
<b>Total</b>	<b>\$ 73,447,055</b>	<b>\$ 9,344,816</b>	<b>\$ 239,195,614</b>	<b>\$ 5,638,369</b>

Other factors concerning the finances of these six funds have been addressed in the discussion of the City's business-type activities on pages 12-14. Proprietary financial statements can be found on pages 37-42.

## BUDGETARY HIGHLIGHTS

### General Fund

The General Fund budget and actual report can be found on page 33. The \$21.3 million decrease in net change in fund balance between the original and final budget is the result of City Council approved budget adjustments. Major budget adjustments include the following increases: \$8.5 million for capital project carryovers, \$2.5 million in grant funded operating carryovers, and \$2.5 million in maintenance and operations carryovers. Provided on the following page is a more detailed summary of budget and actual, with expenditures shown by category as opposed to activity. Major differences are highlighted below.

#### General Fund - Budget and Actual

	Original Budget	Final Budget	Actual	Final Budget vs. Actual	% Variance
<b>Revenues:</b>					
Sales tax	\$ 29,821,000	\$ 29,821,000	\$ 28,736,341	\$ (1,084,659)	-1.4%
Property tax	8,349,200	8,349,200	8,871,540	522,340	0.7%
Property tax - in lieu of VLF	11,220,000	11,220,000	11,606,510	386,510	0.5%
Transient occupancy tax	3,680,000	3,680,000	4,538,143	858,143	1.1%
Franchise tax	6,760,000	6,760,000	6,473,303	(286,697)	-0.4%
Property transfer tax	850,000	850,000	1,075,442	225,442	0.3%
Other taxes	20,000	20,000	26,998	6,998	0.0%
Licenses and permits	5,720,810	5,720,810	6,766,102	1,045,292	1.3%
Fines and forfeitures	290,140	290,140	346,026	55,886	0.1%
Use of money and property	1,711,720	1,791,520	743,723	(1,047,797)	-1.3%
Charges for current services	5,974,650	5,974,650	6,709,161	734,511	0.9%
Intergovernmental revenue	352,850	820,105	804,944	(15,161)	0.0%
Other	600,750	1,270,750	1,385,442	114,692	0.1%
Proceeds from sale of property	60,000	60,000	86,339	26,339	0.0%
Transfers in	2,047,000	2,047,000	2,252,768	205,768	0.3%
<b>Total revenues</b>	<b>77,458,120</b>	<b>78,675,175</b>	<b>80,422,782</b>	<b>1,747,607</b>	<b>2.2%</b>
<b>Expenditures:</b>					
Salaries and benefits	30,534,928	30,534,928	29,571,513	963,415	1.0%
Maintenance & operations	10,299,038	20,755,951	9,984,546	10,771,405	11.0%
Public safety contract	29,053,900	29,053,900	27,861,198	1,192,702	1.0%
Operating total	69,887,866	80,344,779	67,417,257	12,927,522	13.2%
Capital/facility improvements	2,090,000	13,405,080	171,268	13,233,812	13.5%
Transfers out	3,476,787	4,247,098	3,287,340	959,758	0.2%
<b>Total expenditures</b>	<b>\$ 75,454,653</b>	<b>\$ 97,996,957</b>	<b>\$ 70,875,865</b>	<b>\$ 27,121,092</b>	<b>27.7%</b>
Net change in fund balance	2,003,467	(19,321,782)	9,546,917		
Fund balance-beginning	105,592,914	105,592,914	105,592,914		
Fund balance-ending	\$ 107,596,381	\$ 86,271,132	\$ 115,139,831		

Revenues, including transfers in, were \$1.7 million, or 2.2 percent, higher than budgetary estimates as a result of receiving greater than anticipated revenue in the following:

- Licenses and permits revenue increase of \$1.0 million was primarily due to unexpected increase in construction activity.
- Transient occupancy tax increase of \$0.9 million was primarily due to conservative budget estimates.
- Sales tax revenue decrease of \$1.1 million was primarily due to a decrease in sales growth.

- Use of money decrease of \$1.0 million primarily due to a \$1.6 million decrease to the fair value of investments, offset by an increase of \$0.5 million increase primarily due to the investment portfolio rate of return increase from 1.047 percent in fiscal year 2015-16 to 1.156 percent in fiscal year 2016-17.

Expenditures, including transfers out, were less than budgetary estimates by \$27.1 million, or 27.7 percent, primarily due to the following:

- Maintenance and operations expenditure savings of \$10.8 million was primarily due to less than anticipated expenditures in various categories, including \$1.3 million to be carried forward to fiscal year 2017-18.
- Public safety contract savings of \$1.2 million was primarily due to an overall budget savings in the law enforcement contract. The cost savings is attributed to personnel fluctuations and underfilling of positions.
- Unspent capital outlay of \$13.2 million, with \$9.3 million to be carried forward to fiscal year 2017-18.
- Transfers out to other funds expenditure savings of \$1.0 million was primarily due to a decrease of \$0.8 million in Library Fund support primarily due to an increase in property tax revenue, offset by an increase in capital project expenditures.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital assets

Investments in capital assets for governmental and business-type activities as of June 30, 2017, totaled \$644.1 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment, infrastructure, intangibles, and construction in progress. The total decrease in capital assets for fiscal year 2016-17 was \$10.4 million, which represents a 2.2 percent decrease for governmental activities and a 3.7 percent decrease for business-type activities. Additional information on the City's capital assets can be found on pages 71-75 in the notes to basic financial statements. Capital assets are summarized below:

City of Thousand Oaks Capital Assets (net of accumulated depreciation) June 30, 2017						
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 129,915,167	\$ 129,176,188	\$ 5,805,566	\$ 5,805,566	\$ 135,720,733	\$ 134,981,754
Intangibles, non-depreciable	838,055	838,055	133,538	133,538	971,593	971,593
Buildings and improvements	105,069,000	107,990,873	166,476,971	170,347,325	271,545,971	278,338,198
Equipment	3,812,405	4,107,594	5,001,581	5,274,568	8,813,986	9,382,162
Intangibles, depreciable	215,803	255,504	99,196	151,329	314,999	406,833
Infrastructure	223,919,793	231,981,583	-	-	223,919,793	231,981,583
Construction in progress	2,052,341	1,902,298	729,551	3,417,638	2,781,892	5,319,936
Total capital assets, net	<u>\$ 465,822,564</u>	<u>\$ 476,252,095</u>	<u>\$ 178,246,403</u>	<u>\$ 185,129,964</u>	<u>\$ 644,068,967</u>	<u>\$ 661,382,059</u>

Major capital asset events during fiscal year 2016-17 included the following:

- The \$8.1 million net decrease in governmental activity infrastructure was primarily due to the depreciation of existing capital assets, offset by the addition of pavement overlay citywide, developer donated traffic signal, Wendy Dr/101 interchange improvements, Erbes Road improvements, and developer donations of roads.
- The \$2.9 million net decrease in governmental activity buildings and improvements was primarily due to depreciation of existing capital assets, offset by the Newbury Park Library roof project.
- The \$0.7 million net increase in governmental activity land was primarily due to the donation of parcels throughout the City.
- The \$3.9 million net decrease in business type activity buildings and improvements was primarily due to the biosolids dewatering and drying improvements project at Hill Canyon Treatment Plant (HCTP), network and SCADA upgrades at HCTP, screw press improvements at HCTP, and installation of water meters citywide, offset by depreciation of existing capital assets.

### Long-term debt

At the end of fiscal year 2016-167 the City had total bonded debt outstanding of \$16.8 million. Of this amount, \$12.6 million, or 2.1 percent of governmental activity total net position, was secured by the City's obligation to pay the Public Financing Authority (PFA) lease payments of occupancy and use of specified properties, and \$4.2 million, or 1.8 percent of business-type activity total net position, was secured by net revenues from the City's wastewater system operation. Bonded debt decreased overall by \$1.9 million, due to principal reduction as the result of on-going debt service payments. Additional information on long-term liabilities can be found on pages 79-83 in the notes to the basic financial statements. Bonded debt outstanding is summarized below:

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Lease revenue bonds*	\$ 12,640,863	\$ 13,246,920	\$ -	\$ -	\$ 12,640,863	\$ 13,246,920
Revenue bonds	-	-	4,203,606	5,508,228	4,203,606	5,508,228
Total outstanding debt	<u>\$ 12,640,863</u>	<u>\$ 13,246,920</u>	<u>\$ 4,203,606</u>	<u>\$ 5,508,228</u>	<u>\$ 16,844,469</u>	<u>\$ 18,755,148</u>

\*Net of unamortized issue premiums.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The focus of this annual report is to provide an overview of the financial condition of the City of Thousand Oaks as of June 30, 2017, taking into consideration the national, state, and local economic conditions and their impacts on the City.

“Disposable income is likely to go higher, and the stock market has already gone substantially higher,” Mark Schniepp, Director of the California Economic Forecast Project said. “There’s hardly any likelihood of a recession in 2017 or 2018, that’s how auspicious the U.S. economy is looking.” The California Lutheran University Center for Economic Research and Forecasting (CERF) stated that Ventura County is not expected to enjoy a major surge in economic growth in the immediate future. CERF predicted slow and steady economic and job growth and noted that declining population growth and a shrinking labor force are having a negative impact on the workforce.

The City is currently working on implementation of its long-term economic development strategic plan, which will focus on sustainable economic growth to maintain the City’s financial health and high quality of life. Projects include residential, commercial, industrial, institutional, and those projects related to the “Downtown” Specific Plan, which includes residential and mixed-use projects to address the City’s business and economic needs, by creating a walkable, vibrant downtown.

On June 13, 2017, City Council adopted structurally balanced Operating and Capital Improvements Program (CIP) Budgets for fiscal years 2017-18 and 2018-19, which provides sufficient resources to achieve City Council’s Goals and Top Ten Priorities. City Council and staff have worked proactively to continue to provide the essential services that residents have come to depend on.

- Actual fiscal year 2016-17 General Fund operating revenue, not including transfers in, of \$78.0 million was \$1.5 million or 1.9 percent over fiscal year 2016-17 final revised budget. The increase was due to an increase in both consumer confidence and the economy. Revenue increases were primarily received from Property Tax, Transient Occupancy Tax, Interest Income, and Charges for Current Services. Actual property tax related revenues (Property Tax Apportionment, In-Lieu of VLF, and Property Transfer Tax) of \$21.6 million outpaced its related Property Tax budget by \$1.1 million or 5.6 percent. This was offset by actual fiscal year 2016-17 sales tax revenues of \$28.7 million, which was \$1.1 million or 3.6 percent less than budgeted sales tax for the same period. Based on actual revenues received during fiscal year 2016-17, staff is projecting a leveling out of revenues for fiscal year 2017-18.
- The adopted fiscal year 2017-18 General Fund operating expenditure budget, not including transfers out, is \$77.0 million, an increase of \$5.0 million, or 7.0 percent, over fiscal year 2016-17 original budget (not including transfers out) of \$72.0 million.

Staff continues to work on the ten-year Financial Strategic Plan (FSP) to project future revenues and expenditures of the various City Funds. During the fiscal year 2015-16 & 2016-17 budget cycle, City Council requested, and staff presented, a “Fiscal Sustainability Study (Study)” on January 25, 2016 that pointed out financial challenges faced by various City funds. Based on this report, City Council recommended that staff

perform public outreach and community engagement to educate residents and community stakeholders on the City's budget process, as well as short- and long-term financial challenges presented in the Study. The Your City, Your Priorities budget engagement initiative with residents and community stakeholders included the use of an on-line budget software tool, community surveys, and staff interaction at various community events via "pop-ups." Results of this outreach provided staff and City Council with information to ensure the current Operating and CIP Budgets are aligned with community priorities. The public outreach program will lay the groundwork for future community engagements related to the budget process.

The City continues to meet its actuarially required contribution towards its pension plan with California Public Employees Retirement System's (CalPERS). As of the June 30, 2016 CalPERS Actuarial Valuation provided in July 2017, the City's pension plan unfunded liability increased \$13.0 million from the previous year. The increase in unfunded liability is due to a decrease in investment return. The funded status on a market basis decreased by 3.9 percent to 76.9 percent. A pension plan with a funded status above 80 percent is considered healthy. The City did make additional contributions to the plan in the amount of \$1.5 million.

The CalPERS investment portfolio reported a 11.2 percent return for the fiscal year ended June 30, 2017, an increase from the 0.6 percent return for fiscal year 2015-16. Effective June 30, 2015, CalPERS changed how the employer contribution will be displayed on the annual report. The employer contribution rate is the total between the employer normal cost and the unfunded liability. The City's employer contribution rate for fiscal year 2017-18 increased to 21.068 percent (7.760 percent for employer normal cost and 13.308 percent for unfunded liability) from 19.254 percent. In fiscal year 2018-19, the employer contribution rate will be 23.569 percent (8.274 percent for employer normal cost and 15.295 percent for unfunded liability), with a projected 8.700 percent employer normal cost for fiscal year 2019-20 and no projections were provided for the unfunded liability.

In summary, with state and local economic projections showing signs of incremental growth, staff foresees a slight increase in operating revenues. City Council has been responsive to changes made and funding challenges over the past several years and has prepared the City to move into the next fiscal year with a structurally balanced budget.

## **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](mailto:finance@toaks.org). This report is also available online at the City's website at [www.toaks.org](http://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 Position**  
**June 30, 2017**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	TOPASS
<b>Assets:</b>				
Cash and investments (notes 1 and 2)	\$ 172,447,464	97,017,615	269,465,079	569,299
Receivables (notes 1 and 3):				
Accounts	2,630,244	7,904,498	10,534,742	-
Accrued interest	7,241,797	322,703	7,564,500	-
Intergovernmental	10,689,160	572,954	11,262,114	-
Notes/loans	36,477,959	600,000	37,077,959	-
Internal balances	1,841,761	(1,841,761)	-	-
Inventories - supplies (note 1)	545,758	471,809	1,017,567	-
Prepaid items and other assets (note 1)	4,268	175,861	180,129	-
Noncurrent assets:				
Restricted cash and investments (notes 1 and 2)	3,171,932	1,256,025	4,427,957	-
Net OPEB asset (note 14)	5,588,264	1,414,503	7,002,767	-
Capital assets (notes 1 and 5):				
Land	129,915,167	5,805,566	135,720,733	-
Intangibles, non-depreciable	838,055	133,538	971,593	-
Buildings and improvements	162,489,354	296,784,929	459,274,283	-
Equipment	11,978,098	11,710,571	23,688,669	-
Intangibles, depreciable	1,001,435	521,324	1,522,759	-
Infrastructure	469,039,189	-	469,039,189	-
Construction in progress	2,052,341	729,551	2,781,892	-
Accumulated depreciation	(311,491,075)	(137,439,076)	(448,930,151)	-
Total assets	<u>706,461,171</u>	<u>286,140,610</u>	<u>992,601,781</u>	<u>569,299</u>
<b>Deferred outflows of resources:</b>				
Deferred charges	154,615	-	154,615	-
Deferred pension items	13,918,069	4,744,480	18,662,549	-
Total deferred outflows of resources	<u>14,072,684</u>	<u>4,744,480</u>	<u>18,817,164</u>	<u>-</u>
<b>Liabilities:</b>				
Accounts payable (note 1)	13,506,634	3,489,009	16,995,643	-
Accrued interest (note 1)	43,726	187,446	231,172	-
Due to other agencies (note 1)	263,173	17,113	280,286	-
Unearned revenue (note 1)	32,489,473	9,509,599	41,999,072	-
Deposits (note 1)	-	974,839	974,839	-
Noncurrent liabilities (note 8):				
Due within one year (note 8)	3,909,242	3,995,338	7,904,580	-
Due in more than one year (note 8)	16,371,014	13,545,755	29,916,769	-
Net pension liability	50,826,612	18,550,325	69,376,937	-
Total liabilities	<u>117,409,874</u>	<u>50,269,424</u>	<u>167,679,298</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Deferred pension items	3,117,694	1,251,813	4,369,507	-
Total deferred inflows of resources	<u>3,117,694</u>	<u>1,251,813</u>	<u>4,369,507</u>	<u>-</u>
<b>Net position:</b>				
Net investments in capital assets	453,336,316	162,523,929	615,860,245	-
Restricted for:				
Assessment districts	6,975,452	-	6,975,452	-
Public safety	266,694	-	266,694	-
Street related purposes	16,784,320	-	16,784,320	-
Community development	11,156,593	-	11,156,593	-
Debt service	4,500	3,224,630	3,229,130	-
Unrestricted	111,482,412	73,615,294	185,097,706	569,299
Total net position	<u>\$ 600,006,287</u>	<u>239,363,853</u>	<u>839,370,140</u>	<u>569,299</u>

See accompanying notes to basic financial statements.

**CITY OF THOUSAND OAKS**  
**Statement of Activities**  
**Year ended June 30, 2017**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Functions/Programs</b>				
<b>Primary Government:</b>				
Governmental activities:				
General government	\$ 18,559,780	7,816,273	53,562	-
Public safety	33,414,773	892,756	475,880	281,005
Transportation	31,862,406	5,188,260	3,055,195	3,055,408
Community development	9,531,142	5,570,226	2,295,112	-
Culture and leisure	10,697,550	304,051	34,792	75,687
Interest on long-term debt	556,540	-	-	-
Total governmental activities	<u>104,622,191</u>	<u>19,771,566</u>	<u>5,914,541</u>	<u>3,412,100</u>
Business-type activities:				
Water	21,774,730	25,502,093	-	90,040
Wastewater	18,875,727	21,385,939	-	29,975
Golf Course	5,477,483	4,905,388	-	-
Transportation	6,813,792	2,078,215	-	4,226,718
Solid Waste Management	1,264,791	1,434,211	-	-
Theatres	4,026,388	3,747,826	300,000	-
Total business-type activities	<u>58,232,911</u>	<u>59,053,672</u>	<u>300,000</u>	<u>4,346,733</u>
Total Primary Government	<u>\$ 162,855,102</u>	<u>78,825,238</u>	<u>6,214,541</u>	<u>7,758,833</u>
<b>Component Unit:</b>				
TOPASS	<u>\$ 16,197</u>	<u>-</u>	<u>-</u>	<u>-</u>

General revenues:
Taxes:
Property tax
Property tax in-lieu of VLF
Sales taxes
Transient occupancy tax
Franchise taxes
Business tax
Property transfer tax
Other taxes
Unrestricted intergovernmental revenue
Contributions not restricted for specific programs
Unrestricted investment/interest earnings
Transfers, net (note 6)
Total general revenues
Change in net position
Net position - beginning
Net position - ending

See accompanying notes to basic financial statements.

Primary Government

Net (Expenses) Revenues and Changes in Net Position			
Governmental Activities	Business-type Activities	Total	TOPASS
(10,689,945)	-	(10,689,945)	-
(31,765,132)	-	(31,765,132)	-
(20,563,543)	-	(20,563,543)	-
(1,665,804)	-	(1,665,804)	-
(10,283,020)	-	(10,283,020)	-
(556,540)	-	(556,540)	-
<u>(75,523,984)</u>	<u>-</u>	<u>(75,523,984)</u>	<u>-</u>
-	3,817,403	3,817,403	-
-	2,540,187	2,540,187	-
-	(572,095)	(572,095)	-
-	(508,859)	(508,859)	-
-	169,420	169,420	-
-	21,438	21,438	-
-	5,467,494	5,467,494	-
<u>(75,523,984)</u>	<u>5,467,494</u>	<u>(70,056,490)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,197)</u>
17,874,024	-	17,874,024	-
11,606,510	-	11,606,510	-
29,136,957	-	29,136,957	-
4,538,143	-	4,538,143	-
6,473,304	-	6,473,304	-
2,000,963	-	2,000,963	-
1,075,442	-	1,075,442	-
26,998	-	26,998	-
59,298	-	59,298	-
1,142,403	-	1,142,403	-
(77,968)	-	(77,968)	75,483
11,433	(11,433)	-	-
<u>73,867,507</u>	<u>(11,433)</u>	<u>73,856,074</u>	<u>75,483</u>
(1,656,477)	5,456,061	3,799,584	59,286
601,662,764	233,907,792	835,570,556	510,013
<u>\$ 600,006,287</u>	<u>239,363,853</u>	<u>839,370,140</u>	<u>569,299</u>

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# Governmental Fund Financial Statements



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**CITY OF THOUSAND OAKS**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2017**

Page 1 of 2

	General Fund	Library	State Gas Tax	Capital Improvements
<b>Assets</b>				
Assets:				
Cash and investments	\$ 107,032,006	92,515	1,810,079	23,667,861
Receivables:				
Accounts	2,201,245	51,717	-	-
Accrued interest	453,142	-	5,412	68,140
Intergovernmental	8,430,096	224,672	1,502,399	36,198
Notes/loans	523,982	-	-	-
Interfund receivables	2,830,731	-	-	-
Inventories - supplies	545,758	-	-	-
Advances to other funds	1,166,952	-	-	-
Restricted cash and investments	-	-	-	-
<b>Total assets</b>	<b>\$ 123,183,912</b>	<b>368,904</b>	<b>3,317,890</b>	<b>23,772,199</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
Liabilities:				
Accounts payable	\$ 5,056,641	366,267	86,482	3,224,489
Due to other agencies	8,573	-	-	-
Interfund payables	-	-	-	320,598
Unearned revenue	2,530,688	2,637	-	-
Advances from other funds	-	-	-	-
<b>Total liabilities</b>	<b>7,595,902</b>	<b>368,904</b>	<b>86,482</b>	<b>3,545,087</b>
Deferred inflows of resources:				
Unavailable revenue	448,179	-	679,369	-
<b>Total deferred inflows of resources</b>	<b>448,179</b>	<b>-</b>	<b>679,369</b>	<b>-</b>
Fund balances:				
Nonspendable	2,236,692	-	-	-
Restricted	-	-	2,552,039	13,889,212
Committed	49,360,297	-	-	-
Assigned	61,225,142	-	-	6,337,900
Unassigned	2,317,700	-	-	-
<b>Total fund balances</b>	<b>115,139,831</b>	<b>-</b>	<b>2,552,039</b>	<b>20,227,112</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 123,183,912</b>	<b>368,904</b>	<b>3,317,890</b>	<b>23,772,199</b>

See accompanying notes to basic financial statements.

Thousand Oaks Housing Successor	Other Governmental Funds	Total Governmental Funds
2,036,008	27,021,136	161,659,605
47,156	330,090	2,630,208
6,190,889	487,972	7,205,555
-	495,795	10,689,160
33,699,377	2,254,600	36,477,959
-	-	2,830,731
-	-	545,758
-	-	1,166,952
-	3,171,932	3,171,932
<u>41,973,430</u>	<u>33,761,525</u>	<u>226,377,860</u>
-	4,504,354	13,238,233
-	254,600	263,173
-	500,133	820,731
27,728,419	2,227,729	32,489,473
-	1,166,952	1,166,952
<u>27,728,419</u>	<u>8,653,768</u>	<u>47,978,562</u>
<u>6,184,728</u>	<u>436,101</u>	<u>7,748,377</u>
<u>6,184,728</u>	<u>436,101</u>	<u>7,748,377</u>
-	-	2,236,692
8,060,283	10,686,025	35,187,559
-	2,032,613	51,392,910
-	12,007,321	79,570,363
-	(54,303)	2,263,397
<u>8,060,283</u>	<u>24,671,656</u>	<u>170,650,921</u>
<u>41,973,430</u>	<u>33,761,525</u>	<u>226,377,860</u>

**CITY OF THOUSAND OAKS**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**June 30, 2017**

Amounts reported for governmental activities in the statement of net position (page 24) are different because:

Total fund balances - total governmental funds (page 28)	\$ 170,650,921
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds.	465,822,564
Other long-term assets, including OPEB, perpaid insurance and unavailable revenue, are not available to pay for current-period expenditures and, therefore, are unavailable in the funds	13,340,483
Deferred outflows represent a consumption of net position that applies to a future period.	13,918,069
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 position.	7,518,822
Long-term liabilities, including pension liabilities, compensated absences, bonds payable, and interest payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(68,126,878)
Deferred inflows represent an acquisition of net position that applies to a future period.	(3,117,694)
Net position of governmental activities (page 24)	\$ 600,006,287

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, 2017**

Page 1 of 2

	General Fund	Library	State Gas Tax	Capital Improvements
<b>Revenues:</b>				
Taxes	\$ 61,328,278	6,734,228	-	-
Licenses and permits	6,766,102	-	-	-
Fines and forfeitures	346,026	140,657	-	-
Use of money and property	743,723	10,727	-	260,104
Charges for current services	6,709,161	10,847	-	2,117,887
Intergovernmental revenue	804,944	12,000	3,526,571	-
Other	1,385,442	145,082	-	2,060
<b>Total revenues</b>	<u>78,083,676</u>	<u>7,053,541</u>	<u>3,526,571</u>	<u>2,380,051</u>
<b>Expenditures:</b>				
Current:				
General government	17,903,332	-	-	-
Public safety	28,699,301	-	-	3,206,403
Transportation	10,249,456	-	3,875,997	2,949,670
Community development	8,653,782	-	-	-
Culture and leisure	1,911,387	7,868,735	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	4,328
Capital outlay	171,268	814,825	-	715,872
<b>Total expenditures</b>	<u>67,588,526</u>	<u>8,683,560</u>	<u>3,875,997</u>	<u>6,876,273</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,495,150</u>	<u>(1,630,019)</u>	<u>(349,426)</u>	<u>(4,496,222)</u>
<b>Other financing sources (uses):</b>				
Transfers in (note 6)	2,252,768	1,630,019	-	-
Transfers out (note 6)	(3,287,340)	-	(1,017,110)	(684,338)
Proceeds from sale of property	86,339	-	-	-
<b>Total other financing sources (uses)</b>	<u>(948,233)</u>	<u>1,630,019</u>	<u>(1,017,110)</u>	<u>(684,338)</u>
Net change in fund balance	9,546,917	-	(1,366,536)	(5,180,560)
Fund balance - beginning	<u>105,592,914</u>	<u>-</u>	<u>3,918,575</u>	<u>25,407,672</u>
Fund balance - ending	<u>\$ 115,139,831</u>	<u>-</u>	<u>2,552,039</u>	<u>20,227,112</u>

See accompanying notes to basic financial statements.

Thousand Oaks Housing Successor	Other Governmental Funds	Total Governmental Funds
-	2,291,007	70,353,513
-	-	6,766,102
-	584,309	1,070,992
174,399	173,081	1,362,034
-	4,684,122	13,522,017
-	1,177,261	5,520,776
23,237	1,035,009	2,590,830
<u>197,636</u>	<u>9,944,789</u>	<u>101,186,264</u>
-	81,118	17,984,450
-	1,375,416	33,281,120
-	6,142,587	23,217,710
530,239	640,387	9,824,408
-	116,017	9,896,139
-	600,000	600,000
-	554,712	559,040
-	38,299	1,740,264
<u>530,239</u>	<u>9,548,536</u>	<u>97,103,131</u>
<u>(332,603)</u>	<u>396,253</u>	<u>4,083,133</u>
-	1,847,049	5,729,836
-	(729,615)	(5,718,403)
-	-	86,339
-	1,117,434	97,772
<u>(332,603)</u>	<u>1,513,687</u>	<u>4,180,905</u>
<u>8,392,886</u>	<u>23,157,969</u>	<u>166,470,016</u>
<u>8,060,283</u>	<u>24,671,656</u>	<u>170,650,921</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, 2017**

Amounts reported for governmental activities in the statement of activities (page 26) are different because:

Net change in fund balances - total governmental funds (page 31) \$ 4,180,905

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. (10,874,962)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position. 445,431

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 1,501,717

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 position. Also, governmental funds report the effect of premiums 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. 595,750

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. 2,673,911

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. (179,229)

Change in net position of governmental activities (page 26) \$ (1,656,477)

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, 2017**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Taxes	\$ 60,700,200	60,700,200	61,328,278	628,078
Licenses and permits	5,720,810	5,720,810	6,766,102	1,045,292
Fines and forfeitures	290,140	290,140	346,026	55,886
Use of money and property	1,711,720	1,791,520	743,723	(1,047,797)
Charges for current services	5,974,650	5,974,650	6,709,161	734,511
Intergovernmental revenue	352,850	820,105	804,944	(15,161)
Other	600,750	1,270,750	1,385,442	114,692
<b>Total revenues</b>	<b>75,351,120</b>	<b>76,568,175</b>	<b>78,083,676</b>	<b>1,515,501</b>
<b>Expenditures:</b>				
Current:				
General government	18,466,233	20,219,497	17,903,332	2,316,165
Public safety	29,987,992	30,047,802	28,699,301	1,348,501
Transportation	10,402,176	12,333,045	10,249,456	2,083,589
Community development	9,406,656	10,861,290	8,653,782	2,207,508
Culture and leisure	1,624,809	6,883,145	1,911,387	4,971,758
Capital outlay	2,090,000	13,405,080	171,268	13,233,812
<b>Total expenditures</b>	<b>71,977,866</b>	<b>93,749,859</b>	<b>67,588,526</b>	<b>26,161,333</b>
Excess (deficiency) of revenues over (under) expenditures	3,373,254	(17,181,684)	10,495,150	27,676,834
<b>Other financing sources (uses):</b>				
Transfers in (note 6)	2,047,000	2,047,000	2,252,768	205,768
Transfers out (note 6)	(3,476,787)	(4,247,098)	(3,287,340)	959,758
Proceeds from sale of property	60,000	60,000	86,339	26,339
<b>Total other financing sources (uses)</b>	<b>(1,369,787)</b>	<b>(2,140,098)</b>	<b>(948,233)</b>	<b>1,191,865</b>
Net change in fund balance	2,003,467	(19,321,782)	9,546,917	28,868,699
Fund balance - beginning	105,592,914	105,592,914	105,592,914	-
Fund balance - ending	\$ 107,596,381	86,271,132	115,139,831	28,868,699

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, 2017**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Taxes	\$ 6,369,500	6,369,500	6,734,228	364,728
Fines and forfeitures	171,000	171,000	140,657	(30,343)
Use of money and property	14,001	14,001	10,727	(3,274)
Charges for current services	15,000	15,000	10,847	(4,153)
Intergovernmental revenue	-	-	12,000	12,000
Other	48,000	98,500	145,082	46,582
Total revenues	<u>6,617,501</u>	<u>6,668,001</u>	<u>7,053,541</u>	<u>385,540</u>
<b>Expenditures:</b>				
Current:				
Culture and leisure	8,311,216	8,715,631	7,868,735	846,896
Capital outlay	-	1,021,790	814,825	206,965
Total expenditures	<u>8,311,216</u>	<u>9,737,421</u>	<u>8,683,560</u>	<u>1,053,861</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,693,715)</u>	<u>(3,069,420)</u>	<u>(1,630,019)</u>	<u>1,439,401</u>
<b>Other financing sources (uses):</b>				
Transfers in (note 6)	1,693,715	2,420,715	1,630,019	(790,696)
Total other financing sources (uses)	<u>1,693,715</u>	<u>2,420,715</u>	<u>1,630,019</u>	<u>(790,696)</u>
Net change in fund balance	-	(648,705)	-	648,705
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>(648,705)</u>	<u>-</u>	<u>648,705</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, 2017**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Use of money and property	\$ 73,000	73,000	-	(73,000)
Intergovernmental revenue	10,822,000	11,157,462	3,526,571	(7,630,891)
Total revenues	<u>10,895,000</u>	<u>11,230,462</u>	<u>3,526,571</u>	<u>(7,703,891)</u>
<b>Expenditures:</b>				
Current:				
Transportation	11,935,500	14,457,667	3,875,997	10,581,670
Capital outlay	1,320,500	-	-	-
Total expenditures	<u>13,256,000</u>	<u>14,457,667</u>	<u>3,875,997</u>	<u>10,581,670</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,361,000)</u>	<u>(3,227,205)</u>	<u>(349,426)</u>	<u>2,877,779</u>
<b>Other financing sources (uses):</b>				
Transfers out (note 6)	(1,020,000)	(1,020,000)	(1,017,110)	2,890
Total other financing sources (uses)	<u>(1,020,000)</u>	<u>(1,020,000)</u>	<u>(1,017,110)</u>	<u>2,890</u>
Net change in fund balance	(3,381,000)	(4,247,205)	(1,366,536)	2,880,669
Fund balance - beginning	<u>3,918,575</u>	<u>3,918,575</u>	<u>3,918,575</u>	<u>-</u>
Fund balance - ending	<u>\$ 537,575</u>	<u>(328,630)</u>	<u>2,552,039</u>	<u>2,880,669</u>

See accompanying notes to basic financial statements.

**CITY OF THOUSAND OAKS**  
**Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Thousand Oaks Housing Successor Fund**  
**Year ended June 30, 2017**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Use of money and property	\$ 516,000	516,000	174,399	(341,601)
Other	10,000	10,000	23,237	13,237
Total revenues	<u>526,000</u>	<u>526,000</u>	<u>197,636</u>	<u>(328,364)</u>
<b>Expenditures:</b>				
Current:				
Community development	568,003	579,643	530,239	(49,404)
Total expenditures	<u>568,003</u>	<u>579,643</u>	<u>530,239</u>	<u>(49,404)</u>
Deficiency of revenues under expenditures	<u>(42,003)</u>	<u>(53,643)</u>	<u>(332,603)</u>	<u>(278,960)</u>
Net change in fund balance	(42,003)	(53,643)	(332,603)	(278,960)
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>8,392,886</u>	<u>8,392,886</u>
Fund balance - ending	<u>\$ (42,003)</u>	<u>(53,643)</u>	<u>8,060,283</u>	<u>8,113,926</u>

See accompanying notes to basic financial statements.

# Proprietary Fund Financial Statements



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**CITY OF THOUSAND OAKS**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2017**

Page 1 of 2

	Business-type Activities			
	Water Utility	Wastewater Utility	Golf Course	Transportation
<b>Assets:</b>				
Current assets:				
Cash and investments	\$ 38,015,718	47,154,738	345,167	5,864,985
Receivables:				
Accounts	4,176,955	2,635,311	158,667	333,365
Accrued interest	132,222	162,973	905	8,166
Intergovernmental	-	-	-	572,954
Notes/loans	-	600,000	-	-
Inventories - supplies	230,843	174,924	66,042	-
Prepaid items	-	-	103,906	-
Total current assets	<u>42,555,738</u>	<u>50,727,946</u>	<u>674,687</u>	<u>6,779,470</u>
Noncurrent assets:				
Restricted cash and investments	-	1,256,025	-	-
Net OPEB asset	407,692	770,880	-	17,578
Capital assets:				
Land	2,378,022	1,463,180	1,217,610	-
Intangibles, non-depreciable	45,473	88,065	-	-
Buildings and improvements	63,294,949	214,009,716	12,847,377	2,651,711
Equipment	1,863,955	3,801,016	1,522,751	4,046,469
Intangibles, depreciable	490,418	-	-	30,906
Construction in progress	440,855	219,271	-	69,425
Less accumulated depreciation	<u>(32,020,314)</u>	<u>(94,929,467)</u>	<u>(6,859,600)</u>	<u>(2,539,817)</u>
Total noncurrent assets	<u>36,901,050</u>	<u>126,678,686</u>	<u>8,728,138</u>	<u>4,276,272</u>
Total assets	<u>\$ 79,456,788</u>	<u>177,406,632</u>	<u>9,402,825</u>	<u>11,055,742</u>
<b>Deferred outflow of resources:</b>				
Deferred pension items	1,417,577	2,485,460	-	134,207
Total deferred outflow of resources	<u>1,417,577</u>	<u>2,485,460</u>	<u>-</u>	<u>134,207</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable	\$ 1,688,961	623,604	223,794	617,283
Accrued interest	-	187,446	-	-
Claims payable	-	-	-	-
Due to other agencies	-	-	17,113	-
Interfund payables	-	-	2,010,000	-
Unearned revenue	-	-	519,336	5,863,708
Deposits	974,339	500	-	-
Compensated absences	199,118	351,281	-	27,141
Notes/loans payable	-	1,876,254	-	-
Revenue bonds payable	-	1,364,622	-	-
Capital lease payable	-	-	74,847	-
Total current liabilities	<u>2,862,418</u>	<u>4,403,707</u>	<u>2,845,090</u>	<u>6,508,132</u>
Noncurrent liabilities:				
Claims payable	-	-	-	-
Compensated absences	361,130	574,776	-	18,060
Notes/loans payable	-	9,545,721	-	-
Revenue bonds payable (net of unamortized premiums and deferred amounts)	-	2,838,984	-	-
Capital lease payable	-	-	22,046	-
Net pension liability	5,222,780	9,831,012	-	368,338
Total noncurrent liabilities	<u>5,583,910</u>	<u>22,790,493</u>	<u>22,046</u>	<u>386,398</u>
Total liabilities	<u>\$ 8,446,328</u>	<u>27,194,200</u>	<u>2,867,136</u>	<u>6,894,530</u>
<b>Deferred inflow of resources:</b>				
Deferred pension items	338,691	651,244	-	6,818
Total deferred inflow of resources	<u>338,691</u>	<u>651,244</u>	<u>-</u>	<u>6,818</u>
<b>Net position:</b>				
Net investments in capital assets	36,493,358	109,026,200	8,631,245	4,258,694
Restricted for:				
Restricted for debt service	-	3,224,630	-	-
Unrestricted	35,595,988	39,795,818	(2,095,556)	29,907
Total net position	<u>\$ 72,089,346</u>	<u>152,046,648</u>	<u>6,535,689</u>	<u>4,288,601</u>

See accompanying notes to basic financial statements.

Business-type Activities			Govt. Activities - Internal Service Funds
Solid Waste Management	Theatres	Total	
2,758,104	2,878,903	97,017,615	10,787,859
303,511	296,689	7,904,498	36
9,949	8,488	322,703	36,242
-	-	572,954	-
-	-	600,000	-
-	-	471,809	-
-	71,955	175,861	425
<u>3,071,564</u>	<u>3,256,035</u>	<u>107,065,440</u>	<u>10,824,562</u>
-	-	1,256,025	-
62,237	156,116	1,414,503	-
746,754	-	5,805,566	-
-	-	133,538	-
3,235,490	745,686	296,784,929	-
22,226	454,154	11,710,571	-
-	-	521,324	-
-	-	729,551	-
(272,961)	(816,917)	(137,439,076)	-
<u>3,793,746</u>	<u>539,039</u>	<u>180,916,931</u>	<u>-</u>
<u>6,865,310</u>	<u>3,795,074</u>	<u>287,982,371</u>	<u>10,824,562</u>
142,470	564,766	4,744,480	-
<u>142,470</u>	<u>564,766</u>	<u>4,744,480</u>	<u>-</u>
96,275	239,092	3,489,009	268,401
-	-	187,446	-
-	-	-	1,231,650
-	-	17,113	-
-	-	2,010,000	-
90,692	3,035,863	9,509,599	-
-	-	974,839	-
35,251	66,824	679,615	-
-	-	1,876,254	-
-	-	1,364,622	-
-	-	74,847	-
<u>222,218</u>	<u>3,341,779</u>	<u>20,183,344</u>	<u>1,500,051</u>
-	-	-	1,637,450
56,516	128,522	1,139,004	-
-	-	9,545,721	-
-	-	2,838,984	-
-	-	22,046	-
<u>922,632</u>	<u>2,205,563</u>	<u>18,550,325</u>	<u>-</u>
<u>979,148</u>	<u>2,334,085</u>	<u>32,096,080</u>	<u>1,637,450</u>
<u>1,201,366</u>	<u>5,675,864</u>	<u>52,279,424</u>	<u>3,137,501</u>
11,258	243,802	1,251,813	-
<u>11,258</u>	<u>243,802</u>	<u>1,251,813</u>	<u>-</u>
3,731,509	382,923	162,523,929	-
-	-	3,224,630	-
<u>2,063,647</u>	<u>(1,942,749)</u>	<u>73,447,055</u>	<u>7,687,061</u>
<u>5,795,156</u>	<u>(1,559,826)</u>	<u>239,195,614</u>	<u>7,687,061</u>
		<u>168,239</u>	
		<u>239,363,853</u>	

Adjustment to reflect accumulated internal  
service fund gain related to enterprise funds  
net position of business-type activities (page 24)

**CITY OF THOUSAND OAKS**  
**Statement of Revenues, Expenses, and Changes In Net Position**  
**Proprietary Funds**  
**Year ended June 30, 2017**

Page 1 of 2

	Business-type Activities			
	Water Utility	Wastewater Utility	Golf Course	Transportation
<b>Operating revenues:</b>				
Sales of water and wastewater services	\$ 24,526,416	18,967,487	-	-
Theatre rentals and fees	-	-	-	-
Charges for services and supplies	-	-	-	-
Bus and subsidized taxi fares	-	-	-	323,442
Green fees, cart rentals and course memberships	-	-	4,895,628	-
Recycling fees	-	-	-	-
Fees for service	789,455	2,209,815	-	1,383,126
Other	89,699	38,576	9,534	284,579
<b>Total operating revenues</b>	<b>25,405,570</b>	<b>21,215,878</b>	<b>4,905,162</b>	<b>1,991,147</b>
<b>Operating expenses:</b>				
Salaries and employee benefits	3,387,087	6,130,124	-	363,472
Contract services	2,015,712	3,701,082	4,877,726	4,380,511
Utilities	429,836	996,888	-	40,091
Purchase of water	13,239,833	-	-	-
Materials and supplies	617,886	1,676,378	21,906	1,230,166
Claims expenses	-	-	-	-
Administrative expenses	98,829	149,970	499	202,488
Depreciation	1,938,323	5,702,694	552,772	596,101
<b>Total operating expenses</b>	<b>21,727,506</b>	<b>18,357,136</b>	<b>5,452,903</b>	<b>6,812,829</b>
Operating income (loss)	3,678,064	2,858,742	(547,741)	(4,821,682)
<b>Nonoperating revenues (expenses):</b>				
Interest income	66,720	106,461	226	39,452
Interest expense	-	(412,772)	(24,580)	-
Donations	-	-	-	-
Rental of facilities	29,803	63,600	-	47,616
Federal assistance	-	-	-	888,915
State assistance	-	-	-	3,337,803
<b>Total nonoperating revenues (expenses)</b>	<b>96,523</b>	<b>(242,711)</b>	<b>(24,354)</b>	<b>4,313,786</b>
Income (loss) before contributions and transfers	3,774,587	2,616,031	(572,095)	(507,896)
Capital contributions	90,040	29,975	-	-
Transfers out	-	-	-	(11,433)
Change in net position	3,864,627	2,646,006	(572,095)	(519,329)
Total net position - beginning	68,224,719	149,400,642	7,107,784	4,807,930
Total net position - ending	<b>\$ 72,089,346</b>	<b>152,046,648</b>	<b>6,535,689</b>	<b>4,288,601</b>

See accompanying notes to basic financial statements.

Business-type Activities			Govt. Activities - Internal Service Funds
Solid Waste Management	Theatres	Total	
-	-	43,493,903	-
-	3,391,642	3,391,642	-
-	-	-	1,607,809
-	-	323,442	-
-	-	4,895,628	-
1,329,552	-	1,329,552	-
-	-	4,382,396	-
100,053	352,409	874,850	-
<u>1,429,605</u>	<u>3,744,051</u>	<u>58,691,413</u>	<u>1,607,809</u>
489,017	1,753,085	12,122,785	-
547,971	1,322,356	16,845,358	-
32,559	313,271	1,812,645	-
-	-	13,239,833	-
86,966	37,673	3,670,975	-
-	-	-	2,091,524
40,158	492,478	984,422	-
66,958	80,385	8,937,233	-
<u>1,263,629</u>	<u>3,999,248</u>	<u>57,613,251</u>	<u>2,091,524</u>
<u>165,976</u>	<u>(255,197)</u>	<u>1,078,162</u>	<u>(483,715)</u>
4,606	3,775	221,240	122,178
-	-	(437,352)	-
-	300,000	300,000	-
-	-	141,019	-
-	-	888,915	-
-	-	3,337,803	-
<u>4,606</u>	<u>303,775</u>	<u>4,451,625</u>	<u>122,178</u>
170,582	48,578	5,529,787	(361,537)
-	-	120,015	-
-	-	(11,433)	-
170,582	48,578	5,638,369	(361,537)
<u>5,624,574</u>	<u>(1,608,404)</u>		<u>8,048,598</u>
<u>5,795,156</u>	<u>(1,559,826)</u>		<u>7,687,061</u>
		<u>(182,308)</u>	
		<u>5,456,061</u>	

Adjustment to reflect internal service fund loss related to enterprise fund changes in net position of business-type activities (page 26)

**CITY OF THOUSAND OAKS**  
**Statement of Cash Flows - Proprietary Funds**  
**Year ended June 30, 2017**

Page 1 of 2

	Business-type Activities			
	Water Utility	Wastewater Utility	Golf Course	Transportation
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 24,835,429	21,357,545	6,669,624	2,689,327
Cash payments for goods and services	(17,033,785)	(6,929,734)	(6,010,173)	(5,915,488)
Cash payments to employees	(3,440,050)	(6,133,897)	-	(342,921)
Net cash provided by (used for) operating activities	<u>4,361,594</u>	<u>8,293,914</u>	<u>659,451</u>	<u>(3,569,082)</u>
<b>Cash flows from noncapital financing activities:</b>				
Property taxes and state tax subventions received	-	-	-	3,337,803
Federal assistance	-	-	-	888,915
Donations	-	-	-	-
Transfers out	-	-	-	(11,433)
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,215,285</u>
<b>Cash flows from capital and related financing activities:</b>				
Payments for capital acquisitions	(1,105,853)	(565,548)	(211,049)	(61,007)
Principal repayments	-	(3,131,954)	-	-
Capital lease obligation repayments	-	-	(128,824)	-
Interest paid	-	(412,772)	(24,580)	-
Net cash provided by (used for) capital and related financing activities	<u>(1,105,853)</u>	<u>(4,110,274)</u>	<u>(364,453)</u>	<u>(61,007)</u>
<b>Cash flows from investing activities:</b>				
Interest received (paid)	29,715	62,983	(679)	38,809
Rental payments received	29,803	63,600	-	47,616
Net cash provided by (used for) investing activities	<u>59,518</u>	<u>126,583</u>	<u>(679)</u>	<u>86,425</u>
Net increase (decrease) in cash and cash equivalents	3,315,259	4,310,223	294,319	671,621
Cash and cash equivalents, beginning of year (including \$1,255,070 for the Wastewater Utility fund reported in restricted accounts)	<u>34,700,459</u>	<u>44,100,541</u>	<u>50,848</u>	<u>5,193,364</u>
Cash and cash equivalents, end of year (including \$1,256,025 for the Wastewater Utility fund reported in restricted accounts)	<u>\$ 38,015,718</u>	<u>48,410,763</u>	<u>345,167</u>	<u>5,864,985</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>				
Operating income (loss)	\$ 3,678,064	2,858,742	(547,741)	(4,821,682)
<b>Adjustments to reconcile operating loss to net cash used for operating activities:</b>				
Depreciation expense	1,938,323	5,702,694	552,772	596,101
(Increase) decrease in accounts/notes receivable	(591,035)	141,667	1,655,191	(9,477)
(Increase) in due from other governments	-	-	-	(455,670)
Decrease in inventories	92,028	39,427	131	-
(Increase) in prepaid expenses	-	-	(30,993)	-
(Increase) decrease in net OPEB asset	(32,709)	(57,328)	-	(3,437)
Increase (decrease) in accounts payables	(544,433)	(58,488)	32,605	(34,362)
(Decrease) in accrued liabilities	-	(38,050)	-	-
Increase in due to other agencies	-	-	11,950	-
(Decrease) in due to other funds	-	-	(1,123,735)	-
Increase (decrease) in compensated absences	(20,254)	53,555	-	23,988
Increase (decrease) in net pension liability	(179,284)	(348,305)	-	(27,870)
Increase in deferred revenue and deposits	20,894	-	109,271	1,163,327
Increase in claims payable	-	-	-	-
Total adjustments	<u>683,530</u>	<u>5,435,172</u>	<u>1,207,192</u>	<u>1,252,600</u>
Net cash provided by (used for) operating activities	<u>\$ 4,361,594</u>	<u>8,293,914</u>	<u>659,451</u>	<u>(3,569,082)</u>
<b>Noncash investing, capital, and financing activities:</b>				
Contributions of property, plant and equipment from developers and other funds	90,040	29,975	-	-

See accompanying notes to basic financial statements.

Business-type Activities			Govt. Activities
Solid Waste Management	Theatres	Total	Internal Service Funds
1,438,914	4,039,455	61,030,294	1,609,713
(747,348)	(2,218,212)	(38,854,740)	(1,735,092)
(482,772)	(1,786,628)	(12,186,268)	-
<u>208,794</u>	<u>34,615</u>	<u>9,989,286</u>	<u>(125,379)</u>
-	-	3,337,803	-
-	-	888,915	-
-	300,000	300,000	-
-	-	(11,433)	-
<u>-</u>	<u>300,000</u>	<u>4,515,285</u>	<u>-</u>
-	9,800	(1,933,657)	-
-	-	(3,131,954)	-
-	-	(128,824)	-
<u>-</u>	<u>-</u>	<u>(437,352)</u>	<u>-</u>
<u>-</u>	<u>9,800</u>	<u>(5,631,787)</u>	<u>-</u>
2,076	1,478	134,382	115,151
-	-	141,019	-
<u>2,076</u>	<u>1,478</u>	<u>275,401</u>	<u>115,151</u>
210,870	345,893	9,148,185	(10,228)
<u>2,547,234</u>	<u>2,533,009</u>	<u>89,125,455</u>	<u>10,798,087</u>
<u>2,758,104</u>	<u>2,878,903</u>	<u>98,273,640</u>	<u>10,787,859</u>
<u>165,976</u>	<u>(255,197)</u>	<u>1,078,162</u>	<u>(483,715)</u>
66,958	80,385	8,937,233	-
(17,288)	(98,451)	1,080,607	1,904
-	-	(455,670)	-
-	-	131,586	-
-	(8,447)	(39,440)	(425)
(5,112)	(12,617)	(111,203)	-
(13,445)	52,987	(565,136)	254,357
-	-	(38,050)	-
-	-	11,950	-
-	-	(1,123,735)	-
11,357	(20,926)	47,720	-
(26,249)	(96,974)	(678,682)	-
26,597	393,855	1,713,944	-
-	-	-	102,500
<u>42,818</u>	<u>289,812</u>	<u>8,911,124</u>	<u>358,336</u>
<u>208,794</u>	<u>34,615</u>	<u>9,989,286</u>	<u>(125,379)</u>
-	-	120,015	-

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An aerial photograph of a large, modern building complex, possibly a government or institutional facility, set in a landscaped environment. The building features a prominent curved facade and is surrounded by extensive parking areas with many cars. The grounds are landscaped with trees and walkways. The overall scene is captured from a high angle, showing the building's layout and its integration with the surrounding landscape.

# Fiduciary Fund Financial Statements

**CITY OF THOUSAND OAKS**  
**Statement of Fiduciary Net Position - Fiduciary Funds**  
**June 30, 2017**

	Agency Funds	Thousand Oaks Redevelopment Successor Agency	Defined Benefits Trust Fund
<b>Assets:</b>			
Current assets:			
Cash and investments	\$ 7,136,248	3,575,226	-
Cash and cash equivalents	-	-	604,056
Investments:			
Fixed income	-	-	1,397,676
Stocks	-	-	1,445,413
Real estate	-	-	44,755
Total investments	-	-	2,887,844
Receivables:			
Accrued interest	6,901	-	-
Total current assets	<u>7,143,149</u>	<u>3,575,226</u>	<u>3,491,900</u>
Total assets	<u>\$ 7,143,149</u>	<u>3,575,226</u>	<u>3,491,900</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable	\$ 103,214	-	-
Accrued liabilities	-	270,022	512,098
Deposits	7,039,935	-	-
Notes/loans payable	-	6,195,000	-
Total current liabilities	<u>7,143,149</u>	<u>6,465,022</u>	<u>512,098</u>
Noncurrent liabilities:			
Notes/loans payable, less current portion	-	24,706,000	-
Total liabilities	<u>\$ 7,143,149</u>	<u>31,171,022</u>	<u>512,098</u>
<b>Net position:</b>			
Net pension restricted for pensions		-	2,979,802
Held in trust for other purposes		<u>(27,595,796)</u>	-
Total net position		<u>\$ (27,595,796)</u>	<u>2,979,802</u>

See accompanying notes to basic financial statements.

**CITY OF THOUSAND OAKS**  
**Statement of Changes in Net Position - Fiduciary Funds**  
**Year ended June 30, 2017**

	Thousand Oaks Redevelopment Successor Agency	Defined Benefits Trust Fund
<b>Additions:</b>		
Property taxes	\$ 7,079,274	-
Contributions:		
Employer	-	385,000
Employee	-	77,561
Investment income:		
Investment earnings	2,185	-
Net increase in fair value of investments	-	271,468
<b>Total Additions</b>	<u>7,081,459</u>	<u>734,029</u>
<b>Deductions:</b>		
Program expenses	689,705	-
Service benefits	-	106,469
Refunds of member contributions	-	75,787
Administrative expenses	250,036	32,473
Fiscal agency expenses	3,163	-
<b>Total Deductions</b>	<u>942,904</u>	<u>214,729</u>
Changes in net position	6,138,555	519,300
Net position - beginning	<u>(33,734,351)</u>	<u>2,460,502</u>
Net position - ending	<u>\$ (27,595,796)</u>	<u>2,979,802</u>

A photograph of a campus walkway. In the foreground, there is a paved path leading towards a building. The path is flanked by lush green trees and bushes. A bench and a trash can are visible on the right side of the path. The building in the background has large windows and a modern architectural style. The overall scene is bright and sunny, suggesting a pleasant day on campus.

## Notes to Basic Financial Statements

# CITY OF THOUSAND OAKS

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

June 30, 2017

### 1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Description of Reporting Entity

##### **City**

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.

##### **Authority**

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 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, as amended by GASB Statement No. 61. 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 Authority has been accounted for as a "blended" component unit of the City. The following specific criteria were used in determining that the Authority was a "blended" component unit:

- The members of the City Council also act as the governing body of the Authority.
- The Authority is managed by employees of 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, this entity is so intertwined with the City that it is, in substance, part of the City's operations. Accordingly, the balances and transactions of this component unit are reported within the funds of the City. The City does not issue separate financial statements for the Authority.

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.

## CITY OF THOUSAND OAKS

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

June 30, 2017

#### Discretely Presented Component Units

##### *Thousand Oaks Plan to Assist School Sites*

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

TOPASS is 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, as amended by GASB Statement No. 61 and GASB Statement No. 80. The City is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because (1) the City appoints a voting majority of the component unit's board, (2) the component unit provided a financial benefit or impose a financial burden on the City or (3) the nature and significance of the relationship to the primary government. TOPASS has been accounted for as a "discretely presented" component unit of the City. The following specific criteria were used in determining that TOPASS was a "discretely presented" component unit:

- TOPASS is a legally separate entity.
- TOPASS has a separate governing board consisting of two City Councilmembers, two Conejo Valley Unified School District Board members, and one qualified public professional.
- TOPASS net position is made up of a loan from the City.
- TOPASS provides services to local schools. It does not provide services to the City.
- TOPASS total debt outstanding is not expected to be repaid entirely, or almost entirely, with resources from the City.

#### **(b) Government-wide and Fund Financial Statements**

The government-wide financial statements consist of the statement of net position and statement of activities, as well as, report information on all of the nonfiduciary activities of the City and its component unit. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements, with the exception of interfund services provided and used, which are not eliminated in the process of consolidation. All internal balances in the statement of net position 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

## CITY OF THOUSAND OAKS

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

June 30, 2017

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 reported as program revenues are reported 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 29 and 32.

#### **(c) 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 position. 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.

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

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

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

## CITY OF THOUSAND OAKS

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

June 30, 2017

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” 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 **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 **Thousand Oaks Housing Successor Fund** accounts for specific revenues that are legally restricted to expenditures for housing functions performed by the City.

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

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

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,

## CITY OF THOUSAND OAKS

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

June 30, 2017

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 trust funds and agency funds. Trust funds are used to report the resources held and administered by the City when it is acting in a fiduciary capacity for individuals, private organizations, or other governments. Trust funds are presented in the basic fiduciary fund financial statements on pages 43-44 of this report. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency funds are presented in the aggregate on page 43 and by fund in the combining statements on pages 130-135. 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 accounting used for fiduciary funds is much like that used for proprietary funds.

The City currently reports the following fiduciary funds:

The **Thousand Oaks Redevelopment Successor Agency Trust Fund** is used to account for the assets and liabilities of the former Redevelopment Agency and is allocated revenue to pay estimated installment payments of enforceable obligations until obligations are paid in full and assets have been liquidated.

The **Defined Benefits Trust Fund** is used to accumulate resources for defined benefits for hourly/part-time employees that are not members in CalPERS.

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, 2017

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 donations and state drug seizure funds.

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.

#### **(d) Net Position Reporting and Business Fund Type Definitions**

As of June 30, 2017, business funds were made up of the following net position classifications:

**Net Investment in Capital Assets** consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction, or improvement of the asset.

#### **Restricted for:**

*Debt Service* is a restriction used to fund future obligations that are necessary to maintain reliable infrastructure. Reserve amounts ensure a required covered ratio of 125%.

**Unrestricted** consists of the remaining net position that does not meet the definition of "net investments in capital assets" or "restricted net position".

*Emergency Reserve* is a self-imposed reservation to allow the utility to provide uninterrupted service in light of a fiscal or physical emergency. Reserve amounts are projected replacement costs of key components of the utility.

*Operating Reserve* is self-imposed reservation to provide working capital to support the operation, maintenance, and administration of the utility. Reserve amounts are targeted to be 25% of operating budget.

*Capital Refurbishment and Replacement* is a self-imposed reservation to fund future replacement of current capital assets held by the utility. Reserve amounts are 5% of current capital assets value.

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.

## CITY OF THOUSAND OAKS

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

June 30, 2017

#### (e) Fund Balance Reporting and Governmental Fund Type Definitions

As of June 30, 2017, 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).

**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. Within the City, both a resolution and ordinance meet this requirement and are equal in difficulty to remove the restraint provided by either action.

**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 as per the Governmental Fund Balance Policy approved July 26, 2011).

**Unassigned Fund Balance** is comprised of the excess of nonspendable, restricted, committed, and assigned total fund balance (i.e., residual net resources). The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

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.

## CITY OF THOUSAND OAKS

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

June 30, 2017

#### **(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, 2017, the aggregate unrealized loss for the City's entire investment portfolio across all funds was (\$1,678,027), with (\$1,046,547) 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 \$40,492,500 of funds on deposit with LAIF and the Ventura County Treasury Pool). 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.

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, 2017, was \$593,963.

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, 2017, the City did not have a liability due.

## CITY OF THOUSAND OAKS

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

June 30, 2017

#### **(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 principal and interest payment. As required, amounts are set aside in the Thousand Oaks Redevelopment Successor Agency Trust Fund and Wastewater Utility Fund.

#### **(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 capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value at the date of donation. Capital outlays are recorded as expenditures in the Governmental 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.

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**(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 position. 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.

Detail of compensated absences recorded in the government-wide statement of net position as of June 30, 2017, are as follows:

Fund Type	Fiscal Year 2016-17		Fiscal Year 2015-16	
	Current Portion	Noncurrent Portion	Total	Total
<b>Governmental Activities:</b>				
General Fund	\$ 1,736,317	\$ 2,238,931	\$ 3,975,248	\$ 4,188,104
Library	225,804	397,991	623,795	642,412
Country Flood Control Benefit Assessment	26,788	32,209	58,997	64,407
Landscape and Lighting Districts	52,626	59,628	112,254	95,694
<b>Total Governmental Activities</b>	<b>\$ 2,041,535</b>	<b>\$ 2,728,759</b>	<b>\$ 4,770,294</b>	<b>\$ 4,990,617</b>
<b>Business-type Activities:</b>				
Water	\$ 199,118	\$ 361,130	\$ 560,248	\$ 580,502
Wastewater	351,281	574,776	926,057	872,502
Transportation	27,141	18,060	45,201	21,213
Solid Waste	35,251	56,516	91,767	80,410
Theatres	66,824	128,522	195,346	216,272
<b>Total Business-type Activities</b>	<b>\$ 679,615</b>	<b>\$ 1,139,004</b>	<b>\$ 1,818,619</b>	<b>\$ 1,770,899</b>
<b>Total Compensated Absences</b>	<b>\$ 2,721,150</b>	<b>\$ 3,867,763</b>	<b>\$ 6,588,913</b>	<b>\$ 6,761,516</b>

**(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 position. Bond premiums are deferred and amortized over the life of the bonds. Bond payables are reported net of the applicable bond premiums.

In the fund financial statements, the governmental funds recognize bond premiums and 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.

## CITY OF THOUSAND OAKS

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

June 30, 2017

In prior fiscal years, any net pension obligation was 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.

#### **(n) Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. One is deferred charges on refunding reported in the government-wide statement of net position and the proprietary funds statement of net position. Deferred charges on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item is deferred pension related items reported in the government-wide statement of net position and the proprietary funds statement of net position. The City reports deferred outflows of resources for pension contributions made after the actuarial measurement date. This amount is deferred and will be expensed in the following fiscal year.

In addition to liabilities, the balance sheet or statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items. The item, unavailable revenue, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: sales tax and deferred loans. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The other item is deferred pension related items reported in the government-wide statement of net position and the proprietary funds statement of net position. This amount is the result of the net difference between projected and actual earnings on pension plan investments and are being amortized over a five year period on a straight-line basis.

#### **(o) Net Pension Liability**

##### **California Public Employees' Retirement System (CalPERS)**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the CalPERS agent multiple-employer defined benefit plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Valuation Date June 30, 2015 is the date the actuarial valuation was performed. The Measurement Date is June 30, 2016. This is the date the net pension liability was determined. The Measurement Period is June 30, 2015 to June 30, 2016.

**City of Thousand Oaks Defined Benefit Pension Plan**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Thousand Oaks' single-employer defined benefit plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Public Agency Retirement Services office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Valuation Date January 1, 2016 is the date the actuarial valuation was performed. The Measurement Date is June 30, 2017. This is the date the net pension liability was determined. The Reporting Date is June 30, 2017, the plan's and City's fiscal year ending date. There have been no significant changes between the valuation date and fiscal year end.

**(p) 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 position**

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. One element of the reconciliation states that "other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds." The details of this \$13,340,483 difference are as follows:

Other postemployment benefit asset	\$ 5,588,264
Prepaid insurance	3,843
Unavailable revenues	<u>7,748,376</u>
Net adjustment to increase <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><u>\$ 13,340,483</u></u>

# CITY OF THOUSAND OAKS

## Notes to Basic Financial Statements (Continued)

June 30, 2017

Another element of the reconciliation states that “deferred outflow of resources represents a consumption of net position that applies to a future period and, therefore, will not be recognized as an expense/expenditure until that time.” The details of this \$13,918,069 difference are as follows:

Net difference between projected and actual earnings on Pension Plan	\$ 6,208,539
Pension contributions subsequent to measurement date	<u>7,709,530</u>
Net adjustment to increase <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><b>\$ 13,918,069</b></u>

Another 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 (\$68,126,878) difference are as follows:

Lease revenue bond payable	\$ (12,640,863)
Deferred charges	154,615
Compensated absences	(4,770,292)
Net pension liability	(50,826,612)
Interest payable	<u>(43,726)</u>
Net adjustment to decrease <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><b>\$ (68,126,878)</b></u>

Another element of the reconciliation states that “deferred inflows represent an acquisition of net position that applies to a future period and, therefore, will not be recognized as revenue until that time.” The details of this (\$3,117,694) difference are as follows:

Change in assumption	\$ (1,278,136)
Difference between expected and actual experiences	<u>(1,839,558)</u>
Net adjustment to decrease <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><b>\$ (3,117,694)</b></u>

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**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 position 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 expense exceeded capital outlay in the current period. The details of this (\$10,874,962) difference are as follows:

Capital outlay	\$ 5,599,544
Depreciation expense	<u>(16,474,506)</u>
Net adjustment to decrease <i>net changes in fund balance - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u><b>\$ (10,874,962)</b></u>

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 position.” The details of this \$445,431 difference are as follows:

Land donations	\$ 739,599
Disposals of capital assets decrease net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources	<u>(294,168)</u>
Net adjustment to decrease <i>net changes in fund balance - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u><b>\$ 445,431</b></u>

Another element of the reconciliation states that “revenues that do not provide current financial resources are not reported as revenues in the funds.” The details of this \$1,501,717 difference are as follows:

Grant revenue	\$ 186,909
Sales tax revenue	400,616
Housing revenue	912,919
Other deferred in-flows	<u>1,273</u>
Net adjustment to decrease <i>net changes in fund balance - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u><b>\$ 1,501,717</b></u>

CITY OF THOUSAND OAKS

Notes to Basic Financial Statements  
(Continued)

June 30, 2017

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 position. Also, governmental funds report the effect of issuance costs, premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$595,750 difference are as follows:

Lease revenue bonds principal payments	\$ 600,000
Amortization of loss on refunding	(10,308)
Amortization of premiums	<u>6,058</u>
Net adjustment to increase <i>net changes in fund balance - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u><u>\$ 595,750</u></u>

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 \$2,673,911 difference are as follows:

Compensated absences	\$ 220,324
Net change in accrued interest	2,500
Pension	2,129,809
OPEB	320,509
Net change in prepaid expenses:	
Prepaid insurance	<u>769</u>
Net adjustment to increase <i>net changes in fund balance - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u><u>\$ 2,673,911</u></u>

(q) 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, and Thousand Oaks Housing Successor. 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, Federal Asset Seizure, HOME and Community Development Block Grant, County Flood Control Benefit Assessment, Housing Trust, East County Transit Alliance, and Capital Improvements funds. Historically, the City has not presented budgetary comparisons for capital project and debt service funds. No budget was adopted for, and no budgetary comparisons are presented for: the Thousand

## CITY OF THOUSAND OAKS

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

**June 30, 2017**

Oaks Public Financing Authority debt service fund, Fixed Asset Replacement Fund, Community Recreation and Open Space Endowment Fund, and Thousand Oaks Public Financing Authority capital projects Fund.

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.

At June 30, 2017, the East County Transit Alliance Fund had a deficit balance of (\$54,303), which will be resolved when reimbursement revenues come in.

Budgetary data is presented in the basic financial statements, pages 33-36, and combining financial statements and schedules sections, pages 117-124.

#### **(r) 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.

#### **(s) 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.

#### **(2) CASH AND INVESTMENTS**

Cash and investments as of June 30, 2017, are classified in the accompanying financial statements as follows on the following page:

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

Statement of Net Position:	
Cash and investments	\$ 269,465,079
Restricted cash and investments	4,427,957
Component Unit:	
Cash and investments	569,299
Fiduciary Funds:	
Agencies cash and investments	7,136,248
Successor agency cash and investments	3,575,226
Pension trust cash and investments	3,491,900
	\$ 288,665,709

Cash and investments as of June 30, 2017, consist of the following:

Cash on hand	\$ 347,404
Deposits with financial institutions	12,451,100
Investments held by City and bond trustee	272,315,418
Investments held by pension plan	2,982,488
Quasi-endowment held by Community Foundation	569,299
Total cash and investments	\$ 288,665,709

**(a) Investments Authorized by the California Government Code and the City's Investment Policy**

The table on the following page 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 which are governed by the provisions of debt agreements of the City, the investments in the Hourly/Part-time Defined Benefit Pension Plan which are governed by its trust agreement, or the investments of the Thousand Oaks Plan to Assist School Sites Foundation which is subject to a separate agency agreement.

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

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 Debt Obligations (CA and others)	5 years	None	None
State of California Local Agency Debt Obligations	5 years	None	None
Supranationals	5 years	15%	5%
Corporate Medium-Term Notes	5 years	30%	5%
Negotiable Certificates of Deposit	5 years	10%	5%
Banker's Acceptances	180 days	40%	30%
Commercial Paper*	270 days	25%	5%
Repurchase Agreements	30 days	25%	None
Bank Deposits - Collateralized/FDIC Insured	5 years	None	None
Local Agency Investment Fund (LAIF)	N/A	None	N/A
County Pooled Investment Funds	N/A	20%	None
Joint Powers Authority Pools	N/A	15%	10%
Mutual Funds	N/A	15%	5%
Money Market Funds	N/A	15%	None

\*City may not purchase more than 5% of the outstanding commercial paper of a single issuer.

**(b) Investments Authorized by Debt Agreements**

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than by 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**.

Authorized Investment Type	Maximum Maturity	Maximum Percentage Allowed	Maximum Investment in One Issuer
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	None	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
Repurchase Agreements	270 days	None	None
LAIF	N/A	None	N/A

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**(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>Amount</u>	<u>Weighted Average Maturity (in years)</u>
U.S. Agencies - Fixed Coupons	\$ 141,098,754	2.74
Supranationals	25,940,800	2.33
Municipal Bonds	46,002,437	2.32
Supranational Discount Notes	1,989,357	0.36
Ventura County Treasury Pool	5,064,044	0.49
LAIF	40,492,500	0.53
Held by Fiscal Agent:		
Money Market Funds	3,420,557	0.07
LAIF	8,306,969	0.53
	<u>\$ 272,315,418</u>	

**(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>Amount</u>	<u>Minimum Legal Rating</u>	<u>AAA</u>	<u>AA</u>	<u>A</u>
U.S. Agencies - Fixed Coupons	\$ 141,098,754	None	\$ -	\$ 141,098,754	\$ -
Supranationals	25,940,800	AAA	25,940,800	-	-
Municipal Bonds	46,002,437	A	2,967,181	39,420,598	3,614,659
Supranational Discount Notes	1,989,357	AAA	1,989,357	-	-
Ventura County Treasury Pool	5,064,044	None	5,064,044	-	-
LAIF	40,492,500	Unrated	-	-	-
Held by Fiscal Agent:					
Money Market Funds	3,420,557	AAA	3,420,557	-	-
LAIF	8,306,969	Unrated	-	-	-
Total	<u>\$ 272,315,418</u>				

# CITY OF THOUSAND OAKS

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

June 30, 2017

### **(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 (e.g., broker-dealer) 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.

The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 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. The Treasurer may waive the security for that portion of the total amount on deposit which is federally insured.

As of June 30, 2017, all of the City's deposits with financial institutions in excess of federal depository insurance limits were collateralized by an interest in an undivided collateral pool as required by law.

To protect investments against custodial credit risk caused by the collapse of individual securities dealers, all negotiable securities owned by the City are settled with delivery versus payment procedures and held in safekeeping by the City's custodial bank acting as agent for the City under the terms of a custody 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:

Issuer	Investment Type	Reported Amount
Federal Farm Credit Bank	Coupon Securities	\$ 34,808,790
Federal Home Loan Bank	Coupon Securities	35,990,060
Federal Home Loan Mortgage Corporation	Coupon Securities	32,798,160
Federal National Mortgage Association	Coupon Securities	35,491,544

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**(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.

**(h) Ventura County Treasurer's Investment Pool**

The City hold investments in the County Pool that are subject to being adjusted to "fair value." The City is required to disclose its methods and assumptions used to estimate the fair value of its holding in the County Pool. The City relied upon information provided by the County Treasurer in estimating the City's fair value position of its holdings in the County Pool. The City had a contractual withdrawal value of \$5,062,722 at fiscal year end.

The Ventura County Treasurer's Investment Pool is a governmental investing pool managed and directed by the elected Ventura County Treasurer. The County Pool is not registered with the Securities and Exchange Commission. An oversight committee comprised of local government officials and various participants provide oversight to the management of the fund. The daily operations and responsibilities of the Pool fall under the auspices of the County Treasurer's office. The City is a voluntary participant in the investment pool.

**(i) Investments in Hourly/Part-time Defined Benefit Pension Plan**

The City's Hourly/Part-time Defined Benefit Pension Plan (Plan) investments are not covered by the City's Investment Policy. Investment guidelines for the Plan are detailed in the trust agreement and include bonds, mortgages, notes, common or preferred stock, other securities, life insurance policies, annuity contracts, and property (personal, real or mixed, and tangible or intangible).

A summary of the investments held and the percentage of the Plan portfolio as of June 30, 2017, are as follows:

<u>Pension Plan Trust Fund Investments</u>	<u>Fair Value</u>	<u>Percent of Portfolio</u>
HighMark PLUS Moderate	\$ 2,982,488	100%

**(j) Investment with Ventura County Community Foundation**

The Thousand Oaks Plan to Assist School Sites (TOPASS) Foundation is a non-profit corporation. The TOPASS Foundation's Board directs its investments and elected to open a quasi-endowment fund with the Ventura County Community Foundation (VCCF). VCCF investment guidelines are available on its website and include equities, fixed income

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

investments and alternative investments. The TOPASS Foundation quasi-endowment fund had a fair market value of \$569,299 as of June 30, 2017.

**(k) Fair Value Measurement and Application**

The City adopted GASB Statement No. 72, *Fair Value Measurement and Application*, as of July 1, 2015. GASB Statement No. 72 establishes general principles for measuring fair value and standards of accounting and financial reporting for assets and liabilities measured at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs.

The City has the following fair value measurements for its investments as of June 30, 2017:

Investment by Fair Value	Amount	Level 1	Level 2	Level 3
U.S. Agencies - Fixed Coupons	\$ 141,098,754	\$ -	\$ 141,098,754	\$ -
Supranationals	25,940,800	-	25,940,800	-
Municipal Bonds	46,002,437	-	46,002,437	-
Supranational Discount Notes	1,989,357	-	1,989,357	-
Ventura County Treasury Pool	5,064,044	-	5,064,044	-
LAIF	40,492,500	-	40,492,500	-
Held by Fiscal Agent:				
Money Market Funds	3,420,557	-	3,420,557	-
LAIF	8,306,969	-	8,306,969	-
<b>Total</b>	<b>\$ 272,315,418</b>	<b>\$ -</b>	<b>\$ 272,315,418</b>	<b>\$ -</b>

**(3) LOANS AND NOTES RECEIVABLE**

**Governmental Funds**

The former Redevelopment Agency engaged in projects designed to improve, construct, and preserve low and moderate income housing units. Under these housing projects, notes and loans were provided under favorable terms to non-profit organizations or developers who agreed to comply with the former Redevelopment Agency's terms. As a result of the dissolution of the former Redevelopment Agency on February 1, 2012, the loans and notes were transferred to the Thousand Oaks Housing Successor Fund. As of June 30, 2017, loans and notes receivable totaling \$36,477,959 consists of \$33,699,377 from the Thousand Oaks Housing Successor Fund, \$2,254,600 from other governmental funds, and \$523,982 from the General Fund are as follows on the next page:

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

Thousand Oaks Housing Successor Fund:	
Hillcrest Drive	\$ 7,056,500
Shadows Apartments	6,900,000
Schillo Gardens Apartments	5,970,957
Los Feliz Drive	5,950,000
Bella Vista Apartments	4,139,200
Oak Creek Senior Villas	2,450,000
Hacienda de Feliz	600,000
Warwick Apartments	420,000
Housing Rehabilitation	185,008
Others	27,712
Total Thousand Oaks Housing Successor Fund	<u>\$ 33,699,377</u>
General Fund	
Due from TOPASS	\$ 500,000
Others	23,982
Total General Fund	<u>\$ 523,982</u>
Other Governmental Funds:	
Los Feliz Drive	\$ 1,000,000
Oak Creek Senior Villas	1,000,000
CDBG	254,600
Total Other Governmental Funds:	<u>\$ 2,254,600</u>
Total loans/notes receivable	<u>\$ 36,477,959</u>

Major housing loan projects that the Thousand Oaks Housing Successor Fund and other Governmental Funds participated in are described as follows:

**Hillcrest Drive**

During fiscal years 2006-07 and 2007-08, the former Redevelopment Agency entered into a \$5.6 million loan agreement with Many Mansions for the acquisition and development of a 60 unit low, very-low, and extremely-low income housing project on five parcels located on Hillcrest Drive and Los Feliz Drive. During fiscal years 2009-10 and 2011-12, an additional \$1.5 million in loans was issued to fund the project, for a total of \$7.1 million. The outstanding balance of the loan bears interest at a rate of 3 percent per annum. Loan repayment shall be made from residual receipts and the loan is expected to be repaid in full within 55 years from project completion.

**Shadows Apartments**

During fiscal year 2006-07, the former Redevelopment 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. Loan repayment shall be made from residual receipts and the loan is expected to be repaid in full by April 1, 2062.

## CITY OF THOUSAND OAKS

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

June 30, 2017

#### **Schillo Gardens**

During fiscal year 2015-16, the City entered into an agreement with Many Mansions to sell the City owned Schillo Gardens property for two notes receivable of \$3,875,000 and \$2,095,957, respectively, along with \$279,043 in cash. Both notes accrue interest at the "Applicable Federal Rate." Loan repayment shall be made from residual receipts and the loan and any accrued interest is due within 55 years from issuance. Payment on the loan is expected to begin in Fiscal Year 2024.

#### **Los Feliz Drive**

During fiscal year 2006-07, the former Redevelopment Agency entered into a \$5.9 million City loan agreement with Area Housing Authority of the County of Ventura (AHA) for the acquisition and development of a 56 unit low and very-low income housing project on five parcels located on Los Feliz Drive. During fiscal year 2010-11, an Owner Participation Agreement was executed for an additional \$0.7 million pre-development loan, for a total of \$6.6 million. \$0.5 million and \$0.2 million in pre-development loans were repaid during fiscal years 2013-14 and 2014-15 respectively. The promissory notes were modified to define the loan term into two phases. The Phase I portion of the loan is \$5.1 million and bears interest at a rate of 3 percent per annum, while the Phase II portion of the loan is \$0.9 million and bears interest at a rate of 3.56 percent compounded annually. Loan repayment shall be made from residual receipts and the loan is expected to be repaid in full within 55 years from occupancy certification.

During fiscal year 2013-14, the City also entered into a \$2.0 million loan agreement with AHA for the Los Feliz Drive housing project. Note A of \$1.0 million bears 3 percent interest per annum and loan repayment shall be made from residual receipts and the loan is expected to be repaid in full within 55 years from occupancy certification. Note B of \$1.0 million bears no interest and was paid on December 31, 2015.

#### **Bella Vista Apartments**

During fiscal year 2004-05, the former Redevelopment 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. Loan repayment shall be made from residual receipts and the loan is expected to be repaid in full by June 29, 2060.

#### **Oak Creek Senior Villas**

During fiscal year 2002-03, the City and the former Redevelopment Agency entered into a \$1.0 million and a \$1.2 million loan agreement, respectively, with Oak Creek Housing Investors, L.P. The purpose of the loans is to fund the development and construction of Oak Creek Senior Villas, a 57-unit low and very-low income senior housing project. During

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

fiscal year 2004-05, the former Redevelopment Agency issued an additional \$1.3 million to fund the project. The outstanding balance of these loans bears interest at a rate of 3 percent per annum. Loan repayment shall be made from residual receipts and the loan are expected to be repaid in full in three installments; the first installment of \$1.0 million is due on December 18, 2042, the second installment of \$1.3 million is due on March 21, 2045, , and the third installment of \$1.2 million is due on December 18, 2057.

**Proprietary Fund**

**CHP Clean Energy (CHPCE)**

During fiscal year 2013-14, the City issued a \$1.5 million loan to CHPCE Thousand Oaks, LLC, to finance the construction of a new cogeneration system at the Hill Canyon Wastewater Treatment Plant. The outstanding balance of the loan bears interest at a rate of 3 percent per annum and the loan repayment shall be made from excess available incentive payments. \$750,000 was repaid in May 2015. The loan is expected to be repaid in full by September 30, 2018.

**(4) ASSETS HELD FOR RESALE**

As part of the former Low and Moderate Income Housing Fund activities, the former Redevelopment Agency exercised its option to acquire restricted properties for resale to preserve affordable housing units. These properties are subsequently resold to income eligible homebuyers, in accordance with the affordable housing program, at below market value. As a result of the Agency dissolution, these properties were transferred to the Thousand Oaks Housing Successor Fund on February 1, 2012, and are accounted for at the lower of cost or market value with an equivalent portion of fund balance identified as nonspendable.

Assets held for resale totaling \$0.7 million consisting of two Park Lane Condominiums acquired during fiscal years 2005-06 and 2006-07 were sold during the current fiscal year. Both parcels were sold for \$0.4 million at a loss of \$0.3 million.

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**(5) CAPITAL ASSETS**

**(a) Governmental Activities:**

Infrastructure additions of \$3.5 million resulted primarily from \$2.9 million for pavement overlay citywide, \$0.3 million for developer donated traffic signal, \$0.1 million for Wendy Drive/U.S. 101 interchange improvements, \$0.1 million for Erbes Road improvements, and \$0.1 million for developer donated roads. Land additions of \$0.7 million resulted primarily from various donated parcels throughout the City. Buildings and improvements additions of \$0.9 million resulted from the Newbury Park Library roof project.

Capital assets governmental activity for the year ended June 30, 2017, was as follows:

	Balance at July 1, 2016	Additions	Disposals	Balance at June 30, 2017
<b>Capital assets, not being depreciated:</b>				
Land - Governmental Funds	\$ 129,176,188	\$ 739,599	\$ 620	\$ 129,915,167
Intangibles	838,055	-	-	838,055
Construction in progress	1,902,298	384,629	234,586	2,052,341
Total	<u>131,916,541</u>	<u>1,124,228</u>	<u>235,206</u>	<u>132,805,563</u>
<b>Capital assets, being depreciated:</b>				
Buildings and improvements - Governmental Funds	161,550,187	939,167	-	162,489,354
Equipment	12,035,476	696,548	753,926	11,978,098
Intangibles	964,220	37,215	-	1,001,435
Infrastructure	465,501,104	3,541,985	3,900	469,039,189
Total	<u>640,050,987</u>	<u>5,214,915</u>	<u>757,826</u>	<u>644,508,076</u>
Less accumulated depreciation for:				
Buildings and improvements - Governmental Funds	53,559,314	3,861,040	-	57,420,354
Equipment	7,927,882	935,583	697,772	8,165,693
Intangibles	708,716	76,916	-	785,632
Infrastructure	233,519,521	11,600,967	1,092	245,119,396
Total	<u>295,715,433</u>	<u>16,474,506</u>	<u>698,864</u>	<u>311,491,075</u>
Total, net depreciation	<u>344,335,554</u>	<u>(11,259,591)</u>	<u>58,962</u>	<u>333,017,001</u>
<b>Total net capital assets</b>	<b><u>\$ 476,252,095</u></b>	<b><u>\$ (10,135,363)</u></b>	<b><u>\$ 294,168</u></b>	<b><u>\$ 465,822,564</u></b>

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**(b) Business-type Activities:**

Water Fund buildings and improvements additions of \$0.8 million were primarily due to \$0.4 million for installation of water meters, \$0.2 million for pump station and reservoir improvements, \$0.1 million for developer donations of water mainlines, Wastewater Fund buildings and improvements additions of \$3.1 million were primarily due to \$2.7 million for biosolids dewatering and drying improvements at Hill Canyon Treatment Plant (HCTP) and \$0.4 million for various improvements at HCTP including network and SCADA upgrades and screw press improvements.

Capital asset business-type activity for the year ended June 30, 2017, was as follows below, and on the following pages:

	Balance at July 1, 2016	Additions	Disposals	Balance at June 30, 2017
<b><u>Water Utility Fund:</u></b>				
Capital assets, not being depreciated:				
Land	\$ 2,378,022	\$ -	\$ -	\$ 2,378,022
Intangibles	45,473	-	-	45,473
Construction in progress	520,856	73,101	153,102	440,855
Total	<u>2,944,351</u>	<u>73,101</u>	<u>153,102</u>	<u>2,864,350</u>
Capital assets, being depreciated:				
Buildings and improvements	62,779,204	826,341	310,596	63,294,949
Equipment	1,456,341	592,272	184,658	1,863,955
Intangibles	490,418	-	-	490,418
Total	<u>64,725,963</u>	<u>1,418,613</u>	<u>495,254</u>	<u>65,649,322</u>
Less accumulated depreciation for:				
Buildings and improvements	29,237,440	1,762,271	167,877	30,831,834
Equipment	830,697	127,010	184,658	773,049
Intangibles	366,389	49,042	-	415,431
Total	<u>30,434,526</u>	<u>1,938,323</u>	<u>352,535</u>	<u>32,020,314</u>
Total, net depreciation	<u>34,291,437</u>	<u>(519,710)</u>	<u>142,719</u>	<u>33,629,008</u>
<b>Water Utility Fund net capital assets</b>	<b><u>\$ 37,235,788</u></b>	<b><u>\$ (446,609)</u></b>	<b><u>\$ 295,821</u></b>	<b><u>\$ 36,493,358</u></b>
<b><u>Wastewater Utility Fund:</u></b>				
Capital assets, not being depreciated:				
Land	\$ 1,463,180	\$ -	\$ -	\$ 1,463,180
Intangibles	88,065	-	-	88,065
Construction in progress	2,879,946	75,654	2,736,329	219,271
Total	<u>4,431,191</u>	<u>75,654</u>	<u>2,736,329</u>	<u>1,770,516</u>
Capital assets, being depreciated:				
Buildings and improvements	210,952,463	3,091,514	34,261	214,009,716
Equipment	3,732,642	167,555	99,181	3,801,016
Total	<u>214,685,105</u>	<u>3,259,069</u>	<u>133,442</u>	<u>217,810,732</u>
Less accumulated depreciation for:				
Buildings and improvements	87,289,688	5,409,654	34,262	92,665,080
Equipment	2,067,657	293,040	96,310	2,264,387
Total	<u>89,357,345</u>	<u>5,702,694</u>	<u>130,572</u>	<u>94,929,467</u>
Total, net depreciation	<u>125,327,760</u>	<u>(2,443,625)</u>	<u>2,870</u>	<u>122,881,265</u>
<b>Wastewater Utility Fund net capital assets</b>	<b><u>\$ 129,758,951</u></b>	<b><u>\$ (2,367,971)</u></b>	<b><u>\$ 2,739,199</u></b>	<b><u>\$ 124,651,781</u></b>

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

	Balance at July 1, 2016	Additions	Disposals	Balance at June 30, 2017
<b><u>Golf Course Fund:</u></b>				
Capital assets, not being depreciated:				
Land	\$ 1,217,610	\$ -	\$ -	\$ 1,217,610
Construction in progress	8,418	-	41,396	-
Total	<u>1,226,028</u>	<u>-</u>	<u>41,396</u>	<u>1,217,610</u>
Capital assets, being depreciated:				
Buildings and improvements	12,666,007	214,348	-	12,847,377
Equipment	1,497,154	38,097	12,500	1,522,751
Total	<u>14,163,161</u>	<u>252,445</u>	<u>12,500</u>	<u>14,370,128</u>
Less accumulated depreciation for:				
Buildings and improvements	5,213,522	405,071	-	5,618,593
Equipment	1,105,806	147,701	12,500	1,241,007
Total	<u>6,319,328</u>	<u>552,772</u>	<u>12,500</u>	<u>6,859,600</u>
Total, net depreciation	<u>7,843,833</u>	<u>(300,327)</u>	<u>-</u>	<u>7,510,528</u>
<b>Golf Course Fund net capital assets</b>	<b><u>\$ 9,069,861</u></b>	<b><u>\$ (300,327)</u></b>	<b><u>\$ 41,396</u></b>	<b><u>\$ 8,728,138</u></b>
<b><u>Transportation Fund:</u></b>				
Capital assets, not being depreciated:				
Construction in progress	\$ 8,418	\$ 61,007	\$ -	\$ 69,425
Total	<u>8,418</u>	<u>61,007</u>	<u>-</u>	<u>69,425</u>
Capital assets, being depreciated:				
Buildings and improvements	2,651,711	-	-	2,651,711
Equipment	4,654,462	-	607,993	4,046,469
Intangibles	30,906	-	-	30,906
Total	<u>7,337,079</u>	<u>-</u>	<u>607,993</u>	<u>6,729,086</u>
Less accumulated depreciation for:				
Buildings and improvements	272,795	129,048	-	401,843
Equipment	2,275,308	463,962	607,993	2,131,277
Intangibles	3,606	3,091	-	6,697
Total	<u>2,551,709</u>	<u>596,101</u>	<u>607,993</u>	<u>2,539,817</u>
Total, net depreciation	<u>4,785,370</u>	<u>(596,101)</u>	<u>-</u>	<u>4,189,269</u>
<b>Transportation Fund net capital assets</b>	<b><u>\$ 4,793,788</u></b>	<b><u>\$ (535,094)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 4,258,694</u></b>

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

	Balance at July 1, 2016	Additions	Disposals	Balance at June 30, 2017
<b>Solid Waste Management Fund:</b>				
Capital assets, not being depreciated:				
Land	\$ 746,754	\$ -	\$ -	\$ 746,754
Total	<u>746,754</u>	<u>-</u>	<u>-</u>	<u>746,754</u>
Capital assets, being depreciated:				
Buildings and improvements	3,235,490	-	-	3,235,490
Equipment	22,226	-	-	22,226
Total	<u>3,257,716</u>	<u>-</u>	<u>-</u>	<u>3,257,716</u>
Less accumulated depreciation for:				
Buildings and improvements	191,515	64,748	-	256,263
Equipment	14,488	2,210	-	16,698
Total	<u>206,003</u>	<u>66,958</u>	<u>-</u>	<u>272,961</u>
Total, net depreciation	<u>3,051,713</u>	<u>(66,958)</u>	<u>-</u>	<u>2,984,755</u>
<b>Solid Waste Fund net capital assets</b>	<b><u>\$ 3,798,467</u></b>	<b><u>\$ (66,958)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 3,731,509</u></b>
<b>Theatres Fund:</b>				
Capital assets, not being depreciated:				
Buildings and improvements	\$ 745,686	\$ -	\$ -	\$ 745,686
Equipment	507,676	-	53,522	454,154
Total	<u>1,253,362</u>	<u>-</u>	<u>53,522</u>	<u>1,199,840</u>
Less accumulated depreciation for:				
Buildings and improvements	478,276	56,069	-	534,345
Equipment	301,977	24,316	43,721	282,572
Total	<u>780,253</u>	<u>80,385</u>	<u>43,721</u>	<u>816,917</u>
Total, net depreciation	<u>473,109</u>	<u>(80,385)</u>	<u>9,801</u>	<u>382,923</u>
<b>Theatres Fund net capital assets</b>	<b><u>\$ 473,109</u></b>	<b><u>\$ (80,385)</u></b>	<b><u>\$ 9,801</u></b>	<b><u>\$ 382,923</u></b>
<b>Total capital assets, net</b>	<b><u>\$ 185,129,964</u></b>	<b><u>\$ (3,797,345)</u></b>	<b><u>\$ 3,086,216</u></b>	<b><u>\$ 178,246,403</u></b>

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**(c) Depreciation Expense**

Depreciation expense charged to functions/programs of the primary government as of June 30, 2017, was as follows:

Governmental activities:	
General government	\$ 2,135,963
Public safety	351,883
Transportation	299,124
Community development	12,187,088
Culture and leisure	1,500,449
Total depreciation expense - governmental activities	<u>\$ 16,474,506</u>
Business-type activities:	
Water	\$ 1,938,323
Wastewater	5,702,694
Golf Course	552,772
Transportation	596,101
Solid Waste Management	66,958
Theatres	80,385
Total depreciation expense - business-type activities	<u>\$ 8,937,233</u>

**(d) Construction and Significant Commitments**

As of June 30, 2017, the City had two material construction commitments evidenced by contractual commitments with contractors: 1) \$0.5 million (\$19,960 spent through June 30, 2017) for La Granada Pump Station project, funded by the Water Fund, and 2) \$0.2 million (no funds spent through June 30, 2017) for Fleet Work Area Canopy project, funded by Transportation Fund.

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**(6) INTERFUND RECEIVABLES, PAYABLES, ADVANCES, AND TRANSFERS**

**(a) Interfund Receivables and Payables**

Total interfund receivables and payables as of June 30, 2017, were as follows:

Receivable Fund:	Payable Fund:	Purpose	Amount
General	Capital Imprv Fund	Interest due	\$ 9
	Capital Imprv Fund	Internal loan	320,589
	Golf Course	Internal loan	2,010,000
	Other govt	Advance payments	500,133
Total Interfund Receivables/Payables			<u>\$ 2,830,731</u>

Interfund receivable/payable of \$320,589 between the Developer Fee Fund and General Fund will be paid as follows:

On December 6, 2011, the Wendy Drive/US 101 Freeway Interchange Developer Fee Fund borrowed \$655,672 from the General Fund to cover the project's cash flow needs due to insufficient developer fees collected to fund the project. The Developer Fee loan is recorded as an interfund payable in the Wendy Drive/US 101 Freeway Interchange Developer Fee Fund and as an interfund receivable in the General Fund. Available cash from the Wendy Drive/US 101 Freeway Interchange Developer Fee Fund was applied first to interest accrued on the loan for the fiscal year and then to the loan principal balance. Any unpaid interest was added to the principal as of June 30 following completion of the project. The project completed on June 30, 2014 and loan repayment commenced. A simple annual interest rate of 3.58 percent based on the five year average of the City portfolio's annual rate of return was applied for the period of July 2005 through June 2010. The rate was reset July 1, 2015, based on the preceding five year average of the City portfolio's annual rate of return, and every five years thereafter. As of June 30, 2017, \$320,589 was outstanding.

Interfund receivable/payable of \$2,010,000 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 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, 2017, \$2,010,000 was outstanding.

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**(b) Advances**

Total advances to and from other funds as of June 30, 2017, were as follows:

Advance from Fund	Advance to Fund	Purpose	Amount
General	Public Financing Authority	Reserve fund	\$ 1,166,952
Total Advances To/From Other Funds			<u>\$ 1,166,952</u>

Advances to/from of \$1,166,952 between the Public Financing Authority and General Fund will be paid as follows:

Reserve Funds are required to hold cash or cash equivalent such as a Surety Bond in an amount equal to one year of principal and interest payments. The Reserve Fund provides additional security to the holders of the bonds that they will receive their scheduled principal and interest payments. A Surety Bond allows the City to reduce the size of the issue. See note 8(a) for more information on the Thousand Oaks Public Financing Authority – 2010 Refunding Lease Revenue Bonds.

**(c) Interfund Transfers**

The following interfund transfers are reflected in the fund financial statements governmental funds for the year ended June 30, 2017:

From Fund:	To Fund:	Purpose	Amount
General	Library	Library support	\$ 1,630,019
General	Other governmental funds	COP debt service payment	1,149,866
		Flood control fund subsidy	407,455
		Open space transfer	100,000
State Gas Tax	General	Reimbursement for engineering expenditures	1,017,110
Capital Improvement	General	Reimbursement for engineering expenditures, Library facility transfer and Police facility transfer	506,043
Capital Improvement	Other governmental funds	Reimbursement for signal maintenance	178,295
Other governmental funds	General	Reimbursement for traffic enforcement expenditures and reimbursement of administrative costs	539,077
		Close PFA Fund	190,538
Transportation	Other governmental funds	Correction of prior year deposit	11,433
Total Interfund Transfers			<u>\$ 5,729,836</u>

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**(7) FUND BALANCES FOR GOVERNMENTAL FUNDS**

Fund balances as of June 30, 2017, for the governmental funds were categorized as nonspendable, restricted, committed, assigned or unassigned for the following purposes:

	Major Funds				Total Other Governmental Funds	Total Governmental Funds
	General Fund	State Gas Tax Fund	Capital Improvements Fund	TO Housing Successor Fund		
<b>Fund Balances:</b>						
<b>Nonspendable:</b>						
Inventories	\$ 545,758	\$ -	\$ -	\$ -	\$ -	\$ 545,758
Loans and notes receivable	523,982	-	-	-	-	523,982
Advances to other funds	1,166,952	-	-	-	-	1,166,952
<b>Subtotal</b>	<b>2,236,692</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,236,692</b>
<b>Restricted for:</b>						
Capital projects	-	2,552,039	13,889,212	-	343,069	16,784,320
Debt service	-	-	-	-	4,500	4,500
Housing & community dev.	-	-	-	8,060,283	3,096,310	11,156,593
Law enforcement	-	-	-	-	266,694	266,694
Transportation	-	-	-	-	6,975,452	6,975,452
<b>Subtotal</b>	<b>-</b>	<b>2,552,039</b>	<b>13,889,212</b>	<b>8,060,283</b>	<b>10,686,025</b>	<b>35,187,559</b>
<b>Committed to:</b>						
Capital projects	5,192,500	-	-	-	2,032,613	7,225,113
Grant endowments	8,000,000	-	-	-	-	8,000,000
Pavement Maintenance	10,800,000	-	-	-	-	10,800,000
Loans	4,000,000	-	-	-	-	4,000,000
Emergency reserve	5,341,949	-	-	-	-	5,341,949
Working capital reserve	16,025,848	-	-	-	-	16,025,848
<b>Subtotal</b>	<b>49,360,297</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,032,613</b>	<b>51,392,910</b>
<b>Assigned to:</b>						
Equipment replacement	-	-	-	-	12,007,321	12,007,321
Capital projects	-	-	6,337,900	-	-	6,337,900
Compensated absences	4,599,043	-	-	-	-	4,599,043
Continuing appropriations	13,224,866	-	-	-	-	13,224,866
General government	626,846	-	-	-	-	626,846
Public safety	11,806	-	-	-	-	11,806
Transportation	701,018	-	-	-	-	701,018
Community development	203,451	-	-	-	-	203,451
Culture and leisure	138,581	-	-	-	-	138,581
Legal contingency	2,500,000	-	-	-	-	2,500,000
Loans and notes receivable	2,830,730	-	-	-	-	2,830,730
Deferred pavement maintenance	6,172,917	-	-	-	-	6,172,917
Pension rate stabilization fund	14,686,383	-	-	-	-	14,686,383
Public building repairs/maint.	15,529,500	-	-	-	-	15,529,500
<b>Subtotal</b>	<b>61,225,142</b>	<b>-</b>	<b>6,337,900</b>	<b>-</b>	<b>12,007,321</b>	<b>79,570,363</b>
<b>Unassigned:</b>	<b>2,317,700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(54,303)</b>	<b>2,263,397</b>
<b>Total fund balances</b>	<b>\$ 115,139,831</b>	<b>\$ 2,552,039</b>	<b>\$ 20,227,112</b>	<b>\$ 8,060,283</b>	<b>\$ 24,671,656</b>	<b>\$ 170,650,921</b>

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**(8) LONG-TERM LIABILITIES**

The following is a summary of changes in the City's long-term liabilities for the year ended June 30, 2017:

	Balance at July 1, 2016	Additions	Disposals	Balance at June 30, 2017	Due Within One Year
<b>Governmental Activities</b>					
Claims payable (1)	\$ 2,766,600	\$ 1,630,298	\$ 1,527,799	\$ 2,869,099	\$ 1,231,650
Compensated absences (1)	4,990,617	4,545,113	4,765,436	4,770,294	2,041,535
Lease revenue bonds (2)	13,246,921	-	606,058	12,640,863	636,057
<b>Total</b>	<b>\$ 21,004,138</b>	<b>\$ 6,175,411</b>	<b>\$ 6,899,293</b>	<b>\$ 20,280,256</b>	<b>\$ 3,909,242</b>
<b>Business-type Activities:</b>					
Water Utility Fund:					
Compensated absences (1)	\$ 580,502	\$ 417,826	\$ 438,080	\$ 560,248	\$ 199,118
Wastewater Utility Fund:					
Compensated absences (1)	872,502	(1,104,803)	(1,158,358)	926,057	351,281
1999 state loan	425,269	-	138,450	286,819	141,773
2000 state loan	12,824,038	-	1,688,882	11,135,156	1,734,481
Revenue refunding bonds (3)	5,508,228	-	1,304,622	4,203,606	1,364,622
Golf Course Fund:					
Capital lease payable	225,717	-	128,824	96,893	74,847
Transportation Fund:					
Compensated absences (1)	21,213	518,844	494,856	45,201	27,141
Solid Waste Management Fund:					
Compensated absences (1)	80,410	(234,266)	(245,623)	91,767	35,251
Theatres Fund:					
Compensated absences (1)	216,272	431,689	452,615	195,346	66,824
<b>Total</b>	<b>\$ 20,754,151</b>	<b>\$ 29,290</b>	<b>\$ 3,242,348</b>	<b>\$ 17,541,093</b>	<b>\$ 3,995,338</b>

(1) Refer to note 10 for additional detail of insurance claims payable and note 1(l) for additional detail of compensated absences.

(2) Lease revenue bonds of \$12,640,863 consist of par amount of \$16,405,000 and unamortized issue premiums of \$90,863, net of cumulative principal payments of \$3,855,000.

(3) Revenue refunding bonds of \$4,203,606 consist of par amount of \$11,690,000 and unamortized issue premium of \$218,606, net of cumulative principal payments of \$7,705,000.

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**(a) 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 of 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, 2017, amounts outstanding with and without amortized premiums were \$12,640,863 and \$12,550,000, respectively.

**Future Debt Payments – Refunding Lease Revenue Bonds**

As of June 30, 2017, the total future debt payments for the 2010 Refunding Lease Revenue Bonds, including interest thereon, were as follows:

Year Ending June 30,	2010 Refunding Lease Revenue Bonds		
	Principal	Interest	Total
2018	\$ 630,000	\$ 524,713	\$ 1,154,713
2019	650,000	505,813	1,155,813
2020	675,000	483,063	1,158,063
2021	700,000	456,063	1,156,063
2022	725,000	428,063	1,153,063
2023-2027	4,105,000	1,676,325	5,781,325
2028-2032	5,065,000	715,300	5,780,300
Total	<u>\$ 12,550,000</u>	<u>\$ 4,789,340</u>	<u>\$ 17,339,340</u>

**(b) 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 waste discharge requirements and expand the capacity 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, 2017, \$286,819 was outstanding.

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**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 waste discharge requirements and expand the capacity 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 loan amount to \$31,136,452. The loan is to be repaid in twenty annual installments (principal and interest) beginning 2003 through 2022. As of June 30, 2017, \$11,135,156 was outstanding.

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

As of June 30, 2017, 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
2018	\$ 141,773	\$ 6,884	\$ 148,657	\$ 1,734,481	\$ 300,649	\$ 2,035,130
2019	145,046	3,481	148,527	1,781,312	253,818	2,035,130
2020	-	-	-	1,829,407	205,723	2,035,130
2021	-	-	-	1,878,801	156,329	2,035,130
2022	-	-	-	1,929,529	105,601	2,035,130
2023	-	-	-	1,981,626	53,504	2,035,130
Total	<u>\$ 286,819</u>	<u>\$ 10,365</u>	<u>\$ 297,184</u>	<u>\$ 11,135,156</u>	<u>\$ 1,075,624</u>	<u>\$ 12,210,780</u>

**(c) 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, 2017, amounts outstanding with and without amortized premiums were \$4,203,606 and \$3,985,000, respectively.

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**Future Debt Payments – 2010 Wastewater Revenue Refunding Bonds**

As of June 30, 2017, the total future debt payments for the 2010 Wastewater Revenue Refunding Bonds, including interest thereon, was as follows:

Year Ending June 30,	2010 Wastewater Revenue Refunding Bonds		
	Principal	Interest	Total
2018	\$ 1,280,000	\$ 116,488	\$ 1,396,488
2019	1,335,000	62,794	1,397,794
2020	1,370,000	20,550	1,390,550
Total	<u>\$ 3,985,000</u>	<u>\$ 199,832</u>	<u>\$ 4,184,832</u>

**(d) 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, 2017, lease agreements covering LP Yamaha 95 YDRE carts, LP Yamaha YT2A beverage cart, Luber Bros Jacobsen equipment package, a Luber Bros Smithco 3180 Sprayer, and Toro mowers totaled \$606,047. 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 were as follows:

Year Ending June 30, 2017	Golf Course
Asset:	
LP Yamaha 95 YDRE carts	\$ 327,734
LP Yamaha YT2A beverage cart	9,660
Luber Bros Jacobsen equipment package	115,389
Luber Bros Smithco 3180 Sprayer	41,265
Toro mowers	111,999
Less: Accumulated depreciation	<u>(428,416)</u>
Total	<u>\$ 177,631</u>

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2017, were as follows:

<u>Year Ending June 30,</u>	<u>Golf Course</u>
2018	\$ 44,786
2019	24,897
2020	24,897
2021	8,300
Total minimum lease payments	102,880
Less: Interest	(5,987)
Present value of minimum lease payments	<u>\$ 96,893</u>

The \$80,738 difference between the \$177,631 net book value of the assets and the \$96,893 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 were 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 \$21,313,000 at June 30, 2017, 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 \$4,913,414 at June 30, 2017, 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, 2017**

**(10) 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, 2017, were \$1,060,699 for general liability and \$1,808,400 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, 2017, 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 2016-17 and 2015-16 are presented as follows:

	Claims Payable Balance July 1, 2016	Claims and Changes in Estimates	Claims Payments	Claims Payable Balance June 30, 2017
<u>2016-17</u>				
General Liability	\$ 846,700	\$ 1,034,351	\$ (820,352)	\$ 1,060,699
Workers' Compensation	1,919,900	595,947	(707,447)	1,808,400
Total	<u>\$ 2,766,600</u>	<u>\$ 1,630,298</u>	<u>\$ (1,527,799)</u>	<u>\$ 2,869,099</u>
	Claims Payable Balance July 1, 2015	Claims and Changes in Estimates	Claims Payments	Claims Payable Balance June 30, 2016
<u>2015-16</u>				
General Liability	\$ 1,809,000	\$ (149,162)	\$ (813,138)	\$ 846,700
Workers' Compensation	1,587,200	708,043	(375,343)	1,919,900
Total	<u>\$ 3,396,200</u>	<u>\$ 558,881</u>	<u>\$ (1,188,481)</u>	<u>\$ 2,766,600</u>

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**(11) 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 position, 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, 2017, was as follows:

	<u>Joint Venture</u>	<u>City Portion</u>
Total assets	\$ 76,211,994	\$ 38,105,997
Total liabilities	36,223	18,111
Net position:		
Net investment in capital assets	74,802,247	37,401,124
Restricted net position	1,373,524	686,762
Total net position, June 30, 2017	<u>\$ 76,175,771</u>	<u>\$ 38,087,886</u>
Total revenues	1,788,367	894,184
Total expenses	(1,288,936)	(644,468)
Change in net position	<u>\$ 499,431</u>	<u>\$ 249,716</u>

Financial information for COSCA can be found at <http://www.toaks.org/departments/finance/financial-information/financial-reports>.

**(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 can be found at <http://www.venturacog.org/documents.html>.

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**(c) 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. CSCDA was created to “enable local government and eligible 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.cscda.org](http://www.cscda.org).

**(12) RETIREMENT PLANS**

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

**General Information**

*Plan description* – The City contributes to CalPERS, an agent multiple-employer defined benefit pension plan (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](http://www.calpers.ca.gov).

*Benefits provided* – All full-time City employees are eligible to participate in CalPERS, with benefits vesting after 5 years of service. Classic 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 percent at age 50 to 2.418 percent 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.

Per the Public Employees’ Pension Reform Act of 2013 (PEPRA), employees hired after January 1, 2013 and not a member of any other public retirement system is subject to the 2% at age 62 formula. The factors range from 1.000 percent at age 52 to 2.500 percent at age 67 and up. Final compensation for members is the monthly average of the member’s highest 36 consecutive months’ full-time equivalent monthly pay.

*Plan membership* – As of June 30, 2016, pension plan membership consisted of the following on the next page:

# CITY OF THOUSAND OAKS

## Notes to Basic Financial Statements (Continued)

June 30, 2017

Inactive plan members or beneficiaries currently receiving benefits	432
Active plan members	<u>350</u>
Total	<u><u>782</u></u>

*Contribution* – Classic employees are required to contribute 7 percent of their annual covered salary as established by state statute. PEPRA employees are required to contribute half of the normal cost of the plan, which was 6.25 percent in fiscal year 2015-16. 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, 2015 to June 30, 2016, was 18.780 percent. During fiscal year 2015-16 the City contributed \$6,879,405.

### Net Pension Liability

The total pension liability determined by an actuarial valuation as of June 30, 2015, using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Measurement Period	June 30, 2015 to June 30, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes inflation
Mortality Rate Table	Based on 2010 CalPERS Experience Study for the Period from 1997 to 2007. Pre-Retirement and Post-Retirement Mortality Rates Include 5 Years of Projected Mortality Improvements Using Scale AA Published by the Society of Actuaries.
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

## CITY OF THOUSAND OAKS

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

**June 30, 2017**

All other actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

*Discount rate* – The discount rate used to measure the total pension liability was 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

#### **Change of Assumptions**

There were no changes in assumptions for the June 30, 2016 measurement date. Prior year amounts reflect an adjustment of the discount rate from 7.50 percent to 7.65 percent for the June 30, 2014 and June 30, 2015 measurement dates, respectively. The discount rate of 7.50 percent used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65 percent used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher total pension liability and net pension liability. This difference was deemed immaterial to the agent multiple-employer plan. However, employers may determine the impact at the rate plan level for their own financial reporting purposes.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

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

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

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

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

<b>Asset Class</b>	<b>Market Value (\$ Billion)</b>	<b>Policy Target Allocation</b>	<b>Allocation at 6/30/2015</b>
Global Equity	\$ 153.1	51.00%	51.88%
Global Fixed Income	59.9	20.00%	20.30%
Inflation Sensitive	17.8	6.00%	6.03%
Private Equity	26.4	10.00%	8.95%
Real Estate	31.8	12.00%	10.78%
Other	1.6	0.00%	0.54%
Infrastructure and Forestland	-	0.00%	0.00%
Liquidity	4.5	1.00%	1.52%
	<u>\$ 295.1</u>	<u>100.00%</u>	<u>100.00%</u>

**Changes in the Net Pension Liability**

The table on the next page shows the changes in net pension liability recognized over the measurement period.

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability/(Asset)</u>
<b>Balance at: 6/30/2015</b>	\$ 258,813,179	\$ 201,225,994	\$ 57,587,185
<b>Changes Recognized for the Measurement Period</b>			
Service Cost	4,129,221		4,129,221
Interest on the Total Pension Liability	19,333,120		19,333,120
Changes of Assumptions	-		-
Differences between Expected and Actual Experience	(2,088,224)		(2,088,224)
Contributions from the Employer		6,879,405	(6,879,405)
Contributions from Employees		2,080,044	(2,080,044)
Net Investment Income		1,043,288	(1,043,288)
Benefit Payment, including Refund of Employee Contributions	(12,138,087)	(12,138,087)	-
Administrative Expense		(122,637)	122,637
<b>Net Changes during 2015-16</b>	<u>9,236,030</u>	<u>(2,257,987)</u>	<u>11,494,017</u>
<b>Balance at: 6/30/2016</b>	<u>\$ 268,049,209</u>	<u>\$ 198,968,007</u>	<u>\$ 69,081,202</u>

*Sensitivity of the net pension liability to changes in the discount rate* – The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.65 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.65 percent) or 1 percentage-point higher (8.65 percent) than the current rate:

	<u>1% Decrease 6.65%</u>	<u>Current Discount Rate 7.65%</u>	<u>1% Increase 8.65%</u>
Net pension liability	\$ 102,421,597	\$ 69,081,202	\$ 41,159,646

**Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions**

*Pension expense* – For the measurement period ending June 30, 2016, the City incurred a pension expense of \$5,103,635 for the Plan.

*Deferred outflows and deferred inflows* – As of June 30, 2016, the City has deferred outflows and deferred inflows of resources related to pensions as follows on the next page:

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension Contributions Subsequent to Measurement Date	\$ 7,709,530	\$ -
Changes of Assumptions	-	(1,791,333)
Differences between Expected and Actual Experiences	-	(2,578,174)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	10,868,948	-
<b>Total</b>	<u>\$ 18,578,478</u>	<u>\$ (4,369,507)</u>

\$7,709,530 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Measurement Period Ended June 30:</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2017	\$ (1,176,155)
2018	72,735
2019	4,766,489
2020	2,836,372
2021	-
Thereafter	-

**(b) City of Thousand Oaks Defined Benefit Pension Plan**

**General Information**

*Plan description* – 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 (Plan). City Council approved establishment of the Plan. Public Agency Retirement System (PARS) is the trust administrator of the Plan and U.S. Bank is the trustee of the Plan. Separate financial statements for PARS may be obtained by contacting PARS at Public Agency Retirement Services, 4350 Von Karman Ave, Suite 100, Newport Beach, CA 92660. Separate financial statements for U.S. Bank may be obtained by contacting U.S. Bank at U.S. Bank, 3121 Michelson Drive, Suite 300, Irvine, CA 92612. The City has the authority to establish and amend the benefit terms.

*Benefits provided* – 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

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

of employee contributions with 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.

*Plan membership* – As of January 1, 2017, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	130
Active plan members	<u>249</u>
Total	<u><u>379</u></u>

*Contribution* – Participants are required to contribute 3.5 percent of their salary to the plan. The City currently contributes 10 percent, which covers the actuarially determined amount and the administrative costs of the plan. During fiscal year 2016-17 the City contributed \$385,000.

**Net Pension Liability**

*Actuarial assumptions* – The total pension liability determined by an actuarial valuation as of January 1, 2017, using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Timing	Actuarially determined contribution rates are calculated as of January 1, 18 months prior to the end of the fiscal year in which the contributions are reported.
Actuarial Cost Method	Entry Age Normal
Amortization Method	
Level percent or level dollar	Level dollar
Closed, open, or layered periods	Closed
Amortization period at 1/1/2016	4 years
Amortization growth rate	0.00%
Asset Valuation Method	
Smoothing period	None
Recognition method	None
Corridor	None
Inflation	2.75%
Salary Increases	3.00%

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

Investment Rate of Return                      6.00%

Cost of Living Adjustments                      None

Withdrawal    Hourly/Part-time Employee rates as follows:

<u>Attained Age</u>	<u>Probability of Termination</u>
Under Age 20	0.8
20-24	0.4
25-65	0.2

Full-time Employees: Consistent with the Non-Industrial rates used to value the Miscellaneous CalPERS Pension Plans.

Mortality    Pre-Retirement: Consistent with the Non-Industrial rates used to value the Miscellaneous CalPERS Pension Plans.

Post-Retirement: CalPERS 1997-2011 Healthy Retiree Tables (sex-distinct) with an assumed base year of 2008 and full generational projections using scale AA.

Retirement    Hourly/Part-time Employee rates as follows:

<u>Attained Age</u>	<u>Probability of Termination</u>
Under age 65	0.0
65-74	0.5
75 and older	1.0

Full-time employees: Retirement rates are based on CalPERS rates for 20 years of service retirement for Public Agency Miscellaneous "2% at 55" plans.

Form of Payment                                      90% of all terminating employees will take an immediate lump sum. The remaining 10% will take a lump sum at age 65.

The non-economic actuarial assumptions that determined the total pension liability as of June 30, 2017 were in part based on the results of an actuarial experience study of the California Public Employees' Retirement System for the period 1997-2011. The assumption for the number of terminations is based on City experience and directives.

Valuation Date    January 1, 2017

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

Measurement Date	June 30, 2017
Inflation	2.75%
Salary Increases Including Inflation	3.00%
Mortality	Pre-Retirement: Consistent with the Non-Industrial rates used to value the Miscellaneous CalPERS Pension Plans.  Post-Retirement: CalPERS 1997-2011 Healthy Retiree Tables (sex-distinct) with an assumed based year of 2008 and full generational projections using Scale AA.
Actuarial Cost Method	Entry Age Normal

*Discount rate* – The discount rate used to measure the total pension liability was 6.00 percent. The plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per Milliman’s investment consulting practice as of January 1, 2017.

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

The table below reflects long-term expected real rate of return by asset class.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Arithmetic Real Rate of Return</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
US Cash	3.09%	0.36%	0.35%
US Core Fixed Income	46.90%	2.17%	2.04%
US Equity Market	36.04%	4.83%	3.57%
Foreign Developed Equity	9.22%	5.76%	4.15%
Emerging Market Equity	3.25%	8.06%	4.84%
Private Real Estate Property	1.50%	5.04%	3.27%
Assumed Inflation - Mean		2.32%	2.30%
Assumed Inflation - Standard Deviation		1.85%	1.85%
Portfolio Real Mean Return		3.64%	3.26%
Portfolio Nominal Mean Return		5.96%	5.63%
Portfolio Standard Deviation			8.44%
Long-Term Expected Rate of Return			6.00%

**Changes in the Net Pension Liability**

The following table shows the changes in net pension liability recognized over the measurement period.

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability/(Asset)</u>
<b>Balance at: 6/30/2016</b>	\$ 3,144,739	\$ 2,460,502	\$ 684,237
<b>Changes for the year:</b>			
Service Cost	122,413		122,413
Interest on the Total Pension Liability	190,641		190,641
Effect of Economic/Demographic Gains or Losses	-		-
Effect of Assumptions Changes or Inputs	-		-
Contributions from the Employer		385,000	(385,000)
Contributions from Employees		77,561	(77,561)
Net Investment Income		271,468	(271,468)
Administrative expenses		(32,473)	32,473
Benefit Payment	(182,256)	(182,256)	-
<b>Net Changes during 2016-17</b>	<u>130,798</u>	<u>519,300</u>	<u>(388,502)</u>
<b>Balance at: 6/30/2017</b>	<u>\$ 3,275,537</u>	<u>\$ 2,979,802</u>	<u>\$ 295,735</u>

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

*Sensitivity of the net pension liability to changes in the discount rate* – The following presents the net pension liability of the Plan’s, calculated using the discount rate of 6.00 percent, as well as what the Plan’s net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.00 percent) or 1 percentage point higher (7.00 percent) than the current rate.

	<b>1% Decrease 5.00%</b>	<b>Current Discount Rate 6.00%</b>	<b>1% Increase 7.00%</b>
Total pension liability	\$ 3,319,703	\$ 3,275,537	\$ 3,238,524
Fiduciary net position	2,979,802	2,979,802	2,979,802
Net pension liability	<u>\$ 339,901</u>	<u>\$ 295,735</u>	<u>\$ 258,722</u>

**Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions**

*Pension expense* – For the measurement period ending June 30, 2017, the City incurred a pension expense of \$162,977 for the Plan.

*Deferred outflows and deferred inflows* – As of June 30, 2017, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Changes of Assumptions	\$ 4,121	\$ -
Differences between Expected and Actual Experiences	60,170	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	19,780	-
<b>Total</b>	<u>\$ 84,071</u>	<u>\$ -</u>

Amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

<b>Year Ended June 30:</b>	<b>Deferred Outflows/(Inflows) of Resources</b>
2018	\$ (49,968)
2019	(49,968)
2020	(7,438)
2021	23,303
2022	-
Thereafter	-

## CITY OF THOUSAND OAKS

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

June 30, 2017

#### **(13) 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 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, 2017, deferred compensation assets were \$60,835,072 and have been excluded from the City's financial statements. Employee contributions to the 401(a) plan totaled \$86,384, employee contributions to the 457 plan totaled \$2,277,586, and employer contributions to the 401(a) plan totaled \$635,947 for the fiscal year ended June 30, 2017.

#### **(14) POSTEMPLOYMENT HEALTHCARE PLAN**

##### **(a) Plan Description**

In addition to the pension benefits described in Note (12), 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 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 Councilmembers seated prior to January 1, 2012, are fully covered per Council decision. City Councilmembers elected after January 1, 2012, receive health insurance premiums paid by the City equivalent to the minimum established amount required per the Public Employee's Medical and Hospital Care Act (PEMHCA). As of June 30, 2017, the

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

PEMHCA minimum was \$128 per month. As of June 30, 2017, there were 272 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](http://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 \$6.0 million in the CERBT. The purpose of these contributions was to prefund benefits and cover the required City contribution rate of 5.5 percent of annual covered payroll (annual payroll of active employees covered by the plan). As of June 30, 2017, the City calculated and recorded a Net OPEB Asset, representing the difference between the Annual Required Contribution (ARC) and actual contributions, as presented as follows:

Annual required contribution (ARC)	\$ 1,618,000
Interest on net OPEB obligation/(asset)	(450,000)
Adjustment to ARC	466,000
Annual OPEB cost	<u>1,634,000</u>
Contribution made	<u>(2,065,714)</u>
(Increase) decrease in net OPEB obligation/(asset)	(431,714)
Net OPEB obligation/(asset) June 30, 2016	<u>(6,571,053)</u>
Net OPEB obligation/(asset) June 30, 2017	<u>\$ (7,002,767)</u>

The contribution rate of 5.5 percent is based on the ARC of \$1.6 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 2016-17, the City's annual OPEB cost (expense) of \$1,634,000 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 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Actual Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation/ (Asset)
6/30/2015	1,269,377	1,799,739	142%	(6,219,302)
6/30/2016	1,570,000	1,921,750	122%	(6,571,053)
6/30/2017	1,634,000	2,065,714	126%	(7,002,767)

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**(d) Funded Status and Funding Progress**

The funded status of the plan as of June 30, 2017, was as follows:

Actuarial accrued liability (AAL)	\$ 25,473,000
Actuarial value of plan assets	<u>(12,846,000)</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 12,627,000</u>
Funded ratio (actuarial value of plan assets/AAL)	50.4%
Covered payroll (active plan members)	\$ 28,671,287
UAAL as a percentage of covered payroll	44.0%

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 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.

**(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 June 30, 2015, the entry age normal actuarial cost method was used. The actuarial assumptions included a 7.25 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 6.7 percent beginning January 1, 2018, reduced by decrements to an ultimate rate of 5.0 percent after five 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, 2017, was nineteen years.

**(15) 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 of expenditures, if any, that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts to be immaterial.

## CITY OF THOUSAND OAKS

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

June 30, 2017

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.

#### **(16) SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY**

On December 29, 2011, the California Supreme Court upheld Assembly Bill X1 26 (Bill) that provided for all redevelopment agencies in the state of California to dissolve as of February 1, 2012. This action impacted the reporting entity of the City of Thousand Oaks that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provided that upon dissolution of a redevelopment agency, either the City of another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. On January 10, 2012, the City Council elected to become the Successor Agency for the former Redevelopment Agency in accordance with the Bill as part of City resolution number 2012-004. Upon redevelopment dissolution, activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

The Successor Agency is allocated revenue only in the amount that is necessary to pay the estimated payments on existing enforceable obligations of the former redevelopment agency until all enforceable obligations are paid in full and all assets are liquidated. These obligations are listed on a Recognized Obligation Payment Schedule (ROPS) semi-annually and are subject to the approval of the Oversight Board and the California Department of Finance (DOF).

In November 2013, the City, as the Successor Agency, obtained the Finding of Completion from the DOF. This milestone allowed the Successor Agency to enter into an agreement regarding the expenditure of excess bond proceeds for capital projects in a manner consistent with the original bond covenants. During fiscal year 2014-15 the DOF approved the Long-Range Property Management Plan which resulted in \$43,428,316 in Successor Agency properties being transferred to the City.

At June 30, 2017, the Successor Agency had a deficit net position of \$27,595,796 as a result of its long-term debt exceeding its total assets. The deficit is expected to be progressively eliminated as enforceable obligations are funded biannually with future property taxes.

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

**(a) Cash and Investments**

Cash and investments as of June 30, 2017, are classified in the accompanying financial statements as follows:

Cash and investments pooled with the City	\$	169,073
Cash and investments with fiscal agent		3,406,153
	\$	<u>3,575,226</u>

**(b) Long-term Liabilities**

Debt of the former redevelopment agency was transferred to the Successor Agency upon redevelopment dissolution. Summary of the changes in these long-term liabilities as of June 30, 2017, was as follows:

	Balance at June 30, 2016	Additions	Disposals	Balance at June 30, 2017	Due Within One Year
2015 Tax allocation refunding bonds	36,972,000	-	6,071,000	30,901,000	6,195,000
Total	<u>\$ 36,972,000</u>	<u>\$ -</u>	<u>\$ 6,071,000</u>	<u>\$ 30,901,000</u>	<u>\$ 6,195,000</u>

**Tax Allocation Refunding Bonds**

The City pledged a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass-through allocations) that it receives as security for bonds issued. The tax allocation refunding bonds were issued to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects, and to defease previously issued bonds. The Bill provided that upon dissolution of redevelopment agencies, property taxes allocated to redevelopment agencies are no longer deemed tax increment but rather property tax revenues to be allocated to successor agencies to make payments on enforceable obligations of the former redevelopment agency. As of June 30, 2017, total principal and interest remaining on the debt was \$33,028,934 with annual debt service requirements as indicated on the next page. Total property tax revenues recognized by the City in the Successor Agency Fund for enforceable obligations of the former redevelopment agency were \$7,079,274 and the debt service obligation on the bonds was \$6,810,865. Description for each tax allocation bond is as follows:

**2015 Tax Allocation Refunding Bonds**

On December 16, 2015, the Successor Agency to the Redevelopment Agency of the City of Thousand Oaks issued a tax allocation refunding bond in the amount of \$39,990,000. Proceeds of the bond were used to solely refinance the 2002 and 2005 Tax Allocation Bonds (Bonds). The bond proceeds, together with other funds deposited from reserves, redeemed the 2002 Tax Allocation Bond outstanding principal of \$3,170,000, the 2005

**CITY OF THOUSAND OAKS**

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

**June 30, 2017**

Housing Tax Allocation Bond outstanding principal of \$10,390,000, and the 2005 Tax Allocation Refunding Bond outstanding principal of \$26,325,000.

The bond is a special obligation of the Agency and does not constitute a debt or liability of the City of Thousand Oaks. Commencing on February 1, 2016, the bond mature annually in amounts ranging from \$3,018,000 to \$3,340,000 between 2016 and 2021, decreasing to approximately \$100,000 between 2022 and 2032. Interest on the bonds is payable on February 1 and August 1 of each year, with interest rates fixed at 1.51 percent for tax-exempt series from 2016 to 2021 and 3.09 percent for taxable series from 2022 to 2032. As of June 30, 2017, the outstanding principal on this bond was \$30,901,000.

**Future Debt Payments – Tax Allocation Refunding Bonds**

As of June 30, 2017, the total future debt payments for the tax allocation bonds, including interest thereon, are as follows below.

Year Ending June 30,	Tax Allocation Bonds		
	Principal	Interest	Total
2018	6,195,000	616,978	6,811,978
2019	6,319,000	491,247	6,810,247
2020	6,448,000	362,641	6,810,641
2021	6,580,000	231,060	6,811,060
2022	3,422,000	96,428	3,518,428
2023-2027	1,090,000	269,603	1,359,603
2028-2032	847,000	59,977	906,977
Total	<u>\$ 30,901,000</u>	<u>\$ 2,127,934</u>	<u>\$ 33,028,934</u>

**(c) Insurance**

The City, on behalf of the Thousand Oaks Successor Agency, maintains self-insurance for general liability and contracts with an actuarial consultant to calculate estimated reserve requirements for general liability claims on an annual basis. No liability has been accrued as any accrued claims are deemed immaterial.



# Required Supplementary Information

**CITY OF THOUSAND OAKS**

**Required Supplementary Information  
(Unaudited)**

**June 30, 2017**

The following Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Plan Contribution are related to the California Public Employees' Retirement System (CalPERS), an agent multiple-employer defined benefit pension plan.

**Schedule of Changes in Net Pension Liability and Related Ratios  
Last Ten Fiscal Years**

	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Total Pension Liability</b>			
Service cost	\$ 4,251,555	\$ 4,182,907	\$ 4,129,221
Interest	17,983,431	18,652,284	19,333,120
Changes of assumptions	-	(4,350,381)	-
Difference between expected and actual experience	-	(2,726,667)	(2,088,224)
Benefit payments, including refunds of employee contributions	<u>(10,661,411)</u>	<u>(11,502,551)</u>	<u>(12,138,087)</u>
Net change in total pension liability	11,573,575	4,255,592	9,236,030
Total pension liability, beginning	<u>242,984,012</u>	<u>254,557,587</u>	<u>258,813,179</u>
Total pension liability, ending (a)	<u><u>\$ 254,557,587</u></u>	<u><u>\$ 258,813,179</u></u>	<u><u>\$ 268,049,209</u></u>
<b>Fiduciary Net Position</b>			
Contributions - employer	\$ 4,870,194	\$ 6,517,328	\$ 6,879,405
Contributions - employee	2,194,930	1,966,037	2,080,044
Net investment income	29,926,107	4,521,600	1,043,288
Benefit payments, including refunds of employee contributions	<u>(10,661,411)</u>	<u>(11,502,551)</u>	<u>(12,138,087)</u>
Administrative expense	-	(226,555)	(122,637)
Net change in plan fiduciary net position	26,329,820	1,275,859	(2,257,987)
Fiduciary net position, beginning	<u>173,620,315</u>	<u>199,950,135</u>	<u>201,225,994</u>
Fiduciary net position, ending (b)	<u><u>\$ 199,950,135</u></u>	<u><u>\$ 201,225,994</u></u>	<u><u>\$ 198,968,007</u></u>
Net pension liability/(asset), ending (a) - (b)	<u><u>\$ 54,607,452</u></u>	<u><u>\$ 57,587,185</u></u>	<u><u>\$ 69,081,202</u></u>
Plan fiduciary net position as a percentage of the total pension liability	78.55%	77.75%	74.23%
Covered-employee payroll	\$ 28,759,756	\$ 29,161,370	\$ 28,993,269
Plan net pension liability/(asset) as a percentage of covered-employee payroll	189.87%	197.48%	238.27%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

**Notes to Schedule**

**Benefit Changes**

The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2016. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

**Changes of Assumptions**

None

**CITY OF THOUSAND OAKS**

**Required Supplementary Information  
(Unaudited)**

**June 30, 2017**

**Schedule of Plan Contributions  
Last Ten Fiscal Years**

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Actuarially determined contribution	\$ 4,870,194	\$ 5,232,384	\$ 5,426,216
Contributions in relation to the actuarially determined contribution	(4,870,194)	(6,517,328)	(6,879,405)
Contribution deficiency/(excess)	\$ -	\$ (1,284,944)	\$ (1,453,189)
Covered-employee payroll	\$ 28,759,756	\$ 29,161,370	\$ 28,993,269
Contribution as a percentage of covered-employee payroll	16.93%	22.35%	23.73%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

**Notes to Schedule**

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2016-17 were from the June 30, 2015 public agency valuations

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see June 30, 2015 Funding Valuation Report
Asset Valuation Method	Market Value
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Retirement Age	The probabilities of Retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.
Mortality	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvements using Scale AA published by the Society of Actuaries.

**CITY OF THOUSAND OAKS**

**Required Supplementary Information  
(Continued)**

**June 30, 2017**

The following Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of Employer Contribution, and Schedule of Investment Returns are related to the City's Single-Employer Defined Benefit Pension Plan for hourly/part-time employees.

**Schedule of Changes in Net Pension Liability and Related Ratios  
Last Ten Fiscal Years\***

	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Total Pension Liability</b>			
Service cost	\$ 93,325	\$ 120,698	\$ 122,413
Interest on total pension liability	172,414	177,638	190,641
Effect of plan changes	-	-	-
Effect of economic/demographic gains or (losses)	-	117,476	-
Effect of assumption changes or inputs	-	8,045	-
Benefit payments	(178,233)	(234,680)	(182,256)
Net change in total pension liability	<u>87,506</u>	<u>189,177</u>	<u>130,798</u>
Total pension liability, beginning	2,868,056	2,955,562	3,144,739
Total pension liability, ending (a)	<u>\$ 2,955,562</u>	<u>\$ 3,144,739</u>	<u>\$ 3,275,537</u>
<b>Fiduciary Net Position</b>			
Employer contributions	\$ 396,456	\$ 400,000	\$ 385,000
Member contributions	80,484	81,605	77,561
Investment income net of investment expenses	48,241	2,428	271,468
Benefit payment	(178,233)	(234,680)	(182,256)
Administrative expenses	(23,951)	(28,323)	(32,473)
Net change in plan fiduciary net position	<u>322,997</u>	<u>221,030</u>	<u>519,300</u>
Fiduciary net position, beginning	1,916,475	2,239,472	2,460,502
Fiduciary net position, ending (b)	<u>\$ 2,239,472</u>	<u>\$ 2,460,502</u>	<u>\$ 2,979,802</u>
Net pension liability, ending (a) - (b)	\$ 716,090	\$ 684,237	\$ 295,735
Fiduciary net position as a % of total pension liability	75.77%	78.24%	90.97%
Covered payroll	\$ 1,956,638	\$ 2,155,045	\$ 2,219,696
Net pension liability as a % of covered payroll	36.60%	31.75%	13.32%

\*Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

**CITY OF THOUSAND OAKS**

**Required Supplementary Information  
(Continued)**

**June 30, 2017**

**Schedule of Plan Contributions  
Last Ten Fiscal Years\***

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Actuarially determined contribution	\$ 196,456	\$ 199,162	\$ 201,343
Actual employer contribution	396,456	400,000	385,000
Contribution deficiency (excess)	<u>(200,000)</u>	<u>(200,838)</u>	<u>(183,657)</u>
Covered payroll	\$ 1,956,638	\$ 2,155,045	\$ 2,219,696
Contribution as a percentage of covered payroll	20.26%	18.56%	17.34%

\*Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

**Notes to Schedule**

Valuation Timing	Actuarially determined contribution rates are calculated as of January 1, 18 months prior to the end of the fiscal year in which contributions are reported.
Actuarial Cost Method	Entry Age Normal
Amortization Method	
Level percent or level dollar	Level dollar
Closed, open, or layered periods	Closed
Amortization period at 1/1/2014	4 years
Amortization growth rate	0.00%
Asset Valuation Method	
Smoothing period	None
Recognition method	None
Corridor	None
Inflation	2.75%
Salary Increases	3.00%
Investment Rate of Return	6.00%
Cost of Living Adjustments	None
Withdrawal	Hourly/Part-time Employee rates are as follows:
	<u>Attained Age</u> <u>Probability of</u>
	Under age 20      0.8
	20-24              0.4
	25-65              0.2
	Full-time employees: Consistent with the Non-Industrial rates used to value the Miscellaneous CalPERS Pension Plans.

**CITY OF THOUSAND OAKS**

**Required Supplementary Information  
(Continued)**

**June 30, 2017**

**Notes to Schedule (cont.)**

Retirement

Hourly/Part-time Employee rates are as follows:

<u>Attained Age</u>	<u>Probability of</u>
Under age 65	0.0
65-74	0.5
Over age 74	1.0

Full-time employees: Retirement rates are based on CalPERS rates for 20 years of service retirement for Public Agency Miscellaneous "2% at 55" plans.

Mortality

Pre-Retirement: Consistent with the Non-Industrial rates used to value the Miscellaneous CalPERS Pension Plans.

Post-Retirement: CalPERS 1997-2011 Healthy Retiree Tables (sex-distinct) with an assumed based year of 2008 and full generational projections using Scale AA.

Form of Payment

90% of all terminating employees will take an immediate lump sum. The remaining 10% will take a lump sum at age 65.

**Schedule of Investment Returns  
Last Ten Fiscal Years\***

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Net Money-Weighted Rate of Return	2.45%	0.10%	10.48%

\*Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

**CITY OF THOUSAND OAKS**

**Required Supplementary Information  
(Continued)**

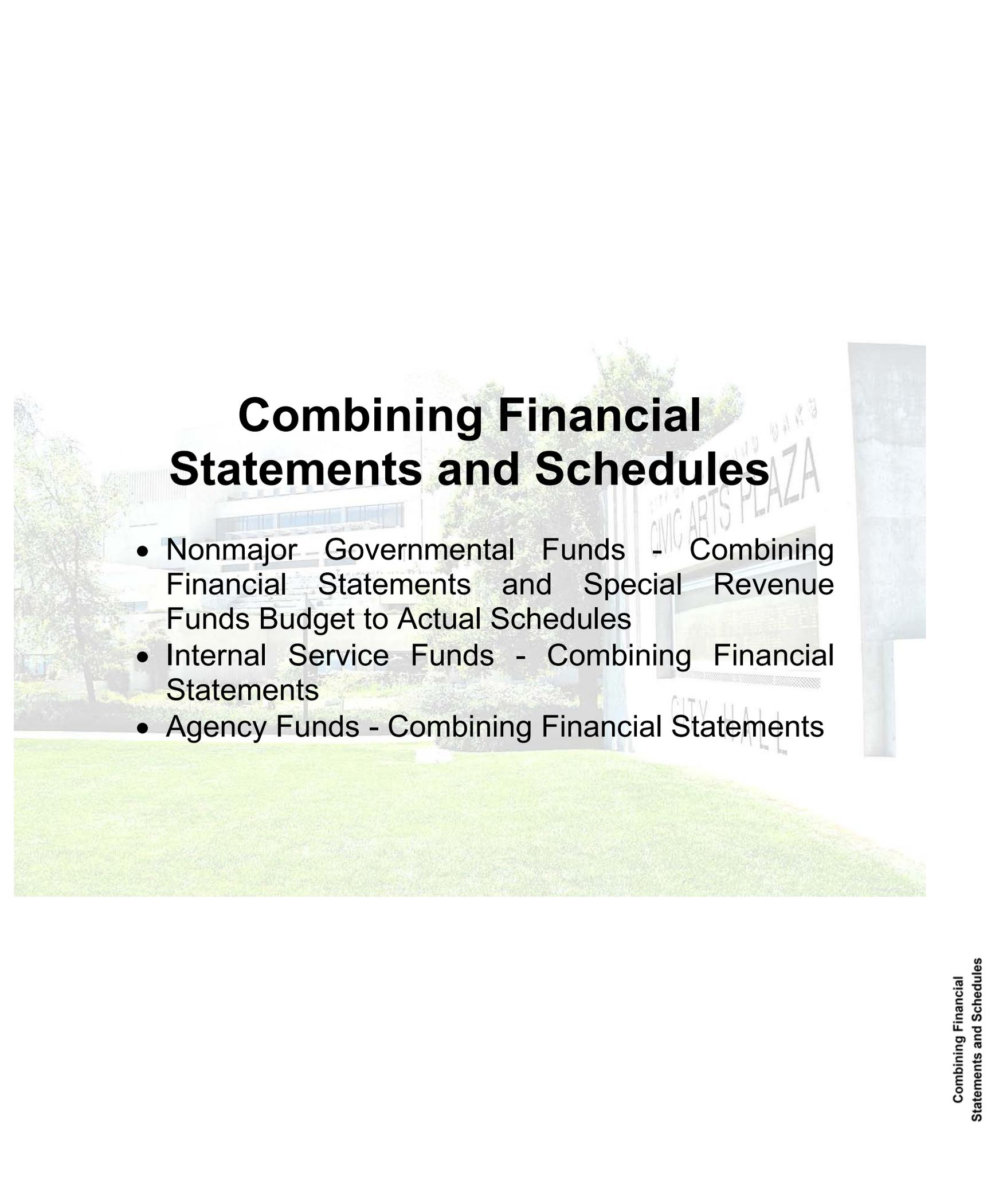
**June 30, 2017**

The following Schedule of Funding Progress for the City's other postemployment benefits (OPEB) plan:

**Schedule of Funding Progress for Other Postemployment Benefits (OPEB)**

<b>Actuarial Valuation Date</b>	<b>Book Value of Plan Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratios (a / b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b - a) / c)</b>
	<u>6/30/2015</u>					
6/30/2013	\$10,247,162	\$23,059,987	\$12,812,825	44.4%	\$28,199,850	45.4%
	<u>6/30/2016</u>					
6/30/2015	\$11,974,000	\$24,619,000	\$12,645,000	48.6%	\$28,807,639	43.9%
	<u>6/30/2017</u>					
* 6/30/2015	\$12,846,000	\$25,473,000	\$12,627,000	50.4%	\$28,671,287	44.0%

\* Most recent date available



# 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

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## **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, 2015, there are two districts, 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).

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.

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.

## **NONMAJOR GOVERNMENTAL FUNDS, continued**

### **Special Revenue Funds (continued)**

East County Transit Alliance Fund - This fund was established to account for the fiscal activities of the East County Transit Alliance, formed by the cities of Thousand Oaks, Camarillo, Moorpark, and Simi Valley, and the County of Ventura to improve delivery of transit services in the East County.

### **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.

**CITY OF THOUSAND OAKS**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2017**

Special Revenue Funds					
	Landscape and Lighting Districts	Traffic and Bicycle Safety	Community Facilities Districts	Federal Asset Seizure	HOME and Community Development Block Grant
<b>Assets</b>					
Assets:					
Cash and investments	\$ 7,287,689	341,901	1,767,283	464,093	59,359
Receivables:					
Accounts	28,400	-	-	-	-
Accrued interest	26,595	1,191	5,136	1,672	392,199
Intergovernmental	207,439	104,063	-	-	16,365
Notes/loans	-	-	-	-	1,254,600
Restricted cash and investments	-	-	2,004,980	-	-
<b>Total assets</b>	<b>\$ 7,550,123</b>	<b>447,155</b>	<b>3,777,399</b>	<b>465,765</b>	<b>1,722,523</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
Liabilities:					
Accounts payable	\$ 574,671	23	3,777,399	12,084	16,366
Due to other agencies	-	-	-	-	254,600
Interfund payables	-	104,063	-	-	-
Unearned revenue	-	-	-	186,987	1,000,000
Advances from other funds	-	-	-	-	-
<b>Total liabilities</b>	<b>574,671</b>	<b>104,086</b>	<b>3,777,399</b>	<b>199,071</b>	<b>1,270,966</b>
Deferred inflows of resources:					
Unavailable revenue	-	-	-	-	392,199
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>392,199</b>
Fund balances:					
Restricted	6,975,452	343,069	-	266,694	59,358
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total fund balances</b>	<b>6,975,452</b>	<b>343,069</b>	<b>-</b>	<b>266,694</b>	<b>59,358</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 7,550,123</b>	<b>447,155</b>	<b>3,777,399</b>	<b>465,765</b>	<b>1,722,523</b>

See accompanying independent auditors' report.

				Debt Service Funds
County Flood Control Benefit Assessment	Housing Trust	East County Transit Alliance	Total	Thousand Oaks Public Financing Authority
-	3,026,594	-	12,946,919	4,500
213,650	-	88,040	330,090	-
-	54,260	-	481,053	-
167,928	-	-	495,795	-
-	1,000,000	-	2,254,600	-
-	-	-	2,004,980	1,166,952
<u>381,578</u>	<u>4,080,854</u>	<u>88,040</u>	<u>18,513,437</u>	<u>1,171,452</u>
22,003	-	65,106	4,467,652	-
-	-	-	254,600	-
359,575	-	36,495	500,133	-
-	1,000,000	40,742	2,227,729	-
-	-	-	-	1,166,952
<u>381,578</u>	<u>1,000,000</u>	<u>142,343</u>	<u>7,450,114</u>	<u>1,166,952</u>
-	43,902	-	436,101	-
-	43,902	-	436,101	-
-	3,036,952	-	10,681,525	4,500
-	-	-	-	-
-	-	-	-	-
-	-	(54,303)	(54,303)	-
-	3,036,952	(54,303)	10,627,222	4,500
<u>381,578</u>	<u>4,080,854</u>	<u>88,040</u>	<u>18,513,437</u>	<u>1,171,452</u>

**CITY OF THOUSAND OAKS**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2017**

<b>Capital Projects Funds</b>					
	Fixed Asset Replacement	Community Recreation and Open Space Endowment Fund	Thousand Oaks Public Financing Authority	Total	Total Nonmajor Governmental Funds
<b><u>Assets</u></b>					
Assets:					
Cash and investments	\$ 12,034,309	2,035,408	-	14,069,717	27,021,136
Receivables:					
Accounts	-	-	-	-	330,090
Accrued interest	-	6,919	-	6,919	487,972
Intergovernmental	-	-	-	-	495,795
Notes/loans	-	-	-	-	2,254,600
Restricted cash and investments	-	-	-	-	3,171,932
<b>Total assets</b>	<b>\$ 12,034,309</b>	<b>2,042,327</b>	<b>-</b>	<b>14,076,636</b>	<b>33,761,525</b>
<b><u>Liabilities, Deferred Inflows of Resources and Fund Balances</u></b>					
Liabilities:					
Accounts payable	\$ 26,988	9,714	-	36,702	4,504,354
Due to other agencies	-	-	-	-	254,600
Interfund payables	-	-	-	-	500,133
Unearned revenue	-	-	-	-	2,227,729
Advances from other funds	-	-	-	-	1,166,952
<b>Total liabilities</b>	<b>26,988</b>	<b>9,714</b>	<b>-</b>	<b>36,702</b>	<b>8,653,768</b>
Deferred inflows of resources:					
Unavailable revenue	-	-	-	-	436,101
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>436,101</b>
Fund balances:					
Restricted	-	-	-	-	10,686,025
Committed	-	2,032,613	-	2,032,613	2,032,613
Assigned	12,007,321	-	-	12,007,321	12,007,321
Unassigned	-	-	-	-	(54,303)
<b>Total fund balances</b>	<b>12,007,321</b>	<b>2,032,613</b>	<b>-</b>	<b>14,039,934</b>	<b>24,671,656</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 12,034,309</b>	<b>2,042,327</b>	<b>-</b>	<b>14,076,636</b>	<b>33,761,525</b>

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, 2017**

Page 1 of 3

	Special Revenue Funds				
	Landscape and Lighting Districts	Traffic and Bicycle Safety	Community Facilities Districts	Federal Asset Seizure	HOME and Community Development Block Grant
<b>Revenues:</b>					
Taxes	\$ 2,268,257	-	-	-	-
Fines and forfeitures	-	584,309	-	-	-
Use of money and property	79,163	1,105	-	5,982	30,987
Charges for current services	4,313,558	-	-	-	-
Intergovernmental revenue	-	116,037	-	140,707	411,738
Other	30,398	-	-	-	-
<b>Total revenues</b>	<u>6,691,376</u>	<u>701,451</u>	<u>-</u>	<u>146,689</u>	<u>442,725</u>
<b>Expenditures:</b>					
Current:					
General government	-	-	-	-	-
Public safety	1,116,480	-	-	146,678	-
Transportation	4,557,826	52,420	-	-	-
Community development	42,863	-	-	-	402,413
Culture and leisure	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<u>5,717,169</u>	<u>52,420</u>	<u>-</u>	<u>146,678</u>	<u>402,413</u>
Excess (deficiency) of revenues over (under) expenditures	<u>974,207</u>	<u>649,031</u>	<u>-</u>	<u>11</u>	<u>40,312</u>
<b>Other financing sources (uses):</b>					
Transfers in (note 6)	178,295	-	-	-	-
Transfers out (note 6)	-	(539,077)	-	-	-
<b>Total other financing sources (uses)</b>	<u>178,295</u>	<u>(539,077)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>1,152,502</u>	<u>109,954</u>	<u>-</u>	<u>11</u>	<u>40,312</u>
Fund balance - beginning	<u>5,822,950</u>	<u>233,115</u>	<u>-</u>	<u>266,683</u>	<u>19,046</u>
<b>Fund balance - ending</b>	<u>\$ 6,975,452</u>	<u>343,069</u>	<u>-</u>	<u>266,694</u>	<u>59,358</u>

See accompanying independent auditors' report.

				Debt Service Funds
County Flood Control Benefit Assessment	Housing Trust	East County Transit Alliance	Total	Thousand Oaks Public Financing Authority
-	-	-	2,268,257	-
-	-	-	584,309	-
-	23,879	-	141,116	7,903
370,564	-	-	4,684,122	-
-	-	508,779	1,177,261	-
2,133	-	-	32,531	-
<u>372,697</u>	<u>23,879</u>	<u>508,779</u>	<u>8,887,596</u>	<u>7,903</u>
-	-	-	-	-
-	-	-	1,263,158	-
780,152	-	547,816	5,938,214	-
-	-	-	445,276	-
-	-	-	-	-
-	-	-	-	600,000
-	-	-	-	554,712
-	-	-	-	-
<u>780,152</u>	<u>-</u>	<u>547,816</u>	<u>7,646,648</u>	<u>1,154,712</u>
<u>(407,455)</u>	<u>23,879</u>	<u>(39,037)</u>	<u>1,240,948</u>	<u>(1,146,809)</u>
407,455	-	11,433	597,183	1,149,866
-	-	-	(539,077)	-
<u>407,455</u>	<u>-</u>	<u>11,433</u>	<u>58,106</u>	<u>1,149,866</u>
-	23,879	(27,604)	1,299,054	3,057
-	3,013,073	(26,699)	9,328,168	1,443
<u>-</u>	<u>3,036,952</u>	<u>(54,303)</u>	<u>10,627,222</u>	<u>4,500</u>

**CITY OF THOUSAND OAKS**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Year ended June 30, 2017**

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	
<b>Revenues:</b>					
Taxes	\$ -	22,750	-	22,750	2,291,007
Fines and forfeitures	-	-	-	-	584,309
Use of money and property	-	23,028	1,034	24,062	173,081
Charges for current services	-	-	-	-	4,684,122
Intergovernmental revenue	-	-	-	-	1,177,261
Other	998,278	4,200	-	1,002,478	1,035,009
<b>Total revenues</b>	<b>998,278</b>	<b>49,978</b>	<b>1,034</b>	<b>1,049,290</b>	<b>9,944,789</b>
<b>Expenditures:</b>					
Current:					
General government	81,118	-	-	81,118	81,118
Public safety	112,258	-	-	112,258	1,375,416
Transportation	204,373	-	-	204,373	6,142,587
Community development	176,036	19,075	-	195,111	640,387
Culture and leisure	116,017	-	-	116,017	116,017
Debt service:					
Principal	-	-	-	-	600,000
Interest	-	-	-	-	554,712
Capital outlay	-	38,299	-	38,299	38,299
<b>Total expenditures</b>	<b>689,802</b>	<b>57,374</b>	<b>-</b>	<b>747,176</b>	<b>9,548,536</b>
Excess (deficiency) of revenues over (under) expenditures	308,476	(7,396)	1,034	302,114	396,253
<b>Other financing sources (uses):</b>					
Transfers in (note 6)	-	100,000	-	100,000	1,847,049
Transfers out (note 6)	-	-	(190,538)	(190,538)	(729,615)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>100,000</b>	<b>(190,538)</b>	<b>(90,538)</b>	<b>1,117,434</b>
<b>Net change in fund balance</b>	<b>308,476</b>	<b>92,604</b>	<b>(189,504)</b>	<b>211,576</b>	<b>1,513,687</b>
Fund balance - beginning	11,698,845	1,940,009	189,504	13,828,358	23,157,969
<b>Fund balance - ending</b>	<b>\$ 12,007,321</b>	<b>2,032,613</b>	<b>-</b>	<b>14,039,934</b>	<b>24,671,656</b>

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, 2017**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Taxes	\$ 2,055,100	2,055,100	2,268,257	213,157
Use of money and property	40,300	40,300	79,163	38,863
Charges for current services	4,051,700	4,051,700	4,313,558	261,858
Other	48,600	56,600	30,398	(26,202)
Total revenues	<u>6,195,700</u>	<u>6,203,700</u>	<u>6,691,376</u>	<u>487,676</u>
<b>Expenditures:</b>				
Current:				
Public safety	1,350,700	1,355,079	1,116,480	238,599
Transportation	5,851,957	5,944,680	4,557,826	1,386,854
Community development	41,232	41,232	42,863	(1,631)
Capital outlay	1,300,000	1,300,000	-	1,300,000
Total expenditures	<u>8,543,889</u>	<u>8,640,991</u>	<u>5,717,169</u>	<u>2,923,822</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,348,189)</u>	<u>(2,437,291)</u>	<u>974,207</u>	<u>3,411,498</u>
<b>Other financing sources (uses):</b>				
Transfers in (note 6)	281,547	281,547	178,295	(103,252)
Total other financing sources (uses)	<u>281,547</u>	<u>281,547</u>	<u>178,295</u>	<u>(103,252)</u>
Net change in fund balance	(2,066,642)	(2,155,744)	1,152,502	3,308,246
Fund balance - beginning	<u>5,822,950</u>	<u>5,822,950</u>	<u>5,822,950</u>	<u>-</u>
Fund balance - ending	<u>\$ 3,756,308</u>	<u>3,667,206</u>	<u>6,975,452</u>	<u>3,308,246</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, 2017**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Fines and forfeitures	\$ 800,000	800,000	584,309	(215,691)
Use of money and property	6,000	6,000	1,105	(4,895)
Intergovernmental revenue	55,000	165,000	116,037	(48,963)
Total revenues	<u>861,000</u>	<u>971,000</u>	<u>701,451</u>	<u>(269,549)</u>
<b>Expenditures:</b>				
Current:				
Transportation	125,000	352,836	52,420	300,416
Total expenditures	<u>125,000</u>	<u>352,836</u>	<u>52,420</u>	<u>300,416</u>
Excess of revenues over expenditures	<u>736,000</u>	<u>618,164</u>	<u>649,031</u>	<u>30,867</u>
<b>Other financing sources (uses):</b>				
Transfers out (note 6)	(777,000)	(777,000)	(539,077)	237,923
Total other financing sources (uses)	<u>(777,000)</u>	<u>(777,000)</u>	<u>(539,077)</u>	<u>237,923</u>
Net change in fund balance	(41,000)	(158,836)	109,954	268,790
Fund balance - beginning	<u>233,115</u>	<u>233,115</u>	<u>233,115</u>	<u>-</u>
Fund balance - ending	<u>\$ 192,115</u>	<u>74,279</u>	<u>343,069</u>	<u>268,790</u>

See accompanying independent auditors' report.

**CITY OF THOUSAND OAKS**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Federal Asset Seizure Special Revenue Governmental Fund**  
**Year ended June 30, 2017**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Use of money and property	\$ 7,000	7,000	5,982	(1,018)
Intergovernmental revenue	-	-	140,707	140,707
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>146,689</u>	<u>139,689</u>
<b>Expenditures:</b>				
Current:				
Public safety	-	-	146,678	(146,678)
Total expenditures	<u>-</u>	<u>-</u>	<u>146,678</u>	<u>(146,678)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,000</u>	<u>7,000</u>	<u>11</u>	<u>(6,989)</u>
Net change in fund balance	7,000	7,000	11	(6,989)
Fund balance - beginning	<u>266,683</u>	<u>266,683</u>	<u>266,683</u>	<u>-</u>
Fund balance - ending	<u>\$ 273,683</u>	<u>273,683</u>	<u>266,694</u>	<u>(6,989)</u>

See accompanying notes to basic financial statements.

**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, 2017**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Use of money and property	\$ -	-	30,987	30,987
Intergovernmental revenue	574,017	574,017	411,738	(162,279)
Total revenues	<u>574,017</u>	<u>574,017</u>	<u>442,725</u>	<u>(131,292)</u>
<b>Expenditures:</b>				
Current:				
Community development	574,017	823,966	402,413	421,553
Total expenditures	<u>574,017</u>	<u>823,966</u>	<u>402,413</u>	<u>421,553</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(249,949)</u>	<u>40,312</u>	<u>290,261</u>
Net change in fund balance	-	(249,949)	40,312	290,261
Fund balance - beginning	<u>19,046</u>	<u>19,046</u>	<u>19,046</u>	<u>-</u>
Fund balance - ending	<u>\$ 19,046</u>	<u>(230,903)</u>	<u>59,358</u>	<u>290,261</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, 2017**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Charges for current services	\$ 489,600	489,600	370,564	(119,036)
Other	5,000	5,000	2,133	(2,867)
Total revenues	<u>494,600</u>	<u>494,600</u>	<u>372,697</u>	<u>(121,903)</u>
<b>Expenditures:</b>				
Current:				
Transportation	933,325	958,868	780,152	178,716
Total expenditures	<u>933,325</u>	<u>958,868</u>	<u>780,152</u>	<u>178,716</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(438,725)</u>	<u>(464,268)</u>	<u>(407,455)</u>	<u>56,813</u>
<b>Other financing sources (uses):</b>				
Transfers in (note 6)	438,725	438,725	407,455	(31,270)
Total other financing sources (uses)	<u>438,725</u>	<u>438,725</u>	<u>407,455</u>	<u>(31,270)</u>
Net change in fund balance	-	(25,543)	-	25,543
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>(25,543)</u>	<u>-</u>	<u>25,543</u>

See accompanying independent auditors' report.

**CITY OF THOUSAND OAKS**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Housing Trust Special Revenue Governmental Fund**  
**Year ended June 30, 2017**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Use of money and property	\$ 20,000	20,000	23,879	3,879
Charges for current services	120,000	120,000	-	(120,000)
Total revenues	<u>140,000</u>	<u>140,000</u>	<u>23,879</u>	<u>(116,121)</u>
<b>Expenditures:</b>				
Current:				
Community development	12,000	12,000	-	(12,000)
Total expenditures	<u>12,000</u>	<u>12,000</u>	<u>-</u>	<u>(12,000)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>128,000</u>	<u>128,000</u>	<u>23,879</u>	<u>(104,121)</u>
Net change in fund balance	128,000	128,000	23,879	(104,121)
Fund balance - beginning	<u>3,013,073</u>	<u>3,013,073</u>	<u>3,013,073</u>	<u>-</u>
Fund balance - ending	<u>\$ 3,141,073</u>	<u>3,141,073</u>	<u>3,036,952</u>	<u>(104,121)</u>

See accompanying notes to basic financial statements.

**CITY OF THOUSAND OAKS**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**East County Transit Alliance Governmental Fund**  
**Year ended June 30, 2017**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental revenue	\$ -	-	508,779	508,779
Total revenues	<u>-</u>	<u>-</u>	<u>508,779</u>	<u>508,779</u>
<b>Expenditures:</b>				
Current:				
Transportation	-	796,530	547,816	(248,714)
Proprietary funds	639,500	-	-	-
Capital outlay	22,000	62,000	-	(62,000)
Total expenditures	<u>661,500</u>	<u>858,530</u>	<u>547,816</u>	<u>(310,714)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(661,500)</u>	<u>(858,530)</u>	<u>(39,037)</u>	<u>819,493</u>
<b>Other financing sources (uses):</b>				
Transfers in (note 6)	-	-	11,433	11,433
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>11,433</u>	<u>11,433</u>
Net change in fund balance	(661,500)	(858,530)	(27,604)	830,926
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>(26,699)</u>	<u>(26,699)</u>
Fund balance - ending	<u>\$ (661,500)</u>	<u>(858,530)</u>	<u>(54,303)</u>	<u>804,227</u>

See accompanying notes to basic financial statements.

**CITY OF THOUSAND OAKS**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Capital Improvements Governmental Fund**  
**Year ended June 30, 2017**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Use of money and property	\$ 242,200	242,200	260,104	17,904
Charges for current services	580,000	580,000	2,117,887	1,537,887
Other	-	-	2,060	2,060
Total revenues	<u>822,200</u>	<u>822,200</u>	<u>2,380,051</u>	<u>1,557,851</u>
<b>Expenditures:</b>				
Current:				
Public safety	-	-	3,206,403	(3,206,403)
Transportation	155,000	7,241,197	2,949,670	4,291,527
Community development	180,000	1,587,555	-	1,587,555
Debt service:				
Interest	-	-	4,328	(4,328)
Capital outlay	2,164,194	5,887,749	715,872	5,171,877
Total expenditures	<u>2,499,194</u>	<u>14,716,501</u>	<u>6,876,273</u>	<u>7,840,228</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,676,994)</u>	<u>(13,894,301)</u>	<u>(4,496,222)</u>	<u>9,398,079</u>
<b>Other financing sources (uses):</b>				
Transfers in (note 6)	20,000	20,000	-	(20,000)
Transfers out (note 6)	(460,000)	(460,000)	(684,338)	(224,338)
Total other financing sources (uses)	<u>(440,000)</u>	<u>(440,000)</u>	<u>(684,338)</u>	<u>(244,338)</u>
Net change in fund balance	(2,116,994)	(14,334,301)	(5,180,560)	9,153,741
Fund balance - beginning	<u>25,407,672</u>	<u>25,407,672</u>	<u>25,407,672</u>	<u>-</u>
Fund balance - ending	<u>\$ 23,290,678</u>	<u>11,073,371</u>	<u>20,227,112</u>	<u>9,153,741</u>

See accompanying notes to basic financial statements.

## **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 Position**  
**Internal Service Funds**  
**June 30, 2017**

	Liability Insurance	Workers' Compensation Insurance	Vision Insurance	Total
<b>Assets:</b>				
Current assets:				
Cash and investments	\$ 4,494,453	6,227,892	65,514	10,787,859
Receivables:				
Accounts	-	-	36	36
Accrued interest	14,661	21,372	209	36,242
Prepaid items	425	-	-	425
Total current assets	<u>4,509,539</u>	<u>6,249,264</u>	<u>65,759</u>	<u>10,824,562</u>
Total assets	<u>\$ 4,509,539</u>	<u>6,249,264</u>	<u>65,759</u>	<u>10,824,562</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable	\$ 204,889	59,651	3,861	268,401
Noncurrent liabilities:				
Claims payable	1,060,700	1,808,400	-	2,869,100
Total liabilities	<u>\$ 1,265,589</u>	<u>1,868,051</u>	<u>3,861</u>	<u>3,137,501</u>
<b>Net position:</b>				
Unrestricted	3,243,950	4,381,213	61,898	7,687,061
Total net position	<u>\$ 3,243,950</u>	<u>4,381,213</u>	<u>61,898</u>	<u>7,687,061</u>

See accompanying independent auditors' report.

**CITY OF THOUSAND OAKS**  
**Combining Statement of Revenues, Expenses, and Changes In Net Position**  
**Internal Service Funds**  
**Year ended June 30, 2017**

	Liability Insurance	Workers' Compensation Insurance	Vision Insurance	Total
<b>Operating revenues:</b>				
Charges for services and supplies	\$ 1,067,992	490,322	49,495	1,607,809
Total operating revenues	<u>1,067,992</u>	<u>490,322</u>	<u>49,495</u>	<u>1,607,809</u>
<b>Operating expenses:</b>				
Claims expenses	1,331,228	707,447	52,849	2,091,524
Total operating expenses	<u>1,331,228</u>	<u>707,447</u>	<u>52,849</u>	<u>2,091,524</u>
Operating income (loss)	<u>(263,236)</u>	<u>(217,125)</u>	<u>(3,354)</u>	<u>(483,715)</u>
<b>Nonoperating revenues (expenses):</b>				
Interest income	48,304	73,129	745	122,178
Total nonoperating revenues	<u>48,304</u>	<u>73,129</u>	<u>745</u>	<u>122,178</u>
Income (loss) before contributions and transfers	<u>(214,932)</u>	<u>(143,996)</u>	<u>(2,609)</u>	<u>(361,537)</u>
Change in net position	(214,932)	(143,996)	(2,609)	(361,537)
Total net position - beginning	<u>3,458,882</u>	<u>4,525,209</u>	<u>64,507</u>	<u>8,048,598</u>
Total net position - ending	<u>\$ 3,243,950</u>	<u>4,381,213</u>	<u>61,898</u>	<u>7,687,061</u>

See accompanying independent auditors' report.

**CITY OF THOUSAND OAKS**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**Year ended June 30, 2017**

	Liability Insurance	Workers' Compensation Insurance	Vision Insurance	Total
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 1,069,924	490,322	49,467	1,609,713
Cash payments for goods and services	(923,257)	(759,296)	(52,539)	(1,735,092)
Net cash provided by (used for) operating activities	<u>146,667</u>	<u>(268,974)</u>	<u>(3,072)</u>	<u>(125,379)</u>
<b>Cash flows from investing activities:</b>				
Interest received	45,295	69,147	709	115,151
Net cash provided by investing activities	<u>45,295</u>	<u>69,147</u>	<u>709</u>	<u>115,151</u>
Net increase (decrease) in cash and cash equivalents	191,962	(199,827)	(2,363)	(10,228)
Cash and cash equivalents, beginning of year	<u>4,302,491</u>	<u>6,427,719</u>	<u>67,877</u>	<u>10,798,087</u>
Cash and cash equivalents, end of year	<u>\$ 4,494,453</u>	<u>6,227,892</u>	<u>65,514</u>	<u>10,787,859</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>				
Operating loss	\$ (263,236)	(217,125)	(3,354)	(483,715)
<b>Adjustments to reconcile operating loss to net cash used for operating activities:</b>				
(Increase) decrease in accounts/notes receivable	1,932	-	(28)	1,904
(Increase) in prepaid expenses	(425)	-	-	(425)
Increase in accounts payables	194,396	59,651	310	254,357
Increase (decrease) in claims payable	214,000	(111,500)	-	102,500
Total adjustments	<u>409,903</u>	<u>(51,849)</u>	<u>282</u>	<u>358,336</u>
Net cash provided by (used for) operating activities	<u>\$ 146,667</u>	<u>(268,974)</u>	<u>(3,072)</u>	<u>(125,379)</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.

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 donations and state drug seizure funds.

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.

**CITY OF THOUSAND OAKS**  
**Combining Statement of Assets and Liabilities - Agency Funds**  
**June 30, 2017**

	Strong Motion Instrumentation	County Flood Zone	Environment Impact Reports	Planning Security Deposits	Public Works Deposits
<b>Assets:</b>					
Cash and investments	\$ 14,877	60,597	16,777	1,051,032	1,759,176
Accrued interest receivable	-	-	-	-	-
<b>Total assets</b>	<b>\$ 14,877</b>	<b>60,597</b>	<b>16,777</b>	<b>1,051,032</b>	<b>1,759,176</b>
<b>Liabilities:</b>					
Accounts payable	\$ 14,877	60,597	-	17,820	-
Deposits	-	-	16,777	1,033,212	1,759,176
<b>Total liabilities</b>	<b>\$ 14,877</b>	<b>60,597</b>	<b>16,777</b>	<b>1,051,032</b>	<b>1,759,176</b>

See accompanying independent auditors' report.

Public Access Television	Law Enforcement	COSCA	Misc. Flow Through	Total
2,189,211	209,587	1,404,984	430,007	7,136,248
-	713	4,762	1,426	6,901
<u>2,189,211</u>	<u>210,300</u>	<u>1,409,746</u>	<u>431,433</u>	<u>7,143,149</u>
-	2,302	-	7,618	103,214
<u>2,189,211</u>	<u>207,998</u>	<u>1,409,746</u>	<u>423,815</u>	<u>7,039,935</u>
<u>2,189,211</u>	<u>210,300</u>	<u>1,409,746</u>	<u>431,433</u>	<u>7,143,149</u>

**CITY OF THOUSAND OAKS**  
**Combining Statement of Changes in Assets and Liabilities - Agency Funds**  
**Year ended June 30, 2017**

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
<b><u>Strong Motion Instrumentation</u></b>				
Assets:				
Cash and investments	\$ 6,113	29,804	21,040	14,877
Total assets	<u>\$ 6,113</u>	<u>29,804</u>	<u>21,040</u>	<u>14,877</u>
Liabilities:				
Accounts payable	\$ 6,113	28,302	19,538	14,877
Due to other agencies	-	29,805	29,805	-
Total liabilities	<u>\$ 6,113</u>	<u>58,107</u>	<u>49,343</u>	<u>14,877</u>
<b><u>County Flood Zone</u></b>				
Assets:				
Cash and investments	\$ 26,856	75,478	41,737	60,597
Total assets	<u>\$ 26,856</u>	<u>75,478</u>	<u>41,737</u>	<u>60,597</u>
Liabilities:				
Accounts payable	\$ 26,856	75,507	41,766	60,597
Due to other agencies	-	75,478	75,478	-
Total liabilities	<u>\$ 26,856</u>	<u>150,985</u>	<u>117,244</u>	<u>60,597</u>
<b><u>Environment Impact Reports</u></b>				
Assets:				
Cash and investments	\$ 20,396	-	3,619	16,777
Total assets	<u>\$ 20,396</u>	<u>-</u>	<u>3,619</u>	<u>16,777</u>
Liabilities:				
Accounts payable	\$ -	3,620	3,620	-
Deposits	20,396	-	3,619	16,777
Total liabilities	<u>\$ 20,396</u>	<u>3,620</u>	<u>7,239</u>	<u>16,777</u>

(Continued ...)

**CITY OF THOUSAND OAKS**  
**Combining Statement of Changes in Assets and Liabilities - Agency Funds**  
**Year ended June 30, 2017**

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
(Continued ...)				
<b><u>Planning Security Deposits</u></b>				
Assets:				
Cash and investments	\$ 1,521,087	519,908	989,963	1,051,032
Total assets	<u>\$ 1,521,087</u>	<u>519,908</u>	<u>989,963</u>	<u>1,051,032</u>
Liabilities:				
Accounts payable	\$ 3,102	487,764	473,044	17,822
Deposits	1,517,985	812,460	1,297,235	1,033,210
Total liabilities	<u>\$ 1,521,087</u>	<u>1,300,224</u>	<u>1,770,279</u>	<u>1,051,032</u>
<b><u>Public Works Deposits</u></b>				
Assets:				
Cash and investments	\$ 2,062,041	367,453	670,318	1,759,176
Total assets	<u>\$ 2,062,041</u>	<u>367,453</u>	<u>670,318</u>	<u>1,759,176</u>
Liabilities:				
Accounts payable	\$ 71,700	525,490	597,190	-
Deposits	1,990,341	393,883	625,048	1,759,176
Total liabilities	<u>\$ 2,062,041</u>	<u>919,373</u>	<u>1,222,238</u>	<u>1,759,176</u>
<b><u>Public Access Television</u></b>				
Assets:				
Cash and investments	\$ 1,872,553	357,133	40,475	2,189,211
Total assets	<u>\$ 1,872,553</u>	<u>357,133</u>	<u>40,475</u>	<u>2,189,211</u>
Liabilities:				
Deposits	\$ 1,872,553	357,133	40,475	2,189,211
Total liabilities	<u>\$ 1,872,553</u>	<u>357,133</u>	<u>40,475</u>	<u>2,189,211</u>
(Continued ...)				

**CITY OF THOUSAND OAKS**  
**Combining Statement of Changes in Assets and Liabilities - Agency Funds**  
**Year ended June 30, 2017**

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
(Continued ...)				
<b><u>Law Enforcement</u></b>				
Assets:				
Cash and investments	\$ 210,313	75,026	75,752	209,587
Accrued interest receivable	592	1,937	1,816	713
Total assets	<u>\$ 210,905</u>	<u>76,963</u>	<u>77,568</u>	<u>210,300</u>
Liabilities:				
Accounts payable	\$ 11,200	65,288	74,187	2,301
Deposits	199,705	76,232	67,938	207,999
Total liabilities	<u>\$ 210,905</u>	<u>141,520</u>	<u>142,125</u>	<u>210,300</u>
<b><u>COSCA</u></b>				
Assets:				
Cash and investments	\$ 1,286,438	121,866	3,320	1,404,984
Accounts receivable	-	70,301	70,301	-
Accrued interest receivable	3,482	12,411	11,131	4,762
Total assets	<u>\$ 1,289,920</u>	<u>204,578</u>	<u>84,752</u>	<u>1,409,746</u>
Liabilities:				
Accounts payable	\$ 3,320	-	3,320	-
Deposits	1,286,600	123,146	-	1,409,746
Total liabilities	<u>\$ 1,289,920</u>	<u>123,146</u>	<u>3,320</u>	<u>1,409,746</u>
(Continued ...)				

**CITY OF THOUSAND OAKS**  
**Combining Statement of Changes in Assets and Liabilities - Agency Funds**  
**Year ended June 30, 2017**

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
(Continued ...)				
<b><u>Misc. Flow Through</u></b>				
Assets:				
Cash and investments	\$ 424,607	54,342	48,942	430,007
Accrued interest receivable	1,127	3,823	3,524	1,426
Total assets	<u>\$ 425,734</u>	<u>58,165</u>	<u>52,466</u>	<u>431,433</u>
Liabilities:				
Accounts payable	\$ 6,737	84,537	83,656	7,618
Deposits	418,997	10,318	5,500	423,815
Total liabilities	<u>\$ 425,734</u>	<u>94,855</u>	<u>89,156</u>	<u>431,433</u>
<b><u>Total Agency Funds</u></b>				
Assets:				
Cash and investments	\$ 7,430,404	1,601,010	1,895,166	7,136,248
Accounts receivable	-	70,301	70,301	-
Accrued interest receivable	5,201	18,171	16,471	6,901
Total assets	<u>\$ 7,435,605</u>	<u>1,689,482</u>	<u>1,981,938</u>	<u>7,143,149</u>
Liabilities:				
Accounts payable	\$ 129,028	1,270,508	1,296,321	103,215
Due to other agencies	-	105,283	105,283	-
Deposits	7,306,577	1,773,172	2,039,815	7,039,934
Total liabilities	<u>\$ 7,435,605</u>	<u>3,148,963</u>	<u>3,441,419</u>	<u>7,143,149</u>

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# STATISTICAL SECTION

City of Thousand Oaks  
Year Ended June 30, 2017

STATISTICAL SECTION

## 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.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> 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.	137-146
<b>Revenue Capacity</b> These tables contain information regarding the City's largest own-source revenue, property tax and sales tax.	147-152
<b>Debt Capacity</b> These tables present information regarding the City's current debt requirements and the City's financial ability to issue additional debt in the future.	153-160
<b>Demographic and Economic Information</b> 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.	161-162
<b>Operating Information</b> 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.	163-166

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Table 1

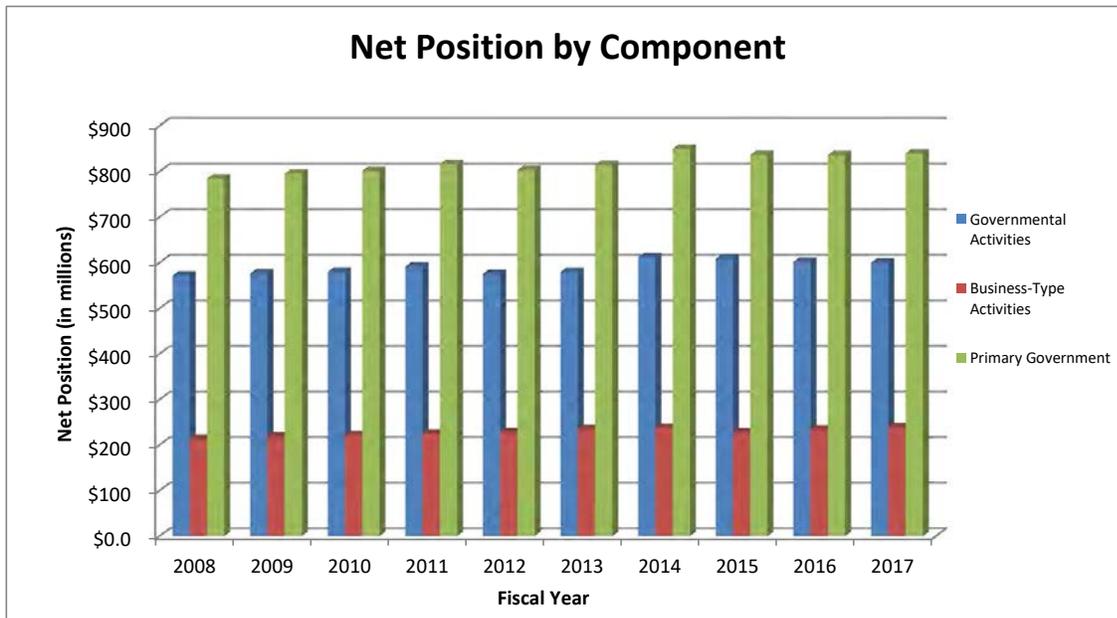
**CITY OF THOUSAND OAKS**

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

Page 1 of 2

	2008	2009	2010	2011
Governmental activities				
Net investments in capital assets	\$ 434,736,557	\$ 436,277,657	\$ 434,777,106	\$ 436,968,437
Restricted	40,440,983	37,727,131	38,654,458	46,508,324
Unrestricted	96,217,592	102,182,201	106,323,825	107,815,418
Total governmental activities net position	<u>\$ 571,395,132</u>	<u>\$ 576,186,989</u>	<u>\$ 579,755,389</u>	<u>\$ 591,292,179</u>
Business-type activities				
Net investments in capital assets	\$ 146,826,463	\$ 148,313,106	\$ 151,530,649	\$ 153,821,273
Restricted	2,522,780	2,734,026	2,018,609	2,196,556
Unrestricted	63,558,847	67,572,396	67,811,296	68,823,038
Total business-type activities net position	<u>\$ 212,908,090</u>	<u>\$ 218,619,528</u>	<u>\$ 221,360,554</u>	<u>\$ 224,840,867</u>
Primary government				
Net investments in capital assets	\$ 581,563,020	\$ 584,590,763	\$ 586,307,755	\$ 590,789,710
Restricted	42,963,763	40,461,157	40,673,067	48,704,880
Unrestricted	159,776,439	169,754,597	174,135,121	176,638,456
Total primary government net position	<u>\$ 784,303,222</u>	<u>\$ 794,806,517</u>	<u>\$ 801,115,943</u>	<u>\$ 816,133,046</u>

Source: City of Thousand Oaks



2012	2013	2014	2015	2016	2017
\$ 424,876,492	\$ 429,496,970	\$ 441,224,834	\$ 482,441,504	\$ 463,170,097	\$ 453,336,316
38,380,982	36,275,259	52,304,427	35,825,757	40,171,977	35,187,559
112,216,327	115,680,931	118,451,059	90,346,428	98,320,690	111,482,413
<u>\$ 575,473,801</u>	<u>\$ 581,453,160</u>	<u>\$ 611,980,320</u>	<u>\$ 608,613,689</u>	<u>\$ 601,662,764</u>	<u>\$ 600,006,288</u>
\$ 153,889,583	\$ 160,080,104	\$ 163,352,049	\$ 168,079,871	\$ 166,146,712	\$ 162,523,929
2,093,726	28,017,654	29,970,531	31,397,274	34,008,294	3,224,630
71,729,967	46,312,992	44,171,611	27,892,382	33,752,786	73,615,294
<u>\$ 227,713,276</u>	<u>\$ 234,410,750</u>	<u>\$ 237,494,191</u>	<u>\$ 227,369,527</u>	<u>\$ 233,907,792</u>	<u>\$ 239,363,853</u>
\$ 578,766,075	\$ 589,577,074	\$ 604,576,883	\$ 650,521,375	\$ 629,316,809	\$ 615,860,245
40,474,708	64,292,913	82,274,958	67,223,031	74,180,271	38,412,189
183,946,294	161,993,923	162,622,670	118,238,810	132,073,476	185,097,707
<u>\$ 803,187,077</u>	<u>\$ 815,863,910</u>	<u>\$ 849,474,511</u>	<u>\$ 835,983,216</u>	<u>\$ 835,570,556</u>	<u>\$ 839,370,141</u>

Table 2

**CITY OF THOUSAND OAKS**

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

Page 1 of 4

	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Expenses</b>			
Governmental activities:			
General government	\$ 18,130,375	\$ 19,274,242	\$ 16,318,024
Public safety	26,181,258	26,737,000	26,917,106
Transportation	24,322,484	24,812,778	24,205,410
Community development	24,412,525	23,525,974	31,472,631
Culture and leisure	11,497,376	11,657,026	11,438,101
Interest on long-term debt	4,432,146	4,426,267	4,002,329
Total governmental activities expenses	<u>108,976,164</u>	<u>110,433,287</u>	<u>114,353,601</u>
Business-type activities:			
Water	16,651,251	17,578,603	18,690,402
Wastewater	18,530,603	18,033,389	18,795,351
Golf Course	5,229,818	5,002,620	5,099,519
Transportation	2,656,945	2,928,854	3,447,324
Solid Waste Management	1,225,934	1,250,469	1,332,067
Theatres	3,959,594	4,152,677	3,915,498
Total business-type activities expenses	<u>48,254,145</u>	<u>48,946,612</u>	<u>51,280,161</u>
Total primary government expenses	<u>\$157,230,309</u>	<u>\$159,379,899</u>	<u>\$ 165,633,762</u>
<b>Program Revenues</b>			
Governmental activities:			
Charges for services:			
General government	\$ 5,443,275	\$ 5,569,675	\$ 6,584,710
Public safety	454,311	473,720	643,054
Transportation	4,055,638	4,231,897	4,693,392
Community development	5,498,065	4,462,726	4,352,037
Culture and leisure	268,351	256,812	316,762
Operating grants and contributions	12,520,302	11,360,407	11,453,153
Capital grants and contributions	10,556,495	2,792,857	1,622,157
Total governmental activities program revenues	<u>38,796,437</u>	<u>29,148,094</u>	<u>29,665,265</u>
Business-type activities:			
Charges for services:			
Water	17,180,172	18,436,321	18,896,852
Wastewater	24,047,603	21,871,495	20,657,404
Golf Course	5,527,842	5,570,050	5,307,892
Transportation	266,518	285,926	396,405
Solid Waste Management	1,676,715	1,574,351	1,602,364
Theatres	4,000,422	3,569,127	3,191,463
Operating grants and contributions	3,548,963	2,845,062	3,620,080
Capital grants and contributions	1,481,682	236,070	225,179
Total business-type activities program revenues	<u>57,729,917</u>	<u>54,388,402</u>	<u>53,897,639</u>
Total primary government program revenues	<u>\$ 96,526,354</u>	<u>\$ 83,536,496</u>	<u>\$ 83,562,904</u>
Net (expense)/revenue			
Governmental activities	\$ (70,179,727)	\$ (81,285,193)	\$ (84,688,336)
Business-type activities	9,475,772	5,441,790	2,617,478
Total Primary government net expense	<u>\$ (60,703,955)</u>	<u>\$ (75,843,403)</u>	<u>\$ (82,070,858)</u>

2011	2012	2013	2014	2015	2016	2017
\$ 15,818,365	\$ 14,996,258	\$ 15,544,721	\$ 17,001,257	\$ 16,633,833	\$ 17,205,376	\$ 18,559,779
27,165,601	27,853,732	27,487,842	28,180,467	28,679,593	28,895,575	33,414,773
27,308,063	25,844,691	26,109,347	26,964,212	33,160,508	33,722,007	31,862,406
26,004,932	19,757,842	11,162,235	12,303,689	9,427,305	13,902,102	9,531,142
10,880,231	10,435,600	9,719,771	10,139,607	10,560,758	11,312,504	10,697,550
3,672,066	1,845,302	636,012	619,929	655,102	595,822	556,540
<u>110,849,258</u>	<u>100,733,425</u>	<u>90,659,928</u>	<u>95,209,161</u>	<u>99,117,099</u>	<u>105,633,386</u>	<u>104,622,190</u>
19,430,010	20,779,897	22,133,144	24,058,407	21,843,944	20,465,622	21,774,730
18,565,664	19,022,278	18,988,040	19,156,409	18,709,803	18,408,978	18,875,727
4,923,681	4,918,517	4,729,238	5,001,182	5,225,508	6,993,159	5,477,483
3,764,116	4,097,237	4,655,099	5,092,147	6,038,124	6,779,428	6,813,792
1,424,288	1,571,469	1,899,126	1,633,529	1,608,741	1,244,484	1,264,791
3,716,595	4,101,536	4,083,872	4,006,613	3,727,264	3,684,483	4,026,388
<u>51,824,354</u>	<u>54,490,934</u>	<u>56,488,519</u>	<u>58,948,287</u>	<u>57,153,384</u>	<u>57,576,154</u>	<u>58,232,911</u>
<u>\$162,673,612</u>	<u>\$155,224,359</u>	<u>\$147,148,447</u>	<u>\$154,157,448</u>	<u>\$156,270,483</u>	<u>\$163,209,540</u>	<u>\$162,855,101</u>
\$ 5,620,394	\$ 6,606,146	\$ 6,281,280	\$ 7,220,202	\$ 6,618,463	\$ 6,555,307	\$ 7,816,273
518,740	849,732	847,579	832,949	887,976	1,131,555	892,756
4,271,158	5,949,669	5,460,232	5,448,265	5,844,243	5,725,586	5,188,260
4,764,843	4,694,052	3,962,106	4,753,171	5,038,087	5,968,502	5,570,226
260,421	343,042	244,486	288,179	255,755	241,480	304,051
13,906,945	13,194,721	11,561,006	8,872,310	5,351,236	6,801,627	5,914,541
1,652,089	483,744	5,570,206	11,467,954	4,148,837	2,129,634	3,412,100
<u>30,994,590</u>	<u>32,121,106</u>	<u>33,926,895</u>	<u>38,883,030</u>	<u>28,144,597</u>	<u>28,553,691</u>	<u>29,098,207</u>
21,283,333	22,828,323	25,548,666	27,570,065	25,903,528	23,526,238	25,502,093
20,028,254	19,091,002	19,347,142	19,300,050	20,959,096	22,768,316	21,385,939
4,874,576	5,074,016	4,646,379	4,609,795	4,665,559	6,058,246	4,905,388
301,075	457,938	998,709	1,288,342	1,991,701	2,316,515	2,078,215
1,388,587	1,484,372	1,621,874	1,486,259	1,454,871	1,440,914	1,434,211
3,142,176	3,155,208	3,278,415	3,223,057	3,313,109	3,399,431	3,747,826
3,989,932	4,057,467	4,393,103	300,000	500,000	300,000	300,000
175,441	1,068,810	2,748,298	4,254,160	5,781,443	4,304,759	4,346,733
<u>55,183,374</u>	<u>57,217,136</u>	<u>62,582,586</u>	<u>62,031,728</u>	<u>64,569,307</u>	<u>64,114,419</u>	<u>63,700,405</u>
<u>\$ 86,177,964</u>	<u>\$ 89,338,242</u>	<u>\$ 96,509,481</u>	<u>\$100,914,758</u>	<u>\$ 92,713,904</u>	<u>\$ 92,668,110</u>	<u>\$ 92,798,612</u>
\$ (79,854,668)	\$ (68,612,319)	\$ (56,733,033)	\$ (56,326,131)	\$ (70,972,502)	\$ (77,079,695)	\$ (75,523,983)
3,359,020	2,726,202	6,094,067	3,083,441	7,415,923	6,538,265	5,467,494
<u>\$ (76,495,648)</u>	<u>\$ (65,886,117)</u>	<u>\$ (50,638,966)</u>	<u>\$ (53,242,690)</u>	<u>\$ (63,556,579)</u>	<u>\$ (70,541,430)</u>	<u>\$ (70,056,489)</u>

Table 2

**CITY OF THOUSAND OAKS**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

Page 3 of 4

<b>General Revenue and Other Changes in Net Position</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Governmental activities:			
Taxes			
Property tax	\$ 34,762,919	\$ 37,321,236	\$ 36,833,910
Property tax in-lieu of VLF	9,393,866	9,783,399	9,803,594
Sales tax	26,356,909	24,132,888	23,873,911
Transient occupancy tax	2,859,810	2,493,840	2,281,581
Franchise tax	5,117,984	5,282,424	5,200,169
Business tax	1,843,606	1,782,198	1,673,282
Property transfer tax	703,515	525,900	573,839
Other taxes			
Unrestricted intergovernmental revenue	571,281	441,670	382,584
Miscellaneous Revenue	-	-	-
Proceeds from the sale of property	12,529,289	1,668,014	6,161,617
Unrestricted investment/interest earnings	6,180,788	2,686,701	1,595,797
Extraordinary item - RDA dissolution (1)	-	-	-
Extraordinary item - Asset transfer from Successor Agency (2)	-	-	-
Transfers	(606,156)	(41,220)	(123,548)
Total governmental activities	<u>99,713,811</u>	<u>86,077,050</u>	<u>88,256,736</u>
Business-type activities:			
Transfers	606,156	41,220	123,548
Total business-type activities	<u>606,156</u>	<u>41,220</u>	<u>123,548</u>
Total primary government	<u>\$100,319,967</u>	<u>\$ 86,118,270</u>	<u>\$ 88,380,284</u>
<b>Change in Net Position</b>			
Governmental activities	\$ 29,534,084	\$ 4,791,857	\$ 3,568,400
Business-type activities	10,081,928	5,483,010	2,741,026
Total primary government	<u>\$ 24,476,564</u>	<u>\$ 4,047,412</u>	<u>\$ 11,884,636</u>

Notes:

- (1) The former Thousand Oaks Redevelopment Agency was dissolved as of February 1, 2012, through the Supreme Court decision on Assembly Bill X1 26. See Note 16 for more information on the dissolution.
- (2) In fiscal year 2013-14, as directed by the California Department of Finance, the City, as the Successor Agency, transferred specified governmental purpose assets of the former redevelopment agency totaling \$4.6 million from the Successor Agency to the City. During fiscal year 2014-15 the DOF approved the Long-Range Property Management Plan which resulted in \$43.4 million in Successor Agency properties being transferred to the City.

Source: City of Thousand Oaks

2011	2012	2013	2014	2015	2016	2017
\$ 34,355,639	\$ 25,278,294	\$ 14,829,441	\$ 15,568,174	\$ 16,142,673	\$ 16,952,325	\$ 17,874,024
9,644,764	9,707,468	9,772,778	10,090,869	10,641,639	11,139,579	11,606,510
22,123,406	25,957,903	25,197,744	27,497,621	29,664,075	25,721,479	29,136,957
2,702,879	2,977,691	3,162,291	3,528,776	3,921,765	4,671,343	4,538,143
5,790,082	5,984,921	6,204,829	6,649,679	6,936,019	6,689,427	6,473,304
1,708,860	1,705,654	1,840,690	1,793,854	1,940,876	2,009,687	2,000,963
588,295	634,332	734,488	850,572	988,600	1,194,435	1,075,442
			17,298	28,832	29,306	26,998
657,519	-	121,989	-	53,361	54,339	59,298
-	500,000	-	135,240	178,120	59,877	1,142,403
1,535,345	3,989,070	1,378,420	378,435	-	-	-
931,529	1,342,253	91,728	1,318,781	1,189,635	1,606,973	(77,968)
-	(25,137,438)	-	-	-	-	-
-	-	-	4,611,540	43,428,316	-	-
(121,293)	(146,207)	60,108	14,338,221	-	-	11,433
79,917,025	52,793,941	63,394,506	86,779,060	115,113,911	70,128,770	73,867,507
121,293	146,207	(60,108)	-	-	-	(11,433)
121,293	146,207	(60,108)	-	-	-	(11,433)
<u>\$ 80,038,318</u>	<u>\$ 52,940,148</u>	<u>\$ 63,334,398</u>	<u>\$ 86,779,060</u>	<u>\$115,113,911</u>	<u>\$ 70,128,770</u>	<u>\$ 73,856,074</u>
\$ 62,357	\$ (15,818,378)	\$ 6,661,473	\$ 30,452,929	\$ 44,141,409	\$ (6,950,925)	\$ (1,656,476)
3,480,313	2,872,409	6,033,959	3,083,441	7,415,923	6,538,265	5,456,061
<u>\$ 14,152,201</u>	<u>\$ 2,301,182</u>	<u>\$ 10,091,708</u>	<u>\$ 23,222,481</u>	<u>\$ 45,418,630</u>	<u>\$ (412,660)</u>	<u>\$ 3,799,585</u>

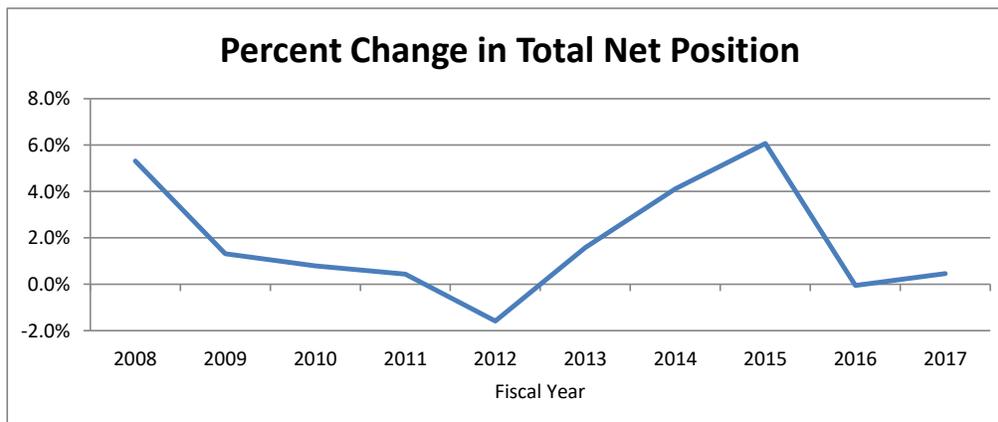


Table 3

CITY OF THOUSAND OAKS

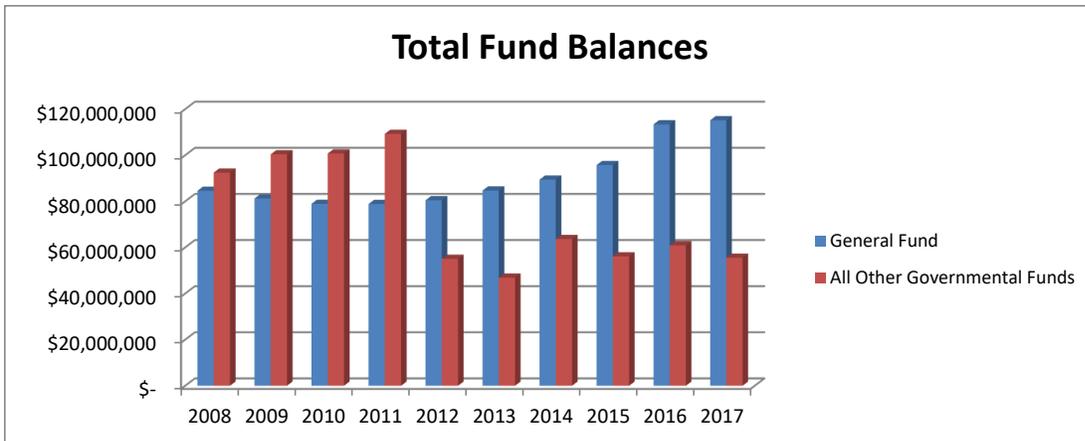
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	2008	2009	2010	2011
General Fund				
Reserved	\$ 8,078,178	\$ 7,346,454	\$ 7,452,277	\$ -
Unreserved	76,484,258	73,848,723	71,441,836	-
Nonspendable	-	-	-	386,487
Committed	-	-	-	30,382,360
Assigned	-	-	-	47,971,223
Unassigned	-	-	-	75,762
Total General Fund	<u>\$ 84,562,436</u>	<u>\$ 81,195,177</u>	<u>\$ 78,894,113</u>	<u>\$ 78,815,832</u>
All other governmental funds				
Reserved	\$ 27,574,498	\$ 28,675,993	\$ 35,259,948	\$ -
Unreserved, reported in:				
Special revenue funds	17,607,477	21,464,035	18,554,270	-
Capital projects funds	47,247,642	50,226,170	46,906,091	-
Nonspendable	-	-	-	9,454,786
Restricted	-	-	-	65,811,852
Committed	-	-	-	16,273,358
Assigned	-	-	-	18,085,550
Unassigned	-	-	-	(383,659)
Total all other governmental funds	<u>\$ 92,429,617</u>	<u>\$ 100,366,198</u>	<u>\$ 100,720,309</u>	<u>\$ 109,241,887</u>

Note:

The City of Thousand Oaks implemented GASB Statement No. 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



2012	2013	2014	2015	2016	2017
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
458,467	444,070	3,925,151	3,945,620	3,911,863	2,236,692
29,133,665	32,150,306	30,679,785	41,296,049	36,627,164	49,360,297
49,836,670	50,970,528	53,756,465	48,584,436	62,654,198	61,225,142
1,018,694	1,096,184	1,033,728	1,878,673	2,399,689	2,317,700
<u>\$ 80,447,496</u>	<u>\$ 84,661,088</u>	<u>\$ 89,395,129</u>	<u>\$ 95,704,778</u>	<u>\$ 105,592,914</u>	<u>\$ 115,139,831</u>

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
671,083	671,083	671,084	671,083	-	-
33,496,970	25,270,524	42,377,963	35,825,757	40,171,977	35,187,559
1,484,061	1,643,144	1,692,486	1,802,421	1,940,009	2,032,613
19,800,800	19,345,705	18,895,556	17,808,062	18,791,815	18,345,221
(404,032)	(38,159)	-	-	(26,699)	(54,303)
<u>\$ 55,048,882</u>	<u>\$ 46,892,297</u>	<u>\$ 63,637,089</u>	<u>\$ 56,107,323</u>	<u>\$ 60,877,102</u>	<u>\$ 55,511,090</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

	2008	2009	2010	2011
<b>Revenues</b>				
Taxes	\$82,765,481	\$81,773,373	\$76,920,440	\$78,791,255
Licenses and permits	6,444,165	5,206,207	4,319,610	4,829,204
Fines and forfeitures	1,406,029	1,565,993	1,356,890	1,245,879
Use of money and property	11,324,470	6,467,079	4,505,561	3,273,362
Charges for current services	12,746,634	10,030,782	9,876,944	9,660,891
Intergovernmental revenue	6,532,289	11,077,630	7,687,314	11,584,850
Reimbursements	1,630,729	1,759,091	-	-
Other	403,694	190,291	3,271,990	2,325,759
<b>Total revenues</b>	<b>123,253,491</b>	<b>118,070,446</b>	<b>107,938,749</b>	<b>111,711,200</b>
<b>Expenditures</b>				
Current:				
General government	16,062,522	17,306,010	14,530,618	14,170,542
Public safety	26,105,855	26,599,446	26,684,654	26,999,458
Transportation	20,280,207	22,524,959	15,762,955	22,727,687
Community development	24,442,524	23,404,601	31,093,436	26,085,166
Culture and leisure	10,130,739	10,035,034	9,718,996	9,351,390
Debt service:				
Principal	4,195,000	4,380,000	4,560,000	4,875,000
Interest	4,447,340	4,240,684	4,034,636	3,585,683
Issuance cost	-	-	253,368	-
Payment to refunded bond escrow agent - prior	-	-	1,214,341	-
Capital outlay	10,528,549	4,998,150	3,416,204	6,846,658
<b>Total expenditures</b>	<b>116,192,736</b>	<b>113,488,884</b>	<b>111,269,208</b>	<b>114,641,584</b>
Excess (deficiency) of revenues over (under) expenditures	<u>7,060,755</u>	<u>4,581,562</u>	<u>(3,330,459)</u>	<u>(2,930,384)</u>
<b>Other financing sources (uses)</b>				
Extraordinary item (1)	-	-	-	-
Transfers in	9,903,957	9,252,559	8,428,849	7,159,053
Transfers out	(10,510,113)	(9,293,779)	(8,552,397)	(7,280,346)
Refunding bonds issued	-	-	16,405,000	-
Premium on refunding bonds issued	-	-	133,266	-
Discount on refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent - current	-	-	(15,107,427)	-
Proceeds from sale of property (2)	6,033	28,980	76,215	20,542
Special Item	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>(600,123)</u>	<u>(12,240)</u>	<u>1,383,506</u>	<u>(100,751)</u>
<b>Net change in fund balances</b>	<u>\$ 6,460,632</u>	<u>\$ 4,569,322</u>	<u>\$ (1,946,953)</u>	<u>\$ (3,031,135)</u>
Debt service as a percentage of noncapital expenditures	8.6%	8.5%	8.1%	8.3%

## Notes:

- (1) The former Thousand Oaks Redevelopment Agency was dissolved as of February 1, 2012, through the Supreme Court decision on Assembly Bill X1 26. See Note 16 for more information on the dissolution.
- (2) In fiscal year 2015-16, the City entered into an agreement with Many Mansions to sell the City owned Schillo Gardens property for two notes receivable of \$3,875,000 and \$2,095,957, respectively, along with \$279,043 in cash.

Source: City of Thousand Oaks

2012	2013	2014	2015	2016	2017
\$ 69,974,247	\$ 61,184,148	\$ 65,652,130	\$ 66,697,613	\$ 70,964,086	\$ 70,353,513
5,044,995	5,101,683	5,858,997	6,424,536	7,189,317	6,766,102
1,252,050	1,170,876	1,201,226	1,138,646	1,047,754	1,070,992
3,051,485	1,835,698	3,664,767	3,084,840	4,405,485	1,362,034
10,758,658	11,047,312	11,051,746	11,411,961	11,943,215	13,522,017
10,945,123	11,193,429	16,588,309	8,685,090	8,291,953	5,520,776
-	-	-	-	-	-
3,719,494	1,970,848	3,003,278	2,204,224	2,120,846	2,590,830
104,746,052	93,503,994	107,020,453	99,646,910	105,962,656	101,186,264
14,679,175	14,564,358	15,237,607	17,193,554	17,734,964	17,984,450
27,622,423	27,336,083	28,007,014	28,629,008	28,756,519	33,281,120
29,403,527	28,459,116	26,492,614	30,645,163	25,023,202	23,217,710
19,555,500	10,496,554	11,704,339	9,588,092	12,868,799	9,824,408
9,013,448	8,451,440	8,704,663	9,321,044	9,891,599	9,896,139
4,910,000	520,000	535,000	560,000	580,000	600,000
2,090,329	637,312	621,712	656,969	597,755	559,040
-	-	-	-	-	-
-	-	-	-	-	-
14,535,378	7,081,193	9,098,366	4,385,257	2,143,483	1,740,264
121,809,780	97,546,056	100,401,315	100,979,087	97,596,321	97,103,131
(17,063,728)	(4,042,062)	6,619,138	(1,332,177)	8,366,335	4,083,133
(35,366,016)	-	-	-	-	-
8,167,067	5,271,869	19,536,789	4,915,154	4,403,268	5,729,836
(8,313,274)	(5,211,761)	(5,198,568)	(4,915,154)	(4,403,268)	(5,718,403)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
14,610	38,961	447,243	112,061	6,291,579	86,339
-	-	-	-	-	-
(35,497,613)	99,069	14,785,464	112,061	6,291,579	97,772
<u>\$(52,561,341)</u>	<u>\$ (3,942,993)</u>	<u>\$ 21,404,602</u>	<u>\$ (1,220,116)</u>	<u>\$ 14,657,914</u>	<u>\$ 4,180,905</u>
7.5%	1.5%	1.4%	1.4%	1.3%	1.3%

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			Former Redevelopment Agency (2)			Total Direct Tax Rate (1)
	Secured	Unsecured	Taxable Assessed Value	Secured	Unsecured	Taxable Assessed Value	
2008	21,965,931,041	540,377,371	22,506,308,412	1,894,051,482	185,416,327	2,079,467,809	-
2009	22,852,908,161	586,664,390	23,439,572,551	2,070,600,242	198,440,279	2,269,040,521	-
2010	22,869,843,040	618,113,555	23,487,956,595	2,131,628,371	190,361,183	2,321,989,554	-
2011	22,512,173,551	595,248,952	23,107,422,503	1,999,781,752	181,279,237	2,181,060,989	-
2012	22,678,655,445	578,996,865	23,257,652,310	2,012,751,826	181,485,437	2,194,237,263	-
2013	22,849,995,645	564,130,360	23,414,126,005	2,036,945,616	180,730,861	2,217,676,477	-
2014	23,611,025,109	565,199,407	24,176,224,516	2,096,540,686	197,333,069	2,293,873,755	-
2015	24,918,441,906	577,344,968	25,495,786,874	2,188,046,023	205,605,677	2,393,651,700	-
2016	26,121,693,208	571,824,100	26,693,517,308	2,343,704,083	208,179,143	2,551,883,226	-
2017	27,235,355,088	582,728,213	27,818,083,301	2,544,403,443	215,429,196	2,759,832,639	-

Notes:

- (1) The City does not have a direct property tax rate.
- (2) The former Thousand Oaks Redevelopment Agency was dissolved on February 1, 2012, through the Supreme Court decision on Assembly Bill X1 26.

Source: Ventura County Auditor-Controller

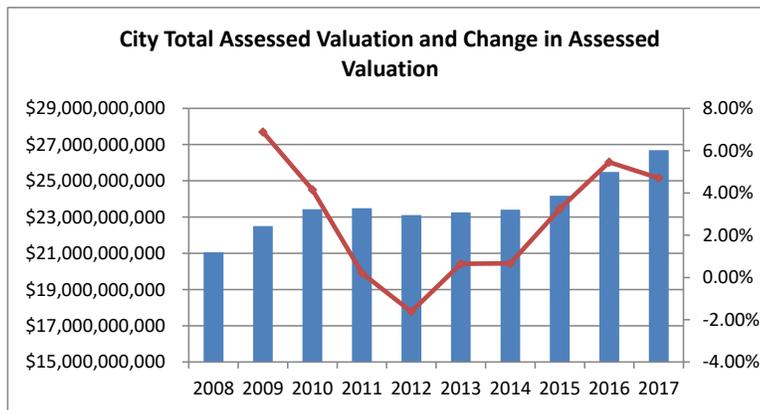


Table 6

**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
		Prop 13 Maximum 1% Tax (3)	Conejo Valley Unified School District Bond (2)	Ventura Community College Bond (2)	Metropolitan Water (2)	
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
2012	-	1.000000	0.030700	0.014000	0.003700	1.048400
2013	-	1.000000	0.032400	0.019100	0.003500	1.055000
2014	-	1.000000	0.032700	0.016700	0.003500	1.052900
2015	-	1.000000	0.032900	0.017600	0.003500	1.054000
2016	-	1.000000	0.031800	0.013000	0.003500	1.048300
2017	-	1.000000	0.032000	0.015500	0.003500	1.051000

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 percent fixed amount. This 1 percent is shared by all taxing agencies for which the subject property resided within. In addition to the 1 percent 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>	2017		2008	
	<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.	\$ 1,242,205,574	4.65%	\$ 1,206,522,344	5.73%
MACERICH OAKS LLC	356,303,642	1.33%	238,644,136	1.13%
BAXTER HEALTHCARE CORP.	346,354,856	1.30%	258,561,523	1.23%
LOS ROBLES HOSPITAL	210,820,346	0.79%	159,818,500	0.76%
UNIVERSITY VILLAGE TO CCRC LLC	163,695,907	0.61%	-	0.00%
IMT CAPITAL WESTLAKE LLC	136,864,964	0.51%	-	0.00%
DUESENBERG INVESTMENT CO.	121,605,309	0.46%	110,169,270	0.52%
KNOLLS APARTMENTS LLC	109,923,302	0.41%	-	0.00%
WESTLAKE PARK PLACE INC	101,578,275	0.38%	-	0.00%
REGENCY CENTERS LP	80,751,193	0.30%	68,842,279	0.33%
CONTINUING LIFE COMM TO LLC	-	0.00%	166,196,557	0.79%
SHAPELL INDUSTRIES INC	-	0.00%	67,517,701	0.32%
SKYWORKS SOLUTIONS INC	-	0.00%	67,284,552	0.32%
<b>TOTAL</b>	<b>\$ 2,870,103,368</b>	<b>10.74%</b>	<b>\$ 2,343,556,862</b>	<b>11.13%</b>

Notes:

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

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	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	36,647,595	36,065,366	98.4%	318,292	36,383,657	99.3%
2009	37,438,880	36,880,898	98.5%	167,318	37,048,215	99.0%
2010	37,320,750	36,942,155	99.0%	79,569	37,021,725	99.2%
2011	35,517,611	35,219,996	99.2%	84,605	35,304,601	99.4%
2012	36,020,486	35,770,741	99.3%	82,010	35,852,752	99.5%
2013	35,541,638	35,311,933	99.4%	104,912	35,416,846	99.6%
2014	37,900,282	37,727,071	99.5%	169,885	37,896,956	100.0%
2015	39,875,934	39,710,082	99.6%	144,265	39,854,347	99.9%
2016	42,346,389	42,089,830	99.4%	27,770	42,089,830	99.4%
2017	45,148,364	44,555,401	98.7%	N/A	44,555,401	98.7%

Source: Ventura County Auditor-Controller

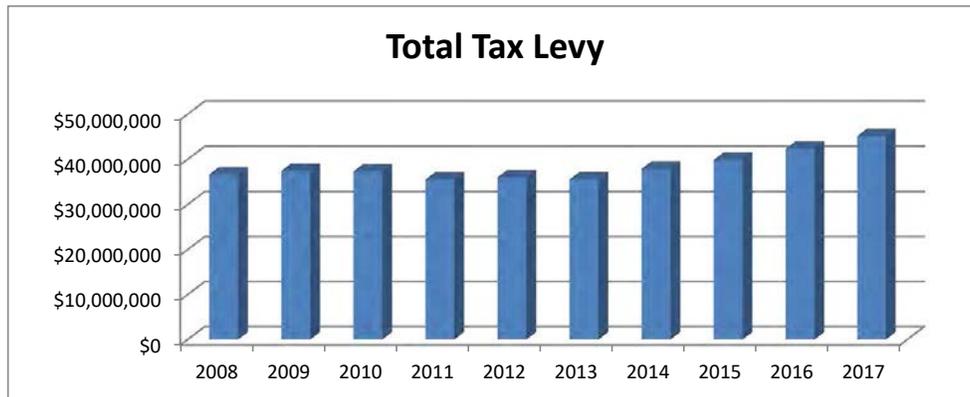


Table 9

**CITY OF THOUSAND OAKS**

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

<u>Fiscal Year</u>	<u>City Direct Rate (1)</u>	<u>Ventura County</u>	<u>State of California</u>
2008	-	1.00%	6.25%
2009	-	1.00%	7.25%
2010	-	1.00%	7.25%
2011	-	1.00%	7.25%
2012	-	1.00%	6.25%
2013	-	1.00%	6.50%
2014	-	1.00%	6.50%
2015	-	1.00%	6.50%
2016	-	1.25%	6.25%
2017	-	1.25%	6.00%

Note:

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

Source: California State Board of Equalization

Table 10

CITY OF THOUSAND OAKS

Taxable Sales by Category  
Last Ten Calendar Years  
(in thousands of dollars)

Calendar Year	Apparel Stores	General Merchandise	Food Stores	Eating and Drinking Establishments	Building Materials	Auto Dealers and Supplies	Service Stations	Other Retail Stores	All Other Outlets	Total	Total Direct Sales Tax Rate (1)
2007	121,022	170,266	107,677	265,943	140,325	740,476	188,933	514,811	604,946	2,854,399	-
2008	118,417	173,683	102,699	255,888	120,023	614,423	193,902	462,288	589,241	2,630,564	-
2009	118,576	176,259	99,911	245,330	102,898	577,156	149,299	410,820	509,847	2,390,096	-
2010	121,846	180,840	98,693	252,357	97,619	606,354	169,274	424,251	497,707	2,448,941	-
2011	125,685	185,970	98,288	266,919	100,849	632,795	204,577	436,981	512,353	2,564,417	-
2012	129,118	185,543	101,290	284,447	101,803	689,810	219,637	435,299	520,118	2,667,065	-
2013	132,950	185,972	104,323	295,533	108,127	722,149	212,979	447,992	509,391	2,719,416	-
2014	137,922	171,947	109,587	306,241	115,841	777,252	206,301	462,372	557,434	2,844,897	-
2015	135,982	169,373	114,524	320,872	122,371	849,511	176,828	473,856	608,621	2,971,938	-
2016	132,964	167,774	112,185	327,105	121,795	860,780	156,534	452,835	634,675	2,966,647	-

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

The names of the ten largest revenue payers are confidential. The categories presented are intended to provide alternative information regarding the sources of taxable sales. Calendar year 2017 not available.

Sources: State of California Board of Equalization and The HdL Companies

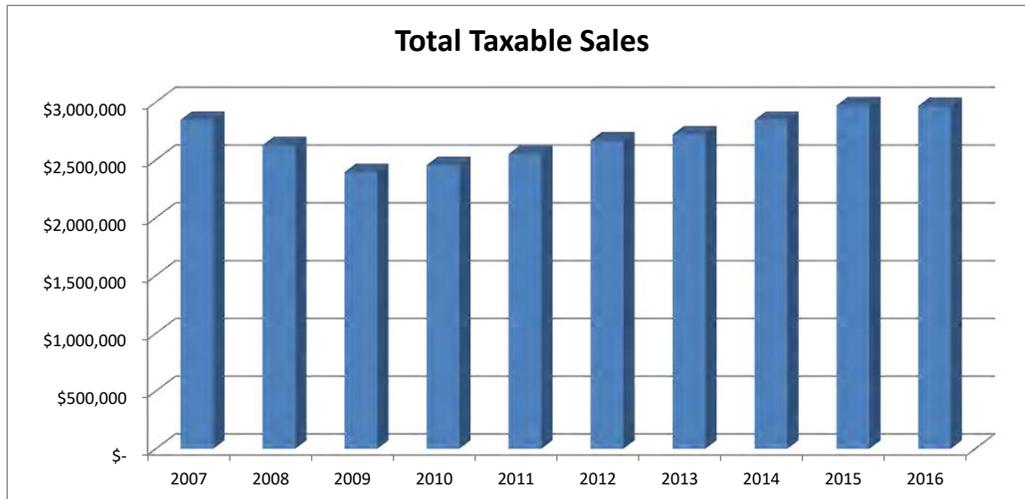


Table 11

**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	Refunding Lease Revenue Bonds (3)
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	-	16,311,498
2011	1,600,000	64,340,000	-	15,760,748
2012	-	-	-	15,259,998
2013	-	-	-	14,940,093
2014	-	-	-	14,399,035
2015	-	-	-	13,832,978
2016	-	-	-	13,246,920
2017	-	-	-	12,640,863

Notes:

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

- (1) The former Thousand Oaks Redevelopment Agency incurred the debt in fiscal year 2005-06. The Agency was dissolved as of February 1, 2012, through the Supreme Court decision on Assembly Bill X1 26. See Note 16 for more information on the dissolution and outstanding debt.
- (2) The former Thousand Oaks Redevelopment 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. The Agency was dissolved as of February 1, 2012, through the Supreme Court decision on Assembly Bill X1 26. See Note 16 for more information on the dissolution and outstanding debt.
- (3) 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.
- (4) On January 1, 2007, Golf Course Fund entered into a management agreement with Evergreen Alliance Golf LLP which included capital lease obligations for equipment. In fiscal year 2014-15 Evergreen Alliance Golf LLP changed to ARCIS Golf.
- (5) The City redeemed 1998 Wastewater System Certificates of Participation through issuance of Revenue Refunding Bonds in fiscal year 2009-10.
- (6) 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. 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, 2017, amounts outstanding with and without amortized premiums were \$4,203,606 and \$3,985,000, respectively.
- (7) See Table 16 for personal income and population data.

Source: City of Thousand Oaks

<b>Business-type Activities</b>						
<b>Wastewater</b>	<b>Capital Lease (4)</b>	<b>Certificates of Participation (5)</b>	<b>Revenue Refunding Bonds (6)</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income (7)</b>	<b>Debt Per Capita (7)</b>
26,253,163	410,388	16,050,000	-	\$ 138,008,551	2.4%	1,072.74
24,773,945	472,259	14,815,000	-	\$ 130,976,204	2.3%	1,018.76
23,255,132	317,047	-	12,228,823	\$ 122,372,500	2.1%	939.82
21,695,661	217,158	-	11,396,335	\$ 115,009,902	2.1%	901.64
20,094,446	107,711	-	10,276,714	\$ 45,738,869	0.8%	357.25
18,450,367	464,978	-	9,127,092	\$ 42,982,530	0.7%	335.43
16,762,276	336,167	-	7,952,471	\$ 39,449,949	0.7%	305.72
15,028,994	300,546	-	6,752,849	\$ 35,915,367	0.6%	277.66
13,249,307	300,834	-	5,508,228	\$ 32,305,289	0.5%	244.06
11,421,975	177,631	-	4,203,606	\$ 28,444,075	0.4%	216.38

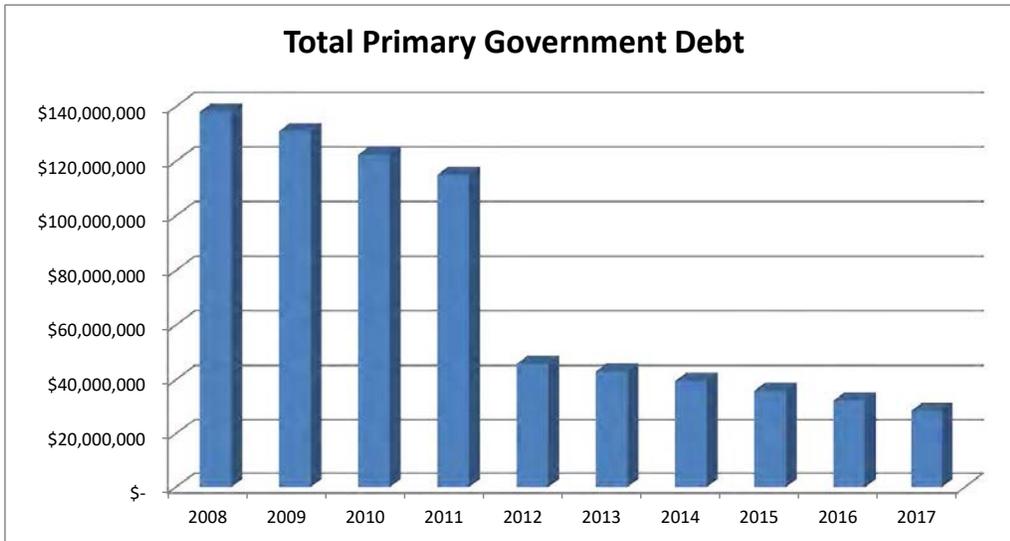


Table 12

CITY OF THOUSAND OAKS

Ratio of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>Gross Bonded Debt (1)</b>	<b>Less: Debt Payable from Redevelopment Revenues (2)</b>	<b>Net Bonded Debt</b>	<b>Percentage of Actual Taxable Value of Property (3)</b>	<b>Debt Per Capita (4)</b>
2008	93,695,000	76,760,000	16,935,000	0.07%	132.32
2009	89,315,000	72,795,000	16,520,000	0.07%	128.62
2010	84,971,498	68,660,000	16,311,498	0.07%	128.79
2011	80,100,748	64,340,000	15,760,748	0.07%	123.84
2012	15,259,998	-	15,259,998	0.07%	119.19
2013	14,940,093	-	14,940,093	0.06%	116.59
2014	14,399,035	-	14,399,035	0.06%	111.59
2015	13,832,978	-	13,832,978	0.05%	106.94
2016	13,150,000	-	13,150,000	0.05%	99.35
2017	12,550,000	-	12,550,000	0.05%	95.47

Notes:

- (1) Gross bonded debt includes all long-term debt except worker's compensation payable, accrued vacation, and arbitrage rebate tax, net of unamortized premiums and deferred amounts.
- (2) The Agency was dissolved as of February 1, 2012, through the Supreme Court decision on Assembly Bill X1 26. See Note 16 for more information on the dissolution.
- (3) See Table 5 for property value data.
- (4) See Table 16 for population data.

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

Table 13

CITY OF THOUSAND OAKS

Computation of Direct and Overlapping Debt  
June 30, 2017

<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, 2017</u>
<u>Overlapping Tax and Assessment Debt:</u>			
Metropolitan Water District	\$ 74,905,000	1.077 %	\$ 806,727
Ventura County Community College District	290,844,117	22.594 %	65,713,320
Conejo Valley Unified School District	55,776,988	90.344 %	50,391,162
City of Thousand Oaks Community Facilities Districts (2)	21,313,000	100.000 %	21,313,000
<u>Overlapping General Fund Debt:</u>			
Ventura County General Fund Obligations	346,795,000	22.587 %	78,330,587
Ventura County Superintendent of Schools Certificates	10,040,000	22.587 %	<u>2,267,735</u>
Subtotal overlapping and assessment debt			218,822,531
<u>City Direct Debt:</u>			
City of Thousand Oaks Revenue Lease Refunding Bonds	12,550,000	100.000 %	<u>12,550,000</u>
Subtotal direct debt			12,550,000
Total Direct and Overlapping Debt (3)			<u><u>\$231,372,531</u></u>

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 14**

**City of Thousand Oaks**

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

Page 1 of 2

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Debt limit	\$ 878,983,971	\$ 880,798,372	\$ 866,528,344	\$ 872,161,962
Total net debt applicable to limit	<u>16,935,000</u>	<u>16,520,000</u>	<u>16,405,000</u>	<u>15,850,000</u>
Legal debt margin	<u>\$ 862,048,971</u>	<u>\$ 864,278,372</u>	<u>\$ 850,123,344</u>	<u>\$ 856,311,962</u>
Total net debt applicable to the limit as percentage of debt limit	1.93%	1.88%	1.89%	1.82%

Note:

- (1) 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

<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
\$ 872,161,962	\$ 878,029,725	\$ 906,608,419	\$ 956,092,008	\$ 1,001,006,889	\$ 1,043,178,124
<u>15,345,000</u>	<u>14,825,000</u>	<u>14,290,000</u>	<u>13,730,000</u>	<u>13,150,000</u>	<u>12,550,000</u>
<u>\$ 856,816,962</u>	<u>\$ 863,204,725</u>	<u>\$ 892,318,419</u>	<u>\$ 942,362,008</u>	<u>\$ 987,856,889</u>	<u>\$ 1,030,628,124</u>
1.76%	1.69%	1.58%	1.44%	1.31%	1.20%

**Legal Debt Margin Calculation for Fiscal Year 2016-17**

Assessed value	<u>\$ 27,818,083,301</u>
Debt limit (3.75% of total assessed value) (1)	1,043,178,124
Less net amount of debt applicable to debt limit	<u>12,550,000</u>
Legal debt margin	<u>\$ 1,030,628,124</u>

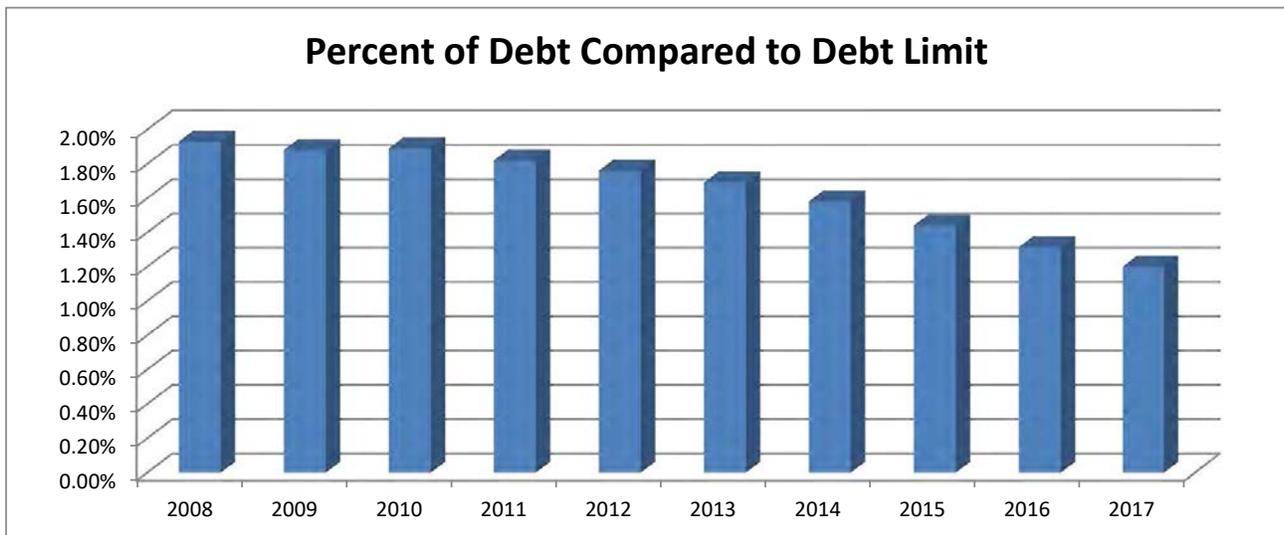


Table 15

**CITY OF THOUSAND OAKS**

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

Page 1 of 2

Fiscal Year	Wastewater Revenue Refunding Bonds (7)					
	Gross Revenue(1)	Less: Operating Expenses(6)	Net Revenue Available for Debt Service	Debt Service		Coverage(3)
				Principal (2)	Interest	
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	1,020,000	377,463	5.70
2012	19,275,502	12,951,555	6,323,947	1,035,000	359,463	4.54
2013	19,347,142	12,853,263	6,493,879	1,065,000	333,138	4.64
2014	19,300,050	12,253,237	7,046,813	1,090,000	306,263	5.05
2015	20,959,096	12,939,390	8,019,706	1,115,000	281,425	5.74
2016	22,768,316	12,599,440	10,168,876	1,160,000	238,488	7.27
2017	21,385,939	12,654,443	8,731,496	1,220,000	178,988	6.24

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 2005-06 and one in fiscal year 2001-02.
- (5) The former Thousand Oaks Redevelopment Agency was dissolved as of February 1, 2012, through the Supreme Court decision on Assembly Bill X1 26. See Note 16 for more information on the dissolution.
- (6) Operating expenses do not include depreciation.
- (7) 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.

Source: City of Thousand Oaks

**Tax Allocation Bonds (5)**

<b>Property Tax Increment</b>	<b>Debt Service</b>		<b>Coverage (3)</b>
	<b>Principal (4)</b>	<b>Interest (4)</b>	
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 16

**CITY OF THOUSAND OAKS**

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

<b>Calendar Year</b>	<b>Population (1)</b>	<b>Personal Income</b>	<b>Per Capita Personal Income</b>	<b>School Enrollment (1)</b>	<b>Unemployment Rate (2)</b>
2008	127,984	5,605,955,168	43,802	22,115	4.9%
2009	128,443	5,570,444,467	43,369	21,732	8.0%
2010	126,655	5,708,720,815	45,073	21,202	8.3%
2011	127,264	5,421,319,136	42,599	21,111	8.0%
2012	127,431	5,379,754,527	42,217	20,686	7.1%
2013	128,252	6,015,660,060	46,905	20,533	5.7%
2014	128,942	5,729,795,654	44,437	20,066	4.8%
2015	129,349	5,720,500,917	44,225	19,706	5.1%
2016	132,365	6,703,086,699	50,641	19,293	5.3%
2017	131,457	6,510,013,554	49,522	19,008	4.3%

Notes:

(1) Population and School Enrollment figures are as of January of each year.

(2) Unemployment figure is as of June of each year.

Per the California Department of Finance, prior year's city population estimates may be revised.

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

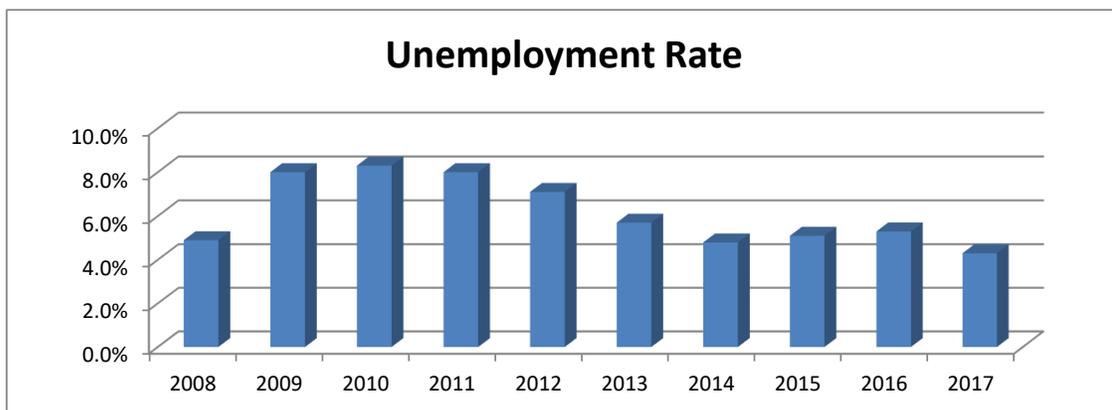


Table 17

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

	2017		2008	
	Employees	Percent of Total City Employment	Employees	Percent of Total City Employment
Amgen Inc.	5,125	7.5%	6,800	9.7%
The Oaks	2,345	3.4%	-	0.0%
Conejo Valley Unified School District	1,900	2.8%	1,723	2.5%
Los Robles Regional Medical Center	1,670	2.5%	1,465	2.1%
Anthem Inc. (2)	1,415	2.1%	2,299	3.3%
California Lutheran University	1,126	1.7%	472	0.7%
Shire (1)	1,000	1.5%	950	1.4%
Skyworks Solutions Inc.	645	0.9%	500	0.7%
PennyMac	623	0.9%	-	0.0%
Sage Publications	591	0.9%	-	0.0%
Verizon	-	0.0%	717	1.0%
City of Thousand Oaks	-	0.0%	681	1.0%
Countrywide	-	0.0%	630	0.9%
<b>Total</b>	<b>16,440</b>	<b>24.4%</b>	<b>16,237</b>	<b>22.8%</b>

Notes:

(1) Formally Baxter BioScience and Baxalta

(2) Formally Anthem Blue Cross

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

Table 18

CITY OF THOUSAND OAKS

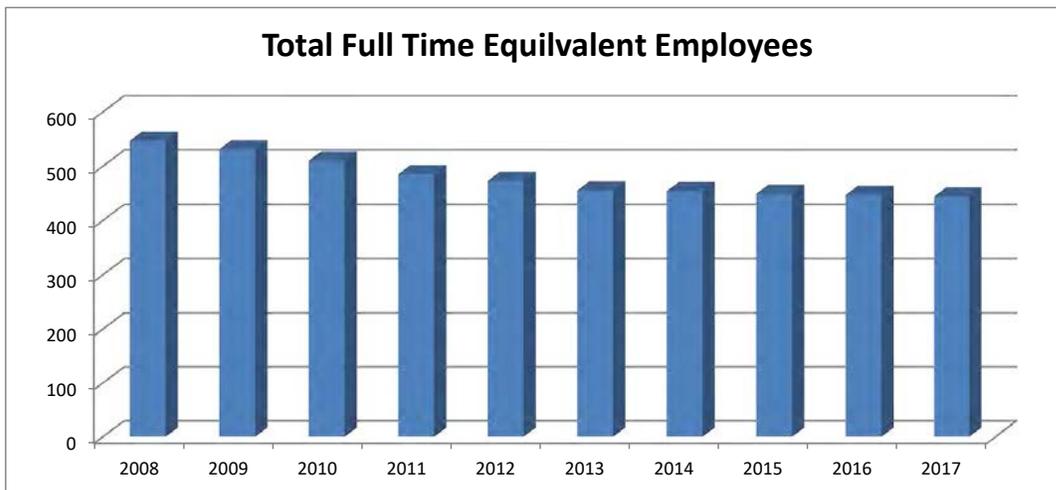
Full-time Equivalent City Government Employees by Function  
Last Ten Fiscal Years

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Central Administration	31	29	27	25	24	22	22	23	24	23
Finance	51	51	49	48	46	44	48	51	51	50
Legal	6	5	6	5	5	5	5	5	5	4
Police (1)	116	114	112	111	109	108	108	108	108	108
Community Development										
Building & Safety	32	30	29	27	20	18	17	18	19	20
Planning	33	32	32	27	32	27	26	23	25	25
Redevelopment (2)	6	6	5	5	0	0	0	0	0	0
Public Works										
Central Administration	85	84	81	80	83	78	74	72	73	75
Landscape	32	29	27	24	25	25	25	25	24	24
Streets & Highways	32	30	29	27	25	25	26	26	27	24
Wastewater	40	40	39	39	40	40	39	38	34	33
Water	13	13	10	13	12	12	12	13	12	16
Library	50	48	45	38	37	36	38	34	32	30
Cultural Affairs (3)	20	20	19	16	15	15	14	13	13	12
Total (4)	<u>547</u>	<u>531</u>	<u>510</u>	<u>485</u>	<u>473</u>	<u>455</u>	<u>454</u>	<u>449</u>	<u>447</u>	<u>444</u>

Notes:

- (1) The City contracts with the County of Ventura for police services.
- (2) The Agency was dissolved as of February 1, 2012, through the Supreme Court decision on Assembly Bill X1 26. See Note 16 for more information on the dissolution.
- (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 was renamed Cultural Affairs Department.
- (4) Totals do not include unfilled (vacant) positions or hourly employees.

Source: City of Thousand Oaks



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Table 19

**CITY OF THOUSAND OAKS**

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

Page 1 of 2

<b>Function</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
General Government			
Business licenses	12,271	11,605	11,031
Building permits issued	2,345	1,790	1,777
Library			
Total volumes in collection (1)	450,985	450,537	455,833
Police			
Physical arrests	4,555	3,646	3,034
Parking violations	5,108	6,335	5,186
Traffic violations	12,235	13,603	12,522
Highways and streets			
Potholes repaired (2)	1,126	1,339	1,282
Streets repaved (miles) (3)	0.00	0.00	6.03
Water			
Services	16,844	16,886	16,907
Average daily consumption (gallons per household)	583	504	452.288
Gallons per day purchased from Calleguas Municipal Water District	13,003,525	12,265,940	10,601,420
Wastewater			
Services	37,739	37,799	37,873
Average daily sewage treatment (millions of gallons)	10.596	10.65	9.82

Notes:

- (1) Beginning in fiscal year 2007-08, volumes include print, audio, and video materials.
- (2) In fiscal years 2007-08 and 2008-09, pothole repair increased due to the State Route 23 expansion project.
- (3) Street overlay only. No streets were repaved in fiscal years 2007-08, 2008-09, 2013-14, and 2015-16.

Source: City of Thousand Oaks

2011	2012	2013	2014	2015	2016	2017
11,089	10,951	11,746	11,685	11,784	12,226	11,772
2,017	2,216	2,373	2,941	3,040	3,197	2,865
460,737	458,677	461,448	466,965	452,307	432,615	408,598
2,852	2,829	2,753	3,129	2,733	2,962	2,939
4,176	5,487	5,325	4,469	3,811	3,716	3,559
12,153	10,753	10,576	9,613	9,127	10,617	8,361
942	1,172	623	1,312	606	317	248
29.10	10.10	8.99	0.00	7.35	0.00	24.36
16,924	16,974	16,995	17,020	17,054	17,088	17,180
418	439	454	479	412	332	336
9,804,111	10,397,607	10,876,296	11,419,977	9,616,188	8,006,750	8,287,315
37,921	38,053	38,130	38,165	38,194	38,241	38,352
9.77	9.47	9.17	8.93	8.47	7.61	8.29

Table 20

CITY OF THOUSAND OAKS

Capital Asset Statistics by Function  
Last Ten Fiscal Years

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
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)	387	387	377	377	377	377	377	377	377	377
Streetlights	7,828	7,833	7,841	7,829	7,836	7,846	7,845	7,861	7,886	7,936
Traffic signals (2)	134	135	137	137	140	144	154	154	154	154
Water:										
Water mains (miles) (3)	317	317	317.3	320	349	351	351	332	332	334
Fire hydrants (4)	1,964	1,964	1,964	1,964	1,965	1,970	1,967	1,982	1,984	1,976
Wastewater:										
Sanitary sewers (miles) (5)	557	559	560	563	409	409	413	415	415	415

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 2014-15 decrease due to deactivated water meters.
- (4) Includes privately owned hydrants representing less than 1.5% of hydrants citywide.  
Fiscal year 2016-17 decrease due to data corrections
- (5) Fiscal year 2011-12 decrease is a result of an updated Geographic Information System. Also, it was discovered that previous years included abandoned lines.

Source: City of Thousand Oaks