City of

OCEANSIDE

CALIFORNIA

Comprehensive Annual Financial Report

For the year ended June 30, 2020

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CITY OF OCEANSIDE, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2020

Prepared by: Finance Department

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CITY OF OCEANSIDE, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS

Page Number

INTRODUCTORY SECTION

Letter of Transmittal i
List of Principal Officials v
GFOA Certificate of Achievement for Excellence in Financial Reporting vi
Organization Chart vii

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT 1

MANAGEMENT'S DISCUSSION AND ANALYSIS 5

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements:
Statement of Net Position 23

Statement of Activities 24

Governmental Fund Financial Statements:
Balance Sheet - Governmental Funds 28

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position 30

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds 32

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 34

Proprietary Fund Financial Statements:
Statement of Net Position - Proprietary Funds 36

Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds 38

Statement of Cash Flows - Proprietary Funds 40

Fiduciary Fund Financial Statements:
Statement of Fiduciary Net Position 46

Statement of Changes in Fiduciary Net Position 47

Notes to Financial Statements 49

CITY OF OCEANSIDE, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS

Page Number

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Required Supplementary Information 95

Budgetary Comparison Schedule
- General Fund 96
- Grants - Special Revenue Fund 97
- Housing Assistance Program - Special Revenue Fund 99

Schedule of Changes in Net Pension Liability and Related Ratios
- Miscellaneous Plan 100
- Safety Plan 102

Schedule of Plan Contributions - Pension Plans 104

Schedule of Changes in Total OPEB Liability and Related Ratios 106

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Combining Balance Sheet - Nonmajor Governmental Funds 108

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds 110

Budgetary Comparison Schedules (Budgetary Basis) - Special Revenue Funds:
- Asset Seizure 112
- Gas Tax and Transportation 113
- Community Development Block Grant 114
- Maintenance Districts 115
- State and Local Asset Seizure 116

Budgetary Comparison Schedules (Budgetary Basis) - Capital Project Funds:
- General Improvement 117

Budget Comparison Schedule (Budgetary Basis) - Debt Service Fund:
- General Debt Service 118
- Oceanside Lighting District 119

Combining Statement of Net Position - Internal Service Funds 122

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - Internal Service Funds 123

Combining Statement of Cash Flows - Internal Service Funds 124

CITY OF OCEANSIDE, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS

Page Number

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (CONTINUED)

Combining Statement of Fiduciary Net Position - All Custodial Funds 126

Combining Statement of Changes in Fiduciary Net Position - All Custodial Funds 127

STATISTICAL SECTION

Net Position by Component – Last Ten Fiscal Years 130

Changes in Net Position – Last Ten Fiscal Years 132

Fund Balances, Governmental Funds – Last Ten Fiscal Years 136

Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years 138

Tax Revenues by Source, Governmental Funds - Last Ten Fiscal Years 141

Schedule of Assessed Valuation – Last Ten Fiscal Years 142

Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years 144

Principal Property Owners – Current Year and Ten Years Ago 145

Property Tax Levies and Collections – Last Ten Fiscal Years 147

Ratios of Outstanding Debt by Type – Last Ten Fiscal Years 148

Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years 150

Direct and Overlapping Governmental Activities Debt 151

Legal Debt Margin Information – Last Ten Years 152

Pledged-Revenue Coverage – Last Ten Years 154

Demographic and Economic Statistics – Last Ten Years 155

Top 25 Sales Tax Producers – Current Year and Ten Years Ago 156

Full-Time Equivalent City Government Employees by Function/Program – Last Ten Fiscal Years 157

Operating Indicators by Function/Program – Last Ten Fiscal Years 159

Capital Asset Statistics by Function – Last Ten Fiscal Years 160

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City of Oceanside
Financial Services Department
300 N. Coast Hwy, Oceanside, CA 92054
Telephone: (760) 435-3850

December 16, 2020

Honorable Mayor, Members of the City Council, and Citizens of the City of Oceanside:

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Oceanside (City) for the fiscal year ended June 30, 2020.

This report consists of management's representations concerning the finances of the City of Oceanside. As such, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements.

The City's financial statements have been audited by Lance, Soll & Lunghard, LLP, a firm of certified public accountants. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion on the City's financial statements for the fiscal year ended June 30, 2020. The independent auditor's report is presented as the first component of the financial section of this report.

The City is also required to undergo an annual single audit in conformity with the provisions of the Uniform Guidance and the United States Office of Management and Budget's Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Information related to this single audit, including a schedule of expenditures of federal awards, along with the independent auditors' reports on internal controls and compliance with applicable laws, can be found in a separately issued single audit report.

The Financial Section includes the Management's Discussion & Analysis (MD&A). GAAP requires that management provide a narrative, introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and

should be read in conjunction with it. The City of Oceanside's MD&A can be found immediately following the report of the independent auditors.

City of Oceanside Profile

The City of Oceanside is a charter city that was incorporated on January 3, 1888. It is located 35 miles north of San Diego and 83 miles south of Los Angeles. The City is located on the Pacific Ocean, offering a moderate climate that ranks as one of the most desirable in the nation. Oceanside boasts 3.5 miles of coastline, a harbor with 1,000 boat slips, and one of the longest wooden piers on the West Coast, measuring 1,954 feet in length. The City occupies a land area of 42 square miles and provides a full range of services, including police, fire, library, water, sewer, street and other infrastructure construction and maintenance, parks, and recreation services. The City also maintains an airport and a small craft harbor.

The population of Oceanside is estimated at 177,335, making it the third largest city in San Diego County. The per capital personal income for the City is $60,511.

The City operates under the council-manager form of government. The City Council is responsible, among other things, for setting policy, adopting the budget, appointing committees, and hiring the City Manager and City Attorney. The City Manager is responsible for carrying out the policies of the Council, overseeing the day-to-day operations of the City, and appointing Executive Management personnel who oversee the various departments.

The financial activities of the three legally separate entities for which the City serves as the governing body are also included in this report: the Oceanside Community Development Commission, the Oceanside Small Craft Harbor District, and the Oceanside Public Financing Authority. The City also serves as the Successor Agency for the former Redevelopment Agency. Additional information on these entities is contained in Note 1 and 17 to the Financial Statements.

Economic Outlook

The U.S. economic growth was continuing with solid growth in business investment and spending until March 2020 when the growth was curtailed by the COVID-19 pandemic. The greatest impact to the City was to the transient occupancy taxes which decreased compared to the prior year due to temporary closure of hotels and short-term rentals and decreased traveling.

Sales tax was affected by severe drops in auto sales, general consumer goods, service stations and restaurants, however this decrease was largely offset by new revenue from implementation of the Wayfair v. South Dakota decision that now requires out-of-state retailers to collect and remit Californian's sales and use tax. Other offsets included a surge in online shopping that boosted receipts from the county use tax allocation pools and from online retailers who maintain and ship their inventory from within California.

Despite the impacts to sales tax from the pandemic, the City's sales tax increased during the fiscal year due to the implementation of Measure X, a 7-year one-half percent transaction and use tax, that went into effect April 1, 2019. Revenues generated by Measure X are committed by the City Council for improved public safety services including programs to address homelessness, emergency response, and infrastructure improvements focused on roads, public safety, and beachfront improvements.

Property taxes increased compared to last year and are expected to continue to increase as the City continues to grow with new homes being built and increasing housing prices, along with new commercial properties and hotels.

Although recovery is hard to predict in the near term given the uncertainty and magnitude of the pandemic, the City still anticipates to see increases in property tax, transient occupancy tax, and sales tax revenues in the future given the continued development, increases in assessed property values, and the addition of Measure X.

The City's increasing employee costs, specifically CalPERS retirement costs, are impacting the City's ability to invest in infrastructure repairs and increase services for the citizens. The City's pension cost is projected to increase an average of $1.8 million in the general fund over the next five years. With employee pension costs rising faster than operating revenues, there is a potential for a structural deficit in future years. The City has implemented a plan to help mitigate growing employee costs. Employee bargaining groups are being asked to pay a higher percentage of the total costs and the City has capped the City contribution to employee health care. The City is also paying down the pension unfunded liability with one-time funds and has directed a portion of the interest income to pay down the unfunded liability.

Financial Policies

Budgeting - The annual budget serves as the foundation for the City's financial planning and control. The City Manager presents the proposed budget to the City Council for review prior to the beginning of the fiscal year. The City Council is required to hold a public hearing on the proposed budget and to adopt a final budget no later than June 30, the close of the City's fiscal year. The budget is prepared according to fund and department (e.g., police). The City Manager is authorized to transfer funds appropriated within the same fund and department. Revisions that alter the total appropriations of any department or fund must be approved by City Council.

Appropriations Limit – Proposition 4, known as the Gann Initiative, was passed in 1979 to limit government spending by capping the total proceeds of taxes that may be appropriated in a fiscal year. When a city exceeds the limit, excess tax revenue must be returned to the citizens through refunds, rebates, or other means. The City is well below the established Gann limit of $419,387,694.

Debt Administration – As of June 30, 2020 the City had a total of $90,052,697 in long-term debt. As a result of indebtedness issued by other governmental agencies operating within the City of Oceanside, net bonded debt (i.e. bonds not supported by user charges) per City 2019-20 assessed valuation was 1.54% as of June 30, 2020.

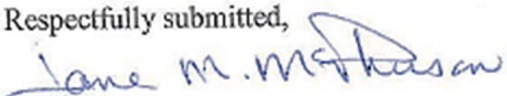
Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both the Generally Accepted Accounting Principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR 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.

The preparation and publication of this report would not have been possible without the dedication and teamwork of the entire staff of the Financial Services and Treasury Department. The City Council has continued to extend its support to the Financial Services Department in the planning of responsible and progressive financial operations. I would like to thank the Mayor, City Council and City Manager for their continued support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,



Jane M. McPherson, CPA
Financial Services Director

PRINCIPAL OFFICIALS
JUNE 30, 2020

CITY COUNCIL

Peter Weiss, Mayor
Jack Feller, Deputy Mayor
Ryan Keim, Council Member
Christopher Rodriguez, Council Member
Esther Sanchez, Council Member

ADMINISTRATION AND DEPARTMENT HEADS

City Manager	Deanna Lorson
City Attorney	John P. Mullen
City Clerk	Zeb Navarro
City Treasurer	Victor Roy
Assistant City Manager	Michael Gossman
Deputy City Manager & Development Services Director	Jonathan Borrego
Financial Services Director	Jane McPherson
Fire Chief	Rick Robinson
Interim Housing & Neighborhood Services Director	Megan Crooks
Human Resources Director	Robert O'Brien
Library Services Director	Sherri Cosby
Police Chief	Frank McCoy, Jr.
Public Works Director	Hans K. Koger
Water Utilities Director	Cari Dale

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

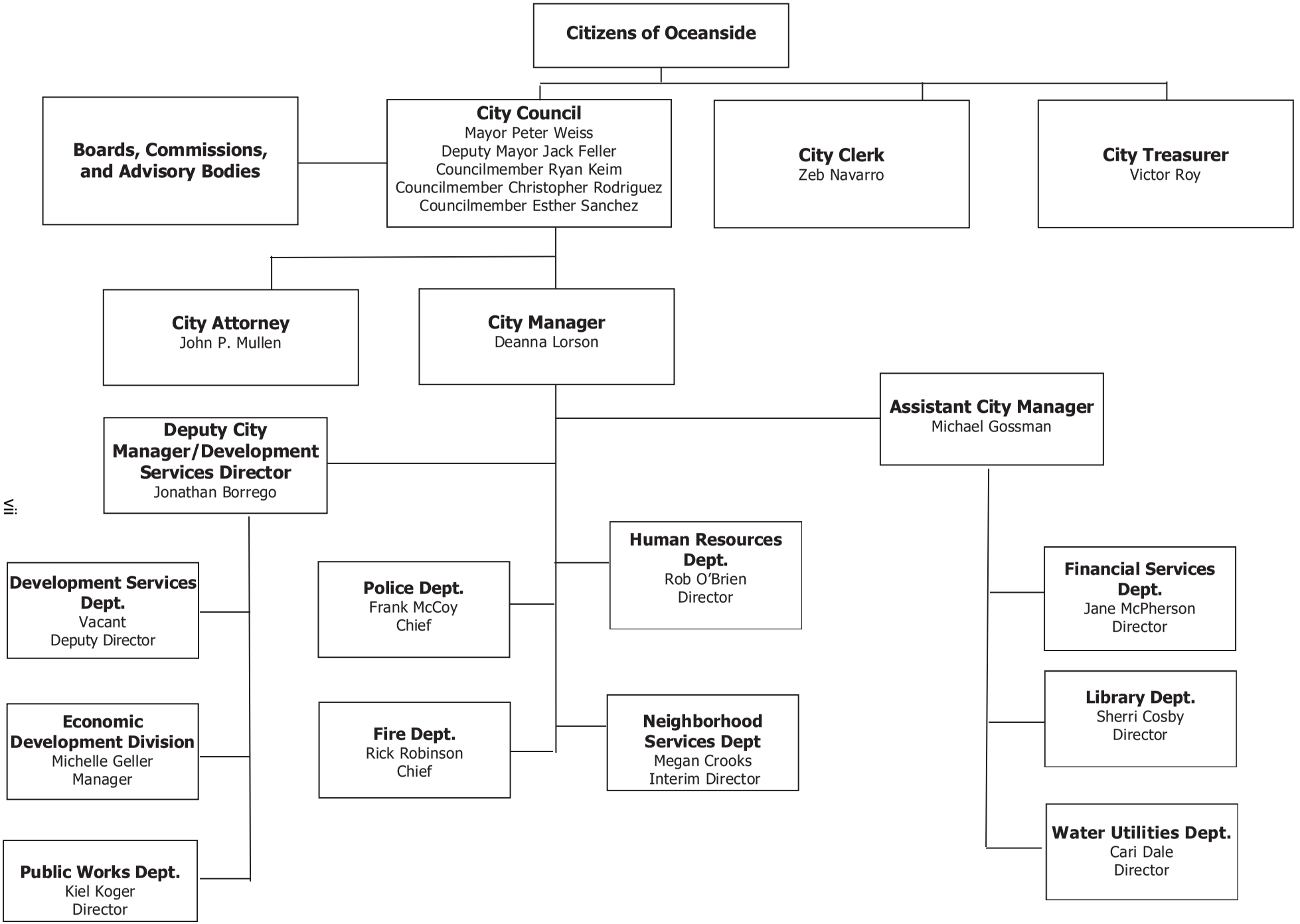
City of Oceanside
California

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO


Citizens of Oceanside
Boards, Commissions, and Advisory Bodies
City Council
Mayor Peter Weiss
Deputy Mayor Jack Feller
Councilmember Ryan Keim
Councilmember Christopher Rodriguez
Councilmember Esther Sanchez
City Clerk
Zeb Navarro
City Treasurer
Victor Roy
City Attorney
John P. Mullen
City Manager
Deanna Lorson
Assistant City Manager
Michael Gossman
Deputy City Manager/Development Services Director
Jonathan Borrego
Development Services Dept.
Vacant
Deputy Director
Economic Development Division
Michelle Geller
Manager
Public Works Dept.
Kiel Koger
Director
Police Dept.
Frank McCoy
Chief
Fire Dept.
Rick Robinson
Chief
Human Resources Dept.
Rob O'Brien
Director
Neighborhood Services Dept
Megan Crooks
Interim Director
Financial Services Dept.
Jane McPherson
Director
Library Dept.
Sherri Cosby
Director
Water Utilities Dept.
Cari Dale
Director

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Oceanside, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oceanside, California, (the City) as of and for the year ended June 30, 2020, 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 Oceanside, 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, each major fund, and the aggregate remaining fund information of the City of Oceanside, California, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis; the budgetary comparison schedules for the General Fund, Grants Fund, and Housing Assistance Program Fund; the schedules of changes in net pension liability and related ratios; the schedules of plan contributions; and the schedule of changes in total other post-employment benefits (OPEB) liability and related ratios 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 fund financial statements and schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual 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. Such 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 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 Oceanside, California

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2020 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 & Lunghard, LLP

Brea, California
December 3, 2020

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MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2020

This discussion and analysis of the City of Oceanside's (City) financial performance provides an overview of the fiscal year ended June 30, 2020. Please read it in conjunction with the accompanying transmittal letter, the basic financial statements, and the accompanying notes to those financial statements. A glossary has been provided at the end of this analysis to assist the reader in understanding the terminology used within.

FINANCIAL HIGHLIGHTS

- The COVID-19 Pandemic had an economic impact to the General Fund revenues and maintenance and operation costs.
    - The City's Transient Occupancy Taxes decreased by $1.2 million due to temporary closure of hotels and short-term rentals and decreased traveling.
    - The City received $3.2 million of CARES Act funds in June 2020 that was used to offset some of the increased costs resulting from the pandemic. CARES Act funding could not be used to replace lost revenue as a result of the COVID-19 Pandemic.
- In November 2019, the City issued 2019 Lease Revenue Bonds in the amount of $22.7 million to finance the construction of the El Corazon Aquatics Center which is anticipated to open in the summer of 2021.
- The City's Total Assets increased overall by $69.2 million. This is composed of a $52.0 million increase in Governmental activities assets and $17.2 million increase in Business-Type activities assets.
- The City's Total Net Position increased overall by $33.1 million. Governmental activities net position increased $14.8 million and Business-Type activities net position increased $18.3 million.
- The City's total revenues increased $6.0 million from 2019.
    - Governmental activities revenues increased $4.8 million. Property tax revenues increased $3.5 million and sales tax revenue increased by $10.2 million. These increases were offset by decreases in revenues from operating and capital grants and contributions of $4.6 million and decreases to charges for services and other taxes and revenues of $4.6 million.
    - The $10.2 increase in sales tax revenue was due to the adoption of Measure X, a 7-year one-half percent transaction and use tax that became effective April 1, 2019. Of the increase, $10.5 million was related to increased Measure X tax revenue, offset by a $0.3 million decrease in general fund sales tax revenue.
    - Business-Type activities revenues increased $1.1 million. The increase was due to $1.5 million increase in revenues from charges for services, offset by a decrease in operating grants and contributions and other revenues.
- The City's total expenses increased $25.3 million from 2019.
    - Governmental activities expenses increased $13.2 million. The increases were in Public Safety and Community Development offset by decreases in General Government, Public Works, and Community/Cultural Services.
    - Business-Type activities expenses increased $12.1 million due to increased capital project expense.

- General Fund had a surplus of $3.8 million in one-time funds for the year ending June 30, 2020. Of this surplus, $2.2 million goes to Measure X reserves and $0.9 million goes to the COVID-19 business loan program reserves. The remaining $0.7 million have been assigned by Council for the following:
    - PERS Unfunded Liability payment - $0.35 million
    - Assigned - Infrastructure - $0.35 million

THE FINANCIAL STATEMENTS

The financial statements presented herein include all the activities of the City of Oceanside and the component units using the integrated approach as prescribed by GASB Statement No. 34.

The Government-Wide Financial Statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting. They present Governmental activities and Business-Type activities separately. These statements include all assets of the City (including infrastructure) as well as all liabilities (including long-term debt). Certain eliminations have occurred as prescribed by the statement in regard to interfund activity, payables, and receivables.

The Fund Financial Statements include statements for each of the three categories of activities – Governmental, Business-Type (Proprietary) and Fiduciary. The Governmental activities (other than internal service activities) are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The Business-Type activities are prepared using the economic resources measurement focus and the accrual basis of accounting. The Fiduciary activities include a private purpose trust and custodial funds which only report a balance sheet and do not have a measurement focus. Reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences created by the integrated approach.

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities. These statements include *all* assets and liabilities of the City using the *accrual basis of accounting,* which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are considered regardless of when cash is received or paid.

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 between the four reported as *Net Position,* which is one way to measure the City's financial health. Over time, increases or decreases in the City's Net Position is one indicator of whether its financial health is improving or deteriorating.

The Statement of Activities presents information showing how the City's Net Position changed during the most recent 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, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e. uncollected taxes and earned but unused vacation leave).

In both the Statement of Net Position and the Statement of Activities, we separate the City activities as follows:

Governmental activities - Most of the City's basic services are reported in this category, including General Government, Public Safety, Public Works, Community Development and Community/Cultural Services (including Parks and Recreation and Library). Property and sales taxes, user fees, interest income, franchise fees, and state and federal grants finance these activities.

Business-Type activities - The City charges a fee to customers to cover all or most of the cost of certain services it provides. The City's Water, Sewer, Waste Disposal, Special Aviation and Harbor District activities are reported in this category.

Reporting the City's Most Significant Funds

Fund Financial Statements - The fund financial statements provide detailed information about the most significant funds, not the City as a whole. Some funds are required to be established by State Law or by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

Governmental funds - Most of the City's basic services are reported in Governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The Governmental fund statements provide a detailed *short-term view* of the City's general governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences of results in the Governmental fund financial statements and those in the Government-Wide financial statements are explained in a reconciliation following each Governmental fund financial statement.

Proprietary funds - When the City charges customers for the services it provides (whether to outside customers or to other units of the City), these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Fund Net Position. In fact, the City's enterprise funds are the same as the Business-Type activities we report in the Government-Wide statements but provide more detail and additional information, such as cash flows. We use internal service funds (such as the City's Self-Insurance, Fleet Operations, and Information Technology funds) to report activities that provide supplies and services to the City's other programs and activities. The Internal Service funds are reported with Governmental activities in the Government-Wide financial statements.

Fiduciary funds - The City is the trustee, or *fiduciary*, for certain funds held on behalf of other agencies and organizations. The City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Liabilities. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Net Position - The City's combined Net Position (i.e. inclusive of *all* City funds) for the fiscal year ended June 30, 2020 is compared to results for June 30, 2019 in Table 1.

Table 1

City of Oceanside Statement of Net Position (in millions of dollars)						
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current & other assets	$ 345.2	$ 295.8	$ 235.9	$ 215.2	$ 581.1	$ 511.0
Capital assets	307.0	304.4	479.5	483.0	786.5	787.4
Total assets	652.2	600.2	715.4	698.2	1,367.6	1,298.4
Deferred Outflows of Resources	50.8	51.9	6.6	3.8	57.4	55.7
Long-term debt outstanding	321.0	286.6	58.2	61.3	379.2	347.9
Other liabilities	22.4	14.9	20.0	17.0	42.4	31.9
Total liabilities	343.4	301.5	78.2	78.3	421.6	379.8
Deferred Inflows of Resources	5.6	11.4	2.6	0.8	8.2	12.2
Net Position						
Net investment in capital assets	273.4	292.8	443.1	441.7	716.5	734.5
Restricted	108.8	75.1	173.8	94.1	282.6	169.2
Unrestricted	(28.2)	(28.7)	24.3	87.1	(3.9)	58.4
Total Net Position	$ 354.0	$ 339.2	$ 641.2	$ 622.9	$ 995.2	$ 962.1

- Net Position represents the simplest test of financial health for the City, indicating the excess (or deficit) of assets and deferred outflows of resources over liabilities and deferred inflows of resources. Net Position for the City as a whole increased $33.1 million for a total of $995.2 million at June 30, 2020 from $962.1 million at June 30, 2019 for a 3.4 % increase of Total Net Position.
- The overall increase in total assets is $69.2 million. The Governmental Activities total assets increased $52.0 million due to increase of $49.3 million in cash and investments and increase of $2.6 million in capital assets. The Business-Type Activities total assets activities increased $17.2 million due to increase of $19.3 million in cash and investments offset by a decrease of $3.4 million in capital assets.
- The overall increase in total liabilities is $41.8 million. The Governmental Activities total liabilities increased $41.9 million mostly due to increase of $20.3 million in long-term debt outstanding, an increase of $10.3 million due to changes in pension related items, and an increase of $3.8 million in other postemployment benefits. The Business-Type Activities total liabilities decreased $0.1 million.
- Deferred outflows of resources increased by $1.7 million. Governmental Activities decreased $1.1 million and Business-Type Activities increased $2.8 million due to changes in pension related items.
- Deferred inflows of resources decreased by $4.0 million. Governmental Activities decreased $5.8 million and Business-Type Activities increased $1.8 million due to changes in pension related items.

As illustrated in Table 2, Total Net Position is comprised of three categories, Net Investment in Capital Assets, Restricted and Unrestricted. The City's net investment in capital assets makes up 72.0% of the City's Total Net Position. The City's total Restricted Net Position increased $113.4 million from 2019 due to increases in capital projects. The City's total Unrestricted Net Position decreased $62.3 million. The Governmental Unrestricted Net Position category increased $0.5 million from the prior year. The Business-Type Unrestricted Net Position category had a $62.8 million decrease from the prior year.

Table 2

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net Investment in Capital Assets	$ 630.7	$ 629.0	$ 621.9	$ 597.2	$ 634.2	$ 658.8	$ 685.8	$ 708.9	$ 734.5	$ 716.5
Restricted	141.1	150.1	140.4	125.1	112.9	129.4	132.9	144.6	169.2	282.6
Unrestricted	82.6	94.0	139.2	207.8	10.5	12.0	33.7	56.1	58.4	(3.9)
Total Net Position	$ 854.4	$ 873.1	$ 901.5	$ 930.1	$ 757.6	$ 800.2	$ 852.4	$ 909.6	$ 962.1	$ 995.2
$ increase (decrease) from prior year	$ 14.4	$ 18.7	$ 28.4	$ 28.6	$ (172.5)	$ 42.6	$ 52.2	$ 57.2	$ 52.5	$ 33.1
% increase (decrease) from prior year	1.7%	2.2%	3.3%	3.2%	-18.5%	5.6%	6.5%	6.7%	5.8%	3.4%

Total City Activities - The City's combined Activities for the fiscal year ended June 30, 2020 is compared to results for June 30, 2019 in Table 3. The Statement of Activities reveals an increase of revenues of $6.0 million from 2019 and expenses increased $25.3 million. For 2020, total revenues less expenditures increased Net Position by $33.1 million. Governmental activities increased by $14.8 million and Business-Type Activities increased by $18.3 million.

Governmental Activities - Net Position (including transfers) increased by $14.8 million in 2020. Program Revenues decreased $5.9 million as a result of decreased funding for capital grants and contributions. General Revenues increased $10.7 million due to increases in sales and property tax. The increase in sales tax revenue was due to the adoption of Measure X, a 7-year one-half percent transaction and use tax that became effective April 1, 2019. Total Government expenses increased by $13.2 million in 2020. General Government expenses increased $4.7 million, Public Safety increased $8.9 million, Public Works decreased $8.1 million, Community Development increased $4.9 million and Community/Cultural Services increased $2.1 million. Interest on long-term debt increased $0.7 million. Transfers to Government Activities decreased $1.2 million.

Table 3

City of Oceanside Activities (in thousands of dollars)	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues						
Charges for services	$ 41,639	$ 42,937	$ 149,843	$ 148,385	$ 191,482	$ 191,322
Operating grants and contributions	35,845	30,435	-	75	35,845	30,510
Capital grants and contributions	2,939	12,979	-	-	2,939	12,979
General Revenues						
Property taxes	68,425	64,970	-	-	68,425	64,970
Sales taxes	37,051	26,893	-	-	37,051	26,893
Other taxes	15,731	17,181	-	-	15,731	17,181
Use of money and property	17,686	17,274	7,035	6,509	24,721	23,783
Other	6,016	7,851	4,511	5,271	10,527	13,122
Total Revenues	$ 225,332	$ 220,520	$ 161,389	$ 160,240	$ 386,721	$ 380,760
Expenses						
General government	$ 28,450	$ 23,705	$ -	$ -	$ 28,450	$ 23,705
Public safety	104,132	95,275	-	-	104,132	95,275
Public works	33,537	41,646	-	-	33,537	41,646
Community development	37,266	32,324	-	-	37,266	32,324
Community/cultural services	18,567	16,494	-	-	18,567	16,494
Interest on long-term debt	1,075	390	-	-	1,075	390
Water	-	-	64,550	62,055	64,550	62,055
Sewer	-	-	41,019	33,235	41,019	33,235
Waste disposal	-	-	23,187	21,150	23,187	21,150
Other	-	-	1,808	1,979	1,808	1,979
Total Expenses	223,027	209,834	130,564	118,419	353,591	328,253
Increase (decrease) in net position before transfers and gain on sale of assets	2,305	10,686	30,825	41,821	33,130	52,507
Transfers	12,504	13,752	(12,504)	(13,752)	-	-
Increase in net position	14,809	24,438	18,321	28,069	33,130	52,507
Beginning net position as restated	339,182	314,744	622,912	594,843	962,094	909,587
Ending net position	$ 353,991	$ 339,182	$ 641,233	$ 622,912	$ 995,224	$ 962,094

Chart 1 depicts the financial strength of the various City programs, or the extent to which these programs generate revenue from fees and grants. The City's programs include General Government, Public Safety (Fire and Police), Public Works, Community Development, and Community/Cultural Services (Recreation & Library). Each program's net cost (total cost less revenues generated by the activities) is presented in the Statement of Activities.

Chart 1

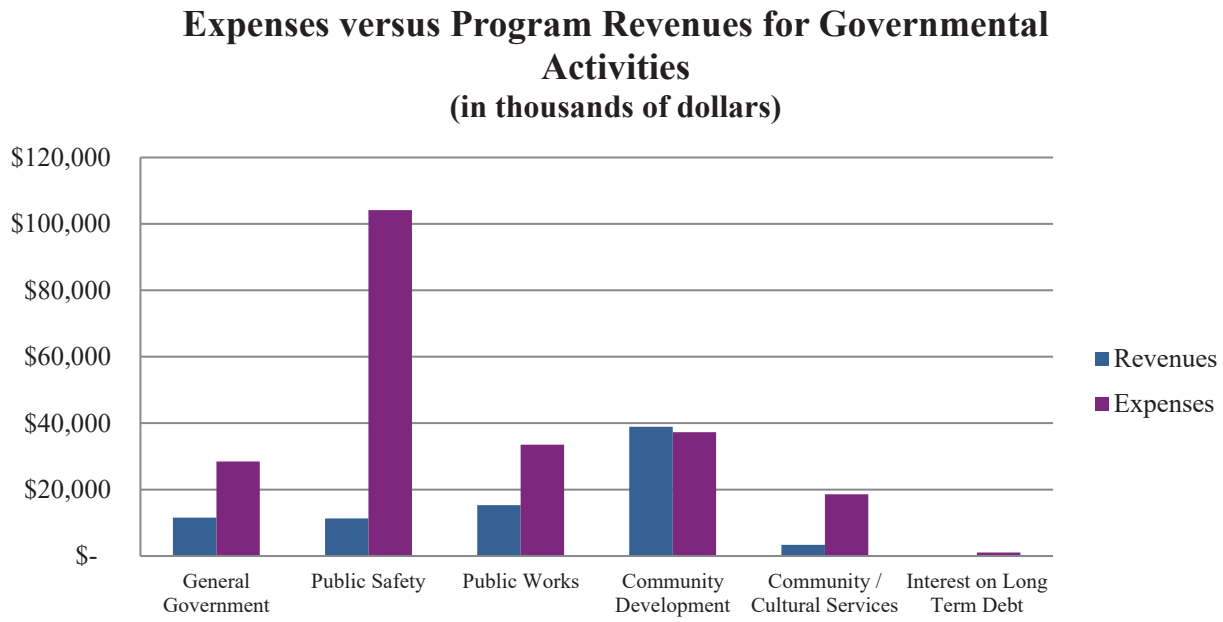
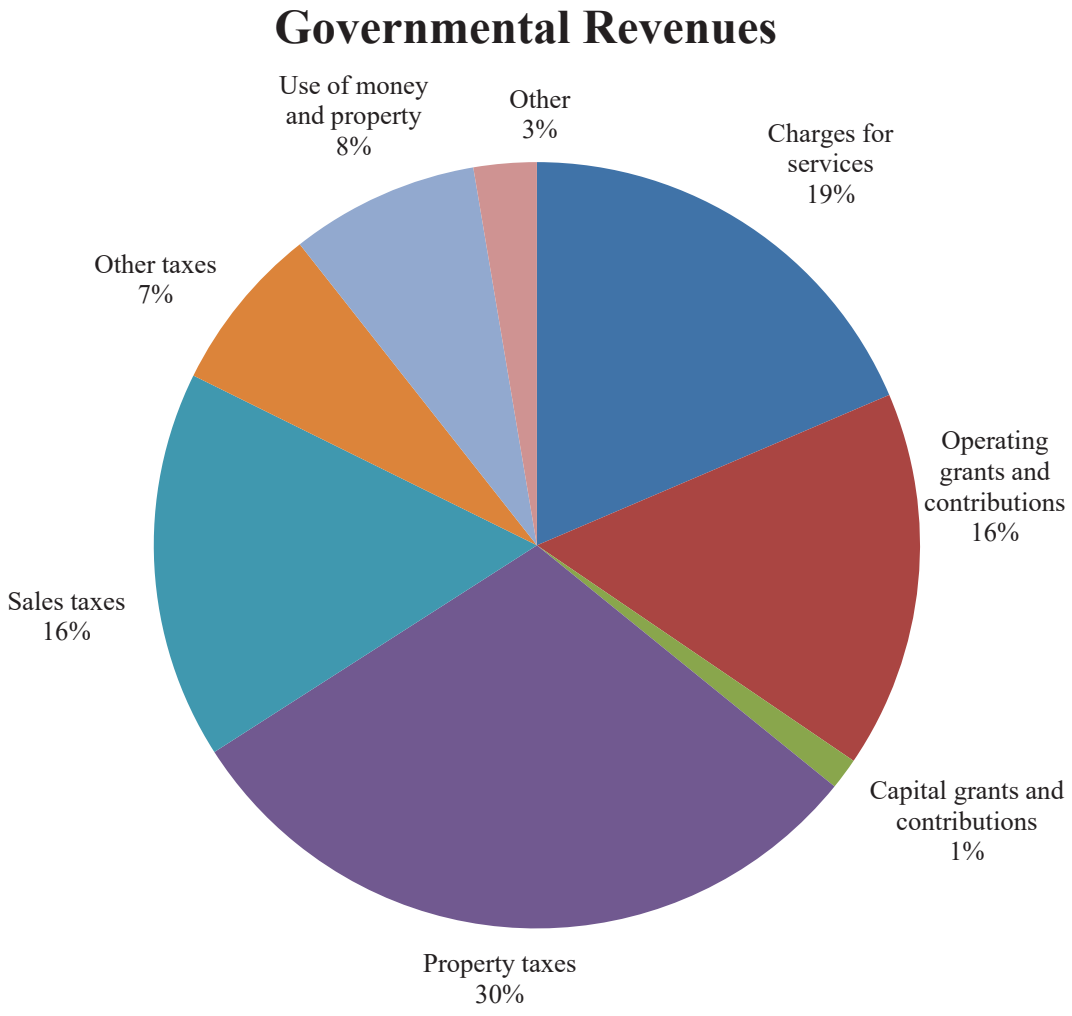


Chart 2 shows that Property Tax, Charges for Services, Sales Tax, and Operating Grants and Contributions and are the top four categories of revenue and comprise 81% of funding for Government activities. The Other Taxes category includes Transient Occupancy Taxes, Franchise Taxes, and Business License Tax. The Other category includes proceeds from the disposition of City real property, intergovernmental administrative fees, developer contributions, and miscellaneous revenues.

Chart 2



Business-Type Activities for the City of Oceanside include Water, Sewer, Solid Waste, Harbor, and Special Aviation. The Net Position (including transfers) increased $18.3 million over last fiscal year as noted on Table 3. Revenues increased $1.1 million due to increase in charges for services. Expenses increased $12.1 million compared to 2019. Transfers out to other funds (a deduction to Net Position) decreased $1.2 million as compared to the prior year.

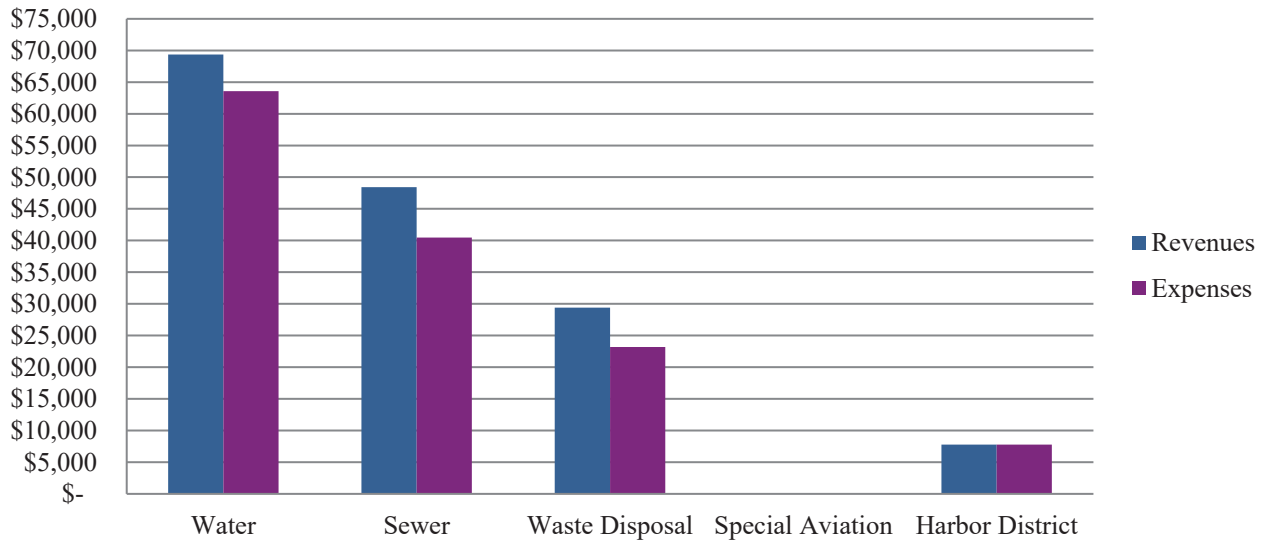
The Statement of Revenues, Expenses, and Changes in Fund Net Position for proprietary funds reflect an increase of $0.6 million in total operating revenues from the previous year. The Water operating revenue increased $1.2 million and Sewer operating revenue decreased $2.5 million. Waste Disposal operating revenue increased $2.3 million and Harbor revenues decreased $0.4 million. Operating expenses for Water increased $2.5 million and Sewer increased $7.8 million. In Water, administrative costs increased $1.4 million and the cost of purchased water increased $1.0 million from the prior year. Water maintenance and operations costs remained flat. Sewer administrative costs increased $1.6 million and maintenance and operations costs increased $6.1 million. In Waste Disposal, maintenance and operations costs increased $1.9 million. Harbor maintenance and operations costs decreased $0.1 million. The Harbor subsidizes the City's General Fund for administrative, maintenance and police functions and through a transfer from the Harbor to the General Fund. These costs decreased $0.2 million from 2019.

Overall, the Business-Type activities operating revenue exceeded operating expenses (before transfers and contributions) for fiscal year 2019-20 with a total net operating income of $26.1 million.

Chart 3 below compares program revenues from Business-Type activities to program expenses. The Water, Sewer, Waste Disposal and Harbor enterprises operated at a profit, as referenced in the Statement of Activities.

Chart 3

Expenses versus Program Revenues for Business-type Activities
(in thousands of dollars)



Financial Analysis of the City's Funds

The City's General Fund had a total fund balance of $83.4 million at year-end, as shown on the Balance Sheet. This is an increase of $3.8 million from 2019 primarily due to increases in sales taxes. Of this total amount, $2.5 million is nonspendable, $11.1 million is restricted, $20.4 million is committed, $49.2 million is assigned, and $0.2 million is unassigned. The unassigned fund balance is available for future expenditure allocation as defined in City Council Policy 200-13. These categories are in compliance with GASB Statement No. 54.

The Statement of Revenues, Expenditures and Changes in Fund Balances also reflects the $3.8 million increase in the General Fund balance. General Fund revenues increased approximately $12.0 million from 2019. General Fund expenditures increased overall $6.4 million. Other Financing Sources includes a transfer in of $14.2 million of which $6.2 million came from the Harbor fund for harbor administrative, maintenance and police services, $6.4 million from Water and Waste Disposal funds for administrative services. Other Financing uses also includes a transfer out of $14.3 million for general improvement capital projects and grants.

The fund balance of the Grants Special Revenue Fund increased $0.2 million. Revenues increased $0.8 million due to increases in reimbursements for intergovernmental grants and increased developer participation. Expenditures increased $3.1 million as compared to 2019 due to increased capital outlay expenditures.

The fund balance of the Housing Assistance Program Special Revenue Fund increased $0.4 million. Revenues increased $1.7 million and expenditures increased $2.0 million as compared to 2019. This increase of expenditures is due to increases in housing assistance program costs.

Debt Administration

Governmental activities long-term liabilities outstanding at year-end increased $34.4 million as noted in Table 4. The most significant increase to long-term liabilities was to the lease revenue bonds due to the issuance of the 2019 Lease Revenue Refunding Bonds. There were also increases to debt outstanding from the net pension liability for the pension plan and from the Other Postemployment Benefits (OPEB) liability. More detail about the City's long-term liabilities, including retirement plans is presented in Notes 8, 9, 10, 12, 13, and 14 to the financial statements.

Table 4

City of Oceanside

Governmental Long-Term Liabilities Outstanding

	Balance at June 30, 2019	Incurred or Issued	Satisfied or Matured	Balance at June 30, 2020
Governmental Activities				
Certificates of Participation	$ 6,634,381	$ -	$ (1,572,498)	$ 5,061,883
Capital Leases Payable	2,710,249	-	(393,924)	2,316,325
Notes Payable	2,348,353	-	(188,656)	2,159,697
Pension Obligation Bonds	23,690,000	-	(3,195,000)	20,495,000
Lease Revenue Bonds	2,195,000	22,745,000	(2,195,000)	22,745,000
Claims Payable	19,636,212	5,723,420	(4,775,982)	20,583,650
Compensated Absences	13,334,202	5,665,448	(4,942,954)	14,056,696
Net Pension Liability	210,279,920	10,303,478	-	220,583,398
Total OPEB Liability	5,789,268	3,764,390	-	9,553,658
Unamortized Bond Premiums	15,376	3,599,190	(127,091)	3,487,475
Total Governmental Activities	$ 286,632,961	$ 51,800,926	$ (17,391,105)	$ 321,042,782

Business-Type debt activities decreased in the fiscal year ending 2020 by $3.1 million. The decrease was the result of debt service payments made on bonds and notes payable.

Table 5

City of Oceanside

Business-Type Activities Long-Term Liabilities Outstanding

	Balance at June 30, 2019	Incurred or Issued	Satisfied, Adjusted or Matured	Balance at June 30, 2020
Business-Type Activities				
Bonds Payable	$ 19,700,000	$ -	$ (2,470,000)	$ 17,230,000
Notes Payable	19,083,824	-	(2,582,310)	16,501,514
Net Pension Liability	17,920,945	1,966,284	-	19,887,229
Compensated Absences	1,966,626	1,037,411	(801,209)	2,202,828
Unamortized Bond Premiums	2,607,838	-	(235,710)	2,372,128
Total Business-Type Activities	$ 61,279,233	$ 3,003,695	$ (6,089,229)	$ 58,193,699

Capital Assets

The capital assets of the City are those assets that are used in the performance of the City's functions, including land, buildings, and infrastructure. Table 6 identifies that at June 30, 2020, net capital assets of the Governmental activities totaled $307.0 million and the net capital assets of the Business-Type activities totaled $479.5 million. Depreciation on capital assets is recognized in the Government-Wide financial statements.

Table 6

City of Oceanside

Capital Assets

	Governmental Activities		Business-Type Activities	
Description	**2020**	**2019**	**2020**	**2019**
Land	$ 60,405,687	$ 60,405,687	$ 29,613,703	$ 29,613,703
Buildings	110,321,460	108,161,903	243,478,122	213,336,725
Improvements	74,957,179	58,900,483	568,622,975	567,559,273
Equipment	75,371,781	68,585,526	29,081,001	28,166,173
Construction in Progress	26,099,707	34,778,925	37,120,832	55,472,619
Infrastructure	312,585,729	312,585,729	-	-
Capital Assets	659,741,543	643,418,253	907,916,633	894,148,493
Accumulated Depreciation	(352,743,185)	(339,021,022)	(428,367,322)	(411,162,280)
Total Capital Assets	$ 306,998,358	$ 304,397,231	$ 479,549,311	$ 482,986,213

Additional information on Capital Assets can be found in Note 7 of this report.

Budgets and Budgetary Accounting

The City Council sets the direction of the City, through the budget, allocating its resources and establishing its priorities. The City Council adopts an annual operating budget and capital budget. All appropriations are as originally adopted or as amended by the City Council, and budgeted amounts lapse at year-end. Budgetary control is exercised at the fund level. The City Manager is authorized to transfer monies appropriated within the same fund and same department provided the total amount within a fund has not changed. A budget adjustment to increase a fund's total, or to transfer monies between funds, requires City Council approval. The City of Oceanside does not distinguish between Basis of Budgeting and Basis of Accounting. The principles set forth as the Basis of Accounting are strictly observed in the budgeting process.

General Fund Budget – Table 7 is a comparison of actual revenues/expenditures versus the amended budget. It is inclusive of Fund 101 (General Fund), Fund 102 (Investment Clearing Fund), Fund 103 (Measure X Fund), and Fund 104 (COVID Small Business Loan Program Fund). It is important to remember that the budget to actual variance of $16.2 million shown in Table 7 does not represent available one-time funds. The actual excess of resources over charges of $3.8 million is available as one-time funds and has been assigned by Council for specific uses. Revenues received were approximately $7.1 million more than the amended budget. In April 2020, the General Fund revenue budgets were adjusted to reflect the projected economic impacts of the COVID-19 Pandemic. To offset the revenue reductions, maintenance and operations budgets and personnel budgets were also reduced. The impact of the pandemic to sales tax was not significant to Oceanside, however, and the actual sales tax revenue exceeded budgeted revenue.

Charges to appropriations were in line with the amended budget. Overall, actual revenues exceeded expenditures and transfers by approximately $3.8 million which increased the General Fund balance. Of this amount, $2.2 million went to Measure X reserves, $0.9 million went to the COVID-19 business loan program reserves, and $0.35 million was assigned by City Council for PERS Unfunded Liability payment and $0.35 million for infrastructure projects.

Table 7

City of Oceanside			
General Fund Comparison – Actual and Budget Year Ended June 30, 2020			
	Amended Budget	**Actual**	**Variance Pos/(Neg)**
Resources (inflows)			
Taxes	$ 116,201,362	$ 121,207,640	$ 5,006,278
Licenses and permits	3,529,113	3,834,114	305,001
Intergovernmental	250,000	395,827	145,827
Charges for services	18,370,224	16,591,571	(1,778,653)
Use of money and property	8,234,990	11,613,650	3,378,660
Fines and forfeitures	3,163,384	3,626,249	462,865
Administrative and in lieu charges	6,778,853	6,733,764	(45,089)
Miscellaneous	167,397	294,020	126,623
Transfers in	14,669,765	14,205,860	(463,905)
Amount Available for Appropriations	171,365,088	178,502,695	7,137,607
Charges to Appropriations (outflows)			
General Government	30,827,487	27,768,414	3,059,073
Public Safety	94,158,029	93,637,949	520,080
Community Development	10,145,032	9,230,243	914,789
Community/Cultural Services	16,658,835	14,661,988	1,996,847
Public Works	16,247,664	14,914,079	1,333,585
Capital Outlay	471,877	205,893	265,984
Debt Service	15,654	15,654	-
Transfers Out	15,218,436	14,265,718	952,718
Total Charges to Appropriations	183,743,014	174,699,938	9,043,076
Excess of Resources Over (Under) Charges to Appropriations as of June 30, 2020	$ (12,377,926)	$ 3,802,757	$ 16,180,683

Table 8 compares the General Fund (inclusive of Fund 101 General Fund, Fund 102 Investment Clearing Fund, Fun 103 Measure X, and Fund 104 COVID Small Business Loan Program Fund) original adopted budget of $172.7 million to the final budget amount of $183.7 million which shows an overall amended increase of $11.0 million as delineated below. The variance between the adopted and amended budget includes increases for continuing appropriations and one-time capital expenditures approved by City Council.

Table 8

City of Oceanside			
General Fund Budget Comparison As Adopted and Amended Year Ended June 30, 2020			
	Adopted	**Amended**	**Increase/ (Decrease)**
General Government			
Operational	$ 17,234,878	$ 17,371,228	$ 136,350
Non-Departmental	6,605,177	13,456,259	6,851,082
Public Safety			
Police	61,391,204	60,429,982	(961,222)
Fire	32,821,582	33,728,047	906,465
Public Works	15,997,776	16,247,664	249,888
Community Development			
Planning	2,422,699	2,628,123	205,424
Building	2,977,455	2,925,016	(52,439)
Engineering	4,967,539	4,591,893	(375,646)
Community and Cultural Services			
Economic and Community Development	707,491	2,087,329	1,379,838
Library	5,835,593	5,829,906	(5,687)
Neighborhood Services	7,708,595	7,732,392	23,797
Property Management	1,083,714	1,009,208	(74,506)
Transfers/Capital Outlay/Debt	12,987,455	15,705,967	2,718,512
Total Budget	$ 172,741,158	$ 183,743,014	$ 11,001,856

GLOSSARY

- **Business-Type Activities:** in the context of the government-wide financial statements, activities of the City that are intended to recover costs totally or partially through user charges. Examples include Water Utilities, Wastewater Utilities, Waste Disposal, Special Aviation and Small Craft Harbor District.
- **Capital Assets:** assets used in operations that are not available for spending (i.e. land, buildings, structures, and improvements other than buildings, machinery and equipment, infrastructure, and construction in progress.)
- **Fiduciary Funds:** funds used to account for resources held for the benefit of outside parties as an agent, and therefore not available to support the City's own programs.
- **Fund Balance:** the difference between assets and liabilities reported in a governmental fund.
- **Governmental Activities:** in the context of the government-wide financial statements, activities of the City that are supported by taxes. Examples include General Fund, Housing Assistance Program Special Revenue Fund, Redevelopment Agency Debt Service Fund, Redevelopment Agency Capital Projects Fund, General Improvement Capital Projects Fund, and Other Governmental Funds such as additional "minor" special revenue funds and debt service funds.
- **Governmental Funds:** funds generally used to account for tax-supported activities.
- **Net Investment in Capital Assets:** the portion of net position reflecting equity in capital assets (i.e. capital assets minus related debt).
- **Net Position:** the difference between assets and liabilities in proprietary funds and government-wide financial statements.
- **Proprietary Funds**: funds used to account for Business-Type activities.
- **Restricted Net Position: t**he portion of net position equal to resources whose use is legally restricted minus any non-capital-related liabilities payable from those same resources.
- **Unrestricted Net Position:** the residual balance of net position after the elimination of *net investment in in capital assets* and *restricted net position.*

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report, separate reports of the City's component units or need any additional financial information, contact the Office of the Director of Financial Services at 300 North Coast Highway, Oceanside, California, 92054 or phone (760) 435-3850.

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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CITY OF OCEANSIDE, CALIFORNIA

STATEMENT OF NET POSITION
JUNE 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and investments (Note 3)	$ 200,660,548	$ 217,027,910	$ 417,688,458
Restricted assets:			
Cash and investments (Note 3)	11,769,279	-	11,769,279
Cash and investments held with fiscal agents (Note 3)	24,062,438	14,575	24,077,013
Receivables:			
Accounts	5,716,554	14,127,703	19,844,257
Taxes	7,393,372	-	7,393,372
Notes and loans (Note 5)	90,279,563	-	90,279,563
Accrued interest	1,755,627	-	1,755,627
Other	2,424,147	-	2,424,147
Internal balances (Note 6)	(4,405,100)	4,405,100	-
Due from other governments	4,098,190	-	4,098,190
Inventories	310,390	308,662	619,052
Land held for resale	700,000	-	700,000
Prepaid costs	390,790	5,000	395,790
Capital assets:			
Capital assets, not being depreciated (Note 7)	86,505,394	66,734,535	153,239,929
Capital assets, net of depreciation (Note 7)	220,492,964	412,814,776	633,307,740
Total Assets	**652,154,156**	**715,438,261**	**1,367,592,417**
Deferred Outflows of Resources:			
Deferred charge on refunding	-	110,664	110,664
Pension deferrals (Note 13)	47,650,941	6,538,681	54,189,622
Other post-employment benefit deferrals (Note 14)	3,185,956	-	3,185,956
Total Deferred Outflows of Resources	**50,836,897**	**6,649,345**	**57,486,242**
Liabilities:			
Accounts payable	10,103,281	17,373,732	27,477,013
Accrued liabilities	5,523,488	843,563	6,367,051
Due to other governments	187,694	-	187,694
Accrued interest	493,329	262,414	755,743
Unearned revenue	5,205,764	41,544	5,247,308
Deposits payable	813,542	1,484,939	2,298,481
Compensated absences, due within one year (Note 9)	5,210,781	897,756	6,108,537
Claims and judgments, due within one year (Note 12)	4,964,763	-	4,964,763
Capital leases, due within one year (Note 8)	406,430	-	406,430
Bonds and notes payable, due within one year (Note 10)	5,270,248	5,198,869	10,469,117
Noncurrent liabilities:			
Compensated absences (Note 9)	8,845,915	1,305,072	10,150,987
Claims and judgments (Note 12)	15,618,887	-	15,618,887
Capital leases (Note 8)	1,909,895	-	1,909,895
Bonds and notes payable (Note 10)	48,678,807	30,904,773	79,583,580
Net pension liability (Note 13)	220,583,398	19,887,229	240,470,627
Other post-employment benefits liability (Note 14)	9,553,658	-	9,553,658
Total Liabilities	**343,369,880**	**78,199,891**	**421,569,771**
Deferred Inflows of Resources:			
Deferred charge on refunding	228,945	-	228,945
Pension deferrals (Note 13)	5,231,554	2,654,718	7,886,272
Other post-employment benefit deferrals (Note 14)	169,401	-	169,401
Total Deferred Inflows of Resources	**5,629,900**	**2,654,718**	**8,284,618**
Net Position:			
Net investment in capital assets	273,355,507	443,147,841	716,503,348
Restricted:			
Community development projects	8,199,856	-	8,199,856
Public safety	4,019,930	-	4,019,930
Pension stabilization (Section 115 Trust)	11,148,456	-	11,148,456
Debt service	2,312,694	-	2,312,694
Street lighting and landscape maintenance	2,038,941	-	2,038,941
Highways	5,578,203	-	5,578,203
Housing assistance program	4,362,813	-	4,362,813
Capital projects	71,204,587	169,779,265	240,983,852
Rate stabilization	-	4,013,180	4,013,180
Unrestricted	(28,229,714)	24,292,711	(3,937,003)
Total Net Position	**$ 353,991,273**	**$ 641,232,997**	**$ 995,224,270**

The notes to financial statements are an integral part of this statement.

CITY OF OCEANSIDE, CALIFORNIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Contributions and Grants	Program Revenues: Capital Contributions and Grants
Primary Government:				
Governmental Activities:				
General government	$ 28,450,401	$ 10,542,631	$ 990,172	$ -
Public safety	104,131,430	7,686,860	3,160,459	476,326
Community development	37,266,131	15,106,948	23,674,418	145,282
Community/cultural services	18,567,090	2,167,597	1,188,315	-
Public works	33,537,113	6,135,002	6,831,947	2,316,887
Interest on long-term debt	1,075,255	-	-	-
Total Governmental Activities	**223,027,420**	**41,639,038**	**35,845,311**	**2,938,495**
Business-Type Activities:				
Water	64,549,971	67,368,304	-	-
Sewer	41,018,989	46,188,366	-	-
Waste Disposal	23,187,100	29,392,540	-	-
Special Aviation	163,004	-	-	-
Oceanside Small Craft Harbor District	1,645,462	6,893,952	-	-
Total Business-Type Activities	**130,564,526**	**149,843,162**	**-**	**-**
Total Primary Government	**$ 353,591,946**	**$ 191,482,200**	**$ 35,845,311**	**$ 2,938,495**

General Revenues:	
Taxes:	
Property taxes, general purpose levy (Note 4)	
Transient occupancy taxes	
Sales taxes	
Franchise taxes	
Business licenses taxes	
Other taxes	
Use of money and property	
Other	
Transfers (Note 6)	
Total General Revenues and Transfers	
Change in Net Position	
Net Position - Beginning	
Net Position - Ending	

The notes to financial statements are an integral part of this statement.

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
$ (16,917,598)	$ -	$ (16,917,598)
(92,807,785)	-	(92,807,785)
1,660,517	-	1,660,517
(15,211,178)	-	(15,211,178)
(18,253,277)	-	(18,253,277)
(1,075,255)	-	(1,075,255)
(142,604,576)	**-**	**(142,604,576)**
-	2,818,333	2,818,333
-	5,169,377	5,169,377
-	6,205,440	6,205,440
-	(163,004)	(163,004)
-	5,248,490	5,248,490
-	**19,278,636**	**19,278,636**
(142,604,576)	**19,278,636**	**(123,325,940)**
68,425,495	-	68,425,495
7,359,497	-	7,359,497
37,051,161	-	37,051,161
4,251,617	-	4,251,617
3,244,103	-	3,244,103
875,767	-	875,767
17,686,367	7,035,432	24,721,799
6,016,372	4,510,598	10,526,970
12,503,813	(12,503,813)	-
157,414,192	**(957,783)**	**156,456,409**
14,809,616	18,320,853	33,130,469
339,181,657	622,912,144	962,093,801
$ 353,991,273	**$ 641,232,997**	**$ 995,224,270**

The notes to financial statements are an integral part of this statement.

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

The City reports the following major governmental funds:

The **General Fund** is used to account for resources which are not required legally or by sound financial management to be accounted for in another fund.

The **Grants Fund** is used to account for funds received from federal, state and county governments for use on approved projects.

The **Housing Assistance Program Special Revenue Fund** is used to account for the operation of the City's housing program. Financing is provided by HUD (Section 8), Community Development Block Grants, and service fees on mortgage revenue bonds.

The **General Improvement Capital Projects Fund** is used to account for general purpose capital projects funded primarily from developer impact fees and bond proceeds.

The **Other Governmental Funds** are the aggregate of all the other governmental funds.

CITY OF OCEANSIDE, CALIFORNIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

		Special Revenue Funds	
	General	Grants	Housing Assistance Program
Assets:			
Cash and investments (Note 3)	$ 66,003,253	$ 13,747,001	$ 4,678,246
Restricted assets:			
Cash and investments (Note 3)	-	55,834	-
Cash and investments held by fiscal agents (Note 3)	11,148,456	-	220,823
Receivables:			
Accounts	5,190,988	-	25,581
Taxes	7,152,384	-	-
Notes and loans (Note 5)	100,000	73,051,196	16,419,726
Accrued interest	1,755,627	-	-
Other	2,424,147	-	-
Due from other funds (Note 6)	2,172,004	-	-
Due from other governments	-	3,492,615	182,364
Inventories	25,665	-	-
Land held for resale	700,000	-	-
Prepaid costs	92,922	-	6,936
Advances to other funds (Note 6)	1,664,402	-	-
Total Assets	**$ 98,429,848**	**$ 90,346,646**	**$ 21,533,676**
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	$ 3,129,461	$ 518,555	$ 146,743
Accrued liabilities	5,068,106	45,999	45,546
Deposits payable	654,391	-	112,323
Due to other governments	-	-	187,694
Due to other funds (Note 6)	-	1,827,731	15,016
Unearned revenues	60,737	3,757,796	236,879
Total Liabilities	8,912,695	6,150,081	744,201
Deferred Inflows of Resources:			
Unavailable revenues	6,095,240	75,911,777	16,445,306
Total Deferred Inflows of Resources	6,095,240	75,911,777	16,445,306
Fund Balances:			
Nonspendable:			
Inventories	25,665	-	-
Land held for resale	700,000	-	-
Prepaid costs	92,922	-	6,936
Long-term interfund advances	1,664,402	-	-
Restricted:			
Community development projects	-	8,199,856	-
Public safety	-	84,932	-
Pension stabilization (Section 115 Trust)	11,148,456	-	-
Debt service	-	-	-
Street lighting and landscape maintenance	-	-	-
Highways	-	-	-
Housing assistance program	-	-	4,337,233
Capital projects	-	-	-
Committed			
Community development projects	20,424,871	-	-
Assigned			
Public safety	326,913	-	-
Parks and recreation	51,241	-	-
Post-employment leave	2,546,609	-	-
Employee compensation	500,000	-	-
Workers compensation	7,633,000	-	-
Infrastructure	5,842,880	-	-
Revenue/economic stabilization	9,231,218	-	-
PERS supplemental reserve	11,043,112	-	-
Measure X	4,909,808	-	-
Long-term planning	980,682	-	-
Pier maintenance	4,806,720	-	-
COVID-19 small business loan program	910,920	-	-
Other	360,351	-	-
Unassigned	222,143	-	-
Total Fund Balances	83,421,913	8,284,788	4,344,169
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 98,429,848**	**$ 90,346,646**	**$ 21,533,676**

The notes to financial statements are an integral part of this statement.

CITY OF OCEANSIDE, CALIFORNIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	Capital Projects Fund		
	General Improvement	Other Governmental Funds	Total Governmental Funds
Assets:			
Cash and investments (Note 3)	$ 52,125,518	$ 11,179,267	$ 147,733,285
Restricted assets:			
Cash and investments (Note 3)	23,997,793	-	24,053,627
Cash and investments held by fiscal agents (Note 3)	100,000	8,811	11,478,090
Receivables:			
Accounts	153,835	-	5,370,404
Taxes	-	240,988	7,393,372
Notes and loans (Note 5)	149,655	558,986	90,279,563
Accrued interest	-	-	1,755,627
Other	-	-	2,424,147
Due from other funds (Note 6)	-	-	2,172,004
Due from other governments	119,405	303,806	4,098,190
Inventories	-	-	25,665
Land held for resale	-	-	700,000
Prepaid costs	-	-	99,858
Advances to other funds (Note 6)	-	-	1,664,402
Total Assets	**$ 76,646,206**	**$ 12,291,858**	**$ 299,248,234**
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	$ 4,032,495	$ 414,720	$ 8,241,974
Accrued liabilities	7,482	62,283	5,229,416
Deposits payable	46,828	-	813,542
Due to other governments	-	-	187,694
Due to other funds (Note 6)	54,807	274,450	2,172,004
Unearned revenues	1,150,352	-	5,205,764
Total Liabilities	5,291,964	751,453	21,850,394
Deferred Inflows of Resources:			
Unavailable revenues	769,748	802,406	100,024,477
Total Deferred Inflows of Resources	769,748	802,406	100,024,477
Fund Balances:			
Nonspendable:			
Inventories	-	-	25,665
Land held for resale	-	-	700,000
Prepaid costs	-	-	99,858
Long-term interfund advances	-	-	1,664,402
Restricted:			
Community development projects	-	-	8,199,856
Public safety	-	1,074,417	1,159,349
Pension stabilization (Section 115 Trust)	-	-	11,148,456
Debt service	-	2,312,694	2,312,694
Street lighting and landscape maintenance	-	2,038,941	2,038,941
Highways	-	5,334,783	5,334,783
Housing assistance program	-	-	4,337,233
Capital projects	70,584,494	-	70,584,494
Committed			
Community development projects	-	-	20,424,871
Assigned			
Public safety	-	-	326,913
Parks and recreation	-	-	51,241
Post-employment leave	-	-	2,546,609
Employee compensation	-	-	500,000
Workers compensation	-	-	7,633,000
Infrastructure	-	-	5,842,880
Revenue/economic stabilization	-	-	9,231,218
PERS supplemental reserve	-	-	11,043,112
Measure X	-	-	4,909,808
Long-term planning	-	-	980,682
Pier maintenance	-	-	4,806,720
COVID-19 small business loan program	-	-	910,920
Other	-	-	360,351
Unassigned	-	(22,836)	199,307
Total Fund Balances	70,584,494	10,737,999	177,373,363
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 76,646,206**	**$ 12,291,858**	**$ 299,248,234**

The notes to financial statements are an integral part of this statement.

CITY OF OCEANSIDE, CALIFORNIA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION JUNE 30, 2020

Amounts reported for Governmental Activities in the Statement of Net Position (page 23) are different because:

Total Fund Balances - Governmental Funds (page 29)		$ 177,373,363
Capital assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds. The details of this $297,831,041 are as follows:		
Capital assets, not being depreciated	$ 86,080,330	
Capital assets, being depreciated	542,712,507	
Less: accumulated depreciation	(330,961,796)	
Net adjustment to increase Fund Balance - Total Governmental Funds to arrive at Net Position - Governmental Activities		297,831,041
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		100,024,477
Internal Service Funds are used by management to charge the cost of loss prevention and general services to individual funds. The assets and liabilities of the Internal Service Funds are included in Governmental Activities in the Statement of Net Position. The details of this $27,113,980 difference are as follows:		
Net Position of the Internal Service Funds	33,591,974	
Less: internal payable representing charges in excess of cost to business-type activities - prior years	(6,292,193)	
Less: internal payable representing charges in excess of cost to business-type activities - current year	(185,801)	
Net adjustment to increase Fund Balance - Total Governmental Funds to arrive at Net Position - Governmental Activities		27,113,980
Deferred outflows of resources related to pensions and other post-employment benefits are a consumption of resources applicable to a future period and, therefore, are not reported in the funds. The details of this $48,991,364 are as follows:		
Pensions:		
Employer pension contributions made subsequent to the measurement date	29,013,673	
Changes of assumptions	8,199,834	
Differences between expected and actual experience	8,591,901	
Other Post-Employment Benefits:		
Changes of assumptions	1,353,610	
Differences between expected and actual experience	1,832,346	
Net adjustment to increase Fund Balance - Total Governmental Funds to arrive at Net Position - Governmental Activities		48,991,364
Long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore, are not reported in the funds. The details of this ($292,884,066) are as follows:		
Bonds payable	(48,301,883)	
Add: Deferred gain on refunding (to be amortized over life of debt)	(228,945)	
Add: Issuance premium (to be amortized over life of debt)	(3,487,475)	
Loans payable	(2,150,167)	
Capital leases	(2,316,325)	
Compensated absences	(13,239,358)	
Accrued interest payable	(493,329)	
Net pension liability	(213,112,926)	
Other post-employment benefits obligations	(9,553,658)	
Net adjustment to decrease Fund Balance - Total Governmental Funds to arrive at Net Position - Governmental Activities		(292,884,066)

The notes to financial statements are an integral part of this statement.

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2020**

Deferred inflows of resources related to pensions and other post-employment benefits are an acquisition of net position applicable to a future period and, therefore, are not reported in the funds. The details of this ($4,458,886) are as follows:

Pensions:		
Changes of assumptions	(1,788,964)	
Differences between expected and actual experience	(2,190,123)	
Net difference between projected and actual earnings on pension plan investments	(310,398)	
Other Post-Employment Benefits:		
Changes of assumptions	(169,401)	
Net adjustment to decrease Fund Balance - Total Governmental Funds to arrive at Net Position - Governmental Activities		(4,458,886)
Net Position of Governmental Activities		**$ 353,991,273**

The notes to financial statements are an integral part of this statement.

CITY OF OCEANSIDE, CALIFORNIA

STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

		Special Revenue Funds	
	General	Grants	Housing Assistance Program
Revenues:			
Taxes	$ 121,207,640	$ -	$ -
Licenses and permits	3,834,114	-	192,506
Intergovernmental	395,827	5,675,871	21,292,691
Charges for services	16,591,571	25,460	66,121
Use of money and property	11,613,650	628,856	864,656
Fines and forfeitures	3,626,249	-	-
Developer participation	-	2,484,544	-
Administrative and in lieu charges	6,733,764	-	-
Miscellaneous	294,020	3,500	297,550
Total Revenues	**164,296,835**	**8,818,231**	**22,713,524**
Expenditures:			
Current:			
General government	27,768,414	-	-
Public safety	93,637,949	2,404,048	-
Community development	9,230,243	4,332,918	22,287,485
Community/cultural services	14,661,988	191,622	-
Public works	14,914,079	86,299	-
Capital outlay	205,893	1,485,306	-
Debt service:			
Principal retirement (Note 10)	15,654	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	**160,434,220**	**8,500,193**	**22,287,485**
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,862,615	318,038	426,039
Other Financing Sources (Uses):			
Transfers in (Note 6)	14,205,860	323,727	-
Transfers out (Note 6)	(14,265,718)	(447,538)	-
Bonds issued (Note 10)	-	-	-
Bond premium (Note 10)	-	-	-
Total Other Financing Sources (Uses)	**(59,858)**	**(123,811)**	**-**
Net Change in Fund Balances	3,802,757	194,227	426,039
Fund Balances - Beginning	79,619,156	8,090,561	3,918,130
Fund Balances - Ending	**$ 83,421,913**	**$ 8,284,788**	**$ 4,344,169**

The notes to financial statements are an integral part of this statement.

CITY OF OCEANSIDE, CALIFORNIA

STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Capital Projects Fund		
	General Improvement	Other Governmental Funds	Total Governmental Funds
Revenues:			
Taxes	$ -	$ -	$ 121,207,640
Licenses and permits	-	-	4,026,620
Intergovernmental	-	10,166,303	37,530,692
Charges for services	313,927	-	16,997,079
Use of money and property	1,413,150	2,614,817	17,135,129
Fines and forfeitures	-	-	3,626,249
Developer participation	3,048,742	-	5,533,286
Administrative and in lieu charges	-	2,971,950	9,705,714
Miscellaneous	977,635	5,420,770	6,993,475
Total Revenues	**5,753,454**	**21,173,840**	**222,755,884**
Expenditures:			
Current:			
General government	290,887	-	28,059,301
Public safety	-	70,999	96,112,996
Community development	150,128	-	36,000,774
Community/cultural services	-	984,022	15,837,632
Public works	854,384	7,541,704	23,396,466
Capital outlay	13,968,477	1,408,334	17,068,010
Debt service:			
Principal retirement (Note 10)	-	7,527,994	7,543,648
Interest and fiscal charges	-	1,155,900	1,155,900
Total Expenditures	**15,263,876**	**18,688,953**	**225,174,727**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,510,422)	2,484,887	(2,418,843)
Other Financing Sources (Uses):			
Transfers in (Note 6)	40,385,310	406,988	55,321,885
Transfers out (Note 6)	(212,000)	(27,826,452)	(42,751,708)
Bonds issued (Note 10)	-	22,745,000	22,745,000
Bond premium (Note 10)	-	3,599,190	3,599,190
Total Other Financing Sources (Uses)	**40,173,310**	**(1,075,274)**	**38,914,367**
Net Change in Fund Balances	30,662,888	1,409,613	36,495,524
Fund Balances - Beginning	39,921,606	9,328,386	140,877,839
Fund Balances - Ending	**$ 70,584,494**	**$ 10,737,999**	**$ 177,373,363**

The notes to financial statements are an integral part of this statement.

CITY OF OCEANSIDE, CALIFORNIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2020

Amounts reported for Governmental Activities in the Statement of Activities (page 25) are different because:

Net Change in Fund Balances - Total Governmental Funds (page 33)		$ 36,495,524
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period. The details of this $2,915,236 difference are as follows:		
Capital outlay	$ 15,798,332	
Depreciation expense	(12,883,096)	
Net adjustment to increase Net Changes in Fund Balances - Total Governmental Funds to arrive at Changes in Net Position of Governmental Activities		2,915,236
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		2,460,780
The issuance of long-term liabilities (e.g. bonds, loans) provides current financial resources to Governmental Funds, while the repayment of the principal of long-term liabilities 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, discounts, and similar items when the liability is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term liabilities and related items. The details of is ($18,800,542) difference are as follows:		
Debt issued or incurred:		
Lease revenue bonds issued	(22,745,000)	
Plus: premium	(3,599,190)	
Principal repayments:		
Bonds payable	6,962,498	
Loans payable	187,226	
Capital leases	393,924	
Net adjustment to decrease Net Changes in Fund Balances - Total Governmental Funds to arrive at Changes in Net Position of Governmental Activities		(18,800,542)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the Governmental Funds. The details of this ($9,577,565) difference are as follows:		
Compensated absences	(705,636)	
Pension liability	(8,411,784)	
Other post-employment benefits obligation	(540,790)	
Accrued interest	(103,682)	
Amortization of bond premiums	127,091	
Amortization of deferred gains on refunding	57,236	
Net adjustment to decrease Net Changes in Fund Balances - Total Governmental Funds to arrive at Changes in Net Position of Governmental Activities		(9,577,565)
The Internal Service Funds are used by management to charge the cost of loss prevention and general services to individual funds. The net revenue of certain activities of Internal Service Funds is reported with Governmental Activities. The details of this $1,316,183 difference are as follows:		
Change in Net Position of the Internal Service Funds	1,501,984	
Less: Gain from charges to Business-Type Activities	(185,801)	
Net adjustment to increase Net Changes in Fund Balances - Total Governmental Funds to arrive at Changes in Net Position of Governmental Activities		1,316,183
Change in Net Position of Governmental Activities		**$ 14,809,616**

The notes to financial statements are an integral part of this statement.

PROPRIETARY FUND FINANCIAL STATEMENTS

The City reports the following major proprietary funds:

The **Water Fund** is used to account for the operation of the City's water utility, a self-supporting activity which provides services on a user charge basis.

The **Sewer Fund** is used to account for the operation (including wastewater treatment) of the City's sewer facility, a self-supporting activity which provides services on a user charge basis.

The **Waste Disposal Fund** is used to account for the collection and disposal of solid waste (including waste collected from street sweeping). Monthly service charges to all Oceanside property owners fund the above services.

The **Special Aviation Fund** is used to account for the operation of the Oceanside (General Aviation) Airport. Funding for operating expenses is provided by rents and leases.

The **Oceanside Small Craft Harbor District Fund** is used to account for the operation and maintenance of the Oceanside Small Craft Harbor. Funding for operating expenses is provided by user charges.

The **Internal Service Funds** account for risk management services (including workers' compensation, general liability, and property damage), fleet management, information technology, building services, and employee benefits provided to other departments of the City on a cost-reimbursement basis.

CITY OF OCEANSIDE, CALIFORNIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Waste Disposal	Special Aviation
Assets:				
Current Assets:				
Cash and investments (Note 3)	$ 86,928,836	$ 116,826,249	$ 5,647,729	$ 929,164
Restricted cash and investments (Note 3)	340	14,235	-	-
Accounts receivable	7,735,825	5,114,176	912,817	-
Prepaid costs	5,000	-	-	-
Inventories	265,298	43,364	-	-
Total Current Assets	94,935,299	121,998,024	6,560,546	929,164
Noncurrent Assets:				
Advances to other funds (Note 6)	-	-	-	-
Capital assets, not being depreciated (Note 7)	39,803,080	22,957,821	35,328	3,835,398
Capital assets, being depreciated (Note 7)	369,537,360	434,120,606	3,334,923	2,105,525
Less accumulated depreciation (Note 7)	(183,300,771)	(219,134,687)	(440,892)	(1,348,513)
Total Noncurrent Assets	226,039,669	237,943,740	2,929,359	4,592,410
Total Assets	**320,974,968**	**359,941,764**	**9,489,905**	**5,521,574**
Deferred Outflows of Resources:				
Deferred charge on refunding	-	110,664	-	-
Pension deferrals (Note 13)	3,009,492	3,293,924	235,265	-
Total Deferred Outflows of Resources	**3,009,492**	**3,404,588**	**235,265**	**-**
Liabilities:				
Current Liabilities:				
Accounts payable	12,875,349	2,324,395	2,068,578	-
Accrued liabilities	408,174	418,795	16,594	-
Accrued interest	93,235	165,804	-	-
Unearned revenues	5,000	-	-	-
Deposits payable	1,080,499	-	-	-
Compensated absences (Note 9)	418,475	470,417	8,864	-
Accrued claims and judgments (Note 12)	-	-	-	-
Bonds and notes payable (Note 10)	1,215,000	3,883,869	-	-
Total Current Liabilities	16,095,732	7,263,280	2,094,036	-
Noncurrent Liabilities:				
Advances from other funds (Note 6)	-	-	-	1,664,402
Compensated absences (Note 9)	578,529	705,442	21,101	-
Accrued claims and judgments (Note 12)	-	-	-	-
Bonds and notes payable (Note 10)	11,168,915	19,430,858	-	-
Net pension liability (Note 13)	9,172,994	10,129,954	584,281	-
Total Noncurrent Liabilities	20,920,438	30,266,254	605,382	1,664,402
Total Liabilities	**37,016,170**	**37,529,534**	**2,699,418**	**1,664,402**
Deferred Inflows of Resources:				
Pension deferrals (Note 13)	1,221,774	1,349,731	83,213	-
Total Deferred Inflows of Resources	**1,221,774**	**1,349,731**	**83,213**	**-**
Net Position:				
Net investment in capital assets	213,655,754	214,739,677	2,929,359	4,592,410
Restricted for capital projects	82,289,801	87,489,464	-	-
Restricted for rate stabilization	-	-	4,013,180	-
Unrestricted	(10,199,039)	22,237,946	-	(735,238)
Total Net Position	**$ 285,746,516**	**$ 324,467,087**	**$ 6,942,539**	**$ 3,857,172**
Adjustment to reflect the consolidation of internal service fund activities to related enterprise funds				
Net Position of Business-Type Activities				

The notes to financial statements are an integral part of this statement.

CITY OF OCEANSIDE, CALIFORNIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

	Business-Type Activities - Enterprise Funds		Governmental Activities- Internal Service Funds
	Oceanside Small Craft Harbor District	Totals	
Assets:			
Current Assets:			
Cash and investments (Note 3)	$ 6,695,932	$ 217,027,910	$ 52,927,263
Restricted cash and investments (Note 3)	-	14,575	300,000
Accounts receivable	364,885	14,127,703	346,150
Prepaid costs	-	5,000	290,932
Inventories	-	308,662	284,725
Total Current Assets	7,060,817	231,483,850	54,149,070
Noncurrent Assets:			
Advances to other funds (Note 6)	-	-	408,492
Capital assets, not being depreciated (Note 7)	102,908	66,734,535	425,064
Capital assets, being depreciated (Note 7)	32,083,684	841,182,098	30,523,640
Less accumulated depreciation (Note 7)	(24,142,459)	(428,367,322)	(21,781,387)
Total Noncurrent Assets	8,044,133	479,549,311	9,575,809
Total Assets	**15,104,950**	**711,033,161**	**63,724,879**
Deferred Outflows of Resources:			
Deferred charge on refunding	-	110,664	-
Pension deferrals (Note 13)	-	6,538,681	1,845,533
Total Deferred Outflows of Resources	**-**	**6,649,345**	**1,845,533**
Liabilities:			
Current Liabilities:			
Accounts payable	105,410	17,373,732	1,861,307
Accrued liabilities	-	843,563	294,072
Accrued interest	3,375	262,414	-
Unearned revenues	36,544	41,544	-
Deposits payable	404,440	1,484,939	-
Compensated absences (Note 9)	-	897,756	302,985
Accrued claims and judgments (Note 12)	-	-	4,964,763
Bonds and notes payable (Note 10)	100,000	5,198,869	1,430
Total Current Liabilities	649,769	26,102,817	7,424,557
Noncurrent Liabilities:			
Advances from other funds (Note 6)	408,492	2,072,894	-
Compensated absences (Note 9)	-	1,305,072	514,353
Accrued claims and judgments (Note 12)	-	-	15,618,887
Bonds and notes payable (Note 10)	305,000	30,904,773	8,100
Net pension liability (Note 13)	-	19,887,229	7,470,472
Total Noncurrent Liabilities	713,492	54,169,968	23,611,812
Total Liabilities	**1,363,261**	**80,272,785**	**31,036,369**
Deferred Inflows of Resources:			
Pension deferrals (Note 13)	-	2,654,718	942,069
Total Deferred Inflows of Resources	**-**	**2,654,718**	**942,069**
Net Position:			
Net investment in capital assets	7,230,641	443,147,841	9,167,317
Restricted for capital projects	-	169,779,265	-
Restricted for rate stabilization	-	4,013,180	-
Unrestricted	6,511,048	17,814,717	24,424,657
Total Net Position	**$ 13,741,689**	**634,755,003**	**$ 33,591,974**
Adjustment to reflect the consolidation of internal service fund activities to related enterprise funds		6,477,994	
Net Position of Business-Type Activities		**$ 641,232,997**	

The notes to financial statements are an integral part of this statement.

CITY OF OCEANSIDE, CALIFORNIA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2020

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Waste Disposal	Special Aviation
Operating Revenues:				
Sales and service charges	$ 67,368,304	$ 46,188,366	$ 29,392,540	$ -
Fines, forfeitures, and penalties	301,857	22,560	-	-
Developer fees	1,466,908	1,477,000	-	-
Slip rentals and other related fees	-	-	-	-
Parking	-	-	-	-
Miscellaneous	215,004	740,495	824	131,321
Total Operating Revenues	**69,352,073**	**48,428,421**	**29,393,364**	**131,321**
Operating Expenses:				
Administration and general	10,024,048	10,572,060	560,275	-
Maintenance and operations	14,791,275	20,765,803	22,439,608	2,548
Cost of purchased water	31,356,453	-	-	-
Depreciation expense	7,391,721	9,137,855	187,217	76,047
Total Operating Expenses	**63,563,497**	**40,475,718**	**23,187,100**	**78,595**
Operating Income	5,788,576	7,952,703	6,206,264	52,726
Nonoperating Revenues (Expenses):				
Investment income	2,719,600	3,365,602	-	31,944
Interest expense	(1,085,218)	(630,328)	-	(84,409)
Gain on disposal of capital assets	-	-	-	-
Total Nonoperating Revenues (Expenses)	**1,634,382**	**2,735,274**	**-**	**(52,465)**
Income before Transfers	7,422,958	10,687,977	6,206,264	261
Transfers in (Note 6)	373,160	952,557	-	-
Transfers out (Note 6)	(1,988,874)	-	(5,683,280)	-
Changes in Net Position	5,807,244	11,640,534	522,984	261
Net Position - Beginning	279,939,272	312,826,553	6,419,555	3,856,911
Net Position - Ending	**$ 285,746,516**	**$ 324,467,087**	**$ 6,942,539**	**$ 3,857,172**
Adjustment to reflect the consolidation of internal service fund activities to related enterprise funds				
Change in Net Position of Business-Type Activities				

The notes to financial statements are an integral part of this statement.

CITY OF OCEANSIDE, CALIFORNIA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2020

	Business-Type Activities - Enterprise Funds		Governmental Activities- Internal Service Funds
	Oceanside Small Craft Harbor District	Totals	
Operating Revenues:			
Sales and service charges	$ 30,839	$ 142,980,049	$ 68,877,623
Fines, forfeitures, and penalties	113,589	438,006	-
Developer fees	-	2,943,908	-
Slip rentals and other related fees	6,771,433	6,771,433	-
Parking	839,880	839,880	-
Miscellaneous	21,934	1,109,578	513,888
Total Operating Revenues	**7,777,675**	**155,082,854**	**69,391,511**
Operating Expenses:			
Administration and general	-	21,156,383	47,868,395
Maintenance and operations	1,180,164	59,179,398	17,756,411
Cost of purchased water	-	31,356,453	-
Depreciation expense	452,291	17,245,131	2,314,916
Total Operating Expenses	**1,632,455**	**128,937,365**	**67,939,722**
Operating Income	6,145,220	26,145,489	1,451,789
Nonoperating Revenues (Expenses):			
Investment income	189,192	6,306,338	4,749
Interest expense	(13,007)	(1,812,962)	-
Gain on disposal of capital assets	-	-	111,810
Total Nonoperating Revenues (Expenses)	**176,185**	**4,493,376**	**116,559**
Income before Transfers	6,321,405	30,638,865	1,568,348
Transfers in (Note 6)	-	1,325,717	316,787
Transfers out (Note 6)	(6,157,376)	(13,829,530)	(383,151)
Changes in Net Position	164,029	18,135,052	1,501,984
Net Position - Beginning	13,577,660		32,089,990
Net Position - Ending	**$ 13,741,689**		**$ 33,591,974**
Adjustment to reflect the consolidation of internal service fund activities to related enterprise funds		185,801	
Change in Net Position of Business-Type Activities		**$ 18,320,853**	

The notes to financial statements are an integral part of this statement.

CITY OF OCEANSIDE, CALIFORNIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Waste Disposal	Special Aviation
Cash Flows from Operating Activities:				
Receipts from customers and users	$ 68,106,446	$ 47,702,779	$ 29,244,300	$ -
Receipts from interfund services and charges	-	-	-	-
Other receipts	215,004	740,495	824	131,321
Payments to suppliers and service providers	(28,370,663)	(21,280,281)	(22,252,832)	(2,548)
Payments to employees for salaries and benefits	(24,129,581)	(9,843,154)	(550,417)	-
Net Cash Provided by Operating Activities	**15,821,206**	**17,319,839**	**6,441,875**	**128,773**
Cash Flows from Non-Capital Financing Activities:				
Cash transfers from other funds	373,160	952,557	-	-
Cash transfers to other funds	(1,988,874)	-	(5,683,280)	-
Repayment recevied on short-term interfund borrowing	-	-	-	-
Net Cash Provided by (Used for) Non-Capital Financing Activities	**(1,615,714)**	**952,557**	**(5,683,280)**	**-**
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(13,263,219)	(43,299)	(407,776)	-
Proceeds from disposal of capital assets	8,974	-	-	-
Repayment made on advances from other funds	-	-	-	-
Advance received from other funds	-	-	-	(4,789)
Principal paid on capital debt	(1,160,000)	(3,797,310)	-	-
Interest paid on capital debt	(1,199,972)	(774,323)	-	(84,409)
Net Cash (Used for) Capital and Related Financing Activities	**(15,614,217)**	**(4,614,932)**	**(407,776)**	**(89,198)**
Cash Flows from Investing Activities:				
Investment income	2,719,600	3,365,602	-	31,944
Net Cash Provided by Investing Activities	**2,719,600**	**3,365,602**	**-**	**31,944**
Net Increase (Decrease) in Cash and Cash Equivalents	1,310,875	17,023,066	350,819	71,519
Cash and Cash Equivalents, July 1 (including $291,037, $681, and $300,000 for the Water, Sewer, and Internal Service Funds, respectively, reported in restricted accounts)	85,618,301	99,817,418	5,296,910	857,645
Cash and Cash Equivalents, June 30 (including $340, $14,235, and $300,000 for the Water, Sewer, and Internal Service Funds, respectively, reported in restricted accounts)	**$ 86,929,176**	**$ 116,840,484**	**$ 5,647,729**	**$ 929,164**

The notes to financial statements are an integral part of this statement.

CITY OF OCEANSIDE, CALIFORNIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Business-Type Activities - Enterprise Funds		
	Oceanside Small Craft Harbor District	Totals	Governmental Activities- Internal Service Funds
Cash Flows from Operating Activities:			
Receipts from customers and users	$ 7,824,895	$ 152,878,420	$ -
Receipts from interfund services and charges	-	-	68,753,922
Other receipts	21,934	1,109,578	1,521,792
Payments to suppliers and service providers	(1,110,033)	(73,016,357)	(17,518,480)
Payments to employees for salaries and benefits	(877)	(34,524,029)	(47,370,986)
Net Cash Provided by Operating Activities	**6,735,919**	**46,447,612**	**5,386,248**
Cash Flows from Non-Capital Financing Activities:			
Cash transfers from other funds	-	1,325,717	316,787
Cash transfers to other funds	(6,157,376)	(13,829,530)	(383,151)
Repayment recevied on short-term interfund borrowing	-	-	128
Net Cash Provided by (Used for) Non-Capital Financing Activities	**(6,157,376)**	**(12,503,813)**	**(66,236)**
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	(102,908)	(13,817,202)	(2,022,530)
Proceeds from disposal of capital assets	-	8,974	133,532
Repayment made on advances from other funds	(23,254)	(23,254)	-
Advance received from other funds	-	(4,789)	23,254
Principal paid on capital debt	(95,000)	(5,052,310)	(1,430)
Interest paid on capital debt	(13,799)	(2,072,503)	-
Net Cash (Used for) Capital and Related Financing Activities	**(234,961)**	**(20,961,084)**	**(1,867,174)**
Cash Flows from Investing Activities:			
Investment income	189,192	6,306,338	4,749
Net Cash Provided by Investing Activities	**189,192**	**6,306,338**	**4,749**
Net Increase (Decrease) in Cash and Cash Equivalents	532,774	19,289,053	3,457,587
Cash and Cash Equivalents, July 1 (including $291,037, $681, and $300,000 for the Water, Sewer, and Internal Service Funds, respectively, reported in restricted accounts)	6,163,158	197,753,432	49,769,676
Cash and Cash Equivalents, June 30 (including $340, $14,235, and $300,000 for the Water, Sewer, and Internal Service Funds, respectively, reported in restricted accounts)	**$ 6,695,932**	**$ 217,042,485**	**$ 53,227,263**

The notes to financial statements are an integral part of this statement.

CITY OF OCEANSIDE, CALIFORNIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Waste Disposal	Special Aviation
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating income	$ 5,788,576	$ 7,952,703	$ 6,206,264	$ 52,726
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	7,391,721	9,137,855	187,217	76,047
(Increase) decrease in accounts receivable	(1,077,098)	14,853	(148,240)	-
(Increase) decrease in prepaid costs	6,880	2,854	-	-
(Increase) decrease in inventories	14,798	(31,231)	-	-
Increase (decrease) in accounts payable	2,964,112	(486,101)	186,776	-
Increase in accrued liabilities	102,095	105,227	3,105	-
Decrease in unearned revenues	-	-	-	-
Increase in deposits payable	46,475	-	-	-
Increase (decrease) in compensated absences	108,094	133,315	(4,330)	-
Increase in accrued claims and judgments	-	-	-	-
Increase in net pension liability	475,553	490,364	11,083	-
Total Adjustments	10,032,630	9,367,136	235,611	76,047
Net Cash Provided by Operating Activities	$ 15,821,206	$ 17,319,839	$ 6,441,875	$ 128,773
Non-Cash Investing, Capital, and Financing Activities:				
Amortization of bond premium/discounts	$ 105,087	$ 130,623	$ -	$ -
Amortization of deferred charge on bond refundings	-	14,128	-	-
Unrealized gain on investments	1,202,054	1,495,890	-	14,785

The notes to financial statements are an integral part of this statement.

CITY OF OCEANSIDE, CALIFORNIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Business-Type Activities - Enterprise Funds		
	Oceanside Small Craft Harbor District	Totals	Governmental Activities- Internal Service Funds
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income	$ 6,145,220	$ 26,145,489	$ 1,451,789
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	452,291	17,245,131	2,314,916
(Increase) decrease in accounts receivable	21,926	(1,188,559)	(123,701)
(Increase) decrease in prepaid costs	-	9,734	(227,857)
(Increase) decrease in inventories	-	(16,433)	(10,724)
Increase (decrease) in accounts payable	70,131	2,734,918	476,512
Increase in accrued liabilities	-	210,427	104,503
Decrease in unearned revenues	5,272	5,272	-
Increase in deposits payable	41,956	88,431	-
Increase (decrease) in compensated absences	(877)	236,202	16,858
Increase in accrued claims and judgments	-	-	947,438
Increase in net pension liability	-	977,000	436,514
Total Adjustments	590,699	20,302,123	3,934,459
Net Cash Provided by Operating Activities	$ 6,735,919	$ 46,447,612	$ 5,386,248
Non-Cash Investing, Capital, and Financing Activities:			
Amortization of bond premium/discounts	$ -	$ 235,710	$ -
Amortization of deferred charge on bond refundings	-	14,128	-
Unrealized gain on investments	86,330	2,799,059	-

The notes to financial statements are an integral part of this statement.

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FIDUCIARY FUND FINANCIAL STATEMENTS

Fiduciary fund types are accounted for according to the nature of the fund.

The **Successor Agency of the Former Redevelopment Activities of the CDC Private Purpose Trust Fund** is used to account for the activities related to the dissolution of the former redevelopment activities of the Oceanside Community Development Commission.

The **Custodial Funds** are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

CITY OF OCEANSIDE, CALIFORNIA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020

	Private-Purpose Trust Fund	
	Successor Agency	**Custodial Funds**
Assets:		
Cash and cash equivalents	$ 3,190,784	$ 6,690,013
Receivables:		
Taxes for assessment districts	-	8,024
Interest	-	15,279
Total Receivables	-	23,303
Investments at fair value:		
Money market mutual funds	1,534,823	9,718,660
Total Investments	1,534,823	9,718,660
Prepaid costs	115,428	-
Total Assets	**4,841,035**	**16,431,976**
Liabilities:		
Accounts payable	-	113,811
Accrued interest payable	284,646	642,694
Bonds payable - due within one year	3,085,000	1,900,000
Bonds payable - due in more than one year	17,531,796	44,090,000
Total Liabilities	**20,901,442**	**46,746,505**
Net Position:		
Restricted for:		
Individuals, organizations, and other governments	(16,060,407)	(30,314,529)
Total Net Position	**$ (16,060,407)**	**$ (30,314,529)**

The notes to financial statements are an integral part of this statement.

CITY OF OCEANSIDE, CALIFORNIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Private-Purpose Trust Fund	
	Successor Agency	**Custodial Funds**
Additions:		
Investment earnings:		
Net increase in fair value of investments	$ 2,627	$ 10,165
Interest	335,738	129,476
Total Investment Earnings	338,365	139,641
Property taxes	3,956,450	-
Taxes and special assessments collections	-	3,786,542
Total Additions	**4,294,815**	**3,926,183**
Deductions:		
Administrative expenses	-	70,404
Contractual services	-	205,863
Interest expense	910,237	2,616,615
Total Deductions	**910,237**	**2,892,882**
Net Increase (Decrease) in Fiduciary Net Position	3,384,578	1,033,301
Net Position - Beginning, as Originally Reported	(19,444,985)	-
Restatements (Note 19)	-	(31,347,830)
Net Position - Beginning, as Restated	(19,444,985)	(31,347,830)
Net Position - Ending	**$ (16,060,407)**	**$ (30,314,529)**

The notes to financial statements are an integral part of this statement.

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I. SIGNIFICANT ACCOUNTING POLICIES

Note 1: Summary of Significant Accounting Policies

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

a. Financial Reporting Entity

The City was incorporated on January 3, 1888. On July 8, 2010, the voters ratified Oceanside to become a charter city. The City operates under a Council-Manager form of government and provides basic local governmental services including public safety (police, fire, and beach lifeguard), maintenance and construction of public improvements, cultural, recreation planning, zoning, and general administration. In addition, the City operates five enterprise activities: water, sewer, waste disposal, general aviation airport and a harbor district.

As required by GAAP, these basic financial statements present the City and its component units, entities for which the City is financially accountable. The following blended component units, although legally separate entities, are, in substance, part of the City's operations and data from these units are combined with the data of the City. They are reported as blended for the following reasons: (1) the governing board is substantively the same as the primary government and there is a financial benefit or burden relationship between the primary government and the component unit; (2) the component unit provides services entirely, or almost entirely, to the primary government or otherwise exclusively, or almost exclusively, benefits the primary government even though it does not provide services directly to it; and (3) the component unit's total debt outstanding, including leases, is expected to be repaid entirely or almost entirely with the resources of the primary government. Each blended component unit has a June 30 year-end. The following entities are reported as blended component units:

Oceanside Community Development Commission - The Oceanside Community Development Commission (the Commission) was established on July 16, 1980, and includes all activities previously performed by the Oceanside Redevelopment Agency and the Oceanside Housing Authority. The Oceanside Redevelopment Agency was originally established on February 20, 1974 and dissolved January 31, 2012, due to AB 1X 26. The Oceanside Housing Authority was originally established on February 24, 1971, and dissolved April 9, 1975, due to inactivity. It was reactivated on April 9, 1980, pursuant to the State of California Health and Safety Code. This department is responsible for all assisted housing projects within the City. The operations of the Commission are reported as governmental funds of the City. The members of the governing board of the Commission are the members of the City Council and the Commission provides services exclusively for the benefit of the City.

Oceanside Small Craft Harbor District - The Oceanside Small Craft Harbor District (the Harbor District) was established on July 6, 1959, pursuant to the State of California Harbor and Navigation Code, Part 7, Section 7000 entitled "Small Craft Harbor District". Its purpose is to finance, construct, organize and operate a small craft berthing facility and leaseholds within the harbor area. The operations of the Harbor District are reported as business-type activity and are a proprietary fund of the City. The members of the governing board of the Harbor District are the members of the City Council and the Harbor operates entirely for the benefit of the City.

Note 1: Summary of Significant Accounting Policies (Continued)

Oceanside Public Financing Authority - The Oceanside Public Financing Authority (the Financing Authority) was established January 23, 2002, under the Joint Exercise of Powers Law of the State of California (constituting Chapter 5 of Division 7 of Title 1 of the California Government Code) to assist in the financing of public capital improvements to be owned by any of its members (the City and the Commission). The operations of the Financing Authority are reported as governmental funds of the City.

Complete financial statements for the above entities may be obtained from the Financial Services Department, 300 North Coast Highway, Oceanside, California 92054.

b. Basis of Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The City's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental and business-type activities for the City, the primary government, accompanied by a total column. All fiduciary activities are reported only in the fund financial statements.

These basic financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all the City's assets and liabilities, including capital assets and related infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. 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.

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

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

Note 1: Summary of Significant Accounting Policies (Continued)

Eliminations have been made as prescribed by GASB Statement No. 34 regarding interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated. However, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

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

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and other governmental funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that met the applicable criteria. The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented.

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

Revenues are recorded when received in cash, except those revenues subject to accrual (generally 60 days after year-end) and recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, transient occupancy tax, intergovernmental revenues, and other taxes. Expenditures are generally recorded in the accounting period in which the related fund liability is incurred, except for principal and interest on long-term liabilities, and compensated absences which are recognized as expenditures only when payment is due.

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

The Reconciliation of the Fund Financial Statements to the Government-wide Financial Statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

Note 1: Summary of Significant Accounting Policies (Continued)

The funds designated as major funds are determined by a mathematical calculation consistent with GASB Statement No. 34. The City reports the following major governmental funds:

The General Fund is used to account for resources which are not required legally or by sound financial management to be accounted for in another fund.

The Grants Fund is used to account for funds received from federal, state and county governments for use on approved projects.

The Housing Assistance Program Special Revenue Fund is used to account for the operation of the City's housing program. Financing is provided by HUD (Section 8), Community Development Block Grants, and service fees on mortgage revenue bonds.

The General Improvement Capital Projects Fund is used to account for general purpose capital projects funded primarily from developer impact fees and bond proceeds.

Additionally, the government reports the following fund types:

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition and construction of capital facilities and other capital assets.

Debt service funds are used for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows for all proprietary funds.

A separate column representing internal service funds is also presented in these statements. Internal service funds account for activities involved in rendering risk management, automotive equipment maintenance, City building maintenance and central technology and communication services provided to other departments of the City on a cost-reimbursement basis. Because the principal users of the internal service funds are the City's governmental entities, the assets and liabilities of the internal service funds are consolidated into the governmental activities column of the Government-wide Statement of Net Position.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which liability is incurred.

Note 1: Summary of Significant Accounting Policies (Continued)

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations for the fund. All other expenses are reported as nonoperating expenses.

The City reports the following major enterprise funds:

The Water Fund is used to account for the operation of the City's water utility, a self-supporting activity which provides services on a user charge basis.

The Sewer Fund is used to account for the operation (including wastewater treatment) of the City's sewer facility, a self-supporting activity which provides services on a user charge basis.

The Waste Disposal Fund is used to account for the collection and disposal of solid waste (including waste collected from street sweeping). Monthly service charges to all Oceanside property owners fund the above services.

The Special Aviation Fund is used to account for the operation of the Oceanside (General Aviation) Airport. Funding for operating expenses is provided by rents and leases.

The Oceanside Small Craft Harbor District Fund is used to account for the operation and maintenance of the Oceanside Small Craft Harbor. Funding for operating expenses is provided by user charges.

Additionally, the government reports the following internal service funds:

The Loss Prevention Fund account for risk management services (including workers' compensation, general liability, and property damage) provided to other departments of the City on a cost-reimbursement basis.

The General Services Fund is used to account for fleet management, information technology, building services and employee benefits provided to other departments of the City on a cost-reimbursement basis.

Fiduciary Fund Financial Statements

Fiduciary fund types are accounted for according to the nature of the fund. The custodial funds and the private-purpose trust funds are reported using the economic resources measurement and the accrual basis of accounting.

The custodial funds are purely custodial in nature and are used to account for (1) the receipt of special taxes and assessments used to pay principal and interest on related bonds with no direct City liability as well as receipt and disbursement of capital project bond proceeds related to bonds for which the City has no direct liability and (2) money and property held by the City as trustee or custodian such as refundable deposits.

Private-purpose trust funds are used to account for the assets and liabilities of the former redevelopment activities of the Community Development Commission and the allocated revenue to pay estimated installment payments of enforceable obligations until the obligations of the former redevelopment activities of the Community Development Commission are paid in full.

Note 1: Summary of Significant Accounting Policies (Continued)

c. Use of Restricted and Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted resources are available, the City's policy is to apply restricted net position first.

d. Cash, Cash Equivalents, and Investments

The City pools its available cash for investment purposes. The City considers pooled cash and investment amounts with original maturities of three months or less to be cash equivalents.

Investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

e. Inventory

Inventory is recorded at cost, which approximates market, using the first-in, first-out (FIFO) method. Inventory in the General Fund consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual items are used. Inventories in the proprietary funds are recorded at cost, which approximates market, and include various accessories used for repair and maintenance of equipment.

f. Land and Buildings Held for Resale

Land and buildings held for resale is carried at the lower of cost or market, but not greater than the net realizable value.

g. Capital Assets

Capital assets are valued at historical cost or estimated historical cost if actual historical cost was not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value at the time of acquisition by the City. City policy has set the capitalization threshold for reporting infrastructure at $100,000, all other capital assets are set at $10,000. Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

Buildings	20 - 60 years
Improvements other than buildings	30 - 60 years
Machinery and equipment	5 - 20 years
Infrastructure	15 - 50 years

The City defines infrastructure as the basic physical assets that allow the City to function. The assets include streets, storm drains, park lands, and buildings. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, landscaping, and land. These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

Note 1: Summary of Significant Accounting Policies (Continued)

For all infrastructure systems, the City elected to use the basic approach as defined by GASB Statement No. 34 for infrastructure reporting. The City commissioned an appraisal of City owned infrastructure and property as of June 30, 2002. As of June 30, 2009, the Water Fund and Sewer Fund had an appraisal of its infrastructure. Both appraisals have been incorporated into this report.

h. Net Pension Liability

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's California Employees' Retirement System (CalPERS) plans (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial 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 net pension liability is typically liquidated through the funds that the employees' benefits are charged, primarily the General, Water, Sewer, and Waste Disposal funds.

The following timeframes are used for pension reporting:

Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Measurement Period	July 1, 2018 to June 30, 2019

i. Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Oceanside Retiree Benefits Plan ("OPEB Plan") and additions/deductions from OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit term. Investments are reported at fair value, except for money market investments, which are reported at amortized cost.

The following timeframes are used for OPEB reporting:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2019
Measurement Period	July 1, 2018 to June 30, 2019

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over five years. All other amounts are amortized straight-line over the average expected remaining service lives of all eligible and inactive employees at the beginning of the measurement period. The OPEB liability is liquidated through the City's General Fund.

Note 1: Summary of Significant Accounting Policies (Continued)

j. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Financial Position and the Governmental Fund Balance Sheet report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government reports deferred outflows of resources for pension contributions made after the actuarial measurement date, for the differences between expected and actual experiences in pension and OPEB liabilities, and changes in actuarial assumptions used in calculating the pension and OPEB liabilities. These amounts are deferred and amortized on a straight-line basis over the expected average remaining service life of plan participants. The government also reports deferred outflows of resources for charges on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Statement of Financial Position and Governmental Fund Balance Sheet report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The government has one item, which arises only under the modified accrual basis of accounting that qualifies for reporting in this category. The item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from grant revenues, ambulance billings, and developer deposits. These amounts are deferred and recognized as an inflow of resources in the period when the amounts become available. In addition, the government has deferred inflows of resources relating to the net pension and total OPEB obligations reported in the government-wide statement of net position and the proprietary funds. These deferred inflows of resources are the result of actuarially determined differences between expected and actual plan experiences for pensions and OPEB, changes in actuarial assumptions related to pensions, and the net difference between projected and actual earnings on pension plan investments. These amounts are deferred and amortized over the expected average remaining service life of plan participants, with the exception of the net difference between expected and actual earnings on pension plan investments which is amortized over five years.

k. Long-Term Liabilities

Government-wide Financial Statements

Long-term debt and other financed obligations are reported as liabilities in the appropriate funds. Bond premiums and discounts are amortized over the life of the bonds on a straight-line basis. Bonds payable are reported net of the applicable premium or discount.

Governmental Fund Financial Statements

The governmental fund financial statements do not present long-term debt. Therefore, it is shown in the Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.

Note 1: Summary of Significant Accounting Policies (Continued)

I. Fund Balance and Net Position

Government-wide and Proprietary Financial Statements

The net position reported on the Statement of Net Position in the government-wide financial statements and proprietary fund financial statements consist of the following three categories:

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

Restricted Net Position - This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Net Position - This amount is all net position that do not meet the definition of “net investment in capital assets” or “restricted net position”.

Governmental Fund Financial Statements

The fund balances reported on the governmental fund statements consist of the following categories:

Nonspendable Fund Balance - This includes amounts that cannot be spent because they are either not in spendable form or must be maintained intact pursuant to legal or contractual requirements, such as prepaids, inventory, or endowments.

Restricted Fund Balance - This includes amounts that can be spent only for specific purposes imposed by creditors, grantors, contributors, or laws or regulations of the other governments through enabling litigations.

Committed Fund Balance - This includes amounts that can be used only for the specific purposes pursuant to constraints imposed by formal action of the government’s highest authority, City Council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is Council resolution.

Assigned Fund Balance - This includes amounts that are designated by the City Council or City Manager for specific purposes and do not meet the criteria to be classified as restricted or committed. The City Manager is authorized to assign amounts to a specific purpose, which was established by the governing body by resolution.

Unassigned Fund Balance - This is the residual classification that includes all spendable amounts not contained in the other classifications. The General Fund is the only fund that reports a positive unassigned fund balance. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Note 1: Summary of Significant Accounting Policies (Continued)

m. Fund Balance Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

n. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

o. Compensated Absences

Government-wide Financial Statements

For governmental and business-type activities, compensated absences are recorded as incurred and the related expenses and liabilities are reported.

Fund Financial Statements

In governmental funds, compensated absences are recorded as expenditures in the years paid, as it is the City's policy to liquidate any unpaid compensated absences at June 30 from future resources, rather than currently available financial resources. The City Council has established a post-employment leave reserve fund in the general fund based on 8% of the prior year's compensated absences balance for governmental funds. In proprietary funds, compensated absences are expensed to the various funds in the period they are earned, and such fund's share of the unpaid liability is recorded as a long-term liability of the fund. Vested or accumulated compensated absences of proprietary funds are recorded as an expense and liability of those funds as the benefits accrue to employees. Compensated absences are liquidated by the fund that has recorded the liability, primarily the General Fund.

p. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates and assumptions.

Note 1: Summary of Significant Accounting Policies (Continued)

q. Change in Accounting Principle

The City implemented Government Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities during fiscal year 2019-20. The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhance the value provided by the information reported in financial statements for assessing government accountability and stewardship. The change in accounting principle resulted in a prior period adjustment in the amount of ($31,347,830) being reported for the custodial funds in the Statement of Changes in Fiduciary Net Position.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Note 2: Stewardship, Compliance, and Accountability

Deficit Fund Balances

The Community Development Block Grant nonmajor special revenue fund reported a deficit in fund balance in the amount of $22,836 at June 30, 2020. This deficit is due to the timing of grant reimbursements.

III. DETAILED NOTES ON ALL FUNDS

Note 3: Cash and Investments

The City maintains a cash and investment pool, which includes cash balances and authorized investments of all funds, which the City Treasurer invests to enhance interest earnings. The pooled interest earned net of expenses, is allocated to the funds based on average month-end cash and investment balances in these funds.

The following is a summary of cash and investments at June 30, 2020:

	Governmental Activities	Business-Type Activities	Fiduciary Funds	Total
Cash and investments	$ 200,660,548	$ 217,027,910	$ 9,880,797	$ 427,569,255
Restricted cash and investments	11,769,279	-	-	11,769,279
Cash and investments held with fiscal agents	24,062,438	14,575	11,253,483	35,330,496
	$ 236,492,265	$ 217,042,485	$ 21,134,280	$ 474,669,030

Cash and investments at June 30, 2020 consisted of the following:

Demand deposits	$ 29,676,266
Petty cash	4,929
Pension stabilization trust	11,148,456
Investments	433,839,379
	$ 474,669,030

Note 3: Cash and Investments (Continued)

Demand Deposits

At June 30, 2020, the carrying amount of the City's deposits was $29,676,266 and the bank balance was $25,804,257. The $3,872,009 difference represents outstanding checks and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure a City's deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits that are insured up to $250,000 by the FDIC. The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

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

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
United States Treasury Bills, Bonds, and Notes	5 years	None	None
Federal Agency-Issued Obligations	5 years	None	25%
United States Government-Sponsored Enterprise Obligations	5 years	None	25%
Supranational Obligations	5 years	15%	None
Non-negotiable Certificates of Deposit	3 years	5%	None
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	30 days	30%	None
Reverse Repurchase Agreements	60 days	15%	None
Bankers' Acceptances	180 days	20%	5%
Commercial Paper	270 days	15%	1%
Medium Term Corporate Notes	36-60 months	15%	1%
Municipal Bonds	36-60 months	15%	1%
Local Agency Investment Fund (LAIF)	N/A	None	N/A
County Pooled Investment Fund	N/A	15%	N/A

N/A - Not Applicable

Note 3: Cash and Investments (Continued)

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustees. 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 of Portfolio	Maximum Investment in One Issuer
United States Treasury Obligations	5 years	None	None
United States Government Sponsored Enterprise Obligations	5 years	None	None
Bankers' Acceptances	180 days	20%	5%
Certificates of Deposit	3 years	None	None
Negotiable Certificates of Deposit	5 years	None	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	None	None
Commercial Paper	270 days	25%	None
Investment Agreements	N/A	None	N/A
Money Market Mutual Funds	N/A	None	None
Municipal Bonds	5 years	None	None
Local Agency Investment Fund	N/A	None	None

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

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

	Remaining Maturity (In Months)				
Investment Type	12 Months or Less	13 to 36 Months	36 to 48 Months	48 to 60 Months	Total
United States Treasury Obligations	$ 2,005,940	$ -	$ -	$ -	$ 2,005,940
United States Government Sponsored Enterprise Securities	27,797,092	41,334,863	15,060,260	30,693,404	114,885,619
Medium Term Notes	-	40,391,845	9,194,833	6,380,420	55,967,098
Negotiable Certificates of Deposit	9,827,719	21,694,395	8,726,638	3,931,572	44,180,324
Supranational Obligations	-	-	-	1,005,000	1,005,000
Municipal Bonds	2,514,335	18,433,663	5,259,493	3,520,520	29,728,011
Local Agency Investment Fund	150,736,919	-	-	-	150,736,919
Restricted Investments:					
Money Market Mutual Funds	11,148,456	-	-	-	11,148,456
Held by Fiscal Agents:					
Money Market Mutual Funds	35,330,468	-	-	-	35,330,468
	$ 239,360,929	$ 121,854,766	$ 38,241,224	$ 45,530,916	$ 444,987,835

Note 3: Cash and Investments (Continued)

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City holds investments in callable federal agency securities that are highly sensitive to interest rate fluctuations. These securities are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows affects the fair value of these securities and makes their fair values highly sensitive to changes in interest rates. The fair value of callable investments in the City's portfolio at June 30, 2020, is $83,625,728 or 20.4% of the City's portfolio (excluding held by fiscal agents).

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. 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, by Standards and Poor and Moody's, as of year-end for each investment type:

Investment Type	Total as of June 30, 2020	Minimum Legal Rating	Exempt from Disclosure	AAA/Aaa	AA to AA-/ Aa1 to Aa3	A+ to A-/ A1 to A3	Unrated
United States Treasury Obligations	$ 2,005,940	N/A	$ -	$ 2,005,940	$ -	$ -	$ -
United States Government Sponsored Enterprise Securities	114,885,619	N/A	-	114,885,619	-	-	-
Medium Term Notes	55,967,098	A	-	4,807,443	14,082,068	37,077,587	-
Negotiable Certificates of Deposit	44,180,324	N/A	-	-	-	-	44,180,324
Supranational Obligations	1,005,000	A	-	1,005,000	-	-	-
Municipal Bonds	29,728,011	A1	-	7,900,360	21,827,651	-	-
Local Agency Investment Fund	150,736,919	N/A	150,736,919	-	-	-	-
Restricted Investments:							
Money Market Mutual Funds	11,148,456	N/A	11,148,456	-	-	-	-
Held by Fiscal Agents:							
Money Market Mutual Funds	35,330,468	N/A	35,330,468	-	-	-	-
	$ 444,987,835		$ 197,215,843	$ 130,604,362	$ 35,909,719	$ 37,077,587	$ 44,180,324

Concentration of Credit Risk

The investment policy of the City limits the amount that can be invested in any one issuer of the United States Government Sponsored Enterprise Securities. The limit has been set at 25% of the cost value of the portfolio in any single issuer of United States Government Sponsored Enterprise Securities. All other investments contain no limitations beyond that stipulated by the California Government Code. Investments in any one issuer (other than United States Treasury Obligations, mutual funds, and external investment pools) that represent 5% or more of total City's investments (excluding held by fiscal agents) are as follows:

Issuer	Investment Type	Reported Amount	Percent of Investment
Federal Home Loan Mortgage Corporation	United States Government Sponsored Enterprise Securities	$ 45,429,214	10.2%
Federal Home Loan Bank	United States Government Sponsored Enterprise Securities	$ 36,005,495	8.1%

Note 3: Cash and Investments (Continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

As of June 30, 2020, none of the City's deposits or investments were exposed to custodial credit risk.

Investment in State Investment Pool (LAIF)

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code 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 on 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 are recorded on an amortized cost basis. LAIF does not impose limits or restrictions on participant withdrawals, and the entire balance of the City's investment in the portfolio is available for withdrawal at any time. LAIF is not registered with the Securities and Exchange Commission and is not rated. Deposits and withdrawals in LAIF are made on the basis of $1 and not fair value. Accordingly, the City's investment in this pool is measured on uncategorized inputs not defined as Level 1, 2, or 3.

Pension Stabilization Trust

During the period from April 5, 2018 to May 29, 2018, the City deposited a total of $10,000,000 into an IRS Section 115 Trust for the purpose of setting funding aside for the unfunded pension liability. At June 30, 2020, the market value of the assets held in trust is $11,148,456. The assets of the trust are reported as restricted cash and investments in the City's General Fund, with a corresponding restriction in the General Fund's fund balance.

Fair Value Measurement of Investments

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 2 inputs utilized by the City to determine fair market value include: matrix pricing, market corroborated pricing, and other inputs such as yield curves and indices. Level 3 inputs are significant unobservable inputs.

Note 3: Cash and Investments (Continued)

The City has the following recurring fair market value measurements as of June 30, 2020:

Investment Type	Fair Value	Level 1	Level 2	Level Uncategorized
United States Treasury Obligations	$ 2,005,940	$ 2,005,940	$ -	$ -
United States Government Sponsored Enterprise Securities	114,885,619	-	114,885,619	-
Medium Term Notes	55,967,098	-	55,967,098	-
Negotiable Certificates of Deposit	44,180,324	-	44,180,324	-
Supranational Obligations	1,005,000	-	1,005,000	-
Municipal Bonds	29,728,011	-	29,728,011	-
Local Agency Investment Fund	150,736,919	-	-	150,736,919
Restricted Investments:				
Money Market Mutual Funds	11,148,456	-	11,148,456	-
Held by Fiscal Agents:				
Money Market Mutual Funds	35,330,468	-	35,330,468	-
	$ 444,987,835	$ 2,005,940	$ 292,244,976	$ 150,736,919

Note 4: Property Taxes

Property taxes attach a legally enforceable lien on property as of January 1. Taxes are levied on July 1 and are payable in two installments on December 10 and April 10. The County of San Diego (the County) bills and collects the property taxes and remits them to the City in installments during the year. City property tax revenues are recognized when an enforceable legal lien is attached to the property. The County is permitted by State Law (Proposition 13) to levy taxes at 1% of full market value (at time of purchase) and can increase the property assessed value not more than 2% per year. The City receives a share of this basic levy proportionate to what it received in the 1976 to 1978 period.

Note 5: Notes Receivable

At June 30, 2020, the City had notes receivable reported in the following funds:

General Fund	$ 100,000
Grants Fund	73,051,196
Housing Assistance Program	16,419,726
Community Development Block Grant	558,986
General Improvement	149,655
	$ 90,279,563

The General Fund has made various loans to small businesses as part of the COVID-19 Business Loan Program. The notes are payable no later than 120 days after the City affirmatively declares that the state of local emergency regarding the novel coronavirus is over. As of June 30, 2020, the outstanding balance of all loans is $100,000.

The Grants Special Revenue Fund has made various low or noninterest bearing loans to property owners for the rehabilitation of property and first-time home buyer program within the City. The notes are payable upon the sale of the property or upon the death of the current property owner. As of June 30, 2020, the outstanding balance is $73,051,196.

Note 5: Notes Receivable (Continued)

The Housing Assistance Program Special Revenue Fund has made various low or noninterest bearing loans to property owners for the rehabilitation of property and first-time home buyer program within the City. The notes are payable upon the sale of the property or upon the death of the current property owner. As of June 30, 2020, the outstanding balance is $16,419,726.

The Community Development Block Grant Fund loaned Mental Health Systems, Inc. $655,000 on July 1, 2012, for the acquisition and rehabilitation of an apartment complex. The balance outstanding at June 30, 2020 is $558,986.

The General Improvement Fund provided a $100,000 loan to SoCal SC, L.P. on March 5, 2014 to aid the acceleration of construction of a recreational complex. The balance outstanding, including accrued interest, at June 30, 2020 is $149,655.

Note 6: Interfund Transactions

a. Interfund Receivables and Payables

The purpose of the interfund transactions is to make short-term and long-term interfund loans from the General Fund to various funds. These interfund loans are to provide for negative cash balances at year-end and/or operating cash flow. Due to/from amounts are short-term financing, which are paid within one year, and the advances are for longer term financing.

Due to/from Other Funds

Receivable Fund	Payable Fund		Amount
General Fund	Grants	$	1,827,731
General Fund	Housing Assistance Program		15,016
General Fund	General Improvement		54,807
General Fund	Other Governmental Funds		274,450
		Total	$ 2,172,004

Loan to/from Other Funds

Advances From	Advances To		Amount
General Fund	Special Aviation	$	1,664,402
Internal Service Funds	Oceanside Small Craft Harbor District		408,492
		Total	$ 2,072,894

The General Fund advanced funds to the Special Aviation Enterprise Fund for operational purposes. As of June 30, 2020, the outstanding balance of the loans were $1,664,402. The General Services Internal Service Fund advanced funds to the Oceanside Small Craft Harbor District for the purpose of purchasing a new police vessel for harbor patrol. As of June 30, 2020, the outstanding balance of the loan was $408,492.

Note 6: Interfund Transactions (Continued)

b. Transfers In/Out

Transfers in and out for the year ended June 30, 2020, are as follows:

	Transfers Out								
Transfers In	General Fund	Grants	General Improvement	Other Governmental Funds	Water	Waste Disposal	Oceanside Small Craft Harbor District	Internal Service Funds	Total
General Fund	$ -	$ 123,437	$ 50,000	$ 1,257,130	$ 765,377	$ 5,683,280	$ 6,157,376	$ 169,260	$ 14,205,860
Grants	323,727	-	-	-	-	-	-	-	323,727
General Improvement	13,941,991	-	-	26,158,822	234,497	-	-	50,000	40,385,310
Other Governmental Funds	-	-	-	390,000	-	-	-	16,988	406,988
Water	-	324,101	-	20,500	-	-	-	28,559	373,160
Sewer	-	-	-	-	940,000	-	-	12,557	952,557
Internal Service Funds	-	-	162,000	-	49,000	-	-	105,787	316,787
	$ 14,265,718	$ 447,538	$ 212,000	$ 27,826,452	$ 1,988,874	$ 5,683,280	$ 6,157,376	$ 383,151	$ 56,964,389

The General Fund transferred $13,941,991 to General Improvement Fund for maintenance and capital expenditures and transferred $323,727 to the Grants Fund to support costs associated with grants and housing assistance programs.

The Grants Fund transferred $123,437 to the General Fund to cover NCTD overhead costs and $324,101 to the Water Fund for participation in the North San Diego County Regional Recycled Water Project.

The General Improvement Fund transferred $50,000 to the General Fund and $162,000 to Internal Service Funds to cover general and administrative costs.

Other Governmental Funds transferred $1,257,130 to the General Fund and $390,000 to the Other Governmental Funds to support streetlight and traffic control operating costs. Other Governmental Funds also transferred $20,500 to the Water Fund to cover water operations costs. Other Governmental Funds transferred $26,158,822 to the General Improvement Fund to cover expenditures related to the financing obtained for the 2019 Lease Revenue Bonds – El Corazon Aquatic Center.

The Water Fund transferred $765,377 to the General Fund, $234,497 to the General Improvement Fund, $940,000 to the Sewer Fund, and $49,000 to Internal Service Funds for maintenance of the City's flood control and storm drain systems.

The Waste Disposal Fund transferred $5,683,280 to the General Fund to support street sweeping, code enforcement, and related waste disposal costs.

The Oceanside Small Craft Harbor District transferred $6,157,376 to the General Fund to provide for harbor administrative, maintenance, and police services.

The Internal Service Funds transferred $383,151 to various City Funds, including $169,260 to the General Fund, for costs made by the Funds towards the City's unfunded pension liability. The Internal Service Funds also transferred $16,988 for costs related to the City's risk management and self-insurance programs and transferred $50,000 to General Improvement Fund for maintenance costs.

Note 7: Capital Assets

a. Governmental Activities Capital Assets

A summary of changes in the governmental activities capital assets at June 30, 2020, is as follows:

Governmental Activities	Balance July 1, 2019	CIP Transfers	Additions	Deletions	Balance June 30, 2020
Capital assets, non-depreciable:					
Land	$ 60,405,687	$ -	$ -	$ -	$ 60,405,687
Construction in progress	34,778,925	(22,215,343)	13,536,125	-	26,099,707
Total capital assets, non-depreciable	95,184,612	(22,215,343)	13,536,125	-	86,505,394
Capital assets, depreciable:					
Buildings and improvements	108,161,903	1,761,675	397,882	-	110,321,460
Improvements other than buildings	58,900,483	13,965,750	2,090,946	-	74,957,179
Machinery and equipment	68,585,526	6,487,918	1,795,909	(1,497,572)	75,371,781
Infrastructure	312,585,729	-	-	-	312,585,729
Total capital assets, depreciable	548,233,641	22,215,343	4,284,737	(1,497,572)	573,236,149
Less accumulated depreciation:					
Buildings and improvements	(50,540,016)	-	(2,988,827)	-	(53,528,843)
Improvements other than buildings	(26,125,903)	-	(3,728,762)	-	(29,854,665)
Machinery and equipment	(54,299,413)	-	(3,197,690)	1,475,849	(56,021,254)
Infrastructure	(208,055,690)	-	(5,282,733)	-	(213,338,423)
Total accumulated depreciation	(339,021,022)	-	(15,198,012)	1,475,849	(352,743,185)
Net capital assets, depreciable	209,212,619	22,215,343	(10,913,275)	(21,723)	220,492,964
Capital assets - governmental	$ 304,397,231	$ -	$ 2,622,850	$ (21,723)	$ 306,998,358

Depreciation expense was charged to functions/programs of the governmental activities as follows:

General Government	$ 96,598
Public Safety	1,542,076
Public Works	8,490,583
Community Development	625,167
Community/Cultural Services	2,128,672
Internal Service Funds	2,314,916
Total Depreciation expense-governmental activities	$ 15,198,012

Note 7: Capital Assets (Continued)

b. Business-Type Activities Capital Assets

A summary of changes in the business-type activities capital assets at June 30, 2020, is as follows:

Business-Type Activities	Balance July 1, 2019	CIP Transfers	Additions	Deletions	Balance June 30, 2020
Capital assets, non-depreciable:					
Land	$ 29,613,703	$ -	$ -	$ -	$ 29,613,703
Construction in progress	55,472,619	(32,145,309)	13,793,522	-	37,120,832
Total capital assets, non-depreciable	85,086,322	(32,145,309)	13,793,522	-	66,734,535
Capital assets, depreciable:					
Buildings and improvements	213,336,725	30,141,397	-	-	243,478,122
Improvements other than buildings	567,559,273	1,063,702	-	-	568,622,975
Machinery and equipment	28,166,173	940,210	23,680	(49,062)	29,081,001
Total capital assets, depreciable	809,062,171	32,145,309	23,680	(49,062)	841,182,098
Less accumulated depreciation:					
Buildings and improvements	(72,349,477)	-	(4,606,671)	-	(76,956,148)
Improvements other than buildings	(327,361,862)	-	(10,792,638)	-	(338,154,500)
Machinery and equipment	(11,450,941)	-	(1,845,822)	40,089	(13,256,674)
Total accumulated depreciation	(411,162,280)	-	(17,245,131)	40,089	(428,367,322)
Net capital assets, depreciable	397,899,891	32,145,309	(17,221,451)	(8,973)	412,814,776
Capital assets - governmental	$ 482,986,213	$ -	$ (3,427,929)	$ (8,973)	$ 479,549,311

Depreciation expense was charged to functions/programs of the business-type activities as follows:

Water	$ 7,391,721
Sewer	9,137,855
Waste Disposal	187,217
Special Aviation	76,047
Oceanside Small Craft Harbor District	452,291
Total depreciation expense-business type activities	$ 17,245,131

Note 8: Capital Lease Obligations

The following is a summary of changes in governmental activities' capital lease obligations for the year ended June 30, 2020:

Description	Balance at June 30, 2019	Additions	Deletions	Balance at June 30, 2020	Due Within One Year	Due in More than One Year
Governmental Activities:						
2013 Streetlight Retrofit Lease Agreement	$ 2,710,249	$ -	$ 393,924	$ 2,316,325	$ 406,430	$ 1,909,895

Note 8: Capital Lease Obligations (Continued)

2013 Streetlight Retrofit Lease Agreement

On October 10, 2013, the City entered into a lease/purchase agreement with Banc of America Capital Corporation in the amount of $4,731,027 for the streetlight improvement and appurtenance currently existing upon public streets and right of way within the boundaries of the City of Oceanside. The lease/purchase was subsequently sold to Pinnacle Public Finance on October 24, 2013 under the same term and conditions. The lease is due in annual installments of $476,219. The lease bears an interest rate of 3.15% and is payable semiannually on June 10 and December 10. As of June 30, 2020, the outstanding balance of this lease was $2,316,325.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2020, were as follows:

Year Ending June 30	Annual Payment
2021	$ 476,219
2022	476,219
2023	476,219
2024	476,219
2025	476,219
2026	153,355
	2,534,450
Less Interest	(218,125)
Total	$ 2,316,325

Note 9: Compensated Absences

The following is a summary of changes in compensated absences for the year ended June 30, 2020:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Due Within One Year	Due in More Than One Year
Governmental Activities	$ 13,334,202	$ 5,665,448	$ 4,942,954	$ 14,056,696	$ 5,210,781	$ 8,845,915
Business-Type Activities	1,966,626	1,037,411	801,209	2,202,828	897,756	1,305,072
Total	$ 15,300,828	$ 6,702,859	$ 5,744,163	$ 16,259,524	$ 6,108,537	$ 10,150,987

The City's liability for vested and unpaid compensated absences (accrued vacation and sick pay) amounts to $16,259,524 at June 30, 2020. The liability is typically liquidated from the funds that the employees are charged to, primarily the General, Water, Sewer, and Waste Disposal funds. Compensated absences have no repayment schedule and are payable as employees utilize earned leave time.

Note 10: Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2020:

Description	Balance at June 30, 2019	Additions	Deletions	Balance at June 30, 2020	Due Within One Year	Due in More than One Year
Governmental Activities:						
Bonds Payable:						
2011 Refunding COP	$ 3,100,000	$ -	$ 715,000	$ 2,385,000	$ 750,000	$ 1,635,000
2013 Refunding COP, Series A	3,534,381	-	857,498	2,676,883	876,592	1,800,291
2015 Taxable Pension Obligation Bond	23,690,000	-	3,195,000	20,495,000	3,445,000	17,050,000
2015 Lease Revenue Bond, Series A	2,195,000	-	2,195,000	-	-	-
2019 Lease Revenue Bond	-	22,745,000	-	22,745,000	-	22,745,000
Unamortized Bond Premium/(Discount)	15,376	3,599,190	127,091	3,487,475	-	3,487,475
Direct Borrowings and Direct Placements:						
2016 San Diego Gas & Electric Loan	135,353	-	17,656	117,697	17,656	100,041
2019 HUD Section 108 Refunding Loan	2,213,000	-	171,000	2,042,000	181,000	1,861,000
Subtotal - Governmental Activities	34,883,110	26,344,190	7,278,245	53,949,055	5,270,248	48,678,807
Business-Type Activities:						
Bonds Payable:						
2013A Water Revenue Refunding Bonds	12,195,000	-	1,160,000	11,035,000	1,215,000	9,820,000
2013A Sewer Revenue Refunding Bonds	7,005,000	-	1,215,000	5,790,000	1,255,000	4,535,000
Unamortized Bond Premium/(Discount)	2,607,838	-	235,710	2,372,128	-	2,372,128
Direct Borrowings and Direct Placements:						
2013 Gross Revenue Refunding Bonds	500,000	-	95,000	405,000	100,000	305,000
State Water Resources Control Board Loan	19,083,824	-	2,582,310	16,501,514	2,628,869	13,872,645
Subtotal - Business-Type Activites	41,391,662	-	5,288,020	36,103,642	5,198,869	30,904,773
Total Long-Term Debt	$ 76,274,772	$ 26,344,190	$ 12,566,265	$ 90,052,697	$ 10,469,117	$ 79,583,580

a. Governmental Activities – Bonds Payable

2011 Refunding Certificates of Participation - Original Issue $7,725,000

The 2011 Refunding Certificates of Participation were issued by the Oceanside Public Financing Authority (the Financing Authority) to refund the 1998 Certificates of Participation, which were issued by the Financing Authority for the purpose of reimbursing the City for costs of acquisition of certain real property and improvements to be used as police and library facilities. The certificates consist of serial certificates in the amount of $7,725,000 due in annual installments of $675,000 to $860,034. Interest rates range from 2.19% to 4.77% and are payable semiannually on December 1 and June 1. At June 30, 2020, the outstanding balance of these certificates was $2,385,000.

2013 Refunding Certificates of Participation Series A - Original Issue $12,126,893

The 2013 Refunding Certificates of Participation were issued by the Financing Authority to refund the 2003 Certificates of Participation, which were issued by the Financing Authority to refinance the outstanding 1993 Series A Refunding Certificates of Participation and to lease certain facilities and projects. The certificates consist of serial certificates in the amount of $12,500,000 due in annual installments of $916,461 to $1,345,000 including interest. Interest rate is 1.776% and payments are payable semiannually on October 1 and April 1. As of June 30, 2020, the outstanding balance of these certificates was $2,676,883.

Note 10: Long-Term Debt (Continued)

2015 Taxable Pension Obligation Refunding Bonds - Original Issuance $32,020,000

On August 11, 2015, the City issued $32,020,000 Taxable Pension Obligation Refunding Bonds, Series 2015 for the purpose of refunding the 2005 Taxable Pension Obligation Bonds. The bonds are due in annual installments of $270,000 to $4,700,000. Interest rates range from 1.406% to 4.275% and are payable semiannually on February 15 and August 15. At June 30, 2020, the outstanding balance of the bonds was $20,495,000.

2015 Lease Revenue Refunding Bonds, Series A - Original Issuance $8,335,000

On July 21, 2015, the Financing Authority issued $8,335,000 Lease Revenue Refunding Bonds, Series 2015A for the purpose of refunding the 2005 Refunding Certificates of Participation. The bonds are due in annual installments of $2,000,000 to $2,195,000. Interest rates range from 2.000% to 5.000% and are payable semiannually on May 1 and November 1. At June 30, 2020, the outstanding balance of the bonds was $0, as the bonds were repaid in full.

2019 Lease Revenue Bonds - Original Issuance $22,745,000

On November 1, 2019, the Financing Authority issued the 2019 Lease Revenue Bonds (El Corazon Aquatics Center Project) for a par amount of $22,745,000. The net proceeds of the sale of the Series 2019 Bonds will be used to (i) finance the costs of the acquisition, construction, and installation of certain capital improvements constituting the El Corazon Aquatics Center and related improvements, facilities and equipment, and (ii) pay the costs incurred in connection with the issuance of the 2019 Bonds. The Series 2019 Bonds are equally and ratably payable from and secured by base rental payments and certain amounts on deposit in the funds and accounts established under the bond indenture. In the event of default, the bond trustee may terminate the lease agreement and recover certain damages from the City or may retain the lease agreement and hold the City liable for all base rental payments thereunder. There is no acceleration in the event of default. The bonds are payable commencing on November 1, 2023, in principal amounts ranging from $455,000 to $1,355,000 at interest rates ranging from 4 percent to 5 percent, and mature November 1, 2049.

b. Governmental Activities – Direct Borrowings and Direct Placements

2016 San Diego Gas & Electric Financing Loan Agreement

In May 2016, the City entered into eleven individual contracts with San Diego Gas & Electric to finance a portion of the City-wide LED streetlight retrofit project. The various loans are due in monthly installments ranging from $38 to $454. The loans are for a term of 115 months and carry a zero-percent interest rate. At June 30, 2020, the outstanding balance of the loans was $117,697.

2019 HUD 108 Refunding Loans – Original Issue $2,213,000

In January 2019, the City entered into a contract with the United States Department of Housing and Urban Development for Loan Guarantee Assistance under Section 108 of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. Section 5308, to refinance the 2008 HUD 108 Loans. The loans are due in annual installments ranging from $171,000 to $279,000. Interest is payable quarterly at a rate of 4.8 percent. The outstanding balance at June 30, 2020, was $2,042,000. The City pledged grant allocations and program income as security for the loan.

Note 10: Long-Term Debt (Continued)

c. Governmental Activities – Debt Service Requirements to Maturity

The annual debt service requirements to maturity on the governmental activities' long-term debts are as follows:

	Governmental Activities					
	Bonds Payable		Direct Borrowings and Direct Placements		Total	
Year Ending June 30,	Principal	Interest	Principal	Interest	Principal	Interest
2021	$ 5,071,592	$ 1,811,590	$ 198,656	$ 53,485	$ 5,270,248	$ 1,865,075
2022	5,408,153	1,644,892	208,656	48,723	5,616,809	1,693,615
2023	5,762,138	1,453,408	219,656	43,696	5,981,794	1,497,104
2024	4,800,000	1,244,970	230,656	38,335	5,030,656	1,283,305
2025	5,175,000	1,033,380	242,656	32,546	5,417,656	1,065,926
2026-2030	3,010,000	4,247,796	1,059,417	62,060	4,069,417	4,309,856
2031-2035	3,415,000	3,541,375	-	-	3,415,000	3,541,375
2036-2040	4,235,000	2,721,900	-	-	4,235,000	2,721,900
2041-2045	5,155,000	1,785,900	-	-	5,155,000	1,785,900
2046-2050	6,270,000	646,400	-	-	6,270,000	646,400
	$ 48,301,883	$ 20,131,611	$ 2,159,697	$ 278,845	$ 50,461,580	$ 20,410,456

d. Business-Type Activities – Bonds Payable

2013A Water Revenue Refunding Bonds - Original Issue $19,490,000

The bonds were issued by the City to (a) prepay all of City of Oceanside Water Revenue Refunding Bonds (1998 Water Refunding Project) and City of Oceanside Revenue Certificates of Participation (1993 Water System Refunding Project) Series 2003; (b) finance certain improvements to the City's Water System; and (c) pay the costs of issuing the 2013A Bonds. The bonds are due in annual installments ranging from $600,000 to $1,475,000 through May 2033. Interest rates range from 2.0% to 5.25% and are payable semiannually on May 1 and November 1. Bonds are subject to optional redemption prior to maturity. As of June 30, 2020, the outstanding balance was $11,035,000 and unamortized bond premium was $1,348,915.

If any event of default shall occur, then the Trustee may, and at the written direction of the bond owners of not less than a majority in aggregate principal amount of the Bonds at the time outstanding shall, upon notice in writing to the City, declare the principal of the bonds then outstanding, and the interest accrued thereon, to be due and payable immediately.

Note 10: Long-Term Debt (Continued)

2013A Sewer Revenue Refunding Bonds - Original Issue $15,135,000

The bonds were issued by the City to (a) prepay all of City of Oceanside Revenue Certificates of Participation (1993 Wastewater System Refunding Project) Series 2003 and City of Oceanside Revenue Refunding Certificates of Participation, Series 2008; (b) prepay all amounts due under the 1993 State Loan; (c) finance certain improvements to the City's Sewer System; and (d) pay the costs of issuing the 2013A Bonds. The bond principal is due in semi-annual installments ranging from $565,000 to $1,255,000 through May 2028. Interest rates range from 2.0% to 5.0% and are payable semiannually on May 1 and November 1. Bonds are subject to optional redemption prior to maturity. As of June 30, 2020, the outstanding balance was $5,790,000 and unamortized bond premium was $1,023,213.

If any event of default shall occur, then the Trustee may, and at the written direction of the bond owners of not less than a majority in aggregate principal amount of the Bonds at the time outstanding shall, upon notice in writing to the Issuer, declare the principal of the bonds then outstanding, and the interest accrued thereon, to be due and payable immediately.

e. Business-Type Activities – Direct Borrowings and Direct Placements

2013 Gross Revenue Refunding Bonds - Original Issue $1,965,000

The bonds were issued by the City to prepay all of the Oceanside Small Craft Harbor District loans payable to the Department of Boating and Waterways. The bonds are due in annual installments ranging from $95,000 to $320,000 through August 2023. The interest rate is 2% and is payable semi-annually on February 1 and August 1. Bonds are not subject to optional redemption prior to maturity. As of June 30, 2020, the outstanding balance of these bonds was $405,000.

State Water Resources Control Board Loan for the San Luis Rey Wastewater Treatment Plan Interim Expansion - Original Issue $58,527,824

This loan is a State Revolving Loan Fund Program contract between the State Water Resources Control Board and the City with a maximum loan amount of $60,000,000 to fund the San Luis Rey Wastewater Treatment Plant generally consisting of upgrades to control odors and improve process performance. The loan is due in installments of $2,926,391 commencing in January 2007 through 2026. The interest rate is 1.803% payable annually on January 26. As of June 30, 2020, the outstanding balance of these notes was $16,501,514.

Note 10: Long-Term Debt (Continued)

f. Business-Type Activities – Debt Service Requirements to Maturity

The annual debt service requirements to maturity on the business-type activities' long-term debts are as follows:

	Business-Type Activities					
	Bonds Payable		Direct Borrowings and Direct Placements		Total	
Year Ending June 30,	Principal	Interest	Principal	Interest	Principal	Interest
2021	$ 2,470,000	$ 810,432	$ 2,728,869	$ 304,622	$ 5,198,869	$ 1,115,054
2022	1,845,000	699,482	2,776,268	255,224	4,621,268	954,706
2023	1,195,000	607,232	2,824,521	204,971	4,019,521	812,203
2024	1,250,000	553,432	2,878,644	153,797	4,128,644	707,229
2025	1,305,000	497,132	2,823,652	102,739	4,128,652	599,871
2026-2030	5,950,000	1,519,619	2,874,560	51,828	8,824,560	1,571,447
2031-2033	2,810,000	300,038	-	-	2,810,000	300,038
	$ 16,825,000	$ 4,987,367	$ 16,906,514	$ 1,073,181	$ 33,731,514	$ 6,060,548

Note 11: Debt Without City Commitment

The following bearing the City's name were issued to finance various projects; however, neither the faith and credit nor the general taxing power of the City or Commission have been pledged to the payment of the bonds. Furthermore, neither the City nor the Commission have any obligation for the payment of the bonds in the case of default.

Issuer	Date of Issue	Amount of Issue	Balance at June 30, 2020
CFD 2000-1 Ocean Ranch 2013 Refunding	June 13, 2013	$ 11,175,000	$ 9,300,000
CFD 2000-1 Ocean Ranch 2014 Refunding	June 4, 2014	$ 11,755,000	$ 10,620,000
CFD 2001-1 Morro Hills 2013 Refunding	June 13, 2013	$ 6,710,000	$ 4,455,000
CFD 2001-1 Morro Hills Refunding 2014A	February 14, 2014	$ 10,885,000	$ 7,835,000
CFD 2001-1 Morro Hills Imp Area 1 Refunding 2014A	February 14, 2014	$ 7,025,000	$ 5,110,000
CFD 2006-1 Pacific Coast Bus Park Refunding 2017	January 26, 2017	$ 9,060,000	$ 8,670,000

Note 12: Risk Management

Public Risk Innovation, Solutions, and Management (PRISM), formerly known as CSAC - Excess Insurance Authority, is a member-directed risk sharing pool of counties and public entities. With the dissolution of SANDPIPA, the City elected to join the PRISM pool as a new member and procured all lines of insurance coverage for the City. With the assistance of the City's broker, Alliant, coverage includes General Liability, Workers Compensation, First Party Property, Automobile, Vessel and Cyber Liability coverages. The financial strength of the City has allowed itself a risk tolerance level of a self-insured retention up to $500,000. Through the PRISM pooled layer, the City is insured up to $25,000,000, with excess coverage purchased bringing the total limit to $50,000,000. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The workers' compensation and general/auto liability claims payable of $17,412,000 and $3,171,650, respectively, reported at June 30, 2020, are based on 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.

Changes in the claims liability amounts were as follows:

Year Ended June 30	Claims Payable July 1	Fiscal Year Claims and Changes in Estimates	Claims Payments	Claims Payable June 30
2018	$ 20,457,815	$ 3,782,682	$ 5,605,974	$ 18,634,523
2019	18,634,523	6,036,250	5,034,561	19,636,212
2020	19,636,212	5,723,420	4,775,982	20,583,650

PRISM was formed as a Joint Powers Authority (JPA) in 1979 and recognized as a leader in the pooling and risk management community within the state of California as well as nationwide, and headquartered in Folsom, CA. The membership consists of 55 counties and 268 public entity organizations comprised of cities, school districts, special districts and other JPA's. A key component of PRISM is its membership participation. Members provide their time, expertise, and leadership serving on the Board of Directors and on one or more of the 16 committees. Presently, more than 120 individuals are participating in the governance of the organization. The Board of Directors is comprised of 62 members; 1 representative from each member county and 7 members elected by the public entity membership. The Executive Committee consists of 11 members elected by the Board of Directors. Thereafter appointments are made by the Executive Committee from members' participation in the specific coverage program or based upon background and expertise.

Annual premiums and assessments are approved by the Board of Directors and are adjusted each year based on the following criteria:

- Each city's incurred losses;
- Each city's share of such losses and other expense as a proportion of all such losses;
- Each city's contribution to reserves, including reserves for incurred- but-not-reported losses;

Note 12: Risk Management (Continued)

Liabilities are recorded when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liability include an amount for claims that have been incurred but not reported. The ultimate amount of losses incurred is dependent on future developments. The amounts reported in the accompanying financial statement have been determined based upon actuarial analysis and information from the City's legal counsel and Risk Management.

Note 13: Retirement Plans

a. General Information about the Pension Plans

Plan Descriptions

The Miscellaneous and Safety Plans are agent multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the Plans' respective June 30, 2018 Annual Actuarial Valuation Report (funding valuation). Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report. These reports and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

	Miscellaneous Plan			Safety Plan	
Hire Date:	Prior to January 1, 2011*	January 1, 2011 to January 1, 2013*	January 1, 2013 and Thereafter	Prior to January 1, 2013*	January 1, 2013 and Thereafter
Benefit Formula:	2.7% @ 55	2% @ 60	2% @ 62	3% @ 50	2.7% @ 57
Benefit Vesting Schedule:	5 years of service	5 years of service	5 years of service	5 years of service	5 years of service
Benefit Payments:	Monthly for life	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement Age:	Minimum 50 years	Minimum 50 years	Minimum 52 years	Minimum 50 years	Minimum 50 years
Monthly Benefits, as a % of Eligible Compensation:	2.0% - 2.7%, 50 - 63+ years, respectively	1.092% - 2.418%, 50 - 63+ years, respectively	1.0% - 2.5%, 52 - 67+ years, respectively	3% 50 - 55+ years	2.0% - 2.7%, 50 - 63+ years, respectively
Required Employee Contribution Rates:	8.000%	7.000%	6.750%	9.000%	13.000%
Required Employer Contribution Rates:	24.519%	25.519%	25.769%	35.160%	31.160%
Total Contribution:	32.519%	32.519%	32.519%	44.160%	44.160%

* Closed to new entrants

Note 13: Retirement Plans (Continued)

At June 30, 2018 (the valuation date), the following employees were covered by the benefit terms of the plan:

	Number of Members	
Description	Miscellaneous	Safety
Active members	561	317
Transferred members	395	90
Terminated members	323	59
Retired members and beneficiaries	903	467
Total	2,182	933

b. Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

For the year ended June 30, 2020, the employer contributions recognized as a reduction to the net pension liability for all the Miscellaneous Plan and Safety Plan were $13,180,051 and $19,254,700, respectively.

c. Net Pension Liability

The City's net pension liability is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2019, using an annual actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Note 13: Retirement Plans (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2018 valuation was rolled forward to determine the June 30, 2019 total pension liability, based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB 68
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table [1]	Derived using CalPERS' membership data for all funds
Post Retirement Benefit Increase	The lesser of a contract COLA or 2.5% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.5% thereafter

[1] The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more information on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

Long-term Expected Rate of Return

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

Note 13: Retirement Plans (Continued)

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. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ 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 rounded 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 equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as followed:

Asset Class [1]	Assumed Asset Allocation	Real Return Years 1-10 [2]	Real Return Years 11+ [3]
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%

[1] In the CalPERS CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

[2] An expected inflation of 2.00% used for this period.

[3] An expected inflation of 2.92% used for this period.

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

Note 13: Retirement Plans (Continued)

Changes in the Net Pension Liability

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

Miscellaneous Plan	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at 6/30/2018	$ 429,402,311	$ 322,134,663	$ 107,267,648
Changes Recognized for the Measurement Period:			
Service Cost	7,426,005	-	7,426,005
Interest on Total Pension Liability	30,606,708	-	30,606,708
Differences Between Expected and Actual Experience	5,627,027	-	5,627,027
Contributions - Employer	-	13,180,051	(13,180,051)
Contributions - Employees	-	3,308,094	(3,308,094)
Net Investment Income	-	21,113,253	(21,113,253)
Benefit Payments, Including Refunds of Employee Contributions	(21,352,977)	(21,352,977)	-
Administrative Expense	-	(229,882)	229,882
Other Miscellaneous Income/(Expense)	-	747	(747)
Net Changes During 2018-19	22,306,763	16,019,286	6,287,477
Balance at 6/30/2019	451,709,074	338,153,949	113,555,125
Safety Plan			
Balance at 6/30/2018	517,215,338	396,282,121	120,933,217
Changes Recognized for the Measurement Period:			
Service Cost	10,774,961	-	10,774,961
Interest on Total Pension Liability	36,940,765	-	36,940,765
Differences Between Expected and Actual Experience	6,774,359	-	6,774,359
Contributions - Employer	-	19,254,700	(19,254,700)
Contributions - Employees	-	3,462,100	(3,462,100)
Net Investment Income	-	26,072,873	(26,072,873)
Benefit Payments, Including Refunds of Employee Contributions	(25,446,261)	(25,446,261)	-
Administrative Expense	-	(282,795)	282,795
Other Miscellaneous Income/(Expense)	-	922	(922)
Net Changes During 2018-19	29,043,824	23,061,539	5,982,285
Balance at 6/30/2019	546,259,162	419,343,660	126,915,502
Total - Miscellaneous and Safety Plans	$ 997,968,236	$ 757,497,609	$ 240,470,627

Note 13: Retirement Plans (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.15 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 (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount Rate (-1%) 6.15%	Current Discount Rate 7.15%	Discount Rate (+1%) 8.15%
Miscellaneous Plan	$ 172,407,856	$ 113,555,125	$ 64,844,324
Safety Plan	202,109,587	126,915,502	65,290,277
Total	$ 374,517,443	$ 240,470,627	$ 130,134,601

d. Pension Plan Fiduciary Net Position

The plan fiduciary net position disclosed in the GASB 68 accounting valuation report may differ from the plan assets reported in the funding actuarial valuation report due to several reasons. First, for the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and OPEB expense included as assets. These amounts are excluded for rate setting purposes in the funding actuarial valuation. In addition, differences may result from early Comprehensive Annual Financial Report closing and final reconciled reserves.

e. IRS Section 115 Pension Trust

The City holds investments in an IRS Section 115 Trust for pension stabilization. The current market value of the trust is $11,148,456. This trust fund is not included in the calculation of the net pension liability, as the assets are not in the custody of the plan administrator, CalPERS. Refer to Note 3 for additional information.

f. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the City recognized pension expense as follows:

Miscellaneous	Safety	Total
$ 19,009,402	$ 26,829,084	$ 45,838,486

Note 13: Retirement Plans (Continued)

At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Miscellaneous Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer Contributions made Subsequent to the Measurement Date	$ 15,489,718	$ -
Changes of Assumptions	-	532,108
Differences between Expected and Actual Experience	3,376,216	638,320
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	1,909,011
Subtotal - Miscellaneous Plan	18,865,934	3,079,439
Safety Plan		
Employer Contributions made Subsequent to the Measurement Date	20,523,475	-
Changes of Assumptions	8,160,750	1,251,391
Differences between Expected and Actual Experience	6,639,463	1,387,145
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	2,168,297
Subtotal - Safety Plan	35,323,688	4,806,833
Total	$ 54,189,622	$ 7,886,272

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net Difference between projected and actual earnings on pension plan investments	5 year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

The EARSL for the Miscellaneous Plan for the measurement period ending June 30, 2019 is 2.5 years, which was obtained by dividing the total service years of 5,392 (the sum of remaining service lifetimes of the active employees) by 2,180 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

Note 13: Retirement Plans (Continued)

The EARSL for the Safety Plan for the measurement period ending June 30, 2019 is 4.0 years, which was obtained by dividing the total service years of 3,689 (the sum of remaining service lifetimes of the active employees) by 926 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

The $36,013,193 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 fiscal year ended June 30, 2021. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30,	Deferred Outflows/(Inflows) of Resources		
	Miscellaneous	Safety	Total
2021	$ 2,198,004	$ 8,890,035	$ 11,088,039
2022	(1,738,470)	(413,702)	(2,152,172)
2023	(496,079)	1,089,707	593,628
2024	333,322	427,340	760,662

Note 14: Post-Employment Benefits Other Than Pensions

a. General Information about the OPEB Plan

Plan Description

The City's defined benefit OPEB plan, Retiree Health Plan (the Plan), provides healthcare insurance for all eligible retirees and their covered dependents, other than those retirees belonging to the Oceanside Firefighters Association (OFA), through the City's group health insurance plans. The Plan is a single employer defined benefit OPEB plan administered by the City. The authority to establish and amend the Plan's benefit terms and financing requirements rests with the City Council. No assets are accumulated in a trust that meets all of the criteria in GASB Statement No. 75, paragraph 4.

Note 14: Post-Employment Benefits Other Than Pensions (Continued)

Benefits Provided

The City makes no direct payments towards retiree health benefits except for a small group of grandfathered retirees. All liability is generated by an implied rate subsidy created by granting pre-Medicare retirees access to the active medical plan options. The table below summarizes the benefits and terms to be eligible for benefits:

	All Groups
Benefit Types Provided	Medical
Duration of Benefits	One year per year of service. Lifetime if 15+ years of service.
Required Service	Retirement
Minimum Age	Retirement
Dependent Coverage	Yes
City Contribution %	0%
City Cap	All benefits are self-pay except for a limited group of grand-fathered retirees ($112 per month for this

Employees Covered by Benefit Terms

At June 30, 2019, the following employees were covered by benefit terms:

Description	Number of Members
Active employees eligible for future benefits	770
Retirees currently receiving benefits	100
Total	870

b. Total OPEB Liability

The City's total OPEB liability of $9,553,658 was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75 percent
Salary increases	2.75 percent
Healthcare cost trend rates	4.00 percent per year

Note 14: Post-Employment Benefits Other Than Pensions (Continued)

A discount rate of 3.50% was applied in the measurement of the total OPEB liability. The discount rate is based on the index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality and retirement rates were based on the 2017 CalPERS Experience Study. All other actuarial assumptions used in the June 30, 2019 valuation were based on the results of the 2017 CalPERS Experience Study for the period of 1997 through 2015.

c. Changes in the Total OPEB Liability

Changes in the total OPEB liability were as follows:

	Total OPEB Liability
Balance at June 30, 2018 Measurement Date	$ 5,789,268
Changes Recognized for the Measurement Period:	
Service Cost	384,631
Interest on Total OPEB Liability	211,448
Benefit Payments	(280,948)
Experience (Gains)/Losses	1,983,780
Changes in Assumptions	1,465,479
Net Changes During 2018-19	3,764,390
Balance at June 30, 2019 Measurement Date	$ 9,553,658

Changes of assumptions and other inputs reflect a change in the discount rate from 3.62% at measurement date June 30, 2018 to 3.50% at measurement date June 30, 2019. They also reflect a change in the healthcare cost trend rate from 5.00% at measurement date June 30, 2018 to 4.00% at measurement date June 30, 2019.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current discount rate:

	Discount Rate (-1%) 2.50%	Current Discount Rate 3.50%	Discount Rate (+1%) 4.50%
Total OPEB Liability	$ 10,222,049	$ 9,553,658	$ 8,938,726

Note 14: Post-Employment Benefits Other Than Pensions (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.00%) or 1-percentage-point higher (5.00%) than the current healthcare cost trend rates (dollar amounts in thousands):

	Trend Rate (-1%) 3.00%	Current Trend Rate 4.00%	Trend Rate (+1%) 5.00%
Total OPEB Liability	$ 8,721,764	$ 9,553,658	$ 10,519,193

d. OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the City recognized OPEB expense of $821,738. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	$ 1,353,610	$ 169,401
Differences between Expected and Actual Experience	1,832,346	-
Total	$ 3,185,956	$ 169,401

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Fiscal Year Ended June 30,	Deferred Outflows/ (Inflows) of Resources
2021	$ 225,659
2022	225,659
2023	225,659
2024	206,834
2025	263,303
Thereafter	1,869,441

Note 15: Commitments and Contingencies

Commitments

The following material construction commitments existed at June 30, 2020:

Project Name	Contract Amount	Expenditures to Date as of June 30, 2020	Remaining Commitments
Douglas Bridge Seismic Retrofit	$ 4,380,479	$ 478,272	$ 3,902,207
Coast Highway Bridge Replacement	5,425,763	1,557,132	3,868,631
Beachfront Improvements	9,414,600	1,116,675	8,297,925
Training Tower/Draft Pit/Asphalt	998,211	-	998,211
El Corazon Aquatic Center Construction	20,067,189	5,850,754	14,216,435
Upper SLR WRF	4,942,531	3,439,164	1,503,367
Lower SLR WRF	18,883,192	984,119	17,899,073
Pure Water Oceanside Phase 2	60,580,216	8,159,366	52,420,850
Oceanside Blvd. Lift Station Relocation	10,287,962	592,062	9,695,900
Pipeline Rehabilitation Program	1,500,000	7,962	1,492,038
Land Outfall	4,425,634	3,066,455	1,359,179
Lift Stations Upgrade	777,920	32,913	745,007
J Dock Replacement	3,105,334	53,124	3,052,210
Total	$ 144,789,031	$ 25,337,998	$ 119,451,033

Contingent Liabilities

The City is involved in certain matters of litigation that have arisen in the normal course of conducting City business. City management believes, based upon consultation with the City Attorney, that these cases, in the aggregate, are not expected to result in a material adverse financial impact on the City. Additionally, City management believes that the City's insurance programs are sufficient to cover any potential losses should an unfavorable outcome be realized.

Note 16: Tax Abatement Agreement

On September 10, 2014, the City entered into a transient occupancy tax abatement agreement with a local developer. This agreement allows for a 100 percent transient occupancy tax abatement during the first three years after Phase I hotel is open, a 100 percent transient occupancy tax abatement during the first three years after Phase II hotel is open, and then the City and developer will share transient occupancy taxes at varying levels for a period of fifteen years on the Phase I hotel and fourteen years on the Phase II hotel. The total amount of transient occupancy tax to be abated under this agreement amounts to $11,335,250. As part of this agreement, the City also agreed to subsidize the developer by abating off-site mitigation fees in the amount of $609,750, and development impact fees in the amount of $1,743,267. This agreement expires on September 10, 2029. For the fiscal year ended June 30, 2020, the amount of transient occupancy tax abated under this agreement amounts to $0.

On November 28, 2018, the City entered into a sales tax abatement agreement with a local developer. This agreement allows for an abatement of new taxable gross retail sales tax above $100,000, increasing by 3 percent per year, within each fiscal year up to an aggregate of $5,000,000 or the 10-year term of the agreement, whichever comes first. New taxable gross sales tax excludes revenues generated by Measure X, the one-half percent transaction and use tax. This agreement expires November 28, 2028. For the fiscal year ended June 30, 2020, the amount of sales tax abated under this agreement amounts to $0.

Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Oceanside that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or 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 12-R0058-1.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

The Successor Agency to the former Redevelopment Agency is reported as a fiduciary fund (private purpose trust fund).

a. Cash and investments

Cash and investments reported in the accompanying financial statements consisted of the following:

Cash and investments pooled with the City	$ 3,190,784
Cash and investments with fiscal agent	1,534,823
	$ 4,725,607

b. Long-Term Debt

A description of long-term debt outstanding of the Successor Agency as of June 30, 2020, were as follows.

Description	Balance at June 30, 2019	Additions	Deletions	Balance at June 30, 2020	Due Within One Year	Due in More than One Year
Bonds Payable:						
2015A Tax Allocation Refunding Bonds	$ 14,855,000	$ -	$ 2,005,000	$ 12,850,000	$ 2,105,000	$ 10,745,000
2015B Tax Allocation Refunding Bonds	7,300,000	-	960,000	6,340,000	980,000	5,360,000
Unamortized Bond Premium/(Discount)	1,702,802	-	276,006	1,426,796	-	1,426,796
Total	$ 23,857,802	$ -	$ 3,241,006	$ 20,616,796	$ 3,085,000	$ 17,531,796

Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

Bonds Payable

2015A Tax Allocation Refunding Bonds - Original Issue $20,370,000

The 2015 Tax Allocation Refunding Bonds Series A were issued to refund the Commission's outstanding 2002, 2003, and 2004 Tax Allocation Series bonds. The bonds mature annually through 2025, in amounts ranging from $1,225,000 to $2,555,000. Interest rates vary from 2.0% to a maximum of 5.0% and are payable semiannually on March 1 and September 1, commencing September 1, 2016. As of June 30, 2020, the outstanding balance of the bonds is $12,850,000. If an event of default has occurred, the bond trustee may declare the principal amount of the bonds, together with the accrued interest thereon, to be due and payable immediately.

2015B Tax Allocation Refunding Bonds - Original Issue $10,080,000

The 2015 Tax Allocation Refunding Bonds Series B were issued to refund the Commission's outstanding 2002, 2003, and 2004 Tax Allocation Series bonds. The bonds mature annually through 2025, in amounts ranging from $915,000 to $1,145,000. Interest rates vary from 1.0% to a maximum of 4.0% and are payable semiannually on March 1 and September 1, commencing September 1, 2016. As of June 30, 2020, the outstanding balance of the bonds is $6,340,000. If an event of default has occurred, the bond trustee may declare the principal amount of the bonds, together with the accrued interest thereon, to be due and payable immediately.

Pledged Revenue

The City pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it received. The bonds issued were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the redevelopment activities of the Community Development Commission, property taxes allocated to redevelopment activities no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt as of June 30, 2020, is $21,735,445 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was $3,956,450 and the debt service obligation on the bonds was $3,879,863.

Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

Debt Service Requirements to Maturity

On the following table are the debt service requirements on the Successor Agency's long-term debts to maturity:

Year Ending June 30,	Principal	Interest	Total
2021	$ 3,085,000	$ 788,450	$ 3,873,450
2022	3,215,000	652,638	3,867,638
2023	3,355,000	507,494	3,862,494
2024	3,505,000	353,075	3,858,075
2025	3,660,000	190,263	3,850,263
2026	2,370,000	53,525	2,423,525
	$ 19,190,000	$ 2,545,445	$ 21,735,445

c. Insurance

The Successor Agency is covered under the City of Oceanside's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 13.

d. Commitments and Contingencies

As of June 30, 2020, the Successor Agency was involved as a defendant in several lawsuits arising out of the ordinary conduct of its affairs. It is the opinion of management that settlements of these lawsuits, including losses for claims that are incurred but not reported, if any, will not have a material effect on the financial position of the Successor Agency.

Note 18: Subsequent Event

a. Issuance of Water Revenue Bonds, Series 2020A

On July 9, 2020, the City issued the Water Revenue Bonds, Series 2020A in an amount of $25,275,000. The net proceeds of the sale of the Series 2019 Bonds will be used to (i) finance a portion of the acquisition and construction of certain capital improvements to the water system of the City, and (ii) pay the costs of issuance of the 2020 Bonds. The bonds are limited obligations of the City payable solely from net revenues, which consist of revenues of the City's water system remaining after the payment of operation and maintenance costs, and from amounts on deposit in certain funds and accounts created under the bond indenture. In the event of default, the bond trustee may, at the direction of the majority of the bondholders, declare the outstanding principal and interest accrued thereon due and payable immediately. There is no acceleration in the event of default. The bonds are payable commencing on November 1, 2020, in principal amounts ranging from $335,000 to $1,385,000 at an interest rate of 4 percent mature May 1, 2051.

Note 18: Subsequent Event (Continued)

b. Water Infrastructure Finance and Innovation Act (WIFIA) Loan Agreement

On September 9, 2020, the City entered into a loan agreement with the U.S. Environmental Protection Agency for a Water Infrastructure Finance and Innovation Action (WIFIA) loan to the Water Utility for an amount up to $71,000,000 to finance the Pure Water and Upper and Lower Recycled Water Distribution System Project. The loan has a fixed interest rate of 1.19 percent and is payable commencing on May 1, 2023 in principal amounts ranging from $1,692,082 to $2,500,126. Loan maturity is scheduled to be May 1, 2056. In the event of default, the EPA may suspend or terminate all its obligations, may debar the City from further participation in any other EPA programs, and may declare the unpaid principal amount of the WIFIA note to be immediately due and payable along with all interest accrued.

c. CARES Act Funding in Response to Coronavirus Pandemic

On March 27, 2020, in response to the economic fallout of the Coronavirus pandemic in the United States, Congress passed the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act, which provided $2.2 trillion in economic stimulus funding through a variety of channels. The State of California received a $500 million allocation to provide cities which did not receive a direct federal allocation through the CARES Act. The City entered into an agreement with the State of California in July 2020 to receive their allocation of the CARES Act funding. The funding is to be received in six monthly installments of $364,930, with the first installment received by the City in July 2020. The total amount of CARES Act funding to be received by the City is $2,189,580. This funding was for the reimbursement of costs incurred by the City since the start of the pandemic.

Note 19: Prior Period Adjustment

At June 30, 2020, the City reported a prior period adjustment in the amount of ($31,347,830) in the custodial funds in the Statement of Changes in Fiduciary Net Position. This prior period adjustment was made to implement the change in accounting principle, GASB Statement No. 84, *Fiduciary Activities*, as described in Note 1; and to convert the former agency funds, which previously only reported assets and liabilities, to a full accrual custodial fund with an economic resources measurement focus and additions and deductions being reported.

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REQUIRED SUPPLEMENTARY INFORMATION

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Note 1: Budgetary Information

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- During May of each fiscal year, the City Manager submits to the City Council a proposed annual operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

- Public hearings are conducted at City Council meetings to obtain taxpayer comments prior to and after May.

- Prior to July 1, the budget is legally adopted through passage of an appropriation resolution.

The City of Oceanside does not distinguish between Basis of Budgeting and Basis of Accounting. The principles set forth as the Basis of Accounting are strictly observed in the budgeting process. A fund's Basis of Budgeting and Basis of Accounting determines when a transaction or event is recognized; refer to *Note 1 Summary of Significant Accounting Policies* in the Notes to the Basic Financial Statements for more information. Only revenues and expenditures anticipated during the fiscal year are included in the budget. Unexpended operating budget funds revert to fund balance at the close of a fiscal year. Unexpended capital and grant funds are carried forward from year to year until projects are officially closed.

Budgetary control, the level at which expenditures cannot legally exceed the appropriated amount, is at the fund level. Council and Administrative policies provide guidelines on budget transfers and the authorization necessary to implement transfers. Generally, there are two types of budget transfers:

- *Budget adjustment:* This is a transfer which does not change the total appropriated amount within a fund and does not require Council action. Approval is granted at the City Manager level.

- *Budget amendment:* This is an adjustment to the total appropriated amount within a fund or business unit which was not included in the original budget. These supplemental appropriations are presented to City Council in an agenda report and require the passage of a simple majority of the City Council for approval.

CITY OF OCEANSIDE, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 79,619,156	$ 79,619,156	$ 79,619,156	$ -
Resources (Inflows):				
Taxes	119,318,257	116,201,362	121,207,640	5,006,278
Licenses and permits	3,533,913	3,529,113	3,834,114	305,001
Intergovernmental	287,064	250,000	395,827	145,827
Charges for services	17,273,394	18,370,224	16,591,571	(1,778,653)
Use of money and property	8,799,169	8,234,990	11,613,650	3,378,660
Fines and forfeitures	3,663,384	3,163,384	3,626,249	462,865
Administrative and in lieu charges	6,778,853	6,778,853	6,733,764	(45,089)
Miscellaneous	250,501	167,397	294,020	126,623
Transfers in	13,456,102	14,669,765	14,205,860	(463,905)
Amounts Available for Appropriations	**252,979,793**	**250,984,244**	**258,121,851**	**7,137,607**
Charges to Appropriations (Outflows):				
General government				
City Council	1,343,980	1,377,783	938,253	439,530
City Clerk	1,298,528	1,419,771	1,202,675	217,096
City Treasurer	1,726,525	1,765,470	1,472,830	292,640
City Manager	4,085,345	4,076,014	3,100,949	975,065
City Attorney	1,964,554	2,001,622	2,003,326	(1,704)
Financial Services	5,501,241	5,440,565	5,251,356	189,209
Human Resources	736,184	713,344	687,845	25,499
Budget Activities/Services	578,521	576,659	486,772	89,887
Pension Stabilization Trust	-	-	32,185	(32,185)
Nondepartmental	6,605,177	13,456,259	12,592,223	864,036
Public safety				
Police	61,391,204	60,429,982	60,905,418	(475,436)
Fire	32,821,582	33,728,047	32,732,531	995,516
Community development				
Engineering	4,967,539	4,591,893	4,175,761	416,132
Planning	2,422,699	2,628,123	2,190,918	437,205
Building	2,977,455	2,925,016	2,863,564	61,452
Community/cultural services				
Library	5,835,593	5,829,906	5,619,150	210,756
Neighborhood Services Department	7,708,595	7,732,392	7,266,494	465,898
Economic and Community Development	707,491	2,087,329	776,295	1,311,034
Property Management	1,083,714	986,650	977,491	9,159
Block 20 Lease Assessment	-	22,558	22,558	-
Public works				
Public Works	15,997,776	16,247,664	14,914,079	1,333,585
Capital outlay	45,599	471,877	205,893	265,984
Debt service:				
Principal retirement	15,654	15,654	15,654	-
Transfers out	12,926,202	15,218,436	14,265,718	952,718
Total Charges to Appropriations	**172,741,158**	**183,743,014**	**174,699,938**	**9,043,076**
Budgetary Fund Balance, June 30	**$ 80,238,635**	**$ 67,241,230**	**$ 83,421,913**	**$ 16,180,683**

The notes to required supplementary information are an integral part of this schedule.

CITY OF OCEANSIDE, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
GRANTS
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 8,090,561	$ 8,090,561	$ 8,090,561	$ -
Resources (Inflows):				
Intergovernmental	4,308,172	27,941,630	5,675,871	(22,265,759)
Charges for services	20,600	20,600	25,460	4,860
Use of money and property	17,737	18,337	628,856	610,519
Developer participation	1,752,648	1,752,648	2,484,544	731,896
Miscellaneous	12,500	63,400	3,500	(59,900)
Transfers in	427,071	375,571	323,727	(51,844)
Amounts Available for Appropriations	**14,629,289**	**38,262,747**	**17,232,519**	**(21,030,228)**
Charges to Appropriations (Outflows):				
Public safety	1,053,801	3,325,670	2,404,048	921,622
Community development	3,384,514	17,786,802	4,332,918	13,453,884
Parks and recreation	15,367	1,009,923	191,622	818,301
Community/cultural services	-	140,432	86,299	54,133
Capital outlay	745,830	9,237,880	1,485,306	7,752,574
Transfers out	103,000	206,175	447,538	(241,363)
Total Charges to Appropriations	**5,302,512**	**31,706,882**	**8,947,731**	**22,759,151**
Budgetary Fund Balance, June 30	**$ 9,326,777**	**$ 6,555,865**	**$ 8,284,788**	**$ 1,728,923**

The notes to required supplementary information are an integral part of this schedule.

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CITY OF OCEANSIDE, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
HOUSING ASSISTANCE PROGRAM
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 3,918,130	$ 3,918,130	$ 3,918,130	$ -
Resources (Inflows):				
Licenses and permits	311,287	311,287	192,506	(118,781)
Intergovernmental	20,129,714	21,313,617	21,292,691	(20,926)
Charges for services	66,634	66,634	66,121	(513)
Use of money and property	367,349	1,161,687	864,656	(297,031)
Miscellaneous	510,622	518,559	297,550	(221,009)
Amounts Available for Appropriations	**25,303,736**	**27,289,914**	**26,631,654**	**(658,260)**
Charges to Appropriations (Outflows):				
Community development	21,700,025	24,266,369	22,287,485	1,978,884
Total Charges to Appropriations	**21,700,025**	**24,266,369**	**22,287,485**	**1,978,884**
Budgetary Fund Balance, June 30	**$ 3,603,711**	**$ 3,023,545**	**$ 4,344,169**	**$ 1,320,624**

The notes to required supplementary information are an integral part of this schedule.

CITY OF OCEANSIDE, CALIFORNIA

MISCELLANEOUS PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS [1]

	2020	2019
Measurement Date	6/30/2019	6/30/2018
Total Pension Liability:		
Service cost	$ 7,426,005	$ 7,214,699
Interest on total pension liability	30,606,708	29,093,082
Changes in assumptions	-	(2,660,542)
Difference between expected and actual experience	5,627,027	(3,191,600)
Benefit payments, including refunds of employee contributions	(21,352,977)	(20,388,752)
Net change in total pension liability	22,306,763	10,066,887
Total pension liability - beginning	429,402,311	419,335,424
Total pension liability - ending (a)	**451,709,074**	**429,402,311**
Plan Fiduciary Net Position:		
Contributions - employer	13,180,051	11,789,763
Contributions - employee	3,308,094	3,237,718
Net investment income	21,113,253	25,523,656
Benefit payments, including refunds of employee contributions	(21,352,977)	(20,388,752)
Net plan to plan resource movement	-	(747)
Administrative expense	(229,882)	(472,693)
Other miscellaneous expense	747	(897,651)
Net change in fiduciary net position	16,019,286	18,791,294
Plan fiduciary net position - beginning	322,134,663	303,343,369
Plan fiduciary net position - ending (b)	**338,153,949**	**322,134,663**
Net Pension Liability - Ending (a) - (b)	**$ 113,555,125**	**$ 107,267,648**
Plan fiduciary net position as a percentage of the total pension liability	74.9%	75.0%
Covered payroll	$ 39,732,503	$ 38,280,356
Plan net pension liability as a percentage of covered payroll	285.8%	280.2%

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2018 valuation date. 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 in 2020. In 2019, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2018, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2017, there were no changes. In 2016, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2015, amounts reported were based on the 7.5 percent discount rate.

[1] Fiscal Year 2015 was the first year of implementation; therefore, only six years are shown.

2018	2017	2016	2015
6/30/2017	6/30/2016	6/30/2015	6/30/2014
$ 7,296,794	$ 6,246,675	$ 6,352,501	$ 6,739,488
28,371,378	27,718,396	26,777,993	25,673,047
23,417,305	-	(6,534,185)	-
(5,058,524)	(3,305,967)	(1,673,895)	-
(18,973,677)	(17,783,125)	(17,174,366)	(15,383,934)
35,053,276	12,875,979	7,748,048	17,028,601
384,282,148	371,406,169	363,658,121	346,629,520
419,335,424	**384,282,148**	**371,406,169**	**363,658,121**
9,315,364	8,640,705	7,450,463	7,232,808
2,974,072	2,897,160	2,960,994	3,121,902
31,453,369	1,462,692	6,337,368	42,691,113
(18,973,677)	(17,783,125)	(17,174,366)	(15,383,934)
38,869	(1,431)	(255)	-
(411,847)	(173,025)	(327,880)	-
-	-	-	-
24,396,150	(4,957,024)	(753,676)	37,661,889
278,947,219	283,904,243	284,657,919	246,996,030
303,343,369	**278,947,219**	**283,904,243**	**284,657,919**
$ 115,992,055	**$ 105,334,929**	**$ 87,501,926**	**$ 79,000,202**
72.3%	72.6%	76.4%	78.3%
$ 37,729,027	$ 35,805,773	$ 35,092,814	$ 35,409,488
307.4%	294.2%	249.3%	223.1%

CITY OF OCEANSIDE, CALIFORNIA

SAFETY PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS [1]

	2020	2019
Measurement Date	6/30/2019	6/30/2018
Total Pension Liability:		
Service cost	$ 10,774,961	$ 10,500,340
Interest on total pension liability	36,940,765	34,962,160
Changes in assumptions	-	(2,502,783)
Difference between expected and actual experience	6,774,359	3,117,388
Benefit payments, including refunds of employee contributions	(25,446,261)	(23,956,522)
Net change in total pension liability	29,043,824	22,120,583
Total pension liability - beginning	517,215,338	495,094,755
Total pension liability - ending (a)	**546,259,162**	**517,215,338**
Plan Fiduciary Net Position:		
Contributions - employer	19,254,700	20,124,316
Contributions - employee	3,462,100	3,546,100
Net investment income	26,072,873	31,306,694
Benefit payments, including refunds of employee contributions	(25,446,261)	(23,956,522)
Net plan to plan resource movement	-	(922)
Administrative expense	(282,795)	(571,762)
Other miscellaneous expense	922	(1,085,787)
Net change in fiduciary net position	23,061,539	29,362,117
Plan fiduciary net position - beginning	396,282,121	366,920,004
Plan fiduciary net position - ending (b)	**419,343,660**	**396,282,121**
Plan net pension liability - ending (a) - (b)	**$ 126,915,502**	**$ 120,933,217**
Plan fiduciary net position as a percentage of the total pension liability	76.8%	76.6%
Covered payroll	$ 34,414,901	$ 33,295,304
Plan net pension liability as a percentage of covered payroll	368.8%	363.2%

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2018 valuation date. 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 in 2020. In 2019, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2018, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2017, there were no changes. In 2016, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2015, amounts reported were based on the 7.5 percent discount rate.

[1] Fiscal Year 2015 was the first year of implementation; therefore, only six years are shown.

2018	2017	2016	2015
6/30/2017	6/30/2016	6/30/2015	6/30/2014
$ 10,249,556	$ 9,035,445	$ 9,471,721	$ 10,028,996
33,447,072	32,392,557	31,362,885	30,432,000
28,562,622	-	(7,872,461)	-
(4,296,754)	(6,539,562)	(8,658,602)	-
(22,536,630)	(21,347,011)	(19,887,274)	(18,990,595)
45,425,866	13,541,429	4,416,269	21,470,401
449,668,889	436,127,460	431,711,191	410,240,790
495,094,755	**449,668,889**	**436,127,460**	**431,711,191**
11,829,794	11,179,323	9,726,446	9,044,122
3,270,225	2,987,703	2,946,540	2,972,544
37,865,971	1,715,660	7,570,596	51,514,504
(22,536,630)	(21,347,011)	(19,887,274)	(18,990,595)
(38,869)	1,431	255	-
(497,598)	(208,857)	(385,706)	-
-	-	-	-
29,892,893	(5,671,751)	(29,143)	44,540,575
337,027,111	342,698,862	342,728,005	298,187,430
366,920,004	**337,027,111**	**342,698,862**	**342,728,005**
$ 128,174,751	**$ 112,641,778**	**$ 93,428,598**	**$ 88,983,186**
74.1%	75.0%	78.6%	79.4%
$ 32,433,252	$ 31,451,701	$ 32,835,473	$ 33,220,696
395.2%	358.1%	284.5%	267.9%

CITY OF OCEANSIDE, CALIFORNIA

MISCELLANEOUS AND SAFETY PLANS
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS [1]

	2020	2019
Miscellaneous Plan:		
Actuarially Determined Contribution	$ 12,891,460	$ 11,356,512
Contribution in Relation to the Actuarially Determined Contribution	(15,489,718)	(13,180,051)
Contribution Deficiency (Excess)	$ (2,598,258)	$ (1,823,539)
Covered Payroll	$ 40,769,117	$ 39,732,503
Contributions as a Percentage of Covered Payroll	38.0%	33.2%
Safety Plan:		
Actuarially Determined Contribution	$ 15,307,154	$ 13,478,019
Contribution in Relation to the Actuarially Determined Contribution	(20,523,475)	(19,254,700)
Contribution Deficiency (Excess)	$ (5,216,321)	$ (5,776,681)
Covered Payroll	$ 35,063,464	$ 34,414,901
Contributions as a Percentage of Covered Payroll	58.5%	55.9%

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2019-20 were derived from the June 30, 2017 funding valuation report.

Actuarial Cost Method: Entry Age Normal
Amortization Method/Period: For details, see June 30, 2017 Funding Valuation Report
Asset Valuation Method: Fair Value of Assets. For details, see June 30, 2017 Funding Valuation Report
Inflation: 2.625%
Salary Increases: Varies by Entry Age and Service
Payroll Growth: 2.875%
Investment Rate of Return: 7.25% (net of administrative expenses)
Retirement Age: The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality: The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Post-retirement mortality rates include 15 years of projected on-going mortality improvement using 90% of Scale MP 2016 published by the Society of Actuaries.

For previous years' information, refer to past Comprehensive Annual Financial Reports.

[1] Historical information is required only for measurement for which GASB 68 is applicable. Data was available for Fiscal Year 2014 going forward, therefore only seven years are shown.

2018	2017	2016	2015	2014
$ 10,360,741	$ 9,315,364	$ 8,640,705	$ 7,450,463	$ 7,232,808
(11,789,763)	(9,315,364)	(8,640,705)	(7,450,463)	(7,232,808)
$ (1,429,022)	$ -	$ -	$ -	$ -
$ 38,280,356	$ 37,729,027	$ 35,805,773	$ 35,092,814	$ 35,409,488
30.8%	24.7%	24.1%	21.2%	20.4%
$ 12,911,210	$ 11,829,794	$ 11,179,323	$ 9,726,446	$ 9,044,122
(20,124,316)	(11,829,794)	(11,179,323)	(9,726,446)	(9,044,122)
$ (7,213,106)	$ -	$ -	$ -	$ -
$ 33,295,304	$ 32,433,252	$ 31,451,701	$ 32,835,473	$ 33,220,696
60.4%	36.5%	35.5%	29.6%	27.2%

CITY OF OCEANSIDE, CALIFORNIA

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS [1]

	2020	2019	2018
Measurement Date	6/30/2019	6/30/2018	6/30/2017
Total OPEB Liability:			
Service cost	$ 384,631	$ 373,428	$ 362,551
Interest on the total OPEB liability	211,448	175,549	166,455
Actual and expected experience difference	1,983,780	-	-
Changes in assumptions	1,465,479	(244,689)	-
Benefit payments [2]	(280,948)	(245,347)	(231,628)
Net change in total OPEB liability	3,764,390	58,941	297,378
Total OPEB liability - beginning	5,789,268	5,730,327	5,432,949
Total OPEB liability - ending	**$ 9,553,658**	**$ 5,789,268**	**$ 5,730,327**
Plan fiduciary net position as a percentage of the total OPEB liability [3]	0.0%	0.0%	0.0%
Covered-employee payroll	$ 79,567,557	$ 76,704,358	$ 63,197,046
Net OPEB liability as a percentage of covered-employee payroll	12.0%	7.5%	9.1%

Notes to Schedule of Changes in the Total OPEB Liability and Related Ratios:

[1] Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

[2] Includes value of implicit subsidy

[3] The plan is not funded through a qualifying trust; therefore, there is no fiduciary net position to offset the total OPEB liability.

OTHER GOVERNMENTAL FUNDS

Special Revenue Funds

The **Asset Seizure Fund** is used to account for funds received from the federal government as a result of seizure of assets from those convicted of violations of drug laws. Funds are used to enhance law enforcement services and activities.

The **Gas Tax and Transportation Fund** is used to account for the maintenance and capital improvements associated with motor vehicle travel. Financing is provided primarily from the City's share of State gasoline taxes.

The **Community Development Block Grant Fund** is used to account for funds received from the Federal Government for use on federally approved projects.

The **Maintenance Districts Fund** is used to account for street lighting and landscape maintenance services. Financing is provided by service charges to benefiting properties.

The **State & Local Asset Seizure Fund** is used to account for funds received from state and local governments as a result of seizure of assets from those convicted of violations of drug laws. Funds are used to enhance law enforcement services and activities.

Debt Service Funds

The **General Debt Service Fund** is used to account for payment of interest and principal on debt incurred by the City of Oceanside.

The **Oceanside Lighting District** is used to account for payment of interest and principal on capital lease debt incurred by the City of Oceanside.

CITY OF OCEANSIDE, CALIFORNIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue Funds			
	Asset Seizure	Gas Tax and Transportation	Community Development Block Grant	Maintenance Districts
Assets:				
Cash and investments	$ 1,045,345	$ 5,632,299	$ -	$ 2,058,694
Restricted cash and investments held by fiscal agents	-	-	-	-
Taxes receivable	-	221,999	-	18,989
Notes and loans receivable	-	-	558,986	-
Due from other governments	-	243,770	59,087	949
Total Assets	**$ 1,045,345**	**$ 6,098,068**	**$ 618,073**	**$ 2,078,632**
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	$ -	$ 350,045	$ 24,984	$ 39,691
Accrued liabilities	-	49,214	13,069	-
Due to other funds	-	120,606	43,870	-
Total Liabilities	-	519,865	81,923	39,691
Deferred Inflows of Resources:				
Unavailable revenues	-	243,420	558,986	-
Total Deferred Inflows of Resources	-	243,420	558,986	-
Fund Balances (Deficits):				
Restricted:				
Public safety	1,045,345	-	-	-
Debt service	-	-	-	-
Street lighting and landscpe maintenance	-	-	-	2,038,941
Highways	-	5,334,783	-	-
Unassigned	-	-	(22,836)	-
Total Fund Balances (Deficits)	1,045,345	5,334,783	(22,836)	2,038,941
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	**$ 1,045,345**	**$ 6,098,068**	**$ 618,073**	**$ 2,078,632**

CITY OF OCEANSIDE, CALIFORNIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue Fund	Debt Service Funds		
	State & Local Asset Seizure	General Debt Service	Oceanside Lighting District	Total Nonmajor Governmental Funds
Assets:				
Cash and investments	$ 29,072	$ 2,381,428	$ 32,429	$ 11,179,267
Restricted cash and investments held by fiscal agents	-	8,811	-	8,811
Taxes receivable	-	-	-	240,988
Notes and loans receivable	-	-	-	558,986
Due from other governments	-	-	-	303,806
Total Assets	**$ 29,072**	**$ 2,390,239**	**$ 32,429**	**$ 12,291,858**
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ 414,720
Accrued liabilities	-	-	-	62,283
Due to other funds	-	109,974	-	274,450
Total Liabilities	-	109,974	-	751,453
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	802,406
Total Deferred Inflows of Resources	-	-	-	802,406
Fund Balances (Deficits):				
Restricted:				
Public safety	29,072	-	-	1,074,417
Debt service	-	2,280,265	32,429	2,312,694
Street lighting and landscpe maintenance	-	-	-	2,038,941
Highways	-	-	-	5,334,783
Unassigned	-	-	-	(22,836)
Total Fund Balances (Deficits)	29,072	2,280,265	32,429	10,737,999
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	**$ 29,072**	**$ 2,390,239**	**$ 32,429**	**$ 12,291,858**

CITY OF OCEANSIDE, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Special Revenue Funds			
	Asset Seizure	Gas Tax and Transportation	Community Development Block Grant	Maintenance Districts
Revenues:				
Intergovernmental	$ 37,062	$ 8,969,487	$ 1,155,416	$ -
Use of money and property	33,817	155,870	41,001	50,470
Administrative and in lieu charges	-	-	-	2,971,950
Miscellaneous	-	-	-	355
Total Revenues	**70,879**	**9,125,357**	**1,196,417**	**3,022,775**
Expenditures:				
Current:				
Public safety	70,999	-	-	-
Community/cultural services	-	-	984,022	-
Public works	-	5,186,838	-	2,354,866
Capital outlay	70,000	1,338,334	-	-
Debt service:				
Principal retirement	-	-	171,000	572
Interest and fiscal charges	-	-	48,442	-
Total Expenditures	**140,999**	**6,525,172**	**1,203,464**	**2,355,438**
Excess (Deficiency) of Revenues over (under) Expenditures	(70,120)	2,600,185	(7,047)	667,337
Other Financing Sources (Uses):				
Transfers in	-	15,669	-	391,319
Transfers out	-	(1,304,322)	-	(522,130)
Bonds issued	-	-	-	-
Bond premium	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**(1,288,653)**	**-**	**(130,811)**
Net Change in Fund Balances	(70,120)	1,311,532	(7,047)	536,526
Fund Balances (Deficit) - Beginning	1,115,465	4,023,251	(15,789)	1,502,415
Fund Balances (Deficit) - Ending	**$ 1,045,345**	**$ 5,334,783**	**$ (22,836)**	**$ 2,038,941**

CITY OF OCEANSIDE, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Special Revenue Fund	Debt Service Funds		
	State & Local Asset Seizure	General Debt Service	Oceanside Lighting District	Total Nonmajor Governmental Funds
Revenues:				
Intergovernmental	$ 4,338	$ -	$ -	$ 10,166,303
Use of money and property	794	2,332,865	-	2,614,817
Administrative and in lieu charges	-	-	-	2,971,950
Miscellaneous	-	4,944,196	476,219	5,420,770
Total Revenues	**5,132**	**7,277,061**	**476,219**	**21,173,840**
Expenditures:				
Current:				
Public safety	-	-	-	70,999
Community/cultural services	-	-	-	984,022
Public works	-	-	-	7,541,704
Capital outlay	-	-	-	1,408,334
Debt service:				
Principal retirement	-	6,962,498	393,924	7,527,994
Interest and fiscal charges	-	1,025,163	82,295	1,155,900
Total Expenditures	**-**	**7,987,661**	**476,219**	**18,688,953**
Excess (Deficiency) of Revenues over (under) Expenditures	5,132	(710,600)	-	2,484,887
Other Financing Sources (Uses):				
Transfers in	-	-	-	406,988
Transfers out	-	(26,000,000)	-	(27,826,452)
Bonds issued	-	22,745,000	-	22,745,000
Bond premium	-	3,599,190	-	3,599,190
Total Other Financing Sources (Uses)	**-**	**344,190**	**-**	**(1,075,274)**
Net Change in Fund Balances	5,132	(366,410)	-	1,409,613
Fund Balances (Deficit) - Beginning	23,940	2,646,675	32,429	9,328,386
Fund Balances (Deficit) - Ending	**$ 29,072**	**$ 2,280,265**	**$ 32,429**	**$ 10,737,999**

CITY OF OCEANSIDE, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
ASSET SEIZURE
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 1,115,465	$ 1,115,465	$ 1,115,465	$ -
Resources (Inflows):				
Intergovernmental	75,000	75,000	37,062	(37,938)
Use of money and property	4,500	4,500	33,817	29,317
Amounts Available for Appropriations	**1,194,965**	**1,194,965**	**1,186,344**	**(8,621)**
Charges to Appropriations (Outflows):				
Public safety	444,500	444,500	70,999	373,501
Capital outlay	-	-	70,000	(70,000)
Total Charges to Appropriations	**444,500**	**444,500**	**140,999**	**303,501**
Budgetary Fund Balance, June 30	**$ 750,465**	**$ 750,465**	**$ 1,045,345**	**$ 294,880**

CITY OF OCEANSIDE, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
GAS TAX AND TRANSPORTATION
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 4,023,251	$ 4,023,251	$ 4,023,251	$ -
Resources (Inflows):				
Intergovernmental	12,492,609	12,598,199	8,969,487	(3,628,712)
Use of money and property	22,526	22,526	155,870	133,344
Transfers in	-	-	15,669	15,669
Amounts Available for Appropriations	**16,538,386**	**16,643,976**	**13,164,277**	**(3,479,699)**
Charges to Appropriations (Outflows):				
Community/cultural services	5,436,105	9,141,164	5,186,838	3,954,326
Capital outlay	1,682,744	6,667,304	1,338,334	5,328,970
Transfers out	1,145,500	1,304,322	1,304,322	-
Total Charges to Appropriations	**8,264,349**	**17,112,790**	**7,829,494**	**9,283,296**
Budgetary Fund Balance (Deficit), June 30	**$ 8,274,037**	**$ (468,814)**	**$ 5,334,783**	**$ 5,803,597**

CITY OF OCEANSIDE, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Deficit, July 1	$ (15,789)	$ (15,789)	$ (15,789)	$ -
Resources (Inflows):				
Intergovernmental	2,072,871	2,907,914	1,155,416	(1,752,498)
Use of money and property	41,001	41,001	41,001	-
Amounts Available for Appropriations	**2,098,083**	**2,933,126**	**1,180,628**	**(1,752,498)**
Charges to Appropriations (Outflows):				
Community development	1,725,475	2,666,263	984,022	1,682,241
Debt service:				
Principal retirement	171,000	171,000	171,000	-
Interest and fiscal charges	111,253	48,442	48,442	-
Total Charges to Appropriations	**2,007,728**	**2,885,705**	**1,203,464**	**1,682,241**
Budgetary Fund Balance (Deficit), June 30	**$ 90,355**	**$ 47,421**	**$ (22,836)**	**$ (70,257)**

CITY OF OCEANSIDE, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
MAINTENANCE DISTRICTS
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 1,502,415	$ 1,502,415	$ 1,502,415	$ -
Resources (Inflows):				
Assessments	2,937,187	2,937,187	2,971,950	34,763
Use of money and property	9,009	9,009	50,470	41,461
Miscellaneous	-	-	355	355
Transfers in	390,000	390,000	391,319	1,319
Amounts Available for Appropriations	**4,838,611**	**4,838,611**	**4,916,509**	**77,898**
Charges to Appropriations (Outflows):				
Community/cultural services	3,203,725	3,203,962	2,354,866	849,096
Debt service:				
Principal retirement	572	572	572	-
Transfers out	522,130	522,130	522,130	-
Total Charges to Appropriations	**3,726,427**	**3,726,664**	**2,877,568**	**849,096**
Budgetary Fund Balance, June 30	**$ 1,112,184**	**$ 1,111,947**	**$ 2,038,941**	**$ 926,994**

CITY OF OCEANSIDE, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
STATE & LOCAL ASSET SEIZURE
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 23,940	$ 23,940	$ 23,940	$ -
Resources (Inflows):				
Intergovernmental	4,000	4,000	4,338	338
Use of money and property	-	-	794	794
Amounts Available for Appropriations	**27,940**	**27,940**	**29,072**	**1,132**
Charges to Appropriations (Outflows):				
Public safety	4,000	4,000	-	4,000
Total Charges to Appropriations	**4,000**	**4,000**	**-**	**4,000**
Budgetary Fund Balance, June 30	**$ 23,940**	**$ 23,940**	**$ 29,072**	**$ 5,132**

CITY OF OCEANSIDE, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
GENERAL IMPROVEMENT
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 39,921,606	$ 39,921,606	$ 39,921,606	$ -
Resources (Inflows):				
Charges for services	330,720	330,720	313,927	(16,793)
Use of money and property	500,000	-	1,413,150	1,413,150
Developer participation	5,783,957	5,783,957	3,048,742	(2,735,215)
Miscellaneous	-	500,000	977,635	477,635
Transfers in	529,708	40,337,684	40,385,310	47,626
Amounts Available for Appropriations	**47,065,991**	**86,873,967**	**86,060,370**	**(813,597)**
Charges to Appropriations (Outflows):				
General government	45,800	645,800	290,887	354,913
Community development	436,868	304,714	150,128	154,586
Public works	988,529	2,775,749	854,384	1,921,365
Capital outlay	885,448	56,132,046	13,968,477	42,163,569
Transfers out	50,000	212,000	212,000	-
Total Charges to Appropriations	**2,406,645**	**60,070,309**	**15,475,876**	**44,594,433**
Budgetary Fund Balance, June 30	**$ 44,659,346**	**$ 26,803,658**	**$ 70,584,494**	**$ 43,780,836**

CITY OF OCEANSIDE, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
GENERAL DEBT SERVICE
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 2,646,675	$ 2,646,675	$ 2,646,675	$ -
Resources (Inflows):				
Use of money and property	2,252,876	2,252,876	2,332,865	79,989
Miscellaneous	4,940,418	4,940,418	4,944,196	3,778
Bonds issued	-	-	22,745,000	22,745,000
Premium on bonds issued	-	-	3,599,190	3,599,190
Amounts Available for Appropriations	**9,839,969**	**9,839,969**	**36,267,926**	**26,427,957**
Charges to Appropriations (Outflows):				
Debt service:				
Principal retirement	6,962,498	6,962,498	6,962,498	-
Interest and fiscal charges	230,796	230,796	1,025,163	(794,367)
Transfers out	-	26,000,000	26,000,000	-
Total Charges to Appropriations	**7,193,294**	**33,193,294**	**33,987,661**	**(794,367)**
Budgetary Fund Balance (Deficit), June 30	**$ 2,646,675**	**$ (23,353,325)**	**$ 2,280,265**	**$ 25,633,590**

CITY OF OCEANSIDE, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
OCEANSIDE LIGHTING DISTRICT
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 32,429	$ 32,429	$ 32,429	$ -
Resources (Inflows):				
Miscellaneous	476,219	476,219	476,219	-
Amounts Available for Appropriations	**508,648**	**508,648**	**508,648**	**-**
Charges to Appropriations (Outflows):				
Debt service:				
Principal retirement	393,924	393,924	393,924	-
Interest and fiscal charges	82,295	82,295	82,295	-
Total Charges to Appropriations	**476,219**	**476,219**	**476,219**	**-**
Budgetary Fund Balance, June 30	**$ 32,429**	**$ 32,429**	**$ 32,429**	**$ -**

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INTERNAL SERVICE FUNDS

The **Loss Prevention Fund** is used to account for the costs of the City's risk management and self-insurance programs. Funds are provided primarily from charges to programs and projects.

The **General Services Fund** is used to account for the costs of maintenance of automotive equipment, City buildings, and the costs of technology and communication operations. Funds are provided from charges to programs and projects.

CITY OF OCEANSIDE, CALIFORNIA

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2020

	Loss Prevention	General Services	Total
Assets:			
Current Assets:			
Cash and investments	$ 25,941,446	$ 26,985,817	$ 52,927,263
Restricted cash and investments	300,000	-	300,000
Accounts receivable	241,693	104,457	346,150
Prepaid costs	1,050	289,882	290,932
Inventories	-	284,725	284,725
Total Current Assets	26,484,189	27,664,881	54,149,070
Noncurrent Assets:			
Advances to other funds	-	408,492	408,492
Capital assets, not being depreciated	-	425,064	425,064
Capital assets, being depreciated	222,024	30,301,616	30,523,640
Less accumulated depreciation	(222,024)	(21,559,363)	(21,781,387)
Total Noncurrent Assets	-	9,575,809	9,575,809
Total Assets	**26,484,189**	**37,240,690**	**63,724,879**
Deferred Outflows of Resources:			
Pension deferrals	163,729	1,681,804	1,845,533
Total Deferred Outflows of Resources	**163,729**	**1,681,804**	**1,845,533**
Liabilities:			
Current Liabilities:			
Accounts payable	320,578	1,540,729	1,861,307
Accrued liabilities	17,132	276,940	294,072
Compensated absences	12,646	290,339	302,985
Accrued claims and judgments	4,964,763	-	4,964,763
Notes payable	-	1,430	1,430
Total Current Liabilities	5,315,119	2,109,438	7,424,557
Noncurrent Liabilities:			
Compensated absences	21,468	492,885	514,353
Accrued claims and judgments	15,618,887	-	15,618,887
Notes payable	-	8,100	8,100
Net pension liability	617,354	6,853,118	7,470,472
Total Noncurrent Liabilities	16,257,709	7,354,103	23,611,812
Total Liabilities	**21,572,828**	**9,463,541**	**31,036,369**
Deferred Inflows of Resources:			
Pension deferrals	73,591	868,478	942,069
Total Deferred Inflows of Resources	**73,591**	**868,478**	**942,069**
Net Position:			
Net investment in capital assets	-	9,167,317	9,167,317
Unrestricted	5,001,499	19,423,158	24,424,657
Total Net Position	**$ 5,001,499**	**$ 28,590,475**	**$ 33,591,974**

CITY OF OCEANSIDE, CALIFORNIA

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Loss Prevention	General Services	Total
Operating Revenues:			
Sales and service charges	$ 7,749,446	$ 61,128,177	$ 68,877,623
Miscellaneous	328,498	185,390	513,888
Total Operating Revenues	**8,077,944**	**61,313,567**	**69,391,511**
Operating Expenses:			
Personnel services	599,095	47,269,300	47,868,395
Maintenance and operations	7,171,538	10,584,873	17,756,411
Depreciation expense	-	2,314,916	2,314,916
Total Operating Expenses	**7,770,633**	**60,169,089**	**67,939,722**
Operating Income	307,311	1,144,478	1,451,789
Nonoperating Revenues:			
Investment income	-	4,749	4,749
Gain on disposal of capital assets	-	111,810	111,810
Total Nonoperating Revenues	**-**	**116,559**	**116,559**
Income Before Transfers	307,311	1,261,037	1,568,348
Transfers in	-	316,787	316,787
Transfers out	(333,151)	(50,000)	(383,151)
Change in Net Position	(25,840)	1,527,824	1,501,984
Net Position - Beginning	5,027,339	27,062,651	32,089,990
Net Position - Ending	**$ 5,001,499**	**$ 28,590,475**	**$ 33,591,974**

CITY OF OCEANSIDE, CALIFORNIA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Loss Prevention	General Services	Total
Cash Flows from Operating Activities:			
Receipts from interfund charges	$ 7,637,536	$ 61,116,386	$ 68,753,922
Other receipts	1,275,936	245,856	1,521,792
Payments to suppliers and providers	(7,054,099)	(10,464,381)	(17,518,480)
Payments to employees for salaries and benefits	(553,271)	(46,817,715)	(47,370,986)
Net Cash Provided by Operating Activities	**1,306,102**	**4,080,146**	**5,386,248**
Cash Flows from Non-Capital Financing Activities:			
Cash transfers from other funds	-	316,787	316,787
Cash transfers to other funds	(333,151)	(50,000)	(383,151)
Repayment received on short-term interfund borrowing	-	128	128
Net Cash Provided by (Used for) Non-Capital Financing Activities	**(333,151)**	**266,915**	**(66,236)**
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	-	(2,022,530)	(2,022,530)
Proceeds from disposal of capital assets	-	133,532	133,532
Principal paid on capital debt	-	(1,430)	(1,430)
Repayment received on advance to other funds	-	23,254	23,254
Net Cash (Used for) Capital and Related Financing Activities	**-**	**(1,867,174)**	**(1,867,174)**
Cash Flows from Investing Activities:			
Investment income	-	4,749	4,749
Net Cash Provided by Investing Activities	**-**	**4,749**	**4,749**
Net Increase in Cash and Cash Equivalents	972,951	2,484,636	3,457,587
Cash and Cash Equivalents, July 1 (including $300,000 for the Loss Prevention Fund reported in restricted accounts)	25,268,495	24,501,181	49,769,676
Cash and Cash Equivalents, June 30 (including $300,000 for the Loss Prevention Fund reported in restricted accounts)	**$ 26,241,446**	**$ 26,985,817**	**$ 53,227,263**
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income	$ 307,311	$ 1,144,478	$ 1,451,789
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	-	2,314,916	2,314,916
(Increase) in accounts receivable	(111,910)	(11,791)	(123,701)
(Increase) decrease in prepaid costs	26,289	(254,146)	(227,857)
(Increase) in inventories	-	(10,724)	(10,724)
Increase in accounts payable	91,150	385,362	476,512
Increase in accrued liabilities	2,874	101,629	104,503
Increase in compensated absences	162	16,696	16,858
Increase in claims and judgments	947,438	-	947,438
Increase in pensions and related items	42,788	393,726	436,514
Total Adjustments	998,791	2,935,668	3,934,459
Net Cash Provided by Operating Activities	$ 1,306,102	$ 4,080,146	$ 5,386,248

CUSTODIAL FUNDS

The **Special Assessment District Fund** is used to account for special assessment collections and their disbursement to bondholders.

The **Deposit Fund** is used to account for assets received and held by the City as an agent for individuals, developers, private organizations, and other governmental agencies.

CITY OF OCEANSIDE, CALIFORNIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS
JUNE 30, 2020

	Special Assessment District	Deposit	Total
Assets:			
Cash and cash equivalents	$ 159,083	$ 6,530,930	$ 6,690,013
Receivables:			
Taxes for assessment districts	8,024	-	8,024
Interest	15,279	-	15,279
Total Receivables	23,303	-	23,303
Investments at fair value:			
Money market mutual funds	9,718,660	-	9,718,660
Total Investments	9,718,660	-	9,718,660
Total Assets	**9,901,046**	**6,530,930**	**16,431,976**
Liabilities:			
Accounts payable	-	113,811	113,811
Accrued interest payable	642,694	-	642,694
Bonds payable - due within one year	1,900,000	-	1,900,000
Bonds payable - due in more than one year	44,090,000	-	44,090,000
Total Liabilities	**46,632,694**	**113,811**	**46,746,505**
Net Position:			
Restricted for:			
Individuals, organizations, and other governments	(36,731,648)	6,417,119	(30,314,529)
Total Net Position	**$ (36,731,648)**	**$ 6,417,119**	**$ (30,314,529)**

CITY OF OCEANSIDE, CALIFORNIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Special Assessment District	Deposit	Total
Additions:			
Investment earnings:			
Net increase in fair value of investments	$ 10,165	$ -	$ 10,165
Interest	129,476	-	129,476
Total Investment Earnings	139,641	-	139,641
Property taxes	-	-	-
Taxes and special assessments collections	3,786,542	-	3,786,542
Total Additions	**3,926,183**	**-**	**3,926,183**
Deductions:			
Administrative expenses	70,404	-	70,404
Contractual services	205,863	-	205,863
Interest expense	2,616,615	-	2,616,615
Total Deductions	**2,892,882**	**-**	**2,892,882**
Net Increase (Decrease) in Fiduciary Net Position	1,033,301	-	1,033,301
Net Position - Beginning, as Originally Reported	-	-	-
Restatements	(37,764,949)	6,417,119	(31,347,830)
Net Position - Beginning, as Restated	(37,764,949)	6,417,119	(31,347,830)
Net Position - Ending	**$ (36,731,648)**	**$ 6,417,119**	**$ (30,314,529)**

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DESCRIPTION OF STATISTICAL SECTION CONTENTS

JUNE 30, 2020

This part of the City of Oceanside's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents:

Financial Trends these schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity these schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity these schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information these schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

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

	Fiscal Year			
	2011	2012	2013	2014
Governmental Activities				
Net investment in capital assets	$ 235,574,067	$ 243,655,279	$ 241,149,904	$ 246,144,971
Restricted for:				
Debt Service	4,141,868	2,161,962	2,256,658	2,237,378
Capital Projects	58,506,353		28,708,355	29,702,850
Specific Projects and Programs	42,884,232	106,653,971	82,545,895	85,489,088
Total Restricted	105,532,453	108,815,933	113,510,908	117,429,316
Unrestricted	53,795,980	49,273,627	59,194,764	58,259,611
Total governmental activities net position	$ 394,902,500	$ 401,744,839	$ 413,855,576	$ 421,833,898
Business-type Activities				
Net investment in capital assets	$ 395,086,570	$ 385,375,753	$ 380,748,031	$ 364,159,043
Restricted for:				
Capital projects	32,998,023	38,054,343	23,556,608	56,127,650
Debt service	936,607	930,832	1,019,886	1,000,178
Rate stabilization	1,700,000	2,318,667	2,318,667	0
Unrestricted	28,535,592	44,681,865	79,945,483	86,994,807
Total business-type activities net position	459,256,792	471,361,460	487,588,675	508,281,678
Primary Government				
Net investment in capital assets	630,660,637	629,031,032	621,897,935	610,304,014
Restricted	139,467,083	150,119,775	140,406,069	174,557,144
Unrestricted	82,331,572	93,955,492	138,201,395	145,254,418
Total Primary Government net position	$ 852,459,292	$ 873,106,299	$ 900,505,399	$ 930,115,576

Fiscal Year						
2015	2016	2017	2018	2019	2020
$ 266,146,413	$ 271,158,974	$ 282,775,916	$ 284,435,863	$ 292,804,444	$ 273,355,507
2,256,538	2,595,789	2,588,474	2,602,920	2,679,104	2,312,694
33,941,840	41,373,208	33,510,793	39,454,169	40,657,178	71,204,587
21,814,282	21,637,543	17,373,883	26,071,742	31,716,726	35,348,199
58,012,660	65,606,540	53,473,150	68,128,831	75,053,008	108,865,480
(82,447,190)	(73,967,078)	(50,292,346)	(37,820,563)	(28,675,795)	(28,229,714)
$ 241,711,883	$ 262,798,436	$ 285,956,720	$ 314,744,131	$ 339,181,657	$ 353,991,273
$ 368,135,588	$ 387,599,614	$ 403,023,876	$ 424,457,531	$ 441,719,343	$ 443,147,841
47,783,461	56,933,570	74,021,628	71,303,919	90,962,906	169,779,265
961,741	769,774	81,447			
6,078,455	6,078,455	5,276,131	5,216,020	3,093,211	4,013,180
92,909,730	85,997,831	84,047,668	93,865,168	87,136,684	24,292,711
515,868,975	537,379,244	566,450,750	594,842,638	622,912,144	641,232,997
634,282,001	658,758,588	685,799,792	708,893,394	734,523,787	716,503,348
109,926,675	129,388,339	132,852,356	144,648,770	169,109,125	282,657,925
13,372,182	12,030,753	33,755,322	56,044,605	58,460,889	(3,937,003)
$ 757,580,858	$ 800,177,680	$ 852,407,470	$ 909,586,769	$ 962,093,801	$ 995,224,270

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

	Fiscal Year			
	2011	2012	2013	2014
Expenses				
Governmental activities:				
General government	$ 14,899,107	$ 16,101,719	$ 14,830,050	$ 16,455,355
Public safety	74,767,172	70,989,600	76,558,916	76,486,996
Community development	28,968,430	28,291,313	25,082,898	24,559,378
Community/cultural services	11,669,455	11,615,707	11,910,768	14,051,321
Public works	32,341,519	27,020,879	28,329,168	30,469,085
Interest on long-term debt	7,472,655	5,441,528	2,861,072	2,151,302
Total governmental activities	170,118,338	159,460,746	159,572,872	164,173,437
Business-type activities:				
Water	43,930,562	51,309,115	51,800,928	56,800,583
Sewer	29,272,281	33,251,371	31,340,700	31,537,700
Waste disposal	20,035,442	20,111,113	19,217,767	18,745,866
Special aviation	380,711	94,106	90,609	86,988
Oceanside Small Craft Harbor District	1,382,005	1,292,291	1,312,457	1,372,653
Total business-type activities	95,001,001	106,057,996	103,762,461	108,543,790
Total primary government expenses	$ 265,119,339	$ 265,518,742	$ 263,335,333	$ 272,717,227
Program Revenues				
Governmental activities:				
Charges for services:				
General government	$ 1,618,641	$ 2,112,141	$ 2,479,719	$ 5,039,215
Public safety	6,116,702	5,005,344	6,514,143	6,673,108
Community development	6,127,879	6,073,887	6,864,969	6,687,509
Community/cultural services	1,203,242	897,301	974,234	1,126,533
Public works	8,424,047	6,978,316	6,984,599	7,365,266
Operating Grants and Contributions	45,593,539	36,121,277	31,216,913	34,768,831
Capital Grants and Contributions	7,479,535	7,490,018	5,593,000	732,237
Total governmental activities program revenues	76,563,585	64,678,284	60,627,577	62,392,699
Business-type activities:				
Charges for services:				
Water	45,307,197	53,176,890	57,469,143	62,320,181
Sewer	32,440,442	37,638,074	39,670,129	44,210,556
Waste disposal	23,119,454	22,756,966	23,568,208	23,706,070
Special aviation	97,633	100,865	102,084	104,298
Oceanside Small Craft Harbor District	5,003,985	5,792,048	6,099,713	6,095,895
Operating Grants and Contributions	384,697	1,881,956	586,367	-
Capital Grants and Contributions	-	-	-	-
Total business-type activities program revenues	106,353,408	121,346,799	127,495,644	136,437,000
Total primary government program revenues	$ 182,916,993	$ 186,025,083	$ 188,123,221	$ 198,829,699
Net (Expense)/Revenue				
Governmental activities	$ (93,554,753)	$ (94,782,462)	$ (98,945,295)	$ (101,780,738)
Business-type activities	11,352,407	15,288,803	23,733,183	27,893,210
Total primary government net expense	$ (82,202,346)	$ (79,493,659)	$ (75,212,112)	$ (73,887,528)

Fiscal Year						
2015	2016	2017	2018	2019	2020
$ 16,671,736	$ 15,552,936	$ 15,296,527	$ 25,402,641	$ 23,705,007	$ 28,450,401
80,525,772	83,064,936	84,872,862	88,194,832	95,275,203	104,131,430
30,564,852	32,224,969	33,709,839	30,724,146	32,323,593	37,266,131
12,941,427	13,545,812	14,776,797	18,330,643	16,494,113	18,567,090
37,084,193	30,968,801	35,778,483	45,262,298	41,646,397	33,537,113
2,078,438	1,645,159	802,656	649,868	389,984	1,075,255
179,866,418	177,002,613	185,237,164	208,564,428	209,834,297	223,027,420
56,314,612	55,292,508	55,915,076	61,368,335	62,055,388	64,549,971
31,516,720	31,470,309	30,604,682	27,395,744	33,235,157	41,018,989
19,323,265	19,240,727	19,684,911	20,251,509	21,150,326	23,187,100
83,305	92,086	104,671	84,677	177,315	163,004
1,366,092	1,363,913	1,210,663	1,188,233	1,799,482	1,645,462
108,603,994	107,459,543	107,520,003	110,288,498	118,417,668	130,564,526
$ 288,470,412	$ 284,462,156	$ 292,757,167	$ 318,852,926	$ 328,251,965	$ 353,591,946
$ 9,642,667	$ 10,588,709	$ 12,750,353	$ 10,468,701	$ 10,248,702	$ 10,542,631
8,867,434	7,008,828	7,661,652	8,062,777	8,147,742	7,686,860
8,400,755	11,865,536	17,649,387	16,112,696	16,493,180	15,106,948
840,123	1,912,587	2,097,115	2,192,652	2,292,387	2,167,597
5,359,055	5,716,976	5,368,106	5,536,544	5,755,385	6,135,002
31,943,724	40,680,408	29,965,637	48,126,396	30,434,781	35,845,311
2,328,368	10,857,618	8,319,217	10,733,561	12,978,753	2,938,495
67,382,126	88,630,662	83,811,467	101,233,327	86,350,930	80,422,844
59,703,297	58,870,606	65,750,944	70,911,470	65,950,368	67,368,304
46,181,396	44,918,587	45,395,610	44,986,466	48,212,072	46,188,366
24,473,562	25,093,298	25,505,957	25,901,726	27,066,874	29,392,540
96,131	123,129	113,913	74,644	-	-
6,267,995	6,339,274	6,627,547	6,653,343	7,155,443	6,893,952
118,470	-	-	-	75,000	-
939,000	-	-	-	-	-
137,779,851	135,344,894	143,393,971	148,527,649	148,459,757	149,843,162
$ 205,161,977	$ 223,975,556	$ 227,205,438	$ 249,760,976	$ 234,810,687	$ 230,266,006
$ (112,484,292)	$ (88,371,951)	$ (101,425,697)	$ (107,331,101)	$ (123,483,367)	$ (142,604,576)
29,175,857	27,885,351	35,873,968	38,239,151	30,042,089	19,278,636
$ (83,308,435)	$ (60,486,600)	$ (65,551,729)	$ (69,091,950)	$ (93,441,278)	$ (123,325,940)

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

	Fiscal Year			
	2011	2012	2013	2014
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Taxes				
Property taxes	$ 54,923,310	$ 51,774,298	$ 49,143,021	$ 49,142,577
Sales taxes	18,141,424	19,397,588	20,716,764	20,960,270
Other taxes	11,091,446	11,461,700	16,565,848	12,405,237
Total taxes	84,156,180	82,633,586	86,425,633	82,508,084
Intergovernmental unrestricted	830,682	90,581		
Investment Earnings	9,585,836	-	-	-
Developer contributions	-	-	-	-
Miscellaneous	5,749,504	23,213,669	13,889,663	15,946,986
Loss on sale of assets	-	-	-	-
Extraordinary gain(loss)	-	(11,501,480)	-	104,999
Transfers	7,025,199	6,883,340	10,740,736	11,286,667
Total Governmental activities	107,347,401	101,319,696	111,056,032	109,846,736
Business-type activities:				
Investment Earnings	568,677	932,868	(536,263)	1,959,130
Miscellaneous	4,461,855	2,766,337	3,654,356	2,024,680
Loss on sale of assets	-	-	-	6,357
Transfers	(7,025,199)	(6,883,340)	(10,740,736)	(11,286,667)
Total business-type activities:	(1,994,667)	(3,184,135)	(7,622,643)	(7,296,500)
Total primary government	$ 105,352,734	$ 98,135,561	$ 103,433,389	$ 102,550,236
Change in Net Position				
Governmental activities	$ 13,792,648	$ 6,537,234	$ 12,110,737	$ 8,065,998
Business-type activities:	9,357,740	12,104,668	16,110,540	20,596,710
Total primary government	$ 23,150,388	$ 18,641,902	$ 28,221,277	$ 28,662,708

Fiscal Year						
2015	2016	2017	2018	2019	2020
$ 51,170,308	$ 54,205,419	$ 57,600,747	$ 61,606,355	$ 64,970,213	$ 68,425,495
21,748,689	22,150,105	22,130,638	22,671,662	26,892,609	37,051,161
14,344,548	14,928,000	15,261,245	16,412,384	17,180,512	15,730,984
87,263,545	91,283,524	94,992,630	100,690,401	109,043,334	121,207,640
-	-	-			
-	-	-			
14,949,969	14,856,503	16,737,491	19,955,645	25,125,242	23,702,739
130,127	-	-	-	-	-
33,177,247	-	165,162	-	-	-
10,910,791	12,218,129	13,403,896	17,149,010	13,752,317	12,503,813
146,431,679	118,358,156	125,299,179	137,795,056	147,920,893	157,414,192
1,574,239	1,914,261	934,405	1,595,238	6,508,995	7,035,432
2,966,379	3,928,786	5,667,029	5,706,509	5,270,739	4,510,598
-	-	-	-	-	
(10,910,791)	(12,218,129)	(13,403,896)	(17,149,010)	(13,752,317)	(12,503,813)
(6,370,173)	(6,375,082)	(6,802,462)	(9,847,263)	(1,972,583)	(957,783)
$ 140,061,506	$ 111,983,074	$ 118,496,717	$ 127,947,793	$ 145,948,310	$ 156,456,409
$ 33,947,387	$ 29,986,205	$ 23,873,482	$ 30,463,955	$ 24,437,526	$ 14,809,616
22,805,684	21,510,269	29,071,506	28,391,888	28,069,506	18,320,853
$ 56,753,071	$ 51,496,474	$ 52,944,988	$ 58,855,843	$ 52,507,032	$ 33,130,469

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

	Fiscal Year			
	2011	2012	2013	2014
General Fund				
Nonspendable	$ 13,378,851	$ 11,255,881	$ 11,280,586	$ 11,168,901
Restricted	-	-	-	-
Committed	15,667,245	16,348,074	16,213,781	17,526,258
Assigned	5,806,222	7,472,057	12,712,663	15,679,811
Unassigned	-	1,997,735	8,490,329	8,352,469
Total General Fund	34,852,318	37,073,747	48,697,359	52,727,439
All Other Governmental Funds				
Nonspendable				
Special revenue funds	23,575,682	5,406,933	5,366,479	-
Debt service funds	-	-	-	-
Capital projects funds	335,047	-	-	-
Other Governmental Funds	24,176,027	-	4,449	-
Restricted				
Special revenue funds	7,889,448	7,493,591	7,469,221	13,229,318
Debt service funds	-	-	2,224,229	-
Capital projects funds	1,432,594	-	-	-
Other Governmental Funds	17,881,727	42,681,033	43,500,742	46,547,909
Committed				
Special revenue funds	-	-	-	-
Debt service funds	-	-	-	-
Capital projects funds	21,030	-	-	-
Other Governmental Funds	-	-	-	-
Assigned				
Special revenue funds	-	-	-	-
Debt service funds	-	-	-	-
Capital projects funds	46,908,822	-	-	-
Other Governmental Funds	1,967,025	4,019,757	909,617	4,213,824
Unassigned				
Special revenue funds	-	(90,115)	(744,030)	-
Debt service funds	(12,029,374)	-	-	-
Capital projects funds	-	-	-	-
Other Governmental Funds	(373,292)	(233,255)	(53,807)	(93,079)
Total all other Governmental Funds	111,784,736	59,277,944	58,676,900	63,897,972
All Governmental Funds	$ 146,637,054	$ 96,351,691	$ 107,374,259	$ 116,625,411

Note: The City implemented GASB No. 54 in the fiscal year ended June 30, 2009

Fiscal Year						
2015	2016	2017	2018	2019	2020
$ 11,113,123	$ 2,317,462	$ 2,389,107	$ 2,657,521	$ 2,546,455	$ 2,482,989
-	-	-	9,993,649	10,537,671	11,148,456
17,160,366	19,516,594	19,765,583	22,303,807	20,413,909	20,424,871
18,835,653	33,527,796	42,489,683	33,134,264	44,579,611	49,143,454
11,844,123	2,129,908	2,099,212	1,107,192	1,541,510	222,143
58,953,265	57,491,760	66,743,585	69,196,433	79,619,156	83,421,913
-	-	8,169	936	8,180	6,936
-	-	-	-	-	-
-	-	585,000	-	-	-
-	-	-	208,807	-	-
13,030,490	14,045,390	10,691,295	12,552,874	12,000,511	12,622,021
-	2,563,360	-	-	-	-
-	41,373,208	33,510,793	-	-	70,584,494
44,982,170	7,624,582	9,271,062	45,582,308	49,265,781	10,760,835
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(2,718,367)	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(60,012)	(100,689)	(139,423)	(19,556)	(15,789)	(22,836)
57,952,648	62,787,484	53,926,896	58,325,369	61,258,683	93,951,450
$ 116,905,913	$ 120,279,244	$ 120,670,481	$ 127,521,802	$ 140,877,839	$ 177,373,363

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

	Fiscal Year			
	2011	2012	2013	2014
Revenues:				
Taxes	$ 84,252,109	$ 82,159,554	$ 81,307,547	$ 82,818,776
Licenses and permits	2,501,483	1,987,843	2,201,628	2,171,960
Intergovernmental	38,281,505	34,823,491	28,709,782	27,038,190
Charges for services	12,999,466	9,254,906	11,649,934	15,145,486
Interest and rentals	3,629,981	6,051,536	4,828,626	6,715,747
Fines and forfeitures	1,949,170	4,536,471	4,289,750	4,211,163
Lease revenue	2,348,728	1,234,704	-	-
Developer fees	2,782,358	2,191,048	2,775,907	2,498,169
Administrative and in lieu charges	10,911,973	8,798,042	8,872,886	9,197,686
Contribution from Successor Agency	-	-	-	-
Other	8,258,197	9,138,214	14,468,524	8,652,117
Total Revenues	167,914,970	160,175,809	159,104,584	158,449,294
Expenditures:				
General government	14,204,862	15,040,557	14,102,273	15,557,074
Public safety	72,109,425	71,220,254	74,771,213	76,446,617
Community development	27,655,390	27,968,667	25,064,042	24,700,043
Community/cultural services	10,843,234	9,591,839	9,847,644	11,837,141
Public works	17,130,401	15,999,867	16,715,563	19,123,912
Capital outlay	14,513,009	11,290,953	6,899,316	9,609,187
Debt service				
Principal	7,616,985	14,967,189	21,152,400	5,533,197
Interest and fiscal charges	7,608,092	6,186,648	3,127,280	2,289,860
Total Expenditures	171,681,398	172,265,974	171,679,731	165,097,031
Excess of Revenues over (under) expenditures	(3,766,428)	(12,090,165)	(12,575,147)	(6,647,737)
Other Financing Sources (Uses)				
Issuance of long-term debt	1,624,761	7,725,000	12,126,893	4,731,027
Issuance of refunding debt	-	-	-	-
Bond premium	-	-	-	-
Loan proceeds	-	-	-	-
Proceed from sale of real property	-	-	-	-
Transfers in	32,976,259	23,022,366	15,831,614	18,173,810
Transfers out	(28,437,187)	(14,530,805)	(4,360,792)	(6,918,272)
Total other financing sources (uses)	6,163,833	16,216,561	23,597,715	15,986,565
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	(19,505,666)	-	-
Special Items	-	-	-	-
Net change in fund balances	$ 2,397,405	$ (15,379,270)	$ 11,022,568	$ 9,338,828
Debt Service as a percentage of noncapital expenditures.	9.7%	13.1%	14.6%	4.9%

Note: The City implemented GASB No. 54 in the fiscal year ended June 30, 2009

Fiscal Year						
2015	2016	2017	2018	2019	2020
$ 86,981,734	$ 92,398,458	$ 94,992,630	$ 100,690,401	$ 109,043,334	$ 121,207,640
2,205,931	3,002,897	4,131,518	4,191,893	4,251,308	4,026,620
30,517,109	38,274,496	33,782,804	38,036,075	44,027,263	37,530,692
15,745,425	16,484,313	19,128,674	16,801,185	17,382,544	16,997,079
8,306,216	10,153,764	11,294,813	14,021,724	17,376,726	17,135,129
3,947,380	3,636,224	3,582,534	3,880,292	3,500,764	3,626,249
-	-	-	-	-	-
2,068,849	3,278,143	8,315,056	6,402,849	6,379,267	5,533,286
9,273,016	9,402,106	9,329,520	9,224,128	8,922,780	9,705,714
-	6,000,000	-	-	-	-
9,155,313	9,551,724	6,409,469	6,749,932	7,307,909	6,993,475
168,200,973	192,182,125	190,967,018	199,998,479	218,191,895	222,755,884
15,770,645	15,743,065	15,154,065	23,831,381	23,670,406	28,059,301
82,300,876	86,435,756	86,976,976	89,713,361	94,145,443	96,112,996
28,324,390	32,366,663	31,859,013	28,957,273	31,646,718	36,000,774
12,360,663	12,500,483	14,974,123	14,447,165	14,626,737	15,837,632
20,150,010	21,905,999	23,753,492	28,200,906	26,736,693	23,396,466
16,402,049	15,235,160	22,636,767	17,133,972	17,184,656	17,068,010
5,978,373	46,762,743	7,058,009	7,379,072	9,773,404	7,543,648
2,213,452	2,224,333	1,044,950	897,358	684,032	1,155,900
183,500,458	233,174,202	203,457,395	210,560,488	218,468,089	225,174,727
(15,299,485)	(40,992,077)	(12,490,377)	(10,562,009)	(276,194)	(2,418,843)
-	-	-	-	-	22,745,000
-	40,355,000	-	-	-	-
-	606,016	-	-	-	3,599,190
-	-	-	155,494	2,213,000	-
786,000	-	-	-	-	-
20,692,139	17,429,585	21,222,539	23,186,875	20,843,662	55,321,885
(5,898,152)	(5,125,541)	(7,625,727)	(5,929,039)	(5,107,346)	(42,751,708)
15,579,987	53,265,060	13,596,812	17,413,330	17,949,316	38,914,367
-	-	-	-	-	-
-	-	-	-	(4,317,085)	-
$ 280,502	$ 12,272,983	$ 1,106,435	$ 6,851,321	$ 13,356,037	$ 36,495,524
4.7%	22.3%	4.4%	4.1%	5.0%	4.2%

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Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property	Sales and Use	Property Transfer	Transient Occupancy	Franchises	Licenses	Total
2011	$ 44,345,948	$ 18,408,283	$ 548,660	$ 3,325,825	$ 4,125,808	$ 2,788,662	$ 73,543,186
2012	45,631,731	18,923,556	627,729	3,817,155	4,041,626	2,557,232	75,599,029
2013	45,578,034	20,427,305	690,461	4,239,186	3,981,353	2,344,023	77,260,362
2014	47,167,486	21,251,247	875,716	4,707,473	4,112,292	2,449,210	80,563,424
2015	49,251,587	21,452,095	892,327	5,950,709	4,470,596	2,700,272	84,717,586
2016	51,874,767	23,265,039	1,000,623	6,574,179	4,493,687	2,706,109	89,914,404
2017	55,113,613	22,130,638	1,076,478	7,066,170	4,185,453	2,812,886	92,385,238
2018	58,496,100	22,671,661	1,190,591	7,944,470	4,241,056	3,022,177	97,566,055
2019	63,883,081	24,155,296	1,087,132	8,509,768	4,271,004	3,212,961	105,119,242
2020	67,216,626	37,051,161	1,208,869	7,359,497	4,251,317	3,244,103	120,331,573
Change 2011-2020	51.6%	101.3%	120.3%	121.3%	3.0%	16.3%	63.6%

Source: Financial Services Department, Accounting Division

Note: Revenues are from the General Fund only

Schedule of Assessed Valuation
Last Ten Fiscal Years

Fiscal Year	ASSESSED VALUATIONS			
	Land	Improvements	Personal Property	Total
2011	7,887,878,904	9,021,522,163	206,519,262	17,115,920,329
2012	7,961,957,259	9,137,698,273	210,019,528	17,309,675,060
2013	7,872,723,361	9,188,547,651	172,271,697	17,233,542,709
2014	8,095,710,824	9,389,176,806	166,785,707	17,651,673,337
2015	8,683,742,020	9,839,413,669	219,813,967	18,742,969,656
2016	9,287,367,799	10,202,305,174	185,365,982	19,675,038,955
2017	9,956,177,981	10,663,321,344	251,412,274	20,870,911,599
2018	10,679,348,905	11,247,074,394	307,972,603	22,234,395,902
2019	11,469,470,694	11,805,171,159	364,425,781	23,639,067,634
2020	12,204,793,720	12,478,771,806	320,497,599	25,004,063,125

Source: County of San Diego

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of the property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is equal to the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

* See Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency

EXEMPTIONS					
Homeowner's	Tax Increment	All Other	Net Taxable Value	Direct Tax Rate	Property Tax Revenue
218,883,810	1,097,822,948	289,636,525	15,509,577,046	0.286 %	44,345,948
215,170,966	*	320,337,222	16,774,166,872	0.272 %	45,631,731
209,521,671	*	335,956,443	16,688,064,595	0.273 %	45,578,034
204,943,661	*	344,215,225	17,102,514,451	0.276 %	47,167,486
201,562,704	*	364,331,723	18,177,075,229	0.271 %	49,251,587
198,243,898	*	379,259,306	19,097,535,751	0.272 %	51,874,767
196,660,960	*	405,190,781	20,269,059,858	0.272 %	55,113,613
194,632,977	*	427,420,513	21,612,342,412	0.271 %	58,496,100
194,799,231	*	467,492,508	22,976,775,895	0.278 %	63,883,081
197,019,782	*	521,482,712	24,285,560,631	0.277 %	67,216,625

Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year	Education	Special Districts Improvements	City of Oceanside	Basic County/ City Rate	Total Tax Rate (1)
2011	0.22287%	0.02507%	0.24115%	1.00000%	1.48909%
2012	0.26110%	0.03004%	0.24388%	1.00000%	1.53502%
2013	0.26665%	0.03175%	0.24228%	1.00000%	1.54068%
2014	0.25871%	0.02770%	0.19349%	1.00000%	1.47990%
2015	0.25185%	0.03146%	0.19287%	1.00000%	1.47618%
2016	0.25120%	0.02942%	0.19282%	1.00000%	1.47344%
2017	0.24331%	0.03020%	0.18912%	1.00000%	1.46263%
2018	0.27054%	0.03104%	0.18914%	1.00000%	1.49072%
2019	0.26562%	0.03100%	0.18924%	1.00000%	1.48586%
2020	0.31539%	0.00350%	0.18924%	1.00000%	1.50813%

(1) In previous years, the report represented a typical tax rate. The report was modified to represent overlapping rates are those of local and county governments that apply to owners within the City. Not all overlapping rates apply to all city property owners.

Source: San Diego County Assessor and HdL Coren & Cone

Principal Property Owners
Current Year and Ten Years Ago

Principal Tax Payers	2020 Assessed Valuation	2020 Rank	2020 % of Total Assessed Valuation	2011 Assessed Valuation	2011 Rank	2011 % of Total Assessed Valuation
Genentech Inc	$ 439,706,658	1	1.76%			
P K II El Camino North LP	135,576,729	2	0.54%			
Gilead Sciences Inc	116,598,724	3	0.47%			
Rexford Industrial Realty LP	97,074,832	4	0.39%			
Guardian Piazza Doro LLC	90,405,012	5	0.36%			
GFP Oceanside Block 21 LLC	88,440,694	6	0.35%			
FPAWC Rancho Del Oro LLC	87,318,250	7	0.35%			
Walmart Real Estate Business Trust	83,210,391	8	0.33%			
Lakeridge-Island Club Apts Partners LP	70,587,115	9	0.28%			
Rancho Presidio Fee Owner LLC	69,446,699	10	0.28%			
Genentech Inc				$ 511,220,331	1	2.97%
P K II El Camino North LP				115,741,494	2	0.67%
Wyndham Vacation Resorts Inc				101,514,497	3	0.59%
W2005 MRD Realty LLC				63,000,000	4	0.37%
Lakeridge-Island Club Apts Partners LP				61,062,716	5	0.35%
Piazza Doro LLC				59,466,796	6	0.35%
AMBDFS Pacific Coast LLC				58,718,993	7	0.34%
Rock-Sea LLC				55,487,888	8	0.32%
Essex Cal-Wa LP				53,048,417	9	0.31%
Prime Mesa LP				51,377,942	10	0.30%
	$ 1,278,365,104		5.11%	$ 1,130,639,074		6.57%

Source: San Diego County Assessor and HdL Coren & Cone

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Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Penalties Interest and Other Years Collections (2)	Total Collections		Delinquent Taxes Receivable	
		Amount (2)	% of Levy		Amount	% of Current Levy	Amount	% of Current Levy
2011	$ 32,797,312	$ 29,896,898	91.2%	$ 361,117	$ 30,258,015	92.3%	$ 1,816,848	5.5%
2012	32,816,210	30,357,852	92.5%	72,685	30,430,537	92.7%	1,690,640	5.2%
2013	32,717,637	30,899,311	94.4%	284,066	31,183,377	95.3%	1,512,637	4.6%
2014	33,230,696	31,654,633	95.3%	187,360	31,841,993	95.8%	1,460,119	4.4%
2015	34,914,895	33,431,694	95.8%	163,579	33,595,273	96.2%	988,804	2.8%
2016	36,515,160	35,166,254	96.3%	195,113	35,361,367	96.8%	1,138,605	3.1%
2017	38,597,840	37,385,953	96.9%	162,427	37,548,380	97.3%	1,170,607	3.0%
2018	41,138,189	39,799,843	96.7%	198,037	39,997,880	97.2%	1,095,676	2.7%
2019	43,555,209	42,186,390	96.9%	94,605	42,280,995	97.1%	1,263,595	2.9%
2020	45,895,092	44,216,119	96.3%	179,484	44,395,603	96.7%	1,534,972	3.3%

Source: County of San Diego

(1) Taxes Levied does not include Supplemental Assessments, Adjustments/Corrections or Prior Year Escapes.
(2) Collections do not include Current or Prior Year Supplemental Assessments.

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities				
Fiscal Year	Pension Obligation Bonds	Redevelopment Bonds	Capital Leases & Notes Payable	Lease Revenue Bonds	Certificates of Participation
2011	$ 39,345,000	$ 48,560,000	$ 5,042,800	$ -	$ 42,145,000
2012	38,195,000	*	4,610,611	-	38,815,000
2013	36,860,000	*	3,678,468	-	32,680,659
2014	35,325,000	*	7,946,798	-	29,095,691
2015	33,580,000	*	7,362,394	-	25,389,486
2016	32,020,000	*	15,089,652	-	12,770,699
2017	29,435,000	*	12,458,051	-	10,777,303
2018	26,660,000	*	9,905,059	-	8,742,118
2019	23,690,000	*	4,543,353	-	6,649,757
2020	20,462,832	*	4,476,022	26,264,643	8,549,358

[1] 2011 - 2012 ratios were calculated using the Price and Population received from the State of California Department of Finance.
[2] 2013 - 2020 ratios were calculated using Per Capita Personal Income as provided by HDL.

Source: San Diego Association of Governments
State of California Department of Finance

Business-Type Activities					
Revenue Bonds	Certificates of Participation	Loans Payable	Total Primary Government	Percentage of Personal Income [1, 2]	Per Capita [1]
$ 5,890,000	$ 23,930,000	$ 44,513,086	$ 209,425,886	2.74 %	1,245
5,165,000	22,435,000	41,353,288	150,573,899	1.90 %	888
19,525,145	6,020,000	36,248,337	135,012,609	2.79 %	797
38,256,391	-	31,682,344	142,306,224	3.13 %	831
34,710,680	-	29,250,858	130,293,418	2.75 %	760
31,114,970	-	26,773,016	117,768,337	2.45 %	669
28,069,259	-	24,248,049	104,987,662	2.14 %	595
24,918,549	-	21,675,178	91,900,904	1.79 %	518
22,307,838	-	19,083,824	76,274,772	1.38 %	428
19,602,128	-	16,501,514	95,856,497	1.64 %	541

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

	Governmental Activities								
Fiscal Year	Pension Obligation Bonds	Redevelopment Bonds	Certificates of Participation	Lease Revenue Bonds	Total	Percent of Assessed Value [1]	Per Capita	Total Assessed Valuation	Population
2011	39,345,000	48,560,000	42,145,000	-	130,050,000	0.76%	773	17,205,265,780	168,173
2012	38,195,000	*	38,815,000	-	77,010,000	0.44%	455	17,381,056,626	169,319
2013	36,860,000	*	32,056,636	-	68,916,636	0.40%	407	17,323,915,631	169,350
2014	35,325,000	*	28,523,330	-	63,848,330	0.36%	373	17,715,328,740	171,183
2015	33,580,000	*	24,874,361	-	58,454,361	0.31%	342	18,780,841,789	170,791
2016	32,020,000	*	12,299,360	-	44,319,360	0.22%	252	19,721,367,813	175,948
2017	29,435,000	*	10,457,952	-	39,892,952	0.19%	226	20,914,477,517	176,461
2018	26,660,000	*	8,574,755	-	35,234,755	0.16%	199	22,324,441,314	177,362
2019	23,690,000	*	6,649,757	-	30,339,757	0.13%	170	23,698,960,502	178,021
2020	20,462,832	*	8,549,358	26,264,643	55,276,833	0.22%	312	25,030,808,682	177,335

[1] Assessed value has been used because the actual value of taxable property is not readily available in California.

Direct and Overlapping Governmental Activities Debt
As of June 30, 2020

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	Total Debt 6/30/20	% Applicable (1)	City's Share of 6/30/20
Metropolitan Water District	$ 37,300,000	0.807%	$ 301,011
Mira Costa Community College District	71,270,000	16.147%	11,507,967
Palomar Community College District	610,657,763	5.126%	31,302,317
Carlsbad Unified School District	238,049,662	1.798%	4,280,133
Oceanside Unified School District	237,048,958	99.772%	236,508,486
Vista Unified School District	134,624,882	32.708%	44,033,106
Bonsall Unified School District	9,921,618	23.070%	2,288,917
City of Oceanside Community Facilities District No. 2000-1	19,920,000	100.000%	19,920,000
City of Oceanside Community Facilities District No. 2001-1	12,290,000	100.000%	12,290,000
City of Oceanside Community Facilities District No. 2001-1, Improvement Area No. 1	5,115,000	100.000%	5,115,000
City of Oceanside Community Facilities District No. 2006-1	8,670,000	100.000%	8,670,000
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			$ 376,216,937
DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:			
San Diego County General Fund Obligations	$ 231,350,000	4.499%	$ 10,408,437
San Diego County Pension Obligations	456,040,000	4.499%	20,517,240
San Diego County Superintendent of Schools Certificates of Participation	9,350,000	4.499%	420,657
Palomar Community College District Certificates of Participation	1,675,000	5.126%	85,861
Carlsbad Unified School District Certificates of Participation	40,300,000	1.798%	724,594
Vista Unified School District Certificates of Participation	1,455,000	32.708%	475,901
Bonsall Union School District Certificates of Participation	7,100,000	23.070%	1,637,970
City of Oceanside General Fund Obligations	**29,010,201**	**100.000%**	**29,010,201**
City of Oceanside Pension Obligations	**20,462,832**	**100.000%**	**20,462,832**
City of Oceanside Leases Obligations	**2,316,325**	**100.000%**	**2,316,325**
City of Oceanside Notes Obligations	**2,159,697**	**100.000%**	**2,159,697**
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT			$ 88,219,715
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):		100.000%	19,190,000
TOTAL DIRECT DEBT			**53,949,055**
TOTAL OVERLAPPING DEBT			$ 429,677,597
GROSS COMBINED TOTAL DEBT			$ 483,626,652

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

Ratios to 2019-20 Assessed Valuation:	
Total Overlapping Tax and Assessment Debt	1.50%
Ratios to Adjusted Assessed Valuation:	
Combined Direct Debt ($53,949,055)	0.19%
Combined Total Debt	1.91%
Ratios to Redevelopment Successor Agency Incremental Valuation ($1,369,848,071):	
Total Overlapping Tax Increment Debt	1.20%

Source: California Municipal Statistics, Inc

Legal Debt Margin Information
Last Ten Years

	Fiscal Year			
	2011	2012	2013	2014
Assessed valuation	$ 17,205,265,780	$ 17,381,056,626	$ 17,323,915,631	$ 17,715,328,740
Conversion percentage	25%	25%	25%	25%
Adjusted assessed valuation	4,301,316,445	4,345,264,157	4,330,978,908	4,428,832,185
Debt limit percentage	15%	15%	15%	15%
Debt limit	645,197,467	651,789,623	649,646,836	664,324,828
Total net debt applicable to limit: General & Pension Obligation Bonds	39,345,000	38,195,000	36,860,000	35,325,000
Legal debt margin	605,852,467	613,594,623	612,786,836	628,999,828
Total debt applicable to the limit as a percentage of the debt limit	6.1%	5.9%	5.7%	5.3%

The government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time the legal debt margin was enacted by the State of California for local governments located within the state.

Fiscal Year					
2015	2016	2017	2018	2019	2020
$ 18,780,841,789	$ 19,721,367,813	$ 20,914,477,517	$ 22,324,441,314	$ 23,698,960,502	$ 25,030,808,682
25%	25%	25%	25%	25%	25%
4,695,210,447	4,930,341,953	5,228,619,379	5,581,110,329	5,924,740,126	6,257,702,171
15%	15%	15%	15%	15%	15%
704,281,567	739,551,293	784,292,907	837,166,549	888,711,019	938,655,326
33,580,000	32,020,000	29,435,000	26,660,000	23,690,000	20,462,832
670,701,567	707,531,293	754,857,907	810,506,549	865,021,019	918,192,494
4.8%	4.3%	3.8%	3.2%	2.7%	2.2%

Pledged-Revenue Coverage
Last Ten Years

	Water Revenue Bonds						
Fiscal Year	Water Revenue	Less Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Debt Service Total	Coverage
*2011	$ 47,185,491	$ 43,347,722	$ 3,837,769	$ 705,000	$ 301,176	$1,006,176	3.81
*2012	55,177,939	50,913,163	4,264,776	725,000	268,548	993,548	4.29
*2013	58,828,063	51,404,369	7,423,694	765,000	233,805	998,805	7.43
**2014	63,266,148	55,526,689	7,739,459	550,000	638,889	1,188,889	6.51
**2015	61,018,738	55,069,339	5,949,399	1,350,000	860,213	2,210,213	2.69
**2016	60,589,287	54,093,986	6,495,301	1,375,000	833,213	2,208,213	2.94
**2017	69,041,943	54,741,069	14,300,874	1,425,000	778,213	2,203,213	6.49
**2018	73,622,607	60,136,522	13,486,085	1,475,000	721,213	2,196,213	6.14
**2019	68,164,609	61,017,580	7,147,029	1,120,000	662,213	1,782,213	4.01
**2020	69,352,073	63,563,497	5,788,576	1,160,000	617,413	1,777,413	3.26

	Sewer Revenue Bonds						
Fiscal Year	Sewer Revenue	Less Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Debt Service Total	Coverage
^2014	$ 44,554,439	$ 30,279,044	$14,275,395	$ 1,570,000	$ 550,698	$ 2,120,698	6.73
2015	47,048,104	30,448,939	16,599,165	1,590,000	530,219	2,120,219	7.83
2016	46,371,556	30,470,684	15,900,872	1,615,000	498,419	2,113,419	7.52
2017	47,599,766	29,796,336	17,803,430	1,075,000	433,819	1,508,819	11.80
2018	47,800,364	26,629,434	21,170,930	1,120,000	390,819	1,510,819	14.01
2019	61,017,580	32,660,817	28,356,763	1,160,000	346,019	1,506,019	18.83
2020	48,428,421	40,475,718	7,952,703	1,215,000	299,619	1,514,619	5.25

*Debt coverage improved due to increase in water revenue.
** 1998 Water Bond was fully defeased with the issuance of 2013A Refunding Revenue Bond, FY 2013-14 Principal and interest information is related to the 2013A Refunding Revenue bond
^2013 Sewer Refunding Bond was issued by the City

Demographic and Economic Statistics
Last Ten Years

Fiscal Year	Population	Personal Income (Millions $)	Per Capita Personal Income	Unemployment Rate
2011	168,173	$ 7,381	$ 43,891	10.1%
2012	169,319	7,712	45,546	9.5%
2013	169,350	8,108	47,878	6.6%
2014	171,183	8,177	47,768	5.7%
2015	170,791	8,470	49,592	6.6%
2016	175,948	9,194	52,256	5.3%
2017	176,461	9,561	54,184	4.8%
2018	177,362	9,963	56,172	3.7%
2019	178,021	10,385	58,335	3.4%
2020	177,335	10,731	60,511	3.3%

Note: Fiscal Year 2011 reflects the 2010 Federal Census; 2011 and 2012 estimated using the Price and Population information received from the State of California.

Sources: State of California Department of Finance, California Economic Development Department and San Diego Association of Governments Service Bureau

Top 25 Sales tax Producers
Current Year and Ten Years Ago

	2020	2011
Business Name	Business Category	Business Category
Albertsons	Grocery Stores	
Best Buy	Electronics/Appliance Stores	
Bio Clean Environmental Services	Business Services	
Chevron	Service Stations	
Circle K	Service Stations	
CVS Pharmacy	Drug Stores	
G&M	Service Stations	
Home Depot	Building Materials	
In N Out Burger	Quick-Service Restaurants	
Kohls	Department Stores	
Krannich Solar West	Energy/Utilities	
Lowes	Building Materials	
McDonald's	Quick-Service Restaurants	
Melrose Shell	Service Stations	
Mission Gas & Mini Mart	Service Stations	
Mohsen Oil	Service Stations	
Mossy Nissan	New Motor Vehicle Dealers	
MWI Plumbers Supply	Plumbing/Electrical Supplies	
New Flyer of America	Trailers/Auto Parts	
Ross	Family Apparel	
Stater Bros	Grocery Stores	
Superior Ready Mix	Contractors	
Target	Discount Dept Stores	
United Oil	Service Stations	
Walmart Supercenter	Discount Dept Stores	
7 Eleven		Service Stations
Albertsons		Grocery Stores
Arco AM PM		Service Stations
Arco AM PM		Service Stations
Best Buy		Electronics/Appliance Stores
Chevron		Service Stations
CVS Pharmacy		Drug Stores
Discount Tire		Automotive Supply Stores
Home Depot		Building Materials
Kohls		Department Stores
Lowes		Building Materials
Melrose Shell		Service Stations
Mission Gas & Mini Mart		Service Stations
Mobil Oil		Service Stations
Mohsen Oil		Service Stations
Morally Wholesale		Plumbing/Electrical Supplies
Mossy Nissan		New Motor Vehicle Dealers
One Source Distributors		Electrical Equipment
Quarry Creek Shell		Service Stations
Ralphs		Grocery Stores
Ross		Family Apparel
Stater Bros		Grocery Stores
Target		Discount Dept Stores
Toys R Us		Specialty Stores
Walmart Supercenter		Discount Dept Stores
Percent of Fiscal Year Total Paid by Top 25 Accounts	42%	44%

* Firms listed alphabetically

Source: HdL Coren & Cone

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

	Fiscal Year									
Function	2011*	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government	102	99	120	118	117	124	118	101	102	104
Public Safety										
Police	321	320	320	319	321	322	327	325	325	327
Fire	120	118	119	119	131	130	126	126	127	142
Public Works	121	110	91	88	88	88	93	113	113	113
Development Services	48	48	47	47	54	58	60	58	58	58
Neighborhood Services	69	63	59	55	56	57	58	60	60	60
Economic & Community Development	13	12	2	2	2	2	4	4	4	4
Library	32	27	26	26	26	27	27	27	27	26
Water Utilities	143	138	138	141	144	144	147	152	151	150
Harbor	-	-	-	-	-	-	-	-	-	-
Total	969	935	922	915	939	952	960	966	967	984

Note:
* Corrected 2011 position count.

Source: Financial Services Department- Budgeted Positions

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Operating Indicators by Function/Program
Last Ten Fiscal Years

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Arrests	5,961	9,086	7,920	6,841	6,031	5,021	5,426	5,505	5,993	5,794
Citations	23,464	26,639	23,467	23,082	15,910	13,654	15,462	7,098	8,368	11,469
Fire										
Number of Emergency Calls	16,662	17,913	17,811	17,975	19,777	20,430	21,009	21,408	20,913	21,157
Inspections	1,765	1,741	2,225	2,321	3,155	2,491	3,057	4,002	3,642	3,335
Public Works										
Street Resurfacing (lane miles)	46	-	40	14	52	49	3	40	9	8
Water										
Average Daily Consumption (million gallons)	23	24	24	25	25	19	20	22	19	18
Wastewater										
Average Daily Sewage Treatment (million gallons)	12	12	12	11	11	11	12	10	10	10
Recreation										
Number of Recreation Classes (quarterly)	120	100	130	130	130	145	165	170	160	100
Library										
Total Volumes in Collection	274,289	274,097	261,999	250,331	259,442	200,211	197,529	196,732	194,443	192,724
Total Volumes Loaned	497,563	501,410	489,361	478,695	491,451	453,213	398,206	405,474	412,925	256,277

Source: Various City Departments

Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Year			
	2011	2012	2013	2014
Police				
Number of Police Stations	1	1	1	1
Fire				
Number of Fire Stations	8	8	8	8
Number of Engine Companies	6	6	6	6
Number of Truck/Rescue Companies	2	2	2	2
Number of Ambulances	4	4	4	4
Public Works				
Miles of Streets:	475	475	480	480
Number of Street Lights (City Owned):	8,345	8,345	8,445	8,546
Utilities:				
Miles of Lines and Mains	580	580	580	580
Number of Wastewater Treatment Plants	2	2	2	2
Miles of Sewers	450	450	450	450
Recreation and Cultural:				
Number of Parks (Improved and Unimproved)	33	33	33	33
Area of Parks (In Acres)	810	810	810	810
Recreation & Senior Centers	6	6	6	6
Pools	2	2	2	2
Number of Libraries	2	2	2	2
Number of Library Outlets	3	3	3	3
Number of Bookmobiles	1	1	1	2
Computer Terminals for Internet Access (Public)	85	85	85	87
Number of Visitors to Library	469,610	472,617	485,035	396,597

Source: Various City Departments

Fiscal Year					
2015	2016	2017	2018	2019	2020
1	1	1	1	1	1
8	8	8	8	8	8
6	6	6	6	6	8
2	2	2	2	2	1
4	5	5	5	5	6
480	480	480	480	480	480
8,546	8,546	8,546	8,546	8,377	8,400
580	593	591	591	591	591
2	2	2	2	2	2
450	460	480	480	480	450
33	33	33	33	33	33
810	810	810	810	810	810
6	6	6	6	6	6
2	2	2	2	2	2
2	2	2	2	2	2
3	3	3	3	3	3
2	2	2	2	2	2
87	75	66	60	60	60
483,521	476,019	434,489	519,859	511,244	321,109

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