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CITY OF OROVILLE COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2018

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CITY OF OROVILLE

CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2018



Submitted by:

City of Oroville

Department of Finance

Ruth Wright, Director of Finance

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CITY OF OROVILLE
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2018

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INTRODUCTORY SECTION

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DISCOVER GOLD...DISCOVER OROVILLE

1735 MONTGOMERY STREET • OROVILLE, CALIFORNIA 95965

January 28, 2019

To the Honorable Mayor, Members of the City Council, and Citizens of Oroville:

The City of Oroville (City) hereby submits the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. The CAFR contains financial statements that have been prepared in conformity with generally accepted accounting principles in the United States of America (GAAP) as prescribed for government entities.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and present fairly the respective financial position and changes of the City, as of June 30, 2018. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The CAFR is published to provide information about the City to its citizens, the investment community, the general public, and others who may have an interest in the financial information regarding the City. This letter of transmittal is designed to be read with and complement the Management's Discussion and Analysis (MD&A). The MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE CITY

The City was incorporated as a Charter City in 1906. Also known as the City of Gold, the City is located approximately 70 miles north of Sacramento, California's State Capitol. Notably, the City is home to the tallest earthen-filled dam in the world. The Oroville Dam was completed in 1968 and provides the City with an abundance of recreational opportunities. The City is one of five incorporated cities/towns located within the County of Butte: Biggs, Chico, Gridley, Oroville, and Paradise.

The City Council is the elected legislative body for the City. It is composed of seven members, the Mayor plus six council members, who are elected at large for four-year staggered terms. The City Council is responsible for, among other things, passing ordinances, setting policy, adopting the budget, appointing committees, and appointing the Vice Mayor.

There are two formal advisory bodies required by the City Charter: the Planning Commission and Parks Commission. These advisory bodies are appointed by the City Council to provide information, research, and direct public participation in shaping the City's policies. Other advisory committees are appointed and created by the Council. All members serve at the pleasure of the Council.

The City provides a broad range of services including police and fire protection; construction and maintenance of streets, sewer, and infrastructure; community development, including planning and zoning; building and safety, and housing activities; municipal airport; golf course; and general administrative services.

The City maintains a website located at: www.cityoforoville.org that provides online services and extensive information about the City. This website includes information about the Council, Council meeting agendas, City job listings, City museums, local recreation, financial information, and links to other local resources.

MAJOR INITIATIVES

Capital Outlay

Capital projects for the year consisted of a new Solar, Heating, Air and Lighting Project that is projected to save the City in future energy costs. The total approved cost of this project is \$3,208,388 and is estimated to be approximately half way done as of June 30, 2018. The City was also able to purchase a 2014 KMA Type 3 Fire Engine utilizing program income funds from the Community Development Block Grant Fund. Projects for the Airport included a new drainage system and a new taxiway that were completed at the City's Municipal Airport utilizing FAA Grants.

FACTORS AFFECTING FINANCIAL CONDITION

Economic Challenges

Labor costs continue to be a major source of concern for the City. We continue to closely monitor the CalPERS pension contribution requirements, the pension unfunded liability, healthcare increases and other rising costs. Rate adjustments continue to increase for public agency employer contributions and are expected to increase 30 to 50 % in the next 5 years. Meeting these requirements and these increases while maintaining services for the community are proving to be more than challenging.

Internal Control

The management of the City has established a comprehensive framework of internal controls designed to ensure that the assets of the government are protected from loss, theft or misuse. This framework ensures that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. Reasonable assurance provides that the cost of internal controls should not exceed the benefits and that decisions often require the use of estimates and judgments by management.

Single Audit

As a recipient of federal and state financial assistance, the City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and Title 2 of the Code of Federal Regulations Part 200 (Uniform Guidance). Information related to this single audit includes the schedule of federal awards, findings and questioned costs, and the independent auditor's report on

internal control and compliance. The City is also responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. Internal controls are subject to periodic evaluation by management and the Finance Department staff. The 2017-18 Single Audit will be issued under separate cover and will be available by contacting the Finance Department after March 31, 2019.

Budgeting Controls

In addition to accounting controls, the City maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. The budget also serves as the foundation for financial planning and control for the City. Expenditures authorized in the final budget ordinance are appropriated at the Fund level, and in the case of the General Fund, at the department or program level. All amendments to the budget at these levels can only be approved by the City Council. The City Administrator has the authority to transfer funds within a given fund and between department appropriations to ensure that programmatic budgets may adapt throughout the year to evolving circumstances.

In accordance with the City's Charter, a budget is presented on or before June 1 each year to the City Council and must be adopted by the first regular meeting in July.

Credit Rating

The City proudly continues to maintain a strong credit rating and strives to continue this achievement.

Long-Term Financial Planning

The City's Budget and Financial Policy requires the City to use a five-year fiscal planning horizon, in which the annual budget is used as the first year of the forecast. This forecast assists in identifying important trends and understanding long-term consequences of budget decisions. In prior years, the City implemented several measures to maintain resiliency and respond to economic challenges, which included significantly reducing the workforce and deferring capital improvements. While there has been continued economic growth and strong general fund reserves, the City is bracing for major events including an economic downturn, rising labor costs, a projected 2% inflation estimate and other areas of concern.

In the forthcoming fiscal years, the City plans to evaluate alternate strategies to fund deferred capital improvements, manage rising pension costs, and retain a lean, high quality workforce. As part of the Fiscal Year 19/20 Budget process, a draft ten-year projection was provided to assist with long-term planning. It is anticipated that this projection will be updated to reflect the Fiscal Year 17/18 financial statements, and any new economic indicators.

OTHER INFORMATION

Sales Tax Measure

Subsequent to the end of the fiscal year 2017-18, the City passed a 1% local sales tax measure. This sales tax measure is anticipated to bring in an additional 4 million dollars of revenue to the City. It will go into effect on April 1, 2019 and the first remittance is expected to be in July of 2019.

Independent Audit

City Charter requires an annual audit by independent certified public accountants. The firm of Chavan & Associates, LLP was selected to perform this service. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City, for the fiscal year ended June 30, 2018, are free of material misstatement. The independent auditor's report is presented as the first item of the financial section of the report.

Awards and Acknowledgments

The GFOA awarded the prestigious Certificate of Achievement for Excellence in Financial Reporting to the City for successful completion of the CAFR for the fiscal year ended June 30, 2017. This achievement represents the City's 22st consecutive award. This award is the highest form of recognition for excellence in state and local government reporting. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe this 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 of this Comprehensive Annual Financial Report could not have been accomplished without the efficient and dedicated services of staff from the Finance Department and the cooperation and assistance of all City departments. We commend the Council for its interest, support, and exemplary leadership in planning and conducting the financial operations of the City in a responsive and progressive manner.

Respectfully submitted,

Ruth Wright, CPA

Finance Director

City Council

Mayor, Linda Dahlmeier
Vice Mayor, Janet Goodson
Council Member, Jack Berry
Council Member, Marlene Del Rosario
Council Member, Linda Draper
Council Member, Art Hatley
Council Member, Scott Thompson

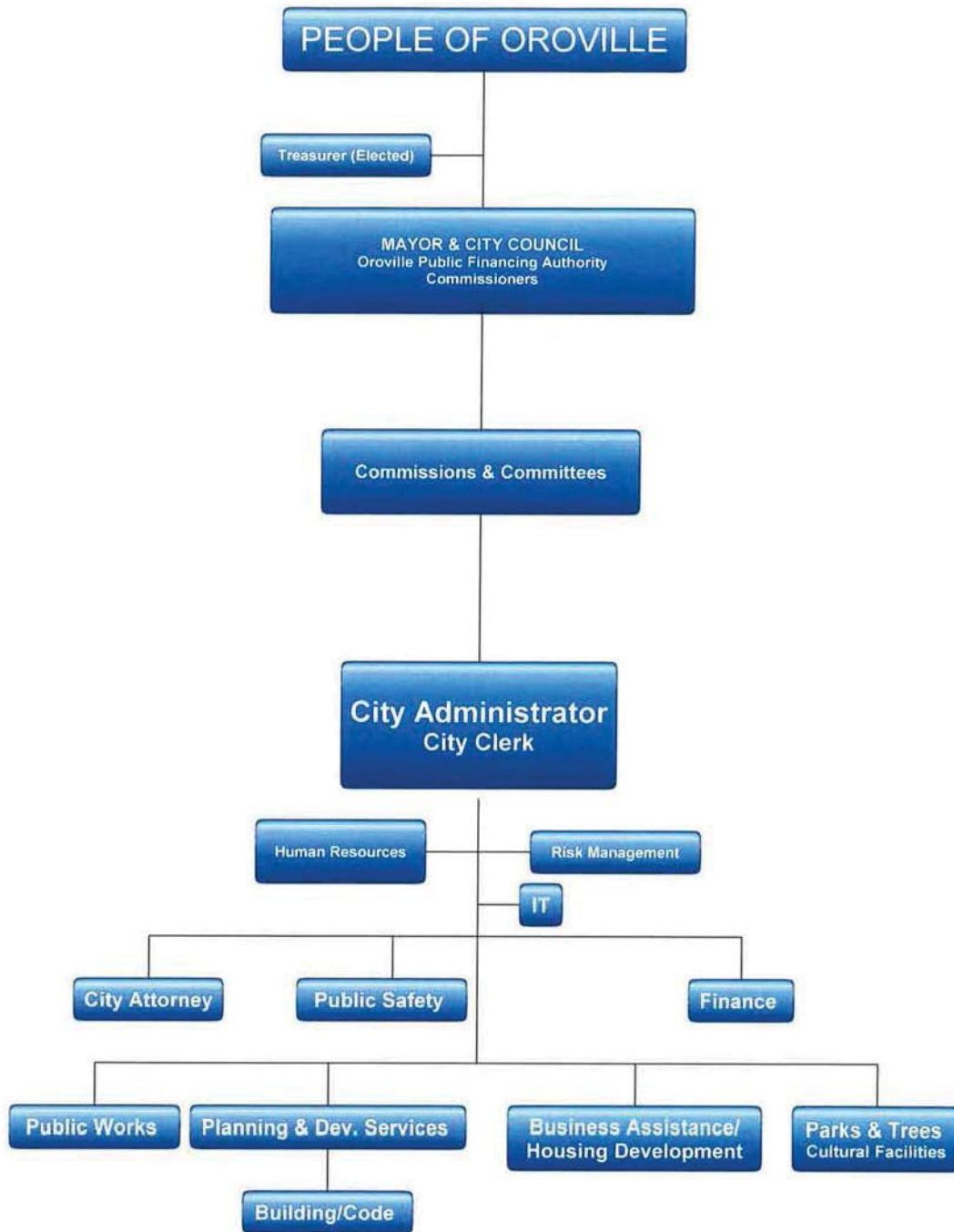
City Administration

Elected

City Treasurer, Karolyn Fairbanks

Appointed

Interim City Administrator, Tom Lando
Assistant City Administrator, Bill LaGrone
City Attorney, Scott E Huber
Police and Fire Chief, Bill LaGrone
Director of Finance, Ruth Wright
Director of Parks and Trees, Vacant
Interim Director of Planning and Development, Gary Layman
Director of Public Works, Vacant





Government Finance Officers Association

**Certificate of
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for Excellence
in Financial
Reporting**

Presented to

**City of Oroville
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Oroville (the "City"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Oroville, as of June 30, 2018, 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

Change in Accounting Principle

As discussed in Note 1 to the financial statements, the City adopted new accounting guidance, GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB). The City currently funds this obligation on a pay-as-you go basis. The City anticipates that its ongoing funding and current resources are sufficient to meet its obligations as they come due. Our opinion is not modified with respect to this matter.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining individual non-major fund statements and schedules, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining individual non-major fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2019 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit



Chavan & Associates, LLP
Certified Public Accountants

performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

C & A LLP

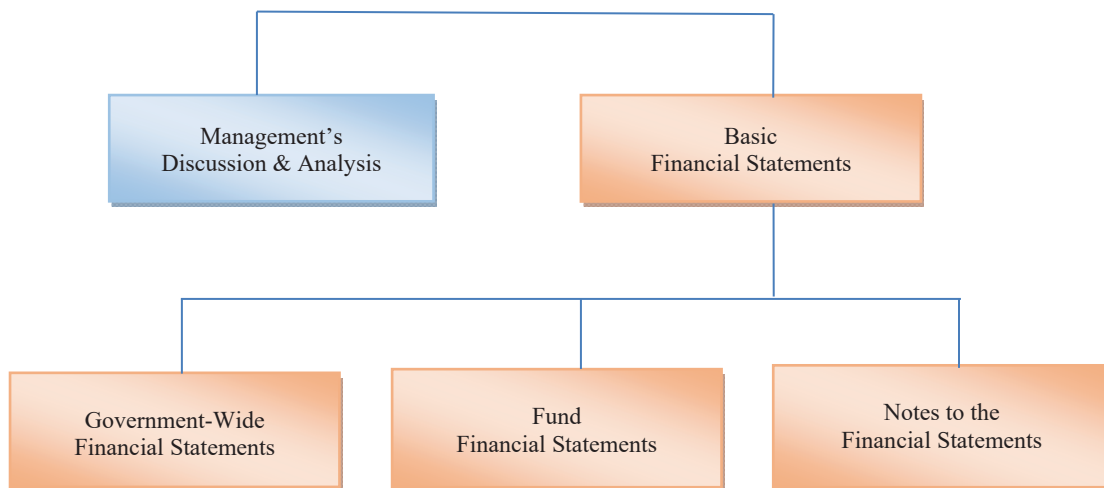
January 28, 2019
San Jose, California

INTRODUCTION

The Management’s Discussion and Analysis (MD&A) is a required section of the City’s Comprehensive Annual Financial Report (CAFR), as shown in the overview below. The purpose of the MD&A is to present a discussion and analysis of the City’s financial performance during the fiscal year that ended on June 30, 2018. This report will (1) focus on significant financial issues, (2) provide an overview of the City’s financial activity, (3) identify changes in the City’s financial position, (4) identify any individual fund issues or concerns, and (5) provide descriptions of significant asset and debt activity.

This information, presented in conjunction with the annual Transmittal Letter and Basic Financial Statements, is intended to provide a comprehensive understanding of the City’s operations and financial standing.

Required Components of the Annual Financial Report



FISCAL YEAR 2017/18 FINANCIAL HIGHLIGHTS

- Total net position decreased by \$1.27 million from last fiscal year, mostly due to the implementation of GASB 75 for other postemployment benefits, resulting in a prior period adjustment of \$777,340, and the write-down of construction in progress totaling \$1.4 million.
- The City's assets exceeded its liabilities by \$41.3 million. Assets and deferred outflows of resources totaled \$124.4 million, while liabilities and deferred inflows of resources were \$75.9 million.
- Net position consisted of \$32.6 million classified as net investment in capital assets; \$15.1 million as restricted; and \$.8 million as unrestricted “deficit” net position.
- Total City-wide revenues were \$22.4 million which consists of program revenue of \$8.1 million and general revenues of \$14.3 million.
- Total City expenses were \$21.5 million, excluding transfers and special items.
- Total Governmental fund balances were \$24.8 million. Total fund balance increased by \$2.75 million.
- General Fund revenues were \$13.69 million, while General Fund expenditures were \$12.39 million. Transfers in to the General Fund from other funds were \$989,367.

THE BASIC FINANCIAL STATEMENTS

The Basic Financial Statements are comprised of 1) Government-wide (City-wide) Financial Statements, and; 2) Fund Financial Statements. These two sets of financial statements provide the reader two different perspectives of the City's financial activities and financial position.

Government-Wide Financial Statements provide a longer-term view of the City's activities as a whole, and comprise the *Statement of Net Position* and the *Statement of Activities*. The *Statement of Net Position* provides information about the financial position of the City as a whole, including all its capital assets and long-term liabilities on a full accrual basis, similar to that used by corporations. The *Statement of Activities* provides information about all the City's revenues and all its expenses, also on a full accrual basis, with the emphasis on measuring net revenues and/or expenses for each of the City's programs. The *Statement of Activities* explains in detail the change in Net Position for the fiscal year.

All of the City's activities are required to be grouped into government activities and business-type activities. The entire amount in the *Statement of Net Position* and the *Statement of Activities* are also required to be separated into governmental activities or business-type activities in order to distinguish between these two types of activities of the City.

Fund Financial Statements report the City's operations in more detail than the government-wide statements and focus primarily on the short-term activities of the City's general fund and other major funds. The Fund Financial Statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt, and other long-term amounts.

Major funds account for the major financial activities of the City and are presented individually, while the activities of non-major funds are presented in summary, with subordinate schedules presenting the detail for each of these other funds. Major funds are explained below.

The Government-Wide Financial Statements

Government-wide financial statements are prepared on the accrual basis, which means they measure the flow of all economic resources of the City as a whole. The *Statement of Net Position* and the *Statement of Activities* present information about the following:

Governmental Activities – All of the City's basic services are considered to be governmental activities, including general government, housing and community development, public safety, public works, streets and storm drains, health and sanitation, and parks and leisure. These services are supported by general City revenues such as taxes, and by specific program revenues such as development and recreation program fees.

Business-Type Activities – This category includes enterprise activities for airport and sewage. Unlike governmental services, these services are fully supported by charges paid by users based on the amount of services they use.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Fund financial statements provide detailed information about each of the City's most significant funds, called major funds. The concept of major funds, and the determination of which are major funds, was established by GASB Statement 34 and replaces the concept of combining like funds and presenting them in total. Instead, each major fund is presented individually, with all non-major funds summarized and

presented only in a single column. Subordinate schedules present the detail of these non-major funds. Major funds present the major activities of the City for the fiscal year, and may change from year to year as a result of changes in the pattern of the City's activities. The City's funds are segregated into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – 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 available at year-end. Financial statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Carrying amounts for capital assets and other long-lived assets, along with long-term liabilities are not presented on the balance sheet in the governmental fund financial statements. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

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 Activities. In fact, the City's enterprise fund is the same as the business type activities reported in the Government-Wide statements. Proprietary funds provide the same type of information as Government-Wide statements but only in more detail, with additional information, such as cash flows. The City uses internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the City's other programs and activities such as the City's self-insurance, stores and vehicle maintenance funds. The internal services funds are reported with governmental activities in the Government-Wide Financial Statements.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reported in the Government-Wide financial statements because the resources of these funds are not available to support the City of Oroville's own programs. The accounting for fiduciary funds is much like that used for business type activities. The City maintains two types of fiduciary funds; private-purpose trust and agency. The Oroville Successor Agency to the former Oroville Redevelopment Agency is reported as a private-purpose trust fund. The City's agency funds report resources held by the City in a custodial capacity for individuals, private organizations and other governments.

NOTES TO THE FINANCIAL STATEMENTS

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found immediately following the fund financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information other than through the MD&A follows the Notes and includes a budgetary comparison for the General Fund and other major funds as presented in the governmental fund financial statements.

SUPPLEMENTARY INFORMATION

Combining and individual fund statements and schedules are included to provide additional information on non-major governmental funds including special revenue, debt service, capital project funds, proprietary internal service fund information and agency funds. An un-audited statistical section provides historical and current data on financial trends, revenue and debt capacity, demographic and economic information, and operating information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as an indicator of the City's financial position. The City's Total Net Position decreased \$1.3 million. A significant portion of the City's net position (\$32.6 million) was net investment in capital assets, (e.g., land, buildings, general government infrastructure, equipment, etc.) which is capital assets net of accumulated depreciation and reduced by any related debt used to acquire or construct those assets. Capital assets represent infrastructure which provide services to citizens and are not available for future spending.

The Oroville Successor Agency is reported as a private-purpose trust fund of the City of Oroville and, therefore, has been excluded from the determination of net position. In prior years, the City reported a receivable from the Oroville Successor Agency for amounts due to the Oroville Public Financing Authority ("OPFA"), a component unit of the City of Oroville. The City's unrestricted net position was \$812,970 at year end due to increases in capital assets surpluses in the sewer and airport enterprise funds.

The following table summarized the City's ending net position:

Table 1 - Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Assets						
Current and other assets	\$ 70,533,457	\$ 68,410,600	\$ 8,067,795	\$ 6,455,178	\$ 78,601,252	\$ 74,865,778
Capital assets	28,448,262	28,984,555	8,124,400	7,843,254	36,572,662	36,827,809
Total Assets	\$ 98,981,719	\$ 97,395,155	\$ 16,192,195	\$ 14,298,432	\$ 115,173,914	\$ 111,693,587
Deferred Outflows of Resources	\$ 8,942,774	\$ 8,480,626	\$ 246,651	\$ 304,880	\$ 9,189,425	\$ 8,785,506
Liabilities						
Current and other liabilities	\$ 42,252,879	\$ 43,413,977	\$ 437,982	\$ 355,528	\$ 42,690,861	\$ 43,769,505
Noncurrent liabilities	30,352,826	23,797,044	876,260	864,550	31,229,086	24,661,594
Total Liabilities	\$ 72,605,705	\$ 67,211,021	\$ 1,314,242	\$ 1,220,078	\$ 73,919,947	\$ 68,431,099
Deferred Inflows of Resources	\$ 1,893,993	\$ 2,168,746	\$ 79,677	\$ 139,556	\$ 1,973,670	\$ 2,308,302
Net Position						
Net investment in capital assets	\$ 24,443,029	\$ 28,237,557	\$ 8,124,400	\$ 7,843,254	\$ 32,567,429	\$ 36,080,811
Restricted	15,089,353	14,927,356	-	-	15,089,353	14,927,356
Unrestricted (deficit)	(6,107,587)	(6,668,899)	6,920,527	5,400,424	812,940	(1,268,475)
Total Net Position	\$ 33,424,795	\$ 36,496,014	\$ 15,044,927	\$ 13,243,678	\$ 48,469,722	\$ 49,739,692

The following is a summary of the changes in net position during the year:

Table 2 - Changes in Net Position

Functions/Programs	Governmental Activities		Increase (Decrease)	Business-Type Activities		Increase (Decrease)
	2018	2017		2018	2017	
Program Revenues						
Charges for services	\$ 1,353,499	\$ 1,140,365	\$ 213,134	\$ 4,088,427	\$ 4,035,647	\$ 52,780
Operating grants and contributions	2,252,096	4,176,241	(1,924,145)	426,620	-	426,620
Total Program Revenues	3,605,595	5,316,606	(1,711,011)	4,515,047	4,035,647	479,400
General Revenues						
Property taxes	2,023,679	1,954,496	69,183	-	-	-
Sales and use taxes	4,364,469	4,285,876	78,593	-	-	-
Sales and use taxes in-lieu	1,093,031	1,236,179	(143,148)	-	-	-
Transient occupancy taxes	711,980	626,940	85,040	-	-	-
Utility users tax	1,964,304	1,868,606	95,698	-	-	-
Franchise taxes	863,589	889,735	(26,146)	-	-	-
Other taxes	844,024	3,223,887	(2,379,863)	-	-	-
Investment earnings	439,367	308,339	131,028	82,670	41,129	41,541
Other revenues	1,915,889	1,662,092	253,797	13,610	61,267	(47,657)
Total General Revenues	14,220,332	16,056,150	(1,835,818)	96,280	102,396	(6,116)
Expenses						
General Government	2,902,396	3,007,221	(104,825)	-	-	-
Public Safety	10,220,776	9,377,115	843,661	-	-	-
Public Works	202,051	147,468	54,583	-	-	-
Streets and Storm Drains	2,631,724	1,856,714	775,010	-	-	-
Parks and Leisure	1,515,886	1,532,240	(16,354)	-	-	-
Sewer Enterprise Activities	-	-	-	2,176,729	2,507,123	(330,394)
Airport Enterprise Activities	-	-	-	633,349	725,280	(91,931)
Health and Sanitation	95,522	88,395	7,127	-	-	-
Housing and Community Development	786,635	1,052,615	(265,980)	-	-	-
Interest on fiscal charges	349,554	294,877	54,677	-	-	-
Total Expenses	18,704,544	17,356,645	1,347,899	2,810,078	3,232,403	(422,325)
Excess (Deficiency) of Revenues over Expenses	(878,617)	4,016,111	(4,894,728)	1,801,249	905,640	895,609
Transfers	-	(3,850,792)	3,850,792	-	(693,449)	693,449
Transfers from (to) Successor Agency	-	50,719	(50,719)	-	-	-
Gain (loss) on Capital Asset Disposal	(1,415,262)	196,583	(1,611,845)	-	-	-
Change in Net Position before Contributions	(2,293,879)	412,621	(2,706,500)	1,801,249	212,191	1,589,058
Contributions	-	-	-	-	4,544,241	(4,544,241)
Change in Net Position	(2,293,879)	412,621	(2,706,500)	1,801,249	4,756,432	(2,955,183)
Prior Period Adjustments	(777,340)	(348,945)	(428,395)	-	-	-
Net Position, Beginning of Year	36,496,014	36,432,338	63,676	13,243,678	8,487,246	4,756,432
Net Position, End of Year	\$ 33,424,795	\$ 36,496,014	\$ (3,071,219)	\$ 15,044,927	\$ 13,243,678	\$ 1,801,249

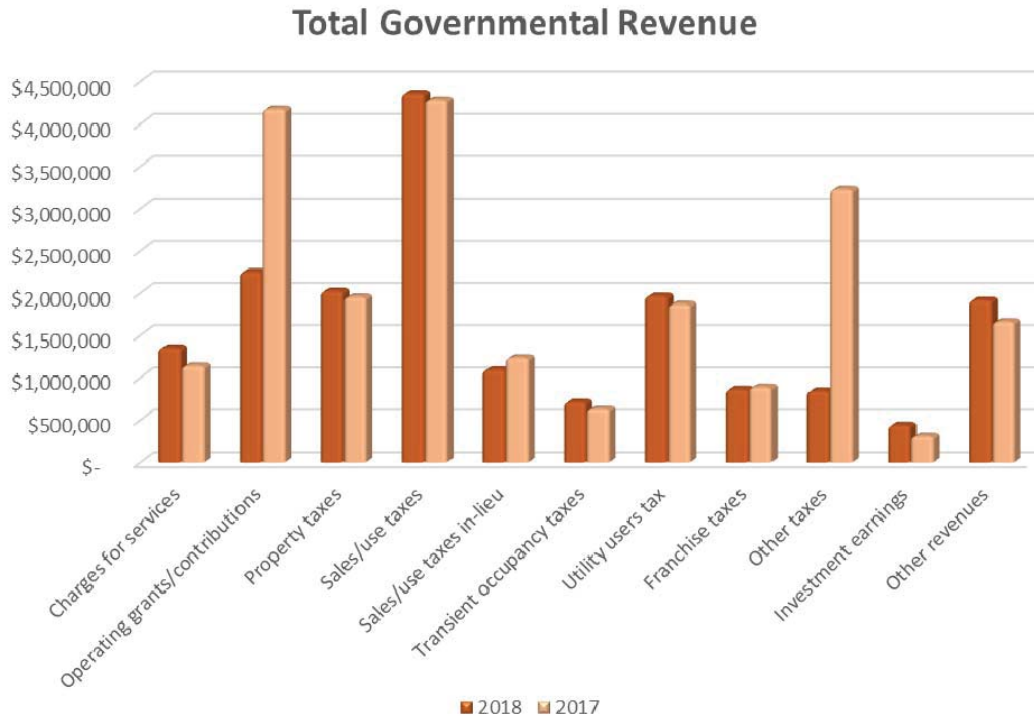
Governmental Activities

As shown in the above *Statement of Changes in Net Position* schedule, the change in program revenues from the prior fiscal year for governmental activities is a decrease of 1.7 million as the City had less operating grants during the year. General revenues decreased \$1.8 million from prior year and total revenues decreased by \$3.5 million, mostly from supplemental benefit assessments. The change in expenses from the prior year was an increase of \$1.35 million which is mostly attributed to increases in activities for public safety and streets and storm drains.

An analysis and graphical representation of the changes in revenues and expenses by type of significant events follows:

Governmental Revenues

The following chart summarizes the changes in governmental revenue from las year:

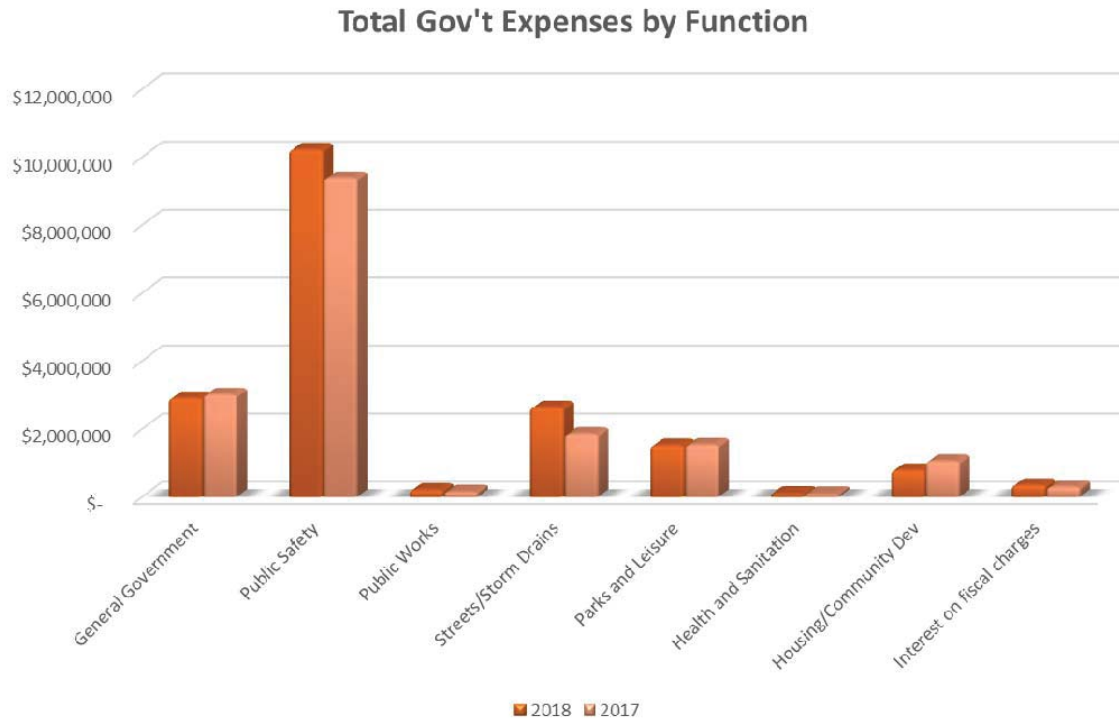


Significant changes in governmental revenues consisted of the following:

- Charge for Services increased by \$213,134 mostly because of increases to streets and parks services.
- Operating grants decreased by \$1.9 million mostly because there fewer federal and state grants for housing and street programs.
- Taxes and assessment increased by \$2.4 million mostly because of supplemental benefit assessments totaling \$3.1 million during the prior year that were not recurring.

Governmental Expenses

The 2017/18 expenses for Governmental Activities increased by \$1.35 million mostly from increases in operations for public safety and streets and storm drains as illustrated in the chart below.



Significant changes in governmental expenses consisted of the following:

- Public safety expenses increased by \$843,661 because of an increase to salaries and benefits related to that function, specifically pension expense adjustments and increased contributions related to GASB 68.
- Streets and storm drain expenses increased by \$775,010 mostly because of an increase to salaries and benefits related to that function, specifically pension expense adjustments and increased contributions related to GASB 68.
- The overall increase to the combined functions can be attributed to increased benefit costs related to pensions.

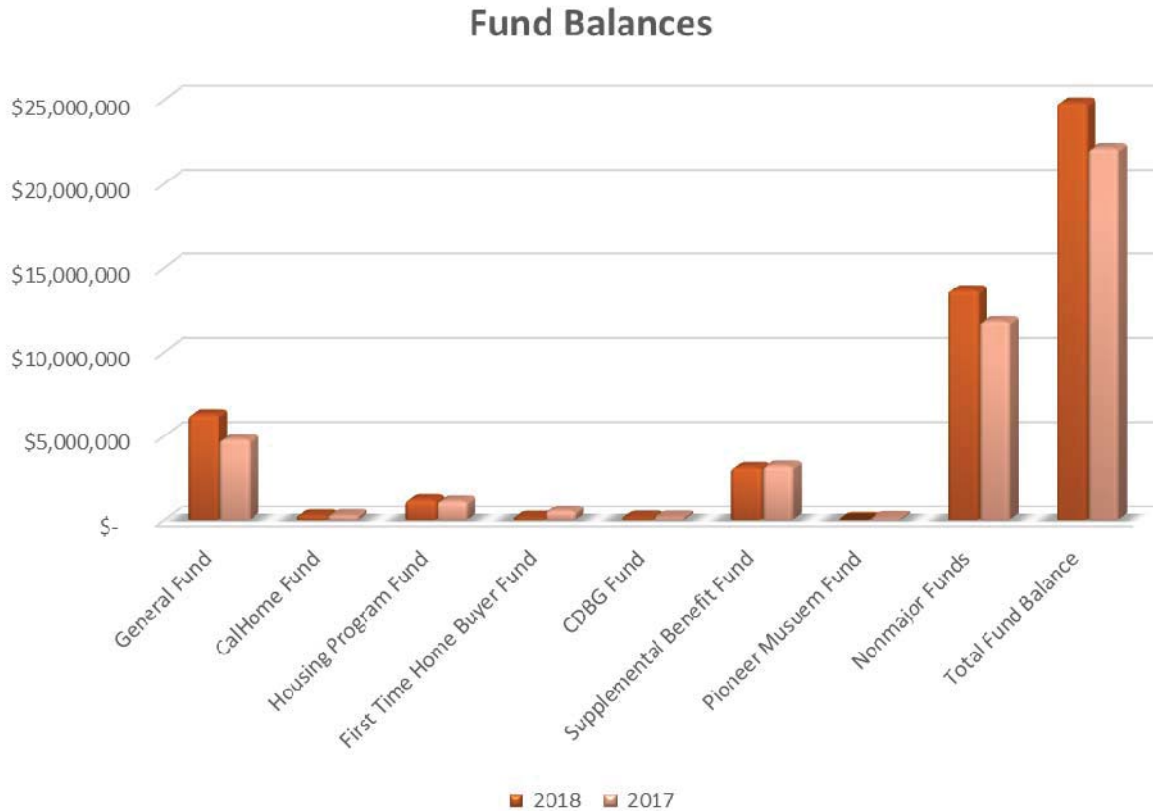
Business-Type Activities

The City’s net position for business type activities increased by \$1.8 million because of the decreased operating costs for sewer and airport activities, increased sewer service charges, and new operating grants.

Total expenses for business type activities were \$2.8 million during the year, which was a decrease of \$422,325 from prior year mostly to reductions in salaries and benefits and related allocations.

FINANCIAL ANALYSIS OF THE CITY’S FUNDS

A summary of the changes in fund balance of the Major Funds and Other Governmental Funds is presented below:



The total fund balance increased by \$2.75 million during the year, including major funds and Other Governmental Funds, which can mostly be attributed to decreases overall operating expenditures and housing program costs and unspent debt proceeds in capital projects funds. Total ending fund balance was \$24.8 million.

Governmental Funds

The fund balance of the City’s General Fund increased by \$1.46 million. Total revenues increased by \$1.45 million while total expenditures decreased by \$.28 million from prior year. An overall reduction on governmental expenditures contributed to the increase in fund balance.

Among the special revenue funds, the Home Grant fund had a decrease of 401,475 million due to a decrease in operating grants. The nonmajor fund’s fund balance increased by \$1.8 million mostly because of unspent debt proceeds remaining in the capital projects funds. The changes in fund balances in the remaining major funds were not significant.

DEBT ADMINISTRATION

During the year, Long-Term Debt from governmental activities increased by \$6.6 million primarily due to increases in net pension obligations and the lease of solar equipment. As of June 30, 2018, \$8 million was considered general City obligations subject to the City’s debt limit of \$43 million. The City reported \$876,260 in net pension obligations related to business-type activities as of June 30, 2018.

Taxable Pension Obligation Bonds

These bonds are an unconditional obligation of the City of Oroville payable from any legally available funds. The bonds are not voter-approved debt backed by the taxing power of the City of Oroville and the full faith and credit of the City has not been pledged to the repayment of the bonds. Due the increasing public employee retirement system obligations for the unfunded liability portion which triggers higher rates, the City of Oroville along with other Cities and Counties chose to issue bonds for the unfunded liability to stabilize the rates going forward for retirement. The City of Oroville’s initial portion of the bond issuance equaled \$7.26 million and the balance outstanding at June 30, 2018 was \$4.01 million.

The following table summarizes the City’s debt at the end of the year:

Table 3 - Outstanding Long-Term Obligation at Year End		
	Governmental Activities	
	2018	2017
Pension Obligation Bonds	\$ 4,010,000	\$ 4,515,000
USDA COP loan	526,100	548,800
PGE Retrofit Loan	171,171	198,198
Equipment Lease - Solar Equipment	3,307,962	-
Net Pension Obligations	20,829,395	17,898,234
Total OPEB Liability	1,852,949	904,739
Compensated absences	577,319	573,596
Total outstanding long-term obligations	<u>\$ 31,274,896</u>	<u>\$ 24,638,567</u>
	Business-Type Activities	
	2018	2017
Net Pension Obligations	<u>\$ 876,260</u>	<u>\$ 864,550</u>

Additional detail and information on long-term debt activity is described in the notes to the financial statements. See note 6.

CAPITAL ASSETS

The capital assets of the City are those assets which are used in the performance of the City’s functions including infrastructure assets. At June 30, 2018, net capital assets of the governmental activities totaled \$28.45 million and the net capital assets of the business type activities totaled \$8.1 million. Depreciation on capital assets is recognized in the Government-Wide Financial Statements. The City has elected to use straight line depreciation as defined by GASB Statement No. 34 for calculation of depreciation.

The following table summarizes the City’s capital assets at the end of the year:

Table 4 - Capital Assets at Year End - Net of Accumulated Depreciation		
	Governmental Activities	
	2018	2017
Land	\$ 3,704,222	\$ 3,704,222
Land improvements	3,435,505	3,821,447
Buildings	6,441,707	6,682,604
Machinery and equipment	3,107,199	2,988,862
Infrastructure	11,759,629	10,372,156
Construction in progress	-	1,415,264
Total Capital Assets, Net of Depreciation	<u>\$ 28,448,262</u>	<u>\$ 28,984,555</u>
	Business-Type Activities	
	2018	2017
Land	2,287,233	2,287,233
Underground collection system	3,020,315	2,950,606
Buildings	571,535	587,173
Machinery and equipment	148,774	151,005
Infrastructure	1,768,196	1,867,237
Total Capital Assets, Net of Depreciation	<u>\$ 8,124,400</u>	<u>\$ 7,843,254</u>

Additional detail and information on capital asset activity is described in the notes to the financial statements. See note 5.

GENERAL FUND BUDGETARY HIGHLIGHTS

Changes from the City's General Fund original budget to the final budget are detailed in the Required Supplementary Information Section along with a comparison to actual activity for the year ended. Changes to the City's budget that increase or decrease appropriations in a fund must be approved by a resolution of the City Council. Modifications to the budget that are a realignment of fiscal activities with no impact to the fund's bottom line may be approved by the City Administrator.

The General Fund original revenue budget was \$11.6 million excluding transfers of \$1.4 million. The final budget was \$11.6 million, excluding transfers of \$1.4 million. The General Fund original expenditures budget was \$12.7 million. The final budget was \$12.7 million.

ECONOMIC FACTORS AND OUTLOOK

Generally speaking the economic outlook of the City continues to mirror the trends of the state economy. Fortunately, we are in the midst of one of the longest periods of economic recovery in history. During this period, we have seen slow and steady increases in revenues with a slight increase of a little over 1% from the prior year. While we continue to project slight increases in revenues, we are also running recession scenarios as economists and history caution us to be ready. Unemployment continues to stay low and inflation is holding for now.

The City's public pension cost continues to be the main focus of concern for the City. Many California Cities are experiencing ballooning pension payments and are forced to cut expenses, reduced services and looking for new sources of revenue. The City Council has been proactive in looking for solutions and is closely monitoring this problem.

REQUEST FOR FINANCIAL INFORMATION

This financial report is designed to provide a general overview of the City of Oroville's finances for all of Oroville's residents, taxpayers, customers, investors, and creditors. This financial report seeks to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Department of Finance at 1735 Montgomery Street, Oroville, CA 95965, or visit the City of Oroville webpage at <http://www.cityoforoville.org/>.



BASIC FINANCIAL STATEMENTS

City of Oroville
Statement of Net Position
June 30, 2018

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Current Assets:			
Cash and investments	\$ 24,897,862	\$ 7,888,289	\$ 32,786,151
Receivables	2,351,509	69,414	2,420,923
Interfund balances	(101,959)	101,959	-
Prepaid expenses	228,608	3,550	232,158
Inventory	53,538	4,583	58,121
Total Current Assets	<u>27,429,558</u>	<u>8,067,795</u>	<u>35,497,353</u>
Noncurrent Assets:			
Loans receivable	41,814,448	-	41,814,448
Real property held for resale	1,289,451	-	1,289,451
Capital Assets:			
Nondepreciable	3,704,222	2,287,233	5,991,455
Depreciable, net of accumulated depreciation	24,744,040	5,837,167	30,581,207
Total Capital Assets	<u>28,448,262</u>	<u>8,124,400</u>	<u>36,572,662</u>
Total Noncurrent Assets	<u>71,552,161</u>	<u>8,124,400</u>	<u>79,676,561</u>
Total Assets	<u>\$ 98,981,719</u>	<u>\$ 16,192,195</u>	<u>\$ 115,173,914</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Adjustments	\$ 6,400,698	\$ 246,651	\$ 6,647,349
OPEB Adjustments	138,298	-	138,298
Deferred Charge for Pension Obligations	2,403,778	-	2,403,778
Total Deferred Outflows of Resources	<u>\$ 8,942,774</u>	<u>\$ 246,651</u>	<u>\$ 9,189,425</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ 840,895	\$ 437,982	\$ 1,278,877
Payroll related liabilities	166,902	-	166,902
Other payables and accruals	7,510	-	7,510
Interest payable	27,000	-	27,000
Unearned revenues	40,288,502	-	40,288,502
Long-term obligations - due within one year	922,070	-	922,070
Total Current Liabilities	<u>42,252,879</u>	<u>437,982</u>	<u>42,690,861</u>
Noncurrent Liabilities:			
Long-term obligations - due in more than one year	30,352,826	876,260	31,229,086
Total Liabilities	<u>\$ 72,605,705</u>	<u>\$ 1,314,242</u>	<u>\$ 73,919,947</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Adjustments	\$ 1,893,993	\$ 79,677	\$ 1,973,670
Total Deferred Inflows of Resources	<u>\$ 1,893,993</u>	<u>\$ 79,677</u>	<u>\$ 1,973,670</u>
NET POSITION			
Net investment in capital assets	\$ 24,443,029	\$ 8,124,400	\$ 32,567,429
Restricted for:			
Technology Fee Program	100,166	-	100,166
Capital Projects	3,452,685	-	3,452,685
Public Safety:			
Police	1,067,482	-	1,067,482
Fire	142,308	-	142,308
Streets and Storm Drains	5,232,086	-	5,232,086
Parks and Leisure	3,154,730	-	3,154,730
Housing and Community Development	1,756,687	-	1,756,687
Debt service	183,209	-	183,209
Total Restricted	<u>15,089,353</u>	<u>-</u>	<u>15,089,353</u>
Unrestricted (Deficit)	(6,107,587)	6,920,527	812,940
Total Net Position	<u>\$ 33,424,795</u>	<u>\$ 15,044,927</u>	<u>\$ 48,469,722</u>

The accompanying notes are an integral part of these financial statements.

City of Oroville
Statement of Activities
For the Year Ended June 30, 2018

Functions/Programs	Program Revenues				Net (Expense) Revenue and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Total Program Revenues	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	\$ 2,902,396	\$ 633,046	\$ 38,011	\$ 671,057	\$ (2,231,339)		\$ (2,231,339)
Public Safety	10,220,776	224,542	218,205	442,747	(9,778,029)		(9,778,029)
Public Works	202,051	43,136	-	43,136	(158,915)		(158,915)
Streets and Storm Drains	2,631,724	301,850	1,375,624	1,677,474	(954,250)		(954,250)
Parks and Leisure	1,515,886	104,779	31,903	136,682	(1,379,204)		(1,379,204)
Health and Sanitation	95,522	36,566	500	37,066	(58,456)		(58,456)
Housing and Community Development	786,635	9,580	587,853	597,433	(189,202)		(189,202)
Interest and fiscal charges	349,554	-	-	-	(349,554)		(349,554)
Total Governmental Activities	\$ 18,704,544	\$ 1,353,499	\$ 2,252,096	\$ 3,605,595	(15,098,949)		(15,098,949)
Business-Type Activities:							
Airport	\$ 633,349	\$ 458,399	\$ 426,620	\$ 885,019		\$ 251,670	251,670
Sewer	2,176,729	3,630,028	-	3,630,028		1,453,299	1,453,299
Total Business-Type Activities	\$ 2,810,078	\$ 4,088,427	\$ 426,620	\$ 4,515,047		1,704,969	1,704,969
General Revenues, Transfers and Special Items:							
Taxes:							
Property taxes					2,023,679	-	2,023,679
Sales and use taxes					4,364,469	-	4,364,469
Sales and use taxes in-lieu					1,093,031	-	1,093,031
Transient occupancy taxes					711,980	-	711,980
Utility users taxes					1,964,304	-	1,964,304
Franchise taxes					863,589	-	863,589
Other taxes and assessments					844,024	-	844,024
Total taxes					11,865,076	-	11,865,076
Investment earnings					439,367	82,670	522,037
Other revenues					1,915,889	13,610	1,929,499
Special item - gain (loss) on disposal of capital assets					(1,415,262)	-	(1,415,262)
Total General Revenues, Transfers and Special Items					12,805,070	96,280	12,901,350
Change in Net Position					(2,293,879)	1,801,249	(492,630)
Net Position - Beginning of Year					36,496,014	13,243,678	49,739,692
Prior Period Adjustment - GASB 75 OPEB					(777,340)	-	(777,340)
Net Position - Beginning of Year, As Adjusted					35,718,674	13,243,678	48,962,352
Net Position - End of Year					\$ 33,424,795	\$ 15,044,927	\$ 48,469,722

The accompanying notes are an integral part of these financial statements.

City of Oroville
Balance Sheet
Governmental Funds
June 30, 2018

	Major Funds								
	General Fund	CalHome Fund	Housing Program Fund	Home Grant Fund	Community Development Block Grant Fund	Supplemental Benefit Fund	Pioneer Museum Permanent Fund	Other Governmental Funds	Total Governmental Funds
ASSETS									
Cash and investments	5,661,493	\$ 245,306	\$ 1,295,574	\$ 132,859	\$ 139,585	\$ 3,146,418	\$ -	\$ 13,465,965	\$ 24,087,200
Receivables:									
Accounts	1,401,981	-	30	0	-	-	-	719,429	2,121,440
Interest	29,224	996	5,124	1,892	-	12,841	-	157,469	207,546
Due from other funds	15,685	-	38,593	-	-	-	-	-	54,278
Prepaid items	226,683	-	726	364	-	321	-	514	228,608
Inventory	22,760	-	-	-	-	-	-	-	22,760
Loans receivable	-	4,566,537	5,888,491	16,511,747	5,641,042	-	-	9,206,631	41,814,448
Real property held for resale	1,067,610	-	221,841	-	-	-	-	-	1,289,451
Total assets	\$ 8,425,436	\$ 4,812,839	\$ 7,450,379	\$ 16,646,862	\$ 5,780,627	\$ 3,159,580	\$ -	\$ 23,550,008	\$ 69,825,731
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 124,277	\$ -	\$ 8,599	146	\$ -	\$ 4,529	\$ -	\$ 527,875	\$ 665,426
Payroll related liabilities	22,400	0	0	-	-	-	-	-	22,400
Other payables and accruals	6,650	-	-	-	800	-	-	-	7,450
Due to other funds	-	-	-	-	-	-	-	54,278	54,278
Unearned revenues	2,019,990	4,566,537	6,204,056	16,511,747	5,641,045	-	-	9,223,183	44,166,558
Advances from other funds	-	-	-	-	-	-	-	101,959	101,959
Total liabilities	2,173,317	4,566,537	6,212,655	16,511,893	5,641,845	4,529	-	9,907,295	45,018,071
Fund Balances:									
Nonspendable									
Inventory	22,760	-	-	-	-	-	-	-	22,760
Prepaid expenses	226,683	-	726	364	-	321	-	514	228,608
Restricted:									
Technology Fee Program	-	-	-	-	-	-	-	100,166	100,166
Capital Projects	-	-	-	-	-	-	-	3,452,685	3,452,685
Public Safety:									
Police	-	-	-	-	-	-	-	1,067,482	1,067,482
Fire	-	-	-	-	-	-	-	142,308	142,308
Streets and Storm Drains	-	-	-	-	-	-	-	5,232,086	5,232,086
Parks and Leisure	-	-	-	-	-	-	-	-	3,154,730
Housing and Community Development	-	246,302	1,236,998	134,605	138,782	-	-	-	1,756,687
Debt service	-	-	-	-	-	-	-	183,209	183,209
Committed:									
Capital Projects	-	-	-	-	-	-	-	1,851,717	1,851,717
Pensions	374,898	-	-	-	-	-	-	-	374,898
Housing and Community Development	-	-	-	-	-	-	-	1,214,266	1,214,266
Future salaries and benefits	113,750	-	-	-	-	-	-	-	113,750
General reserve	-	-	-	-	-	-	-	41,637	41,637
Assigned:									
General reserve	1,500,000	-	-	-	-	-	-	-	1,500,000
Parks and Leisure	-	-	-	-	-	-	-	17,755	17,755
Health and Sanitation	-	-	-	-	-	-	-	32,162	32,162
Housing and Community Development	-	-	-	-	-	-	-	345,312	345,312
Unassigned	4,014,028	-	-	-	-	-	-	(38,586)	3,975,442
Total fund balances	6,252,119	246,302	1,237,724	134,969	138,782	3,155,051	-	13,642,713	24,807,660
Total liabilities and fund balances	\$ 8,425,436	\$ 4,812,839	\$ 7,450,379	\$ 16,646,862	\$ 5,780,627	\$ 3,159,580	\$ -	\$ 23,550,008	\$ 69,825,731

The accompanying notes are an integral part of these financial statements.

City of Oroville
Reconciliation of the Government Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2018

Total Fund Balances - Total Governmental Funds \$ 24,807,660

Amounts reported for governmental activities in the statement of net position were different because:

Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. The capital assets were adjusted as follows:

Capital assets	76,638,876
Less: accumulated depreciation	<u>(48,190,614)</u>
Total Capital Assets	<u>28,448,262</u>

Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in Governmental Funds Balance Sheet. (27,000)

Internal service funds are used by management to charge the costs of stores, vehicle maintenance and various insurance costs to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position. 280,513

Certain prepaid expenses were reported as expenditures when incurred in the funds but are capitalized and amortized in the statement of net position as follows:
Deferred charge for pension obligation 2,403,778

The differences from actuarial assumptions and contributions are not included in the plan's actuarial study until the next fiscal year and are reported as deferred outflows or inflows of resources in the statement of net position. 4,582,991

Liabilities were reported for certain revenues that were not available to pay current period expenditures and were reported as unearned in the fund statements. 3,878,056

Long-term obligations were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet. The long-term liabilities were adjusted as follows:

Bonds payable	(4,010,000)
USDA loan payable	(526,100)
PGE retrofit loan	(171,171)
Equipment lease	(3,307,962)
Net pension obligations	(20,503,964)
Compensated absences	(577,319)
Total OPEB liability	<u>(1,852,949)</u>
Total Long-Term Obligations	<u>(30,949,465)</u>

Net Position of Governmental Activities \$ 33,424,795

The accompanying notes are an integral part of these financial statements.

City of Oroville
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2018

	Major Funds								
	General Fund	CalHome Fund	Housing Program Fund	Home Grant Fund	Community Development Block Grant Fund	Supplemental Benefit Fund	Pioneer Museum Permanent Fund	Other Governmental Funds	Total Governmental Funds
REVENUES									
Taxes:									
Property taxes	\$ 2,023,679	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,023,679
Sales and use taxes	4,364,469	-	-	-	-	-	-	-	4,364,469
Sales and use taxes in-lieu	1,093,031	-	-	-	-	-	-	-	1,093,031
Transient occupancy taxes	711,980	-	-	-	-	-	-	-	711,980
Utility users taxes	1,964,304	-	-	-	-	-	-	-	1,964,304
Franchise taxes	833,108	-	-	-	-	-	-	30,481	863,589
Other taxes and assessments	31,728	-	-	-	-	100,000	-	712,296	844,024
License and permits	420,172	-	-	-	-	-	-	-	420,172
Fines and forfeitures	70,121	-	-	-	-	-	-	9,551	79,672
Interest, rents and concessions	162,626	3,067	58,219	7,467	4,901	40,283	-	282,999	559,562
Intergovernmental revenues	166,403	-	-	87,853	500,000	-	-	1,462,055	2,216,311
Charges for services	342,188	-	-	-	-	-	-	41,444	383,632
Other revenues	1,504,182	-	141,429	52,137	100,349	-	-	1,484,427	3,282,524
Total Revenues	13,687,991	3,067	199,648	147,457	605,250	140,283	-	4,023,253	18,806,949
EXPENDITURES									
Current:									
General Government	2,677,650	-	-	-	-	-	-	62,691	2,740,341
Public Safety	8,187,206	-	-	-	-	-	-	7,762	8,194,968
Public Works	129,963	-	-	-	-	-	-	-	129,963
Streets and Storm Drains	650,287	-	-	-	-	-	-	1,295,480	1,945,767
Parks and Leisure	714,645	-	-	-	-	224,045	-	-	938,690
Health and Sanitation	-	-	-	-	-	-	-	36,756	36,756
Housing and Community Development	-	13,315	182,362	566,357	5,593	-	-	1,370,438	2,138,065
Capital outlay	-	-	-	-	500,000	-	-	1,832,785	2,332,785
Debt service									
Principal retirement	27,027	-	-	-	-	-	-	534,378	561,405
Interest and fiscal charges	-	-	-	-	-	-	-	352,554	352,554
Total Expenditures	12,386,778	13,315	182,362	566,357	505,593	224,045	-	5,492,844	19,371,294
Excess (Deficiency) of Revenues over Expenditures	1,301,213	(10,248)	17,286	(418,900)	99,657	(83,762)	-	(1,469,591)	(564,345)
OTHER FINANCING SOURCES (USES)									
Proceeds form long-term debt	-	-	-	-	-	-	-	3,314,640	3,314,640
Transfers in	451,766	-	158,510	50,000	368,112	-	-	1,583,022	2,611,410
Transfers out	(294,942)	-	(95,214)	(32,575)	(472,956)	-	(101,047)	(1,614,676)	(2,611,410)
Total Other Financing Sources (Uses)	156,824	-	63,296	17,425	(104,844)	-	(101,047)	3,282,986	3,314,640
Net Change in Fund Balances	1,458,037	(10,248)	80,582	(401,475)	(5,187)	(83,762)	(101,047)	1,813,395	2,750,295
Fund Balances Beginning	4,794,082	256,550	1,157,142	536,444	143,969	3,238,813	101,047	11,829,318	22,057,365
Fund Balances Ending	<u>\$ 6,252,119</u>	<u>\$ 246,302</u>	<u>\$ 1,237,724</u>	<u>\$ 134,969</u>	<u>\$ 138,782</u>	<u>\$ 3,155,051</u>	<u>\$ -</u>	<u>\$ 13,642,713</u>	<u>\$ 24,807,660</u>

The accompanying notes are an integral part of these financial statements.

City of Oroville

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-Wide Statement of Activities For the Year Ended June 30, 2018

Net Change in Fund Balances - Total Governmental Funds	\$ 2,750,295
Amounts reported for governmental activities in the Statement of Activities and Changes in net position were different because:	
Governmental Funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities and Changes in net position, the cost of those assets was allocated over their estimated useful lives as depreciation expense.	
Capital outlay	2,292,551
Depreciation expense	(1,413,579)
Gains and losses on the disposal of capital assets are long-term in nature and are not reported in the fund statements, but are shown as a special item in the government-wide statement of activities.	(1,415,262)
Internal service funds are used by management to charge the costs of stores, vehicle maintenance, and various insurance costs to individual funds. The net revenue or (excess expenses) of the internal service funds is reported with government activities.	165,842
Certain revenues were not recorded or recorded as unearned revenue in the governmental funds because they did not meet the revenue recognition criteria of availability. However, they were included as revenue in the Government-Wide Statement of Activities under the full accrual basis.	430,180
In governmental funds, actual contributions to pension plans are reported as expenditures in the year incurred. However, in the government-wide statement of activities, only the current year pension expense as noted in the plans' valuation reports is reported as an expense, as adjusted for deferred inflows and outflows of resources.	(1,901,684)
Long-term compensated absences and claims payables were reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources and were not reported as expenditures in governmental funds.	
Compensated absences	(3,721)
Repayment of bond principal was an expenditure in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of net position.	
Bonds	505,000
USDA loan	22,700
PGE retrofit loan	27,027
Equipment lease	6,678
Proceeds from long-term debt was recorded as other financing sources in the governmental fund financial statements, but were reported as a long-term liability in the government wide financial statements.	(3,314,640)
Certain expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the fund statements as follows:	
Other postemployment benefits	(32,571)
Amortization of prepaid pension obligation	(415,695)
Interest expense on long-term debt was reported in the Government-Wide Statement of Activities and Changes in net position, but it did not require the use of current financial resources. Therefore, interest expense was not reported as expenditures in governmental funds. The following amount represented the change in accrued interest from prior year.	<u>3,000</u>
Change in Net Position of Governmental Activities	<u><u>\$ (2,293,879)</u></u>

The accompanying notes are an integral part of these financial statements.

City of Oroville
Statement of Net Position
Proprietary Funds
June 30, 2018

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer Fund	Airport Fund	Totals	
ASSETS				
Current assets:				
Cash and investments	\$ 7,278,428	\$ 609,861	\$ 7,888,289	\$ 810,662
Accounts receivable	13,366	27,082	40,448	20,574
Interest receivable	26,615	2,351	28,966	1,949
Prepaid expenses	3,245	305	3,550	-
Inventory	-	4,583	4,583	30,778
Total current assets	<u>7,321,654</u>	<u>644,182</u>	<u>7,965,836</u>	<u>863,963</u>
Noncurrent assets:				
Advances to other funds	101,959	-	101,959	-
Capital assets:				
Nondepreciable	380,292	1,906,941	2,287,233	-
Depreciable, net	3,149,140	2,688,027	5,837,167	-
Total capital assets, net	<u>3,529,432</u>	<u>4,594,968</u>	<u>8,124,400</u>	<u>-</u>
Total Noncurrent assets	<u>3,631,391</u>	<u>4,594,968</u>	<u>8,226,359</u>	<u>-</u>
Total assets	<u><u>\$ 10,953,045</u></u>	<u><u>\$ 5,239,150</u></u>	<u><u>\$ 16,192,195</u></u>	<u><u>\$ 863,963</u></u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension adjustments	<u>\$ 185,895</u>	<u>\$ 60,756</u>	<u>\$ 246,651</u>	<u>\$ 91,603</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 418,430	19,552	\$ 437,982	\$ 175,469
Payroll related liabilities	-	-	-	144,502
Total current liabilities	<u>418,430</u>	<u>19,552</u>	<u>437,982</u>	<u>320,031</u>
Non-current liabilities:				
Net pension obligations	660,417	215,843	876,260	325,431
Total liabilities	<u><u>\$ 1,078,847</u></u>	<u><u>\$ 235,395</u></u>	<u><u>\$ 1,314,242</u></u>	<u><u>\$ 645,462</u></u>
DEFERRED INFLOWS OF RESOURCES				
Pension adjustments	<u>\$ 60,051</u>	<u>\$ 19,626</u>	<u>\$ 79,677</u>	<u>\$ 29,591</u>
NET POSITION				
Net Investment in capital assets	\$ 3,529,432	\$ 4,594,968	\$ 8,124,400	\$ -
Unrestricted	<u>6,470,610</u>	<u>449,917</u>	<u>6,920,527</u>	<u>280,513</u>
Total net position	<u><u>\$ 10,000,042</u></u>	<u><u>\$ 5,044,885</u></u>	<u><u>\$ 15,044,927</u></u>	<u><u>\$ 280,513</u></u>

The accompanying notes are an integral part of these financial statements.

City of Oroville

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

For the Year Ended June 30, 2018

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer Fund	Airport Fund	Totals	
OPERATING REVENUES				
Intergovernmental revenue	\$ -	\$ 426,620	\$ 426,620	\$ -
Charges for services	3,630,028	259,090	3,889,118	1,233,991
Rents and concessions	-	199,309	199,309	-
Other revenues	-	13,610	13,610	21,586
Total operating revenues	3,630,028	898,629	4,528,657	1,255,577
OPERATING EXPENSES				
Salaries and benefits	410,246	142,747	552,993	529,026
Supplies	22,839	195,609	218,448	165,457
Other services and charges	1,657,840	178,083	1,835,923	362,278
Depreciation	85,804	116,910	202,714	-
Claims	-	-	-	39,533
Total operating expenses	2,176,729	633,349	2,810,078	1,096,294
Operating income (loss)	1,453,299	265,280	1,718,579	159,283
NONOPERATING REVENUES(EXPENSES)				
Investment earnings	76,054	6,616	82,670	6,561
Income (loss) before operating transfers	1,529,353	271,896	1,801,249	165,844
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Change in net position	1,529,353	271,896	1,801,249	165,844
Total net position - beginning	8,470,689	4,772,989	13,243,678	114,669
Total net position - ending	\$ 10,000,042	\$ 5,044,885	\$ 15,044,927	\$ 280,513

The accompanying notes are an integral part of these financial statements.

City of Oroville
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2018

	<u>Business-type Activities Enterprise Funds</u>			Governmental Activities - Internal Service Funds
	Sewer Fund	Airport Fund	Totals	
Cash flows from operating activities:				
Receipts from customers and users	\$ 3,805,999	\$ 888,638	\$ 4,694,637	\$ -
Receipts from interfund services provided	-	-	-	1,235,457
Payments to suppliers	(1,592,958)	(365,252)	(1,958,210)	(863,779)
Payments to employees	(464,259)	(95,931)	(560,190)	(228,757)
Net cash provided (used) by operating activities	<u>1,748,782</u>	<u>427,455</u>	<u>2,176,237</u>	<u>142,921</u>
Cash flows from noncapital financing activities:				
Local transportation tax	-	-	-	-
Interfund transactions	192,273	-	192,273	-
Net cash provided (used) by noncapital financing activities	<u>192,273</u>	<u>-</u>	<u>192,273</u>	<u>-</u>
Cash flows from capital financing activities:				
Purchases of capital assets	(155,513)	(328,347)	(483,860)	-
Net cash provided (used) by capital financing activities	<u>(155,513)</u>	<u>(328,347)</u>	<u>(483,860)</u>	<u>-</u>
Cash flows from investing activities:				
Investment income	60,239	5,246	65,485	5,825
Net cash provided (used) by investing activities	<u>60,239</u>	<u>5,246</u>	<u>65,485</u>	<u>5,825</u>
Net increase (decrease) in cash and cash equivalents	1,845,781	104,354	1,950,135	148,746
Cash and cash equivalents - beginning	5,432,647	505,507	5,938,154	661,916
Cash and cash equivalents - ending	<u>\$ 7,278,428</u>	<u>\$ 609,861</u>	<u>\$ 7,888,289</u>	<u>\$ 810,662</u>
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 1,453,299	\$ 265,280	\$ 1,718,579	\$ 159,283
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	85,804	116,910	202,714	-
Change in operating assets and liabilities:				
Accounts receivables	175,971	(9,991)	165,980	24,294
Prepaid expenses	(3,245)	(305)	(3,550)	-
Inventory	-	-	-	(1,473)
Deferred outflows of resources	64,334	(6,105)	58,229	16,635
Deferred inflows of resources	(54,489)	(5,390)	(59,879)	(19,954)
Accounts payable	90,966	8,745	99,711	164,468
Payroll related liabilities	(14,700)	(2,557)	(17,257)	125,522
Net pension obligations	(49,158)	60,868	11,710	18,500
Interfund receivables and payables	-	-	-	(44,414)
Net cash provided (used) by operating activities	<u>\$ 1,748,782</u>	<u>\$ 427,455</u>	<u>\$ 2,176,237</u>	<u>\$ 142,921</u>

The accompanying notes are an integral part of these financial statements.

City of Oroville
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2018

	Oroville Successor Agency Private-Purpose	
	Trust Funds	Agency Funds
ASSETS		
Cash and investments	\$ 1,983,237	\$ 910,243
Receivables:		
Accounts	-	39,280
Interest	8,447	-
Real property held for resale	1,543,579	-
Other assets	72	-
Loans receivable	214,938	-
Capital Assets:		
Non-depreciable	1,485,232	-
Depreciable, net of accumulated depreciation	329,351	-
Total assets	<u>\$ 5,564,856</u>	<u>\$ 949,523</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension adjustments	<u>\$ 16,984</u>	<u>\$ -</u>
LIABILITIES		
Accounts payable	\$ 4,455	\$ 114,190
Deposits payable	-	496,878
Due to other agencies	-	338,455
Unearned revenues	1,758,517	-
Accrued interest	190,000	-
Non-current liabilities:		
Due within one year	955,000	-
Due in more than one year	16,399,681	-
Total liabilities	<u>\$ 19,307,653</u>	<u>\$ 949,523</u>
DEFERRED INFLOWS OF RESOURCES		
Pension adjustments	<u>\$ 5,487</u>	<u>\$ -</u>
NET POSITION		
Held in trust	<u>\$ (13,731,300)</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

City of Oroville
Statement of Changes in Fiduciary Net Position
Private Purpose Trust Funds
For the Year Ended June 30, 2018

	Oroville Successor Agency Private-Purpose Trust Funds
ADDITIONS	
Redevelopment property tax trust fund allocations	\$ 1,708,477
Loan collections	6,507
Investment earnings	34,195
Total additions	<u>1,749,179</u>
DEDUCTIONS	
Administrative	(16,133)
Other agencies	20,263
Loan interest and fiscal charges	586,086
Total deductions	<u>590,216</u>
Change in net position	1,158,963
Total net position - beginning	<u>(14,890,263)</u>
Total net position - ending	<u><u>\$ (13,731,300)</u></u>

The accompanying notes are an integral part of these financial statements.

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City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Financial Reporting Entity

The City of Oroville was incorporated January 3, 1906 under the applicable laws and regulations of the State of California. The City operates under a Council-Administrator form of government and provides the following services as authorized by its charter: public safety (police, fire and code enforcement), streets and highways, sanitation, health and social services, cultural-recreation, public improvements planning and zoning, and general administrative services.

As required by GAAP, these basic financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City Council acts as the governing board. In addition, the City staff performs all administrative and accounting functions for these entities and these entities provide their services entirely to the City. Blended component units, although legally separate entities are, in substance, part of the City's operations and data from these units are combined with data of the City. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize their legal separateness from the City. Each blended component unit has a June 30 year-end. The City had no discretely presented or blended component units.

Oroville Successor Agency (OSA)

The City has elected to serve as the successor agency of the Oroville Redevelopment Agency, which formerly was a blended component unit of the City. In its capacity as the Successor Agency, the City will be responsible to wind-up the affairs of the former RDA, and dispose of the RDA's assets in compliance with State legislative requirements. The OSA is governed by a seven (7) member Oversight Board comprised of one (1) Oroville City Council member, (1) City employee, and members appointed by the Butte County Board of Supervisors (2), the Superintendent of the Butte County Office of Education (1), the Feather River Recreation and Parks Board (1), the Chancellor of the California Community College System (1). Activities of the OSA are reported as a private-purpose trust fund in the accompanying financial statements.

B. Basis of Accounting and Measurement Focus

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

Government-Wide Financial Statements

The City's government-wide financial statements include a *Statement of Net Position* and a *Statement of Activities and Changes in Net Position*. These statements present summaries of governmental and

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

business-type activities for the City. Fiduciary activities of the City are not included in these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets, deferred outflows of resources, liabilities, deferred inflows of resources (including capital assets, as well as infrastructure assets, and long-term liabilities), are included in the accompanying *Statement of Net Position*. The *Statement of Activities* presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those clearly identifiable with a specific function or segment. In conformity with the City's indirect cost allocation plan, certain indirect costs are included in the program expense reported for individual functions and activities.

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

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

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated. Interfund services provided and used have not been eliminated in the process of consolidation. The following interfund activities have been eliminated:

- Transfers in/Transfers out
- Internal Service Fund charges

Governmental Fund Financial Statements

Governmental fund financial statements include a *Balance Sheet* and a *Statement of Revenues, Expenditures and Changes in Fund Balances* for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in 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.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the balance sheets. 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.

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

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. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (up to 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, special assessments, intergovernmental revenues, other taxes, interest revenue, rental revenue and certain charges for services. Fines, forfeitures, licenses and permits and parking meter revenues are not susceptible to accrual because they are usually not measurable until received in cash. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

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

The following funds are major funds:

General Fund

The General Fund is used to account for all of the general resources of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of the City which are not accounted for in another fund.

CalHome Fund

This special revenue fund accounts for the CalHome grant revenues and related expenditures.

Housing Program Fund

This special revenue fund accounts for the administration and operation of the City's low-and-moderate income housing program subsequent to the dissolution of the former Oroville Redevelopment Agency. Principal revenues consist of payments received from loans extended to low-and-moderate income housing citizens and the proceeds from the sale of housing properties.

Home Grant Fund

This special revenue fund accounts for the loan and administrative activity of the City's first-time home buyers program. Revenues are primarily proceeds from the Federal and State HOME Investment Partnership grant programs.

Community Development Block Grant Fund

This special revenue fund was established to account for amounts received from Community Development Block Grants and for the loan and administrative activities of the City's various CDBG grants.

Supplemental Benefit Fund

This special revenue fund was established to account for expenditures of amounts received from the Department of Water Resources for FERC project 2100, the Oroville facilities.

Pioneer Museum Permanent Fund

This permanent fund accounts for cash contributed to the City for the Pioneer Museum.

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

Additionally, the City reports the following nonmajor fund types of governmental funds:

Special Revenue Funds

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

Debt Service Funds

Debt service funds account for the accumulation of resources for, and payment on, long-term obligation debt principal and interest.

Capital Project Funds

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

Proprietary Funds

In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the “economic resources measurement focus”. This means all assets, deferred outflows of resources, liabilities (whether current or noncurrent) and deferred inflows of resources associated with their activities are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal value. Non-operating revenues, such as subsidies, taxes, and investment earnings result from nonexchange transactions or ancillary activities. Amounts paid to acquire capital assets are capitalized as assets in the proprietary fund financial statements.

The City had the following enterprise funds that were reported as a major proprietary funds:

Sewer Fund

This enterprise fund is used to account for the activities related the City’s sewage collection system and the collection and remission of fees on behalf of SC-OR for sewage treatment. The revenues of this fund principally consist of fees charged to customers connected to the sewer system.

Airport Fund

The Airport Fund is used to account for lease revenues from leased airport property and annual State allocations for airport operations and improvements.

The City’s internal service funds are proprietary funds. Internal service funds account for charges to City departments for services provided, on a cost reimbursement basis, in the following areas: payroll revolving activity, stores (purchasing), vehicle maintenance, workers’ compensation, unemployment insurance and vision insurance services

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

Fiduciary Fund Financial Statements

Private-Purpose Trust Fund

The Private-Purpose Trust Fund accounts for the activities of the City acting as the Successor Agency to the Oroville Redevelopment Agency.

Agency Funds

Agency funds are used by the City to report resources held by the City in a custodial capacity for the special deposits trust fund. These funds are used to record the receipt, temporary investment and remittance of fiduciary resources to individuals, private organizations or other governments. The City's one agency fund is the Special Deposit Trust Fund which is use to account for the collection and payment for carious deposits.

C. Cash, Cash Equivalents and Investments

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

Deposit and Investment Risk Disclosures - In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures* (Amendment of GASB Statement No. 3), certain disclosure requirements, if applicable, for Deposits and Investment Risks in the following areas:

- Interest Rate Risk
- Credit Risk
 - Overall
 - Custodial Credit Risk
 - Concentrations of Credit Risk
- Foreign Currency Risk

Other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in Structured Notes and Asset Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to change in interest rates.

Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

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Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. In determining this amount, three valuation techniques are available:

- Market approach - This approach uses prices generated for identical or similar assets or liabilities. The most common example is an investment in a public security traded in an active exchange such as the NYSE.
- Cost approach - This technique determines the amount required to replace the current asset. This approach may be ideal for valuing donations of capital assets or historical treasures.
- Income approach - This approach converts future amounts (such as cash flows) into a current discounted amount.

Each of these valuation techniques requires inputs to calculate a fair value. Observable inputs have been maximized in fair value measures, and unobservable inputs have been minimized.

D. Inventory (Supplies)

Inventory is valued at cost. Inventory in the General and Airport funds include materials, parts and supplies held for outdoor lighting for streets and runways. Inventory in the Stores Revolving Fund consists of expendable supplies held for consumption. Inventory in the Vehicle Maintenance Fund consists of expendable supplies for vehicle repair and maintenance. The cost is charged to the individual departments and funds as inventories are disbursed. Inventories are reconciled, and expenditures are distributed, on a quarterly basis.

E. Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “advances to/advances from other funds”. All other outstanding balances between funds are reported as “due to/from other funds”.

F. Receivables

No allowance for uncollectible accounts receivable has been provided as management has determined that uncollectible accounts have historically been immaterial and the direct write-off method does not result in a material difference from the allowance method.

G. Loans Receivable

Under the Community Development Block Grant (CDBG) Loan Program and Home Investment Partnerships (HOME) Program, which are funded by the Department of Housing and Urban Development through the State Department of Housing and Community Development (HCD), and the City's Revolving Loan Program (RLF), loans are made to qualified individuals and businesses within prescribed project areas for the purpose of housing acquisition, housing rehabilitation and/or economic development. The majority of these loans are on a deferred payback program for 15 years or upon transfer of title. In accordance with accounting procedures prescribed by HCD, repayments of the outstanding loans are classified as a revenue source in the Community Development Block Grant Fund, First Time Home Buyers Fund and the City's various revolving loan funds. The long-term portion of loans receivable has been offset by *Unearned Revenues* in the accompanying financial statements, as applicable.

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H. Advances

Advances between funds and due from/to other funds are offset by a nonspendable fund balance in applicable city funds to indicate the extent to which they are not available for appropriation and are not expendable available financial resources.

I. Real Property Primarily Held for Resale

Under the terms of the loans granted by the City, several real properties have been acquired through foreclosure proceedings. In addition the City has acquired and constructed homes for the purpose of infilling the supply of low and moderate housing. These properties will be subsequently sold and the proceeds placed back into the low and moderate income housing programs. Therefore, these properties have been recorded as an asset on the accompanying financial statements at the lower of cost (the amount of the unpaid loan plus costs for foreclosure properties) or market and fully offset by recognizing a liability for unearned revenue.

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items) are reported in the governmental-wide financial statements. The City defines capital assets as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets, donated works of art and similar items, and capital assets received in service concession arrangements are reported at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Interest is capitalized on the construction or acquisition of major assets using debt proceeds. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. No interest was capitalized during the year ended June 30, 2018.

The City's museums contain collections of historical artifacts including antique tools, Chinese artifacts and artwork, and relics from the region's past. These collections are protected, cared for and preserved by the City for the purpose of public exhibition; and proceeds from the sale of any item, if any, are used to acquire additional items for the collection. Therefore, the City has elected not to capitalize these collections.

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

Land improvements	15 – 50 Years
Buildings	20 – 50 Years
Underground collection system	30 – 60 Years
Machinery and equipment	5 – 20 Years
Infrastructure	15 – 50 Years

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K. Deferred Outflows/Deferred Inflows

Deferred outflows of resources is a consumption of net assets by the City that is applicable to a future reporting period; for example, prepaid items and deferred charges.

Deferred inflows of resources is an acquisition of net assets by the City that is applicable to a future reporting period; for example, unearned revenue and advance collections.

The City is a member of the California Public Employees' Retirement System (PERS). In fiscal year 2006/07, the City issued \$7,260,000 in Pension Obligation Bonds in order to pay the City's unfunded actuarial accrued liability with PERS. The payment to PERS is a deferred charge reported as a deferred outflow of resources in the government-wide financial statement and is being amortized on a straight-line basis over the 17-year life of the bonds.

L. Interest Payable

In the government-wide financial statements, interest payable of long-term debt is recognized as an incurred liability for governmental fund types. The City has not allocated the interest on long-term debt to departments.

In the fund financial statements, governmental fund types do not recognize the interest payable when the liability is incurred. Interest on long-term debt is recorded in the fund statements when payment is made.

M. Claims Payable

The City records a liability to reflect an actuarial estimate of ultimate uninsured losses for workers' compensation claims. The estimated liability for workers' compensation claims include "incurred but not reported" (IBNR) claims. There is no fixed payment schedule to pay these liabilities.

N. Compensated Absences

In the government-wide and proprietary fund financial statements, compensated absences are recorded as incurred and the related expenses and liabilities are reported.

In the fund financial statements, 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. Only the amounts which become due at June 30 are reported in the fund financial statements as a liability.

Unused vacation benefits (up to a maximum of 2 years earned benefits) are paid to employees upon termination. Unused sick leave benefits do not vest with the employee and, except as explained below, are lost upon termination. Therefore, unused sick leave benefits have not been accrued. Under the Fair Labor Standards Act (FLSA), safety employees (Police and Fire) may accrue up to 240 hours of compensatory time and general employees may accrue a maximum of 120 hours of compensatory time. Unused compensatory time is compensated for upon termination. Note: Appointed officials and "administrative" employees are exempt from coverage under FLSA.

The City permits retiring employees to convert accumulated sick leave benefits to purchase continued medical insurance coverage based upon the leave dollar value at the time of retirement. The City does not

City of Oroville
Notes to the Basic Financial Statements
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provide any additional postemployment benefits for its employees, except for the Public Employees Retirement System administered by the State of California.

O. Long-Term Obligations

In the government-wide financial statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental or business-type activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Debt issuance costs are expensed in year incurred.

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

P. Fund Balances

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies governmental fund balances as follows:

Nonspendable

Nonspendable fund balance includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

Restricted

Restricted fund balance includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed

Committed fund balance includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end. Committed fund balances are imposed by the City Council through a Council resolution.

Assigned

Assigned fund balance includes fund balance amounts that are intended to be used for specific purposes and may be assigned by the City Administrator or the Finance Director.

Unassigned

The Unassigned Fund Balance category represents fund balance which may be held for specific types of uses or stabilization purposes, but is not yet directed to be used for a specific purpose.

The detail of amounts reported for each of the above defined fund balance categories is reported in the governmental funds balance sheet and in the combining nonmajor fund balance sheets.

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Flow Assumption / Spending Order Policy

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to be spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to be spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has directed otherwise.

Deficit Fund Balances

The City did not have any funds with deficit fund balances as of June 30, 2018 other than the EDBG special revenue fund and the Vehicle Maintenance internal service fund which will be funded with department transfers during 2018-19.

Q. Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets

This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction, or improvement of the assets. In addition, deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also are included in the net investment in capital assets component of net position

Restricted Net Position

This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments. Certain proceeds of the Oroville Public Financing Authority revenues bonds and the loan receivable from the Oroville Successor Agency are reported as restricted net position because their use is limited by applicable bond or other covenants.

Unrestricted Net Position

This amount is all net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

The detail of amounts reported for each of the above defined net position categories is reported in the government-wide Statement of Net Position.

Use of Restricted/Unrestricted Net Position

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

R. Interfund Transactions

Interfund services provided and used are accounted for as revenue, expenditures or expenses, as appropriate. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursed fund. All other interfund transactions, except for interfund services provided and used and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as transfers.

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S. Property Tax and Special Assessments

County tax assessments include secured and unsecured property taxes and special assessments. "Unsecured" refers to taxes on personal property. These tax assessments are secured by liens on the property being taxed.

Revenue is recognized in the period for which the tax and assessment is levied. The County of Butte levies, bills and collects property taxes for the City, the County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes for the current year were attached as an enforceable lien as of January 1st and were levied on July 1st. Taxes are due in two equal installments on December 10th and April 10th.

T. Benefit and Retirement Plans

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public 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 CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefit (OPEB) Expense

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 City's Retiree Benefits Plan (the OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

U. Budgetary Information

Annually, the City legally adopts a budget for the general, special revenue, and capital projects funds. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Bi-annually, in June, the City Administrator submits to the City Council a proposed operating budget for the subsequent fiscal year commencing July 1st and a financing plan for the second subsequent year. Both the operating budget and financing plan include proposed expenditures and the means of financing them.
2. Public hearings are conducted at City Hall to obtain taxpayer comments.
3. By the first Council meeting in July, and after adjustment as appropriate by the City Council, the operating budget is legally enacted through Council motion. The City's charter requires adoption of an annual budget; therefore, the financing plan is formally adopted as the operating budget at the beginning of the second fiscal year.
4. Formal budgetary integration is employed as a management control device during the year for the general fund, special revenue funds and capital projects funds as well as the Local Transportation, Stores Revolving, Vehicle Maintenance, Workers' Compensation, Unemployment and Vision

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Insurance funds. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is alternatively achieved through various bond indenture provisions. These budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP), accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items.

V. Encumbrances

Under encumbrance accounting, purchase orders, contract and other commitments for expenditures are recorded in order to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary integration in all funds. All appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

The following is a summary of the re-appropriated encumbrances by budgetary unit:

Budgetary Unit	Encumbrance
Capital Projects	\$ 2,994,351
Centennial Culture Center	9,498
Gas Tax RSTP	673,899
Police	20,320
Technology Fee	18,208
Totals	<u>\$ 3,716,276</u>

Unearned Revenue

Unearned revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as deferred inflows from unearned revenue. In the governmental fund financial statements, receivables associated with non-exchange transactions that will not be collected within the availability period have been recorded as deferred inflows from unearned revenue.

W. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

X. Subsequent Events

Management has considered subsequent events through January 28, 2019, the date which the financial statements were available to be issued. The financial statements include all events or transactions, including estimates, required to be recognized in accordance with generally accepted accounting principles. Management has determined that there are no non-recognized subsequent events that require additional disclosure.

Y. New GASB Pronouncements

GASB Statement No. 75

Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions

The provisions in Statement 75 are effective for the fiscal year ended June 30, 2018. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement replaces the requirements of Statements No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB. Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, establishes new accounting and financial reporting requirements for OPEB plans.

The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

In addition, this Statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specified criteria and for employers whose employees are provided with defined contribution OPEB. This Statement also addresses certain circumstances in which a nonemployer entity provides financial support for OPEB of employees of another entity.

In this Statement, distinctions are made regarding the particular requirements depending upon whether the OPEB plans through which the benefits are provided are administered through trusts that meet the following criteria:

- Contributions from employers and nonemployer contributing entities to the OPEB plan and earnings on those contributions are irrevocable.
- OPEB plan assets are dedicated to providing OPEB to plan members in accordance with the benefit terms.
- OPEB plan assets are legally protected from the creditors of employers, nonemployer contributing entities, the OPEB plan administrator, and the plan members.

As of June 30, 2018, according to GASB 75, the City's net OPEB liability must be recognized. Therefore, beginning net position was adjusted by **\$777,340** in the Statement of Activities as a separate line item to reflect the City's beginning net OPEB liability.

GASB Statement No. 86, Certain Debt Extinguishment Issues

The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding

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debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2017 and has been implemented as of June 30, 2018 without any impact to the City’s financial statements.

Z. Upcoming New Accounting Pronouncements

GASB Statement No. 83, *Certain Asset Retirement Obligations*

This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2018. Earlier application is encouraged. The City doesn’t believe this statement will have a significant impact on the City’s financial statements.

GASB Statement No. 84, *Fiduciary Activities*

The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2018. Earlier application is encouraged. The presentation of the City’s Agency funds will change in fiscal year 2020. However, the City doesn’t believe the changes will have a significant impact on the City’s financial statements.

GASB issued Statement No. 87, *Leases*

The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. The requirements of this statement are effective for City’s fiscal year ending June 30, 2021. The City doesn’t believe this statement will have a significant impact on the City’s financial statements.

GASB Statement No. 88

Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements

This Statement addresses additional information to be disclosed in the notes to the financial statements regarding debt, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences,

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significant termination events with finance-related consequences, and significant subjective acceleration clauses. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2018. Earlier application is encouraged. The City doesn't believe this statement will have a significant impact on the City's financial statements.

GASB Statement No. 89

Accounting for Interest Cost Incurred Before the End of the Construction Period

This Statement addresses interest costs incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2019. Earlier application is encouraged. The City doesn't believe this statement will have a significant impact on the City's financial statements.

NOTE 2 - CASH AND INVESTMENTS

As of June 30, 2018, cash and investments were reported in the financial statements as follows:

	Statement of Net Position		Statement	Total
	Governmental Activities	Business-Type Activities	of Fiduciary Net Position	Cash and Investments
Cash and investments	\$ 24,897,862	\$ 7,888,289	\$ 2,893,480	\$ 35,679,631

The City's Cash and Investments consisted of the following as of June 30, 2018:

	Available	Restricted	Total
Petty cash	\$ 800	\$ -	\$ 800
Deposits with banks	830,195	-	830,195
Cash with fiscal agent	-	1,385,879	1,385,879
Investments	33,451,079	11,678	33,462,757
Total cash and investments	\$ 34,282,074	\$ 1,397,557	\$ 35,679,631

A. Cash Deposits

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest and places the City ahead of general creditors of the institution.

The market value of pledged securities must equal at least 110 percent of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes that have a value of 150 percent of the City's total cash deposits. The City has waived the collateral requirements for cash deposits which are fully insured to \$250,000 by the Federal Deposit Insurance Corporation (FDIC).

The bank balances before reconciling items totaled \$1,038,200 at June 30, 2018 and were different from carrying amounts due to deposits in transit and outstanding checks. The amount uninsured was \$788,200 which was collateralized by securities held by pledging financial institutions.

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B. Fair Value Measurements

GASB 72 established a hierarchy of inputs to the valuation techniques above. This hierarchy has three levels:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable
- Level 3 inputs are unobservable inputs, such as a property valuation or an appraisal.

C. Investment Policies

City Investment Policy

Under the provisions of the City's investment policy, and in accordance with California Government Code, the following investments are authorized:

<u>Authorized Investment Type</u>	<u>Maximum Maturity (1)</u>	<u>Maximum Total of Portfolio</u>	<u>Maximum Investment in Anyone Issuer</u>
U.S. Government Obligations	3 years	No limit	None
U.S. Agency Obligations	3 years	50%	50%
Time certificates of deposit	1 year	50%	\$1,000,000
Local Agency Investment Fund	N/A	\$40 million	None
Repurchase agreements	10 days	20%	50%
Pass book savings account demand dep	N/A	50%	\$1,000,000
Money Market/Mutual Funds	3 years	15%	50%
Bankers Acceptance	180 days	30%	50%

The City is in compliance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investments Pools* which requires the City's investments be recorded at fair value instead of cost. Under GASB 31, the carrying value of investments are adjusted to reflect their fair value at each fiscal year-end, with the effects of these adjustments included in the carrying value of the investments.

Authorized Investments - Debt Trustee Agreements

Investments held by bond fiscal agents (trustees) are governed by the provisions of the underlying indenture agreements rather than the general provisions of the City's investment policy or California Government Code. The indenture agreements do not specifically identify maximum maturity and maximum investment provisions.

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The indenture agreements do identify the following permitted investments:

- U.S. Government Obligations
- U.S. Agency Obligations
- Money Market Funds (rated AAAm-G or AAAm)
- Demand or Time Deposits (FDIC insured or fully secured)
- Bonds or Notes (must have one of two highest ratings)
- Bankers Acceptances (rated P1, A1, or A-1+)
- Commercial Paper (rated P1 and A1)
- Repurchase Agreements
- Pre-refunded municipal obligations (highest rating category)
- Local Agency Investment Fund

D. External Investment Pool

The City's investments with LAIF at June 30, 2018, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

- **Structured Notes**
These are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.
- **Asset-Backed Securities**
The bulk of asset-backed securities are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's) or credit card receivables.

LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The fair value of the City's position in the pool is the same as the value of the pool shares. The approved investments policy is listed on the LAIF website, located at <http://www.treasurer.ca.gov/pmia-laif/>.

D. Risk Disclosures

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 term of an investment's maturity, the greater the sensitivity to changes in market interest rates. The City's investment policy requires that investments have an original maturity date of less than three (3) years, unless the City Council specifically authorizes a longer term. It is the City's practice to manage its exposure to interest rate risk is by purchasing a combination of shorter 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 City's operations.

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Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of an investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City’s investment policy requires time certificates of deposit and passbook savings accounts to be insured or collateralized as described under “Custodial Credit Risk” below. Repurchase agreements must be fully collateralized, and will only be with a primary dealer of the Federal Reserve Bank having a long-term debt rating of “AAA” by Moody’s or Standard & Poors. The policy does not establish minimum ratings for other authorized investments.

As of June 30, 2018, the City’s investments were in compliance with the ratings required by the City’s investment policy and indenture agreements. Under the terms of the investment repurchase agreement permitted securities must equal 103% of the amount deposited and be comprised of direct obligations or unconditionally guaranteed by the U.S. Government; obligations, debentures, or notes issued by the Federal Home Loan Mortgage Corporation and Federal National Mortgage Association; or cash (100% security ratio).

Concentrations of Credit Risk

With the exception of securities of the U.S. Government and LAIF, the investment policy of the City limits the amount that can be invested in any one issuer to no more than 50% of the total portfolio, or \$1,000,000 for time certificates of deposit and passbook savings accounts. At June 30, 2018, the City had no investments in any one issuer (other than U.S. Treasury securities, mutual funds and external investment pools) that represented 5% or more of the total City investments.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City did not hold any securities through investment counterparties at the year ended June 30, 2018.

As of June 30, 2018, the City’s investments had the following maturities and ratings:

Investment Type	Fair Value	Investment Maturities in Years		Year End	Fair Value Input Level
		12 Months or Less	25 to 36 Months	Rating	
Local Agency Investment Fund (LAIF)	\$ 32,251,079	\$ 32,251,079	\$ -	\$ 32,251,079	n/a
Certificates of Deposit	1,211,678	-	1,211,678	1,211,678	Level 2
Total Investments	<u>\$ 33,462,757</u>	<u>\$ 32,251,079</u>	<u>\$ 1,211,678</u>	<u>\$ 33,462,757</u>	

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

NOTE 3 - FUND FINANCIAL STATEMENTS INTERFUND TRANSACTIONS

A. Inter-fund Receivables and Payables

Amounts due to or due from other funds reflect inter-fund balances for services rendered or short-term loans expected to be repaid in the next fiscal year. Advances to or from other funds are long-term loans between funds that are to be repaid in their entirety over several years. As of June 30, 2018, inter-fund receivables and payables consisted of the following:

Fund	Due from Other Funds	Due to Other Funds
General Fund	\$ 15,685	\$ -
Housing Program Fund	38,593	-
Other Nonmajor Governmental Funds	-	54,278
Total Due from/to	\$ 54,278	\$ 54,278

Fund	Advances to Other Funds	Advances from Other Funds
Other Nonmajor Governmental Funds	\$ -	\$ 101,959
Sewer Enterprise Fund	101,959	-
Total advances	\$ 101,959	\$ 101,959

Transfers In/Out

With Council approval resources may be transferred from one fund to another. Transfers routinely reimburse funds that have made an expenditure on behalf of another fund. Transfers may also be made to pay for capital projects or capital outlays, lease or debt service payments, operating expenses and low and moderate-income housing projects. Transfers between funds during the fiscal year ended June 30, 2018 were as follows:

Fund	Transfer in	Transfer out
General Fund	451,766	294,942
Housing Program Fund	158,510	95,214
Home Grant Fund	50,000	32,575
Community Development Block Grant Fund	368,112	472,956
Pioneer Museum	-	101,047
Other Nonmajor Governmental Funds	1,583,022	1,614,676
Total Transfers	\$ 2,611,410	\$ 2,611,410

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

NOTE 4 - LOANS RECEIVABLE

Loans receivable consisted of the following as of June 30, 2018:

Loans Receivable by Fund/Fund Type:	Balance			Balance June 30, 2018
	July 01, 2017	Additions	Retirements	
Housing Program Fund	\$ 6,060,181	\$ 136,810	\$ 308,500	\$ 5,888,491
First Time Home Buyer Grant Fund	16,609,687	390,540	488,480	16,511,747
Community Development Block Grant Fund	5,884,458	109,289	352,705	5,641,042
CalHome Fund	4,767,025	82,193	282,681	4,566,537
Other Nonmajor Governmental Funds	8,983,934	1,111,222	888,525	9,206,631
Total Governmental Funds	42,305,285	1,830,054	2,320,891	41,814,448
OSA Private Purpose Trust Fund	221,485	-	6,547	214,938
Total Loans Receivable	<u>\$ 42,526,770</u>	<u>\$ 1,830,054</u>	<u>\$ 2,327,438</u>	<u>\$ 42,029,386</u>

NOTE 5 - CAPITAL ASSETS

Capital assets for governmental activities consisted of the following as of June 30, 2018:

Governmental activities:	Balance		Adjustments/ Retirements	Balance June 30, 2018
	July 01, 2017	Additions		
Nondepreciable Capital Assets:				
Land	\$ 3,704,222	\$ -	\$ -	\$ 3,704,222
Construction in progress	1,415,264	-	(1,415,264)	-
Total nondepreciable capital assets	<u>5,119,486</u>	<u>-</u>	<u>(1,415,264)</u>	<u>3,704,222</u>
Depreciable capital assets:				
Land improvements	8,334,580	-	-	8,334,580
Buildings	10,882,768	-	-	10,882,768
Machinery and equipment	10,401,856	580,760	-	10,982,616
Infrastructure	41,022,900	1,711,790	-	42,734,690
Total depreciable capital assets	<u>70,642,104</u>	<u>2,292,550</u>	<u>-</u>	<u>72,934,654</u>
Accumulated depreciation:				
Land improvements	(4,513,133)	(385,942)	-	(4,899,075)
Buildings	(4,200,164)	(240,897)	-	(4,441,061)
Machinery and equipment	(7,412,994)	(462,423)	-	(7,875,417)
Infrastructure	(30,650,744)	(324,317)	-	(30,975,061)
Total accumulated depreciation	<u>(46,777,035)</u>	<u>(1,413,579)</u>	<u>-</u>	<u>(48,190,614)</u>
Total depreciable capital assets - net	<u>23,865,069</u>	<u>878,971</u>	<u>-</u>	<u>24,744,040</u>
Governmental activities capital assets, net	<u>\$ 28,984,555</u>	<u>\$ 878,971</u>	<u>\$ (1,415,264)</u>	<u>\$ 28,448,262</u>

Depreciation expense was charged to the following governmental functions in the statement of activities:

General Government	\$ 48,008
Public Safety	132,133
Public Works	48,127
Streets and Storm Drains	605,949
Parks and Leisure	523,692
Health and Sanitation	55,670
Total Depreciation Expense	<u>\$ 1,413,579</u>

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

Capital assets for business-type activities consisted of the following as of June 30, 2018:

	Balance July 01, 2017	Additions	Adjustments/ Retirements	Balance June 30, 2018
Business-type activities:				
Nondepreciable Capital Assets:				
Land	\$ 2,287,233	\$ -	\$ -	\$ 2,287,233
Total nondepreciable capital assets	2,287,233	-	-	2,287,233
Depreciable capital assets:				
Land improvements	1,297,177	328,347	-	1,625,524
Underground collection system	6,184,542	155,513	-	6,340,055
Buildings	788,821	-	-	788,821
Machinery and equipment	162,288	-	-	162,288
Infrastructure	2,845,311	-	-	2,845,311
Total depreciable capital assets	11,278,139	483,860	-	11,761,999
Accumulated depreciation:				
Land improvements	(1,297,177)	-	-	(1,297,177)
Underground collection system	(3,233,936)	(85,804)	-	(3,319,740)
Buildings	(201,648)	(15,638)	-	(217,286)
Machinery and equipment	(11,283)	(2,231)	-	(13,514)
Infrastructure	(978,074)	(99,041)	-	(1,077,115)
Total accumulated depreciation	(5,722,118)	(202,714)	-	(5,924,832)
Total depreciable capital assets - net	5,556,021	281,146	-	5,837,167
Business-type activities capital assets, net	\$ 7,843,254	\$ 281,146	\$ -	\$ 8,124,400

Capital assets for the Successor Agency consisted of the following as of June 30, 2018:

	Balance July 01, 2016	Additions	Adjustments/ Retirements	Balance June 30, 2017
Successor Agency:				
Nondepreciable Capital Assets:				
Land	\$ 1,485,232	\$ -	\$ -	\$ 1,485,232
Total nondepreciable capital assets	1,485,232	-	-	1,485,232
Depreciable capital assets:				
Buildings	419,915	-	-	419,915
Machinery and equipment	51,750	-	-	51,750
Total depreciable capital assets	471,665	-	-	471,665
Accumulated depreciation:				
Buildings	(87,128)	(8,398)	-	(95,526)
Machinery and equipment	(41,613)	(5,175)	-	(46,788)
Total accumulated depreciation	(128,741)	(13,573)	-	(142,314)
Total depreciable capital assets - net	342,924	(13,573)	-	329,351
Successor Agency capital assets - net	\$ 1,828,156	\$ (13,573)	\$ -	\$ 1,814,583

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

NOTE 6 - LONG-TERM OBLIGATIONS

The City's long-term obligations consisted of the following as of June 30, 2018:

Description	Balance June 30, 2017	Additions	Retirements	Balance June 30, 2018	Due Within One Year
Governmental Activities:					
Bonds Payable	\$ 4,515,000	\$ -	\$ 505,000	\$ 4,010,000	\$ 565,000
USDA COP Loan	548,800	-	22,700	526,100	23,600
PG&E Retrofit Loan	198,198	-	27,027	171,171	27,027
Equipment Lease - Solar Panels	-	3,314,640	6,678	3,307,962	17,783
Net Pension Obligations	17,898,234	4,416,680	1,485,519	20,829,395	-
Total OPEB Liability	904,739	1,251,314	303,104	1,852,949	-
Compensated Absences	573,596	290,521	286,798	577,319	288,660
Total Governmental Activities	<u>\$ 24,638,567</u>	<u>\$ 9,273,155</u>	<u>\$ 2,636,826</u>	<u>\$ 31,274,896</u>	<u>\$ 922,070</u>
Business-type Activities:					
Net Pension Obligations	<u>\$ 864,550</u>	<u>\$ 74,203</u>	<u>\$ 62,493</u>	<u>\$ 876,260</u>	<u>\$ -</u>
Successor Agency:					
Net Pension Obligations	\$ 121,759	\$ 4,303	\$ 65,722	\$ 60,340	\$ -
Tax Allocation Bonds	18,288,222	-	993,881	17,294,341	955,000
Total Successor Agency	<u>\$ 18,409,981</u>	<u>\$ 4,303</u>	<u>\$ 1,059,603</u>	<u>\$ 17,354,681</u>	<u>\$ 955,000</u>

Compensated absences, pension obligations and OPEB obligations are generally liquidated by the General Fund or the fund for which services were provided. All other liabilities are paid through debt service funds.

A. Bonds Payable

The following is a summary of the City's bonds payable as of June 30, 2018:

Bonds Payable	Interest Rate	Maturity Date	Original Issue	Beginning Balance	Deletions	Ending Balance	Due Within One Year
City of Oroville Bonds Payable:							
Pension Obligation Bonds	5.06-5.37%	2024	\$ 7,260,000	\$ 4,515,000	\$ 505,000	\$ 4,010,000	\$ 565,000
Total Bonds Payable - City of Oroville			<u>\$ 7,260,000</u>	<u>\$ 4,515,000</u>	<u>\$ 505,000</u>	<u>\$ 4,010,000</u>	<u>\$ 565,000</u>
Successor Agency Bonds Payable:							
2015A Tax Allocation Refunding Bonds	3-5%	2031	\$ 18,380,000	\$ 17,180,000	\$ 920,000	\$ 16,260,000	\$ 955,000
Premiums - net		2031	1,255,984	1,108,222	73,881	1,034,341	-
Total Bonds Payable - Successor Agency			<u>\$ 20,160,984</u>	<u>\$ 18,288,222</u>	<u>\$ 993,881</u>	<u>\$ 17,294,341</u>	<u>\$ 955,000</u>

Pension Obligation Bonds

Taxable Pension Obligation Bonds 2007, Series A-1, are comprised of \$7,260,000 in serial bonds. The bonds are an unconditional obligation of the City of Oroville payable from legally available funds. However, the bonds are not voter-approved debt backed by the taxing power of the City and the full faith and credit of the City has not been pledged to the repayment of the bonds. The proceeds of the bonds were used to pay the City's unfunded accrued actuarial liability to the California Public Employees' Retirement System.

Successor Agency Tax Allocation Bonds

In order to reduce debt service costs and increase residual distributions to taxing agencies, the Successor Agency issued \$18.9 million in refunding bonds at a \$1.3 million premium during 2015 and repaid its long-term obligation to the OPFA, which used the proceeds to refund OPFA revenue bonds. The tax allocation refunding bonds bear interest from .7 to 5% and mature in 2031. The OSA is reported as a private purpose trust fund in the accompanying financial statements.

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

The annual debt service requirements on the bonds are as follows:

Year Ending June 30,	Pension Obligation Bonds		OSA Bonds		Total
	Principal	Interest	Principal	Interest	
2019	\$ 565,000	\$ 217,788	\$ 955,000	\$ 633,894	\$ 2,371,682
2020	615,000	187,448	985,000	595,094	2,382,542
2021	680,000	154,422	1,030,000	549,644	2,414,066
2022	745,000	117,906	1,080,000	496,894	2,439,800
2023	820,000	77,050	1,135,000	441,519	2,473,569
2024-2028	585,000	32,081	6,545,000	1,331,745	8,493,826
2029-2033	-	-	4,530,000	260,717	4,790,717
Total	<u>\$ 4,010,000</u>	<u>\$ 786,695</u>	<u>\$ 16,260,000</u>	<u>\$ 4,309,507</u>	<u>\$ 25,366,202</u>

B. Loans and Leases

USDA Certificate of Participation Loan

The City of Oroville entered into a loan agreement with the United States Department of Agriculture (USDA) wherein the City issued a Certificate of Participation (COP) to the USDA in an amount not to exceed \$700,000 to fund the expansion and renovation of City Hall. The City had drawn a total of \$700,000 for the project and the balance of the loan was \$526,100 at June 30, 2018. The interest rate is 4.25% and is payable semi-annually. The agreement requires annual principal payments on August 1st ranging from \$16,300 to \$44,100 through the year 2033.

The annual debt service requirements are as follows:

Year Ending June 30,	USDA Certificate of Participation		
	Principal	Interest	Total
2019	\$ 23,600	\$ 21,858	\$ 45,458
2020	24,600	20,834	45,434
2021	25,700	19,765	45,465
2022	26,800	18,649	45,449
2023	27,900	17,487	45,387
2024-2028	158,400	68,204	226,604
2029-2033	195,000	30,779	225,779
2034-2038	44,100	937	45,037
Total	<u>\$ 526,100</u>	<u>\$ 198,513</u>	<u>\$ 724,613</u>

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

PG&E Retrofit Loan

The City of Oroville entered into a non-interest bearing loan with PG&E for retrofitting projects totaling \$247,748. The balance of the loan was \$171,170 at June 30, 2018. The agreement requires monthly principal payments of \$2,252 through the fiscal year 2034.

The annual debt service requirements are as follows:

Year Ending June 30,	PG&E Retrofit Loan		
	Principal	Interest	Total
2019	\$ 27,027	\$ -	\$ 27,027
2020	27,027	-	27,027
2021	27,027	-	27,027
2022	27,027	-	27,027
2023	27,027	-	27,027
2024-2028	36,035	-	36,035
Total	<u>\$ 171,170</u>	<u>\$ -</u>	<u>\$ 171,170</u>

Equipment Lease - Solar Projects

The City of Oroville entered into an equipment lease-purchase agreement with Holman Capital Corporation totaling \$3,314,640 with an interest rate of 5.1%. The balance of the loan was \$3,307,962 at June 30, 2018. The agreement requires semi-annual principal and interest payments on April 5th and October 5th through the fiscal year 2038.

The annual debt service requirements are as follows:

Year Ending June 30,	Equipment Lease		
	Principal	Interest	Total
2019	\$ 17,783	\$ 168,685	\$ 186,468
2020	26,853	167,665	194,518
2021	36,771	166,172	202,943
2022	47,601	164,162	211,763
2023	65,090	161,586	226,676
2024-2028	582,173	736,926	1,319,099
2029-2033	1,097,961	533,378	1,631,339
2034-2038	1,433,730	179,642	1,613,372
Total	<u>\$ 3,307,962</u>	<u>\$ 2,278,216</u>	<u>\$ 2,341,467</u>

C. Non-Obligated Debt

Disclosure of Conduit (No-Commitment) Debt

On April 2, 2012, the City issued \$15,000,000 of City of Oroville Variable Rate Demand Hospital Revenue Bonds (Oroville Hospital) 2012 Series A. The proceeds from the sale of these bonds were loaned to Oroville Hospital for the renovation and construction Hospital improvements and to refund certain older bonds from a former issue. These bonds will be repaid solely from the loan payments made by Oroville Hospital to the City. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for the repayment of these bonds. Accordingly, the bonds are not reported as a liability in the accompanying financial statements.

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

NOTE 7 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City provides property, liability, and worker's compensation insurance through the Northern California Cities Self Insurance Fund (NCCSIF), a public entity risk pool currently operating as a common risk management and insurance program for several Northern California Cities. The City pays quarterly and annual premiums to the NCCSIF for liability and worker's compensation insurance.

The City's deductible is \$100,000 for worker's compensation and \$50,000 for liability. The coverages from \$50,001 to \$500,000 in worker's compensation and \$100,001 to \$500,000 in liability are covered by a risk sharing plan where all members participate in the loss. Claims that exceed the \$500,000 level are covered by excess Joint Powers Authorities. The City continues to carry commercial insurance for all other risks of loss, such as employee health and accident. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

An estimated liability has been accrued for unpaid claims, including the effects of specific, incremental claim adjustments expenditures/expenses; salvage or subrogation; and allocated claim adjustment expenditures/expenses. A reconciliation of unpaid claims liabilities is shown below:

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Claims payable, beginning of year	\$ 300,000	\$ 300,000
Fiscal year claims and changes in estimates	(300,000)	328,253
Claims payments	-	(328,253)
Claims payable, end of year	<u>\$ -</u>	<u>\$ 300,000</u>

NOTE 8 - JOINT POWERS AGREEMENTS

The City has entered into various joint powers agreements. Under the criteria established by GASB, the City does not have sufficient authority, influence or accountability over these entities to incorporate it in this annual report as a component unit of the reporting entity.

Northern California Cities Self Insurance Fund (NCCSIF)

The City is a member of this public entity risk pool for liability and workers' compensation purposes. The NCCSIF consists of twenty Northern California Member Cities. The purpose of the Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess liability coverage. All member cities share administrative costs of the Authority equally (5.00 percent) and have equal control over budgeting and financing activities. Each member city has a representative on the Board of Directors. The City paid \$415,989 in quarterly and annual premiums and assessments to the Authority for liability and worker's compensation insurance.

Sewerage Commission - Oroville Region (SC-OR)

SC-OR was organized under a joint powers agreement between the City of Oroville, Thermalito Water and Sewer District, and Lake Oroville Area Public Utility District. SC-OR's primary purpose is to provide sewage treatment services to the local government member entities. Each member sends two representatives (one voting, one nonvoting) to SC-OR's Board of Directors that constitutes the entire governing board. No participating member entity has access to SC-OR's resources or surpluses, nor is any participant liable for SC-OR's debts or deficits. Further, the City of Oroville does not have any equity interest in SC-OR. Each member entity is required to collect and remit SC-OR's sewer treatment and

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

system regional facility charges. For the year ended June 30, 2018, the amount remitted to SC-OR by the City of Oroville totaled \$1,320,351. Complete financial statements for SC-OR can be obtained from its administrative office at P.O. Box 1350, Oroville, CA, 95965.

The following summarized each JPA's audited financial information for the most recent year available:

	NCCSIF	Sewerage Commission
Total Assets	\$ 54,079,628	\$ 19,545,411
Deferred Outflows	-	729,141
Total Liabilities	(40,080,071)	(2,522,803)
Deferred Inflows	-	(39,298)
Net Position	<u>\$ 13,999,557</u>	<u>\$ 17,712,451</u>
Total Revenues	\$ 17,407,472	\$ 3,483,954
Total Expenses	12,788,037	3,662,535
Change in Net Assets	<u>\$ 4,619,435</u>	<u>\$ (178,581)</u>

NOTE 9 - RETIREMENT PLANS

General Information about the Pension Plans

Plan Description - All qualified permanent and probationary employees are eligible to participate in the City's Miscellaneous and Safety Employee Pension Plans (the Plans); cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the 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. The cost of living adjustments for the Plans are applied as specified by the Public Employees' Retirement Law. The Plans' provisions and benefits in effect at June 30, 2018, are summarized as follows:

	Miscellaneous		Safety		
	Tier 1	PEPRA	Tier 1	PEPRA Fire	PEPRA Police
Benefit formula	2% @ 55	2% @ 62	2% @ 50	2.7% @ 57	2.7% @ 57
Benefit vesting schedule	5 Years	5 Years	5 Years	5 Years	5 Years
Benefit payments	Monthly for Life	Monthly for Life	Monthly for Life	Monthly for Life	Monthly for Life
Retirement age	55	62	50	57	57
Monthly benefits as a % of eligible compensation	2.0% to 2.5%	2.00%	2.00%	2.70%	3.00%
Required employee contribution rates	7.000%	6.750%	9.000%	12.250%	12.250%
Required employer contribution rates	9.943%	7.000%	17.455%	12.729%	12.729%

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

Employees Covered - At June 30, 2018, the following employees were covered by the benefit terms for the Plans:

	<u>Miscellaneous</u>	<u>Safety</u>
Active	68	43
Transferred	44	46
Separated	42	13
Retired	117	98
Total	<u>271</u>	<u>200</u>

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rates are 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 City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2018, the contributions for the Plans were as follows:

Miscellaneous	\$ 949,503
Safety	<u>1,005,027</u>
Total	<u>\$ 1,954,530</u>

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2018, the City reported net pension liabilities for its proportionate shares of the net pension liability as follows:

	Proportionate Share of Net Pension Liability/(Asset)
Miscellaneous	\$ 7,694,989
Safety	<u>14,071,004</u>
Total	<u>\$ 21,765,993</u>

The City's net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans are measured as of June 30, 2017, and the total pension liability for the Plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

The City's proportionate share of the net pension liability for the Plans as of June 30, 2017 and 2018 was as follows:

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
Proportion - June 30, 2017	0.18929%	0.23766%	0.21824%
Proportion - June 30, 2018	0.19520%	0.23549%	0.21948%
Change - Increase/(Decrease)	<u>0.00592%</u>	<u>-0.00217%</u>	<u>0.00124%</u>

At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of Assumptions	\$ 3,408,482	\$ 260,899
Differences between Expected and Actual Experience	156,432	187,107
Differences between Projected and Actual Investment Earnings	753,662	-
Differences between Employer's Contributions and Proportionate Share of Contributions	-	924,990
Change in Employer's Proportion	391,229	606,161
Pension Contributions Made Subsequent to Measurement Date	1,954,530	-
Total	<u>\$ 6,664,335</u>	<u>\$ 1,979,157</u>

The City reported \$1,416,929 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Fiscal Year Ending June 30:</u>	<u>Deferred Outflows/(Inflows) of Resources</u>		
	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
2019	\$ (147,735)	\$ 284,324	\$ 136,589
2020	586,969	1,334,389	1,921,358
2021	352,118	764,082	1,116,200
2022	(173,307)	(270,192)	(443,499)
2023	-	-	-
Thereafter	-	-	-
Total	<u>\$ 618,045</u>	<u>\$ 2,112,603</u>	<u>\$ 2,730,648</u>

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

The following is a summary of pension balances as of June 30, 2018 for all plans:

Description	Net Pension Liabilities	Deferred outflows of Resources	Deferred Inflows of Resources	Pension Expense
Internal service funds	\$ 325,431	\$ 91,603	\$ 29,591	\$ 36,366
Government-wide conversion	20,503,963	6,309,095	1,864,402	3,236,456
Total governmental activities	20,829,394	6,400,698	1,893,993	3,272,822
Business-type activities	876,260	246,651	79,677	67,103
Fiduciary activities	60,340	16,984	5,487	(45,704)
Totals	\$ 21,765,993	\$ 6,664,334	\$ 1,979,157	\$ 3,294,221

Actuarial Assumptions - The total pension liabilities in the June 30, 2016 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2016
Measurement Date	June 30, 2017
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	(1)
Investment Rate of Return	7.5% (2)
Mortality	(3)

- (1) Varies by age and service
- (2) Net of pension plan investment expenses, including inflation
- (3) Derived using CalPERS' membership data for all funds

Discount Rate - The discount rate used to measure the total pension liability was 7.15 percent for the Plans. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plans, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website. According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense.

CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach.

Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent. The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (a)	Real Return Years 11+ (b)
Global Equity	47.00%	4.90%	5.38%
Fixed Income	19.00%	0.80%	2.27%
Inflation Sensitive	6.00%	0.60%	1.39%
Private Equity	12.00%	6.60%	6.63%
Real Estate	11.00%	2.80%	5.21%
Infrastructure and Forestland	3.00%	3.90%	5.36%
Liquidity	2.00%	-0.40%	-0.90%
Total	100.00%		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount

Rate - The following presents the City's proportionate share of the net pension liability for the Plans, calculated using the discount rate for the Plans, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous	Safety
1% Decrease	6.15%	6.15%
Net Pension Liability	\$ 11,949,473	21,067,309
Current	7.15%	7.15%
Net Pension Liability	\$ 7,694,989	14,071,004
1% Increase	8.15%	8.15%
Net Pension Liability	\$ 4,171,348	8,351,874

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description

The City of Oroville Retiree Healthcare Plan (Plan) is a single-employer defined benefit healthcare plan. The City offers medical, dental, vision, long-term disability, and life insurance benefits to its employees, retirees, and their dependents. The medical plans consist of two PPO options (Gold and Silver) and HDHP-10, offered through Golden State Risk Management Authority (GSRMA). Medical premiums for non-Medicare eligible retirees are equal to the premiums for active employees.

Benefits provided

An employee (other than Department Heads) who retires from City service may convert his/her accumulated sick leave to purchase medical insurance based upon the individual's sick leave dollar value per hour at the time of retirement.

Department Heads who retire from the City under PERS may receive a City contribution towards medical, dental, vision, long-term disability and life insurance at the rate of one month of premium for each three days of accrued but unused Sick Leave remaining on the books at the date of retirement. At the end of such premium payments, the retiree may continue to purchase insurance coverage at his or her own expense. If the retiree dies before the benefit has been completely utilized, the remaining benefits will be available to surviving eligible family members.

Employees Covered by Benefit Terms

At June 30, 2018, the benefit terms covered the following employees:

Active employees	90
Inactive employees	<u>15</u>
Total employees	<u><u>105</u></u>

Contributions

The City makes contributions based on a pay-as-you go basis as approved by the authority of the City's Board. Total benefit payments included in the measurement period were \$164,806. The actuarially determined contribution for the measurement period was \$183,961. The City's contributions and benefit payments were 2.53% of payroll during the measurement period June 30, 2018 (reporting period June 30, 2018). Employees are not required to contribute to the plan. There have been no assets accumulated in a trust to provide for the benefits of this plan for the measurement period.

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

Actuarial Assumptions

The following summarized the actuarial assumptions for the OPEB plan included in this fiscal year:

Valuation Date:	June 30, 2017
Measurement Date:	June 30, 2017
Actuarial Cost Method:	Entry-Age Level Percent of Pay
Amortization Period:	20 years
Actuarial Assumptions:	
Discount Rate	3.13%
Inflation	3.00%
Salary Increases	3.00%
Healthcare Trend Rate	6% 2017 to 5% 2018 and after
Mortality	RP-2014 Employee and Healthy Annuitant Mortality Tables
Retirement	RP-2014 Employee and Healthy Annuitant Mortality Tables

Discount Rate

The discount rate was based on the Bond Buyer 20-bond General Obligation Index.

Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2017 (measurement date) and was determined by an actuarial valuation as of June 30, 2018 (valuation date) for the fiscal year ended June 30, 2018 (reporting date).

Changes in the Total OPEB Liability

The following summarizes the changes in the net OPEB liability during the year ended June 30, 2018:

Fiscal Year Ended June 30, 2018	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30,2017	\$ 1,846,885	\$ -	\$ 1,846,885
Service cost	115,622	-	115,622
Interest in Total OPEB Liability	55,248	-	55,248
Employer contributions	-	-	-
Benefit payments	(164,806)	-	(164,806)
Other	-	-	-
Net changes	6,064	-	6,064
Balance at June 30, 2018	\$ 1,852,949	\$ -	\$ 1,852,949
Covered Payroll at Measurement Date	\$ 6,511,338		
Total OPEB Liability as a % of covered payroll	28.46%		
Service cost as a % of covered payroll	1.78%		
Contribution in measurement period % cov. payroll	2.53%		

The City's plan is nonfunded, meaning there have not been assets placed into an irrevocable trust, therefore the plan fiduciary net position is zero.

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

Deferred Inflows and Outflows of Resources

At June 30, 2018, 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
Difference between actual and expected experience	\$ -	\$ -
Difference between actual and expected earnings	-	-
Change in assumptions	-	-
OPEB contribution subsequent to measurement date	138,298	-
Totals	<u>\$ 138,298</u>	<u>\$ -</u>

OPEB Expense

The following summarizes the OPEB expense by source during the year ended June 30, 2018:

Service cost	\$ 115,622
Interest in TOL	<u>55,248</u>
OPEB Expense	<u>\$ 170,870</u>

The following summarizes changes in the net OPEB liability as reconciled to OPEB expense during the year ended June 30, 2018:

Total OPEB liability ending	\$ 1,852,949
Total OPEB liability beginning	<u>(1,846,885)</u>
Change in total OPEB liability	6,064
Employer contributions and implicit subsidy	<u>164,806</u>
OPEB Expense	<u>\$ 170,870</u>

Sensitivity to Changes in the Discount Rate

The net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher, is as follows:

	Municipal Bond Rate		
	(1% Decrease)	(Current Rate)	(1% Increase)
Total OPEB Liability	\$ 2,019,960	\$ 1,852,949	\$ 1,704,813

Sensitivity to Changes in the Healthcare Cost Trend Rates

The net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than current healthcare cost trend rates, is as follows:

	Trend Rate		
	(1% Decrease)	(Current Rate)	(1% Increase)
Total OPEB Liability	\$ 1,667,800	\$ 1,852,949	\$ 2,074,145

City of Oroville
Notes to the Basic Financial Statements
June 30, 2018

NOTE 11 – DEFERRED COMPENSATION

The City of Oroville offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all City employees, permit employees to defer a portion of their salary until future years. Participation in the plans is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The City has adopted the provisions of GASB Statement 32 and, therefore, the assets and liabilities of these plans have been excluded from the accompanying financial statements.

NOTE 12 - COMMITMENTS AND CONTINGENCIES

A. Lawsuits

The City is presently involved in certain matters of litigation that have arisen in the normal course of conducting City business. City management believes, based upon consultation with the City Attorney, that 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 materialize.

B. Federal and State Grant Programs

The City participates in Federal and State grant programs. These programs are audited by the City's independent accountants in accordance with the provisions of the Federal Single Audit Act Amendments of 1996 and applicable State requirements. For Federal programs, the City reached the level of qualifying cost during the current fiscal year so a single audit was required. Expenditures which may be disallowed, if any, by the granting agencies, cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

C. Commitments

The City had several outstanding contracts or planned projects as of June 30, 2018. These projects are evidenced by contractual commitments with contractors totaling \$3,717,277. All purchase orders were closed for the fiscal year ended June 30, 2018 and new purchase orders for these commitments were created in the next fiscal year. It is the City's policy to laps all encumbrances at the end of each fiscal year. As of June 30, 2018, in the opinion of City management, there were no additional outstanding matters that would have a significant effect on the financial position of the City.



REQUIRED SUPPLEMENTARY INFORMATION

City of Oroville
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
General Fund
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Property taxes	\$ 1,819,500	\$ 1,819,500	\$ 2,023,679	\$ 204,179
Sales and use taxes	4,372,700	4,372,700	4,364,469	(8,231)
Sales and use taxes in-lieu	1,225,012	1,225,012	1,093,031	(131,981)
Transient occupancy taxes	548,670	548,670	711,980	163,310
Utility users taxes	1,484,327	1,484,327	1,964,304	479,977
Franchise taxes	727,199	727,199	833,108	105,909
Other taxes	40,149	40,149	31,728	(8,421)
License and permits	376,170	376,170	420,172	44,002
Fines and forfeitures	57,925	57,925	70,121	12,196
Interest, rents and concessions	69,505	69,505	162,626	93,121
Intergovernmental revenues	32,000	32,000	166,403	134,403
Charges for services	275,627	275,627	342,188	66,561
Other revenues	557,750	557,750	1,504,182	946,432
Total Revenues	11,586,534	11,586,534	13,687,991	2,101,457
EXPENDITURES				
Current:				
General Government:				
City Administrator	34,715	34,715	58,623	(23,908)
City Attorney	248,245	248,245	377,498	(129,253)
City Clerk	123,611	123,611	103,427	20,184
City Hall	109,753	109,753	93,359	16,394
Econom Community Enhancement	37,379	37,379	27,796	9,583
Human Resources	132,271	132,271	139,087	(6,816)
Personnel Officer	40,000	40,000	5,727	34,273
Information Technology	370,106	370,106	334,015	36,091
Risk Management	320,809	320,809	281,990	38,819
City Council	119,690	119,690	124,389	(4,699)
Finance	587,629	587,629	556,996	30,633
Treasurer	27,607	27,607	27,583	24
Planning and Development Services	564,446	564,446	547,159	17,287
Public Safety:				
Police	4,718,935	4,718,935	4,604,451	114,484
Municipal Law Enforcement	510,365	510,365	369,240	141,125
Animal Control	330,000	330,000	326,836	3,164
Fire	2,885,878	2,885,878	2,886,680	(802)
Public Works	73,197	73,197	129,963	(56,766)
Streets and Storm Drains	697,973	697,973	650,287	47,686
Parks and Leisure	741,503	741,503	714,645	26,858
Debt service				
Principal retirement	27,027	27,027	27,027	-
Total Expenditures	12,701,139	12,701,139	12,386,778	314,361
Excess (Deficiency) of Revenues over Expenditures	(1,114,605)	(1,114,605)	1,301,213	2,415,818
OTHER FINANCING SOURCES (USES)				
Transfers in	1,400,405	1,400,405	451,766	(948,639)
Transfers out	(285,800)	(285,800)	(294,942)	(9,142)
Total Other Financing Sources (Uses)	1,114,605	1,114,605	156,824	(957,781)
Net Change in Fund Balances	-	-	1,458,037	1,458,037
Fund Balances Beginning	4,794,082	4,794,082	4,794,082	-
Fund Balances Ending	\$ 4,794,082	\$ 4,794,082	\$ 6,252,119	\$ 1,458,037

Amounts in excess of budgeted appropriations were offset by other categories or beginning fund balance.

City of Oroville
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
CalHome Fund
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Interest, rents and concessions	\$ -	\$ -	\$ 3,067	\$ 3,067
Intergovernmental revenues	750,000	750,000	-	(750,000)
Total Revenues	750,000	750,000	3,067	(746,933)
EXPENDITURES				
Current:				
Housing and Community Development	749,137	749,137	13,315	735,822
Total Expenditures	749,137	749,137	13,315	735,822
Excess (Deficiency) of Revenues over Expenditures	863	863	(10,248)	(11,111)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	863	863	(10,248)	(11,111)
Fund Balances Beginning	256,550	256,550	256,550	-
Fund Balances Ending	<u>\$ 257,413</u>	<u>\$ 257,413</u>	<u>\$ 246,302</u>	<u>\$ (11,111)</u>

Amounts in excess of budgeted appropriations were offset by other categories or beginning fund balance.

City of Oroville
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Housing Program Fund
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Interest, rents and concessions	\$ 39,000	\$ 39,000	\$ 58,219	\$ 19,219
Other revenues	207,807	207,807	141,429	(66,378)
Total Revenues	246,807	246,807	199,648	(47,159)
EXPENDITURES				
Current:				
Housing and Community Development	806,345	806,345	182,362	623,983
Total Expenditures	806,345	806,345	182,362	623,983
Excess (Deficiency) of Revenues over Expenditures	(559,538)	(559,538)	17,286	576,824
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	158,510	158,510
Transfers out	-	-	(95,214)	(95,214)
Total Other Financing Sources (Uses)	-	-	63,296	63,296
Net Change in Fund Balances	(559,538)	(559,538)	80,582	640,120
Fund Balances Beginning	1,157,142	1,157,142	1,157,142	-
Fund Balances Ending	\$ 597,604	\$ 597,604	\$ 1,237,724	\$ 640,120

City of Oroville
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Home Grant Fund
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Interest, rents and concessions	\$ 5,000	\$ 5,000	\$ 7,467	\$ 2,467
Intergovernmental revenues	1,025,000	1,025,000	87,853	(937,147)
Other revenues	50,000	50,000	52,137	2,137
Total Revenues	1,080,000	1,080,000	147,457	(932,543)
EXPENDITURES				
Current:				
Housing and Community Development	1,191,542	1,191,542	566,357	625,185
Total Expenditures	1,191,542	1,191,542	566,357	625,185
Excess (Deficiency) of Revenues over Expenditures	(111,542)	(111,542)	(418,900)	(307,358)
OTHER FINANCING SOURCES (USES)				
Transfers in	75,000	75,000	50,000	(25,000)
Transfers out	(120,000)	(120,000)	(32,575)	87,425
Total Other Financing Sources (Uses)	(45,000)	(45,000)	17,425	62,425
Net Change in Fund Balances	(156,542)	(156,542)	(401,475)	(244,933)
Fund Balances Beginning	536,444	536,444	536,444	-
Fund Balances Ending	\$ 379,902	\$ 379,902	\$ 134,969	\$ (244,933)

City of Oroville
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Community Development Block Grant Fund
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Interest, rents and concessions	30,000	\$ 30,000	\$ 4,901	\$ (25,099)
Intergovernmental revenues	500,000	500,000	500,000	-
Other revenues	360,000	360,000	100,349	(259,651)
Total Revenues	890,000	890,000	605,250	(284,750)
EXPENDITURES				
Current:				
Housing and Community Development	1,210,000	1,210,000	5,593	1,204,407
Capital outlay	-	-	500,000	(500,000)
Total Expenditures	1,210,000	1,210,000	505,593	704,407
Excess (Deficiency) of Revenues over Expenditures	(320,000)	(320,000)	99,657	419,657
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	368,112	368,112
Transfers out	(190,000)	(190,000)	(472,956)	(282,956)
Total Other Financing Sources (Uses)	(190,000)	(190,000)	(104,844)	85,156
Net Change in Fund Balances	(510,000)	(510,000)	(5,187)	504,813
Fund Balances Beginning	143,969	143,969	143,969	-
Fund Balances Ending	\$ (366,031)	\$ (366,031)	\$ 138,782	\$ 504,813

City of Oroville
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Supplemental Benefit Fund
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Taxes:				
Other taxes and assessments	\$ 3,100,000	\$ 3,100,000	\$ 100,000	\$ (3,000,000)
Interest, rents and concessions	1,500	1,500	40,283	38,783
Total Revenues	3,101,500	3,101,500	140,283	(2,961,217)
EXPENDITURES				
Current:				
Parks and Leisure	2,593,219	2,593,219	224,045	2,369,174
Total Expenditures	2,593,219	2,593,219	224,045	2,369,174
Excess (Deficiency) of Revenues over Expenditures	508,281	508,281	(83,762)	(592,043)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	508,281	508,281	(83,762)	(592,043)
Fund Balances Beginning	3,238,813	3,238,813	3,238,813	-
Fund Balances Ending	\$ 3,747,094	\$ 3,747,094	\$ 3,155,051	\$ (592,043)

City of Oroville
Schedule of Pension Contributions
June 30, 2018

	2018	2018	2017	2016
Miscellaneous Plan				
Contractually Required Contributions (Actuarially Determined)	\$ 411,902	\$ 394,343	\$ 320,067	\$ 282,921
Contributions in Relation to Actuarially Determined Contributions	949,503	394,343	320,067	282,921
Contribution Deficiency (Excess)	\$ (537,601)	\$ -	\$ -	\$ -
Covered Payroll	\$ 3,601,582	\$ 3,496,682	\$ 3,138,454	\$ 3,108,413
Contributions as a Percentage of Covered Payroll	26.36%	11.28%	10.20%	9.10%
Safety Plan				
Contractually Required Contributions (Actuarially Determined)	\$ 1,005,027	\$ 1,157,973	\$ 1,030,599	\$ 713,517
Contributions in Relation to Actuarially Determined Contributions	1,005,027	1,157,973	1,030,599	713,517
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 3,405,028	\$ 3,305,852	\$ 2,857,474	\$ 2,731,036
Contributions as a Percentage of Covered Payroll	29.52%	35.03%	36.07%	26.13%

Notes to Schedule:

Valuation Date: June 30, 2016
Assumptions Used: Entry Age Method used for Actuarial Cost Method
Level Percentage of Payroll and Direct Rate Smoothing
3.8 Years Remaining Amortization Period
Inflation Assumed at 2.75%
Investment Rate of Returns set at 7.5%
CalPERS mortality table using 20 years of membership data for all funds

Fiscal year 2015 was the first year of implementation, therefore only four years are shown.
There were no changes in benefit terms
PERS discount rates were reduced from 7.65 to 7.5 in 2017 and then again to 7.15 in 2018.

City of Oroville
Schedule of Proportionate Share Net Pension Liability
June 30, 2018

Miscellaneous Plan	2018	2018	2017	2016
City's Proportion of Net Pension Liability	0.19520%	0.18929%	0.17843%	0.18678%
City's Proportionate Share of Net Pension Liability	\$ 6,327,386	\$ 6,575,546	\$ 4,895,301	\$ 4,616,127
City's Covered Payroll	\$ 3,496,682	\$ 3,138,454	\$ 3,108,413	\$ 3,015,161

City's Proportionate Share of NPL as a % of Covered Payroll **180.95%** **209.52%** **157.49%** **153.10%**

Plan Fiduciary's Net Position as a % of the TPL **73.11%** **74.89%** **80.21%** **82.02%**

Safety Plan	2018	2018	2017	2016
City's Proportion of Net Pension Liability	0.23549%	0.23766%	0.22735%	0.22317%
City's Proportionate Share of Net Pension Liability	\$ 14,071,004	\$ 12,308,997	\$ 9,367,673	\$ 8,371,224
City's Covered Payroll	\$ 3,305,852	\$ 2,857,474	\$ 2,731,036	\$ 2,649,105

City's Proportionate Share of NPL as a % of Covered Payroll **425.64%** **430.76%** **343.01%** **316.00%**

Plan Fiduciary's Net Position as a % of the TPL **71.86%** **73.63%** **79.07%** **81.42%**

Fiscal year 2015 was the first year of implementation, therefore only four years are shown.
There were no changes in benefit terms
PERS discount rates were reduced from 7.65 to 7.5 in 2017 and then again to 7.15 in 2018.

City of Oroville
Retiree Healthcare Plan
Schedule of Changes in Total OPEB Liability
June 30, 2018

Fiscal Year	2018
Total OPEB liability	
Service cost	\$ 115,622
Interest	55,248
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments	(164,806)
Implicit subsidy fulfilled	-
Net change in Total OPEB Liability	<u>6,064</u>
Total OPEB Liability - beginning	1,846,885
Total OPEB Liability - ending	<u><u>\$ 1,852,949</u></u>
 Plan fiduciary net position	
Employer contributions	\$ -
Employer implicit subsidy	-
Employee contributions	-
Net investment income	-
Difference between estimated and actual earnings	-
Benefit payments	-
Implicit subsidy fulfilled	-
Other	-
Administrative expense	-
Net change in plan fiduciary net position	<u>-</u>
Plan fiduciary net position - beginning	-
Plan fiduciary net position - ending	<u><u>\$ -</u></u>
 Net OPEB liability (asset)	 \$ 1,852,949
 Plan fiduciary net position as a percentage of the total OPEB liability	 0.00%
 Covered employee payroll for the plan	 \$ 6,511,338
 Total OPEB Liability as a percentage of covered payroll	 28.46%

GASB 75 requires a schedule of contributions for the last ten fiscal years, or for as many years as are available if less than ten years are available. GASB 75 was adopted as of June 30, 2018.

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SUPPLEMENTARY INFORMATION

City of Oroville
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2018

	Total Special Revenue Funds	Total Debt Service Funds	Total Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	\$ 8,176,366	\$ 183,209	\$ 5,106,390	\$ 13,465,965
Receivables:				
Accounts	421,217	-	298,212	719,429
Interest	142,223	-	15,246	157,469
Prepaid items	514	-	-	514
Loans receivable	9,206,631	-	-	9,206,631
Total assets	\$ 17,946,951	\$ 183,209	\$ 5,419,848	\$ 23,550,008
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 527,757	\$ -	\$ 118	\$ 527,875
Due to other funds	54,278	-	-	54,278
Unearned revenues	9,209,814	-	13,369	9,223,183
Total liabilities	9,791,849	-	115,446	9,907,295
Fund Balances:				
Nonspendable				
Prepaid expenses	514	-	-	514
Restricted:				
Technology Fee Program	100,166	-	-	100,166
Capital Projects	-	-	3,452,685	3,452,685
Public Safety:				
Police	1,067,482	-	-	1,067,482
Fire	142,308	-	-	142,308
Streets and Storm Drains	5,232,086	-	-	5,232,086
Debt service	-	183,209	-	183,209
Committed:				
Capital Projects	-	-	1,851,717	1,851,717
Housing and Community Development	1,214,266	-	-	1,214,266
General reserve	41,637	-	-	41,637
Assigned:				
Parks and Leisure	17,755	-	-	17,755
Health and Sanitation	32,162	-	-	32,162
Housing and Community Development	345,312	-	-	345,312
Unassigned	(38,586)	-	-	(38,586)
Total fund balances	8,155,102	183,209	5,304,402	13,642,713
Total liabilities and fund balances	\$ 17,946,951	\$ 183,209	\$ 5,419,848	\$ 23,550,008

City of Oroville

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2018

	Total Special Revenue Funds	Total Debt Service Funds	Total Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes:				
Franchise taxes	\$ 30,481	\$ -	\$ -	\$ 30,481
Other taxes and assessments	712,296	-	-	712,296
Fines and forfeitures	9,551	-	-	9,551
Interest, rents and concessions	236,102	-	46,897	282,999
Intergovernmental revenues	1,462,055	-	-	1,462,055
Charges for services	41,444	-	-	41,444
Other revenues	722,598	749,587	12,242	1,484,427
Total Revenues	3,214,527	749,587	59,139	4,023,253
EXPENDITURES				
Current:				
General Government	62,691	-	-	62,691
Public Safety	7,762	-	-	7,762
Streets and Storm Drains	1,295,480	-	-	1,295,480
Health and Sanitation	36,756	-	-	36,756
Housing and Community Development	1,370,438	-	-	1,370,438
Capital outlay	80,760	-	1,752,025	1,832,785
Debt service				
Principal retirement	-	534,378	-	534,378
Interest and fiscal charges	-	348,360	4,194	352,554
Total Expenditures	2,853,887	882,738	1,756,219	5,492,844
Excess (Deficiency) of Revenues over Expenditures	360,640	(133,151)	(1,697,080)	(1,469,591)
OTHER FINANCING SOURCES (USES)				
Proceeds from long-term debt	-	-	3,314,640	3,314,640
Transfers in	759,621	823,401	-	1,583,022
Transfers out	(1,077,075)	(537,601)	-	(1,614,676)
Total Other Financing Sources (Uses)	(317,454)	285,800	3,314,640	3,282,986
Net Change in Fund Balances	43,186	152,649	1,617,560	1,813,395
Fund Balances Beginning	8,111,916	30,560	3,686,842	11,829,318
Fund Balances Ending	\$ 8,155,102	\$ 183,209	\$ 5,304,402	\$ 13,642,713

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NONMAJOR SPECIAL REVENUE FUNDS

Fund Title	Fund Description
Local Transit Fund	To account for California Article 4 transportation revenues and related expenditures.
Drainage Impact Fees Fund	To account for revenues collected for drainage fees and expenditures for drainage improvements.
Park Development Fees Fund	To account for revenues collected for park use fees and expenditures for park improvements.
Traffic Impact Fees Fund	To account for revenues collected for traffic impact fees in Oroville, excluding the North Oroville and Thermalito Areas.
Drainage Citywide Fund	To account for revenues collected for citywide drainage impact fees and expenditures for drainage improvements.
Local Transportation Fund	To account for revenues and expenditures associated with Transportation Development Act, Section 99400(A) funds and Traffic Congestion funds.
Regional Surface Transportation Program Fund	To account for the activities of the Regional Surface Transportation Program.
Canine Fund	To account for revenue collected to operate the police canine program.
Technology Fee Fund	To account for collections and expenditures related to the City's technology fee program.
SB-1186 Fees Fund	To account for collections and expenditures related to the SB-1186 fees for disability access and compliance.
Recycling Fund	To account for activities of the City's recycling program.
Special Aviation Fund	To account for lease revenues from leased airport property and annual State allocations for airport operations and improvements.
Housing Administration Fund	To account for administrative overhead for the City's housing loan and rehabilitation programs.
EDBG Fund	To account for the activities of the City's various EDBG grants.
Public Safety Augmentation Fund	To account for revenues generated for public safety purposes by a special sales tax distributed by Butte County.
Police Supplemental Law Enforcement Fund	To account for revenues and expenditures funded by the State COPS program.
Law Enforcement Block Grant Fund	To account for revenues and expenditures funded by the Federal Local Law Enforcement Block Grant.
Law Enforcement Impact Fee Fund	To account for revenues and expenditures funded by the Federal Local Law Enforcement Block Grant.
Planning Grants Fund	To account for revenues and expenditures for several small grants awarded to the City.
Fire Suppression Impact Fee Fund	To account for revenues and expenditures of development impact fees assessed for fire suppression services.
Fire Grant Fund	To account for activities associated with the Indian Gaming Grant.
PEG Fee Fund	To account for cable franchise fees collected for public access cable services
General Government Development Impact Fee Fund	To account for revenues and expenditures of development impact fees assessed for general governmental services.
Lighting & Landscape Maintenance Districts Fund	To account for property tax assessment revenue collected for maintenance of the capital improvements of various improvement districts.
Benefit Assessment Districts Fund	To account for property tax assessment revenue collected for maintenance of the capital improvements of various benefit districts.
Westside Public Service Fund	To account for property tax assessment revenue collected for public safety facilities and services provided to various benefit districts
Public Safety Services Fund	To account for property tax assessment revenue collected for public safety facilities and services provided to various benefit districts
USDA Fund	To account for USDA grant revenues and related expenditures.
Public Works Manufacturing Business Development Center Fund	To account for funds received and expenditures related to the City's Business Development Center.
City Housing Rehabilitation Revolving Loan Fund	To account for loans to Low and Moderate Income Families, including repayment of principal and receipt of interest income.
Economic Development Revolving Loan Fund	To account for funds received from the CDBG Economic Development Grant which are authorized to be loaned to private enterprises.
CDBG Program Income Fund	To account for the activities of the City's small business revolving loan program funded by CDBG program income.
CalHome Revolving Loan Fund	To account for the activities of the City's housing revolving loan program funded by CalHome program income.
Home Housing Revolving Loan Fund	To account for activities of the City's housing revolving loan program funded by HOME program income.
Rural Business Enterprise Grants Fund	To account for activities of the City's rural business and enterprise grants program.
City Revolving Loan Fund	To account for loans, including payment of principal and interest.
Special GAS Tax Fund	To account for State gasoline taxes received by the City. These funds may be used for street maintenance, right-of-way acquisition and street maintenance.
Annexation Fund	To accumulate resources to be utilized for cost of annexing areas located adjacent to current City limits.
Asset Seizure Fund	To accumulate resources to be utilized for asset seizure costs.

City of Oroville
Combining Balance Sheet
Special Revenue Nonmajor
Governmental Funds
June 30, 2018

	Local Transit Fund	Drainage Impact Fees Fund	Park Development Fees Fund	Traffic Impact Fees Fund
ASSETS				
Cash and investments	\$ 65,854	\$ 504,220	\$ 136,018	\$ 1,845,154
Receivables:				
Accounts	-	-	-	-
Interest	29,688	2,048	537	7,491
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
Total assets	\$ 95,542	\$ 506,268	\$ 136,555	\$ 1,852,645
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 625	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Unearned revenues	3,182	-	-	-
Total liabilities	3,807	-	-	-
Fund Balances:				
Nonspendable				
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
Restricted:				
Technology Fee Program	-	-	-	-
Public Safety:				
Police	-	-	-	-
Fire	-	-	-	-
Streets and Storm Drains	91,735	506,268	136,555	1,852,645
Committed:				
Housing and Community Development	-	-	-	-
General reserve	-	-	-	-
Assigned:				
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Unassigned				
Total fund balances	91,735	506,268	136,555	1,852,645
Total liabilities and fund balances	\$ 95,542	\$ 506,268	\$ 136,555	\$ 1,852,645

Cont'd

City of Oroville
Combining Balance Sheet
Special Revenue Nonmajor
Governmental Funds
June 30, 2018

	Drainage Citywide Fund	Local Transportation Fund	Regional Surface Transportation Program Fund	Technology Fee Fund
ASSETS				
Cash and investments	\$ 850,610	\$ 534,919	\$ 815,076	\$ 118,853
Receivables:				
Accounts	-	-	199,249	-
Interest	3,451	38,077	3,226	574
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
Total assets	\$ 854,061	\$ 572,996	\$ 1,017,551	\$ 119,427
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 500,791	\$ 19,261
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	-	-	500,791	19,261
Fund Balances:				
Nonspendable				
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
Restricted:				
Technology Fee Program	-	-	-	100,166
Public Safety:				
Police	-	-	-	-
Fire	-	-	-	-
Streets and Storm Drains	854,061	572,996	516,760	-
Committed:				
Housing and Community Development	-	-	-	-
General reserve	-	-	-	-
Assigned:				
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Unassigned				
Total fund balances	854,061	572,996	516,760	100,166
Total liabilities and fund balances	\$ 854,061	\$ 572,996	\$ 1,017,551	\$ 119,427

Cont'd

City of Oroville
Combining Balance Sheet
Special Revenue Nonmajor
Governmental Funds
June 30, 2018

	SB-1186 Fees Fund	Recycling Fund	Housing Administration Fund	EDBG Fund
ASSETS				
Cash and investments	\$ 9,093	\$ 22,868	\$ 102,693	\$ -
Receivables:				
Accounts	-	9,197	-	-
Interest	36	97	417	9
Prepaid items	-	215	-	-
Loans receivable	-	-	-	1,429,890
Total assets	\$ 9,129	\$ 32,377	\$ 103,110	\$ 1,429,899
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	38,593
Unearned revenues	-	-	-	1,429,892
Total liabilities	-	-	-	1,468,485
Fund Balances:				
Nonspendable				
Inventory	-	-	-	-
Prepaid expenses	-	215	-	-
Restricted:				
Technology Fee Program	-	-	-	-
Public Safety:				
Police	-	-	-	-
Fire	-	-	-	-
Streets and Storm Drains	9,129	-	-	-
Committed:				
Housing and Community Development	-	-	-	-
General reserve	-	-	-	-
Assigned:				
Parks and Leisure	-	-	-	-
Health and Sanitation	-	32,162	-	-
Housing and Community Development	-	-	103,110	-
Unassigned				
	-	-	-	(38,586)
Total fund balances	9,129	32,377	103,110	(38,586)
Total liabilities and fund balances	\$ 9,129	\$ 32,377	\$ 103,110	\$ 1,429,899

Cont'd

City of Oroville
Combining Balance Sheet
Special Revenue Nonmajor
Governmental Funds
June 30, 2018

	Public Safety Augmentation Fund	Police Supplemental Law Enforcement Fund	Law Enforcement Impact Fee Fund	Planning Grant Fund
ASSETS				
Cash and investments	\$ 143,889	\$ 203,260	\$ 51,663	\$ 41,636
Receivables:				
Accounts	8,998	-	-	758
Interest	543	808	208	-
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
Total assets	\$ 153,430	\$ 204,068	\$ 51,871	\$ 42,394
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 757
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	-	-	-	757
Fund Balances:				
Nonspendable				
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
Restricted:				
Technology Fee Program				
Public Safety:				
Police	153,430	204,068	51,871	-
Fire	-	-	-	-
Streets and Storm Drains	-	-	-	-
Committed:				
Housing and Community Development				
General reserve	-	-	-	41,637
Assigned:				
Parks and Leisure				
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Unassigned				
Total fund balances	153,430	204,068	51,871	41,637
Total liabilities and fund balances	\$ 153,430	\$ 204,068	\$ 51,871	\$ 42,394

Cont'd

City of Oroville
Combining Balance Sheet
Special Revenue Nonmajor
Governmental Funds
June 30, 2018

	Fire Suppression Impact Fee Fund	PEG Fee Fund	General Government Development Impact Fee Fund	Lighting & Landscape Maintenance Districts Fund
ASSETS				
Cash and investments	\$ 60,675	\$ 134,338	\$ 80,366	\$ 10,679
Receivables:				
Accounts	-	7,426	-	342
Interest	248	551	322	41
Prepaid items	-	-	-	18
Loans receivable	-	-	-	-
Total assets	\$ 60,923	\$ 142,315	\$ 80,688	\$ 11,080
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 119	\$ 7	\$ -	\$ 2,883
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	119	7	-	2,883
Fund Balances:				
Nonspendable				
Inventory	-	-	-	-
Prepaid expenses	-	-	-	18
Restricted:				
Technology Fee Program	-	-	-	-
Public Safety:				
Police	-	-	-	-
Fire	-	142,308	-	-
Streets and Storm Drains	60,804	-	80,688	8,179
Committed:				
Housing and Community Development	-	-	-	-
General reserve	-	-	-	-
Assigned:				
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Unassigned				
Total fund balances	60,804	142,308	80,688	8,197
Total liabilities and fund balances	\$ 60,923	\$ 142,315	\$ 80,688	\$ 11,080

Cont'd

City of Oroville
Combining Balance Sheet
Special Revenue Nonmajor
Governmental Funds
June 30, 2018

	Benefit Assessment Districts Fund	Westside Public Service Fund	Public Safety Services Fund	USDA Fund
ASSETS				
Cash and investments	\$ 42,110	\$ 321,252	\$ 514,295	\$ -
Receivables:				
Accounts	-	156,358	660	-
Interest	172	1,898	2,050	-
Prepaid items	5	-	-	-
Loans receivable	-	-	-	10,132
Total assets	\$ 42,287	\$ 479,508	\$ 517,005	\$ 10,132
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,568	\$ 500	\$ 500	\$ -
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	10,132
Total liabilities	1,568	500	500	10,132
Fund Balances:				
Nonspendable				
Inventory	-	-	-	-
Prepaid expenses	5	-	-	-
Restricted:				
Technology Fee Program	-	-	-	-
Public Safety:				
Police	-	-	516,505	-
Fire	-	-	-	-
Streets and Storm Drains	40,714	479,008	-	-
Committed:				
Housing and Community Development	-	-	-	-
General reserve	-	-	-	-
Assigned:				
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Unassigned				
Total fund balances	40,719	479,008	516,505	-
Total liabilities and fund balances	\$ 42,287	\$ 479,508	\$ 517,005	\$ 10,132

Cont'd

City of Oroville
Combining Balance Sheet
Special Revenue Nonmajor
Governmental Funds
June 30, 2018

	City Housing Rehabilitation Revolving Loan Fund	Economic Development Revolving Loan Fund	CDBG Program Income Fund	CalHome Revolving Loan Fund
ASSETS				
Cash and investments	\$ 490,896	\$ 51,801	\$ 241,153	\$ 297,285
Receivables:				
Accounts	-	-	-	-
Interest	2,002	229	1,695	918
Prepaid items	-	-	276	-
Loans receivable	1,315,074	34,035	2,886,615	37,534
Total assets	\$ 1,807,972	\$ 86,065	\$ 3,129,739	\$ 335,737
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 646	\$ -
Due to other funds	-	-	-	-
Unearned revenues	1,315,073	34,035	2,886,615	37,534
Total liabilities	1,315,073	34,035	2,887,261	37,534
Fund Balances:				
Nonspendable				
Inventory	-	-	-	-
Prepaid expenses	-	-	276	-
Restricted:				
Technology Fee Program	-	-	-	-
Public Safety:				
Police	-	-	-	-
Fire	-	-	-	-
Streets and Storm Drains	-	-	-	-
Committed:				
Housing and Community Development	492,899	52,030	-	298,203
General reserve	-	-	-	-
Assigned:				
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	242,202	-
Unassigned				
Total fund balances	492,899	52,030	242,478	298,203
Total liabilities and fund balances	\$ 1,807,972	\$ 86,065	\$ 3,129,739	\$ 335,737

Cont'd

City of Oroville
Combining Balance Sheet
Special Revenue Nonmajor
Governmental Funds
June 30, 2018

	Home Housing Revolving Loan Fund	Rural Business Enterprise Grants Fund	City Revolving Loan Fund
ASSETS			
Cash and investments	\$ 130,382	\$ 17,683	\$ 217,147
Receivables:			
Accounts	-	-	-
Interest	154	72	23,551
Prepaid items	-	-	-
Loans receivable	3,444,077	-	49,274
Total assets	\$ 3,574,613	\$ 17,755	\$ 289,972
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 100	\$ -	\$ -
Due to other funds	-	-	-
Unearned revenues	3,444,077	-	49,274
Total liabilities	3,444,177	-	49,274
Fund Balances:			
Nonspendable			
Inventory	-	-	-
Prepaid expenses	-	-	-
Restricted:			
Technology Fee Program	-	-	-
Public Safety:			
Police	-	-	-
Fire	-	-	-
Streets and Storm Drains	-	-	-
Committed:			
Housing and Community Development	130,436	-	240,698
General reserve	-	-	-
Assigned:			
Parks and Leisure	-	17,755	-
Health and Sanitation	-	-	-
Housing and Community Development	-	-	-
Unassigned	-	-	-
Total fund balances	130,436	17,755	240,698
Total liabilities and fund balances	\$ 3,574,613	\$ 17,755	\$ 289,972

Cont'd

City of Oroville
Combining Balance Sheet
Special Revenue Nonmajor
Governmental Funds
June 30, 2018

	Special Gas Tax Fund	Asset Seizure Fund	Total Special Revenue Nonmajor Governmental Funds
ASSETS			
Cash and investments	\$ -	\$ 120,498	\$ 8,176,366
Receivables:			
Accounts	38,229	-	421,217
Interest	-	21,110	142,223
Prepaid items	-	-	514
Loans receivable	-	-	9,206,631
Total assets	<u>\$ 38,229</u>	<u>\$ 141,608</u>	<u>\$ 17,946,951</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 527,757
Due to other funds	15,685	-	54,278
Unearned revenues	-	-	9,209,814
Total liabilities	<u>15,685</u>	<u>-</u>	<u>9,791,849</u>
Fund Balances:			
Nonspendable			
Inventory	-	-	-
Prepaid expenses	-	-	514
Restricted:			
Technology Fee Program	-	-	100,166
Public Safety:			
Police	-	141,608	1,067,482
Fire	-	-	142,308
Streets and Storm Drains	22,544	-	5,232,086
Committed:			
Housing and Community Development	-	-	1,214,266
General reserve	-	-	41,637
Assigned:			
Parks and Leisure	-	-	17,755
Health and Sanitation	-	-	32,162
Housing and Community Development	-	-	345,312
Unassigned	-	-	(38,586)
Total fund balances	<u>22,544</u>	<u>141,608</u>	<u>8,155,102</u>
Total liabilities and fund balances	<u>\$ 38,229</u>	<u>\$ 141,608</u>	<u>\$ 17,946,951</u>

Concluded

City of Oroville

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Special Revenue Nonmajor Governmental Funds For the Year Ended June 30, 2018

	Local Transit Fund	Drainage Impact Fees Fund	Park Development Fees Fund	Traffic Impact Fees Fund
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	30,703	173,910
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	781	6,267	1,453	21,754
Intergovernmental revenues	605,874	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	606,655	6,267	32,156	195,664
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	566,080	-	-	31,616
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	566,080	-	-	31,616
Excess (Deficiency) of Revenues over Expenditures	40,575	6,267	32,156	164,048
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(39,701)	-	-	-
Total Other Financing Sources (Uses)	(39,701)	-	-	-
Net Change in Fund Balances	874	6,267	32,156	164,048
Fund Balances Beginning, Adjusted	90,861	500,001	104,399	1,688,597
Fund Balances Ending	\$ 91,735	\$ 506,268	\$ 136,555	\$ 1,852,645

Cont'd

City of Oroville

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Special Revenue Nonmajor Governmental Funds For the Year Ended June 30, 2018

	Drainage Citywide Fund	Local Transportation Fund	Regional Surface Transportation Program Fund	Technology Fee Fund
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	109,060	-	-	56,932
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	9,686	6,602	10,335	1,756
Intergovernmental revenues	-	-	199,249	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	118,746	6,602	209,584	58,688
EXPENDITURES				
Current:				
General Government	-	-	-	19,261
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	560,401	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	66,261
Total Expenditures	-	-	560,401	85,522
Excess (Deficiency) of Revenues over Expenditures	118,746	6,602	(350,817)	(26,834)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	39,701	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	39,701	-	-
Net Change in Fund Balances	118,746	46,303	(350,817)	(26,834)
Fund Balances Beginning, Adjusted	735,315	526,693	867,577	127,000
Fund Balances Ending	\$ 854,061	\$ 572,996	\$ 516,760	\$ 100,166

Cont'd

City of Oroville

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Special Revenue Nonmajor Governmental Funds For the Year Ended June 30, 2018

	SB-1186 Fees Fund	Recycling Fund	Housing Administration Fund	EDBG Fund
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	83	242	1,546	27,146
Intergovernmental revenues	-	500	-	-
Charges for services	4,877	36,567	-	-
Other revenues	-	-	-	290,244
Total Revenues	4,960	37,309	1,546	317,390
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Health and Sanitation	-	36,756	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	36,756	-	-
Excess (Deficiency) of Revenues over Expenditures	4,960	553	1,546	317,390
OTHER FINANCING SOURCES (USES)				
Transfers in	-	9,143	45,214	-
Transfers out	-	-	(158,510)	(355,976)
Total Other Financing Sources (Uses)	-	9,143	(113,296)	(355,976)
Net Change in Fund Balances	4,960	9,696	(111,750)	(38,586)
Fund Balances Beginning, Adjusted	4,169	22,681	214,860	-
Fund Balances Ending	\$ 9,129	\$ 32,377	\$ 103,110	\$ (38,586)

Cont'd

City of Oroville

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Special Revenue Nonmajor Governmental Funds For the Year Ended June 30, 2018

	Public Safety Augmentation Fund	Police Supplemental Law Enforcement Fund	Law Enforcement Impact Fee Fund	Planning Grants Fund
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	120,310	-	14,151	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	1,117	1,822	532	-
Intergovernmental revenues	-	139,468	-	38,012
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	121,427	141,290	14,683	38,012
EXPENDITURES				
Current:				
General Government	-	-	-	30,887
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	30,887
Excess (Deficiency) of Revenues over Expenditures	121,427	141,290	14,683	7,125
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	121,427	141,290	14,683	7,125
Fund Balances Beginning, Adjusted	32,003	62,778	37,188	34,512
Fund Balances Ending	\$ 153,430	\$ 204,068	\$ 51,871	\$ 41,637

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City of Oroville

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Special Revenue Nonmajor Governmental Funds For the Year Ended June 30, 2018

	Fire Suppression Impact Fee Fund	PEG Fee Fund	General Government Development Impact Fee Fund	Lighting & Landscape Maintenance Districts Fund
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ 30,481	\$ -	\$ -
Other taxes and assessments	34,149	-	35,122	17,880
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	588	1,638	726	108
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	<u>34,737</u>	<u>32,119</u>	<u>35,848</u>	<u>17,988</u>
EXPENDITURES				
Current:				
General Government	-	12,543	-	-
Public Safety	5,706	-	-	-
Streets and Storm Drains	-	-	-	23,900
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>5,706</u>	<u>12,543</u>	<u>-</u>	<u>23,900</u>
Excess (Deficiency) of Revenues over Expenditures	<u>29,031</u>	<u>19,576</u>	<u>35,848</u>	<u>(5,912)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	29,031	19,576	35,848	(5,912)
Fund Balances Beginning, Adjusted	<u>31,773</u>	<u>122,732</u>	<u>44,840</u>	<u>14,109</u>
Fund Balances Ending	<u>\$ 60,804</u>	<u>\$ 142,308</u>	<u>\$ 80,688</u>	<u>\$ 8,197</u>

Cont'd

City of Oroville

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Special Revenue Nonmajor Governmental Funds For the Year Ended June 30, 2018

	Benefit Assessment Districts Fund	Westside Public Service Fund	Public Safety Services Fund	USDA Fund
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	60,039	60,040	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	541	5,487	5,950	-
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	541	65,526	65,990	-
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	1,520	-
Streets and Storm Drains	6,274	1,520	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	6,274	1,520	1,520	-
Excess (Deficiency) of Revenues over Expenditures	(5,733)	64,006	64,470	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(5,733)	64,006	64,470	-
Fund Balances Beginning, Adjusted	46,452	415,002	452,035	-
Fund Balances Ending	\$ 40,719	\$ 479,008	\$ 516,505	\$ -

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City of Oroville

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Special Revenue Nonmajor Governmental Funds For the Year Ended June 30, 2018

	City Housing Rehabilitation Revolving Loan Fund	Economic Development Revolving Loan Fund	CDBG Program Income Fund	CalHome Revolving Loan Fund
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	11,117	42,899	27,288	38,500
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	10,905	5,888	133,319	187,930
Total Revenues	22,022	48,787	160,607	226,430
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	270,366	2,369	920,802	150,659
Capital outlay	-	-	14,499	-
Total Expenditures	270,366	2,369	935,301	150,659
Excess (Deficiency) of Revenues over Expenditures	(248,344)	46,418	(774,694)	75,771
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	632,988	-
Transfers out	-	(11,350)	(160,819)	-
Total Other Financing Sources (Uses)	-	(11,350)	472,169	-
Net Change in Fund Balances	(248,344)	35,068	(302,525)	75,771
Fund Balances Beginning, Adjusted	741,243	16,962	545,003	222,432
Fund Balances Ending	\$ 492,899	\$ 52,030	\$ 242,478	\$ 298,203

Cont'd

City of Oroville

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Special Revenue Nonmajor Governmental Funds For the Year Ended June 30, 2018

	Home Housing Revolving Loan Fund	Rural Business Enterprise Grants Fund	City Revolving Loan Fund
REVENUES			
Taxes:			
Franchise taxes	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-
Fines and forfeitures	-	-	-
Interest, rents and concessions	5,468	219	2,723
Intergovernmental revenues	-	-	-
Charges for services	-	-	-
Other revenues	94,312	-	-
Total Revenues	99,780	219	2,723
EXPENDITURES			
Current:			
General Government	-	-	-
Public Safety	-	-	-
Streets and Storm Drains	-	-	-
Health and Sanitation	-	-	-
Housing and Community Development	19,243	-	6,999
Capital outlay	-	-	-
Total Expenditures	19,243	-	6,999
Excess (Deficiency) of Revenues over Expenditures	80,537	219	(4,276)
OTHER FINANCING SOURCES (USES)			
Transfers in	32,575	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	32,575	-	-
Net Change in Fund Balances	113,112	219	(4,276)
Fund Balances Beginning, Adjusted	17,324	17,536	244,974
Fund Balances Ending	\$ 130,436	\$ 17,755	\$ 240,698

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City of Oroville

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Special Revenue Nonmajor Governmental Funds For the Year Ended June 30, 2018

	Special Gas Tax Fund	Asset Seizure Fund	Total Special Revenue Nonmajor Governmental Funds
REVENUES			
Taxes:			
Franchise taxes	\$ -	\$ -	\$ 30,481
Other taxes and assessments	-	-	712,296
Fines and forfeitures	-	9,551	9,551
Interest, rents and concessions	-	1,728	236,102
Intergovernmental revenues	478,952	-	1,462,055
Charges for services	-	-	41,444
Other revenues	-	-	722,598
Total Revenues	478,952	11,279	3,214,527
EXPENDITURES			
Current:			
General Government	-	-	62,691
Public Safety	-	536	7,762
Streets and Storm Drains	105,689	-	1,295,480
Health and Sanitation	-	-	36,756
Housing and Community Development	-	-	1,370,438
Capital outlay	-	-	80,760
Total Expenditures	105,689	536	2,853,887
Excess (Deficiency) of Revenues over Expenditures	373,263	10,743	360,640
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	759,621
Transfers out	(350,719)	-	(1,077,075)
Total Other Financing Sources (Uses)	(350,719)	-	(317,454)
Net Change in Fund Balances	22,544	10,743	43,186
Fund Balances Beginning, Adjusted	-	130,865	8,111,916
Fund Balances Ending	\$ 22,544	\$ 141,608	\$ 8,155,102

Concluded

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Local Transit Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	350	350	781	431
Intergovernmental revenues	538,608	538,608	605,874	67,266
Charges for services	9,920	9,920	-	(9,920)
Other revenues	-	-	-	-
Total Revenues	548,878	548,878	606,655	57,777
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	569,415	569,415	566,080	3,335
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	569,415	569,415	566,080	3,335
Excess (Deficiency) of Revenues over Expenditures	(20,537)	(20,537)	40,575	61,112
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(39,701)	(39,701)
Total Other Financing Sources (Uses)	-	-	(39,701)	(39,701)
Net Change in Fund Balances	(20,537)	(20,537)	874	21,411
Fund Balances Beginning, Adjusted	90,861	90,861	90,861	-
Fund Balances Ending	\$ 70,324	\$ 70,324	\$ 91,735	\$ 21,411

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Drainage Impact Fees Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	500	500	-	(500)
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	350	350	6,267	5,917
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	850	850	6,267	5,417
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	850	850	6,267	5,417
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	850	850	6,267	5,417
Fund Balances Beginning, Adjusted	500,001	500,001	500,001	-
Fund Balances Ending	\$ 500,851	\$ 500,851	\$ 506,268	\$ 5,417

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Park Development Fees Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	10,000	10,000	30,703	20,703
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	150	150	1,453	1,303
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	10,150	10,150	32,156	22,006
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	10,150	10,150	32,156	22,006
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	10,150	10,150	32,156	22,006
Fund Balances Beginning, Adjusted	104,399	104,399	104,399	-
Fund Balances Ending	\$ 114,549	\$ 114,549	\$ 136,555	\$ 22,006

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Traffic Impact Fees Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	73,000	73,000	173,910	100,910
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	200	200	21,754	21,554
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	73,200	73,200	195,664	122,464
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	150,000	150,000	31,616	118,384
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	150,000	150,000	31,616	118,384
Excess (Deficiency) of Revenues over Expenditures	(76,800)	(76,800)	164,048	240,848
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(76,800)	(76,800)	164,048	240,848
Fund Balances Beginning, Adjusted	1,688,597	1,688,597	1,688,597	-
Fund Balances Ending	\$ 1,611,797	\$ 1,611,797	\$ 1,852,645	\$ 240,848

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

Drainage Citywide Fund				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	35,000	35,000	109,060	74,060
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	350	350	9,686	9,336
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	35,350	35,350	118,746	83,396
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	35,350	35,350	118,746	83,396
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	35,350	35,350	118,746	83,396
Fund Balances Beginning, Adjusted	735,315	735,315	735,315	-
Fund Balances Ending	\$ 770,665	\$ 770,665	\$ 854,061	\$ 83,396

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Local Transportation Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	50	50	6,602	6,552
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	50	50	6,602	6,552
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	50	50	6,602	6,552
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	39,701	39,701
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	39,701	39,701
Net Change in Fund Balances	50	50	46,303	46,253
Fund Balances Beginning, Adjusted	526,693	526,693	526,693	-
Fund Balances Ending	\$ 526,743	\$ 526,743	\$ 572,996	\$ 46,253

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

<u>Regional Surface Transportation Program Fund</u>				
	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	-	-	10,335	10,335
Intergovernmental revenues	-	-	199,249	199,249
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	-	-	209,584	209,584
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	560,401	(560,401)
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	560,401	(560,401)
Excess (Deficiency) of Revenues over Expenditures	-	-	(350,817)	(350,817)
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	(350,817)	(350,817)
Fund Balances Beginning, Adjusted	867,577	867,577	867,577	-
Fund Balances Ending	\$ 867,577	\$ 867,577	\$ 516,760	\$ (350,817)

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Technology Fee Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	48,025	48,025	56,932	8,907
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	130	130	1,756	1,626
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	48,155	48,155	58,688	10,533
EXPENDITURES				
Current:				
General Government	42,500	57,500	19,261	38,239
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	67,521	66,261	1,260
Total Expenditures	42,500	125,021	85,522	39,499
Excess (Deficiency) of Revenues over Expenditures	5,655	(76,866)	(26,834)	50,032
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	5,655	(76,866)	(26,834)	50,032
Fund Balances Beginning, Adjusted	127,000	127,000	127,000	-
Fund Balances Ending	\$ 132,655	\$ 50,134	\$ 100,166	\$ 50,032

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City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	SB-1186 Fees Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	3	3	83	80
Intergovernmental revenues	-	-	-	-
Charges for services	1,200	1,200	4,877	3,677
Other revenues	-	-	-	-
Total Revenues	1,203	1,203	4,960	3,757
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	40	40	-	40
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	40	40	-	40
Excess (Deficiency) of Revenues over Expenditures	1,163	1,163	4,960	3,797
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	1,163	1,163	4,960	3,797
Fund Balances Beginning, Adjusted	4,169	4,169	4,169	-
Fund Balances Ending	\$ 5,332	\$ 5,332	\$ 9,129	\$ 3,797

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City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Recycling Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	-	-	242	242
Intergovernmental revenues	-	-	500	500
Charges for services	22,400	22,400	36,567	14,167
Other revenues	-	-	-	-
Total Revenues	22,400	22,400	37,309	14,909
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	2,383	27,000	36,756	(9,756)
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	2,383	27,000	36,756	(9,756)
Excess (Deficiency) of Revenues over Expenditures	20,017	(4,600)	553	5,153
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	9,143	9,143
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	9,143	9,143
Net Change in Fund Balances	20,017	(4,600)	9,696	14,296
Fund Balances Beginning, Adjusted	22,681	22,681	22,681	-
Fund Balances Ending	\$ 42,698	\$ 18,081	\$ 32,377	\$ 14,296

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City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Housing Administration Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	-	-	1,546	1,546
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	-	-	1,546	1,546
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	-	-	1,546	1,546
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	250,000	-	-	-
Transfers in	-	-	45,214	45,214
Transfers out	-	-	(158,510)	(158,510)
Total Other Financing Sources (Uses)	250,000	-	(113,296)	(113,296)
Net Change in Fund Balances	250,000	-	(111,750)	(111,750)
Fund Balances Beginning, Adjusted	214,860	214,860	214,860	-
Fund Balances Ending	\$ 464,860	\$ 214,860	\$ 103,110	\$ (111,750)

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City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	EDBG Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	60,000	60,000	27,146	(32,854)
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	250,000	250,000	290,244	40,244
Total Revenues	310,000	310,000	317,390	7,390
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	310,000	310,000	317,390	7,390
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(300,000)	(300,000)	(355,976)	(55,976)
Total Other Financing Sources (Uses)	(300,000)	(300,000)	(355,976)	(55,976)
Net Change in Fund Balances	10,000	10,000	(38,586)	(48,586)
Fund Balances Beginning, Adjusted	-	-	-	-
Fund Balances Ending	\$ 10,000	\$ 10,000	\$ (38,586)	\$ (48,586)

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City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Public Safety Augmentation Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	105,840	105,840	120,310	14,470
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	-	-	1,117	1,117
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	105,840	105,840	121,427	15,587
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	105,840	105,840	121,427	15,587
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(105,000)	(105,000)	-	105,000
Total Other Financing Sources (Uses)	(105,000)	(105,000)	-	105,000
Net Change in Fund Balances	840	840	121,427	120,587
Fund Balances Beginning, Adjusted	32,003	32,003	32,003	-
Fund Balances Ending	\$ 32,843	\$ 32,843	\$ 153,430	\$ 120,587

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City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Police Supplemental Law Enforcement Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	-	-	1,822	1,822
Intergovernmental revenues	138,353	138,353	139,468	1,115
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	138,353	138,353	141,290	2,937
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	138,353	138,353	141,290	2,937
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(105,000)	(105,000)	-	105,000
Total Other Financing Sources (Uses)	(105,000)	(105,000)	-	105,000
Net Change in Fund Balances	33,353	33,353	141,290	107,937
Fund Balances Beginning, Adjusted	62,778	62,778	62,778	-
Fund Balances Ending	\$ 96,131	\$ 96,131	\$ 204,068	\$ 107,937

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City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Law Enforcement Impact Fee Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	5,300	5,300	14,151	8,851
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	50	50	532	482
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	5,350	5,350	14,683	9,333
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	5,350	5,350	14,683	9,333
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	5,350	5,350	14,683	9,333
Fund Balances Beginning, Adjusted	37,188	37,188	37,188	-
Fund Balances Ending	\$ 42,538	\$ 42,538	\$ 51,871	\$ 9,333

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City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Planning Grants Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	-	-	-	-
Intergovernmental revenues	267,458	267,458	38,012	(229,446)
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	267,458	267,458	38,012	(229,446)
EXPENDITURES				
Current:				
General Government	-	573,581	30,887	542,694
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	95,000	-	95,000
Total Expenditures	-	668,581	30,887	637,694
Excess (Deficiency) of Revenues over Expenditures	267,458	(401,123)	7,125	408,248
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	267,458	(401,123)	7,125	408,248
Fund Balances Beginning, Adjusted	34,512	34,512	34,512	-
Fund Balances Ending	\$ 301,970	\$ (366,611)	\$ 41,637	\$ 408,248

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City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

Fire Suppression Impact Fee Fund				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	14,410	14,410	34,149	19,739
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	50	50	588	538
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	14,460	14,460	34,737	20,277
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	2,500	2,500	5,706	(3,206)
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	2,500	2,500	5,706	(3,206)
Excess (Deficiency) of Revenues over Expenditures	11,960	11,960	29,031	17,071
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	11,960	11,960	29,031	17,071
Fund Balances Beginning, Adjusted	31,773	31,773	31,773	-
Fund Balances Ending	\$ 43,733	\$ 43,733	\$ 60,804	\$ 17,071

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City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	PEG Fee Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ 22,500	\$ 22,500	\$ 30,481	\$ 7,981
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	260	260	1,638	1,378
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	22,760	22,760	32,119	9,359
EXPENDITURES				
Current:				
General Government	7,800	7,800	12,543	(4,743)
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	7,800	7,800	12,543	(4,743)
Excess (Deficiency) of Revenues over Expenditures	14,960	14,960	19,576	4,616
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	14,960	14,960	19,576	4,616
Fund Balances Beginning, Adjusted	122,732	122,732	122,732	-
Fund Balances Ending	\$ 137,692	\$ 137,692	\$ 142,308	\$ 4,616

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City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	General Government Development Impact Fee Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	15,714	15,714	35,122	19,408
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	30	30	726	696
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	15,744	15,744	35,848	20,104
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	2,750	2,750	-	2,750
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	2,750	2,750	-	2,750
Excess (Deficiency) of Revenues over Expenditures	12,994	12,994	35,848	22,854
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	12,994	12,994	35,848	22,854
Fund Balances Beginning, Adjusted	44,840	44,840	44,840	-
Fund Balances Ending	\$ 57,834	\$ 57,834	\$ 80,688	\$ 22,854

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City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

Lighting & Landscape Maintenance Districts Fund

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	17,941	17,941	17,880	(61)
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	-	-	108	108
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	<u>17,941</u>	<u>17,941</u>	<u>17,988</u>	<u>47</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	31,821	31,821	23,900	7,921
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>31,821</u>	<u>31,821</u>	<u>23,900</u>	<u>7,921</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(13,880)</u>	<u>(13,880)</u>	<u>(5,912)</u>	<u>7,968</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(13,880)	(13,880)	(5,912)	7,968
Fund Balances Beginning, Adjusted	<u>14,109</u>	<u>14,109</u>	<u>14,109</u>	<u>-</u>
Fund Balances Ending	<u>\$ 229</u>	<u>\$ 229</u>	<u>\$ 8,197</u>	<u>\$ 7,968</u>

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City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Benefit Assessment Districts Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	-	-	541	541
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	-	-	541	541
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	18,191	18,191	6,274	11,917
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	18,191	18,191	6,274	11,917
Excess (Deficiency) of Revenues over Expenditures	(18,191)	(18,191)	(5,733)	12,458
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(18,191)	(18,191)	(5,733)	12,458
Fund Balances Beginning, Adjusted	46,452	46,452	46,452	-
Fund Balances Ending	\$ 28,261	\$ 28,261	\$ 40,719	\$ 12,458

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Westside Public Service Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	62,200	62,200	60,039	(2,161)
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	880	880	5,487	4,607
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	63,080	63,080	65,526	2,446
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	1,541	1,541	1,520	21
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	168,928	168,928	-	168,928
Total Expenditures	170,469	170,469	1,520	168,949
Excess (Deficiency) of Revenues over Expenditures	(107,389)	(107,389)	64,006	171,395
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(107,389)	(107,389)	64,006	171,395
Fund Balances Beginning, Adjusted	415,002	415,002	415,002	-
Fund Balances Ending	\$ 307,613	\$ 307,613	\$ 479,008	\$ 171,395

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Public Safety Services Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	62,200	62,200	60,040	(2,160)
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	880	880	5,950	5,070
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	63,080	63,080	65,990	2,910
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	1,520	(1,520)
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	1,520	(1,520)
Excess (Deficiency) of Revenues over Expenditures	63,080	63,080	64,470	1,390
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	63,080	63,080	64,470	1,390
Fund Balances Beginning, Adjusted	452,035	452,035	452,035	-
Fund Balances Ending	\$ 515,115	\$ 515,115	\$ 516,505	\$ 1,390

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	USDA Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	-	-	-	-
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	1,000	1,000	-	(1,000)
Total Revenues	1,000	1,000	-	(1,000)
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	68,940	68,940	-	68,940
Capital outlay	-	-	-	-
Total Expenditures	68,940	68,940	-	68,940
Excess (Deficiency) of Revenues over Expenditures	(67,940)	(67,940)	-	67,940
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	100,000	100,000	-	(100,000)
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	100,000	100,000	-	(100,000)
Net Change in Fund Balances	32,060	32,060	-	(32,060)
Fund Balances Beginning, Adjusted	-	-	-	-
Fund Balances Ending	\$ 32,060	\$ 32,060	\$ -	\$ (32,060)

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

<u>City Housing Rehabilitation Revolving Loan Fund</u>				
	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	5,700	5,700	11,117	5,417
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	15,500	15,500	10,905	(4,595)
Total Revenues	21,200	21,200	22,022	822
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	25,000	25,000	270,366	(245,366)
Capital outlay	-	-	-	-
Total Expenditures	25,000	25,000	270,366	(245,366)
Excess (Deficiency) of Revenues over Expenditures	(3,800)	(3,800)	(248,344)	(244,544)
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(3,800)	(3,800)	(248,344)	(244,544)
Fund Balances Beginning, Adjusted	741,243	741,243	741,243	-
Fund Balances Ending	\$ 737,443	\$ 737,443	\$ 492,899	\$ (244,544)

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Economic Development Revolving Loan Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	18,000	18,000	42,899	24,899
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	10,000	10,000	5,888	(4,112)
Total Revenues	28,000	28,000	48,787	20,787
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	2,369	(2,369)
Capital outlay	-	-	-	-
Total Expenditures	-	-	2,369	(2,369)
Excess (Deficiency) of Revenues over Expenditures	28,000	28,000	46,418	18,418
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(10,000)	(10,000)	(11,350)	(1,350)
Total Other Financing Sources (Uses)	(10,000)	(10,000)	(11,350)	(1,350)
Net Change in Fund Balances	18,000	18,000	35,068	17,068
Fund Balances Beginning, Adjusted	16,962	16,962	16,962	-
Fund Balances Ending	\$ 34,962	\$ 34,962	\$ 52,030	\$ 17,068

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City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	CDBG Program Income Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	43,800	43,800	27,288	(16,512)
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	80,000	80,000	133,319	53,319
Total Revenues	123,800	123,800	160,607	36,807
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	966,598	966,598	920,802	45,796
Capital outlay	-	-	14,499	(14,499)
Total Expenditures	966,598	966,598	935,301	31,297
Excess (Deficiency) of Revenues over Expenditures	(842,798)	(842,798)	(774,694)	68,104
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	580,500	580,500	632,988	52,488
Transfers out	(10,000)	(10,000)	(160,819)	(150,819)
Total Other Financing Sources (Uses)	570,500	570,500	472,169	(98,331)
Net Change in Fund Balances	(272,298)	(272,298)	(302,525)	(30,227)
Fund Balances Beginning, Adjusted	545,003	545,003	545,003	-
Fund Balances Ending	\$ 272,705	\$ 272,705	\$ 242,478	\$ (30,227)

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	CalHome Revolving Loan Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	-	-	38,500	38,500
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	187,930	187,930
Total Revenues	-	-	226,430	226,430
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	150,659	(150,659)
Capital outlay	-	-	-	-
Total Expenditures	-	-	150,659	(150,659)
Excess (Deficiency) of Revenues over Expenditures	-	-	75,771	75,771
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	75,771	75,771
Fund Balances Beginning, Adjusted	222,432	222,432	222,432	-
Fund Balances Ending	\$ 222,432	\$ 222,432	\$ 298,203	\$ 75,771

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Home Housing Revolving Loan Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	300	300	5,468	5,168
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	111,000	111,000	94,312	(16,688)
Total Revenues	111,300	111,300	99,780	(11,520)
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	106,567	106,567	19,243	87,324
Capital outlay	-	-	-	-
Total Expenditures	106,567	106,567	19,243	87,324
Excess (Deficiency) of Revenues over Expenditures	4,733	4,733	80,537	75,804
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	50,000	50,000	32,575	(17,425)
Transfers out	(500)	(500)	-	500
Total Other Financing Sources (Uses)	49,500	49,500	32,575	(16,925)
Net Change in Fund Balances	54,233	54,233	113,112	58,879
Fund Balances Beginning, Adjusted	17,324	17,324	17,324	-
Fund Balances Ending	\$ 71,557	\$ 71,557	\$ 130,436	\$ 58,879

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Rural Business Enterprise Grants Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	-	-	219	219
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	-	-	219	219
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	-	-	219	219
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	219	219
Fund Balances Beginning, Adjusted	17,536	17,536	17,536	-
Fund Balances Ending	\$ 17,536	\$ 17,536	\$ 17,755	\$ 219

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	City Revolving Loan Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	80	80	2,723	2,643
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	80	80	2,723	2,643
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	10,000	10,000	6,999	3,001
Capital outlay	-	-	-	-
Total Expenditures	10,000	10,000	6,999	3,001
Excess (Deficiency) of Revenues over Expenditures	(9,920)	(9,920)	(4,276)	5,644
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(9,920)	(9,920)	(4,276)	5,644
Fund Balances Beginning, Adjusted	244,974	244,974	244,974	-
Fund Balances Ending	\$ 235,054	\$ 235,054	\$ 240,698	\$ 5,644

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Special Gas Tax Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest, rents and concessions	-	-	-	-
Intergovernmental revenues	485,426	485,426	478,952	(6,474)
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	485,426	485,426	478,952	(6,474)
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Streets and Storm Drains	-	-	105,689	(105,689)
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	105,689	(105,689)
Excess (Deficiency) of Revenues over Expenditures	485,426	485,426	373,263	(112,163)
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(508,116)	(508,116)	(350,719)	157,397
Total Other Financing Sources (Uses)	(508,116)	(508,116)	(350,719)	157,397
Net Change in Fund Balances	(22,690)	(22,690)	22,544	45,234
Fund Balances Beginning, Adjusted	-	-	-	-
Fund Balances Ending	\$ (22,690)	\$ (22,690)	\$ 22,544	\$ 45,234

Cont'd

City of Oroville
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Asset Seizure Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Franchise taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and assessments	-	-	-	-
License and permits	-	-	-	-
Fines and forfeitures	-	-	9,551	9,551
Interest, rents and concessions	300	300	1,728	1,428
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	300	300	11,279	10,979
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	536	(536)
Streets and Storm Drains	-	-	-	-
Parks and Leisure	-	-	-	-
Health and Sanitation	-	-	-	-
Housing and Community Development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	536	(536)
Excess (Deficiency) of Revenues over Expenditures	300	300	10,743	10,443
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	300	300	10,743	10,443
Fund Balances Beginning, Adjusted	130,865	130,865	130,865	-
Fund Balances Ending	\$ 131,165	\$ 131,165	\$ 141,608	\$ 10,443

Concluded

NONMAJOR DEBT SERVICE FUNDS

Fund Title	Fund Description
City Debt Service Fund	To account for the accumulation of resources for, and payment on, long-term obligation debt principal and interest

City of Oroville
Combining Balance Sheet
Debt Service Nonmajor Governmental Funds
June 30, 2018

	City Debt Service Fund
ASSETS	
Cash and investments	\$ 183,209
Total assets	<u>\$ 183,209</u>
FUND BALANCE	
Restricted:	
Debt service	\$ 183,209
Total fund balances	<u>\$ 183,209</u>

City of Oroville
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Debt Service Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	City Debt Service Fund
REVENUES	
Other revenues	\$ 749,587
Total Revenues	<u>749,587</u>
EXPENDITURES	
Debt service	
Principal retirement	534,378
Interest and fiscal charges	348,360
Total Expenditures	<u>882,738</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(133,151)</u>
OTHER FINANCING SOURCES (USES)	
Transfers in	823,401
Transfers out	(537,601)
Total Other Financing Sources (Uses)	<u>285,800</u>
Net Change in Fund Balances	152,649
Fund Balances Beginning	<u>30,560</u>
Fund Balances Ending	<u>\$ 183,209</u>

NONMAJOR CAPITAL PROJECTS FUNDS

Fund Title	Fund Description
Capital Asset Replacement Fund	To account for major purchases of replacement equipment various departments within the City.
New Capital Equipment Fund	To account for major purchases of new equipment and small capital projects from various departments within the City.
Capital Improvement Fund	To account for capital projects for the City's infrastructure funded by the Oroville Redevelopment Agency or other funds
Bond Proceeds Capital Projects Fund	To account for expenditures of bond proceeds on capital projects.

City of Oroville
Combining Balance Sheet
Capital Projects Nonmajor Governmental Funds
June 30, 2018

	Capital Asset Replacement Fund	Capital Projects Fund	Capital Improvement Fund	Bond Proceeds Capital Projects Fund	Total Capital Projects Nonmajor Governmental Funds
ASSETS					
Cash and investments	\$ 212,357	\$ 1,426,481	\$ 28,834	\$ 3,438,718	\$ 5,106,390
Receivables:					
Accounts	-	298,212	-	-	298,212
Interest	1,045	117	117	13,967	15,246
Total assets	<u>\$ 213,402</u>	<u>\$ 1,724,810</u>	<u>\$ 28,951</u>	<u>\$ 3,452,685</u>	<u>\$ 5,419,848</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 118	\$ -	\$ -	\$ -	\$ 118
Unearned revenues	13,369	-	-	-	13,369
Advances from other funds	101,959	-	-	-	101,959
Total liabilities	<u>115,446</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>115,446</u>
Fund Balances:					
Restricted:					
Capital Projects	-	-	-	3,452,685	3,452,685
Committed:					
Capital Projects	97,956	1,724,810	28,951	-	1,851,717
Total fund balances	<u>97,956</u>	<u>1,724,810</u>	<u>28,951</u>	<u>3,452,685</u>	<u>5,304,402</u>
Total liabilities and fund balances	<u>\$ 213,402</u>	<u>\$ 1,724,810</u>	<u>\$ 28,951</u>	<u>\$ 3,452,685</u>	<u>\$ 5,419,848</u>

City of Oroville
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Capital Projects Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Capital Asset Replacement Fund	Capital Projects Fund	Capital Improvement Fund	Bond Proceeds Capital Projects Fund	Total Capital Projects Nonmajor Governmental Funds
REVENUES					
Interest, rents and concessions	\$ 3,177	\$ 586	\$ 356	\$ 42,778	\$ 46,897
Other revenues	12,242	-	-	-	12,242
Total Revenues	15,419	586	356	42,778	59,139
EXPENDITURES					
Debt service					
Interest and fiscal charges	4,194	-	-	-	4,194
Capital outlay	-	1,733,490	-	18,535	1,752,025
Total Expenditures	4,194	1,733,490	-	18,535	1,756,219
Excess (Deficiency) of Revenues over Expenditures	11,225	(1,732,904)	356	24,243	(1,697,080)
OTHER FINANCING SOURCES (USES)					
Proceeds from long-term debt	-	3,314,640	-	-	3,314,640
Total Other Financing Sources (Uses)	-	3,314,640	-	-	3,314,640
Net Change in Fund Balances	11,225	1,581,736	356	24,243	1,617,560
Fund Balances Beginning	86,731	143,074	28,595	3,428,442	3,686,842
Fund Balances Ending	\$ 97,956	\$ 1,724,810	\$ 28,951	\$ 3,452,685	\$ 5,304,402

City of Oroville
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Capital Projects Nonmajor Governmental Funds
June 30, 2018

	Capital Asset Replacement Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest, rents and concessions	\$ 300	\$ 300	\$ 3,177	\$ 2,877
Intergovernmental revenues	-	-	-	-
Other revenues	-	-	12,242	12,242
Total Revenues	300	300	15,419	15,119
EXPENDITURES				
Debt service				
Interest and fiscal charges	-	-	4,194	(4,194)
Capital outlay	44,811	44,811	-	44,811
Total Expenditures	44,811	44,811	4,194	40,617
Excess (Deficiency) of Revenues over Expenditures	(44,511)	(44,511)	11,225	55,736
OTHER FINANCING SOURCES (USES)				
Proceeds from long-term debt	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(44,511)	(44,511)	11,225	55,736
Fund Balances Beginning	86,731	86,731	86,731	-
Fund Balances Ending	\$ 42,220	\$ 42,220	\$ 97,956	\$ 55,736

Cont'd

City of Oroville
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Capital Projects Nonmajor Governmental Funds
June 30, 2018

	Capital Projects Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest, rents and concessions	\$ -	\$ -	\$ 586	\$ 586
Intergovernmental revenues	-	1,204,897	-	(1,204,897)
Other revenues	-	-	-	-
Total Revenues	-	1,204,897	586	(1,204,311)
EXPENDITURES				
Debt service				
Interest and fiscal charges	-	-	-	-
Capital outlay	-	3,309,640	1,733,490	1,576,150
Total Expenditures	-	3,309,640	1,733,490	1,576,150
Excess (Deficiency) of Revenues over Expenditures	-	(2,104,743)	(1,732,904)	371,839
OTHER FINANCING SOURCES (USES)				
Proceeds from long-term debt	-	-	3,314,640	3,314,640
Total Other Financing Sources (Uses)	-	-	3,314,640	3,314,640
Net Change in Fund Balances	-	(2,104,743)	1,581,736	3,686,479
Fund Balances Beginning	171,744	171,744	143,074	(28,670)
Fund Balances Ending	\$ 171,744	\$ (1,932,999)	\$ 1,724,810	\$ 3,657,809

Cont'd

City of Oroville
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Capital Projects Nonmajor Governmental Funds
June 30, 2018

	Capital Improvement Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest, rents and concessions	\$ -	\$ -	\$ 356	\$ 356
Intergovernmental revenues	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	-	-	356	356
EXPENDITURES				
Debt service				
Interest and fiscal charges	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	-	-	356	356
OTHER FINANCING SOURCES (USES)				
Proceeds from long-term debt	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	356	356
Fund Balances Beginning	28,595	28,595	28,595	-
Fund Balances Ending	\$ 28,595	\$ 28,595	\$ 28,951	\$ 356

Cont'd

City of Oroville
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Capital Projects Nonmajor Governmental Funds
June 30, 2018

	Bond Proceeds Capital Projects Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest, rents and concessions	\$ 1,400	\$ 1,400	\$ 42,778	\$ 41,378
Intergovernmental revenues	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	1,400	1,400	42,778	41,378
EXPENDITURES				
Debt service				
Interest and fiscal charges	-	-	-	-
Capital outlay	2,900,000	2,900,000	18,535	2,881,465
Total Expenditures	2,900,000	2,900,000	18,535	2,881,465
Excess (Deficiency) of Revenues over Expenditures	(2,898,600)	(2,898,600)	24,243	2,922,843
OTHER FINANCING SOURCES (USES)				
Proceeds from long-term debt	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(2,898,600)	(2,898,600)	24,243	2,922,843
Fund Balances Beginning	3,428,442	3,428,442	3,428,442	-
Fund Balances Ending	\$ 529,842	\$ 529,842	\$ 3,452,685	\$ 2,922,843

Concluded

INTERNAL SERVICE FUNDS

Fund Title	Fund Description
Payroll Revolving Fund	To account for the collection and disbursements of resources relative to payroll expenditures. A separate bank account is maintained specifically for payroll purposes.
Stores Revolving Fund	To account for the financing of materials and supplies provided to various departments of the City.
Vehicle Maintenance Fund	To account for resources earmarked for future repairs and maintenance on vehicles and equipment.
Workers' Compensation Revolving Fund	To account for activities relative to the City's workers' compensation self-insurance program.
Unemployment Insurance Fund	To account for activities relative to the City's unemployment compensation insurance program.
Vision Insurance Fund	To account for activities relative to the City's vision insurance program.

City of Oroville
Combining Statement of Net Position
Internal Service Funds
June 30, 2018

	Payroll Revolving Fund	Stores Revolving Fund	Vehicle Maintenance Fund	Workers' Compensation Revolving Fund	Unemployment Insurance Fund	Vision Insurance Fund	Total Governmental Activities - Internal Service Funds
ASSETS							
Current assets:							
Cash and investments	\$ 271,409	\$ 22,434	\$ 16,000	\$ 304,850	\$ 98,425	\$ 97,544	\$ 810,662
Accounts receivable	20,574	-	-	-	-	-	20,574
Interest receivable	-	-	-	1,149	400	400	1,949
Inventory	-	5,529	25,249	-	-	-	30,778
Total assets	291,983	27,963	41,249	305,999	98,825	97,944	863,963
DEFERRED OUTFLOWS OF RESOURCES							
Pension adjustments	-	\$ -	\$ 91,603	\$ -	\$ -	\$ -	\$ 91,603
LIABILITIES							
Current liabilities:							
Accounts payable	\$ 159,960	\$ 2,150	\$ 12,203	\$ -	\$ -	\$ 1,156	\$ 175,469
Payroll related liabilities	131,963	-	12,539	-	-	-	144,502
Other payables and accruals	60	-	-	-	-	-	60
Total current liabilities	291,983	2,150	24,742	-	-	1,156	320,031
Non-current liabilities:							
Net pension obligations	-	-	325,431	-	-	-	325,431
Total liabilities	291,983	\$ 2,150	\$ 350,173	\$ -	\$ -	\$ 1,156	\$ 645,462
DEFERRED INFLOWS OF RESOURCES							
Pension adjustments	\$ -	\$ -	\$ 29,591	\$ -	\$ -	\$ -	\$ 29,591
NET POSITION							
Unrestricted	\$ -	\$ 25,813	\$ (246,912)	\$ 305,999	\$ 98,825	\$ 96,788	\$ 280,513
Total net position	\$ -	\$ 25,813	\$ (246,912)	\$ 305,999	\$ 98,825	\$ 96,788	\$ 280,513

City of Oroville
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2018

	Payroll Revolving Fund	Stores Revolving Fund	Vehicle Maintenance Fund	Workers' Compensation Revolving Fund	Unemployment Insurance Fund	Vision Insurance Fund
OPERATING REVENUES						
Charges for services	\$ 291,983	\$ -	\$ 598,248	\$ 309,000	\$ 29,637	\$ 5,123
Reimbursements	-	21,586	-	-	-	-
Total operating revenues	291,983	21,586	598,248	309,000	29,637	5,123
OPERATING EXPENSES						
Salaries and benefits	291,983	-	237,043	-	-	-
Supplies	-	-	165,457	-	-	-
Other services and charges	-	27,748	192,002	142,528	-	-
Claims	-	-	-	-	18,325	21,208
Total operating expenses	291,983	27,748	594,502	142,528	18,325	21,208
Operating income (loss)	-	(6,162)	3,746	166,472	11,312	(16,085)
NONOPERATING REVENUES(EXPENSES)						
Investment earnings	-	-	-	4,051	1,214	1,296
Total nonoperating revenues(expenses)	-	-	-	4,051	1,214	1,296
Income (loss) before operating transfers	-	(6,162)	3,746	170,523	12,526	(14,789)
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Change in net position	-	(6,162)	3,746	170,523	12,526	(14,789)
Total net position - beginning	-	31,975	(250,658)	135,476	86,299	111,577
Total net position - ending	\$ -	\$ 25,813	\$ (246,912)	\$ 305,999	\$ 98,825	\$ 96,788

City of Oroville
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2018

	Payroll Revolving Fund	Stores Revolving Fund	Vehicle Maintenance Fund	Workers' Compensation Revolving Fund	Unemployment Insurance Fund	Vision Insurance Fund	Total Governmental Activities - Internal Service Funds
Cash flows from operating activities:							
Receipts from interfund services provided	\$ 271,863	\$ 21,586	\$ 598,248	\$ 309,000	\$ 29,637	\$ 5,123	\$ 1,235,457
Payments to suppliers and providers	-	(25,851)	(353,945)	(442,528)	(20,361)	(21,094)	(863,779)
Payments to employees	(454)	-	(228,303)	-	-	-	(228,757)
Net cash provided (used) by operating activities	<u>271,409</u>	<u>(4,265)</u>	<u>16,000</u>	<u>(133,528)</u>	<u>9,276</u>	<u>(15,971)</u>	<u>142,921</u>
Cash flows from investing activities:							
Investment income	-	-	-	3,720	991	1,114	5,825
Net cash provided (used) by investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,720</u>	<u>991</u>	<u>1,114</u>	<u>5,825</u>
Net increase (decrease) in cash and cash equivalents	271,409	(4,265)	16,000	(129,808)	10,267	(14,857)	148,746
Cash and cash equivalents - beginning	-	26,699	-	434,658	88,158	112,401	661,916
Cash and cash equivalents - ending	<u>\$ 271,409</u>	<u>\$ 22,434</u>	<u>\$ 16,000</u>	<u>\$ 304,850</u>	<u>\$ 98,425</u>	<u>\$ 97,544</u>	<u>\$ 810,662</u>
Reconciliation of operating income to net cash provided (used) by operating activities:							
Operating income (loss)	\$ -	\$ (6,162)	\$ 3,746	\$ 166,472	\$ 11,312	\$ (16,085)	\$ 159,283
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Change in operating assets and liabilities:							
Accounts receivables	24,294	-	-	-	-	-	24,294
Deferred outflows of resources	-	-	16,635	-	-	-	16,635
Deferred inflows of resources	-	-	(19,954)	-	-	-	(19,954)
Accounts payable	159,506	1,897	4,987	-	(2,036)	114	164,468
Payroll related liabilities	131,963	-	(6,441)	-	-	-	125,522
Other payables and accruals	60	-	-	-	-	-	60
Net pension obligations	-	-	18,500	-	-	-	18,500
Interfund receivables and payables	(44,414)	-	-	-	-	-	(44,414)
Net cash provided (used) by operating activities	<u>\$ 271,409</u>	<u>\$ (4,265)</u>	<u>\$ 16,000</u>	<u>\$ (133,528)</u>	<u>\$ 9,276</u>	<u>\$ (15,971)</u>	<u>\$ 142,921</u>

AGENCY FUNDS

Fund Title	Fund Description
Special Deposit Trust Funds	To account for the collection and payment of various deposits including performance bonds, fire hydrant deposits, and sewer connection deposits collected for other agencies.

City of Oroville
Combining Balance Sheet
Agency Funds
June 30, 2018

	<u>Special Deposit Trust Funds</u>
ASSETS	
Current assets:	
Cash and investments	\$ 910,243
Receivables	<u>39,280</u>
Total assets	<u><u>\$ 949,523</u></u>
 LIABILITIES	
Current liabilities:	
Accounts payable	\$ 114,190
Deposits payable	496,878
Due to other agencies	<u>338,455</u>
Total liabilities	<u><u>\$ 949,523</u></u>

City of Oroville
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2018

Special Deposit Trust Fund	Balance July 01, 2017	Additions	Deductions	Balance June 30, 2018
ASSETS				
Cash and investments	\$ 870,262	\$ 247,803	\$ 207,822	\$ 910,243
Receivables	39,212	39,280	39,212	39,280
Total assets	\$ 909,474	\$ 287,083	\$ 247,034	\$ 949,523
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 207,822	\$ 114,190	\$ 207,822	\$ 114,190
Deposits payable	385,879	110,999	-	496,878
Due to other agencies	315,773	22,682	-	338,455
Total liabilities	\$ 909,474	\$ 247,871	\$ 207,822	\$ 949,523



STATISTICAL SECTION

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This part of the City of Oroville'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 government's overall financial health.

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; property taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the government'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 government's financial report relates to the services the City provides and the activities it performs.

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities:										
Net investment in capital assets	\$ 11,512,305	\$ 15,022,573	\$ 15,379,291	\$ 13,110,503	\$ 13,015,066	\$ 13,298,388	\$ 34,834,507	\$ 32,421,950	\$ 28,237,557	\$ 24,443,029
Restricted	4,063,999	5,495,347	5,841,478	34,614,096	32,687,196	33,876,457	8,425,616	10,868,535	14,927,356	15,089,353
Unrestricted	30,612,745	24,688,683	27,582,885	8,150,810	8,372,009	7,618,914	(7,055,955)	(6,858,147)	(6,668,899)	(6,107,587)
Total Governmental Activities Net Position	\$ 46,189,049	\$ 45,206,603	\$ 48,803,654	\$ 55,875,409	\$ 54,074,271	\$ 54,793,759	\$ 36,204,168	\$ 36,432,338	\$ 36,496,014	\$ 33,424,795
Business-type activities:										
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,374,997	\$ 7,843,254	\$ 8,124,400
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	805,669	701,394	639,487	329,224	236,064	422,283	323,638	5,112,249	5,400,424	6,920,527
Total Business-Type Activities Net Position	\$ 805,669	\$ 701,394	\$ 639,487	\$ 329,224	\$ 236,064	\$ 422,283	\$ 323,638	\$ 8,487,246	\$ 13,243,678	\$ 15,044,927
Primary government:										
Net investment in capital assets	\$ 11,512,305	\$ 15,022,573	\$ 15,379,291	\$ 13,110,503	\$ 13,015,066	\$ 13,298,388	\$ 34,834,507	\$ 35,796,947	\$ 36,080,811	\$ 32,567,429
Restricted	4,063,999	5,495,347	5,841,478	34,614,096	32,687,196	33,876,457	8,425,616	10,868,535	14,927,356	15,089,353
Unrestricted	31,418,414	25,390,077	28,222,372	8,480,034	8,608,073	8,041,197	(6,732,317)	(1,745,898)	(1,268,475)	812,940
Total Primary Government Net Position	\$ 46,994,718	\$ 45,907,997	\$ 49,443,141	\$ 56,204,633	\$ 54,310,335	\$ 55,216,042	\$ 36,527,806	\$ 44,919,584	\$ 49,739,692	\$ 48,469,722

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental Activities:										
General Government	\$ 3,254,442	\$ 2,540,032	\$ 2,172,282	\$ 2,408,143	\$ 2,503,161	\$ 2,571,905	\$ 2,968,029	\$ 2,050,798	\$ 3,007,221	\$ 2,902,396
Public Safety	7,010,748	7,139,146	7,168,100	7,919,128	7,823,664	7,776,039	8,080,320	8,602,715	9,377,115	10,220,776
Public Works	1,586,656	1,390,260	1,358,012	1,252,132	1,419,806	1,266,059	799,469	848,382	147,468	202,051
Streets and Storm Drains	949,237	825,763	835,234	1,009,836	819,108	638,448	1,194,193	955,548	1,856,714	2,631,724
Parks and Leisure	927,792	1,230,892	1,542,029	2,731,128	1,435,575	1,226,718	1,359,793	1,407,831	1,532,240	1,515,886
Transportation	509,462	503,689	553,893	691,645	735,007	592,427	467,993	497,251	-	-
Health and Sanitation	1,360,243	1,344,401	1,646,946	1,686,298	1,716,356	1,493,462	2,036,146	116,738	88,395	95,522
Housing and Community Development	5,722,327	4,843,176	5,386,551	9,734,800	6,109,168	3,512,865	1,845,795	1,126,496	1,052,615	786,635
Interest and Fiscal Charges	1,779,150	1,680,975	1,637,390	1,884,524	1,518,758	1,965,879	871,067	311,806	294,877	349,554
Total Governmental Activities Expenses	23,100,057	21,498,334	22,300,437	29,317,634	24,080,603	21,043,802	19,622,805	15,917,565	17,356,645	18,704,544
Business-Type Activities:										
Local Transportation	485,875	294,466	350,471	505,722	519,619	488,493	560,820	540,867	-	-
Airport	-	-	-	-	-	-	-	-	725,280	633,349
Sewer	-	-	-	-	-	-	-	2,419,070	2,507,123	2,176,729
Total Business-Type Activities Expenses	485,875	294,466	350,471	505,722	519,619	488,493	560,820	2,959,937	3,232,403	2,810,078
Total Primary Government Expenses	23,585,932	21,792,800	22,650,908	29,823,356	24,600,222	21,532,295	20,183,625	18,877,502	20,589,048	21,514,622
Program Revenues										
Governmental Activities:										
Charges For Services:										
General Government	777,362	625,720	360,093	456,382	652,142	1,044,339	775,672	1,054,814	601,905	633,046
Public Safety	456,466	113,641	246,808	200,056	346,903	586,558	804,884	919,375	202,794	224,542
Public Works	176,576	206,077	251,008	441,321	321,388	90,817	79,194	155,690	39,957	43,136
Streets and Storm Drains	148,727	50,272	83,120	96,294	195,273	168,645	215,264	1,284,246	195,314	301,850
Parks and Leisure	713,658	16,998	50,880	126,649	65,633	292,342	88,043	333,735	68,861	104,779
Transportation	460,937	560,095	523,175	497,683	506,070	126,747	266,076	42,964	-	-
Health and Sanitation	1,728,044	1,808,105	2,136,522	2,359,307	2,474,544	2,759,432	3,019,041	19,197	27,443	36,566
Housing and Community Development	1,976,395	1,040,798	2,945,493	1,762,107	2,983,632	1,346,634	-	1,869	4,091	9,580
Operating Grants and Contributions	3,562,981	2,507,962	5,187,330	7,049,895	4,899,372	2,963,505	2,301,132	3,876,294	4,176,241	2,252,096
Capital Grants and Contributions	1,809,680	2,130,596	755,728	934,239	343,628	1,280,775	203,474	-	-	-
Total Governmental Activities Program Revenues	11,810,826	9,060,264	12,540,157	13,923,933	12,788,585	10,659,794	7,752,780	7,688,184	5,316,606	3,605,595
Business-Type Activities:										
Charges For Services:										
Local Transportation	5,051	6,121	6,991	10,207	11,206	8,328	11,569	11,558	-	-
Airport	-	-	-	-	-	-	-	-	493,189	458,399
Sewer	-	-	-	-	-	-	-	3,457,808	3,542,458	3,630,028
Operating Grants and Contributions	401,230	540,043	460,262	475,194	505,692	575,078	545,208	693,071	-	426,620
Total Business-Type Activities Program Revenues	406,281	546,164	467,253	485,401	516,898	583,406	556,777	4,162,437	4,035,647	4,515,047
Total Primary Government Program Revenues	12,217,107	9,606,428	13,007,410	14,409,334	13,305,483	11,243,200	8,309,557	11,850,621	9,352,253	8,120,642
Net Expense(Revenue)										
Governmental activities	11,289,231	12,438,070	9,760,280	15,393,701	11,292,018	10,384,008	11,870,025	8,229,381	12,040,039	15,098,949
Business-Type activities	79,594	(251,698)	(116,782)	20,321	2,721	(94,913)	4,043	(1,202,500)	(803,244)	(1,704,969)
Total Primary Government Net Expense	11,368,825	12,186,372	9,643,498	15,414,022	11,294,739	10,289,095	11,874,068	7,026,881	11,236,795	13,393,980

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Revenues and Other Changes In Net Position										
Governmental Activities:										
Taxes:										
Property Taxes	6,883,060	6,474,547	6,404,500	4,331,329	1,962,107	1,605,675	1,920,182	1,037,556	1,954,496	2,023,679
Sales and Use Taxes	2,734,674	2,292,835	2,556,200	2,698,234	2,756,313	3,045,776	2,897,928	3,356,969	4,285,876	4,364,469
Sales and Use Taxes In-Lieu	2,109,251	2,181,518	1,935,673	1,892,404	2,194,730	2,053,454	2,231,317	1,897,058	1,236,179	1,093,031
Transient Occupancy Tax	320,008	334,870	346,716	363,530	421,261	426,190	469,311	523,926	626,940	711,980
Utility Users Tax	1,462,014	1,490,161	1,529,221	1,553,442	1,577,706	1,594,686	1,630,983	1,769,229	1,868,606	1,964,304
Franchise Tax	488,888	453,175	442,870	422,213	439,968	513,879	656,824	646,327	889,735	863,589
Other Taxes	23,053	36,545	28,101	26,733	32,558	326,716	428,337	821,176	3,223,887	844,024
Investment Earnings	177,202	138,643	146,561	74,472	15,237	296,696	268,334	238,550	308,339	439,367
Unrestricted Grants and Contributions	89,741	79,779	277,000	-	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	738,796	949,861	1,599,079	1,662,092	1,915,889
Transfers	-	361,076	182,038	291,369	91,000	434,055	96,545	(6,916,349)	(3,850,792)	-
Special Items	-	-	-	-	-	-	(2,719,193)	3,484,030	247,302	(1,415,262)
Total Governmental Activities	14,287,891	13,843,149	13,848,880	11,653,726	9,490,880	11,035,923	8,830,429	8,457,551	12,452,660	12,805,070
Business-Type Activities:										
Investment Earnings	16,624	5,103	3,349	1,427	561	307	710	37,689	41,129	82,670
Other Revenues	-	-	-	-	-	-	-	7,070	61,267	13,610
Transfers	-	(361,076)	(182,038)	(291,369)	(91,000)	91,000	(96,545)	6,916,349	3,850,792	-
Total Business-Type Activities	16,624	(355,973)	(178,689)	(289,942)	(90,439)	91,307	(95,835)	6,961,108	3,953,188	96,280
Total Primary Government	14,304,515	13,487,176	13,670,191	11,363,784	9,400,441	11,127,230	8,734,594	15,418,659	16,405,848	12,901,350
Extraordinary Item	-	(2,387,525)	(491,549)	11,509,606	-	-	-	-	-	-
Change In Net Position										
Governmental activities	2,998,660	(982,446)	3,597,051	7,769,631	(1,801,138)	651,915	(3,039,596)	228,170	412,621	(2,293,879)
Business-Type activities	(62,970)	(104,275)	(61,907)	(310,263)	(93,160)	186,220	(99,878)	8,163,608	4,756,432	1,801,249
Total Primary Government	\$ 2,935,690	\$ (1,086,721)	\$ 3,535,144	\$ 7,459,368	\$ (1,894,298)	\$ 838,135	\$ (3,139,474)	\$ 8,391,778	\$ 5,169,053	\$ (492,630)

Page 2 of 2 (concluded)

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund:										
Nonspendable		1,826,619	\$ 1,824,021	\$ 30,837	\$ 32,595	\$ 32,594	\$ 21,433	\$ 22,760	\$ 255,914	\$ 249,443
Restricted		23,455	23,455	23,455	23,455	-	-	-	-	-
Committed		951,059	924,828	800,000	1,107,229	1,188,859	365,404	1,944,884	113,750	488,648
Assigned		562,822	473,976	291,753	1,872,963	20,463	820,463	800,000	1,500,000	1,500,000
Unassigned		1,247,468	2,202,839	2,854,813	978,552	1,607,181	2,572,758	1,548,610	2,924,418	4,014,028
Reserved	\$ 2,018,270									
Unreserved	2,860,538									
Total General Fund	\$ 4,878,808	\$ 4,611,423	\$ 5,449,119	\$ 4,000,858	\$ 4,014,794	\$ 2,849,097	\$ 3,780,058	\$ 4,316,254	\$ 4,794,082	\$ 6,252,119
All Other Governmental Funds:										
Nonspendable		24,984,681	\$ 24,208,218	\$ 24,244,936	\$ 23,421,982	\$ 22,468,166	\$ 3,962	\$ 5,089	\$ -	\$ 1,925
Restricted		10,728,656	12,031,355	9,504,531	9,717,713	11,418,955	8,425,616	10,868,535	14,927,356	15,089,353
Committed		1,611,294	1,885,323	5,702,469	4,729,430	4,034,540	2,775,227	2,165,140	1,535,847	3,107,620
Assigned		10,267,952	11,290,586	2,076,673	2,192,962	3,398,319	4,823,795	2,015,857	800,080	395,229
Unassigned ⁽²⁾		(21,597,756)	(20,363,240)	(299,117)	(283,252)	(405,880)	(429,991)	(9,038)	-	(38,586)
Reserved	\$ 34,645,371									
Unreserved, Reported In:										
Special Revenue Funds	(11,045,637)									
Debt Service Funds	473,059									
Capital Projects Funds	5,473,637									
Total All Other Governmental Funds	\$ 29,546,430	\$ 25,994,827	\$ 29,052,242	\$ 41,229,492	\$ 39,778,835	\$ 40,914,100	\$ 15,598,609	\$ 15,045,583	\$ 17,263,283	\$ 18,555,541

¹ City adopted GASB Statement No. 54 in 2010. Prior year amounts have not been restated.

² The Oroville Redevelopment Agency (RDA) was dissolved on February 1, 2012. Residual assets and liabilities of the RDA were transferred to a private-purpose trust fund.

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Taxes	\$ 14,020,948	\$ 13,263,651	\$ 13,140,625	\$ 11,326,272	\$ 9,383,000	\$ 9,632,290	\$ 10,234,882	\$ 10,052,241	\$ 14,517,489	\$ 11,865,076
Licenses and Permits	305,279	273,071	330,726	548,712	521,567	558,078	611,896	1,744,810	411,068	420,172
Fines and Forfeitures	80,813	105,202	54,793	82,220	79,213	85,734	59,945	72,235	130,538	79,672
Interest, Rents, and Concessions	2,616,158	2,145,611	2,232,010	1,777,177	1,692,788	1,585,439	472,328	490,291	373,557	559,562
Intergovernmental Revenues	5,218,287	4,437,887	6,074,278	8,209,369	5,235,906	5,045,540	3,062,428	3,930,057	3,967,894	2,216,311
Charges for Services	1,825,401	2,048,720	2,376,190	2,716,441	2,806,747	3,235,033	3,459,858	673,497	305,313	383,632
Other Revenues	3,396,845	1,819,075	4,072,668	1,826,304	2,617,448	1,642,183	2,546,109	3,686,026	2,481,544	3,282,524
Total Revenues	27,463,731	24,093,217	28,281,290	26,486,495	22,336,669	21,784,297	20,447,446	20,649,157	22,187,403	18,806,949
Expenditures										
General Government	2,574,182	2,485,526	2,130,720	2,277,003	2,399,355	2,456,728	2,820,121	2,271,084	2,955,997	2,740,341
Public Safety	7,125,145	6,921,467	6,708,238	7,453,132	7,412,037	7,279,920	7,676,355	9,034,734	8,497,111	8,194,968
Public Works	448,931	183,024	252,524	337,704	361,507	240,738	181,030	169,127	99,233	129,963
Streets and Storm Drains	978,716	835,452	822,465	982,306	808,367	625,486	1,152,114	1,085,360	1,249,406	1,945,767
Parks and Leisure	1,103,583	1,067,041	1,334,756	1,288,537	1,006,295	803,675	839,273	962,956	1,007,452	938,690
Transportation	425,549	420,940	465,155	548,814	586,053	439,095	362,474	444,968	-	-
Health and Sanitation	1,364,720	1,349,585	1,638,361	1,621,346	1,635,955	1,395,029	1,914,160	64,974	32,689	36,756
Housing and Community Development	4,941,616	4,800,823	5,349,352	9,284,869	6,105,756	4,870,805	3,757,063	3,433,688	3,716,487	2,138,065
Capital Outlay	4,467,125	4,279,952	1,661,626	2,918,624	1,171,490	1,575,787	1,237,662	1,471,702	1,724,600	2,332,785
Debt Service:										
Principal Retirement	863,369	993,160	1,052,407	1,112,124	1,130,295	1,154,200	1,230,000	430,900	503,827	561,405
Interest and Fiscal Charges	2,991,700	2,938,448	2,875,124	2,197,927	1,510,953	1,442,330	1,412,067	313,806	296,877	352,554
Total Expenditures	27,284,636	26,275,418	24,290,728	30,022,386	24,128,063	22,283,793	22,582,319	19,683,299	20,083,679	19,371,294
Excess of Revenues Over(Under) Expenditures	179,095	(2,182,201)	3,990,562	(3,535,891)	(1,791,394)	(499,496)	(2,134,873)	965,858	2,103,724	(564,345)
Other Financing Sources(Uses)										
Transfers In	8,902,959	8,378,876	8,449,394	6,884,402	6,371,795	6,899,195	4,416,023	5,337,064	3,870,174	2,611,410
Transfers Out	(8,402,761)	(8,135,117)	(7,602,444)	(6,493,717)	(6,017,122)	(6,430,139)	(6,534,423)	(9,715,186)	(3,126,008)	(2,611,410)
Transfers from Successor Agency	-	-	-	-	-	-	-	3,395,434	-	-
Proceeds from the Sale of Capital Assets	-	-	-	-	-	-	-	-	196,583	-
Defeasance of Long-term Debt	-	-	-	-	-	-	(20,323,437)	-	-	-
Other Long-Term Debt Proceeds	289,920	145,903	-	264,177	-	-	-	-	-	3,314,640
Total Other Financing Sources(Uses)	790,118	389,662	846,950	654,862	354,673	469,056	(22,441,837)	(982,688)	940,749	3,314,640
Extraordinary Item	-	(2,387,525)	(491,549)	13,129,166	-	-	-	-	-	-
Net Change In Fund Balances	\$ 969,213	\$ (4,180,064)	\$ 4,345,963	\$ 10,248,137	\$ (1,436,721)	\$ (30,440)	\$ (24,576,710)	\$ (16,830)	\$ 3,044,473	\$ 2,750,295
Debt Service as Percentage of Noncapital Expenditures										
	16.9%	17.5%	19.6%	11.7%	11.5%	12.5%	12.4%	4.1%	4.4%	5.4%

Notes:

In 2016, the City reclassified its sewer activities to enterprise funds instead of governmental funds causing a reduction on the governmental fund charges for services.

In 2017, the City reclassified its Airport activities to enterprise funds instead of governmental funds.

City of Oroville

**Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)**

Fiscal Year	City of Oroville			Taxable Assessed Value	Oroville Redevelopment ¹			Taxable Assessed Value	Total Direct Tax Rate
	Secured	Unsecured	Utility		Secured	Unsecured	Utility		
2009	112,723	1,681	21	114,425	885,613	119,496	955	1,006,064	1.000%
2010	102,855	1,471	21	104,347	872,554	118,233	955	991,742	1.000%
2011	98,830	1,268	24	100,122	826,992	123,073	1,176	951,241	1.000%
2012	100,962	8,723	24	109,709	794,741	125,740	1,176	921,657	1.000%
2013	88,825	1,164	24	90,013	-	-	-	-	1.000%
2014	109,763	946	24	110,733	-	-	-	-	1.000%
2015	111,163	691	26	111,880	-	-	-	-	1.000%
2016	115,932	722	26	116,680	-	-	-	-	1.000%
2017	174,934	1,138	26	176,098	-	-	-	-	1.000%
2018	202,431	1,130	26	203,587	-	-	-	-	1.000%

¹ Amounts prior to fiscal year 2013 include assessed valuations of the former Oroville Redevelopment Agency which was dissolved effective February 1, 2012.

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

Source: Butte County Auditor/Controller's Office
Department of Finance, City of Oroville

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

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
City Direct Rates:										
City of Oroville	\$ 1.000000	\$ 1.000000	\$ 1.000000	\$ 1.000000	\$ 1.000000	\$ 1.000000	\$ 1.000000	\$ 1.000000	\$ 1.000000	\$ 1.000000
Total City Direct Rate	<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>
Overlapping Rates:										
Butte College	0.020880	0.020880	0.020880	0.020880	0.020880	0.020880	0.020880	0.020880	0.020880	0.046560
Oroville Elementary School	0.017366	0.018963	0.018664	0.020156	0.021866	0.017850	0.024533	0.009366	0.028415	0.016014
Oroville High School District	0.015008	0.035438	0.036745	0.035660	0.041104	0.032699	0.044548	0.026657	0.050384	0.030518
	<u>\$ 1.053254</u>	<u>\$ 1.075281</u>	<u>\$ 1.076289</u>	<u>\$ 1.076696</u>	<u>\$ 1.083850</u>	<u>\$ 1.071429</u>	<u>\$ 1.089961</u>	<u>\$ 1.056903</u>	<u>\$ 1.099679</u>	<u>\$ 1.093092</u>

Note:

In 1978 the voters of the State of California passed Proposition 13 which limited property tax rate to a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of various school district bonds.

Source: Butte County Auditor/Controller's Office
 Department of Finance, City of Oroville

City of Oroville
Principal Property Tax Payers
Current Year and Nine Years Ago
(amounts expressed in thousands)

Taxpayer	2018			2009		
	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Pacific Coast Producers	\$ 27,469	1	1.35%	\$ 28,207	1	2.52%
Roplast Industries, Inc	18,814	2	0.92%	11,932	2	1.06%
Walmart	17,762	3	0.87%	6,554	10	0.58%
Ammunition Accessories	16,454	4	0.81%	7,283	9	0.65%
Oroville Plaza Shopping Center, LLC	13,681	5	0.67%			0.00%
Oroville Medical Complex	11,494	6	0.56%	10,359	6	0.92%
Currier Square Spe LLC	10,393	7	0.51%	11,965	3	1.07%
Sierra Pacific Industries	9,870	8	0.48%	10,984	4	0.98%
Doves Landing	9,185	9	0.45%			0.00%
Home Depot	8,366	10	0.41%	11,081	5	0.99%
Pacific Oroville Power				8,931	7	0.80%
California AVIV LLC				8,610	8	0.77%
Totals	<u>\$ 143,488</u>		<u>7.05%</u>	<u>\$ 115,906</u>		<u>10.34%</u>

Note: Amounts shown above include assessed value data for both the City of Oroville and the Oroville Redevelopment Agency

Source: Butte County Auditor/Controller's Office
 Department of Finance, City of Oroville

City of Oroville
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	As Percent Of Tax Levy
2009	9,372,575	8,322,389	88.80%	235,442	8,557,831	91.31%
2010	9,123,272	8,188,656	89.76%	118,319	8,306,975	91.05%
2011	10,513,628	8,009,844	76.19%	83,850	8,093,694	76.98%
2012	10,313,662	5,766,144	55.91%	95,641	5,861,785	56.84%
2013	537,585 ¹	459,215	85.42%	82,652	541,867	100.80%
2014	1,732,878	1,424,772	82.22%	59,958	1,484,730	85.68%
2015	667,863	667,863	100.00%	-	667,863	100.00%
2016	695,019	688,069	99.00%	-	688,069	99.00%
2017	698,842	683,125	97.75%	-	683,125	97.75%
2018	675,316	670,133	99.23%	-	670,133	99.23%

¹ Amounts prior to fiscal year 2013 include property tax levies and collection for the former Oroville RDA.

Source: Department of Finance, City of Oroville

City of Oroville
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities									
	OPFA ¹		Pension Obligation Bonds	Limited Obligation Bonds	USDA Loan	Other Loans/Leases	Total Governmental Activities	Total Primary Government	Percentage of Personal Income	Debt Per Capita
	Revenue Bonds	Tax Allocation Bonds								
2009	-	26,102,328	6,951,875	-	289,920	293,685	33,637,808	33,637,808	10.42%	2,298
2010	-	25,408,829	6,766,145	-	419,523	211,825	32,806,322	32,806,322	9.78%	2,234
2011	-	24,690,328	6,550,415	-	402,623	126,319	31,769,685	31,769,685	8.92%	2,044
2012	-	24,135,284	6,304,686	-	649,100	36,895	31,125,965	31,125,965	8.72%	1,914
2013	-	23,344,652	6,018,956	-	630,700	-	29,994,308	29,994,308	8.35%	1,927
2014	-	22,435,000	5,745,000	-	611,500	-	28,791,500	28,791,500	7.55%	1,793
2015	-	-	5,380,000	-	591,500	-	5,971,500	5,971,500	1.22%	368
2016	-	-	4,970,000	-	570,600	225,225	5,765,825	5,765,825	1.49%	368
2017	-	-	4,515,000	-	548,800	198,198	5,261,998	5,261,998	1.07%	276
2018	-	-	4,010,000	-	526,100	3,479,133	8,015,233	8,015,233	1.50%	419

¹ The Oroville Public Financing Authority (OPFA) is a joint powers authority created by the City of Oroville and the Oroville Redevelopment Agency. The Oroville City Council acts as the governing body of the OPFA and is treated as a blended component unit of the City of Oroville.

Note: The "Percentage of Personal Income" and "Debt Per Capita" ratios are calculated using personal income and population for the prior calendar year.

Source: State Department of Finance
 Bureau of Economic Analysis
 Department of Finance, City of Oroville

City of Oroville
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Total	Percentage of Assessed Value ¹	Per Capita
	OPFA		Pension Obligation Bonds	Less: Restricted Resources Available ²			
	Revenue Bonds	Tax Allocation Bonds					
2009	-	26,102,328	6,951,875	1,984,533	31,069,670	27.15%	2,122
2010	-	25,408,829	6,766,145	1,984,163	30,190,811	28.93%	2,056
2011	-	24,690,328	6,550,415	1,983,196	29,257,547	29.22%	1,882
2012	-	24,135,284	6,304,686	1,950,921	28,489,049	25.97%	1,752
2013	-	23,344,652	6,018,956	1,950,948	27,412,660	30.45%	1,761
2014	-	22,435,000	5,745,000	1,950,948	26,229,052	23.69%	1,633
2015	-	-	5,380,000	-	5,380,000	4.81%	332
2016	-	-	4,970,000	-	4,970,000	4.26%	306
2017	-	-	4,515,000	-	4,515,000	2.56%	237
2018	-	-	4,010,000	-	4,010,000	1.97%	210

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

² Restricted resources only include restricted cash with fiscal agent amount. Restricted loans receivable due from the Oroville Successor Agency have been excluded as amounts are not available for current debt payments.

Note: General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which, the City has none).

Source: Department of Finance, City of Oroville

City of Oroville
Direct and Overlapping Debt
June 30, 2018

City of Oroville Assessed Valuation	\$	203,587,000	
	Percentage Applicable¹	Outstanding Debt June 30, 2018	Estimated Share of Overlapping Debt
Overlapping Debt Repaid With Property Taxes:			
Oroville Unified Elementary District General Obligation Bonds	3.328%	\$ 4,129,539	\$ 137,431
Oroville Unified High School District General Obligation Bonds	6.793%	13,376,385	908,658
Butte Community College District	6.116%	102,540,000	6,271,346
Total Overlapping Debt Repaid With Property Taxes		<u>120,045,924</u>	<u>7,317,435</u>
Overlapping Other Debt:			
Total Other Overlapping Debt		<u>-</u>	<u>-</u>
Total Overlapping Debt		<u>\$ 120,045,924</u>	7,317,435
Direct Debt			<u>8,015,233</u>
Total Direct And Overlapping Debt			<u>\$ 15,332,668</u>

¹ For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: Butte County Auditor/Controller's Office
Department of Finance, City of Oroville

City of Oroville
Legal Debt Margin Information
Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2018
Assessed Valuation ¹	\$ 1,121,443,000	\$ 1,096,089,000	\$ 1,051,363,000	\$ 1,030,366,000	\$ 1,011,670,000	\$ 1,032,390,000	\$ 1,051,075,607	\$ 1,055,875,607	\$ 1,115,293,607	\$ 1,142,782,607
Conversion percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted assessed valuation	\$ 280,360,750	\$ 274,022,250	\$ 262,840,750	\$ 257,591,500	\$ 252,917,500	\$ 258,097,500	\$ 262,768,902	\$ 263,968,902	\$ 278,823,402	\$ 285,695,652
Charter debt limit percentage	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
Debt limit	\$ 42,054,113	\$ 41,103,338	\$ 39,426,113	\$ 38,638,725	\$ 37,937,625	\$ 38,714,625	\$ 39,415,335	\$ 39,595,335	\$ 41,823,510	\$ 42,854,348
Total net debt applicable to limit: General obligation debt	7,535,480	7,397,357	7,079,357	7,040,995	6,649,656	6,356,500	5,971,500	5,765,825	5,261,998	8,015,233
Legal debt margin	\$ 34,518,633	\$ 33,705,981	\$ 32,346,756	\$ 31,597,730	\$ 31,287,969	\$ 32,358,125	\$ 33,443,835	\$ 33,829,510	\$ 36,561,512	\$ 34,839,115
Total debt applicable to the limit as a percentage of debt limit	17.9%	18.0%	18.0%	18.2%	17.5%	16.4%	15.2%	14.6%	12.6%	18.7%

¹ Assessed valuations include amounts applicable to the former Oroville Redevelopment Agency which was dissolved effective February 1, 2012, but will continue to be included for the purpose of legal and debt margin calculations.

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation, but the City of Oroville's Charter provides for a debt limit of 3.75% of gross assessed valuation. However, California's provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: Butte County Auditor-Controller's Office
Department of Finance, City of Oroville

City of Oroville
Pledge Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Tax Allocation Bonds			Coverage
	Tax Increment	Debt Service		
		Principal	Interest	
2009	6,323,564	625,000	1,239,680	3.39
2010	6,289,041	705,000	1,218,249	3.27
2011	5,970,083	730,000	1,192,881	3.10
2012	3,020,646 ¹	755,000	1,165,310	1.57
2013	1,417,241	785,000	1,135,781	0.74
2014	1,991,739	815,000	1,081,634	1.05
2015	1,617,472	845,000	1,069,574	0.84
2016	1,775,433 ²	850,000	664,340 ²	1.17
2017	1,860,729 ²	875,000	692,454 ²	1.19
2018	1,708,477 ²	920,000	666,670 ²	1.08

¹ Effective February 1, 2012, the Oroville Redevelopment Agency was dissolved and future increment payments will be made to the Oroville Successor Agency for payment of "enforceable obligations" only. Debt service payments are considered an "enforceable obligation" of the Successor Agency.

² From Successor Agency trust fund tax allocation bonds.

Note: Details of the City's and the Successor Agency's outstanding debt can be found in the notes to financial statements.

Source: Department of Finance, City of Oroville

City of Oroville
Demographic and Economic Statistics
Last Ten Fiscal Years

Calendar Year	Population¹	Personal Income² (in thousands)	Per Capita Personal Income	Unemployment Rate³
2009	14,369	322,731	22,460	17.4%
2010	14,687	335,510	22,844	17.8%
2011	15,546	356,066	22,904	19.1%
2012	16,260	356,923	21,951	17.2%
2013	15,566	359,061	23,067	14.1%
2014	16,061	381,352	23,744	7.9%
2015	16,220	419,157	25,842	12.8%
2016	16,260	388,077	23,867	7.0%
2017	19,033	493,678	25,938	7.3%
2018	19,121	536,115	28,038	6.3%

Note: The "Per Capita Personal Income" is based on the 1994-2004 average annual growth rate of PCPI at 3.9%.

Source: ¹ State Department of Finance

² Bureau of Economic Statistics

³ State of California Employment Development Department
(data shown is for Butte County)

City of Oroville
Principal Employers
Current Year and Nine Years Ago

Employer	2018		2009	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
County of Butte	2,591	40.48%	2,318	28.79%
Oroville Medical Complex	1,362	21.28%	979	12.15%
Pacific Coast Producers	999	15.61%	577	7.16%
Wal Mart Stores, Inc.	402	6.28%	293	3.63%
Graphic Packaging International	238	3.72%	-	0.00%
Roplast Industries, Inc.	123	1.92%	108	1.34%
Home Depot USA	124	1.94%	110	1.37%
Sierra Pacific Industries	125	1.55%	111	1.38%
Ammunition Accessories	117	1.83%	93	1.15%
City of Oroville	102	1.59%	122	1.52%
Currier Square Spe LLC	92	1.44%	103	1.28%

"Total Employment" as used above represents the total employment of all employers located within City limits. The "Nine Years Ago"; "Number of Employees" is based on the quotient percentage between 1998 and 2007. The estimate assumes constant change between known years.

Source: City of Oroville 2017-18 CAFR

Source: Employment Development Department , Various Employers, LMI Division

Source: Butte County Auditor-Controller's Office

City of Oroville
Full-Time and Part-Time City Employees by Function
Last Ten Fiscal Years

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government	14	22	15	15	16	16	11	10	10	19
Public Safety	62	39	60	60	60	55	66	65	57	58
Public Works	14	20	18	18	19	14	13	16	13	15
Community Development	11	11	10	10	9	5	6	6	6	3
Parks and Trees	21	20	10	10	9	6	8	7	5	4
Planning			10	10	10	6	8	6	6	3
	<u>122</u>	<u>112</u>	<u>123</u>	<u>123</u>	<u>123</u>	<u>102</u>	<u>112</u>	<u>110</u>	<u>97</u>	<u>102</u>

Source: Department of Finance, City of Oroville

City of Oroville
Operating Indicators by Function
Last Ten Fiscal Years

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police:										
Arrests	2,131	1,833	1,742	2,489	2,747	3,182	2,780	4,115	4,028	3,301
Parking Citations Issued	275	277	288	409	250	346	156	161	163	68
Fire:										
Number of Emergency Calls	3,678	3,403	2,633	3,305	3,252	3,217	3,489	3,793	3,890	4,520
Inspections	2,558	1,877	1,772	2,659	372	233	338	824	472	408
Public Works:										
Street Resurfacing (miles)	-	4.5	-	-	-	-	2.0	-	-	0.4
Parks and Recreation:										
Number of Facility Rentals	129	148	179	225	223	231	197	210	182	185
Wastewater:										
New Connections ¹	17	16	10	62	11	62	11	14	15	27
Average Daily Flows (thousands of gallons)	167	165	116	103	156	149	150	152	183	157

¹ New wastewater connections are provided by the City, but administered by Sewerage Commission - Oroville Region.

Source: City of Oroville
Sewerage Commission - Oroville Region

City of Oroville
Capital Asset Statistics
Last Ten Fiscal Years

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Fire Stations	1	1	1	1	1	1	1	1	1	1
Public Works:										
Streets (miles)	92.60	92.60	92.60	92.60	92.60	96.00	105.50	105.50	106.20	106.20
Streetlights	1,375	1,375	1,377	1,391	1,409	1,409	1,509	1,509	1,509	1,509
Traffic Signals	7	7	7	7	7	7	7	7	9	9
Parks and Recreation:										
Parks	7	7	7	7	7	7	7	7	7	7
Community Centers	3	3	3	3	3	3	3	3	3	3
Wastewater ¹ :										
Sewer Lines (miles)	66	66	66	66	66	66	66	66	69	69
Sewer Storm Drains	31	31	31	31	31	40	40	40	41	41
Maximum Daily Capacity (thousands of gallons)	166.79	165.49	166.21	105.00	106.00	106.00	106.00	106.00	106.00	120.00

¹ Wastewater treatment services are provided through the Sewerage Commission - Oroville Region (SCOR). Wastewater and stormdrain pipelines are installed by the City, but administered by SCOR.

Source: City of Oroville
 Sewerage Commission - Oroville Region