

ITEM 10.F.

MOORPARK CITY COUNCIL AGENDA REPORT

TO: The Honorable City Council

FROM: Ron Ahlers, Finance Director *RA*

DATE: December 28, 2010 (CC Meeting of January 5, 2011)

SUBJECT: Consider Annual Financial Statements and Other Audit Reports for Fiscal Year Ended June 30, 2010

SUMMARY

The Comprehensive Annual Financial Report {CAFR}, Management Letter, Single Audit Report, Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Accountant's Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheets and the Independent Auditor's memo regarding the audit process of the City of Moorpark for June 30, 2010 are hereby submitted for Council approval.

BACKGROUND

The City is required to conduct an annual independent audit of its financial statements. The audit firm of Teaman, Ramirez & Smith, Inc. Certified Public Accountants {TRS} conducted the annual audit and with staff assistance prepared the required financial statements. For the fiscal year ended June 30, 2010, the City received an unqualified opinion. The City currently has six bond issues for which it is responsible (three redevelopment bonds and three assessment district bonds). The bond proceeds from these six issues have been spent in accordance with the bond documents.

AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended June 30, 2009. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

DISCUSSION

CAFR

Attached for your approval are the annual financial statements for the year ended June 30, 2010 for the City of Moorpark. The financial statements are comprehensive and include all of the fund types in the City.

The City Council engaged an independent certified public accounting firm, TRS, to perform the annual audit of the City of Moorpark and its component units. The results of the audit performed are formally published in the CAFR. This report must satisfy both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements. Additionally, the CAFR is sent out to numerous government agencies and financial institutions in order to comply with various reporting, financial and subsequent bond disclosure requirements. The overall financial picture of the City is presented, in accordance to the Governmental Accounting Standards Board (GASB) pronouncements, on a Government-wide basis. This is designed to provide readers with a broad overview of the City's finances similar to a private-sector business. These statements show the June 30, 2010 fiscal year balances and overall results of operations for the period then ended, for all City funds, including the Redevelopment Agency. The statements are as follows:

Management's Discussion and Analysis (MD & A). This discussion and analysis starts the financial section of the CAFR and serves as an executive summary. GAAP requires that management provide this narrative introduction, overview and analysis to accompany the basic financial statements. The *letter of transmittal*, which precedes the MD & A in the introductory section, is designed to supplement the MD & A and should be read in conjunction with it. The MD & A is found immediately following the report from the independent auditors. The report from the auditors contains an opinion letter in which an entity can receive basically 3 opinions; unqualified, qualified, and adverse. An unqualified opinion from the auditors is the highest given. For the fiscal year 2009/10 audit, the City of Moorpark received an unqualified opinion.

The Statement of Net Assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets (page 14) may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cashflows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation and sick leave). A positive increase in net assets of \$1.3 million was reported in fiscal year 2009/10 (page 15).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the City include general government, public safety, public services, parks and recreation and interest on long-term debt.

Following the government-wide statements in the CAFR, the *Balance Sheet, and the Statement of Revenues, Expenditures and Changes in Fund Balances* are presented for all major and non-major governmental funds. A major fund is one of material significance and is determined through prescribed calculations. The General Fund is always considered a major fund by definition. Other governmental funds can be declared major funds by management due to other factors, even if they fail the qualifications resulting from the calculations. Non-major funds are all combined together for presentation. Reconciliations between these governmental statements and the government-wide statements are also presented.

The Statement of Fiduciary Assets and Liabilities, Agency Funds is located on page 24.

All of these statements are followed by the *Notes to the Financial Statements*.

The Required Supplementary Information begins at page 65 and details the budget to actual comparisons for all the major funds of the City, beginning with the General Fund.

The next section of the CAFR provides statements for each individual non-major governmental fund. The governmental funds are presented in their various categories: special revenue funds and capital project funds. Additionally, there is the budget to actual comparisons for each non-major fund.

The last section of the CAFR contains statistical data about the City of Moorpark. This section is prepared by staff and not reviewed by the auditors. All of the tables and schedules present numerous facts about the City, many for the last 10 years. The statistical facts include population figures, principal taxpayers, and assessed valuations of taxable property to name a few.

As of December 30, 2010 the CAFR was placed on the City's website:
<http://ci.moorpark.ca.us>

General Fund Financial Status

For fiscal year ended June 30, 2010, the General Fund unreserved fund balance totaled \$3.0 million, which equates to approximately 27% of operating expenses. Per Council policy the City transferred out \$1,838,000 to the Special Projects Fund this past year. This represents current fiscal year surplus of \$1,632,000 and prior year residual surplus of \$206,000. In May 2010 we estimated the General Fund surplus to be \$693,000. The final surplus is \$1,632,000, which is \$939,000 greater than our estimate in May.

Management Letter and Single Audit Report

As part of the annual audit, the independent auditors are also required to report to management regarding internal controls and the City's compliance with federal grants. The independent auditors issue two reports to satisfy this requirement: Management Letter and Single Audit Report.

Management Letter

It is standard practice for the independent auditors to note recommendations for improvement in the Management Letter.

There are various levels of observations that are reported to management. The first and most serious type of observation is known as a "material weakness". A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected. The independent auditors reported no "material weakness" for the City.

The second level of deficiency is a "significant deficiency". A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affect the entity's ability to authorize, initiate, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected. The independent auditors reported no "significant deficiency" for the City.

The third and final category of observations identified by the independent auditors is that of "control deficiency". A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect financial statement misstatements on a timely basis. A deficiency in design exists when a control necessary to meet the control objective is missing, or when an existing control is not properly designed so that even if the control operates as designed, the control objective is not always met. A deficiency in operation exists when a properly designed control does not operate as designed or when the person performing the control does not possess the necessary authority or qualifications to perform the control effectively. These comments are intended to improve internal controls or result in other operating efficiencies. The independent auditors reported three such observations. (1) Purchasing Policy – A new purchasing policy shall be written and distributed to the employees by March 31, 2011. (2) New Accounting Standard – During fiscal year 2010/11 the Finance staff shall implement GASB 54 by reclassifying fund types and fund balance. This will be implemented by June 30, 2011. (3) Fraud Prevention and Detection Program – The City will research a fraud prevention, "tip hotline", for use by employees, vendors and citizens. Expected implementation date is June 30, 2011.

Single Audit Report ~ (No report required this year)

The City was not required to conduct a single audit this year because the City did not meet the \$500,000 federal grant expenditure threshold. The Single Audit is specifically designed to meet the needs of all federal grantor agencies from which the City receives funds.

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The independent auditors noted no findings in this report for the fiscal year ended June 30, 2010.

Independent Accountant's Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheets

The independent auditors noted no findings for the City's calculations with regards to the appropriations limit for the fiscal year ended June 30, 2010.

Independent Auditor's memo regarding the audit process

The independent auditors noted no findings for the audit process for the fiscal year ended June 30, 2010.

STAFF RECOMMENDATION **(Roll Call Vote)**

Accept the Comprehensive Annual Financial Report (CAFR), Management Letter, Memo stating that a Single Audit was not required this year, Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Accountant's Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheets, and the Independent Auditor's memo regarding the audit process and receive and file this report.

Attachments:

1. City of Moorpark CAFR for year ended June 30, 2010
2. Management Letter
3. Memo stating that a Single Audit was not required this year
4. Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
5. Independent Accountant's Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheets
6. Independent Auditor's memo regarding the audit process

CITY OF MOORPARK, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended June 30, 2010

Prepared By:

Ron Ahlers, Finance Director
Irmira Lumbad, Finance & Accounting Manager
Debbie Burdorf, Accountant I

**City of Moorpark
Comprehensive Annual Financial Report
Year Ended June 30, 2010**

TABLE OF CONTENTS

	PAGE
I. INTRODUCTORY SECTION	
Letter of Transmittal	i - vi
Directory of Officials	vii
Organizational Chart	viii
Certificate of Achievement of Excellence in Financial Reporting	ix
 II. FINANCIAL SECTION	
Independent Auditors' Report	1 - 2
Management Discussion & Analysis	3 - 13
Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Assets	14
Statement of Activities	15
Fund Financial Statements	
Balance Sheet - Governmental Funds	16 - 18
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	19
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	20 - 22
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23
Statement of Fiduciary Assets and Liabilities	24
Notes to Financial Statements	25 - 64
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	65 - 67
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Street and Traffic Safety Development Special Revenue Fund	68
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Community Development Special Revenue Fund	69 - 70
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Assessment District Special Revenue Fund	71 - 72
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Endowment Special Revenue Fund	73
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Park/Public Facilities Special Revenue Fund	74 - 75

**City of Moorpark
Comprehensive Annual Financial Report
Year Ended June 30, 2010**

TABLE OF CONTENTS - Continued

	PAGE
Required Supplementary Information - Continued:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – MRA Operating Special Revenue Fund	76 - 77
Schedule of Funding Progress for MRHP	78
Notes to Required Supplementary Information	79
Supplementary Information:	
Budgetary Comparison Schedules - Major Fund	
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
Police Facilities Fee Capital Projects Fund	80
Redevelopment Agency Capital Projects Fund	81
Redevelopment Agency Debt Service Fund	82
Non-Major Governmental Funds	83 - 84
Combining Balance Sheet	85 - 88
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	89 - 92
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
Library Services Special Revenue Fund	93
Traffic Safety Special Revenue Fund	94
Affordable Housing Special Revenue Fund	95
Los Angeles Area of Contribution Special Revenue Fund	96
Tierra Rejada/Spring A.O.C Special Revenue Fund	97
Cassey/Gabbert Area of Contribution Special Revenue Fund	98
Freemont Storm Drain A.O.C Special Revenue Fund	99
State and Federal Assistance Special Revenue Fund	100
State Gas Tax Special Revenue Fund	101
Prop 1B Local Streets and Roads Special Revenue Fund	102
Art in Public Places Special Revenue Fund	103
Prop 1B Safety and Security Special Revenue Fund	104
Low and Moderate Income Housing Special Revenue Fund	105
Local Transportation Transit Special Revenue Fund	106
Solid Waste Special Revenue Fund	107
Capital Projects Fund	108
City Hall Building Capital Projects Fund	109
Equipment Replacement Capital Projects Fund	110
Statement of Changes in Net Assets - Agency Funds	111
III. STATISTICAL SECTION	
Net Assets by Component - Last Eight Fiscal Years	112 - 113
Changes in Net Assets Governmental Activities - Last Eight Fiscal Years	114 - 115
Fund Balances of Governmental Funds - Last Eight Fiscal Years	116 - 117
Changes in Fund Balances of Governmental Funds - Last Eight Fiscal Years	118 - 119

**City of Moorpark
Comprehensive Annual Financial Report
Year Ended June 30, 2010**

TABLE OF CONTENTS - Continued

	PAGE
III. STATISTICAL SECTION - Continued	
Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	120
Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years	121
Principal Property Tax Payers- Current Year and Nine Years Ago	122
Property Tax Levies and Collections- Last Ten Fiscal Years	123
Ratios of Outstanding Debt by Type- Last Ten Fiscal Years	124
Ratio of General Bonded Debt Outstanding- Last Ten Fiscal Years	125
Direct and Overlapping Debt	126
Legal Debt Margin Information- Last Ten Fiscal Years	127 - 128
Pledged Revenue Coverage- Last Ten Fiscal Years	129
Demographic and Economic Statistics- Last Ten Calendar Years	130
Principal Employers- Current and Ten Calendar Years Ago	131
Full-Time and Part-Time City Employees by Function- Last Ten Fiscal Years	132
Operating Indicators by Function- Last Ten Fiscal Years	133
Capital Asset Statistics by Function- Last Ten Fiscal Years	134



City of Moorpark

799 Moorpark Avenue, Moorpark, California 93021 (805) 517-6200 fax (805) 532-2545

December 7, 2010

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

We are pleased to present this Comprehensive Annual Financial Report (CAFR) of the City of Moorpark, California (City) for the fiscal year ended June 30, 2010. The City has continued to prepare the CAFR to comply with the financial reporting model developed by the Governmental Accounting Standards Board (GASB) Statement 34. This model improves the financial reporting by adding significant additional information not previously available in local government financial statements prior to GASB 34.

As a result of GASB 34, the Government-Wide Financial Statements are presented along with the fund-by-fund financial information. The Government-Wide Financial Statements include a Statement of Net Assets that provides the total net equity of the City including infrastructures and the Statement of Activities that shows the cost of providing government services. These statements include all assets and liabilities using the accrual basis of accounting (similar to a private-sector business) versus the modified accrual method used in the fund financial statements. A reconciliation of the balance sheet of the Governmental Funds to the Statement of Net Assets has been prepared to reflect the changes between the two reporting methods. In addition, the reporting model includes an emphasis on the City's major funds as shown in the Governmental Fund Statements. These statements and other significant information are analyzed in the narrative section called Management's Discussion and Analysis (MD&A). The MD&A provides "financial highlights" and a brief overview of the basic financial statements. In addition, the MD&A provides the readers of the City's financial statements with financial trends, explanation of variances and economic factors for the upcoming fiscal year's budget.

Furthermore, in May 2004, the GASB issued Statement No. 44, Economic Condition Reporting. This statement requires the statistical section to be presented with detailed information, typically in ten-year trends, that assists users in utilizing the basic financial statements, notes to basic financial statements, and required supplementary information to assess the economic condition of a government. This statement was effective starting with fiscal year 2005/06 and has resulted in changes to the statistical section. The City continues to present the statistical

i

JANICE S. PARVIN
Mayor

ROSEANN MIKOS
Mayor Pro Tem

KEITH F. MILLHOUSE
Councilmember

DAVID POLLOCK
Councilmember

MARK VAN DAM
Councilmember

section with detail information to be in compliance with GASB No. 44 requirements for fiscal year 2009/10.

Responsibility for both the accuracy of this data, and the completeness and fairness of its 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 are reported in a manner that presents fairly the account groups and the financial position and operational results of the City's various funds and component units. All disclosures necessary to enable the reader to gain an understanding of the City's activities have been included.

THE REPORTING ENTITY AND ITS SERVICES

The financial reporting entity includes all the funds of the City as well as all of its component units. The City is the primary government. The component units are the Moorpark Redevelopment Agency (Agency), the Moorpark Public Financing Authority (Authority) and the Moorpark Industrial Development Authority (IDA).

The City was incorporated in 1983 as a general law city and operates under a Council-Manager form of government.

The Agency was formed in 1987 with the objective of providing long-term financing of capital improvements designed to eliminate physical and economic blight in the designated project area.

The Authority was formed in 1993 as a joint powers authority between the City and the Agency in order to provide financial assistance to the City and the Agency by issuing debt and financing the construction of public facilities.

The IDA of the City was formed in 1985 pursuant to the California Industrial Development Financing Act (the "Act"). Its purpose is to finance the acquisition and development of certain industrial activities as permitted by the Act and to issue bonds for the purpose of enabling industrial firms to finance the cost of such activities.

PROFILE OF THE CITY OF MOORPARK

The City provides a full range of services to its residents with a total regular full-time staff of approximately 56 and part-time staff of approximately 45 employees. Major services such as police (contracted with Ventura County Sheriff), attorney, library, development engineering and inspection, building and safety plan check/inspection, transit, street sweeping and landscape maintenance are provided through contractual arrangements. In addition, fire protection is provided by the Ventura County Fire District. The City provides services such as emergency management, redevelopment, housing, planning, code compliance, recreation programs, vector/animal control, park and facilities maintenance, street maintenance, city

engineering, crossing guard and administrative management services with city employees.

HISTORY OF THE CITY OF MOORPARK

In 1887, Robert W. Poindexter was granted title to the present site of Moorpark. He named the City after the Moorpark apricot which grew throughout the valley. Poindexter plotted Moorpark city streets and planted Pepper trees in the downtown area. The City was incorporated in 1983 as the tenth city of Ventura County with a Council-Manager form of government. The Mayor is elected at large to serve a two-year term. The four Council Members are elected at large to serve staggered four-year terms. The size of the City was 12.36 square miles with a population of about 10,000 at incorporation and is currently at 12.44 square miles with a population of approximately 37,000 (source: California Department of Finance). Moorpark is recognized for having the lowest number of serious crimes committed in Ventura County and is one of the safest cities of its size in the United States.

BUDGETARY CONTROL

The City prepares an annual budget consistent with Generally Accepted Accounting Principles (GAAP) for all governmental funds on a modified accrual basis where revenues are recognized when they become measurable and available to finance expenditures of the current period. Expenditures are recorded when the goods or services are received and the liabilities are incurred.

Department directors are responsible, not only to accomplish his/her particular goals within each program, but also to monitor budget allocations consistent to the funding levels adopted by the City Council prior to July 1 of the budget year.

In addition, the City maintains budgetary control through the use of an encumbrance accounting system. As purchase orders are issued, corresponding amounts are encumbered for later payments to ensure that budget amounts are not over-spent.

INTERNAL CONTROLS

The City's management is responsible for developing and establishing an internal control structure to ensure that the assets of the government are protected from loss, theft, misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of the costs and benefits requires estimates and judgments by management.

ANNUAL AUDIT

An independent accounting firm has performed the annual audit of the City's financial statements for the fiscal year ended June 30, 2010. As part of the annual audit, reviews are made to determine the adequacy of the City's internal control structure, as well as to determine that the City has complied with certain provisions of laws and regulations. Their examination has been completed and the auditor's report on the City's financial statements is included at the beginning of the Financial Section of this report.

APPROPRIATION LIMIT

Article XIII B of the California Constitution (Proposition 4), commonly referred to as the "Gann Initiative" was approved by California voters in 1979, which placed limits on the amount of proceeds of taxes that State and Local agencies can appropriate and spend each fiscal year. In addition, voters approved Proposition 111 in 1990 to further increase the accountability of local government in adopting their limits by requiring the governing body to annually adopt, by resolution, an appropriation limit for the upcoming fiscal year. The appropriation limit and the City's appropriations subject to the limit for fiscal year 2009/10 amounted to \$26,198,908 and \$13,748,165, respectively.

CASH MANAGEMENT

The City Treasurer is responsible for investing cash temporarily idle during the year in accordance with the State Government Code and the Investment Policy adopted by the City Council. The City diversified its investment portfolio by utilizing several investment instruments. At fiscal year end June 30, 2010, approximately \$51.7 million (City & Agency combined) was invested with the State Treasurer's Local Agency Investment Fund (LAIF); approximately \$49.3 million in the Ventura County Pool; and \$0.7 million was invested in Certificate of Deposits (CDs).

The cash management system of the City is designed to monitor revenues and expenditures to ensure the investment of monies to the fullest extent possible. The criteria for selecting investments and the order of priority are (a) safety, (b) liquidity, and (c) yield. The underlying objective of the City's policy is to obtain the highest interest rate yields, and at the same time, ensure that money is available when needed and all deposits are insured by the Federal Deposit Insurance Corporation or collateralized.

CAPITAL ASSETS

In accordance with GASB Statement No. 34, the City has reported all capital assets including infrastructure in the Government-Wide Statement of Net Assets. The City elected to use the basic approach for all infrastructures reporting, whereby depreciation expense and accumulated depreciation have been recorded. Capital

assets for the fiscal year ended June 30, 2010 have a net ending balance of \$151.1 million.

LONG-TERM LIABILITIES/BONDED LIABILITIES

At June 30, 2010, the City has no outstanding bonds or other debt but does have long-term liabilities in the approximate amount of \$0.7 million for employee compensated absences (accrued leave) and \$1.3 million for Pension related liabilities.

The Agency has the 1999 Tax Allocation Refunding Bonds, the 2001 Tax Allocation Bonds and the 2006 Tax Allocation Bonds outstanding in the amounts of \$5.5 million, \$11.5 million and \$11.4 million, respectively. The purpose of the 1999 Bonds was to advance refund the Agency's previously issued 1993 Tax Allocation Bonds. The purpose of the 2001 and 2006 bonds were to finance a portion of the costs of implementing the Redevelopment Plan and fund redevelopment activities within the Agency project area.

RISK MANAGEMENT

The City is a member of the California Joint Powers Insurance Authority (CJPIA) established under the provisions of California Government Code 6500 et seq., consisting of over 100 California public entities. The CJPIA provides risk coverage for its members through the pooling of losses and purchased insurance. The coverage extends to general liability and workers' compensation administered by CJPIA. In addition, the City also participates in the all-risk property protection offered by CJPIA. Various control techniques, including safety, ergonomic, harassment and driver awareness training have been implemented to minimize losses.

AWARD

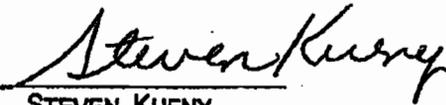
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended June 30, 2009. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENT

We would like to express appreciation to all City staff that assisted and contributed to the preparation of this report, particularly to the members of the Finance Department. We would also like to extend our appreciation to the auditors, Teaman, Ramirez & Smith, Inc., Certified Public Accountants for their professional assistance. As in the past, the CAFR is available on the City's website at www.ci.moorpark.ca.us.

Respectfully submitted,



STEVEN KUENY
CITY MANAGER



RON AHLERS
FINANCE DIRECTOR

City of Moorpark



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

DIRECTORY OF CITY OFFICIALS

CITY COUNCIL

Janice S. Parvin, Mayor

Roseann Mikos, Mayor Pro Tem
Keith F. Millhouse, Councilmember

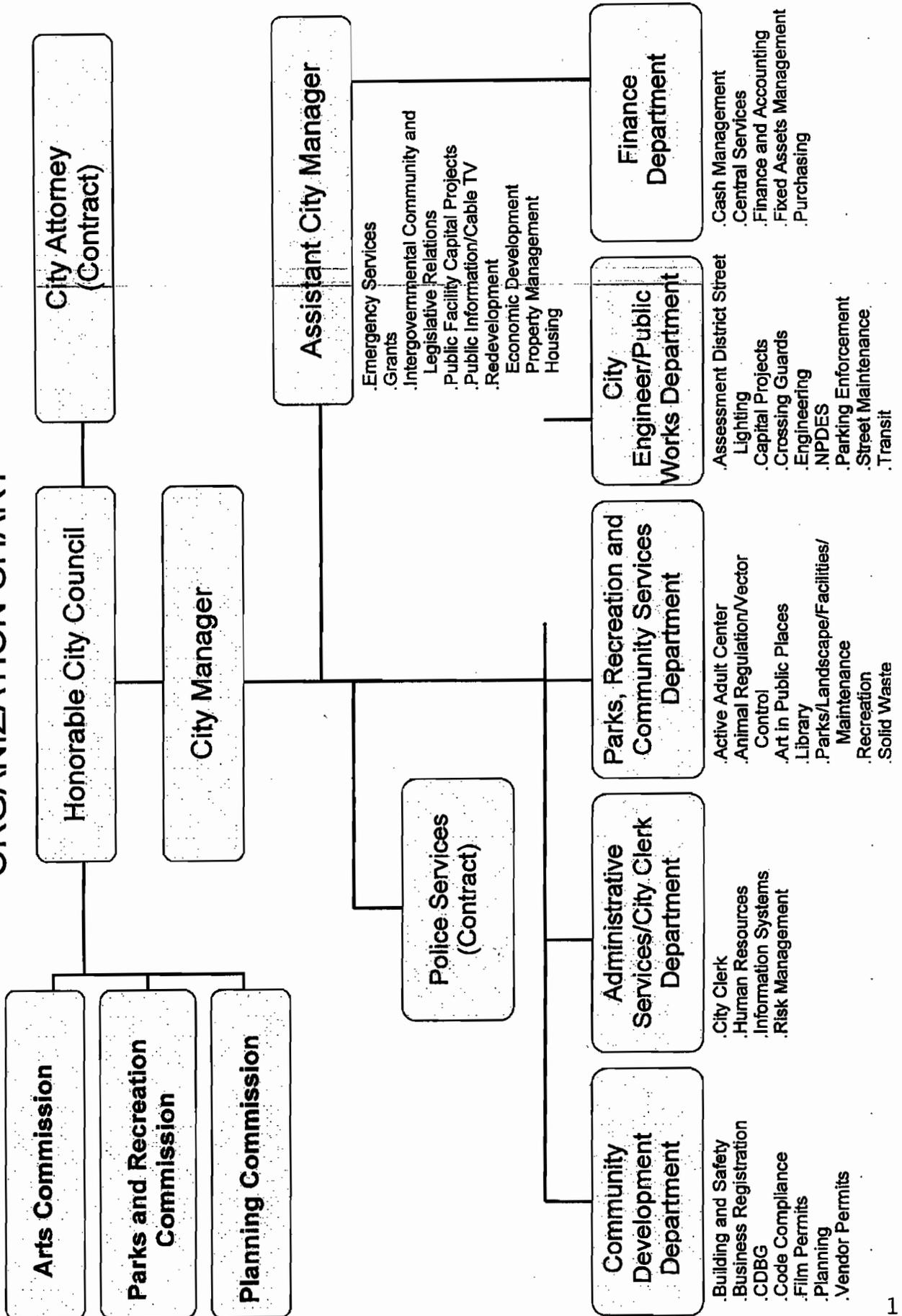
David Pollock, Councilmember
Mark Van Dam, Councilmember

CITY MANAGEMENT STAFF

Steven Kueny, City Manager
Hugh Riley, Assistant City Manager

Ron Ahlers, Finance Director
David Bobardt, Community Development Director
Deborah Traffenstedt, Administrative Services Director
Vacant, City Engineer/Public Works Director
Vacant, Parks & Recreation Director

CITY OF MOORPARK ORGANIZATION CHART



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Moorpark
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

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



President

Executive Director

Independent Auditors' Report

The Honorable City Council
The City of Moorpark, California

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Moorpark, California (City), as of and for the year ended June 30, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2010, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2010 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 13, the budgetary comparison information on pages 65 through 77, and the schedule of funding progress for MRHP are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, supplementary information section, 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 basic financial statements. The supplementary information section has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Teaman Ramirez & Smith, L.L.C.

December 7, 2010

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2010**

As management of the City of Moorpark, California (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City (the "Primary Government") for the fiscal year ended June 30, 2010. It is encouraged that the readers consider the information presented here in conjunction with the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of fiscal year 2009/10 by \$248,428,562 (net assets). Of this amount, \$17,761,703 is not restricted by external law or administrative action for a specified purpose. The City Council's approval is required before these funds may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$1,302,959 during the current fiscal year. The Statement of Net Assets is presented on page 15.
- As of June 30, 2010, the City's governmental funds (General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds) reported combined ending fund balances of \$132,781,925, a decrease of \$2,826,257, from the prior year.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$2,662,713.
- The City's total Long – Term Liabilities decreased by \$491,562 or 1.6% during the current fiscal year. The decrease is attributable to the difference between employee compensated absences addition; the fiscal years regularly scheduled debt service payments for the 1999, 2001 and 2006 Tax Allocation Bonds; and the decrease in pension related debt.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components:

- 1) Government-wide financial statements
- 2) Fund financial statements
- 3) Notes to basic financial statements

Other required supplementary information is included in addition to the basic financial statements.

Government-Wide Financial Statements. The City has presented its financial statements under the reporting model required by Governmental Accounting Standards Board Statement No. 34 (GASB 34) and its related Statements, GASB 37, 38, and 41. These financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *government-wide financial* statements include the *statement of net assets* and the *statement of activities*.

The *governmental activities* of the City include general government, public safety, public services, parks and recreation, debt service, and interest on debt. The City does not have any *business-type activities*.

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2010**

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

The *statement of activities* presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements include not only the City as the primary government, but also a legally separate Moorpark Redevelopment Agency (Agency), the Moorpark Public Financing Authority (Authority), and the Industrial Development Authority (IDA) of the City. Although legally separate from the City, these component units are blended with the primary government because of their governance or financial relationships to the City.

The government-wide financial statements can be found on pages 14 and 15 of this report.

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 state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds. *Governmental Funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental 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 financial requirements.

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

The City maintains a variety of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Street and Traffic Safety, Community Development, Assessment District, Endowment, Parks/Public Facilities, MRA Operating, Police Facilities Fee, Moorpark Highlands Improvement, Redevelopment Agency Capital Projects, Special Projects and Redevelopment Agency Debt Service. All of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the *non-major governmental funds* section of this report.

The City adopts an annual budget for all its funds. A budgetary comparison statement is provided for all funds with an annually adopted budget to demonstrate compliance with their respective budgets. The budgetary comparison

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2010**

statements are located in the basic financial statements. The non-major governmental fund budgetary comparisons are located in the *non-major governmental funds* section of the report.

Fiduciary Funds. Fiduciary funds, which consist solely of trust and agency funds, are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the *government-wide financial statements* because the resources of the fund are *not* available to support the City's own programs. Fiduciary funds are custodial in nature and, therefore, the accounting used does not involve the measurement of the results of operations. The basic fiduciary fund financial statement can be found on page 24 of this report.

Notes to the Basic Financial Statements. The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 26-64 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City has continued to present its financial statements under the reporting model required by GASB 34. A comparative analysis of the government-wide data has been included in this report.

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$248.4 million at the close of the current fiscal year.

The City's net assets invested in capital assets, net of related debt reflects a positive \$141.1 million. As shown on Table 1, the largest portion of the City's net assets (57%) is its investment in capital assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion of the City's net assets (36%) represents resources that are subject to external restrictions on how they may be used. The major restrictions on net assets are funding source restrictions. The remaining balance of total net assets (7%) is unrestricted and may be used to meet the City's obligations to citizens and creditors in accordance with the finance-related legal requirements reflected in the City's fund structure. At the end of the fiscal year ended June 30, 2010, the City reported positive balances in all three categories of net assets, both for the City as a whole, as well as for its separate governmental activities.

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2010**

**Table 1
Net Assets
Governmental Activities
As of June 30, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
Assets:		
Current and other assets	\$ 143,511,765	\$ 145,680,876
Capital assets	141,095,551	130,581,499
Total Assets	<u>284,607,316</u>	<u>276,262,375</u>
Liabilities:		
Long-term debt outstanding	29,390,677	29,942,239
Other liabilities	6,788,077	6,646,441
Total Liabilities	<u>36,178,754</u>	<u>36,588,680</u>
Net Assets:		
Invested in capital assets, net of related debt	141,095,551	130,581,499
Restricted	89,571,308	94,878,693
Unrestricted	17,761,703	14,213,503
Total Net Assets	<u>\$ 248,428,562</u>	<u>\$ 239,673,695</u>

The City's net assets increased by \$1.3 million during the current fiscal year.

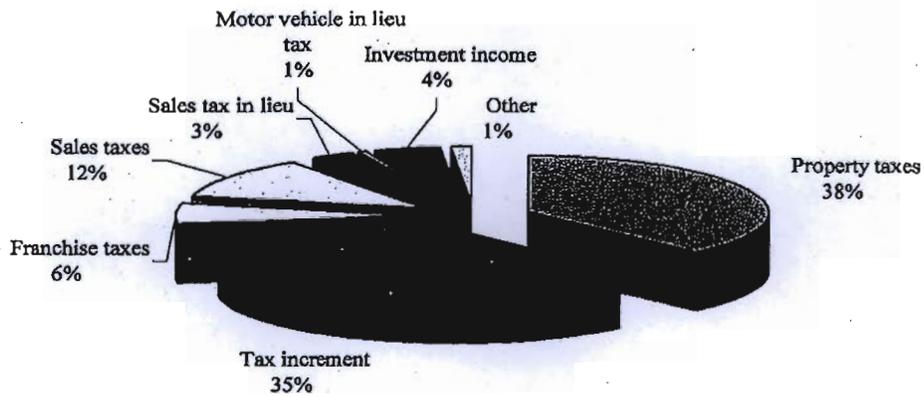
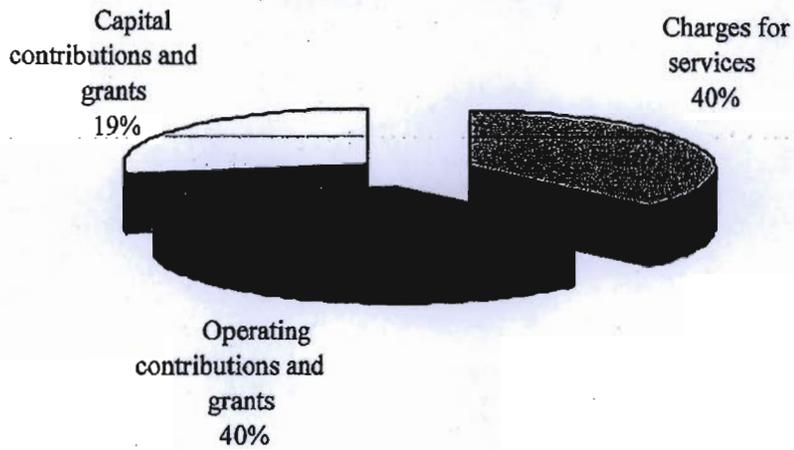
**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2010**

**Table 2
Changes in Net Assets
Governmental Activities
As of June 30, 2010 and 2009**

	2010	2009
Revenues		
Program Revenues:		
Charges for services	\$ 4,148,970	\$ 4,589,249
Operating contributions and grants	4,128,842	6,172,315
Capital contributions and grants	1,970,931	3,326,778
General Revenues:		
Property taxes	7,449,063	7,802,643
Tax increment	6,864,777	7,054,432
Franchise taxes	1,171,825	1,171,556
Sales taxes	2,382,010	2,329,522
Sales tax in lieu	588,635	849,227
Motor vehicle in lieu tax	109,136	125,307
Investment income	853,074	2,875,649
Other	283,372	386,040
Special Item ~ County Settlement	-	1,000,000
Total Revenues	29,950,635	37,682,718
Expenses		
General government	1,603,279	2,041,596
Public safety	7,016,015	7,035,384
Public services	13,589,878	18,170,325
Parks and recreation	4,934,002	4,470,524
Interest on long-term debt	1,504,502	1,616,843
Total Expenses	28,647,676	33,334,672
Increase in net assets	1,302,959	4,348,046
Net assets - July 1,	239,673,695	235,325,649
Prior Period Adjustment	7,451,908	-
Net assets - June 30,	\$ 248,428,562	\$ 239,673,695

CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2010

Program Revenues



**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2010**

FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

As noted earlier, the City uses fund accounting to demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable resources*. Such information is useful in assessing the City's financial requirements. In particular *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported total fund balances of \$132,781,925. This is a decrease of \$2,426,110 in comparison with the prior year. Approximately \$94.2 million or 71% of the fund balances constitutes *unreserved fund balance*, which is available to meet the City's current and future needs. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has been committed to a variety of restricted purposes.

General Fund

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the total fund balance of the General Fund was \$3.0 million which is a decrease of \$0.2 million or 6% from the prior year. As a measure of the General Fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Total fund balance represents 23% of total General Fund expenditures and transfers out. This is a healthy reserve.

Key factors for revenues and expenses when compared to fiscal year 2008-09 are as follows:

- The City's share of property taxes increased by approximately \$121,000 or 2%.
- Sales tax revenues also improved with an increase of approximately \$53,000 or 2%. This is quite remarkable considering the economic downturn.
- The Sales Tax Compensation or "triple flip" decreased \$260,000 or 31%. This revenue is calculated by the State each year and reflects the economic downturn in the State of California as a whole.
- Interest earnings decreased by approximately \$415,000 or 57% in response to declining rates in the market.
- Motor vehicle in lieu decreased by \$16,000 or 13% due to the economic downturn.
- Expenditures and transfers out ended the year approximately \$1.4 million less than the prior year figure as a result of prudent spending by staff and capital projects that have not yet started.

Street and Traffic Safety Fund (Includes the Traffic System Management Fund, City-Wide Traffic Mitigation Fund and Crossing Guard Fund)

The fund balance of the Street and Traffic Safety Fund increased by \$0.3 million from the prior year, primarily due to the receipt of development fees for various construction projects.

Community Development Fund

The fund balance of the Community Development Fund increased by \$49,000 from the prior year as a result of increased transfers from the General Fund to support this operation.

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2010**

Assessment District Fund

The fund balance of the Assessment District Fund increased by \$34,000 from the prior year due to transfers from the General Fund and the Gas Tax Fund of \$1.3 million.

Endowment Fund

The fund balance of the Endowment Fund increased by \$384,000, due to deferring capital outlay expenditures.

Park/Public Facilities Fund (Includes ten (10) various development fee related funds)

The fund balance of the Park Improvement Fund decreased by \$1.7 million primarily due to increased capital expenditures, primarily for the new Skate Park and Poindexter Park expansion.

MRA Operating Fund

The fund balance of the MRA Operating Fund decreased by \$2.8 million from the prior year due to a payment to the State of California for the Supplemental Educational Revenue Augmentation Fund (SERAF) of \$1,925,000.

Police Facilities Fee Fund

The fund balance of the Police Facilities Fund increased by \$0.1 million from the prior year.

Moorpark Highlands Improvement Fund

The Moorpark Highland Improvement Fund is one of six accounts held by the Fiscal Agent for the Community Facilities District (CFD) No. 2004-1 (Moorpark Highlands) Special Tax Bonds 2006. The Improvement account has been recorded under a capital projects fund to reflect the proceeds that have been designated for capital improvement projects. Bond proceeds of \$34 million have been deposited into this fund. The expenditures of \$55,000 represent payments to Pardee homes for reimbursement of improvements and grading in the district. The debt service portion of this bond issue has been recorded as an agency fund. *Note that the City is not obligated in any manner for this bond issue and is only limited to acting as an agent for the assessed property owners and bondholders.*

Redevelopment Agency Capital Projects Fund

The fund balance of the Redevelopment Agency Capital Projects Fund decreased by \$713,000 from the previous year mainly due to capital outlay expenditures.

Special Projects Capital Projects Fund

The fund balance of the Special Projects Capital Projects Fund increased by \$1.8 million from the previous year solely due to a transfer from the General Fund.

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2010**

Redevelopment Agency Debt Service Fund

The fund balance of the Redevelopment Agency Debt Service Fund increased by \$33,000 due to investment earnings.

Non-Major Governmental Funds

The fund balance of all other Non-Major Governmental Funds decreased by \$21,000 from the previous fiscal year.

General Fund Budgetary Highlights

The City adopts annual appropriated operating budgets for its governmental funds (General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Funds {except for the Moorpark Highlands Improvement Fund as these sources have been designated for specific projects in accordance with the Bond's Official Statement}) and reports the results of operation on a budget comparison basis.

In preparing its budgets, the City attempts to estimate its revenues using realistic, but conservative, methods so as to budget its expenditure appropriations and activities in a prudent manner. As a result, the City Council adopts budget adjustments during the course of the fiscal year to reflect both changed priorities and availability of additional revenues to allow for expansion of existing programs. During the course of the year, the City Council amended the originally adopted budget to re-appropriate prior year approved projects and expenditures, as well as approving many other adjustments for the current year.

The results of the General Fund for the year ended June 30, 2010, were right in line with the budget. Revenues were \$250,000 greater than the budget and expenditures ended the year under budget by \$1.3 million.

CAPITAL ASSET AND LONG-TERM LIABILITIES

Capital Assets. The City's investment in capital assets as of June 30, 2010, amounted to \$141.1 million (net of accumulated depreciation). This investment, detailed in Table 3, includes land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure. The total increase in the City's investment in capital assets for the current fiscal year was \$10.5 million or 8.1%. Land shows the largest increase in 2010 at \$7.7 million. This year the City recorded the Mammoth Highlands Park as a donation from the developer.

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2010**

**Table 3
Capital Assets (net of depreciation)
Governmental Activities
As of June 30, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
Land	\$ 36,414,011	\$ 28,719,337
Construction in Progress	9,481,646	9,903,188
Buildings and improvements	29,632,142	25,393,673
Machinery and equipment	1,688,603	1,982,243
Infrastructure	63,879,149	64,583,058
Total	\$ 141,095,551	\$ 130,581,499

As a result of the implementation of GASB No. 34, the City has continued to account for infrastructure assets on its financial statements. The accompanying government-wide financial statements include those infrastructure assets that were either completed during the current fiscal year or considered construction in progress at current fiscal year-end.

Additional information on the City's capital assets can be found in Note 5 on pages 45-46 of this report.

Long-term Liabilities

At the end of the current fiscal year, the City's long-term liability outstanding is \$30.4 million. This is comprised of \$28.4 million in tax allocation bonded indebtedness, \$0.7 million in employee compensated absences payable and \$1.3 million for pension related debt.

**Table 4
Outstanding Long-Term Liabilities
Governmental Activities
As of June 30, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
Tax Allocation Bonds (issued by the Agency)	\$ 28,422,563	\$ 28,906,716
Employee Compensated Absences	673,139	642,256
Pension Related Debt	1,319,064	1,357,356
Total	\$ 30,414,766	\$ 30,906,328

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2010**

The City's total liabilities decreased by \$0.5 million or 1.6% during the current fiscal year. The decrease is attributable to the normal pay down of principal on the outstanding debt.

Additional information on the City's long-term liabilities can be found in Note 6 on pages 47 thru 51 of the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The State's "Triple Flip" payment plan remains in effect as the State attempts to repay the \$15.0 billion deficit reduction bonds. The impact to the City will be on cash flow and the subsequent reduction in interest income due to biannual (catch-up payments) rather than monthly sales tax payments. In addition, the State's budget for Fiscal Year 2010/11 and 2011/12 currently show a \$28 billion shortfall. The State has not adopted a strategy to reduce this projected deficit. The City has additional protections from the State taking our monetary resources thanks to the voter passage of Proposition 22 in November 2010. The City anticipates the State taking away property tax revenue from the Agency in the amount of \$396,000.

General purpose revenues such as property tax and sales tax are anticipated to decrease in fiscal year 2010/11. The sales tax decrease is a reflection of the economic recession.

Additionally, the City took into consideration the following factors in preparing the budget for fiscal year 2010/11:

- Interest income will show a decrease in response to declining interest rates.
- Slight increase in PERS retirement cost from 10.990% to 11.040% effective July 1, 2010.
- Projections indicate our cost for general liability and workers compensation insurance will both decrease for fiscal year 2010/11 when compared to fiscal year 2009/10 actual payments.

A priority of the City is to maintain a high quality of services while adopting a balanced budget. As in prior years, the fiscal year 2010/11 budget as adopted by the City Council is a balanced budget and will serve as a guide in planning for the future.

REQUESTS FOR INFORMATION

This management's discussion and analysis is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions or need additional financial information, please contact the Finance Department at City Hall, 799 Moorpark Avenue, Moorpark, CA 93021, or at www.ci.moorpark.ca.us.

City of Moorpark
Statement of Net Assets
June 30, 2010

	Governmental Activities
ASSETS	
Cash and Investments	\$ 100,742,441
Receivables:	
Taxes	726,511
Accounts	610,414
Interest	1,489,596
Notes and Loans	3,589,400
Prepaid Items	337,286
Property Held for Resale/Development	19,428,853
Restricted Cash and Investments	16,140,661
Debt Issuance Costs	446,603
Capital Assets:	
Non-Depreciable:	
Land	36,414,011
Construction in Progress	9,481,646
Depreciable, Net of Accumulated Depreciation:	
Buildings and Improvements	29,632,142
Machinery and Equipment	1,688,603
Infrastructure	63,879,149
Total Assets	284,607,316
LIABILITIES	
Accounts Payable and Accrued Liabilities	5,226,141
Interest Payable	341,025
Unearned Revenue	196,822
Noncurrent Liabilities:	
Due Within One Year	1,024,089
Due in More Than One Year	29,390,677
Total Liabilities	36,178,754
NET ASSETS	
Invested in Capital Assets	141,095,551
Restricted for:	
Public Services	77,819,976
Recreation Services	3,033,766
Public Safety	612,108
Low/Moderate Income Housing	8,105,458
Unrestricted	17,761,703
Total Net Assets	\$ 248,428,562

The accompanying notes are an integral part of this statement.

**City of Moorpark
Statement of Activities
Year Ended June 30, 2010**

Functions/Programs	Expenses	Program Revenues			Net Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental Activities:					
General Government	\$ 1,603,279	\$ 258,431	\$ 50,323	\$	\$ (1,294,525)
Public Safety	7,016,015	477,305	234,972		(6,303,738)
Public Services	13,589,878	2,769,641	1,699,628	1,970,931	(7,149,678)
Parks and Recreation	4,934,002	643,593	2,143,919		(2,146,490)
Interest on Long-Term Debt	1,504,502				(1,504,502)
Total Governmental Activities	\$ 28,647,676	\$ 4,148,970	\$ 4,128,842	\$ 1,970,931	(18,398,933)

General Revenues:

Taxes:

Property Tax, Levied for General Purpose	7,449,063
Property Tax, Redevelopment Agency Tax Increment	6,864,777
Franchise Taxes	1,171,825
Sales Tax	2,382,010
Sales Tax In-Lieu	588,635
Motor Vehicle In-Lieu, unrestricted	109,136
Investment Income	853,074
Other	283,372
Total General Revenues	19,701,892
Change in Net Assets	1,302,959
Net Assets - Beginning of Year	239,673,695
Prior Period Adjustment	7,451,908
Net Assets - End of Year	\$248,428,562

The accompanying notes are an integral part of this statement.

**City of Moorpark
Balance Sheet
Governmental Funds
June 30, 2010**

	Special Revenue			
	General	Street and Traffic Safety	Community Development	Assessment District
ASSETS				
Cash and Investments	\$ 2,433,246	\$ 19,969,837	\$ 191,618	\$ 6,702,057
Restricted Cash and Investments				
Receivables:				
Taxes	708,818			17,693
Accounts	160,507		6,131	43,285
Interest	208,098			
Notes and Loans				
Due From Other Funds	147,902			
Advances to Other Funds				
Prepaid Items	337,286			
Property Held for Resale/Development				
Total Assets	\$ 3,995,857	\$ 19,969,837	\$ 197,749	\$ 6,763,035
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 995,858	\$ 27,259	\$ 148,226	\$ 282,564
Due to Other Funds				
Advances from Other Funds				
Deferred Revenue				17,693
Total Liabilities	995,858	27,259	148,226	300,257
Fund Balances:				
Reserved for:				
Capital Projects				
Debt Service				
Property Held for Resale/Development				
Advances				
Prepaid Items	337,286			
Unreserved, Reported In:				
General Fund	2,662,713			
Special Revenue Funds		19,942,578	49,523	6,462,778
Capital Projects Funds				
Debt Service Funds				
Total Fund Balances	2,999,999	19,942,578	49,523	6,462,778
Total Liabilities and Fund Balances	\$ 3,995,857	\$ 19,969,837	\$ 197,749	\$ 6,763,035

The accompanying notes are an integral part of this statement.

Endowment	Special Revenue		Police Facilities Fee	Capital Projects	
	Parks/Public Facilities	MRA Operating		Moorpark Highlands Improvement	Redevelopment Agency
\$ 3,228,417	\$ 2,604,075	\$ 4,115,164	\$ 972	\$ 13,961,736	\$ 11,043,917
	9,171	20,715			17,629
800,000		1,263,869			350,000
1,933,495		1,704,786			
		7,142,622			4,398,806
<u>\$ 5,961,912</u>	<u>\$ 2,613,246</u>	<u>\$ 14,247,156</u>	<u>\$ 972</u>	<u>\$ 13,961,736</u>	<u>\$ 15,810,352</u>
\$	\$ 128,617	\$ 3,045,569	\$	\$	\$ 2,121
		61,233			33,752
	1,000,000		1,933,495		
800,000		2,957,967			
800,000	1,128,617	6,064,769	1,933,495	-	35,873
				13,961,736	
1,933,495		7,142,622			4,398,806
3,228,417	1,484,629	1,039,765	(1,932,523)		11,375,673
5,161,912	1,484,629	8,182,387	(1,932,523)	13,961,736	15,774,479
<u>\$ 5,961,912</u>	<u>\$ 2,613,246</u>	<u>\$ 14,247,156</u>	<u>\$ 972</u>	<u>\$ 13,961,736</u>	<u>\$ 15,810,352</u>

Continued

The accompanying notes are an integral part of this statement.

**City of Moorpark
Balance Sheet
Governmental Funds - Continued
June 30, 2010**

	<u>Capital Projects</u>	<u>Debt Service</u>	Non-Major	Total
	Special Projects	Redevelopment Agency	Governmental Funds	Governmental Funds
ASSETS				
Cash and Investments	\$ 24,292,789	\$	\$ 26,160,349	\$ 100,742,441
Restricted Cash and Investments		2,178,925		16,140,661
Receivables:				
Taxes				726,511
Accounts			370,605	610,414
Interest				1,489,596
Notes and Loans			1,084,614	3,589,400
Due From Other Funds			166,564	664,466
Advances to Other Funds	1,000,000			2,933,495
Prepaid Items				337,286
Property Held for Resale/Development			7,887,425	19,428,853
Total Assets	<u>\$ 25,292,789</u>	<u>\$ 2,178,925</u>	<u>\$ 35,669,557</u>	<u>\$ 146,663,123</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$	\$	\$ 595,927	\$ 5,226,141
Due to Other Funds			569,481	664,466
Advances from Other Funds				2,933,495
Deferred Revenue			1,281,436	5,057,096
Total Liabilities	<u>-</u>	<u>-</u>	<u>2,446,844</u>	<u>13,881,198</u>
Fund Balances:				
Reserved for:				
Capital Projects				13,961,736
Debt Service		1,884,723		1,884,723
Property Held for Resale/Development			7,887,425	19,428,853
Advances	1,000,000			2,933,495
Prepaid Items				337,286
Unreserved, Reported In:				
General Fund				2,662,713
Special Revenue Funds			20,964,948	53,172,638
Capital Projects Funds	24,292,789		4,370,340	38,106,279
Debt Service Funds		294,202		294,202
Total Fund Balances	<u>25,292,789</u>	<u>2,178,925</u>	<u>33,222,713</u>	<u>132,781,925</u>
Total Liabilities and Fund Balances	<u>\$ 25,292,789</u>	<u>\$ 2,178,925</u>	<u>\$ 35,669,557</u>	<u>\$ 146,663,123</u>

The accompanying notes are an integral part of this statement.

City of Moorpark
Reconciliation of the Governmental Funds - Balance Sheet
to the Statement of Net Assets
June 30, 2010

Fund balances of governmental funds	\$ 132,781,925
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets of governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	141,095,551
Long-term notes and loans receivable are not current financial resources and, therefore, are deferred in the governmental funds.	3,589,400
Revenues not received soon enough after year-end to be considered available are deferred in the funds. The availability criteria does not apply to the government-wide financial statements.	1,270,874
Interest expenditures are recognized when due, and therefore, interest payable is not recorded in the governmental funds.	(341,025)
Long-term liabilities are not due and payable in the current period and are not reported in the funds.	
Compensated Absences	(673,139)
Tax Allocation Bonds	(28,710,000)
Unamortized Discount	287,437
Pension Related Debt	(1,319,064)
Issuance costs net of accumulated amortization were recorded as expenditures in the governmental funds.	446,603
Net assets of governmental activities	\$ 248,428,562

City of Moorpark
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2010

	Special Revenue			
	General	Street and Traffic Safety	Community Development	Assessment District
REVENUES				
Taxes	\$ 10,794,266	\$	\$	\$
Licenses and Permits	146,915		451,455	
Fines and Forfeitures	195,161		15,457	
Use of Money and Property	492,505	247,087	136	84,380
Charges for Services	784,383	432,459	610,657	6,775
Intergovernmental	162,527			
Maintenance Assessments				1,887,286
Other Revenue	133,789	430	75,101	240,034
Total Revenues	12,709,546	679,976	1,152,806	2,218,475
EXPENDITURES				
Current:				
General Government	1,497,916			
Public Safety	6,076,995			443,850
Public Services	77,649	33,277	1,990,225	
Parks and Recreation	1,486,374			2,960,426
Capital Outlay	99,215	345,914		68,347
Debt Service:				
Principal				
Interest				
Total Expenditures	9,238,149	379,191	1,990,225	3,472,623
Excess (Deficiency) of Revenues over Expenditures	3,471,397	300,785	(837,419)	(1,254,148)
OTHER FINANCING SOURCES (USES)				
Transfer In	136,398		886,942	1,288,301
Transfer Out	(3,813,625)	(18,754)		
Total Other Financing Sources (Uses)	(3,677,227)	(18,754)	886,942	1,288,301
Net Change in Fund Balances	(205,830)	282,031	49,523	34,153
Fund Balances, Beginning of Year	3,205,829	19,660,547	-	6,428,625
Prior Period Adjustment				
Fund Balances, End of Year	\$ 2,999,999	\$ 19,942,578	\$ 49,523	\$ 6,462,778

The accompanying notes are an integral part of this statement.

Special Revenue			Capital Projects		
Endowment	Parks/Public Facilities	MRA Operating	Police Facilities Fee	Moorpark Highlands Improvement	Redevelopment Agency
\$	\$	\$ 3,771,651	\$	\$	\$
110,971	38,275	100,607		1,585	85,355
327,462	67,716				
	89,495				
	95	68,115	63,145		
<u>438,433</u>	<u>195,581</u>	<u>3,940,373</u>	<u>63,145</u>	<u>1,585</u>	<u>85,355</u>
	6,282	6,590,521			8,361
	6,600				
54,187	1,911,627	4,219		54,775	759,299
		76,500			
<u>54,187</u>	<u>1,924,509</u>	<u>6,671,240</u>	<u>-</u>	<u>54,775</u>	<u>767,660</u>
<u>384,246</u>	<u>(1,728,928)</u>	<u>(2,730,867)</u>	<u>63,145</u>	<u>(53,190)</u>	<u>(682,305)</u>
		1,860,440			1,857,500
	(2,760)	(1,921,660)			(1,887,728)
-	(2,760)	(61,220)	-	-	(30,228)
384,246	(1,731,688)	(2,792,087)	63,145	(53,190)	(712,533)
4,777,666	3,216,317	10,974,474	(1,995,668)	14,014,926	16,288,672
					198,340
<u>\$ 5,161,912</u>	<u>\$ 1,484,629</u>	<u>\$ 8,182,387</u>	<u>\$ (1,932,523)</u>	<u>\$ 13,961,736</u>	<u>\$ 15,774,479</u>

Continued

The accompanying notes are an integral part of this statement.

City of Moorpark
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds - Continued
Year Ended June 30, 2010

	<u>Capital Projects</u>	<u>Debt Service</u>	Non-Major	Total
	Special Projects	Redevelopment Agency	Governmental Funds	Governmental Funds
REVENUES				
Taxes	\$	\$ 1,720,138	\$ 2,444,716	\$ 18,730,771
Licenses and Permits				598,370
Fines and Forfeitures			225,759	436,377
Use of Money and Property	6,600	32,868	346,860	1,547,229
Charges for Services			1,054,823	3,284,275
Intergovernmental			2,377,110	2,629,132
Maintenance Assessments				1,950,431
Other Revenue			70,268	587,832
Total Revenues	<u>6,600</u>	<u>1,753,006</u>	<u>6,519,536</u>	<u>29,764,417</u>
EXPENDITURES				
Current:				
General Government				1,497,916
Public Safety			248,639	6,769,484
Public Services			3,637,581	12,343,896
Parks and Recreation				4,453,400
Capital Outlay			2,250,596	5,548,179
Debt Service:				
Principal		495,000		495,000
Interest		1,376,091	30,208	1,482,799
Total Expenditures	<u>-</u>	<u>1,871,091</u>	<u>6,167,024</u>	<u>32,590,674</u>
Excess (Deficiency) of Revenues over Expenditures	<u>6,600</u>	<u>(118,085)</u>	<u>352,512</u>	<u>(2,826,257)</u>
OTHER FINANCING SOURCES (USES)				
Transfer In	1,837,820	150,952	1,359,748	9,378,101
Transfer Out			(1,733,574)	(9,378,101)
Total Other Financing Sources (Uses)	<u>1,837,820</u>	<u>150,952</u>	<u>(373,826)</u>	<u>-</u>
Net Change in Fund Balances	<u>1,844,420</u>	<u>32,867</u>	<u>(21,314)</u>	<u>(2,826,257)</u>
Fund Balances, Beginning of Year	23,448,369	2,146,058	33,042,220	135,208,035
Prior Period Adjustment			201,807	400,147
Fund Balances, End of Year	<u>\$ 25,292,789</u>	<u>\$ 2,178,925</u>	<u>\$ 33,222,713</u>	<u>\$ 132,781,925</u>

The accompanying notes are an integral part of this statement.

City of Moorpark
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2010

Net change in fund balances - total governmental funds \$ (2,826,257)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity is reconciled as follows:

Cost of assets capitalized	6,854,946
Depreciation expense	(3,376,108)

Governmental funds report only proceeds from the sale of capital assets. The statement of activities reports a gain or loss on disposal based on the net book value at the time of disposal. Disposal activity included the following:

Costs of assets disposed	(40,832)
Accumulated depreciation on disposed assets	24,285

Long-term notes and loans receivable are reported as expenditures when made and as revenue when repaid in the governmental funds. However, there is no impact in the statement of activities when notes and loans are made or repaid. This amount represents the net change in the long-term notes and loans receivable. 210,242

Revenues not received soon enough after year-end to be considered available are deferred in the funds. The availability criteria does not apply to the government-wide financial statements. (24,023)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 505,592

Accrued interest for tax allocation bonds is not recorded in the governmental funds. This is the net change in accrued interest for the current period. 5,997

Compensated absence expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (30,883)

Change in net assets of governmental activities \$ 1,302,959

City of Moorpark
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2010

ASSETS

Cash and Investments	\$ 3,429,286
Restricted Cash and Investments	7,307,054
Accounts Receivable	<u>23,307</u>
Total Assets	<u><u>\$ 10,759,647</u></u>

LIABILITIES

Accounts Payable	\$ 100,902
Deposits	3,330,023
Due to Bondholders	<u>7,328,722</u>
Total Liabilities	<u><u>\$ 10,759,647</u></u>

The accompanying notes are an integral part of this statement.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

<u>NOTE</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
1	Summary of Significant Accounting Policies	26 - 35
2	Cash and Investments	35 - 40
3	Notes and Loans Receivable	41 - 43
4	Interfund Transactions	43 - 45
5	Capital Assets and Depreciation	45- 46
6	Long-Term Liabilities	47 - 51
7	Agreements with Various Taxing Agencies	51 - 53
8	Retirement Plan	53 - 54
9	Other Post Employment Benefits (OPEB)	54 - 56
10	Conduit Debt - Revenue Bonds	57
11	Special Assessment Bonds	57 -58
12	Risk Management	58 - 60
13	Classification of Net Assets and Fund Balance	60 - 62
14	Commitments and Contingencies	62 - 63
15	Proposition 1A Borrowing by the State of California	63
16	New Pronouncement	64
17	Prior Period Adjustment	64
18	Subsequent Events	64

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Moorpark (City) conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for governmental accounting and financial reporting principles. The following is a summary of the significant policies.

A) Reporting Entity

The reporting entity "City of Moorpark" includes the accounts of the City, the Moorpark Redevelopment Agency (Agency), the Moorpark Public Financing Authority (PFA), and the Industrial Development Authority of the City of Moorpark (IDA).

The City was incorporated in July, 1983 as a general law city and operates under a Council/Manager form of government.

The Agency was formed in 1987 pursuant to the State of California Health and Safety Code, Section 33000 entitled "Community Redevelopment Law". Its purpose is to finance long-term capital improvements designed to eliminate physical and economic blight in a project area.

The PFA was formed in 1993 as a joint powers authority between the City and the Agency in order to provide financial assistance to the City and the Agency by issuing debt and financing the construction of public facilities.

The IDA was formed in 1985 pursuant to the California Industrial Development Financing Act (ACT). Its purpose is to finance the acquisition and development of certain industrial activities as permitted by the Act and to issue bonds for the purpose of enabling industrial firms to finance the cost of such activities.

The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Statement No. 14 (as amended by GASB Statement No. 39). The City is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's Board, or because the component unit will provide a financial benefit or impose a financial burden on the City.

The City has accounted for the Agency, the PFA, and IDA as "blended" component units. Despite being legally separate, they are so intertwined with the City, they are in substance, part of the City's operations. Accordingly, the balances and transactions of the Agency are reported as separate funds in the Special Revenue, Debt Service, and Capital Projects Funds. The PFA and IDA are inactive.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

A) Reporting Entity - Continued

The following specific criteria were used in determining that the Agency, the PFA, and the IDA are "blended" component unit:

- 1) The members of the City Council also act as the governing body of the Agency, the PFA, and the IDA.
- 2) The City, the Agency, the PFA, and the IDA are financially interdependent. The City makes loans to the Agency for use on redevelopment projects. Available property tax revenues of the Agency will be used to repay the loans from the City.
- 3) The Agency, the PFA, and the IDA are managed by employees of the City.

The financial statements for the Agency may be obtained at the City's administrative offices. The PFA and IDA do not issue separate financial statements.

B) Accounting and Reporting Policies

The City has conformed to the pronouncements of the GASB, which are the primary authoritative statements of the accounting principles generally accepted in the United States of America applicable to state and local governments. In accordance with GASB Statement No. 20, the City applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless any such pronouncements contradict GASB pronouncements.

C) Description of Funds

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. The following are types of funds used:

Governmental Fund Types

General Fund - Used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Used to account for the proceeds of specific revenue sources that are restricted by law or administrative action for specified purposes.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C) Description of Funds - Continued

Debt Service Funds - Used to account for property tax increment revenue and related interest income. Disbursements from this fund consist mainly of principal and interest on indebtedness.

Capital Projects Funds - Used to account for financial resources used for the construction of specific capital projects.

Fiduciary Fund Type

Agency Funds - Used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds.

D) Basis of Accounting and Measurement Focus

Government-Wide Financial Statements

The City's Government-Wide Financial Statements include a Statement of Net Assets and a Statement of Activities. These statements present summaries of Governmental Activities for the City.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets and infrastructure as well as long-term debt, are included in the accompanying Statement of Net Assets. The Statement of Activities presents changes in net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenditures 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 are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. The types of transactions reported as program revenues for the City are reported in three categories: 1) charges for services, 2) operating contributions and grants, and 3) capital grants and contributions. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Operating contributions and grants include revenues restricted to meeting the requirements of a particular operating function and may include state shared revenues and grants. Capital contributions and grants include revenues restricted to meeting

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Basis of Accounting and Measurement Focus - Continued

the requirements of a particular capital function and may include grants and developer fees. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables, and receivables. All internal balances in the government-wide financial statements have been eliminated.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and aggregated non-major funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the net assets presented in the Government-Wide Financial Statements. The City has presented all major funds that met qualifications of GASB Statement No. 34. In addition, the City has included funds that are significant to the City as major funds.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures, and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balances. Revenues are recognized in the accounting period in which they become susceptible to accrual, that is, when they become both measurable and available to finance expenditures of the current period. "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Accrued revenues included property taxes received within 60 days after year-end, taxpayer assessed taxes such as sales taxes, and earnings on investments. Grant funds earned but not received are recorded as a receivable, and grant funds received before the revenue recognition criteria have been met are reported as deferred revenues. Expenditures are recorded when the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Basis of Accounting and Measurement Focus - Continued

The City reports the following major governmental funds:

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

The Street and Traffic Safety Special Revenue Fund is used to account for fees used for street maintenance, right-of-way acquisition and street construction.

The Community Development Special Revenue Fund is used to account for fees used in planning, building and safety, and engineering services relating to community development.

The Assessment District Special Revenue Fund is used to account for funds received by the City for maintenance of community-wide parks and landscaping.

The Endowment Special Revenue Fund is used to account for funds received by the City for certain development projects or other sources directed by the City Council to be held for the purpose of one-time capital expenditure of community-wide benefit due to the impact of additional development.

The Parks/Public Facilities Special Revenue Fund is used to account for fees used for park and public facilities improvements as a result of additional development.

The MRA Operating Special Revenue Fund is used to account for monies received and expended within the project area in accordance with the Redevelopment Plan of the Agency made pursuant to redevelopment laws of the State of California.

The Police Facilities Fee Capital Projects Fund is used to account for the funds used to build the new police facility.

The Moorpark Highlands Improvement Capital Projects Fund is used to account for the receipt and expenditure of the Community Facilities District (CFD) No. 2004-1 special tax bonds proceeds.

The Redevelopment Agency Capital Projects Fund is used to account for the funds used for the Agency's capital improvement projects.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Basis of Accounting and Measurement Focus - Continued

The Special Projects Fund is used to account for various City capital improvement projects.

The Redevelopment Agency Debt Service Fund is used to account for the accumulation of resources for, and the payment of principal and interest on the Agency's debt and other long-term obligations.

Fiduciary Fund Financial Statements

Fiduciary Fund Financial Statements include a Statement of Net Assets. The fiduciary fund is used to report assets held in a trustee or agency capacity for others and therefore are not available to support City programs. Since these assets are being held for the benefit of a third party, these funds are not incorporated into the government-wide statements.

The City's only fiduciary fund is an agency fund, which uses the accrual basis of accounting to account for developer deposits and assets held for property owners of various assessment and community facilities districts. The agency fund is custodial in nature (assets equal liabilities) and therefore does not involve measurement of results of operations.

E) Investments

The City has adopted the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Pools*, which requires governmental entities to report certain investments at fair value in the balance sheet and recognize the corresponding change in the fair value of investments in the year in which the change occurred. In accordance with GASB Statement No. 31, the City has adjusted certain investments to fair value (when material).

Investments are included within the financial statement classifications of "cash and investments" and "restricted cash and investments," and are stated at fair value.

F) Property Held for Resale/Development

Property held for resale in the MRA Operating Special Revenue Fund, Low and Moderate Income Housing Special Revenue Fund and the Redevelopment Agency Capital Projects Fund represents land and buildings purchased by the Agency. Such property is valued at the lower of cost or

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

F) Property Held for Resale/Development - Continued

estimated net realizable value (as determined by a disposition and development agreement between the Agency and a developer) and has been offset by reservation of fund balance to indicate that assets constitute future capital projects and are not available spendable resources. The balance at June 30, 2010 was \$19,428,853.

G) Capital Assets

Capital assets, which include land, machinery and equipment (vehicles, computers, etc), buildings and improvements, and infrastructure assets (street systems, storm drains, sewer systems, etc.), are reported in the Governmental Activities column of the Government-wide Financial Statements. Capital assets are defined by the City as all land; buildings and improvements with an initial individual cost of more than \$10,000; vehicles, computers and equipment with an initial individual cost of more than \$5,000; and improvements and infrastructure assets with costs of more than \$100,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated or annexed capital assets are recorded at estimated market value at the date of donation or annexation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Depreciation is recorded in the Government-wide Financial Statements on a straight-line basis over the useful life of the assets as follows:

Building and Improvements	25 to 50 years
Vehicles, Computers, and equipment	3 to 20 years
Infrastructure Assets	
Roadway Network	7 to 100 years
Drain Network	20 to 100 years
Parks and Recreation Network	50 years

H) Deferred Revenue

Deferred revenue is recorded for monies collected in advance that have not been earned. In the fund financial statements revenue is also deferred when the availability criteria has not been met. As of June 30, 2010, the total unearned revenue amounted to \$196,822 and unavailable revenue amounted to \$4,860,274.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

I) Long-Term Debt

In the government-wide financial statements, long-term debt and other obligations are reported as liabilities in the statement of net assets. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. 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 amounts of debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual net proceeds received, are reported as debt service expenditures.

J) Employee Compensated Absences

City employees may receive from 20 to 30 days vacation time or annual leave each year, depending upon length of service. An employee may accumulate earned vacation time up to a maximum of 760 hours or annual leave up to a maximum of 784 hours and admin leave up to a maximum of 120 hours, depending on position. The amount of maximum hours for the leave accrual is based on the employee classification: regular employee, management, department head or City Manager. Upon termination, employees are paid the full value of their unused annual leave, administrative leave, vacation time, and a portion of sick leave per management benefits and City's MOU. There is no fixed payment schedule for employee compensated absences.

K) Property Taxes

The duties of assessing and collecting property taxes are performed by the Ventura County (County) Assessor and Tax Collector, respectively. The City receives an allocation of property taxes collected by the County with respect to property located within the City limits equal to 7.40% of the one percent State levy. The Agency receives incremental property taxes on property within its project area over the base-assessed valuation at the date the project area was established. Tax levies cover the period from July 1 to June 30 of each year. All tax liens are attached annually on the first day in January preceding the fiscal year for which the taxes are levied. Taxes are levied on both real and personal property, as it exists on that date.

Secured property taxes are levied against real property and are due and payable in two equal installments. The first installment is due on November 1 and becomes delinquent if not paid by December 10. The second installment is due on February 1 and becomes delinquent if not paid by April 10. Unsecured personal property taxes are due on July 1 each year. These taxes become delinquent if not paid by August 31.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

L) Claims and Judgments

When it is probable that a claim liability has been incurred, and the amount of the loss can be reasonably estimated, the City records the estimated loss, net of any insurance coverage under its self-insurance program. At June 30, 2010, in the opinion of the City Attorney, the City had no material claims, which require loss provision in the financial statements. Small claims and judgments are recorded as expenditures when paid.

The City's self-insurance program is administered through the California Joint Powers Insurance Authority (Authority). The Authority is a public entity risk pool, which is accounted for under the provisions of GASB Statement No. 10. Claim losses recorded in the Authority include both current claims and Incurred But Not Reported claims (IBNR). These deposits are subject to retrospective adjustment. Favorable claims experience results in a refund of deposits from the Authority and such refunds, if any, are recorded as a reduction of insurance expenditures in the year received. Adverse claims experience results in the payment of additional deposits and such deposits, if any, are recorded as insurance expenditures when paid.

M) Estimates

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

N) Use of Restricted Resources

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

O) Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The reconciliation states that the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

O) Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities - Continued

assets. Also governmental funds report the affect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

The details of this \$505,592 difference is as follows:

Amortization of Issuance Costs	\$ (16,853)
Amortization of Bond Discounts	(10,847)
Principal Repayment	495,000
Principal Payment on Pension Related Debt	<u>38,292</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	 <u>\$ 505,592</u>

2) CASH AND INVESTMENTS

Cash and investments at June 30, 2010, consisted of the following:

City Treasury Deposits	
Demand Deposits	\$ 2,478,660
Cash on Hand	<u>3,250</u>
Total City Treasury Deposits	<u>2,481,910</u>
City Treasury Investments	
Certificates of Deposit	700,000
Local Agency Investment Fund (LAIF)	51,694,108
Ventura County Pool	<u>49,295,709</u>
Total City Treasury Investments	<u>101,689,817</u>
Cash and Investments With Fiscal Agent	
Money Markets	20,521,758
Guaranteed Investment Contracts	<u>2,925,957</u>
Total Cash and Investments With Fiscal Agent	<u>23,447,715</u>
Total Cash and Investments	<u>\$127,619,442</u>

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

2) CASH AND INVESTMENTS - Continued

Cash and Investments are reported in the basic financial statements as follows:

	<u>Statement of Net Assets</u> <u>Governmental Activities</u>	<u>Statement of Fiduciary Net Assets</u> <u>Agency Fund</u>	<u>Total</u>
Cash and Investments	\$ 100,742,441	\$ 3,429,286	\$104,171,727
Restricted Cash and Investment	<u>16,140,661</u>	<u>7,307,054</u>	<u>23,447,715</u>
Total	<u>\$ 116,883,102</u>	<u>\$ 10,736,340</u>	<u>\$127,619,442</u>

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated on a quarterly basis to the various funds based on average daily cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

A) Authorized Investments

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

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

This table does not address investments of debt proceeds held by bond trustees that are governed by provisions of debt agreements of the City, rather than the general provisions of the California Government or the City's investment policy. As of June 30, 2010, the only debt agreements of the City pertain to the Agency.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

2) CASH AND INVESTMENTS - Continued

A) Authorized Investments - Continued

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Of Portfolio*</u>	<u>Maximum Investment In One Issuer</u>
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Medium-Term Notes	5 years	30%	None
Money Market Mutual Funds	N/A	20%	None
County Pooled Investment Funds	N/A	None	None
LAIF	N/A	None	None

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

The Policy, in addition to State statutes, establishes that funds on deposit in banks must be federally insured or collateralized and investments shall (1) have maximum maturity not to exceed five years and (2) be laddered and based on cash flow forecasts. The City's investments comply with the established policy.

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investment held by bond trustees.

The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>
U.S. Treasury Obligations	None
U.S. Agency Securities	None
Banker's Acceptances	180 days
Commercial Paper	270 days
Money Market Mutual Funds	N/A
Investment Contracts	30 years

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

2) CASH AND INVESTMENTS - Continued

B) Interest Rate Risk

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

Information about the sensitivity of the fair values of the City's investment to market interest rate fluctuation is provided by the following table that shows the distribution of the City's investments by maturity.

Investment Type	Total	Investment Maturities (in Years)				
		Less than 1	1 to 2	2 to 3	3 to 4	>5
LAIF	\$ 51,694,108	\$ 51,694,108	\$ -	\$ -	\$ -	\$ -
Ventura County Pool	49,295,709	49,295,709	-	-	-	-
Certificates of Deposit	700,000	600,000	100,000	-	-	-
Held by Bond Trustee:						
Money Market Funds	20,521,758	20,521,758	-	-	-	-
Guaranteed Investment Contracts	2,925,957	-	-	-	-	2,925,957
Total	\$125,137,532	\$122,111,575	\$ 100,000	\$ -	\$ -	\$2,925,957

C) Credit Risk and Concentration of Credit Risk

Deposits

At June 30, 2010, the carrying amount of the City's deposits was \$2,478,660. Bank balances before reconciling items were \$2,819,456 at June 30, 2010, of which \$2,819,456 were collateralized with securities held by the pledging financial institution's trust department but not in the City's name.

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 in such collateral superior to those of a general creditor.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

2) CASH AND INVESTMENTS - Continued

C) Credit Risk and Concentration of Credit Risk - Continued

Deposits - Continued

According to California law, the market value of pledged securities with banking institutions must equal at least 110% of the City's cash deposits. California law also allows institutions to serve City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits. The City may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The City, however, does not normally waive the collateralization requirements.

Investments

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code and the actual rating as of year end for each investment type.

The California Government Code places limitations on the amount that can be invested in any one issuer (as detailed above). Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total investments are as follows:

Credit Quality Distribution for Securities with Credit Exposure as a Percentage of
Total Investments

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Credit Rating</u>	<u>Percentage of Investments</u>
LAIIF	\$ 51,694,108	Not Rated	41.31%
Ventura County Pool	49,295,709	Not Rated	39.39%
Certificates of Deposit	700,000	Not Rated	.56%
Held by Bond Trustee:			
Money Market Funds	20,521,758	Not Rated	16.40%
Guaranteed Investment Contracts	2,925,957	Not Rated	2.34%
Total	<u>\$ 125,137,532</u>		<u>100.00%</u>

The City has no investments in any one issuer that represent 5% or more of total investments as of June 30, 2010 other than LAIF and the Ventura County Pool.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

2) CASH AND INVESTMENTS - Continued

D) Local Agency Investment Fund (LAIF)

The LAIF is a special fund of the California State Treasury through which local governments may pool investments. Each governmental agency may invest up to \$50,000,000 in each account in the fund. Investments in LAIF are highly liquid, as deposits can be converted to cash within twenty-four hours without loss of interest or principal. The full faith and credit of the State of California secures investment in LAIF. At June 30, 2010, accounts were maintained in the name of the City for \$36,602,174 and the Agency for \$15,091,934. The total cost value of investment in LAIF was \$51,694,108. The total fair value of investments in LAIF was \$51,779,082. The unrealized gain was based on a fair market value adjustment factor of 1.001643776 that was calculated by the State of California Treasurer's Office. At June 30, 2010, the market value of the State of California Pooled Money Investment Account (PMIA) including accrued interest was \$69,573,678,456. The State of California Pooled Money Account portfolio had securities in the form of structured notes and asset-backed securities. The PMIA has policies, goals, and objectives for the portfolio to make certain that the goals of safety, liquidity, and yield are not jeopardized. These policies are formulated by investment staff and reviewed by both the PMIA and LAIF Advisory Boards on an annual basis. LAIF's and the City's exposure to credit, market, or legal risk is not available.

E) The Ventura County Treasurer's Investment Pool

The City holds investments in the County Pool that are subject to being adjusted to "fair value". The City is required to disclose its methods and assumptions used to estimate the fair value of its holdings in the County Pool. The City relied upon information provided by the County Treasurer in estimating the City's fair value position of its holdings in the County Pool. The City had a contractual withdrawal value of \$49,295,709 at fiscal year end.

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

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

3) NOTES AND LOANS RECEIVABLE

Notes and loans receivable activity for the year ended June 30, 2010, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Notes Receivable:				
Asadurian	\$ 800,000	\$	\$	\$ 800,000
Mission Bell	1,704,786			1,704,786
Deferred Property Assessments	250,249			250,249
Total Notes Receivable	2,755,035	-	-	2,755,035
Loans Receivable:				
Rehabilitation	31,384			31,384
First-time Homeowners Assistance	211,556			211,556
CalHome	381,183		(122,204)	258,979
Area Housing Authority	125,514	206,932		332,446
Total Loans Receivable	749,637	206,932	(122,204)	834,365
Total Notes and Loans Receivable	\$ 3,504,672	\$ 206,932	\$ (122,204)	\$ 3,589,400

A) Asadurian Note

On April 7, 2003, the City entered into an agreement with Asadurian Investment Corporation (AIC) whereby in return for land disposition, the City received a \$1,200,000 promissory note secured by Deed of Trust. The note bears simple interest at the rate equal to the average monthly interest rate announced by LAIF. The borrower shall pay the City the amount of \$80,000 plus interest over fifteen years. Payments are due annually in April. AIC did not pay the April 2010 payment. A bank holds a first trust deed note on the property which is superior to the City's note. The bank is seeking to foreclose on the property due to lack of payment by AIC. AIC had filed for bankruptcy but that case was dismissed. The balance outstanding at June 30, 2010 was \$800,000.

B) Mission Bell Note

On August 2, 1995, the Agency entered into an agreement with Mission Bell Partners whereby in return for land disposition, the Agency received seven promissory notes totaling \$3,934,500. The notes bear simple interest from a rate of 3% to a rate of 6% per annum from August 29, 1995 until August 29, 2029. In June 2004 the Agency, per settlement agreement discharged three of the remaining six of the original seven promissory notes totaling \$500,000. In September of 2006, notes number 2 and 6 were paid off. The balance of the remaining note (note no. 7) outstanding at June 30, 2010 was \$1,704,786. Principal and interest are due on September 2, 2029.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

3) NOTES AND LOANS RECEIVABLE - Continued

C) Deferred Property Assessments Notes

In March 1993, the City entered into agreements with three property owners of the City of Moorpark Assessment District No. 92-1 whereby in return for deferring the property owner's assessment levy, the City received three promissory notes totaling \$279,427. The notes bear simple interest equivalent to the LAIF variable rate not to exceed 7% per annum. Principal and interest are due on the date the City executes an approved final map of the property or the date of a court ordered subdivide of the property. At June 30, 2010, the principal balance outstanding was \$250,249.

D) Rehabilitation Loans

The Agency operates a rehabilitation loan program for the renovation of low and moderate income housing. The total balance outstanding at June 30, 2010, was \$31,384.

E) First-Time Homeowner Assistance

The City provides down payment assistance loans to first-time homeowners. The total balance outstanding at June 30, 2010 was \$211,556. In order to reinforce the resale restrictions on properties purchased through the City's First Time Home Buyer Program, buyers execute Promissory Notes and Deeds of Trust, which are recorded to secure these Notes. The Notes become payable only in the event of a default of any provision of this program.

F) CalHome Mobilehome Rehabilitation Loans

The total balance of CalHome loans for repairs to mobilehomes in Villa del Arroyo at June 30, 2010 was \$258,979. These loans are subject to a conditional forgiveness provision, beginning in Year 6 of the loan, continuing through Year 10 of the loan, with 20% of the balance forgiven each of these years; to date \$150,256 has been received and \$65,202 has been forgiven. Funds received are deposited into a City Trust Fund to be used for eligible home ownership-related activities.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

3) NOTES AND LOANS RECEIVABLE - Continued

G) Area Housing Authority (AHA)

The Agency has entered into an agreement to loan the County of Ventura AHA up to \$350,000 to assist in developing residential rental units on Agency owned property. As of June 30, 2010, the AHA has drawn down \$332,446 on the available loan. The outstanding principal balance and interest are expected to be paid during fiscal year 2010/11.

4) INTERFUND TRANSACTIONS

Due to/Due From

Due to/due from other funds for the year ending June 30, 2010, consisted of the following:

		DUE TO			
		General Fund	RDA Capital Projects Fund	Non-Major Funds	Total
	RDA Capital Projects Fund	\$ 33,752	\$	\$	\$ 33,752
DUE	MRA Operating Fund	61,233			61,233
FROM	Non-Major Funds	52,917	350,000	166,564	569,481
	Total	\$ 147,902	\$ 350,000	\$ 166,564	\$ 664,466

The General Fund has advanced to the Agency and the State and Federal Assistance Fund \$147,902 to cover current expenditures while the RDA Capital Projects Fund advanced the Low and Moderate Income Housing Fund \$350,000 to fund housing projects. Balances between Non-Major Funds were to cover deficits at year end. Repayments are expected during fiscal year 2010/11.

Advances to/from Other Funds

The Special Projects Fund has advanced to the Parks/Public Facilities Fund \$1,000,000 to construct a new Skate Park and improvement of the Poindexter Park. The advance is expected to be repaid with development fees to be collected in the future.

The Endowment Fund has advanced to the Police Facilities Fee Fund \$1,933,495 to fund capital improvements. The advance is expected to be repaid with development fees to be collected in the future.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

4) INTERFUND TRANSACTIONS - Continued

Transfers

Interfund transfers for the year ended June 30, 2010 consisted of the following:

		TRANSFER FROM			
		General Fund	Street and Traffic Safety	RDA Capital Project	Parks/Public Facilities
TRANSFER TO	General Fund	\$	\$ 18,754	\$	\$ 2,760
	RDA Debt Service Fund				
	RDA Capital Projects Fund				
	Special Projects Fund	1,837,820			
	Community Development Fund	860,255			
	Assessment District Fund	1,115,550			
	MRA Operating Fund			1,857,500	
	Non-Major Funds			30,228	
Total		\$ 3,813,625	\$ 18,754	\$ 1,887,728	\$ 2,760

		TRANSFER FROM		
		MRA Operating	Non-Major Funds	Total
TRANSFER TO	General Fund	\$	\$ 114,884	\$ 136,398
	RDA Debt Service Fund		150,952	150,952
	RDA Capital Projects Fund	1,857,500		1,857,500
	Special Projects Fund			1,837,820
	Community Development Fund		26,687	886,942
	Assessment District Fund		172,751	1,288,301
	MRA Operating Fund		2,940	1,860,440
	Non-Major Funds	64,160	1,265,360	1,359,748
Total		\$ 1,921,660	\$ 1,733,574	\$ 9,378,101

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations or grant matching requirements.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

4) INTERFUND TRANSACTIONS - Continued

The transfers of \$1,857,500 between the Redevelopment Agency Capital Projects Fund and the MRA Operating Fund were to transfer land held for resale to the Redevelopment Agency Capital Projects Fund and to reimburse the MRA Operating Fund for the cost of the land transferred.

The Low and Moderate Income Housing Special Revenue Fund transferred funds to the Redevelopment Agency Debt Service Fund to pay the 20% debt service on the 1999 Tax Allocation Refunding Bonds.

The General Fund transferred \$1,837,820 to the Special Projects Fund to fund various capital projects of the City.

The General Fund transferred funds to the Community Development and Assessment District Funds to finance these operations.

5) CAPITAL ASSETS AND DEPRECIATION

In accordance with GASB Statement No. 34, the City has reported all capital assets including infrastructure in the Government-Wide Statement of Net Assets. The City elected to use the basic approach as defined by GASB Statement No. 34 for all infrastructure reporting, whereby depreciation expense and accumulated depreciation have been recorded.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

5) CAPITAL ASSETS AND DEPRECIATION - Continued

The following table presents the capital assets activity for the year ended June 30, 2010.

	Beginning Balance	Adjustments*	Increases	Decreases	Ending Balance
Governmental Activities:					
Capital Assets, Not Depreciated:					
Land	\$ 28,719,337	\$ 7,577,422	\$ 117,252	\$	\$ 36,414,011
Construction in Progress	9,903,188	(525,661)	3,652,864	(3,548,745)	9,481,646
Total Capital Assets Not Depreciated	38,622,525	7,051,761	3,770,116	(3,548,745)	45,895,657
Capital Assets Being Depreciated:					
Buildings and Improvements	30,497,261	(23,026)	5,244,138	(15,095)	35,703,278
Machinery and Equipment	4,511,773		71,938	(20,626)	4,563,085
Infrastructure					
Roadway System	93,683,497		3,150	(5,111)	93,681,536
Storm Drainage System	1,619,399		1,314,349		2,933,748
Parks System	251,434				251,434
Total Capital Assets Being Depreciated	130,563,364	(23,026)	6,633,575	(40,832)	137,133,081
Less Accumulated Depreciation:					
Buildings and Improvements	(5,103,588)	23,026	(997,241)	6,667	(6,071,136)
Machinery and Equipment	(2,529,530)		(362,570)	17,618	(2,874,482)
Infrastructure					
Roadway System	(30,733,907)		(1,988,502)		(32,722,409)
Storm Drainage System	(184,696)		(22,766)		(207,462)
Parks System	(52,669)		(5,029)		(57,698)
Total Accumulated Depreciation	(38,604,390)	23,026	(3,376,108)	24,285	(41,933,187)
Total Capital Assets Being Depreciated, Net	91,958,974	-	3,257,467	(16,547)	95,199,894
Government Activities Capital Assets, Net of Depreciation	\$ 130,581,499	7,051,761	\$ 7,027,583	\$ (3,565,292)	\$ 141,095,551

*Represents prior period adjustments (see Note 17).

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General Government	\$ 116,007
Public Safety	234,774
Public Services	2,551,192
Parks and Recreation	474,135
Total Depreciation Expense	\$ 3,376,108

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

6) LONG-TERM LIABILITIES

Long-term liability activities for the year ended June 30, 2010, are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
1999 Tax Allocation Bonds	\$ 5,970,000	\$	\$ (475,000)	\$ 5,495,000	\$ 500,000
2001 Tax Allocation Bonds	11,540,000		(20,000)	11,520,000	15,000
2006 Tax Allocation Bonds	11,695,000			11,695,000	40,000
Discount on Bonds	(298,284)		10,847	(287,437)	(10,847)
Pension Related Debt	1,357,356		(38,292)	1,319,064	
Employee Compensated Absences	642,256	510,819	(479,936)	673,139	479,936
Total	<u>\$30,906,328</u>	<u>\$ 510,819</u>	<u>\$(1,002,381)</u>	<u>\$30,414,766</u>	<u>\$ 1,024,089</u>

A) 1999 Tax Allocation Bonds

In 1999, the Agency issued \$9,860,000 aggregated principal amount of Moorpark Redevelopment Project 1999 Tax Allocation Refunding Bonds (1999 Bonds). The purpose of the 1999 Bonds was to advance refund the Agency's previously issued \$10,000,000 Moorpark Redevelopment Project, 1993 Tax Allocation Bonds (1993 Bonds). The purpose of the 1993 Bonds was to finance a portion of the costs of implementing the Redevelopment Plan, including low and moderate-income housing projects.

The 1999 Bonds bear interest at rates ranging from 3.05 percent to 4.875 percent per annum, payable semi-annually on April 1 and October 1 of each year, commencing on October 1, 1999, and are subject to mandatory sinking fund redemption commencing on October 1, 2009, and on each October 1 thereafter. The Bonds are payable from and secured by the tax revenues to be derived from the project area.

The 1999 Bonds are secured by all property tax increment revenue, which is deposited in the Redevelopment Agency Debt Service Fund. Cash and investments in the custody of the fiscal agent are restricted by the bond resolutions for payment of principal and interest on the Tax Allocation Bonds. In addition, the bond resolutions require retention of funds held by the fiscal agent prior to use for other than debt service.

The Agency is in compliance with the covenants contained in debt indenture, which require the establishment of certain specific accounts for the 1999 Bonds.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

6) LONG-TERM LIABILITIES - Continued

A) 1999 Tax Allocation Bonds - Continued

Debt service payments on the 1999 Bonds payable will be made from the Redevelopment Agency Debt Service Fund. Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Tax Allocation Bonds		Total
	Principal	Interest	
2011	\$ 500,000	\$ 255,694	\$ 755,694
2012	525,000	230,709	755,709
2013	550,000	204,506	754,506
2014	580,000	176,962	756,962
2015	605,000	148,078	753,078
2016-2019	2,735,000	274,827	3,009,827
Total	<u>\$ 5,495,000</u>	<u>\$ 1,290,776</u>	<u>\$ 6,785,776</u>

B) 2001 Tax Allocation Bonds

In December 2001, the Agency issued \$11,625,000 of Tax Allocation Parity Bonds (2001 Bonds). The proceeds of the 2001 Bonds will be used to fund redevelopment activities within the Moorpark Redevelopment Project area. Interest on the 2001 Bonds is payable semi-annually on April 1 and October 1, commencing April 1, 2002, at rates ranging from 2.85 percent to 5.13 percent per annum. The 2001 Bonds maturing October 2031 are subject to mandatory sinking funds redemption in the amount of the principal and accrued interest. The 2001 Bonds are payable from and secured by the tax revenues to be derived from the project area.

The 2001 Bonds are secured by all property tax increment revenue, which are deposited in the Redevelopment Agency Debt Service Fund. Cash and investments in the custody of the fiscal agent are restricted by the bond resolutions for payment of principal and interest on the 2001 Bonds. In addition, the bond resolutions require retention of funds held by the fiscal agent prior to use for other than debt service.

The Agency is in compliance with the covenants contained in debt indentures, which require the establishment of certain specific accounts for the 2001 Bonds.

Debt service payments on the 2001 Bonds payable will be made from the Redevelopment Agency Debt Service Fund.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

6) LONG-TERM LIABILITIES - Continued

B) 2001 Tax Allocation Bonds - Continued

Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Tax Allocation Bonds		Total
	Principal	Interest	
2011	\$ 15,000	\$ 587,743	\$ 602,743
2012	15,000	587,098	602,098
2013	20,000	586,319	606,319
2014	15,000	585,525	600,525
2015	20,000	584,711	604,711
2016-2020	720,000	2,893,470	3,613,470
2021-2025	3,705,000	2,289,046	5,994,046
2026-2030	4,755,000	1,211,422	5,966,422
2031-2032	2,255,000	116,978	2,371,978
Total	\$ 11,520,000	\$ 9,442,312	\$ 20,962,312

C) 2006 Tax Allocation Bonds

In 2006, the Agency issued an \$11,695,000 aggregated principal amount of Moorpark Redevelopment Project 2006 Tax Allocation Bonds (2006 Bonds). The purpose of the 2006 Bonds was to finance redevelopment activities related to the Moorpark Redevelopment Project Area. The 2006 Bonds bear interest at rates ranging from 3.625 percent to 4.375 percent per annum, payable semi-annually on April 1 and October 1 of each year, commencing on April 1, 2007, and are subject to mandatory sinking fund redemption commencing on October 1, 2016, and on each October 1 thereafter. The 2006 Bonds are payable from and secured by the tax revenues to be derived from the project area.

The 2006 Bonds are secured by all property tax increment revenue, which is recorded in the Redevelopment Agency Debt Service Fund. Cash and investments in the custody of the fiscal agent are restricted by the bond resolutions for payment of principal and interest on the 2006 Bonds.

The Agency is in compliance with the covenants contained in the debt indenture, which require the establishment of certain specific accounts for the 2006 Bonds.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

6) LONG-TERM LIABILITIES - Continued

C) 2006 Tax Allocation Bonds - Continued

Debt service payments on the 2006 Bonds payable will be made from the Redevelopment Agency Debt Service Fund. Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Tax Allocation Bonds		Total
	Principal	Interest	
2011	\$ 40,000	\$ 507,437	\$ 547,437
2012	40,000	505,987	545,987
2013	35,000	504,628	539,628
2014	40,000	503,269	543,269
2015	40,000	501,819	541,819
2016-2020	235,000	2,483,919	2,718,919
2021-2025	295,000	2,431,187	2,726,187
2026-2030	355,000	2,361,781	2,716,781
2031-3035	4,270,000	2,028,031	6,298,031
2036-2039	6,345,000	570,172	6,915,172
Total	\$ 11,695,000	\$ 12,398,230	\$ 24,093,230

D) Pension-Related Debt

As of June 30, 2003, California Public Employees Retirement System (CalPERS) implemented risk pooling for the City's multiple-employer public employee defined benefit pension plan. At that point, in accordance with generally accepted accounting principles, the City's Miscellaneous Plan converted from an "agent" multiple-employer plan to a "cost-sharing" multiple-employer plan. Although a portion of the City's annual required contributions are actuarially determined and shared by all employers of the risk pool, the City is also required to make annual payments on a "Side Fund" which was created when the City entered the risk pool. The responsibility for funding the Side Fund is specific to the City and is not shared by all employers in the plan. Therefore, the Side Fund falls under the definition of pension-related debt, as described in GASB Statement No. 27. The annual payments on the Side Fund represent principal and interest payments on the pension-related debt. Principal and interest are included in the retirement expenditures in the various functions.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

6) LONG-TERM LIABILITIES - Continued

D) Pension-Related Debt - Continued

The future debt service requirements on this debt are as follows:

Year Ending June 30,	Pension-related Debt		Total
	Principal	Interest	
2011	\$ 45,923	\$ 96,800	\$ 142,723
2012	54,297	93,065	147,362
2013	63,476	88,675	152,151
2014	73,528	83,567	157,095
2015	84,527	77,675	162,202
2016	96,549	70,923	167,472
2017	109,682	63,234	172,916
2018	124,016	54,520	178,536
2019	139,650	44,688	184,338
2020	156,692	33,637	190,329
2021	175,256	21,258	196,514
2022	195,468	7,433	202,901
Total	\$ 1,319,064	\$ 735,475	\$ 2,054,539

E) Employee Compensated Absences

The long-term liability at June 30, 2010 is \$673,139 for employee compensated absences. The General Fund is primarily expected to liquidate this liability.

7) AGREEMENTS WITH VARIOUS TAXING AGENCIES

The Agency has entered into four (4) agreements for allocation and distribution of tax increment revenues:

The first agreement is with the County of Ventura, Ventura County Library District, Ventura County Fire Protection District, and Ventura County Flood Control District (collectively, the "County Taxing Entities"), which provides for the Agency to retain 100 percent of the County Taxing Entities share (55.82 percent) of annual tax increment revenues up to \$1,750,000. For annual tax increment revenue in excess of \$1,750,000, the Agency shall distribute 55.82 percent of such revenues to the County on behalf of the County Taxing Entities. The County Taxing Entities have agreed to defer payments in the

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

7) AGREEMENTS WITH VARIOUS TAXING AGENCIES - Continued

initial years of the Redevelopment Plan, and consequently, the parties agree that the County Taxing Entities may receive payments in any single fiscal year in excess of the amount of tax revenues the County Taxing Entities would otherwise be entitled to, but for the adoption of the Redevelopment Plan.

With respect to the first paragraph, 4.2 percent of the County Taxing Entities share is allocated to the County Library District (County Free Library System). The City has withdrawn from the County Free Library System and now operates the Moorpark Library. Pursuant to the Memorandum of Understanding governing the County Free Library System, upon withdrawal, a city is entitled to all property taxes allocated to library purposes from within the corporate boundaries of such city. The County has agreed that the City is entitled to the share of annual tax increment previously allocated to the County Library District under the first agreement.

The second agreement is with the Moorpark Unified School District (MUSD), and states that the MUSD shall receive, after the Agency has satisfied debt service payments to bond or note holders or to the holder of any other instruments of Agency indebtedness (provided such indebtedness is not reasonably foreseeable to impair the Agency's obligation under the agreement), the MUSD's share (33.41 percent) of tax increment revenues generated by an annual 2 percent increase in assessed valuation, and beginning in fiscal year 1995/96, 14 percent of the MUSD's share of annual tax increment revenue.

Per the agreement between the MUSD and the Agency, the distributions to the MUSD shall be expended for the following purposes at school sites in the incorporated boundaries of the City:

1. Telephone systems for new buildings
2. Computer hardware and educational systems
3. Land acquisition
4. Books
5. School buildings and facilities and related capital improvements and modernization projects (collectively public works); such public works may include design, inspection and administration costs, but not MUSD overhead or salary/benefits for regular MUSD employees.

The Agency may pre-approve other expenditures that are submitted in writing by the MUSD.

The third agreement is with the Ventura County Community College District (VCCCD), and states that the VCCCD should receive, after the Agency has satisfied debt service payments to bond or note holders or to the holders of any other instruments of Agency indebtedness (provided such indebtedness is not reasonably foreseeable to impair the Agency's obligation under the agreement), the VCCCD's

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

7) AGREEMENTS WITH VARIOUS TAXING AGENCIES - Continued

share (5.81 percent) of tax increment revenues generated by an annual 2 percent increase in assessed valuation, and beginning in fiscal year 1993/94, 14 percent of the VCCCD's share of annual tax increment revenue.

An agreement, dated May 1, 2008, between the City and the VCCCD redirects the VCCCD's tax increment allocation. The Agency shall transfer to the City the VCCCD's tax increment allocations, up to One Million Dollars (\$1,000,000), beginning with fiscal year 2006/07 and for every fiscal year thereafter through and including the 2024/25 fiscal year for the purpose of constructing certain public improvements near Moorpark College.

The fourth agreement is with the Ventura County Superintendent of Schools Office (Superintendent), and states that the Superintendent shall receive its share (2.49 percent) of tax increment revenues generated by an annual 2 percent increase in assessed valuation.

8) RETIREMENT PLAN

A) Plan Description

The City contributes to CalPERS, a cost-sharing multiple-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and city ordinance. Copies of CalPERS' annual financial report may be obtained from their executive office: 400 P Street, Sacramento, California 95814.

B) Funding Policy

Active plan members are required to contribute 7 percent of their covered salary. The City makes the contribution required of the City employees on their behalf. The City is also required to make an additional contribution at an actuarially determined rate. The required employer contribution rate for the fiscal year 2009/10 was 10.990 percent. The contribution requirements for plan members are established by State statute and the employer contribution rate is

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

8) RETIREMENT PLAN - Continued

B) Funding Policy - Continued

established and may be amended by CalPERS. The following represents the required contributions for the past three fiscal years:

<u>Fiscal Year</u>	<u>Required Contributions</u>	<u>Percent Contributed</u>
2007/08	\$ 448,187	100%
2008/09	\$ 491,357	100%
2009/10	\$ 566,161	100%

9) OTHER POST EMPLOYMENT BENEFITS

Plan Description

The City's defined benefit post-employment healthcare plan, City of Moorpark Retiree Healthcare Plan, (MRHP), provides medical benefits to eligible retired City employees and spouses. MRHP is part of the Public Agency portion of the California Employers' Retiree Benefit Trust Fund (CERBT), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions as well as other requirements is established by State statute within the Public Employees' Retirement Law. MRHP selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through City resolution. CalPERS issues a Comprehensive Annual Financial Report (CAFR). The CAFR is issued in aggregate and includes the sum of all CalPERS plans. Copies of the CalPERS CAFR may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the Council. The City contributes the Public Employees' Medical and Hospital Care Act (PEMHCA) minimum.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

9) OTHER POST EMPLOYMENT BENEFITS - Continued

Funding Policy - Continued

The City is required to contribute the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The current ARC rate is 1.2% of the annual covered payroll.

Annual OPEB Cost

For 2010, the City's annual OPEB cost (expense) of \$54,000 for MRHP was equal to the ARC. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010 and the two preceding years were as follows:

THREE-YEAR TREND INFORMATION FOR CERBT			
Fiscal Year	Annual OPEB Cost (AOC)	Percentage of OPEB Cost Contributed	Net OPEB Obligation
6/30/10	\$ 54,000	100%	(316,000)
6/30/09	\$ 54,000	100%	(341,000) #
6/30/08	*	*	*

The City of Moorpark pre-funded the Actuarial Accrued Liability of \$364,000 plus the normal cost of \$31,000 during the 2008/09 fiscal year ending June 30, 2009.

* The information for the year ending June 30, 2008 is unavailable. GASB 45 was implemented prospectively in fiscal year 2008/09.

Funded Status and Funding Progress

The funded status of the plan as of June 30, 2008, was as follows:

Actuarial Accrued Liability (AAL)	\$ 364,000
Actuarial Value of Plan Assets	\$ 0
Unfunded Actuarial Accrued Liability (UAAL)	\$ 364,000
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0%
Covered Payroll (Active Plan Members)	\$ 4,519,000
UAAL as a Percentage of Covered Payroll	8.055%

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

9) OTHER POST EMPLOYMENT BENEFITS - Continued

Funded Status and Funding Progress - Continued

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following is a summary of the actuarial assumptions and methods:

Valuation Date	June 30, 2008
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Remaining Amortization Period	30 Years as of the Valuation Date
Actuarial Assumptions:	
Investment Rate of Return	7.75%
Projected Salary Increase	3.25%
Health Care Trend Rate	4.50%
General Inflation	3.00%

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

10) CONDUIT DEBT - REVENUE BONDS

The City of Moorpark Mobile Home Park Revenue Bonds (Villa Del Arroyo) Series 2000 A and the City of Moorpark Mobile Home Park Subordinate Revenue Bonds (Villa Del Arroyo) Series 2000 B were issued in the amounts of \$12,740,000 and \$2,635,000 respectively. Both issuances were dated May 19, 2000. The Series A bonds were issued to fund a loan to Augusta Homes, a California non-profit public benefit corporation, to finance the acquisition of the Villa Del Arroyo Mobile Home Park. The Series B bonds were issued for the same purpose but are subordinate to the Series A bonds. The total bonds outstanding at June 30, 2010, totaled \$13,025,000.

The City of Moorpark Multifamily Housing Revenue Bonds (Vintage Crest Senior Apartment Project) 2002 Series A were issued in the amount of \$16,000,000. The issuance was dated December 1, 2002. The Series A Bonds were issued to fund a loan to Vintage Crest Senior Apartment L.P., a California Limited Partnership, to finance the Vintage Crest Senior Housing Project. The bonds outstanding at June 30, 2010, totaled \$14,832,592.

Each of the bond programs described above do not constitute an indebtedness of the City, and there is neither a legal nor a moral obligation on the part of the City to make payments on such bonds from any source other than the revenues and assets pledged therefore. The programs are completely administered by the Trustees without any involvement by the City. Accordingly, these programs and the bonds issued thereunder have been excluded from the accompanying basic financial statements.

11) SPECIAL ASSESSMENT BONDS

A) Assessment District 92-1 (Mission Bell Plaza)

On April 1, 1994, the City sponsored the issuance of special assessment bonds to finance certain capital improvements for the Mission Bell Plaza project. These bonds, totaling \$2,595,000, of which \$735,000 and \$1,475,000 mature in 2013 and 2023, respectively, were issued under the 1915 Improvements Bonds Act and are obligations against the properties in the assessment district. The special assessment, which is collected with other property related taxes as part of the secured property tax bill for properties in the assessment district, will be forwarded to an independent bank that serves as the paying agent. These bonds do not constitute an indebtedness of the City, and the City is not liable for their repayment. Accordingly, these special assessment bonds payable have been excluded from the accompanying basic financial statements. The unpaid principal balance on such bonds is \$1,465,000 at June 30, 2010.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

11) SPECIAL ASSESSMENT BONDS - Continued

B) Community Facilities District No. 97-1 (Carlsberg)

On July 1, 1997, the City issued bonds to finance the acquisition and construction of public improvements within the City of Moorpark Community Facilities District No. 97-1. These bonds, totaling \$7,645,000, were issued pursuant to the Mello-Roos Community Facilities Act of 1982. The bonds mature on September 1, 2027 with interest payable at rates ranging from 4.4 percent to 6 percent per annum on March 1, and September 1 of each year commencing March 1, 1998. The City is not liable under any circumstance for the repayment of the debt, but is only acting as agent for the property owners in collecting the assessments and special taxes, forwarding collections to fiscal agents to pay the bondholders and initiating foreclosure proceedings, if appropriate. Accordingly, these bonds payable have been excluded from the accompanying basic financial statements. The unpaid principal balance is \$6,130,000 at June 30, 2010.

C) Community Facilities District No. 2004-1 (Moorpark Highlands)

During fiscal year 2006/07, the City issued bonds to construct and acquire certain public facilities of benefit to the Community Facilities District No. 2004-1. The bonds, totaling \$38,030,000, were issued pursuant to the Mello-Roos Community Facilities Act of 1982. The bonds mature on September 1, 2038 with interest payable at rates ranging from 4.0 percent to 5.3 percent per annum, on March 1 and September 1 of each year. The City is not liable under any circumstance for the repayment of the debt, but is only acting as agent for the property owners in collecting the assessments and special taxes, forwarding collections to fiscal agents to pay the bondholders and initiating foreclosure proceedings, if appropriate. Accordingly, these bonds payable have been excluded from the accompanying basic financial statements. The unpaid principal balance is \$35,955,000 at June 30, 2010.

12) RISK MANAGEMENT

A) Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City is a member of the Authority. The Authority is composed of over 100 California public entities and is organized under a joint powers agreement pursuant to California Government Code 6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group-purchased insurance for property and other coverages. The Authority's pool began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

12) RISK MANAGEMENT - Continued

A) Description of Self-Insurance Pool Pursuant to Joint Powers Agreement -Continued

The City does not have an equity interest in the Authority: therefore, no amount has been reported in the Statement of Net Assets. However, the City does have an ongoing financial interest because the City is able to influence the operations of the Authority so that the Authority uses its resources on behalf of the City. Also, an ongoing financial responsibility exists because the Authority is dependent on continued funding from the City. The condensed financial information of the Authority has not been reproduced in this report, but is available from the Authority.

B) Self Insurance Programs of the Authority

General Liability: Each member government pays a primary deposit to cover estimated losses for a fiscal year (claims year). Six months after the close of a fiscal year, outstanding claims are valued. Costs are spread to members as follows: the first \$30,000 of each occurrence is charged directly to the member; costs from \$30,001 to \$750,000 are pooled based on a member's share of costs under \$30,000; costs from \$50,001 to \$5,000,000 are pooled based on payroll. Cost of covered claims above \$5,000,000 are currently paid by reinsurance. The Protection for each member is \$50,000,000 per occurrence and \$50,000,000 annual aggregate.

Workers' Compensation: The City also participates in the workers compensation pool administered by the Authority. Members retain the first \$50,000 of each claim. Claims are pooled separately between public safety and non-public safety. Loss development reserves are allocated by pool and by loss layer (\$0 to \$100,000 allocated by retained amount and \$100,000 to \$2,000,000 by payroll). Losses from \$50,000 to \$100,000 and the loss development reserve associated with losses up to \$100,000 are pooled based on the member's share of losses under \$50,000. Losses from \$100,000 to \$2,000,000 are pooled based on payroll. Costs in excess of \$50,000,000 are pooled among the Members based on payroll. Administrative expenses are paid from the Authority's investment earnings.

C) Purchased Insurance

The City participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. The City property is currently insured according to a schedule of covered property submitted by the City to the Authority. Total all-risk property insurance coverage is \$38,504,423. There is a \$5,000 per loss deductible. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

12) RISK MANAGEMENT - Continued

D) Earthquake and Flood Insurance

The City purchased earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. The City property currently has earthquake protection in the amount of \$34,531,896. There is a deductible of 5 percent of the value with a minimum deduction of \$100,000. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

E) Adequacy of Protection

During the past three fiscal (claims) years none of the above program of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

F) Claims and Judgments

The City accounts for uninsured, material claims and judgments and associated legal and administrative costs when it is probable that the liability claim has been incurred and the amount of the loss can be reasonably estimated. Included therein are claims incurred but not reported, which consists of (a) known loss events expected to be presented as claims later, (b) unknown loss events that are expected to become claims, and (c) expected future development on claims already reported. This is based upon historical actual results that have established a reliable pattern supplemented by specific information about current matters. Small dollar claims and judgments are recorded as expenditures when paid.

13) CLASSIFICATION OF NET ASSETS AND FUND BALANCE

In the Government-wide financial statements; net assets are classified in the following categories:

Invested in Capital Assets

This category groups all assets, including infrastructure, into one component of net assets. Accumulated depreciation on these assets reduces this category.

Restricted Net Assets

This category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

13) CLASSIFICATION OF NET ASSETS AND FUND BALANCE - Continued

Unrestricted Net Assets

This category represents the net assets of the City that are not externally restricted for any project or other purpose.

In the Fund Financial Statements, the City has established “reserves” to segregate portions of fund balance which are not appropriable for expenditure in future periods, or which are legally set aside for a specific future use. Fund “designations” also are established to indicate tentative plans for financial resource utilization of unreserved fund balance in a future period.

The City’s governmental funds reserves and designations at June 30, 2010, are presented below, followed by explanations of the nature and purpose of each reserve and designation.

	<u>General Fund</u>	<u>Endowment Fund</u>	<u>MRA Operating Fund</u>	<u>Highlands Improvement Fund</u>
Reserved:				
Capital Projects	\$	\$	\$	\$ 13,961,736
Debt Service				
Property Held for Resale/ Development			7,142,622	
Advances		1,933,495		
Prepaid Items	337,286			
Total Reserved	<u>\$ 337,286</u>	<u>1,933,495</u>	<u>7,142,622</u>	<u>\$ 13,961,736</u>
Unreserved, Designated:				
Future Projects	\$ -	\$ -	\$ -	\$ -
	<u>Redevelopment Agency Capital Projects Fund</u>	<u>Special Projects Fund</u>	<u>Redevelopment Agency Debt Service Fund</u>	<u>Non-Major Governmental Funds</u>
Reserved:				
Capital Projects	\$	\$	\$	\$
Debt Service			1,884,723	
Property Held for Resale/ Development	4,398,806			7,887,425
Advances		1,000,000		
Prepaid Items				
Total Reserved	<u>\$ 4,398,806</u>	<u>\$ 1,000,000</u>	<u>\$ 1,884,723</u>	<u>\$ 7,887,425</u>
Unreserved, Designated:				
Future Projects	\$ -	\$ 24,292,789	\$ -	\$ -

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

13) CLASSIFICATION OF NET ASSETS AND FUND BALANCE - Continued

Reserved for Capital Projects

These funds are reserved for project expenditures related to the issuance of the CFD No. 2004-1 bonds.

Reserved for Debt Service

These funds are reserved for restricted debt proceeds.

Reserved for Property Held for Resale/Development

These funds are reserved for property purchased by the Agency to be sold or otherwise used for the development of the Moorpark Redevelopment Agency Project Area or Low and Moderate Income Housing Projects.

Reserved for Advances

These funds are reserved for advances to other funds.

Reserved for Prepaid Items

These funds are reserved for prepaid items.

Unreserved, Designated for Future Projects

These funds have been designated for future capital projects.

Deficit Fund Balance

The following non-major governmental funds had a deficit at June 30, 2010:

Tierra Rejada/Spring Road Special Revenue Fund	(167,864)
--	-----------

Management expects these deficits to be eliminated through future revenues.

14) COMMITMENTS AND CONTINGENCIES

A) Commitments

The City has contracts with County of Ventura for various services, most notably law enforcement. These service contracts are renegotiated annually and cancelable by the City or the County on May 31 of each year after 30 days notice has been given. These are based on an hourly rate and adjusted throughout the fiscal year.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010**

14) COMMITMENTS AND CONTINGENCIES - Continued

B) Contingencies

There are certain legal actions pending against the City which management considers incident to normal operations, some of which seek substantial monetary damages. In the opinion of management, after consultation with counsel, the ultimate resolution of such actions is not expected to have a significant effect on the financial position or the results of operations of the City.

The City has received State and Federal funds for specific purposes that are subject to review by the grantor agencies. Although such audits could generate expenditure disallowance under the terms of the grants, it is believed that any disallowed amounts will not be material.

15) PROPOSITION 1A BORROWING BY THE STATE OF CALIFORNIA

Under the provisions of Proposition 1A and as part of the 2009-10 budget package passed by the California State Legislature on July 28, 2009, the State of California borrowed 8% of the amount of property tax revenue, including those property taxes associated with the in-lieu motor vehicle license fee, the triple flip in-lieu sales tax, and the supplemental property tax, apportioned to cities, counties and special districts (excluding redevelopment agencies). The State is required to repay this borrowing plus interest by June 30, 2013. After repayment of this initial borrowing, the California legislature may consider only one additional borrowing within a ten-year period. The amount of this borrowing pertaining to the City was \$628,112.

Authorized with the 2009-10 State budget package, the Proposition 1A Securitization Program was instituted by the California Statewide Communities Development Authority ("California Communities"), a joint powers authority sponsored by the California State Association of Counties and the League of California Cities, to enable local governments to sell their Proposition 1A receivables to California Communities. Under the Securitization Program, California Communities simultaneously purchased the Proposition 1A receivables and issued bonds ("Prop 1A Bonds") to provide local agencies with cash proceeds in two equal installments, on January 15, 2010 and May 3, 2010. The purchase price paid to the local agencies equaled 100% of the amount of the property tax reduction. All transaction costs of issuance and interest were paid by the State of California. Participating local agencies have no obligation on the bonds and no credit exposure to the State. The City participated in the securitization program and accordingly property taxes have been recorded in the same manner as if the State had not exercised its right under Proposition 1A. The receivable sale proceeds were equal to the book value and, as a result, no gain or loss was recorded.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2010

16) NEW PRONOUNCEMENT

The provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, will be required to be adopted and implemented by the City for the fiscal year 2010-11.

17) PRIOR PERIOD ADJUSTMENT

A) Governmental Activities

The prior period adjustment of \$7,451,908 in the Statement of Activities consists of the following: Capital assets were increased by \$7,577,422 for land donated in prior years by a developer; \$525,661 recorded as construction in progress should have been classified as land held for resale; in the Low and Moderate Income Housing Special Revenue Fund, prior year revenue of \$125,514 should have been deferred while \$327,320 and \$198,341 of expenditures in the Low and Moderate Income Housing Special Revenue and the Redevelopment Agency Capital Projects Funds, respectively, should have been recorded as land held for resale but were expensed.

B) Fund Financial Statements

The prior period adjustment of \$400,147 in the Statement of Revenues, Expenditures and Changes in Fund Balances consists of \$125,514 in prior year revenue which should have been deferred in the Low and Moderate Income Housing Special Revenue Fund and \$525,661 of land held for resale which was expensed in the prior year (\$327,320 and \$198,341 in the Low and Moderate Income Housing Special Revenue and the Redevelopment Agency Capital Projects Funds, respectively).

18) SUBSEQUENT EVENTS

Subsequent to June 30, 2010, the City loaned \$600,000 to the Agency for development of residential housing units for the Charles Street project.

Subsequent to June 30, 2010 there was an unscheduled bond call of \$8,395,000 that paid down the bonds of Moorpark Highlands.

REQUIRED SUPPLEMENTARY INFORMATION

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
<u>PROPERTY TAXES</u>				
Current Secured	\$ 3,150,000	\$ 3,000,000	\$ 3,231,498	\$ 231,498
Current Unsecured	50,000	40,000	32,128	(7,872)
Prior Year Secured / Unsecured	3,000	65,000	63,844	(1,156)
Supplemental Secured / Unsecured	100,000	100,000	64,265	(35,735)
Real Property Transfer Tax	100,000	100,000	159,918	59,918
Homeowners Property Exemption	30,000	45,000	40,832	(4,168)
Parcel Taxes		120,000	139,110	19,110
Property Taxes ~ VLF	<u>2,825,000</u>	<u>2,920,000</u>	<u>2,920,201</u>	<u>201</u>
Total Property Taxes	<u>6,258,000</u>	<u>6,390,000</u>	<u>6,651,796</u>	<u>261,796</u>
<u>SALES TAXES</u>				
Sales and Use Tax	2,175,000	2,175,000	2,382,010	207,010
Sales Tax Compensation	<u>825,000</u>	<u>589,000</u>	<u>588,635</u>	<u>(365)</u>
Total Sales Taxes	<u>3,000,000</u>	<u>2,764,000</u>	<u>2,970,645</u>	<u>206,645</u>
<u>FRANCHISE FEES</u>				
Franchise Fee - Adelphia	325,000	350,000	392,578	42,578
Franchise Fee - Edison	305,000	305,000	293,718	(11,282)
Franchise Fee - Gas	125,000	125,000	83,313	(41,687)
Franchise Fee - Oil			2,631	2,631
Franchise PEG Fees		30,000	41,799	11,799
Franchise GI Rubbish	225,000	195,000	186,955	(8,045)
Franchise Moorpark Rubbish	120,000	115,000	113,323	(1,677)
Landfill Local Impact Fee	55,000	55,000	49,483	(5,517)
CIWMP Fees	<u>10,000</u>	<u>10,000</u>	<u>8,025</u>	<u>(1,975)</u>
Total Franchise Fees	<u>1,165,000</u>	<u>1,185,000</u>	<u>1,171,825</u>	<u>(13,175)</u>
<u>SPECIAL BENEFIT ASSESSMENTS</u>				
SBA - Storm Drain Maintenance				-
Total Special Benefit Assessments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>LICENSES AND PERMITS</u>				
Business Registration	60,000	80,000	137,830	57,830
Filming Permits	7,000	7,000	5,940	(1,060)
NPDES Business Inspection Fees	<u>6,000</u>	<u>6,000</u>	<u>3,145</u>	<u>(2,855)</u>
Total Licenses and Permits	<u>73,000</u>	<u>93,000</u>	<u>146,915</u>	<u>53,915</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund - Continued
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
REVENUES				
<u>FINES AND FORFEITURES</u>				
Municipal Code Fines	\$ 175,000	\$ 175,000	\$ 195,161	\$ 20,161
Animal Control Fines	2,000	2,000		(2,000)
Forfeiture & Penalties		2,000		(2,000)
Settlements	2,000			-
Total Fines & Forfeitures	<u>179,000</u>	<u>179,000</u>	<u>195,161</u>	<u>16,161</u>
<u>USE OF MONEY AND PROPERTY</u>				
Investment Earnings	498,000	498,000	304,989	(193,011)
Rents and Concessions	125,000	125,000	111,016	(13,984)
Interest / City MRA Advance	230,000	150,000	76,500	(73,500)
Total Money & Property	<u>853,000</u>	<u>773,000</u>	<u>492,505</u>	<u>(280,495)</u>
<u>CHARGES FOR SERVICES</u>				
Other Admin Service Fees	80,000	80,000	99,017	19,017
Administrative Fees - CFD	100,000	100,000		(100,000)
Park and Facility Use Fee	72,000	72,000	81,501	9,501
Contract Class Registration Fees	160,000	160,000	212,322	52,322
League Fees	100,000	100,000	103,213	3,213
Recreation Event Fees	250,000	250,000	238,339	(11,661)
Advertising in brochure	10,000	10,000	10,240	240
Other Community Services Fees	48,000	37,000	1,443	(35,557)
Photocopying	1,000	1,000	567	(433)
Sale of Documents	1,000	1,000	656	(344)
Special Police Dept Services	45,000	30,000	36,050	6,050
NSF Fees and Misc. Charges	1,000	1,000	1,035	35
Total Charges for Services	<u>868,000</u>	<u>842,000</u>	<u>784,383</u>	<u>(57,617)</u>
<u>INTERGOVERNMENTAL</u>				
Off Highway Motor Vehicle				-
Motor Vehicle In Lieu	100,000	75,000	109,136	34,136
Other State Funds	5,000	20,000	18,608	(1,392)
County Grants	10,000	10,000	21,934	11,934
Other Federal Revenue / Grants	5,000	23,465	12,849	(10,616)
Total Intergovernmental	<u>120,000</u>	<u>128,465</u>	<u>162,527</u>	<u>34,062</u>

Continued

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund - Continued
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
<u>OTHER REVENUES</u>				
Contributions / Donations	\$	\$ 500	\$ 9,781	\$ 9,281
Revenues not elsewhere classified	15,000	15,000	12,769	(2,231)
Expense Reimbursements	75,000	75,000	63,327	(11,673)
Restitution / Insurance Proceeds	15,000	15,000	47,912	32,912
Total Other Revenues	<u>105,000</u>	<u>105,500</u>	<u>133,789</u>	<u>28,289</u>
Total Revenue	<u>12,621,000</u>	<u>12,459,965</u>	<u>12,709,546</u>	<u>249,581</u>
EXPENDITURES				
Current:				
General Government	1,493,125	1,601,125	1,497,916	103,209
Public Safety	6,729,198	6,729,698	6,076,995	652,703
Public Services	196,163	316,571	77,649	238,922
Parks and Recreation	1,608,910	1,623,788	1,486,374	137,414
Capital Outlay	61,897	281,945	99,215	182,730
Total Expenditures	<u>10,089,293</u>	<u>10,553,127</u>	<u>9,238,149</u>	<u>1,314,978</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2,531,707</u>	<u>1,906,838</u>	<u>3,471,397</u>	<u>1,564,559</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	26,000	55,925	136,398	80,473
Transfer Out	(2,298,000)	(2,307,816)	(3,813,625)	(1,505,809)
Total Other Financing Sources (Uses)	<u>(2,272,000)</u>	<u>(2,251,891)</u>	<u>(3,677,227)</u>	<u>(1,425,336)</u>
Net Change in Fund Balance	259,707	(345,053)	(205,830)	139,223
Fund Balance, Beginning of Year	<u>3,205,829</u>	<u>3,205,829</u>	<u>3,205,829</u>	
Fund Balance, End of Year	<u>\$ 3,465,536</u>	<u>\$ 2,860,776</u>	<u>\$ 2,999,999</u>	<u>\$ 139,223</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Street and Traffic Safety Special Revenue Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
<u>USE OF MONEY AND PROPERTY</u>				
Investment Earnings	\$ 400,000	\$ 400,000	\$ 247,087	\$ (152,913)
Total Use of Money and Property	400,000	400,000	247,087	(152,913)
<u>CHARGES FOR SERVICES</u>				
Other Development Fees	1,672,000	365,000	432,459	67,459
Total Charges for Services	1,672,000	365,000	432,459	67,459
<u>OTHER REVENUE</u>				
Sale of Plans/Specifications	-	-	430	430
Total Other Revenue	-	-	430	430
Total Revenues	2,072,000	765,000	679,976	(85,024)
EXPENDITURES				
Current:				
Public Services	26,939	36,939	33,277	3,662
Capital Outlay	665,493	3,840,958	345,914	3,495,044
Total Expenditures	692,432	3,877,897	379,191	3,498,706
Excess (Deficiency) of Revenues over Expenditures	1,379,568	(3,112,897)	300,785	3,413,682
OTHER FINANCING SOURCES (USES)				
Transfers Out	(50,000)	(50,000)	(18,754)	31,246
Total Other Financing Sources (Uses)	(50,000)	(50,000)	(18,754)	31,246
Net Change in Fund Balance	1,329,568	(3,162,897)	282,031	3,444,928
Fund Balance, Beginning of Year	19,660,547	19,660,547	19,660,547	
Fund Balance, End of Year	\$ 20,990,115	\$ 16,497,650	\$ 19,942,578	\$ 3,444,928

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Community Development Special Revenue Fund
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u> Amounts	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
<u>LICENSES AND PERMITS</u>				
Misc. Business Permits	\$	\$	\$	\$ -
Street Vendor Permits	1,000	1,000	1,780	780
Home Occupation Permits	9,000	9,000	12,670	3,670
Sign Permits	6,000	6,000	4,865	(1,135)
Banner Permits	2,000	2,000	1,530	(470)
Residential Building Permits	293,000	293,000	350,045	57,045
Non Residential Building	285,000	30,000	37,442	7,442
Permit Adj Commercial	2,000	2,000	2,520	520
Permit Adj Industrial	1,000	1,000		(1,000)
Permit Adj Residential	1,000	1,000		(1,000)
Temporary Use Permit	3,000	3,000	3,465	465
Enchroachment Permit	20,000	20,000	25,158	5,158
Rental Inspection Permits			4,180	4,180
Administrative Permits	4,000	4,000	7,800	3,800
Total Licenses and Permits	<u>627,000</u>	<u>372,000</u>	<u>451,455</u>	<u>79,455</u>
<u>FINES AND FORFEITURES</u>				
Municipal Code Fines	4,000	4,000	10,575	6,575
Code Enforcement Fines			4,171	4,171
Forfeiture and Penalties			711	711
Total Fines and Forfeitures	<u>4,000</u>	<u>4,000</u>	<u>15,457</u>	<u>11,457</u>
<u>USE OF MONEY AND PROPERTY</u>				
Investment Earnings			136	136
Total Use of Money and Property	<u>-</u>	<u>-</u>	<u>136</u>	<u>136</u>
<u>CHARGES FOR SERVICES</u>				
City Admin Engin Contract	60,000	15,000	12,213	(2,787)
City Admin Attny Contract	3,000	11,000	16,573	5,573
Contract Admin Fee	2,000	2,000	11,046	9,046
Other Admin Service Fees	2,000	2,000	4,130	2,130
Zone Clearance	32,000	32,000	36,900	4,900
Imaging Fees	5,000	5,000	926	(4,074)
Advance Planning Fees	18,000	18,000	18,789	789
Plan Check Residential	89,000	70,000	95,943	25,943
Plan Check Non Residential	47,000	20,000	18,631	(1,369)

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Community Development Special Revenue Fund - Continued
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
<u>CHARGES FOR SERVICES</u>				
Planning Time Charges	\$ 336,000	\$ 225,000	\$ 363,769	\$ 138,769
Public Improv Plan Check	9,000	25,000	19,733	(5,267)
Public Improv Inspections	81,000	10,000	8,809	(1,191)
Real Estate Fees	2,000	2,000	3,195	1,195
Total Charges for Services	<u>686,000</u>	<u>437,000</u>	<u>610,657</u>	<u>173,657</u>
<u>OTHER REVENUES</u>				
Expense Reimbursements			75,101	75,101
Total Other Revenues	<u>-</u>	<u>-</u>	<u>75,101</u>	<u>75,101</u>
Total Revenues	<u>1,317,000</u>	<u>813,000</u>	<u>1,152,806</u>	<u>339,806</u>
EXPENDITURES				
Current:				
Public Services	2,574,711	2,268,239	1,990,225	278,014
Total Expenditures	<u>2,574,711</u>	<u>2,268,239</u>	<u>1,990,225</u>	<u>278,014</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,257,711)</u>	<u>(1,455,239)</u>	<u>(837,419)</u>	<u>617,820</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,095,000	1,095,000	886,942	(208,058)
Total Other Financing Sources (Uses)	<u>1,095,000</u>	<u>1,095,000</u>	<u>886,942</u>	<u>(208,058)</u>
Net Change in Fund Balance	(162,711)	(360,239)	49,523	409,762
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u>\$ (162,711)</u>	<u>\$ (360,239)</u>	<u>\$ 49,523</u>	<u>\$ 409,762</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Assessment District Special Revenue Fund
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
<u>USE OF MONEY AND PROPERTY</u>				
Investment Earnings	\$ 113,984	\$ 112,484	\$ 84,380	\$ (28,104)
Total Use of Money and Property	<u>113,984</u>	<u>112,484</u>	<u>84,380</u>	<u>(28,104)</u>
<u>CHARGES FOR SERVICES</u>				
Tennis/Basketball Court Lighting Use	3,000	3,000	6,775	3,775
	<u>3,000</u>	<u>3,000</u>	<u>6,775</u>	<u>3,775</u>
<u>SPECIAL BENEFIT ASSESSMENTS</u>				
SBA - Street Lighting	246,000	246,000	251,377	5,377
SBA - Landscape Maintenance	888,000	1,062,000	925,962	(136,038)
SBA - Storm Drain Maintenance	9,000	9,000	18,745	9,745
SBA - Park Maintenance	708,000	708,000	691,202	(16,798)
Total Special Benefit Assessments	<u>1,851,000</u>	<u>2,025,000</u>	<u>1,887,286</u>	<u>(137,714)</u>
<u>OTHER REVENUES</u>				
Expense Reimbursements		66,000	240,034	174,034
Contributions and Donations	85,000	85,000		(85,000)
Total Other Revenues	<u>85,000</u>	<u>151,000</u>	<u>240,034</u>	<u>89,034</u>
Total Revenues	<u>2,052,984</u>	<u>2,291,484</u>	<u>2,218,475</u>	<u>(73,009)</u>
EXPENDITURES				
Current:				
Public Safety	379,032	394,032	443,850	(49,818)
Parks and Recreation	3,489,466	3,648,512	2,960,426	688,086
Capital Outlay		476,447	68,347	408,100
Total Expenditures	<u>3,868,498</u>	<u>4,518,991</u>	<u>3,472,623</u>	<u>1,046,368</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,815,514)</u>	<u>(2,227,507)</u>	<u>(1,254,148)</u>	<u>973,359</u>

Continued

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Assessment District Special Revenue Fund - Continued
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers In	\$ 1,495,500	\$ 1,441,568	\$ 1,288,301	\$ (153,267)
Total Other Financing Sources (Uses)	<u>1,495,500</u>	<u>1,441,568</u>	<u>1,288,301</u>	<u>(153,267)</u>
Net Change in Fund Balance	(320,014)	(785,939)	34,153	820,092
Fund Balance, Beginning of Year	<u>6,428,625</u>	<u>6,428,625</u>	<u>6,428,625</u>	
Fund Balance, End of Year	<u>\$ 6,108,611</u>	<u>\$ 5,642,686</u>	<u>\$ 6,462,778</u>	<u>\$ 820,092</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Endowment Special Revenue Fund
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
<u>USE OF MONEY AND PROPERTY</u>				
Investment Earnings	\$ 76,000	\$ 76,000	\$ 40,152	\$ (35,848)
Rents and Concessions	84,000	84,000	70,819	(13,181)
Total Use of Money and Property	<u>160,000</u>	<u>160,000</u>	<u>110,971</u>	<u>(49,029)</u>
<u>CHARGES FOR SERVICES</u>				
Other Development Fees	588,000	230,000	277,202	47,202
Community Service Fees	32,000	18,000	21,760	3,760
Administration Fees	25,000	25,000	28,500	3,500
Total Charges for Services	<u>645,000</u>	<u>273,000</u>	<u>327,462</u>	<u>54,462</u>
Total Revenues	<u>805,000</u>	<u>433,000</u>	<u>438,433</u>	<u>5,433</u>
EXPENDITURES				
Capital Outlay	<u>358,402</u>	<u>362,902</u>	<u>54,187</u>	<u>308,715</u>
Total Expenditures	<u>358,402</u>	<u>362,902</u>	<u>54,187</u>	<u>308,715</u>
Excess (Deficiency) of Revenues over Expenditures	<u>446,598</u>	<u>70,098</u>	<u>384,246</u>	<u>314,148</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out				-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	446,598	70,098	384,246	314,148
Fund Balance, Beginning of Year	<u>4,777,666</u>	<u>4,777,666</u>	<u>4,777,666</u>	
Fund Balance, End of Year	<u>\$ 5,224,264</u>	<u>\$ 4,847,764</u>	<u>\$ 5,161,912</u>	<u>\$ 314,148</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Park/Public Facilities Special Revenue Fund
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
REVENUES				
<u>USE OF MONEY AND PROPERTY</u>				
Investment Earnings	\$ 74,000	\$ 74,000	\$ 38,275	\$ (35,725)
Rents and Concessions	16,000	16,000	-	(16,000)
Total Use of Money and Property	<u>90,000</u>	<u>90,000</u>	<u>38,275</u>	<u>(51,725)</u>
<u>CHARGES FOR SERVICES</u>				
Trees/Landscape Fees	12,000	12,000	41	(11,959)
Library Facilities Fees	169,000	42,000	56,774	14,774
Fees in Lieu of Park Land	393,000		55	55
Other Development Fees	11,000	11,000	10,846	(154)
Total Charges for Services	<u>585,000</u>	<u>65,000</u>	<u>67,716</u>	<u>2,716</u>
<u>INTERGOVERNMENTAL</u>				
Park Bond			89,495	89,495
Total Intergovernmental	<u>-</u>	<u>-</u>	<u>89,495</u>	<u>89,495</u>
<u>OTHER REVENUES</u>				
Sale Plans/Specifications			95	95
Total Other Revenues	<u>-</u>	<u>-</u>	<u>95</u>	<u>95</u>
Total Revenues	<u>675,000</u>	<u>155,000</u>	<u>195,581</u>	<u>40,581</u>
EXPENDITURES				
Public Services	31,300	31,300	6,282	25,018
Parks and Recreation			6,600	(6,600)
Capital Outlay	2,929,873	3,209,273	1,911,627	1,297,646
Total Expenditures	<u>2,961,173</u>	<u>3,240,573</u>	<u>1,924,509</u>	<u>1,316,064</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(2,286,173)</u>	<u>(3,085,573)</u>	<u>(1,728,928)</u>	<u>1,356,645</u>

Continued

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Park/Public Facilities Special Revenue Fund - Continued
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers In	\$ 1,500,000	\$ 1,500,000	\$	\$ (1,500,000)
Transfers Out			(2,760)	(2,760)
Total Other Financing Sources (Uses)	<u>1,500,000</u>	<u>1,500,000</u>	<u>(2,760)</u>	<u>(1,502,760)</u>
Net Change in Fund Balance	(786,173)	(1,585,573)	(1,731,688)	(146,115)
Fund Balance, Beginning of Year	<u>3,216,317</u>	<u>3,216,317</u>	<u>3,216,317</u>	
Fund Balance, End of Year	<u>\$ 2,430,144</u>	<u>\$ 1,630,744</u>	<u>\$ 1,484,629</u>	<u>\$ (146,115)</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - MRA Operating Special Revenue Fund
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
<u>PROPERTY TAXES</u>				
Current Secured	\$	\$ 3,172,000	\$ 2,995,783	(176,217)
Current Unsecured		712,000	758,316	46,316
Homeowners Property Exemption		24,000	17,552	(6,448)
Total Property Taxes	-	<u>3,908,000</u>	<u>3,771,651</u>	<u>(136,349)</u>
<u>USE OF MONEY AND PROPERTY</u>				
Investment Earnings		183,000	46,098	(136,902)
Rents and Concessions	47,000	47,000	54,509	7,509
Total Use of Money and Property	<u>47,000</u>	<u>230,000</u>	<u>100,607</u>	<u>(129,393)</u>
<u>OTHER REVENUES</u>				
Ticket Sales	65,000	65,000	62,050	(2,950)
Advertising in Brochures	3,000	3,000	6,050	3,050
Sale Plans/Specifications			15	15
	<u>68,000</u>	<u>68,000</u>	<u>68,115</u>	<u>115</u>
Total Revenues	<u>115,000</u>	<u>4,206,000</u>	<u>3,940,373</u>	<u>(265,627)</u>
EXPENDITURES				
Public Services	1,513,852	6,672,010	6,590,521	81,489
Capital Outlay	5,494,934	5,884,670	4,219	5,880,451
Debt Service:				
Interest on Short-term Loan from City	-	150,000	76,500	73,500
Total Expenditures	<u>7,008,786</u>	<u>12,706,680</u>	<u>6,671,240</u>	<u>6,035,440</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(6,893,786)</u>	<u>(8,500,680)</u>	<u>(2,730,867)</u>	<u>5,769,813</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from Bonds	5,000,000	5,000,000		(5,000,000)
Transfers In		1,857,500	1,860,440	2,940
Transfers Out	(11,000)	(11,000)	(1,921,660)	(1,910,660)
Total Other Financing Sources (Uses)	<u>4,989,000</u>	<u>6,846,500</u>	<u>(61,220)</u>	<u>(6,907,720)</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - MRA Operating Special Revenue Fund - Continued
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Net Change in Fund Balance	\$ (1,904,786)	\$ (1,654,180)	\$ (2,792,087)	\$ (1,137,907)
Fund Balance, Beginning of Year	<u>10,974,474</u>	<u>10,974,474</u>	<u>10,974,474</u>	
Fund Balance, End of Year	<u>\$ 9,069,688</u>	<u>\$ 9,320,294</u>	<u>\$ 8,182,387</u>	<u>\$ (1,137,907)</u>

**City of Moorpark
Schedule of Funding Progress for MRHP
Year Ended June 30, 2010**

Schedule of Funding Progress for MRHP

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Entry Age (B)	Unfunded AAL (UAAL) (B - A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll [(B-A)/C]
06/30/08	\$ -	\$ 364,000	\$ 364,000	0%	\$ 4,519,000	8.055%

*GASB 45 was implemented prospectively in fiscal year 2009. There were no previous actuarial valuations.

City of Moorpark
Notes to the Required Supplementary Information
Year Ended June 30, 2010

Budgetary Accounting

The City adopts an annual budget on a basis consistent with GAAP for all governmental funds. The City Manager is required to prepare and submit to the City Council the annual budget of the City and administer it thereafter. All annual appropriations lapse at fiscal year-end. Throughout the year, the City Council made several supplementing budgetary adjustments to various funds. These adjustments resulted in a net appropriation increase of \$13,248,276. This increase resulted primarily from additional appropriations to various construction in progress projects, acquisition of property, SERAF payment and rebudgeted projects and amounts carried over from Fiscal Year 2009/2010 as continuing appropriations.

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Police Facilities Fee Capital Projects Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
<u>MAINTENANCE ASSESSMENTS</u>				
Police Facilities Fees	\$ 232,000	\$ 46,000	\$ 63,145	\$ 17,145
Total Maintenance Assessments	<u>232,000</u>	<u>46,000</u>	<u>63,145</u>	<u>17,145</u>
 Total Revenues	 <u>232,000</u>	 <u>46,000</u>	 <u>63,145</u>	 <u>17,145</u>
EXPENDITURES				
Public Safety				-
Capital Outlay				-
 Total Expenditures	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Excess (Deficiency) of Revenues over Expenditures	 232,000	 46,000	 63,145	 17,145
Fund Balance, Beginning of Year	<u>(1,995,668)</u>	<u>(1,995,668)</u>	<u>(1,995,668)</u>	
Fund Balance, End of Year	<u>\$ (1,763,668)</u>	<u>\$ (1,949,668)</u>	<u>\$ (1,932,523)</u>	<u>\$ 17,145</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Redevelopment Agency Capital Projects Fund
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
REVENUES				
<u>USE OF MONEY AND PROPERTY</u>				
Investment Earnings	\$ 355,000	\$ 355,000	\$ 85,355	\$ (269,645)
Total Use of Money and Property	<u>355,000</u>	<u>355,000</u>	<u>85,355</u>	<u>(269,645)</u>
<u>OTHER REVENUES</u>				
Revenues Not Elsewhere Classified				-
Sale Plans/Specifications				-
Total Other Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>355,000</u>	<u>355,000</u>	<u>85,355</u>	<u>(269,645)</u>
EXPENDITURES				
Current:				
Public Services			8,361	(8,361)
Capital Outlay	12,053,153	12,352,269	759,299	11,592,970
Total Expenditures	<u>12,053,153</u>	<u>12,352,269</u>	<u>767,660</u>	<u>11,584,609</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(11,698,153)</u>	<u>(11,997,269)</u>	<u>(682,305)</u>	<u>11,314,964</u>
OTHER FINANCING SOURCES (USES)				
Transfers In			1,857,500	1,857,500
Transfers Out		(3,802,500)	(1,887,728)	1,914,772
Total Other Financing Sources (Uses)	<u>-</u>	<u>(3,802,500)</u>	<u>(30,228)</u>	<u>3,772,272</u>
Net Change in Fund Balances	(11,698,153)	(15,799,769)	(712,533)	15,087,236
Fund Balance, Beginning of Year	16,288,672	16,288,672	16,288,672	
Prior Period Adjustment			198,340	198,340
Fund Balances, End of Year	<u>\$ 4,590,519</u>	<u>\$ 488,903</u>	<u>\$ 15,774,479</u>	<u>\$ 15,285,576</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Redevelopment Agency Debt Service Fund
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
<u>PROPERTY TAXES</u>				
Tax Increment Secured	\$	\$ 1,720,138	\$ 1,720,138	\$ -
Tax Increment Unsecured				-
Total Property Taxes	-	1,720,138	1,720,138	-
<u>USE OF MONEY AND PROPERTY</u>				
Investment Earnings		30,953	32,868	1,915
Total Use of Money and Property	-	30,953	32,868	1,915
Total Revenues	-	1,751,091	1,753,006	1,915
EXPENDITURES				
Current:				
Public Services				-
Debt Service				
Principal		495,000	495,000	-
Interest		1,376,091	1,376,091	-
Total Expenditures	-	1,871,091	1,871,091	-
Excess (Deficiency) of Revenues over Expenditures	-	(120,000)	(118,085)	1,915
OTHER FINANCING SOURCES (USES)				
Transfers In		152,000	150,952	(1,048)
Transfers Out				-
Total Other Financing Sources (Uses)	-	152,000	150,952	(1,048)
Net Change in Fund Balance	-	32,000	32,867	867
Fund Balance, Beginning of Year	2,146,058	2,146,058	2,146,058	
Fund Balance, End of Year	\$ 2,146,058	\$ 2,178,058	\$ 2,178,925	\$ 867

City of Moorpark
Non-Major Governmental Funds
June 30, 2010

SPECIAL REVENUE FUNDS

Library Services Fund – is used to account for the financial resources for the operation of the City’s public library system.

Traffic Safety Fund - is used to account for revenues collected from traffic fines and forfeitures, which is used for crossing guards and parking enforcement.

Affordable Housing Fund (City) - is used to account for grants used for development of affordable housing units.

Los Angeles Area of Contribution (A.O.C) Fund - is used to account for the financial resources for capital projects related to streets and other improvements within the Los Angeles project area.

Tierra Rejeda/Spring Road A.O.C Fund - is used to account for the financial resources for capital projects related to streets and other improvements within the Tierra Rejeda & Spring Road project area.

Casey/Gabbert A.O.C Fund - is used to account for the financial resources for capital projects related to streets and other improvements within the Casey & Gabbert project area.

Freemont Storm Drain A.O.C Fund - is used to account for the financial resources for capital projects related to streets and other improvements within the Freemont Storm Drain project area.

State and Federal Assistance Fund - is used to account for Federal and State grants used for the construction of street and related improvements and help fund law enforcement.

State Gas Tax Fund - is used to account for fees used for street maintenance, right-of-way acquisition and street construction.

Proposition 1B Local Streets and Roads Fund – is used to account for funds received from the State of California for specific transportation programs.

Art in Public Places Fund – is used to account for fees used for public facilities improvements as a result of additional development.

Proposition 1B Safety and Security Fund – is used to account for the financial resources of the Prop 1B bonds used for the seismic safety of bridges and public transit.

Low and Moderate Income Housing Fund (MRA) - is used to account for the receipt of 20 percent of the gross tax increment allocation, which is restricted for use on projects that increase or preserve the supply of low and moderate income housing in accordance with Health and Safety Code Section 33334.

City of Moorpark
Non-Major Governmental Funds - Continued
June 30, 2010

SPECIAL REVENUE FUNDS - Continued

Local Transportation Transit Fund - is used to account for fees used in local transportation and street projects that help relieve traffic congestion programs and development.

Solid Waste Fund - is used to account for fees used on programs that promote resource conservation, recycling, composting, and proper disposal of hazardous household waste.

CAPITAL PROJECTS FUNDS

Capital Projects Fund – is used to account for financial resources used for major capital projects of the general government operations.

City Hall Building Fund - is used to account for the funds used to build the new Civic Center Complex.

Equipment Replacement Fund - is used to account for the funds used to replace city equipment and vehicles.

**City of Moorpark
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2010**

	Special Revenue			
	Library Services	Traffic Safety	Affordable Housing	Los Angeles Area of Contribution
ASSETS				
Cash and Investments	\$ 850,287	\$ 582,639	\$ 3,923,806	\$ 11,491,518
Receivables:				
Accounts	43	32,360		
Notes			485,535	250,249
Due From Other Funds				166,564
Property Held for Resale/Development				
Total Assets	<u>\$ 850,330</u>	<u>\$ 614,999</u>	<u>\$ 4,409,341</u>	<u>\$ 11,908,331</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 24,084	\$ 2,891	\$	\$ 29,889
Due to Other Funds				
Deferred Revenue			485,535	250,249
Total Liabilities	<u>24,084</u>	<u>2,891</u>	<u>485,535</u>	<u>280,138</u>
Fund Balances:				
Reserved For:				
Property Held for Resale/Development				
Unreserved, Reported In:				
Special Revenue Funds	826,246	612,108	3,923,806	11,628,193
Capital Projects Funds				
Total Fund Balances	<u>826,246</u>	<u>612,108</u>	<u>3,923,806</u>	<u>11,628,193</u>
Total Liabilities and Fund Balances	<u>\$ 850,330</u>	<u>\$ 614,999</u>	<u>\$ 4,409,341</u>	<u>\$ 11,908,331</u>

Special Revenue

Tierra Rejada/ Spring Road A.O.C	Casey/Gabbert A.O.C	Freemont Storm Drain A.O.C	State and Federal Assistance	State Gas Tax	Prop 1B Local Streets and Roads	Art in Public Places
\$	\$ 84,150	\$ 15,080	\$ 810,332	\$ 324,382	\$ 683,731	\$ 1,549,318
			142,778	39,969		
<u>\$ -</u>	<u>\$ 84,150</u>	<u>\$ 15,080</u>	<u>\$ 953,110</u>	<u>\$ 364,351</u>	<u>\$ 683,731</u>	<u>\$ 1,549,318</u>
\$ 1,300 166,564	\$	\$	\$ 328,443 23,216	\$ 44,420	\$ 84,687	\$ 181
<u>167,864</u>	<u>-</u>	<u>-</u>	<u>351,659</u>	<u>44,420</u>	<u>84,687</u>	<u>181</u>
(167,864)	84,150	15,080	601,451	319,931	599,044	1,549,137
<u>(167,864)</u>	<u>84,150</u>	<u>15,080</u>	<u>601,451</u>	<u>319,931</u>	<u>599,044</u>	<u>1,549,137</u>
<u>\$ -</u>	<u>\$ 84,150</u>	<u>\$ 15,080</u>	<u>\$ 953,110</u>	<u>\$ 364,351</u>	<u>\$ 683,731</u>	<u>\$ 1,549,318</u>

Continued

City of Moorpark
Combining Balance Sheet
Non-Major Governmental Funds - Continued
June 30, 2010

	Special Revenue			
	Prop 1B Safety and Security	Low and Moderate Income Housing	Local Transportation Transit	Solid Waste
ASSETS				
Cash and Investments	\$ 103,513	\$ 258,092	\$ 129,402	\$ 983,759
Receivables:				
Accounts		5,179	127,163	23,113
Notes		348,830		
Due From Other Funds				
Property Held for Resale/Development		7,887,425		
Total Assets	\$ 103,513	\$ 8,499,526	\$ 256,565	\$ 1,006,872
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$	\$ 14,367	\$ 52,875	\$ 12,790
Due to Other Funds		379,701		
Deferred Revenue		348,830	196,822	
Total Liabilities	-	742,898	249,697	12,790
Fund Balances:				
Reserved For:				
Property Held for Resale/Development		7,887,425		
Unreserved, Reported In:				
Special Revenue Funds	103,513	(130,797)	6,868	994,082
Capital Projects Funds				
Total Fund Balances	103,513	7,756,628	6,868	994,082
Total Liabilities and Fund Balances	\$ 103,513	\$ 8,499,526	\$ 256,565	\$ 1,006,872

Capital Projects			Total
Capital Projects	City Hall Building	Equipment Replacement	Nonmajor Governmental Funds
\$ 225,181	\$ 3,702,319	\$ 442,840	\$ 26,160,349
			370,605
			1,084,614
			166,564
			7,887,425
<u>\$ 225,181</u>	<u>\$ 3,702,319</u>	<u>\$ 442,840</u>	<u>\$ 35,669,557</u>
\$	\$	\$	\$ 595,927
			569,481
			1,281,436
			2,446,844
			7,887,425
225,181	3,702,319	442,840	20,964,948
<u>225,181</u>	<u>3,702,319</u>	<u>442,840</u>	<u>4,370,340</u>
<u>225,181</u>	<u>3,702,319</u>	<u>442,840</u>	<u>33,222,713</u>
<u>\$ 225,181</u>	<u>\$ 3,702,319</u>	<u>\$ 442,840</u>	<u>\$ 35,669,557</u>

City of Moorpark
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Non-Major Governmental Funds
Year Ended June 30, 2010

	Special Revenue			Los Angeles Area of Contribution
	Library Services	Traffic Safety	Affordable Housing	
REVENUES				
Taxes	\$ 797,267	\$	\$	\$
Fines and Forfeitures	18,579	207,180		
Use of Money and Property	6,489	6,593	46,486	144,059
Charges for Services	6,939		254,849	500,969
Intergovernmental	13,135			
Other Revenue			62,658	
Total Revenues	842,409	213,773	363,993	645,028
EXPENDITURES				
Current:				
Public Safety		100,696		
Public Services	755,080		10,109	
Capital Outlay				676,994
Debt Service:				
Interest				
Total Expenditures	755,080	100,696	10,109	676,994
Excess (Deficiency) of Revenues Over Expenditures	87,329	113,077	353,884	(31,966)
OTHER FINANCING SOURCES (USES)				
Transfers In		204		
Transfers Out	(29,925)			(57,499)
Total Other Financing Sources (Uses)	(29,925)	204	-	(57,499)
Net Change in Fund Balances	57,404	113,281	353,884	(89,465)
Fund Balances, Beginning of Year	768,842	498,827	3,569,922	11,717,658
Prior Period Adjustment				
Fund Balances, End of Year	\$ 826,246	\$ 612,108	\$ 3,923,806	\$ 11,628,193

Special Revenue						
Tierra Rejada/ Spring Road A.O.C	Casey/Gabbert A.O.C	Freemont Storm Drain A.O.C	State and Federal Assistance	State Gas Tax	Prop 1B Local Streets and Roads	Art in Public Places
\$	\$	\$	\$	\$	\$	\$
	1,019	186	11,044	2,808	12,855	17,814
9,142	2,030			30		204,110
			1,338,415	587,692		
				7,350	260	
9,142	3,049	186	1,349,459	597,880	13,115	221,924
			147,943			
			18,000	1,617,372		
5,850			520,509	1,550	552,706	11,160
5,850	-	-	686,452	1,618,922	552,706	11,160
3,292	3,049	186	663,007	(1,021,042)	(539,591)	210,764
(3,839)			(1,312,867)	1,064,142		
(3,839)	-	-	(1,312,867)	(172,752)		
(547)	3,049	186	(649,860)	891,390	-	-
(167,317)	81,101	14,894	1,251,311	(129,652)	(539,591)	210,764
				449,583	1,138,635	1,338,373
\$ (167,864)	\$ 84,150	\$ 15,080	\$ 601,451	\$ 319,931	\$ 599,044	\$ 1,549,137

Continued

City of Moorpark
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Non-Major Governmental Funds - Continued
Year Ended June 30, 2010

	Special Revenue			
	Prop 1B Safety and Security	Low and Moderate Income Housing	Local Transportation Transit	Solid Waste
REVENUES				
Taxes	\$	\$ 1,372,988	\$	\$ 274,461
Fines and Forfeitures				
Use of Money and Property	1,279	30,781	59	12,061
Charges for Services			73,774	2,980
Intergovernmental			422,692	15,176
Other Revenue				
Total Revenues	<u>1,279</u>	<u>1,403,769</u>	<u>496,525</u>	<u>304,678</u>
EXPENDITURES				
Current:				
Public Safety				
Public Services		584,596	372,889	279,535
Capital Outlay		11,337	353,636	
Debt Service:				
Interest		30,208		
Total Expenditures	<u>-</u>	<u>626,141</u>	<u>726,525</u>	<u>279,535</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,279</u>	<u>777,628</u>	<u>(230,000)</u>	<u>25,143</u>
OTHER FINANCING SOURCES (USES)				
Transfers In			237,122	
Transfers Out		(151,612)		
Total Other Financing Sources (Uses)	<u>-</u>	<u>(151,612)</u>	<u>237,122</u>	<u>-</u>
Net Change in Fund Balances	1,279	626,016	7,122	25,143
Fund Balances, Beginning of Year	102,234	6,928,805	(254)	968,939
Prior Period Adjustment		201,807		
Fund Balances, End of Year	<u>\$ 103,513</u>	<u>\$ 7,756,628</u>	<u>\$ 6,868</u>	<u>\$ 994,082</u>

Capital Projects			Total
Capital Projects	City Hall Building	Equipment Replacement	Nonmajor Governmental Funds
\$	\$	\$	\$ 2,444,716
			225,759
1,890	45,930	5,507	346,860
			1,054,823
			2,377,110
			70,268
<u>1,890</u>	<u>45,930</u>	<u>5,507</u>	<u>6,519,536</u>
			248,639
			3,637,581
	96,003	20,851	2,250,596
			30,208
	<u>96,003</u>	<u>20,851</u>	<u>6,167,024</u>
<u>1,890</u>	<u>(50,073)</u>	<u>(15,344)</u>	<u>352,512</u>
58,280			1,359,748
(2,670)	(2,410)		(1,733,574)
<u>55,610</u>	<u>(2,410)</u>	<u>-</u>	<u>(373,826)</u>
57,500	(52,483)	(15,344)	(21,314)
167,681	3,754,802	458,184	33,042,220
			201,807
<u>\$ 225,181</u>	<u>\$ 3,702,319</u>	<u>\$ 442,840</u>	<u>\$ 33,222,713</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Library Services Special Revenue Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 755,000	\$ 755,000	\$ 797,267	\$ 42,267
Fines and Forfeitures	25,000	25,000	18,579	(6,421)
Use of Money and Property			6,489	6,489
Charges for Services	8,000	8,000	6,939	(1,061)
Intergovernmental	13,000	13,000	13,135	135
Total Revenues	<u>801,000</u>	<u>801,000</u>	<u>842,409</u>	<u>41,409</u>
EXPENDITURES				
Current:				
Public Services	<u>789,389</u>	<u>789,389</u>	<u>755,080</u>	<u>34,309</u>
Total Expenditures	<u>789,389</u>	<u>789,389</u>	<u>755,080</u>	<u>34,309</u>
Excess (Deficiency) of Revenues over Expenditures	<u>11,611</u>	<u>11,611</u>	<u>87,329</u>	<u>75,718</u>
OTHER FINANCING SOURCES (USES)				
Transfers In				-
Transfers Out		<u>(29,925)</u>	<u>(29,925)</u>	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(29,925)</u>	<u>(29,925)</u>	<u>-</u>
Net Change in Fund Balance	11,611	(18,314)	57,404	75,718
Fund Balance, Beginning of Year	<u>768,842</u>	<u>768,842</u>	<u>768,842</u>	
Fund Balance, End of Year	<u>\$ 780,453</u>	<u>\$ 750,528</u>	<u>\$ 826,246</u>	<u>\$ 75,718</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Traffic Safety Special Revenue Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 155,000	\$ 155,000	\$ 207,180	\$ 52,180
Use of Money and Property	15,000	15,000	6,593	(8,407)
Total Revenues	<u>170,000</u>	<u>170,000</u>	<u>213,773</u>	<u>43,773</u>
EXPENDITURES				
Current:				
Public Safety	<u>103,108</u>	<u>103,108</u>	<u>100,696</u>	<u>2,412</u>
Total Expenditures	<u>103,108</u>	<u>103,108</u>	<u>100,696</u>	<u>2,412</u>
Excess (Deficiency) of Revenues over Expenditures	<u>66,892</u>	<u>66,892</u>	<u>113,077</u>	<u>46,389</u>
OTHER FINANCING SOURCES (USES)				
Transfer In			<u>204</u>	<u>204</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>204</u>	<u>204</u>
Net Change in Fund Balance	66,892	66,892	113,281	46,389
Fund Balance, Beginning of Year	<u>498,827</u>	<u>498,827</u>	<u>498,827</u>	
Fund Balance, End of Year	<u>\$ 565,719</u>	<u>\$ 565,719</u>	<u>\$ 612,108</u>	<u>\$ 46,389</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Affordable Housing Special Revenue Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 74,000	\$ 74,000	\$ 46,486	\$ (27,514)
Charges for Services	277,000	277,000	254,849	(22,151)
Other Revenue		20,000	62,658	42,658
Total Revenues	<u>351,000</u>	<u>371,000</u>	<u>363,993</u>	<u>(7,007)</u>
EXPENDITURES				
Current:				
Public Services	37,200	37,200	10,109	27,091
Total Expenditures	<u>37,200</u>	<u>37,200</u>	<u>10,109</u>	<u>27,091</u>
Excess (Deficiency) of Revenues over Expenditures	<u>313,800</u>	<u>333,800</u>	<u>353,884</u>	<u>20,084</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(18,000)	(18,000)		18,000
Total Other Financing Sources (Uses)	<u>(18,000)</u>	<u>(18,000)</u>	-	<u>18,000</u>
Net Change in Fund Balance	295,800	315,800	353,884	38,084
Fund Balance, Beginning of Year	<u>3,569,922</u>	<u>3,569,922</u>	<u>3,569,922</u>	
Fund Balance, End of Year	<u>\$ 3,865,722</u>	<u>\$ 3,885,722</u>	<u>\$ 3,923,806</u>	<u>\$ 38,084</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Los Angeles Area of Contribution Special Revenue Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 242,000	\$ 242,000	\$ 144,059	\$ (97,941)
Charges for Services	715,000	125,000	500,969	375,969
Total Revenues	<u>957,000</u>	<u>367,000</u>	<u>645,028</u>	<u>278,028</u>
EXPENDITURES				
Capital Outlay	4,439,383	5,052,256	676,994	4,375,262
Total Expenditures	<u>4,439,383</u>	<u>5,052,256</u>	<u>676,994</u>	<u>4,375,262</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(3,482,383)</u>	<u>(4,685,256)</u>	<u>(31,966)</u>	<u>4,653,290</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(57,000)	(57,000)	(57,499)	(499)
Total Other Financing Sources (Uses)	<u>(57,000)</u>	<u>(57,000)</u>	<u>(57,499)</u>	<u>(499)</u>
Net Change in Fund Balance	(3,539,383)	(4,742,256)	(89,465)	4,652,791
Fund Balance, Beginning of Year	<u>11,717,658</u>	<u>11,717,658</u>	<u>11,717,658</u>	
Fund Balance, End of Year	<u>\$ 8,178,275</u>	<u>\$ 6,975,402</u>	<u>\$ 11,628,193</u>	<u>\$ 4,652,791</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Tierra Rejada/Spring Road A.O.C Special Revenue Fund
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of Money and Property	\$ 2,000	\$ 2,000	\$	\$ (2,000)
Charges for Services	377,000		9,142	9,142
Other Revenue				-
Total Revenues	<u>379,000</u>	<u>2,000</u>	<u>9,142</u>	<u>7,142</u>
EXPENDITURES				
Capital Outlay		26,091	5,850	20,241
Total Expenditures	<u>-</u>	<u>26,091</u>	<u>5,850</u>	<u>20,241</u>
Excess (Deficiency) of Revenues over Expenditures	<u>379,000</u>	<u>(24,091)</u>	<u>3,292</u>	<u>27,383</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out			(3,839)	(3,839)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(3,839)</u>	<u>(3,839)</u>
Net Change in Fund Balance	379,000	(24,091)	(547)	23,544
Fund Balance, Beginning of Year	<u>(167,317)</u>	<u>(167,317)</u>	<u>(167,317)</u>	
Fund Balance, End of Year	<u>\$ 211,683</u>	<u>\$ (191,408)</u>	<u>\$ (167,864)</u>	<u>\$ 23,544</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Cassey/Gabbert Area of Contribution Special Revenue Fund
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of Money and Property	\$ 2,000	\$ 2,000	\$ 1,019	\$ (981)
Charges for Services			2,030	2,030
Total Revenues	<u>2,000</u>	<u>2,000</u>	<u>3,049</u>	<u>1,049</u>
EXPENDITURES				
Capital Outlay				-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	2,000	2,000	3,049	1,049
Fund Balance, Beginning of Year	<u>81,101</u>	<u>81,101</u>	<u>81,101</u>	
Fund Balance, End of Year	<u>\$ 83,101</u>	<u>\$ 83,101</u>	<u>\$ 84,150</u>	<u>\$ 1,049</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Freemont Storm Drain A.O.C Special Revenue Fund
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of Money and Property	\$ 1,000	\$ 1,000	\$ 186	\$ (814)
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>186</u>	<u>(814)</u>
EXPENDITURES				
Capital Outlay				-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	1,000	1,000	186	(814)
Fund Balance, Beginning of Year	<u>14,894</u>	<u>14,894</u>	<u>14,894</u>	
Fund Balance, End of Year	<u>\$ 15,894</u>	<u>\$ 15,894</u>	<u>\$ 15,080</u>	<u>\$ (814)</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - State and Federal Assistance Special Revenue Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 18,000	\$ 18,000	\$ 11,044	\$ (6,956)
Intergovernmental	2,494,000	2,863,356	1,338,415	(1,524,941)
Other Revenue		70,000		(70,000)
Total Revenues	<u>2,512,000</u>	<u>2,951,356</u>	<u>1,349,459</u>	<u>(1,601,897)</u>
EXPENDITURES				
Current:				
Public Safety	100,000	107,819	147,943	(40,124)
Public Services	37,025	37,025	18,000	19,025
Capital Outlay	1,190,175	2,311,867	520,509	1,791,358
Total Expenditures	<u>1,327,200</u>	<u>2,456,711</u>	<u>686,452</u>	<u>1,770,259</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,184,800</u>	<u>494,645</u>	<u>663,007</u>	<u>168,362</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(1,213,000)</u>	<u>(1,213,000)</u>	<u>(1,312,867)</u>	<u>(99,867)</u>
Total Other Financing Sources (Uses)	<u>(1,213,000)</u>	<u>(1,213,000)</u>	<u>(1,312,867)</u>	<u>(99,867)</u>
Net Change in Fund Balance	(28,200)	(718,355)	(649,860)	68,495
Fund Balance, Beginning of Year	<u>1,251,311</u>	<u>1,251,311</u>	<u>1,251,311</u>	
Fund Balance, End of Year	<u>\$ 1,223,111</u>	<u>\$ 532,956</u>	<u>\$ 601,451</u>	<u>\$ 68,495</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - State Gas Tax Special Revenue Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$	\$	\$ 2,808	\$ 2,808
Charges for Services			30	30
Intergovernmental	606,000	596,000	587,692	(8,308)
Other Revenue			7,350	7,350
Total Revenues	<u>606,000</u>	<u>596,000</u>	<u>597,880</u>	<u>1,880</u>
EXPENDITURES				
Current:				
Public Services	1,674,548	1,685,567	1,617,372	68,195
Capital Outlay			1,550	(1,550)
Total Expenditures	<u>1,674,548</u>	<u>1,685,567</u>	<u>1,618,922</u>	<u>66,645</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,068,548)</u>	<u>(1,089,567)</u>	<u>(1,021,042)</u>	<u>68,525</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,139,000	1,072,000	1,064,142	(7,858)
Transfers Out	(229,000)	(172,752)	(172,752)	-
Total Other Financing Sources (Uses)	<u>910,000</u>	<u>899,248</u>	<u>891,390</u>	<u>(7,858)</u>
Net Change in Fund Balance	(158,548)	(190,319)	(129,652)	60,667
Fund Balance, Beginning of Year	<u>449,583</u>	<u>449,583</u>	<u>449,583</u>	
Fund Balance, End of Year	<u>\$ 291,035</u>	<u>\$ 259,264</u>	<u>\$ 319,931</u>	<u>\$ 60,667</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Prop 1B Local Streets and Roads Special Revenue Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 12,000	\$ 12,000	\$ 12,855	\$ 855
Intergovernmental	537,000			-
Other Revenue			260	260
Total Revenues	<u>549,000</u>	<u>12,000</u>	<u>13,115</u>	<u>1,115</u>
EXPENDITURES				
Capital Outlay	<u>581,448</u>	<u>581,448</u>	<u>552,706</u>	<u>28,742</u>
Total Expenditures	<u>581,448</u>	<u>581,448</u>	<u>552,706</u>	<u>28,742</u>
Excess (Deficiency) of Revenues over Expenditures	(32,448)	(569,448)	(539,591)	29,857
Fund Balance, Beginning of Year	<u>1,138,635</u>	<u>1,138,635</u>	<u>1,138,635</u>	
Fund Balance, End of Year	<u>\$ 1,106,187</u>	<u>\$ 569,187</u>	<u>\$ 599,044</u>	<u>\$ 29,857</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Art in Public Places Special Revenue Fund
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of Money and Property	\$ 36,000	\$ 36,000	\$ 17,814	\$ (18,186)
Intergovernmental	226,000	226,000	204,110	(21,890)
Total Revenues	<u>262,000</u>	<u>262,000</u>	<u>221,924</u>	<u>(40,076)</u>
EXPENDITURES				
Capital Outlay	<u>8,000</u>	<u>92,460</u>	<u>11,160</u>	<u>81,300</u>
Total Expenditures	<u>8,000</u>	<u>92,460</u>	<u>11,160</u>	<u>81,300</u>
Excess (Deficiency) of Revenues over Expenditures	254,000	169,540	210,764	41,224
Fund Balance, Beginning of Year	<u>1,338,373</u>	<u>1,338,373</u>	<u>1,338,373</u>	
Fund Balance, End of Year	<u>\$ 1,592,373</u>	<u>\$ 1,507,913</u>	<u>\$ 1,549,137</u>	<u>\$ 41,224</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Prop 1B Safety and Security Special Revenue Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 2,000	\$ 2,000	\$ 1,279	\$ (721)
Intergovernmental	100,000			-
Total Revenues	<u>102,000</u>	<u>2,000</u>	<u>1,279</u>	<u>(721)</u>
EXPENDITURES				
Capital Outlay		100,000		100,000
Total Expenditures	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Excess (Deficiency) of Revenues over Expenditures	102,000	(98,000)	1,279	99,279
Fund Balance, Beginning of Year	<u>102,234</u>	<u>102,234</u>	<u>102,234</u>	
Fund Balance, End of Year	<u>\$ 204,234</u>	<u>\$ 4,234</u>	<u>\$ 103,513</u>	<u>\$ 99,279</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Low and Moderate Income Housing Special Revenue Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,340,000	\$ 1,407,000	\$ 1,372,988	\$ (34,012)
Use of Money and Property	31,000	31,000	30,781	(219)
Total Revenues	<u>1,371,000</u>	<u>1,438,000</u>	<u>1,403,769</u>	<u>(34,231)</u>
EXPENDITURES				
Current:				
Public Services	345,833	578,040	584,596	(6,556)
Capital Outlay	95,735	157,322	11,337	145,985
Debt Service:				
Interest	36,000	36,000	30,208	5,792
Total Expenditures	<u>477,568</u>	<u>771,362</u>	<u>626,141</u>	<u>145,221</u>
Excess (Deficiency) of Revenues over Expenditures	<u>893,432</u>	<u>666,638</u>	<u>777,628</u>	<u>110,990</u>
OTHER FINANCING SOURCES (USES)				
Transfers In				-
Transfers Out	(152,000)	(152,000)	(151,612)	388
Total Other Financing Sources (Uses)	<u>(152,000)</u>	<u>(152,000)</u>	<u>(151,612)</u>	<u>388</u>
Net Change in Fund Balance	741,432	514,638	626,016	111,378
Fund Balance, Beginning of Year	6,928,805	6,928,805	6,928,805	
Prior Period Adjustment			201,807	201,807
Fund Balance, End of Year	<u>\$ 7,670,237</u>	<u>\$ 7,443,443</u>	<u>\$ 7,756,628</u>	<u>\$ 313,185</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Local Transportation Transit Special Revenue Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 4,000	\$ 4,000	\$ 59	\$ (3,941)
Charges for Services	65,000	65,000	73,774	8,774
Intergovernmental	1,653,000	1,775,000	422,692	(1,352,308)
Other Revenue				-
Total Revenues	<u>1,722,000</u>	<u>1,844,000</u>	<u>496,525</u>	<u>(1,347,475)</u>
EXPENDITURES				
Current:				
Public Services	382,921	383,896	372,889	11,007
Capital Outlay	1,681,330	1,803,646	353,636	1,450,010
Total Expenditures	<u>2,064,251</u>	<u>2,187,542</u>	<u>726,525</u>	<u>1,461,017</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(342,251)</u>	<u>(343,542)</u>	<u>(230,000)</u>	<u>113,542</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>170,000</u>	<u>237,000</u>	<u>237,122</u>	<u>122</u>
Total Other Financing Sources (Uses)	<u>170,000</u>	<u>237,000</u>	<u>237,122</u>	<u>122</u>
Net Change in Fund Balance	(172,251)	(106,542)	7,122	113,664
Fund Balance, Beginning of Year	<u>(254)</u>	<u>(254)</u>	<u>(254)</u>	
Fund Balance, End of Year	<u>\$ (172,505)</u>	<u>\$ (106,796)</u>	<u>\$ 6,868</u>	<u>\$ 113,664</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Solid Waste Special Revenue Fund
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 288,000	\$ 288,000	\$ 274,461	\$ (13,539)
Use of Money and Property	20,000	20,000	12,061	(7,939)
Charges for Services			2,980	2,980
Intergovernmental	16,600	16,600	15,176	(1,424)
Other Revenue				-
Total Revenues	<u>324,600</u>	<u>324,600</u>	<u>304,678</u>	<u>(19,922)</u>
EXPENDITURES				
Current:				
Public Services	410,124	429,735	279,535	150,200
Capital Outlay				-
Total Expenditures	<u>410,124</u>	<u>429,735</u>	<u>279,535</u>	<u>150,200</u>
Excess (Deficiency) of Revenues over Expenditures	(85,524)	(105,135)	25,143	130,278
Fund Balance, Beginning of Year	<u>968,939</u>	<u>968,939</u>	<u>968,939</u>	
Fund Balance, End of Year	<u>\$ 883,415</u>	<u>\$ 863,804</u>	<u>\$ 994,082</u>	<u>\$ 130,278</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Capital Projects Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$	\$	\$ 1,890	\$ 1,890
Total Revenues	-	-	1,890	1,890
EXPENDITURES				
Capital Outlay	210,000	211,280		211,280
Total Expenditures	210,000	211,280	-	211,280
Excess (Deficiency) of Revenues over Expenditures	(210,000)	(211,280)	1,890	213,170
OTHER FINANCING SOURCES (USES)				
Transfer In			58,280	58,280
Transfer Out			(2,670)	(2,670)
Total Other Financing Sources (Uses)	-	-	55,610	55,610
Net Change in Fund Balance	(210,000)	(211,280)	57,500	268,780
Fund Balance, Beginning of Year	167,681	167,681	167,681	
Fund Balance, End of Year	\$ (42,319)	\$ (43,599)	\$ 225,181	\$ 268,780

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - City Hall Building Capital Projects Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 8,000	\$ 26,000	\$ 45,930	\$ 19,930
Total Revenues	8,000	26,000	45,930	19,930
EXPENDITURES				
Capital Outlay	3,772,795	3,748,795	96,003	3,652,792
Total Expenditures	3,772,795	3,748,795	96,003	3,652,792
Excess (Deficiency) of Revenues over Expenditures	(3,764,795)	(3,722,795)	(50,073)	3,672,722
OTHER FINANCING SOURCES (USES)				
Transfer Out			(2,410)	(2,410)
Total Other Financing Sources (Uses)	-	-	(2,410)	(2,410)
Net Change in Fund Balance	(3,764,795)	(3,722,795)	(52,483)	3,670,312
Fund Balance, Beginning of Year	3,754,802	3,754,802	3,754,802	
Fund Balance, End of Year	\$ (9,993)	\$ 32,007	\$ 3,702,319	\$ 3,670,312

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Equipment Replacement Capital Projects Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Use of Money and Property	\$ 10,000	\$ 10,000	\$ 5,507	\$ (4,493)
Total Revenues	10,000	10,000	5,507	(4,493)
EXPENDITURES				
Capital Outlay	1,800	40,800	20,851	19,949
Total Expenditures	1,800	40,800	20,851	19,949
Excess (Deficiency) of Revenues over Expenditures	8,200	(30,800)	(15,344)	15,456
OTHER FINANCING SOURCES (USES)				
Transfer In				-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	8,200	(30,800)	(15,344)	15,456
Fund Balance, Beginning of Year	458,184	458,184	458,184	
Fund Balance, End of Year	<u>\$ 466,384</u>	<u>\$ 427,384</u>	<u>\$ 442,840</u>	<u>\$ 15,456</u>

City of Moorpark
Statement of Changes in Net Assets
Agency Funds
Year Ended June 30, 2010

	Balance at July 1, 2009	Additions	Deletions	Balance at June 30, 2010
ASSETS				
Cash and Investments	\$ 3,297,388	\$ 131,898	\$	\$ 3,429,286
Restricted Cash and Investments	6,507,455	799,599		7,307,054
Accounts Receivable	26,323		(3,016)	23,307
Due from Other Funds	21,532		(21,532)	-
Total Assets	\$ 9,852,698	\$ 931,497	\$ (24,548)	\$ 10,759,647
LIABILITIES				
Accounts Payable	\$ 182,046	\$	\$ (81,144)	\$ 100,902
Developer Deposits	3,116,619	213,404		3,330,023
Due to Bondholders	6,554,023	774,699		7,328,722
Total Liabilities	\$ 9,852,688	\$ 988,103	\$ (81,144)	\$ 10,759,647

CITY OF MOORPARK
 Net Assets by Component
 Last Eight Fiscal Years
 (accrual basis of accounting)

	Fiscal Year			
	2003	2004	2005	2006
Governmental activities:				
Invested in capital assets, net of related debt	\$ 85,969,804	\$ 93,941,392	\$ 99,760,671	\$ 108,190,324
Restricted	39,344,368	41,506,906	46,405,391	57,986,366
Unrestricted	33,792,567	31,861,714	26,413,978	26,965,428
Total governmental activities net assets	<u>\$ 159,106,739</u>	<u>\$ 167,310,012</u>	<u>\$ 172,580,040</u>	<u>\$ 193,142,118</u>

Continued

The City of Moorpark has elected to report retroactively back to the year the City implemented GASB 34 (June 30, 2003).

The City of Moorpark does not have any business-type activities.

CITY OF MOORPARK
 Net Assets by Component
 Last Eight Fiscal Years - Continued
 (accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
Governmental activities:				
Invested in capital assets, net of related debt	\$ 125,900,770	\$ 130,071,108	\$ 130,581,499	\$ 141,095,551
Restricted	100,649,409	101,613,368	94,878,693	89,571,308
Unrestricted	<u>6,458,224</u>	<u>3,641,173</u>	<u>14,213,503</u>	<u>17,761,703</u>
Total governmental activities net assets	<u>\$ 233,008,403</u>	<u>\$ 235,325,649</u>	<u>\$ 239,673,695</u>	<u>\$ 248,428,562</u>

The City of Moorpark has elected to report retroactively back to the year the City implemented GASB 34 (June 30, 2003).

The City of Moorpark does not have any business-type activities.

CITY OF MOORPARK

Changes in Net Assets

Last Eight Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2003	2004	2005	2006
Expenses:				
General government	\$ 2,116,644	\$ 2,351,860	\$ 3,030,395	\$ 3,044,381
Public safety	4,142,268	4,902,148	5,709,323	6,230,057
Public services	7,150,513	10,957,272	9,844,050	13,106,843
Parks and recreation	2,276,066	2,600,523	2,304,852	2,771,270
Interest on long-term debt	1,040,854	1,097,421	978,843	1,333,370
Total governmental activities expense	<u>16,726,345</u>	<u>21,909,224</u>	<u>21,867,463</u>	<u>26,485,921</u>
Program revenues:				
Charges for services:				
General government	509,401	1,407,130	2,010,540	2,201,590
Public safety	708,392	369,795	344,019	340,341
Public services	2,166,168	4,181,363	2,776,976	4,163,781
Parks and recreation	322,772	536,238	501,283	536,166
Total charges for services	<u>3,706,733</u>	<u>6,494,526</u>	<u>5,632,818</u>	<u>7,241,878</u>
Operating contributions and grants	<u>5,440,099</u>	<u>4,077,849</u>	<u>2,313,834</u>	<u>3,237,143</u>
Capital contributions and grants	<u>4,131,439</u>	<u>4,731,311</u>	<u>4,633,166</u>	<u>18,027,831</u>
Total governmental activities program revenues	13,278,271	15,303,686	12,579,818	28,506,852
Net program revenues (expenses)	<u>(3,448,074)</u>	<u>(6,605,538)</u>	<u>(9,287,645)</u>	<u>2,020,931</u>
General revenues and other changes in net assets:				
Taxes:				
Property tax	2,413,964	2,658,230	2,655,093	2,929,842
Property tax, Redevelopment Agency	3,577,050	4,116,542	3,901,779	5,530,198
Franchise tax	1,067,669	919,290	955,829	1,080,893
Sales tax	1,664,626	2,176,893	2,046,368	2,260,786
Sales tax in lieu	-	-	537,485	608,298
Motor vehicle in lieu	2,161,324	1,570,551	2,836,154	2,734,470
Investment income	2,027,190	1,363,344	1,725,579	3,261,384
Other	21,479	177,380	1,160,805	135,276
Gain on sale of property	-	-	48,339	-
Special item (1)	-	(900,000)	-	-
County settlement	-	-	-	-
Total governmental activities	<u>12,933,302</u>	<u>12,082,230</u>	<u>15,867,431</u>	<u>18,541,147</u>
Changes in net assets - governmental activities	<u>\$ 9,485,228</u>	<u>\$ 5,476,692</u>	<u>\$ 6,579,786</u>	<u>\$ 20,562,078</u>

Continued

The City of Moorpark has elected to report retroactively back to the year the City implemented GASB 34 (June 30, 2003).

(1) Mission Bell note

CITY OF MOORPARK
Changes in Net Assets - Continued

Last Eight Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
Expenses:				
General government	\$ 1,639,628	\$ 1,949,206	\$ 2,041,596	\$ 1,603,279
Public safety	6,317,283	6,882,072	7,035,384	7,016,015
Public services	21,231,766	20,580,204	18,170,325	13,589,878
Parks and recreation	4,293,823	4,551,045	4,470,524	4,934,002
Interest on long-term debt	1,332,541	1,773,841	1,616,843	1,504,502
Total governmental activities expenses	<u>34,815,041</u>	<u>35,736,368</u>	<u>33,334,672</u>	<u>28,647,676</u>
Program revenues:				
Charges for services:				
General government	191,674	283,576	232,926	258,431
Public safety	598,500	633,131	538,636	477,305
Public services	6,612,769	5,743,200	3,172,708	2,769,641
Parks and recreation	604,904	756,885	644,979	643,593
Total charges for services	<u>8,007,847</u>	<u>7,416,792</u>	<u>4,589,249</u>	<u>4,148,970</u>
Operating contributions and grants	<u>4,489,945</u>	<u>7,113,883</u>	<u>6,172,315</u>	<u>4,128,842</u>
Capital contributions and grants	<u>38,337,638</u>	<u>5,481,972</u>	<u>3,326,778</u>	<u>1,970,931</u>
Total governmental activities program revenues	50,835,430	20,012,647	14,088,342	10,248,743
Net program revenues (expenses)	<u>16,020,389</u>	<u>(15,723,721)</u>	<u>(19,246,330)</u>	<u>(18,398,933)</u>
General revenues and other changes in net assets:				
Taxes:				
Property tax	3,334,491	4,505,980	7,802,643	7,449,063
Property tax, Redevelopment Agency	6,347,692	6,887,079	7,054,432	6,864,777
Franchise tax	1,126,951	1,150,180	1,171,556	1,171,825
Sales tax	2,192,327	2,306,281	2,329,522	2,382,010
Sales tax in lieu	704,562	779,263	849,227	588,635
Motor vehicle in lieu	2,860,207	3,038,440	125,307	109,136
Investment income	6,556,186	2,491,856	2,875,649	853,074
Other	58,841	139,728	386,040	283,372
Gain on sale of property	276,797	-	-	-
Special item (1)	-	-	-	-
County settlement	-	-	1,000,000	-
Total governmental activities	<u>23,458,054</u>	<u>21,298,807</u>	<u>23,594,376</u>	<u>19,701,892</u>
Changes in net assets - governmental activities	<u>\$ 39,478,443</u>	<u>\$ 5,575,086</u>	<u>\$ 4,348,046</u>	<u>\$ 1,302,959</u>

The City of Moorpark has elected to report retroactively back to the year the City implemented GASB 34 (June 30, 2003).

(1) Mission Bell note

CITY OF MOORPARK
Fund Balances of Governmental Funds
Last Eight Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2003	2004	2005	2006
General fund:				
Reserved	\$ -	\$ -	\$ 5,772,444	\$ 2,943,353
Unreserved	<u>13,456,231</u>	<u>14,756,222</u>	<u>12,527,255</u>	<u>18,301,058</u>
Total general fund	<u>\$ 13,456,231</u>	<u>\$ 14,756,222</u>	<u>\$ 18,299,699</u>	<u>\$ 21,244,411</u>
All other governmental funds:				
Reserved	\$ 4,378,065	\$ 4,099,849	\$ 13,889,036	\$ 14,124,235
Unreserved, reported in:				
Special revenue funds	32,857,500	29,994,471	26,977,320	36,903,391
Capital projects funds	9,625,965	8,950,250	3,361,134	1,293,998
Debt Service funds	(97,935)	(891,297)	(346,716)	(321,425)
Non-major funds	<u>7,146,987</u>	<u>10,651,331</u>	<u>8,272,652</u>	<u>9,724,941</u>
Total all other governmental funds	<u>\$ 53,910,582</u>	<u>\$ 52,804,604</u>	<u>\$ 52,153,426</u>	<u>\$ 61,725,140</u>

Continued

The City of Moorpark has elected to report retroactively back to the year the City implemented GASB 34 (June 30, 2003).

CITY OF MOORPARK
Fund Balances of Governmental Funds - Continued
Last Eight Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
General fund:				
Reserved	\$ -	\$ 95,397	\$ 373,209	\$ 337,286
Unreserved	24,405,620	3,625,348	2,832,620	2,662,713
Total general fund	<u>\$ 24,405,620</u>	<u>\$ 3,720,745</u>	<u>\$ 3,205,829</u>	<u>\$ 2,999,999</u>
All other governmental funds:				
Reserved	\$ 41,864,116	\$ 35,103,620	\$ 33,719,016	\$ 38,208,807
Unreserved, reported in:				
Special revenue funds	41,486,631	42,761,089	37,278,628	32,207,690
Capital projects funds	16,807,370	39,098,065	35,699,829	33,735,939
Debt Service funds	83,243	(1,025,927)	261,336	294,202
Non-major funds	8,693,969	13,384,413	25,043,397	25,335,288
Total all other governmental funds	<u>\$ 108,935,329</u>	<u>\$ 129,321,260</u>	<u>\$ 132,002,206</u>	<u>\$ 129,781,926</u>

The City of Moorpark has elected to report retroactively back to the year the City implemented GASB 34 (June 30, 2003).

CITY OF MOORPARK

Changes in Fund Balances of Governmental Funds

Last Eight Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2003	2004	2005	2006
Revenues:				
Taxes	\$ 8,490,985	\$ 9,870,955	\$ 9,139,722	\$ 12,231,076
Licenses and permits	51,083	63,146	54,180	72,365
Fines and forfeitures	290,054	306,871	344,019	340,341
Uses of money and property	2,027,190	1,363,006	1,924,579	3,261,384
Charges for services	867,731	2,001,561	2,558,974	2,665,391
Intergovernmental	4,051,263	4,298,009	5,150,992	6,302,193
Maintenance assessments	2,955,340	2,639,628	1,963,190	1,845,742
Franchise fees	232,324	257,127	1,231,763	283,162
Building and safety fees	608,879	595,138	431,959	1,110,715
Planning and public work fees	2,132,190	2,614,959	1,967,751	3,053,066
Development fees	4,486,128	4,097,977	2,669,976	15,568,347
Contributions from prop owners	-	-	-	-
Other	256,376	281,506	2,832,962	397,574
Total revenues	26,449,543	28,389,883	30,270,067	47,131,356
Expenditures				
Current:				
General government	2,048,658	2,259,017	2,893,359	2,919,564
Public safety	4,127,670	4,882,547	5,690,820	6,211,461
Public services	8,765,039	8,401,453	8,098,147	11,215,406
Parks and recreation	2,063,428	2,381,698	2,081,723	2,544,206
Capital outlay	3,596,982	8,775,159	7,810,879	10,038,439
Debt service:				
Principal	365,000	395,000	405,000	435,910
Interest	1,044,915	1,100,996	1,158,585	1,251,354
Bond issuance costs	-	-	-	-
Total expenditures	22,011,692	28,195,870	28,138,513	34,616,340
Excess of revenues over expenditures	4,437,851	194,013	2,131,554	12,515,016
Other financing sources (uses):				
Gain from sale of property	-	-	48,339	1,410
Bond Proceeds	-	-	-	-
Discount on Bonds	-	-	-	-
County settlements	-	-	-	-
Transfers in	3,781,938	3,588,717	2,027,315	3,352,002
Transfers out	(3,781,938)	(3,588,717)	(2,027,315)	(3,352,002)
Total other financing sources (uses)	-	-	48,339	1,410
Net change in fund balances	\$ 4,437,851	\$ 194,013	\$ 2,179,893	\$ 12,516,426
Debt service as a percentage of noncapital expenditures	8.3%	8.3%	8.3%	7.4%

Continued

The City of Moorpark has elected to report retroactively back to the year the City implemented GASB 34 (June 30, 2003).

CITY OF MOORPARK

Changes in Fund Balances of Governmental Funds - Continued

Last Eight Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
Revenues:				
Taxes	\$ 13,706,024	\$ 15,392,269	\$ 19,716,636	\$ 18,730,771
Licenses and permits	65,630	72,951	645,010	598,370
Fines and forfeitures	343,579	358,665	484,930	436,377
Uses of money and property	7,085,104	5,684,111	3,114,881	1,547,229
Charges for services	338,929	677,277	3,813,159	3,284,275
Intergovernmental	6,163,985	7,549,040	3,948,059	2,629,132
Maintenance assessments	1,922,471	4,205,700	3,491,975	1,950,431
Franchise fees	292,003	301,514	398,539	587,832
Building and safety fees	716,552	530,761	-	-
Planning and public work fees	1,649,002	1,938,143	-	-
Development fees	6,403,851	4,501,837	-	-
Contributions from prop owners	34,066,993	-	-	-
Other	2,030,211	433,378	-	-
Total revenues	<u>74,784,334</u>	<u>41,645,646</u>	<u>35,613,189</u>	<u>29,764,417</u>
Expenditures				
Current:				
General government	1,471,354	1,835,801	1,926,283	1,497,916
Public safety	6,083,917	6,637,757	6,814,425	6,769,484
Public services	9,608,754	12,505,613	11,259,297	12,343,896
Parks and recreation	4,039,888	4,291,867	4,182,091	4,453,400
Capital outlay	19,477,866	14,682,017	8,100,604	5,548,179
Debt service:				
Principal	440,000	455,000	475,000	495,000
Interest	1,400,985	1,631,932	1,594,062	1,482,799
Bond issuance costs	505,588	-	-	-
Total expenditures	<u>43,028,352</u>	<u>42,039,987</u>	<u>34,351,762</u>	<u>32,590,674</u>
Excess of revenues over expenditures	<u>31,755,982</u>	<u>(394,341)</u>	<u>1,261,427</u>	<u>(2,826,257)</u>
Other financing sources (uses):				
Gain from sale of property	276,797	-	-	-
Bond Proceeds	11,695,000	-	-	-
Discount on Bonds	(325,401)	-	-	-
County settlements	-	-	1,000,000	-
Transfers in	9,457,260	27,626,755	17,062,650	9,378,101
Transfers out	<u>(9,457,260)</u>	<u>(27,626,755)</u>	<u>(17,062,650)</u>	<u>(9,378,101)</u>
Total other financing sources (uses)	<u>11,646,396</u>	<u>-</u>	<u>1,000,000</u>	<u>-</u>
Net change in fund balances	<u>\$ 43,402,378</u>	<u>\$ (394,341)</u>	<u>\$ 2,261,427</u>	<u>\$ (2,826,257)</u>
Debt service as a percentage of noncapital expenditures	8.7%	8.3%	8.6%	7.9%

The City of Moorpark has elected to report retroactively back to the year the City implemented GASB 34 (June 30, 2003).

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

Fiscal Year Ended June 30	City				Redevelopment Agency				Total Direct Tax Rate
	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	
2001	\$ 2,421,104,221	\$ 92,634,149	\$ 40,786,802	\$ 2,554,525,172	\$434,091,609	\$ 59,042,494	\$ 3,849,357	\$ 496,983,460	1.051%
2002	2,549,782,519	94,204,773	41,025,922	2,685,013,214	456,765,976	64,634,089	3,860,792	525,260,857	1.042%
2003	2,823,727,286	120,175,258	42,238,926	2,986,141,470	514,599,965	84,435,148	3,862,434	602,897,547	1.061%
2004	3,026,137,647	155,943,246	43,185,512	3,225,266,405	542,789,850	95,244,418	3,915,879	641,950,147	1.058%
2005	3,231,418,940	172,769,806	43,305,637	3,447,494,383	532,445,978	93,810,856	3,904,910	630,161,744	1.050%
2006	3,721,591,791	168,802,350	43,313,074	3,933,707,215	660,810,677	99,693,057	3,931,766	764,435,500	1.055%
2007	4,157,360,033	165,798,359	43,364,070	4,366,522,462	743,592,913	102,795,641	3,958,627	850,347,181	1.062%
2008	4,558,597,806	173,209,606	45,607,510	4,777,414,922	809,452,407	102,442,198	4,276,693	916,171,298	1.050%
2009	4,700,305,496	174,181,146	46,351,377	4,920,838,019	828,244,210	102,730,045	4,309,164	935,283,419	1.050%
2010	4,619,910,655	180,988,669	46,474,508	4,847,373,832	825,093,781	113,302,525	4,333,240	942,729,546	1.050%

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 increase of 2%). With few exceptions, property is only re-assessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: Ventura County Assessor's Office

CITY OF MOORPARK
Direct and Overlapping Property Tax Rates
(Rate per \$100 of assessed value)
Last Ten Fiscal Years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
City Direct Rates:										
City basic rate	1.05062	1.04171	1.06072	1.05820	1.05020	1.05480	1.06163	1.04955	1.04950	1.05020
Redevelopment agency	-	-	-	-	-	-	-	-	-	-
Total City Direct Rate	1.051	1.042	1.061	1.058	1.050	1.055	1.062	1.050	1.050	1.050
Overlapping Rates:										
Ventura County Flood Cont.	8.012	8.039	8.097	n/a						
Metropolitan Water District	0.222	0.229	2.340	0.233	0.232	0.235	0.233	0.234	0.230	0.230
Ventura Community College	n/a	n/a	4.312	4.311	4.269	4.331	4.296	4.361	4.371	4.402
Ventura County Waterworks	100.000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Conejo Valley Unified School District	0.021	0.027	0.025	0.024	0.022	0.020	0.019	0.018	0.018	0.019
Moorpark Unified School District	n/a	92.311	91.733	91.959	92.121	92.442	92.313	92.417	92.240	91.924
City of Moorpark	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
City of Moorpark Community Facilities District No. 97-1	n/a	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
City of Moorpark 1915 Act Bonds	<u>100.000</u>	<u>100.000</u>	<u>100.000</u>	<u>100.000</u>	<u>100.000</u>	<u>100.000</u>	<u>100.000</u>	<u>100.000</u>	<u>100.000</u>	<u>100.000</u>
Total Direct Rate	<u>109.306</u>	<u>101.648</u>	<u>107.568</u>	<u>97.585</u>	<u>97.694</u>	<u>98.083</u>	<u>97.923</u>	<u>98.080</u>	<u>97.909</u>	<u>97.625</u>

NOTE:

- 1) In 1978, California voters passed Proposition 13 which sets the property tax rate at 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 the Moorpark Unified School District bonds.
- 2) The direct and overlapping bonded debt above is not the City's nor the Redevelopment Agency's obligation.

Source: California Municipal Statistics
Ventura County Assessor

CITY OF MOORPARK
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2009		2000	
	Taxable Assessed Value *	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
DBRE Moorpark LLC	\$ 69,761,376	14.18%	\$ -	0.00%
Waterstone Properties Moorpark LLC	48,894,000	9.94%	-	0.00%
G & Y Moorpark LLC	25,547,420	5.19%	-	0.00%
Mission Bell West LP	23,536,896	4.78%	20,208,563	7.91%
James Birkenshaw, Et. Al.	19,913,624	4.05%	12,264,597	4.80%
Calabasas BCD Inc.	19,554,740	3.97%	11,751,954	4.60%
Tuscany Square Partners LLC	18,910,560	3.84%	-	0.00%
Fred Kavli	15,777,912	3.21%	12,701,599	4.97%
Mission Bell East LLC	14,124,992	2.87%	14,297,706	5.60%
Moorpark Plaza Family Partners Ltd.	14,022,917	2.85%	-	0.00%
	<u>\$ 270,044,437</u>	<u>54.88%</u>	<u>\$ 71,224,419</u>	<u>27.88%</u>

* Due to varying tax rates, the assessed value does not necessarily mean the highest tax.
The assessed value includes secured property tax revenue.

Source: HdL 2009-2010 property data

CITY OF MOORPARK
Secured Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections from Previous Years	Total Collections	
		Amount	Percent of Levy		Amount	Percent of Levy
2001	\$ 1,573,688	\$ 1,506,396	95.72%	\$ 44,188	\$1,550,584	98.53%
2002	1,832,673	1,581,343	86.29%	63,897	\$1,645,240	89.77%
2003	2,036,839	1,732,812	85.07%	77,316	\$1,810,128	88.87%
2004	2,208,605	1,902,007	86.12%	84,452	\$1,986,459	89.94%
2005	2,391,927	1,796,670	98.95%	87,669	\$1,884,339	78.78%
2006	2,705,083	1,994,418	73.73%	93,157	\$2,087,575	77.17%
2007	3,010,493	2,432,164	80.79%	124,057	\$2,556,221	84.91%
2008	3,286,857	3,376,883	102.74%	145,134	\$3,522,017	107.15%
2009	3,763,078	3,393,933	90.19%	208,491	\$3,602,423	95.73%
2010	3,682,559	2,789,672	75.75%	262,057	\$3,051,730	82.87%

NOTE:
The amount presented includes City property taxes only.
It does not include redevelopment tax increment.

Source: Ventura County Auditor Controller's Office

CITY OF MOORPARK
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities			Total Primary Government	Percentage of Personal Income ²	Debt Per Capita ²
	General Obligation Bonds	Tax Allocation Bonds ¹	Total Governmental Activities			
2001	-	\$ 9,195,000	\$ 9,195,000	\$ 9,195,000	0.38%	286
2002	-	20,465,000	20,465,000	20,465,000	0.73%	606
2003	-	20,100,000	20,100,000	20,100,000	0.67%	582
2004	-	19,705,000	19,705,000	19,705,000	0.65%	564
2005	-	19,300,000	19,300,000	19,300,000	0.64%	537
2006	-	18,880,000	18,880,000	18,880,000	0.62%	527
2007	-	30,135,000	30,135,000	30,135,000	0.95%	826
2008	-	29,680,000	29,680,000	29,680,000	0.84%	803
2009	-	29,185,000	29,185,000	29,185,000	0.83%	787
2010	-	28,710,000	28,710,000	28,710,000	0.81%	764

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

¹ The Moorpark Redevelopment Agency issued \$9,860,000 of new tax allocation bonds in 1999, \$11,625,000 in 2001, and \$11,695,000 in 2006. The principal balance on these three bonds as of June 30, 2010 is \$5,495,000, \$11,520,000 and \$11,695,000 respectively.

² These ratios are calculated using personal income and population for the prior calendar year.

CITY OF MOORPARK
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30	Outstanding General Bonded Debt			Percent of Assessed Value ¹	Per Capita
	General Obligation Bonds	Tax Allocation Bonds	Total		
2001	-	\$ 9,195,000	\$ 9,195,000	0.30%	\$ 286
2002	-	20,465,000	20,465,000	0.64%	606
2003	-	20,100,000	20,100,000	0.56%	582
2004	-	19,705,000	19,705,000	0.51%	564
2005	-	19,300,000	19,300,000	0.47%	537
2006	-	18,880,000	18,880,000	0.40%	527
2007	-	30,135,000	30,135,000	0.58%	826
2008	-	29,680,000	29,680,000	0.52%	803
2009	-	29,185,000	29,185,000	0.50%	787
2010	-	28,710,000	28,710,000	0.50%	764

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

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

CITY OF MOORPARK
Direct and Overlapping Debt
June 30, 2010

City Assessed Valuation 2009-10	\$ 4,847,716,832
Redevelopment Agency Incremental Valuation	<u>678,574,184</u>
Adjusted Assessed Valuation	<u>\$ 4,169,142,648</u>

	Percentage Applicable	Debt as of 6/30/2010	Estimated Share of Overlapping Debt
Direct and Overlapping Tax and Assessment Debt:			
Metropolitan Water District	0.230%	\$ 264,220,000	\$ 607,706
Ventura Community College District	4.402%	315,947,814	13,908,023
Conejo Valley Unified School District	0.019%	38,595,505	7,333
Moorpark Unified School District	91.924%	40,850,407	37,551,328
City of Moorpark Community Facilities District No. 97-1	100.000%	6,130,000	6,130,000
City of Moorpark Community Facilities District No. 2004-1	100.000%	34,440,000	34,440,000
City of Moorpark 1915 Act Bonds	100.000%	<u>1,465,000</u>	<u>1,465,000</u>
Toal Direct and Overlapping Tax & Assessment Debt		<u>701,648,726</u>	<u>94,109,390</u>
Overlapping General Fund Obligation Debt:			
Ventura County General Fund Obligations	4.401%	\$ 108,610,000	4,779,926
Ventura County Superintendent of Schools COPs	4.401%	12,445,000	547,704
Moorpark Unified School District COPs	91.924%	<u>8,550,000</u>	<u>7,859,502</u>
Total Overlapping General Fund Obligation Debt		<u>129,605,000</u>	<u>13,187,132</u>
Combined Total Debt*		<u>\$ 831,253,726</u>	<u>107,296,522</u>
Total direct and overlapping debt			<u>\$ 107,296,522</u>

Notes:

* Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

The direct and overlapping bonded debt above is not the City's or the Redevelopment Agency's obligation.

Source: California Municipal Statistics, Inc.

CITY OF MOORPARK
 Legal Debt Margin Information
 Last Ten Fiscal Years

	Fiscal Year				
	2001	2002	2003	2004	2005
Assessed valuation	\$ 2,421,104,221	\$2,549,782,519	\$ 2,823,727,286	\$ 2,823,727,286	\$ 3,231,418,940
Conversion percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted assessed valuation	605,276,055	637,445,630	705,931,822	705,931,822	807,854,735
Debt limit percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt limit	90,791,408	95,616,844	105,889,773	105,889,773	121,178,210
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-
Legal debt margin	<u>90,791,408</u>	<u>95,616,844</u>	<u>105,889,773</u>	<u>105,889,773</u>	<u>121,178,210</u>
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

Continued

The Government Code 2227 of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 81-82 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 date 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: City Finance Department
 Ventura County Tax Assessor's Office

CITY OF MOORPARK
 Legal Debt Margin Information - Continued
 Last Ten Fiscal Years

	2006	2007	2008	2009	2010
Assessed valuation	\$ 3,721,591,791	\$ 4,157,360,033	\$ 4,558,597,806	\$ 4,700,305,496	\$ 4,700,305,496
Conversion percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted assessed valuation	930,397,948	1,039,340,008	1,139,649,452	1,175,076,374	1,175,076,374
Debt limit percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt limit	139,559,692	155,901,001	170,947,418	176,261,456	176,261,456
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-
Legal debt margin	<u>139,559,692</u>	<u>155,901,001</u>	<u>170,947,418</u>	<u>176,261,456</u>	<u>176,261,456</u>
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

The Government Code 2227 of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 81-82 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 date 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: City Finance Department
 Ventura County Tax Assessor's Office

CITY OF MOORPARK
Pledged-Revenue Coverage
Last Ten Fiscal Years

Fiscal Year Ended June 30	Tax Allocation Bonds			
	Tax Increment	Debt Service		Coverage
		Principal	Interest	
2001	\$ 2,501,624	\$ 345,000	\$ 420,193	3.27
2002	2,606,388	355,000	408,638	3.41
2003	3,537,293	365,000	989,554	2.61
2004	4,076,183	395,000	976,140	2.97
2005	3,860,624	405,000	959,942	2.83
2006	5,487,272	420,000	944,281	4.02
2007	6,306,385	440,000	1,085,040	4.14
2008	6,858,882	455,000	909,906	5.03
2009	7,010,760	475,000	1,397,922	3.74
2010	6,842,837	495,000	1,376,088	3.66

Note: Details regarding Moorpark Redevelopment Agency outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation expenses.

CITY OF MOORPARK
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population (1)	Household Income (in thousands)	Median Household Income (2)	Unemployment Rate (3)
2001	32,150	\$ 2,414,272	\$ 75,094	5.2%
2002	33,760	2,811,600	83,282	6.8%
2003	34,529	2,978,092	86,249	7.2%
2004	34,933	3,054,507	87,439	6.4%
2005	35,933	3,039,105	84,577	5.4%
2006	35,836	3,050,432	85,122	4.4%
2007	36,480	3,179,341	87,153	4.7%
2008	36,971	3,526,775	95,393	5.7%
2009	37,086	3,508,076	94,593	10.3%
2010	37,576	3,565,248	94,881	10.6%

Sources: (1) State Department of Finance or Community Development Department
(2) Sperling's Best Places
(3) State of California Employment Development Department (data shown is for the County)

CITY OF MOORPARK
Principal Employers
Current and Ten Years Ago

Employer	2010		2000	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Moorpark Unified School District	825	4.88%	388	2.38%
Moorpark College	750	4.44%	600	3.68%
Pentair Pool Products	377	2.23%	252	1.54%
Kavlico	350	2.07%	1,100	6.74%
Target	150	0.89%	-	0.00%
Boething Tree Farm	145	0.86%	70	0.43%
Vons	120	0.71%	-	0.00%
American Board Assembly	115	0.68%	90	0.55%
General Optics	75	0.44%	50	0.31%
Prudential Overall Supply	70	0.41%	50	0.31%

"Total Employment" as used above represents the total employment of all employers located within City limits. The total number of employees within the City limits in 2010 were 16,896 as compared to the total number of employees within the City limits in 2000 were 16,324.

Source: Chamber of Commerce
City-data.com
Bureau of Labor Statistics

CITY OF MOORPARK
Full-time and Part-time City Employees
by Function
Last Ten Fiscal Years

<u>Function</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General government	20	36	43	33	32	31	30	26	26	55
Public safety (crossing guards)	6	6	6	7	4	7	7	7	6	5
Public services	21	41	38	20	17	17	26	22	22	20
Parks and recreation	<u>42</u>	<u>19</u>	<u>19</u>	<u>42</u>	<u>38</u>	<u>41</u>	<u>49</u>	<u>54</u>	<u>56</u>	<u>26</u>
Total	<u>89</u>	<u>102</u>	<u>106</u>	<u>102</u>	<u>91</u>	<u>96</u>	<u>112</u>	<u>109</u>	<u>110</u>	<u>106</u>

Public safety ¹	34	33	30	28	31	31	42	42	38	38
----------------------------	----	----	----	----	----	----	----	----	----	----

¹ Police and fire services were provided by the County.
 Fire = 18 and police = 20

Source: City of Moorpark, Finance department

CITY OF MOORPARK
Operating Indicators
by Function
Last Ten Fiscal Years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police: (A)										
Arrests	1,414	1,235	1,296	1,520	1,388	1,653	1,890	1,732	1,412	2,207
Parking citations issued		2,579	2,582	4,285	3,706	2,890	4,160	2,860	3,254	4,969
Fire: (B)										
Number of "prime" emergency calls	975	1,103	1,179	1,415	1,308	1,329	1,351	1,362	1,100	1,945
Business Inspections*	417	117	117	125	125	125	123	130	143	115
Public works: (C)										
Street resurfacing (miles)	-	-	73.33	-	0.10	-	30.0	3.8	-	5.0
Parks and recreation: (D)										
Number of recreation classes	423	386	317	290	364	338	479	378	265	419
Number of facility rentals	250	184	258	307	491	338	180	210	186	230

Prime calls and business inspections are for County of Ventura, Fire department station #42

* In November 2001, all business occupancies less than 10,000 sq. feet became eligible for self inspection program.

Source: City of Moorpark

(A) Provided by Moorpark P.D.; parking citation data is not available for earlier years

(B) Ventura County Fire Dept.; - some data not available for earlier years

(C) Moorpark Public Works Dept.; - every six years, the City plans to resurface its streets, 1/3 every other year (total street miles = 220)

(D) Arroyo Vista Recreation Dept.; - recreation classes and room rentals began after the park opened

CITY OF MOORPARK
Capital Asset Statistics
by Function
Last Ten Fiscal Years

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Fire stations	2	2	2	2	2	2	2	2	2	2
Public works:										
Streets (miles)	75	75	75	75	75	75	75	78	79	79
Streetlights	2,264	2,263	2,269	2,299	2,325	2,347	2,497	2,510	2,518	2,518
Traffic signals	15	15	16	17	17	17	17	20	20	20
Parks and recreation:										
Parks	14	15	15	15	15	16	16	16	17	18
Community centers	2	2	2	2	2	2	2	2	2	2

Source: City of Moorpark

Of the streetlights, 2,510 are owned by Edison and 8 are owned by the City

December 7, 2010

Ron Ahlers, Finance Director
City of Moorpark
799 Moorpark Avenue
Moorpark, CA 93021

Dear Mr. Ahlers:

We have audited the financial statements of the City of Moorpark (City) as of and for the year ended June 30, 2010. In planning and performing our audit of the financial statements of the City for the year ended June 30, 2010, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control. We noted no matters involving the internal control and its operations that we consider to be material weaknesses under standards established by the American Institute of Certified Public Accountants. However, we noted items of less significance which are presented for your consideration.

This letter by its very nature is critical and does not highlight the many positive features of the City's internal controls. These comments and recommendations are intended to improve the internal controls or result in other operating efficiencies and are summarized as follows:

(1)
Purchasing Policy

As noted in the prior year, in gaining an understanding of the purchasing process, we noted the City's Municipal Code only gives guidance for purchases of supplies and equipment, and refers to the Public Contract Code for Public Project procurement policies. The Municipal Code states that the City Council will establish, by resolution, procedures governing the purchase of contractual or professional services, but no such resolution has been developed or adopted. The Finance Department has an informal procedure manual that includes purchasing policies, but it is not very clear or consistent regarding the procurement of professional services as well as which purchases need to go through the requisition process with or without a purchase order. Also, other departments do not necessarily have a copy of this manual to refer to when making purchases.

To strengthen internal controls over purchasing and procurements, we recommend that the City revisit its purchasing policies, along with the informal Finance manual, and determine what changes can be made to clarify the policies regarding procurement of professional services and help ensure purchasing policies are consistent throughout the City.

Management Response:

Management concurs with the recommendation and will review the current purchasing policies and make suggested improvements with regards to the procurement of professional services and the establishment of adequate bidding documentation.

(2)

New Accounting Standards

In February 2009, the Governmental Accounting Standards Board (“GASB”) issued its Statement No. 54 entitled “*Fund Balance Reporting and Governmental Fund Type Definitions*,” which will significantly change the reporting of fund balances and governmental fund types. The City will be required to implement this Statement as of the 2010-11 fiscal year. We recommend the City to take steps to determine how this Statement will affect the City’s financial statement presentation, and what action is necessary. The City may need to revise its chart of accounts and fund structure to comply with the new standard.

Management Response:

Management concurs with the recommendation and will research GASB 54 and determine which new account(s) to establish in order to comply with the statement.

(3)

Fraud Prevention and Detection Program

As noted in the prior year, Management of the City is responsible for designing and implementing systems and procedures for the prevention and detection of fraud, and for ensuring a culture and environment that promotes honesty and ethical behavior. Fraud can range from minor employee theft and unproductive behavior to misappropriation of assets and fraudulent financial reporting.

The risk of fraud can be reduced through a combination of prevention, deterrence, and detection measures. However, fraud can be difficult to detect because it often involves concealment through falsification of documents or collusion among management, employees, or third parties. Therefore, it is important to place a strong emphasis on fraud prevention, which may reduce opportunities for fraud to take place, and fraud deterrence, which could persuade individuals that they should not commit fraud because of the likelihood of detection and punishment. Moreover, prevention and deterrence measures are much less costly than the time and expense required for fraud detection and investigation.

While the City has taken steps to address the risk of fraud in certain areas, such as segregation of duties and other internal controls, we recommend the City consider taking a more formal, proactive approach to fraud prevention and deterrence. This would involve establishing an ongoing program of formally identifying and measuring fraud risks, taking steps to mitigate identified risks, and implementing and monitoring any necessary preventive and deterrent measures.

For example, although the City provides training regarding ethics to management level employees, the City may want to establish a more formal training program for all employees regarding fraud. New employees should be trained at the time of hiring about the entity's values and its code of conduct. This training should explicitly cover expectations of all employees regarding (1) their duty to communicate certain matters; (2) a list of the types of matters, including actual or suspected fraud, to be communicated along with specific examples; and (3) information on how to communicate those matters. In addition to the training at the time of hiring, employees should receive refresher training periodically thereafter.

As mentioned above, management needs to provide information to employees on how to communicate fraud related matters. Research has shown that the majority of fraud is detected by fellow employees, and not by outside auditors or internal controls. It is important for the City to establish and communicate to employees a reporting system that is appropriate for the City. The City should consider establishing a confidential reporting mechanism, which may include a combination of internal reporting and an anonymous tip hotline, not only for employees, but also for vendors and customers of the City.

In summary, the City has established controls over fraud in many areas and, based on our experience, has set an appropriate "tone at the top" regarding ethical behavior. However, the City should consider a more formal, proactive approach to preventing fraud. The above comments do not address all components of a strong antifraud program. Additional information can be provided to the City's management regarding this issue.

Management Response:

Management concurs with the recommendation and will explore the feasibility of establishing an anonymous "fraud hotline" for: employees, citizens, vendors and the business community. The City will research other fraud prevention training programs in order to train new and existing staff.

Summation

We would like to take this opportunity to express our appreciation for the assistance extended us during the course of our audit. If we can be of further assistance, or if you have any questions regarding our recommendations, please call our office. This letter is intended solely for the information and use of management and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,
TEAMAN, RAMIREZ & SMITH, INC.



Greg W. Fankhanel
Certified Public Accountant

December 7, 2010

Ron Ahlers, Finance Director
City of Moorpark
799 Moorpark Avenue
Moorpark, CA 93021

Dear Mr. Ahlers:

Based on the Schedule of Expenditures of Federal Awards that was prepared by the City as required by OMB Circular A-133 and our review of the expenditures, it appears that the City was below the \$500,000 threshold in federal expenditures, and no Single Audit was required for fiscal year 2009/10.

Sincerely,



Greg Fankhanel
Certified Public Accountant

City Council
City of Moorpark
Moorpark, California

**Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Moorpark, California (City) as of and for the year ended June 30, 2010, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 7, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not

an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to Management of the City of Moorpark in a separate letter dated December 7, 2010.

This report is intended solely for the information and use of the City Council, management, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Jeannan Ramirez & Smith, Llc.

December 7, 2010

**INDEPENDENT ACCOUNTANT'S REPORT ON AGREED-UPON PROCEDURES
APPLIED TO APPROPRIATIONS LIMIT WORKSHEETS**

City Council
City of Moorpark
Moorpark, California

We have performed the procedures enumerated below to the accompanying Appropriations Limit worksheet of the City of Moorpark, California, for the year ended June 30, 2010. These procedures, which were agreed to by the City of Moorpark, California and the League of California Cities (as presented in the publication entitled *Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII B of the California Constitution*), were performed solely to assist the City in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. The City of Moorpark's management is responsible for the Appropriations Limit worksheet. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and our findings were as follows:

1. We obtained the completed worksheets and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned documents to those that were selected by a recorded vote of the City Council.

Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit worksheet, we added last year's limit to total adjustments and agreed the resulting amount to this year's limit.

Finding: No exceptions were noted as a result of our procedures.

3. We agreed the current year information presented in the accompanying Appropriations Limit worksheet to the other documents referenced in #1 above.

Finding: No exceptions were noted as a result of our procedures.

4. We agreed the prior year appropriations limit presented in the accompanying Appropriations Limit worksheet to the prior year appropriations limit adopted by the City Council during the prior year.

Finding: No exceptions were noted as a result of our procedures.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on the accompanying Appropriations Limit worksheet. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. No procedures have been performed with respect to the determination of the appropriations limit for the base year, as defined by the League publication entitled *Article XIII B of the California Constitution*.

This report is intended solely for the use of the City Council and management of the City of Moorpark, California and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Teaman Ramirez & Smith, Inc.

December 7, 2010

**CITY OF MOORPARK
 APPROPRIATIONS LIMIT COMPUTATION
 2009 – 2010**

	<u>2009 – 2010</u>
Non-Residential New Construction	16.59%
Population Change City Population Growth	1.27%
Non-Residential New Construction Change Converted to a Ratio	1.1659
Population Change Converted to a Ratio	1.0127
Calculation of Growth Factor	1.18070693
2008 – 2009 Appropriations Limit	<u>\$ 22,189,171</u>
2009 – 2010 Appropriations Limit (\$22,189,171 X 1.18070693)	<u>\$ 26,198,908</u>

December 7, 2010

City Council
City of Moorpark
Moorpark, California

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Moorpark (City) for the year ended June 30, 2010. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 3, 2010. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2010. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimates of the useful lives for capital assets are based on the expectation that the capital assets will be of use to the City over the specified useful lives. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure(s) affecting the financial statements was (were):

The disclosure of accumulated depreciation in Note 5 to the financial statements is based on estimated useful lives which could differ from actual useful lives of each capitalized item.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 7, 2010.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Information in Documents Containing Audited Financial Statements

Other information included in documents containing audited financial statements such as *management's discussion and analysis* is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We applied limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and we expressed no opinion on it.

This information is intended solely for the use of the City Council and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Teaman Ramirez & Smith, Inc.