

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: The Honorable City Council

FROM: Ron Ahlers, Finance Director 

DATE: January 7, 2014 (CC Meeting of January 15, 2014)

SUBJECT: Consider Annual Financial Statements and Other Audit Reports for Fiscal Year Ended June 30, 2013

SUMMARY

The Comprehensive Annual Financial Report (CAFR), Independent Auditor's 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 significant audit findings of the City of Moorpark for June 30, 2013 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 Rogers, Anderson, Malody & Scott, LLP, Certified Public Accountants (RAMS) conducted the annual audit and with staff assistance prepared the required financial statements. For the fiscal year ended June 30, 2013, 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, 2012. 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 have submitted 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, 2013 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, RAMS, 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, 2013 fiscal year balances and overall results of operations for the period then ended, for all City funds, including the Successor Agency to the Redevelopment Agency of the City of Moorpark (Successor Agency).

The CAFR 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 ended June 30, 2013 audit, the City of Moorpark received an unqualified opinion.

The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position (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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related 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 decrease in net position of \$2.4 million was reported for the fiscal year ended June 30, 2013 (pages 15 and 63).

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 and parks and recreation.

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 Net Position and Statement of Changes in Fiduciary Net Position are located on pages 24-25. The Successor Agency is a Private Purpose Trust Fund and is recorded in these statements.

All of these statements are followed by the *Notes to the Financial Statements* on pages 26-63.

The Required Supplementary Information begins at page 64 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.

The CAFR is posted on the City's website: <http://MoorparkCA.gov>

General Fund Financial Status

For fiscal year ended June 30, 2013, the General Fund unassigned fund balance totaled \$3.0 million, which equates to approximately 28% of operating expenses. The General Fund had a surplus of \$524,451 for this past year. Per Council policy the City

transferred \$524,451 from the General Fund to the Special Projects Fund at June 30, 2013. The reasons for the surplus are expenses were below appropriations. For revenues the variance was a negative \$158,000; mainly due to investment earnings being less than the budget estimate. For expenses the majority of the variance was due to fewer transfers to operating departments: Community Development \$298,000, Parks Maintenance \$276,000 and Public Works/Engineering \$61,000.

Successor Agency to the Redevelopment Agency of the City of Moorpark

ABx1 26 was passed and signed by the Governor in the summer of 2011. The California Supreme Court upheld the validity of ABx1 26 and thereby all redevelopment agencies in the State, including the Redevelopment Agency of the City of Moorpark (MRA), were dissolved as of January 31, 2012. The assets, liabilities and net position (equity) were transferred from the MRA to the Successor Agency on February 1, 2012. The Successor Agency is shown as a Private Purpose Trust Fund and is **NOT** a governmental fund and **NOT** included in the Statement of Net Assets or Statement of Activities. The Successor Agency is a separate legal entity controlled by the Oversight Board and the State Department of Finance. It is accounted for completely separate from the City of Moorpark and shall remain so for the entire term of its existence. The accounting for the Successor Agency is on pages 24-25 with explanatory notes on pages 58-62 of the CAFR.

Single Audit Report ~ (Report not 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.

Independent Auditor's 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, 2013.

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, 2013.

Independent Auditor's memo regarding significant audit findings

The independent auditors noted no findings for the audit process for the fiscal year ended June 30, 2013.

STAFF RECOMMENDATION (Roll Call Vote)

Accept the Comprehensive Annual Financial Report (CAFR), Independent Auditor's 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 significant audit findings and receive and file this report.

Attachments:

1. City of Moorpark CAFR for Fiscal Year Ending June 30, 2013
2. Independent Auditor's 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*
3. Independent Accountant's Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheets
4. Independent Auditor's memo regarding Significant Audit Findings

ATTACHMENT 1

**CITY OF MOORPARK, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended June 30, 2013**

**Prepared By:
Ron Ahlers, Finance Director
Irmina Lumbad, Budget & Finance Manager**

**City of Moorpark
Comprehensive Annual Financial Report
Year Ended June 30, 2013
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INTRODUCTORY SECTION

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City of Moorpark

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

December 20, 2013

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, 2013. 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 section with detail information to be in compliance with GASB No. 44 requirements for fiscal year 2012/13.

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 Public Financing Authority (Authority) and the Moorpark Industrial Development Authority (IDA).

JANICE S. PARVIN
Mayor

KEITH F. MILLHOUSE
Councilmember

ROSEANN MIKOS
Councilmember

DAVID POLLOCK
Councilmember

MARK VAN DAM
Councilmember

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

The Authority was formed in 1993 as a joint powers authority between the City and the Redevelopment Agency of the City of Moorpark (Agency) in order to provide financial assistance to the City and the Agency by issuing debt and financing the construction of public facilities. The Agency is now dissolved, but the Authority still continues to exist.

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.

SUCCESSOR AGENCY

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. On December 29, 2011, the California Supreme Court upheld Assembly Bill 1x 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. The Bill provides that upon dissolution of a redevelopment agency, the entity that established the redevelopment agency may elect to serve as the "Successor Agency". The Successor Agency holds the assets of the former redevelopment agency until they are distributed to other units of state and local government after the payment of enforceable obligations that were in effect as of the signing of the Bill. On January 4, 2012, the City elected to become the Successor Agency. On February 1, 2012, the Agency was dissolved and the Successor Agency to the Redevelopment Agency of the City of Moorpark (Successor Agency) was created. The Successor Agency is included as a fiduciary fund (private purpose trust fund).

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, affordable housing, economic development, 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. Mr. 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 34,826 (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, 2013. 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 2012/2013 amounted to \$27,972,590 and \$15,262,503 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, 2013, approximately \$45 million was invested with the Ventura County Pool; \$36 million in various U.S. Treasury Notes and Agency Securities; about \$3.0 million in the State Treasurer's Local Agency Investment Fund (LAIF); and \$6 million was invested in demand deposits.

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, 2013 have a net ending balance of \$262 million.

LONG-TERM LIABILITIES/BONDED LIABILITIES

At June 30, 2013, 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).

The Successor Agency has the 1999 Tax Allocation Refunding Bonds, the 2001 Tax Allocation Bonds and the 2006 Tax Allocation Bonds outstanding in the amounts of \$3.9 million, \$11.5 million and \$11.6 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

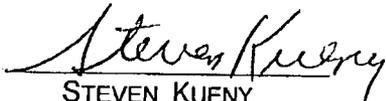
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended June 30, 2012. In order to be awarded a Certificate of Achievement, 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, Rogers, Anderson, Malody & Scott, LLP, Certified Public Accountants for their professional assistance. As in the past, the CAFR is available on the City's website at www.MoorparkCA.gov.

Respectfully submitted,


STEVEN KUENY
CITY MANAGER


RON AHLERS
FINANCE DIRECTOR



**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2013**

DIRECTORY OF CITY OFFICIALS

CITY COUNCIL

Janice S. Parvin, Mayor

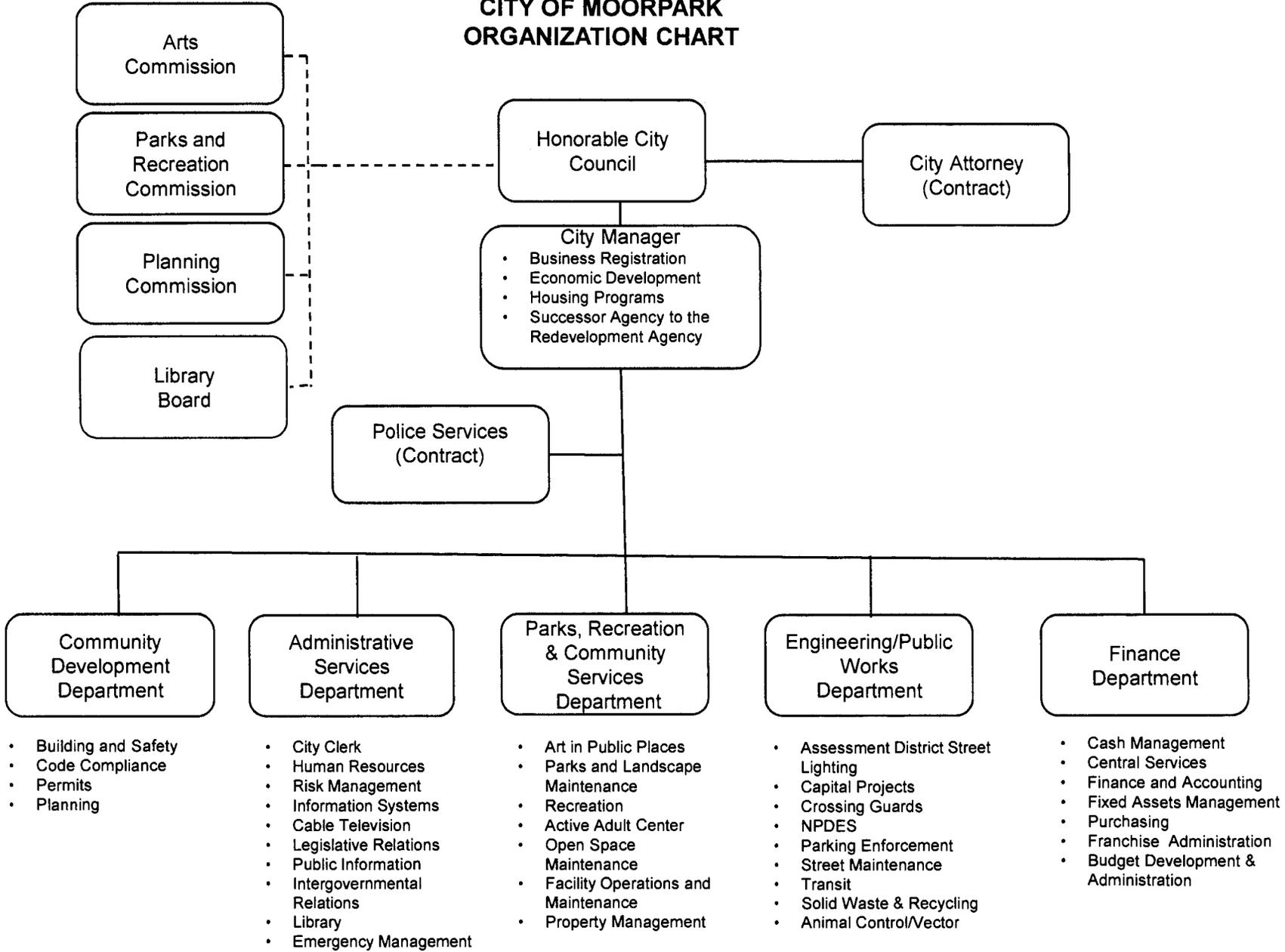
Roseann Mikos, Councilmember
Keith F. Millhouse, Councilmember

David Pollock, Councilmember
Mark Van Dam, Councilmember

CITY MANAGEMENT STAFF

Steven Kueny, City Manager
Hugh Riley, Assistant City Manager
Deborah Traffenstedt, Deputy City Manager
David Bobardt, Community Development Director
David Klotzle, City Engineer/Public Works Director
Jeremy Laurentowski, Parks & Recreation Director
Ron Ahlers, Finance Director

CITY OF MOORPARK ORGANIZATION CHART





Government Finance Officers Association

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Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Moorpark
California**

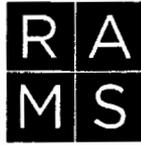
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

FINANCIAL SECTION

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ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscpa.net

Independent Auditor's Report

The Honorable City Council
City of Moorpark, California

Report on the financial statements

We have audited the accompanying financial statements of the government activities, each major fund, and the aggregate remaining fund information of the City of Moorpark (City), California, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's responsibility for the financial statements

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

Auditor's responsibility

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

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

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

PARTNERS

Brenda L. Odle, CPA, MST
Terry P. Shea, CPA
Kirk A. Franks, CPA
Matthew B. Wilson, CPA, MSA, CGMA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Jay H. Zercher, CPA (Partner Emeritus)
Phillip H. Waller, CPA (Partner Emeritus)

MANAGERS / STAFF

Nancy O'Rafferty, CPA, MBA
Bradford A. Welebir, CPA, MBA
Jenny Liu, CPA, MST
Papa Matar Thiaw, CPA, MBA
Maya S. Ivanova, CPA, MBA
Peter E. Murray, CPA
Seong-Hyea Lee, CPA, MBA
Charles De Simoni, CPA
Yiann Fang, CPA
Daniel T. Turner, CPA, MSA
Derek J. Brown, CPA, MST
David D. Henwood, CPA

MEMBERS

American Institute of
Certified Public Accountants

PCPS The AICPA Alliance
for CPA Firms

Governmental Audit
Quality Center

California Society of
Certified Public Accountants

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 of Moorpark, California, as of June 30, 2013, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other matters

Required supplementary information

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

Other information

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

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Implementation of new pronouncement

As discussed in Note 1 of the financial statements, the City adopted the provisions of GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position.

Other reporting required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2013, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Rogers Anderson Maloney & Scott, LLP

San Bernardino, CA
December 20, 2013

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**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

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, 2013. 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 2012/13 by \$354,439,063 (Net Position). Of this amount, \$10,042,168 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. GASB defines "Net Position" as assets less liabilities. GASB requires the City to record infrastructure assets (streets, parks, buildings, etc.) less accumulated depreciation as a restricted fund balance titled, "Net Investment in Capital Assets" (\$262,271,564). Restrictions for Special Revenue Funds amounts to \$82,125,331, this reduces the Total Net Position to the Unrestricted Net Position (\$10,042,168). The Statement of Net Position is presented on page 14.
- The City's Total Net Position decreased by \$2,399,591 during the current fiscal year. The Statement of Activities is presented on page 15.
- As of June 30, 2013, the City's governmental funds (General Fund, Special Revenue Funds and Capital Projects Funds) reported combined ending fund balances of \$89,982,295, a decrease of \$2,256,342, from the prior year. The decrease is a result of expenditures in capital by the Street and Traffic Safety Fund, Affordable Housing Fund and Los Angeles Area of Contribution Fund.
- At the end of the current fiscal year, fund balances for the General Fund were \$3,635,176 (\$635,176 is in nonspendable form, and \$3,000,000 is unassigned).
- The City posted "Rights of Way" of \$123,066,830 to Capital Assets. This amount had not been posted to the Government wide statements in prior years. Please read Note 15, Restatement of Fund Balances, on page 63.

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.

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

The *government-wide financial statements* include the *Statement of Net Position* 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*.

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

The *Statement of Activities* presents information showing how the City's Net Position changed during the most recent fiscal year. All changes in Net Position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenditures 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 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 Redevelopment Agency of the City of Moorpark (Agency) was dissolved on February 1, 2012 as legislated in Assembly Bill x1 26. Its Successor Agency is shown as a Private Purpose Trust Fund (pages 24-25).

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, Assessment Districts, Affordable Housing, Los Angeles Area of Contribution, Low and Moderate Income Housing Asset, Police Facilities Fee, and Special Projects. 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

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

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 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 pages 24-25 of this report. The assets, liabilities, fund equity and operations of the dissolved Agency were transferred to the "Successor Agency Private Purpose Trust Fund".

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 26-63 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 position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$354 million at the close of the current fiscal year.

The City's net investment in capital assets, net of related debt reflects a positive \$262 million. As shown on Table 1, the largest portion of the City's net position (74%) is its investment in capital assets. The City uses these capital assets (parks, streets, sidewalks, rights of way etc.) to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion of the City's net position (23%) represents resources that are subject to external restrictions on how they may be used. The major restrictions on net position are funding source restrictions. The remaining balance of total net position (3%) 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, 2013, the City reported positive balances in all three categories of net position, 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, 2013**

Table 1

**Net Position
Governmental Activities
As of June 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
Assets:		
Current and other assets	\$ 95,273,076	\$ 96,908,780
Capital Assets	262,271,564	262,318,305
Total Assets:	<u>357,544,640</u>	<u>359,227,085</u>
Liabilities:		
Other liabilities	3,105,577	2,388,731
Total Liabilities:	<u>3,105,577</u>	<u>2,388,731</u>
Net Position:		
Net invested in capital assets	262,271,564	262,318,305
Restricted	82,125,331	87,274,979
Unrestricted	10,042,168	7,245,370
Total Net Position, as restated	<u>\$ 354,439,063</u>	<u>\$ 356,838,654</u>

The City's net position decreased by \$2.4 million during the current fiscal year primarily as a result of capital improvement projects.

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

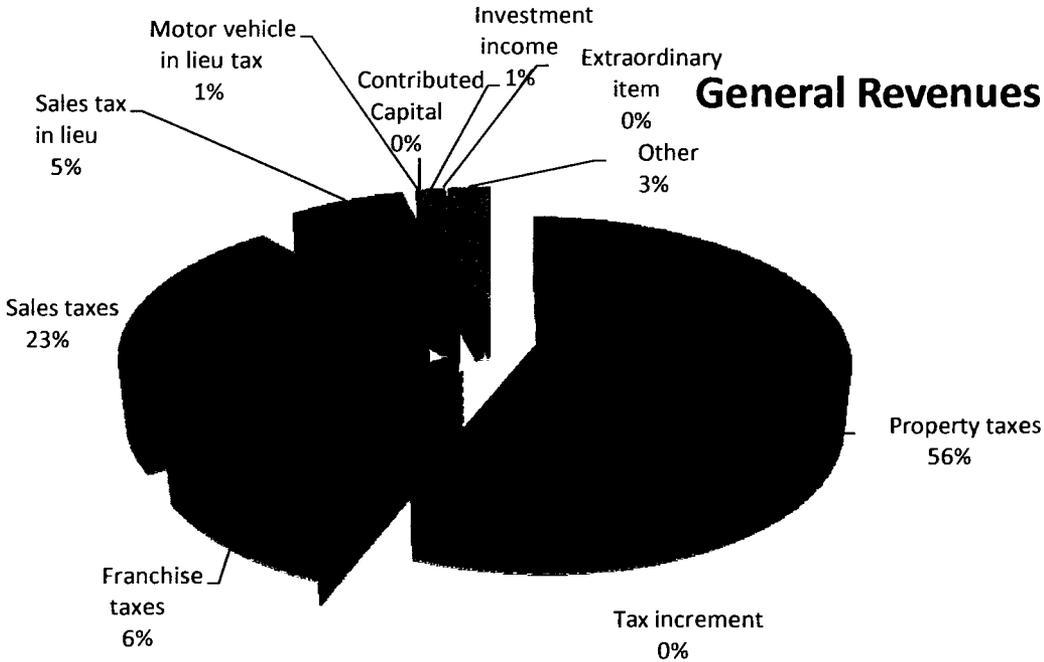
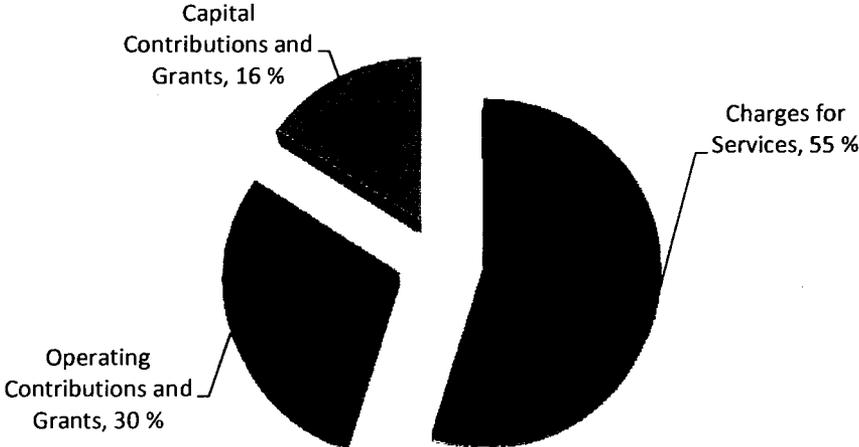
Table 2

**Changes in Net Position
Governmental Activities
As of June 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
Revenues:		
Program Revenues:		
Charges for services	\$ 6,525,531	\$ 3,700,311
Operating contributions and grants	3,533,608	3,702,582
Capital contributions and grants	1,879,634	2,770,701
General Revenues:		
Property taxes, levied for general purposes	6,776,729	6,943,275
Tax increment	-	3,389,064
Franchise taxes	1,222,956	1,231,741
Sales taxes	2,730,871	2,622,419
Sales taxes in lieu	875,160	857,217
Motor vehicle in lieu tax, unrestricted	19,262	18,590
Investment income	142,222	1,206,622
Contributed capital	-	-
Other	299,730	245,235
Extraordinary gain - dissolution of redevelopment agency	-	356,845
Total Revenues:	<u>24,005,703</u>	<u>27,044,602</u>
Expenses:		
General government	4,149,965	2,207,826
Public safety	6,550,936	6,158,455
Public services	9,948,865	11,134,822
Parks and recreation	5,755,528	5,704,208
Interest on long-term debt	-	354,412
Total Expenses:	<u>26,405,294</u>	<u>25,559,723</u>
Increase (decrease) in net position	(2,399,591)	1,484,879
Net position, beginning of the year, as restated	356,838,654	355,353,775
Net position, end of the year	<u><u>\$ 354,439,063</u></u>	<u><u>\$ 356,838,654</u></u>

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

Program Revenues



**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

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 net resources. Such information is useful in assessing the City's current financial requirements or its liquidity. Beginning fiscal year ending June 30, 2011, GASB 54 required the implementation of the new fund balance classification that focuses on the constraints on the use of resources and the source of the constraints. The five (5) fund balance categories are:

- Nonspendable – net resources that cannot be spent because of their form or those resources that should be maintained intact
- Restricted – amounts constrained to specific purpose by external providers, by law through constitutional provisions or by enabling legislation
- Committed – funds are limited to a specific purpose by government itself through resolution or ordinance
- Assigned – resources intended for a specific purpose by the governing body or official delegated by the governing body
- Unassigned – represents the General Fund net residual fund balance available for any purposes and other governmental funds in a deficit position.

As of the end of the current fiscal year, the City's governmental funds reported total fund balances of \$89,982,295. This is a decrease of \$2,256,342 in comparison with the prior year. \$11,114,077 or 12% is nonspendable, \$44,067,428 or 49% is restricted to specific purpose, \$742,546 or 1% is committed, \$33,084,456 or 37% is assigned and \$973,788 or 1% of the fund balances constitutes *unassigned fund balance*.

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 \$3,635,176, which increased by \$25,091 or 0.02% over 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 27% of total General Fund expenditures and transfers out. This is a healthy reserve.

Key factors for revenues and expenses when compared to fiscal year 2011/12 are as follows:

- The City's property tax revenues decreased by \$166,546 or 2.4%.
- Sales tax revenues grew by approximately \$108,452 or 4.1% as we slowly emerged from the economic downturn.
- The Sales Tax Compensation or "triple flip" increased by \$17,943 or 2.1%. This revenue is calculated by the State each year.
- Interest earnings declined by \$300,571 or 79% due to market value loss on the portfolio and a correction from prior years. GASB 34 requires the City to record any market gain or loss during the fiscal year. There is no loss of principal, just a posting of a "market loss" for this past fiscal year.
- Motor vehicle in lieu has been eliminated by the State. The City received residual revenue in the amount of \$19,262.
- Expenditures and transfers out ended the year approximately \$0.3 million less than the prior year figure primarily due to reduced transfers to the operating departments.

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 decreased by \$1.3 million due to the construction of the State Route 23 Sound Wall project.

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

Assessment District Fund

The fund balance of the Assessment District Fund decreased by \$440,839 from the prior year. Increasing operating costs of water and landscaping caused this deficit. The General Fund will cover this deficit in the following year's budget.

City Affordable Housing Fund

The fund balance of the Affordable Housing Fund decreased by \$489,824 from the prior year. The City purchased two properties: 224 and 226 Charles Street.

Los Angeles Area of Contribution Fund

The fund balance of the Los Angeles Area of Contribution Fund decreased by \$785,856 due to the construction of the Spring Road Rail Crossing improvements.

Low and Moderate Income Housing Asset Fund

The City elected to become the Successor Housing Agency and created the Low and Moderate Income Housing Asset Fund for this purpose. The main activity this past year was the sale of an affordable home located at 81 First Street.

Police Facilities Fee Fund

The fund balance of the Police Facilities Fund improved by \$20,952 from the prior year. These funds are derived from new construction fees and transferred to the Endowment Fund as payback for the loan to construct the Police Services Center.

Special Projects Capital Projects Fund

Per City Council Policy, the General Fund transferred fund balance in excess of \$3 million to the Special Projects Capital Projects Fund. In prior year the amount in excess was \$524,451.

Non-Major Governmental Funds

The fund balance of all other Non-Major Governmental Funds grew by \$872,820 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, 2013, were revenues exceeding expenditures by approximately \$3.0 million, of which \$0.5 million was transferred to the Special Projects Fund. Revenues plus Transfers In were \$139,392 less than the budget and expenditures plus Transfers Out ended the year under budget by \$1.4 million.

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

CAPITAL ASSET AND LONG-TERM LIABILITIES

Capital Assets. The City's investment in capital assets as of June 30, 2013, amounted to \$262.3 million (net of accumulated depreciation). This investment, detailed in Table 3, includes land, rights of way, construction in progress, buildings and improvements, machinery and equipment, and infrastructure. In the current year, the City recorded Rights of Way, not previously reported in prior years, for \$123.0 million. Please refer to Note 15 on Page 63 of the financial statements.

Table 3

**Capital Assets (net of depreciation)
Governmental Activities
As of June 30, 2013 and 2012**

	2013	2012
Land	\$ 39,380,903	\$ 38,976,406
Rights of Way	123,066,830	123,066,830
Construction in Progress	9,681,261	6,665,025
Buildings and improvements	28,807,241	29,929,267
Machinery and equipment	2,637,862	2,954,181
Infrastructure	58,697,467	60,726,596
Total	\$ 262,271,564	\$ 262,318,305

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 of this report.

Long-term Liabilities

At the end of the current fiscal year, the City's long-term liabilities outstanding are \$614,611, which is the employee compensated absences payable. Additional information on the City's long-term liabilities can be found in Note 6 on page 46 of the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The slow economic recovery in conjunction with the State's efforts to address its budget deficit by taking resources from cities have combined to cause a strain in the City's General Fund. It should be noted that increases in General Fund revenue categories provide optimism for the future, but it is uncertain if these increases will be sustainable over the foreseeable future. In addition, costs continue to outpace any growth seen in major revenues such as property and sales tax. These categories may not be declining and may even increase as was the case of this past fiscal year. Increases in pension costs and the Ventura County Sheriff's Contract continue to exceed revenue gains.

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

The State's "Triple Flip" payment plan remains in effect as the State attempts to repay the \$15 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.

The City has additional protections from the State taking our monetary resources thanks to the voter passage of Proposition 22 in November 2010. However, on July 29, 2011, the Governor of the State of California signed Assembly Bills x1 26 (ABx1 26) and on December 29, 2011, the California Supreme Court issued their ruling upholding the constitutionality of ABx1 26; thereby all redevelopment agencies within the State of California are abolished.

For fiscal year 2013/14, the City took into consideration the following factors in preparing the budget:

- Sales Tax revenues assume a 3% increase from fiscal year 2012/13.
- Property Tax and Vehicle License fees revenue are projected to increase slightly.
- Interest income will remain stable at an average rate of return of just over 1%.
- Slight decrease in PERS employer retirement rate from 10.806% to 10.282% effective July 1, 2013.
- Increase in employee compensation from a general 1% cost of living adjustment and increases in medical insurance premiums.
- Projections indicate our cost for general liability and workers compensation insurance will both increase for fiscal year 2013/14 when compared to fiscal year 2012/13 actual payments.

A priority of the City is to maintain high quality of services while adopting a balanced budget. As in prior years, the fiscal year 2013/14 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.MoorparkCA.gov.

BASIC FINANCIAL STATEMENTS

**City of Moorpark
Statement of Net Position
June 30, 2013**

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 83,055,925
Cash and investments with fiscal agent	2,844
Receivables, net:	
Taxes	18,444
Accounts	1,486,413
Prepaid items	48,459
Property held for resale	8,096,221
Long term notes receivables	2,564,770
Capital assets:	
Non-depreciable:	
Land	39,380,903
Rights of way	123,066,830
Construction in progress	9,681,261
Depreciable, net of accumulated depreciation	
Buildings and improvements	28,807,241
Machinery and equipment	2,637,862
Infrastructure	58,697,467
	357,544,640
Total assets	357,544,640
LIABILITIES	
Accounts payable and accrued liabilities	2,490,966
Noncurrent liabilities:	
Due within one year	307,305
Due in more than one year	307,306
	3,105,577
Total liabilities	3,105,577
NET POSITION	
Net investment in capital assets	262,271,564
Restricted for:	
Public services	49,584,973
Recreation services	1,886,230
Public safety	16,737,171
Housing activities	13,916,957
Unrestricted	10,042,168
	354,439,063
Total net position	\$ 354,439,063

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

**City of Moorpark
Statement of Activities
Year Ended June 30, 2013**

Functions/Programs	Expenses	Program Revenues		Net Governmental Activities	
		Charges for Service	Operating Contributions and Grants		Capital Contributions and Grants
Primary Government					
Governmental activities:					
General government	\$ 4,149,965	\$ 587,915	\$ -	\$ -	\$ (3,562,050)
Public safety	6,550,936	809,257	-	-	(5,741,679)
Public services	9,948,865	4,154,598	3,533,608	1,879,634	(381,025)
Parks and recreation	5,755,528	973,761	-	-	(4,781,767)
Total governmental activities	26,405,294	6,525,531	3,533,608	1,879,634	(14,466,521)
Total primary government	<u>\$ 26,405,294</u>	<u>\$ 6,525,531</u>	<u>\$ 3,533,608</u>	<u>\$ 1,879,634</u>	
General revenues:					
Taxes:					
Property tax, levied for general purpose					6,776,729
Franchise tax					1,222,956
Sales tax					2,730,871
Sales tax in lieu					875,160
Motor vehicle in lieu tax, unrestricted					19,262
Investment income					142,222
Other					299,730
Total general revenues					<u>12,066,930</u>
Change in net position					(2,399,591)
Net position, beginning of year, as restated (see Note 15)					<u>356,838,654</u>
Net position, end of year					<u>\$ 354,439,063</u>

The accompanying notes are an integral part of these financial statements

**City of Moorpark
Balance Sheet
Governmental Funds
June 30, 2013**

	<u>General</u>	<u>Special Revenue</u>	
		<u>Street and Traffic Safety</u>	<u>Assessment Districts</u>
ASSETS			
Cash and investments	\$ 3,272,212	\$ 18,605,246	\$ 5,768,845
Cash and investments with fiscal agent	-	-	-
Receivables:			
Taxes	-	-	18,444
Accounts	934,596	37,464	47,797
Notes and loans	-	-	-
Due from other funds	-	-	-
Prepaid items	24,092	-	-
Property held for resale	611,084	-	-
Total assets	<u>\$ 4,841,984</u>	<u>\$ 18,642,710</u>	<u>\$ 5,835,086</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 1,160,925	\$ 650,571	\$ 218,689
Due to other funds	-	-	-
Deferred revenues	45,883	-	18,444
Deferred loans	-	-	-
Total liabilities	<u>1,206,808</u>	<u>650,571</u>	<u>237,133</u>
Fund balances:			
Nonspendable	635,176	-	-
Restricted	-	17,992,139	5,597,953
Committed	-	-	-
Assigned	-	-	-
Unassigned	3,000,000	-	-
Total fund balances (deficit)	<u>3,635,176</u>	<u>17,992,139</u>	<u>5,597,953</u>
Total liabilities and fund balances	<u>\$ 4,841,984</u>	<u>\$ 18,642,710</u>	<u>\$ 5,835,086</u>

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

Continued

Affordable Housing	Special Revenue		Capital Projects
	Los Angeles Area of Contribution	Low-Mod Income Housing Asset	Police Facilities Fee
\$ 3,469,239	\$ 10,809,533	\$ 225,958	\$ 20,910
-	-	-	-
-	-	-	-
7,032	21,996	458	42
218,573	431,050	1,908,647	-
-	177,006	-	-
5,200	-	-	-
55,573	-	7,429,564	-
<u>\$ 3,755,617</u>	<u>\$ 11,439,585</u>	<u>\$ 9,564,627</u>	<u>\$ 20,952</u>
\$ 14,371	\$ 31,825	\$ -	\$ -
-	-	-	1,870,158
-	-	11,750	-
218,573	431,050	1,908,647	-
<u>232,944</u>	<u>462,875</u>	<u>1,920,397</u>	<u>1,870,158</u>
60,773	177,006	7,429,564	-
3,461,900	10,799,704	214,666	-
-	-	-	-
-	-	-	-
-	-	-	(1,849,206)
<u>3,522,673</u>	<u>10,976,710</u>	<u>7,644,230</u>	<u>(1,849,206)</u>
<u>\$ 3,755,617</u>	<u>\$ 11,439,585</u>	<u>\$ 9,564,627</u>	<u>\$ 20,952</u>

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

**City of Moorpark
Balance Sheet, (continued)
Governmental Funds
June 30, 2013**

	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>Special Projects</u>		
ASSETS			
Cash and investments	\$ 25,830,784	\$ 15,053,198	\$ 83,055,925
Cash and investments with fiscal agent	-	2,844	2,844
Receivables:			
Taxes	-	-	18,444
Accounts	-	437,028	1,486,413
Notes and loans	-	6,500	2,564,770
Due from other funds	941,400	1,870,158	2,988,564
Prepaid items	-	19,167	48,459
Property held for resale	-	-	8,096,221
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 26,772,184</u>	<u>\$ 17,388,895</u>	<u>\$ 98,261,640</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ -	\$ 414,585	\$ 2,490,966
Due to other funds	-	1,118,406	2,988,564
Deferred revenues	-	158,968	235,045
Deferred loans	-	6,500	2,564,770
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>-</u>	<u>1,698,459</u>	<u>8,279,345</u>
Fund balances:			
Nonspendable	941,400	1,870,158	11,114,077
Restricted	-	6,001,066	44,067,428
Committed	-	742,546	742,546
Assigned	25,830,784	7,253,672	33,084,456
Unassigned	-	(177,006)	973,788
	<u> </u>	<u> </u>	<u> </u>
Total fund balances (deficit)	<u>26,772,184</u>	<u>15,690,436</u>	<u>89,982,295</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 26,772,184</u>	<u>\$ 17,388,895</u>	<u>\$ 98,261,640</u>

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

City of Moorpark
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2013

Fund balances of governmental funds	\$	89,982,295
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		262,271,564
Long-term notes and loans receivable are not current financial resources and, therefore, are deferred in the governmental funds.		2,564,770
Certain assets are not available to pay for current-period expenditures and therefore are deferred in the funds. The availability criteria does not apply to the government-wide statements.		235,045
Long term liabilities are not due and payable in the current period and, therefore, are not reported in funds.		
Compensated absences payable		(614,611)
Net position of governmental activities	\$	354,439,063

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

City of Moorpark
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2013

	<u>Special Revenue</u>		
	<u>General</u>	<u>Street and Traffic Safety</u>	<u>Assessment Districts</u>
REVENUES			
Taxes	\$ 11,605,716	\$ -	\$ -
Licenses and permits	130,119	-	-
Fines and forfeitures	251,971	-	-
Use of money and property	334,830	29,744	6,769
Charges for services	1,187,870	613,012	6,806
Intergovernmental	69,950	-	-
Maintenance assessments	-	-	1,872,828
Other revenue	118,144	1,449	16,383
	<u>13,698,600</u>	<u>644,205</u>	<u>1,902,786</u>
Total revenues			
EXPENDITURES			
Current:			
General government	1,358,343	-	-
Public safety	5,995,292	-	-
Public services	1,787,980	342,844	382,184
Parks and recreation	1,535,377	-	3,551,297
Capital Outlay	36,556	1,595,554	9,512
	<u>10,713,548</u>	<u>1,938,398</u>	<u>3,942,993</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>2,985,052</u>	<u>(1,294,193)</u>	<u>(2,040,207)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	18,875	-	1,599,368
Transfers out	<u>(2,978,836)</u>	<u>(18,280)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,959,961)</u>	<u>(18,280)</u>	<u>1,599,368</u>
Net change in fund balances	25,091	(1,312,473)	(440,839)
Fund balances, beginning of year	<u>3,610,085</u>	<u>19,304,612</u>	<u>6,038,792</u>
Fund balances (deficit), end of year	<u>\$ 3,635,176</u>	<u>\$ 17,992,139</u>	<u>\$ 5,597,953</u>

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

Continued

	Special Revenue		Capital Projects	
	Affordable Housing	Los Angeles Area of Contribution	Low-Mod Income Housing Asset	Police Facilities Fee
\$ -	\$ -	\$ -	\$ -	-
-	-	-	-	-
700	-	-	-	-
2,956	10,973	563	81	-
197,736	201,240	24,503	-	-
-	-	-	-	-
-	-	-	20,871	-
22,622	-	2,670	-	-
<u>224,014</u>	<u>212,213</u>	<u>27,736</u>	<u>20,952</u>	
68,261	-	698,400	-	-
-	-	-	-	-
245,988	14,347	-	-	-
-	-	-	-	-
400,403	944,985	-	-	-
<u>714,652</u>	<u>959,332</u>	<u>698,400</u>	<u>-</u>	
<u>(490,638)</u>	<u>(747,119)</u>	<u>(670,664)</u>	<u>20,952</u>	
814	-	-	-	-
-	(38,737)	-	-	-
<u>814</u>	<u>(38,737)</u>	<u>-</u>	<u>-</u>	
(489,824)	(785,856)	(670,664)	20,952	-
<u>4,012,497</u>	<u>11,762,566</u>	<u>8,314,894</u>	<u>(1,870,158)</u>	
<u>\$ 3,522,673</u>	<u>\$ 10,976,710</u>	<u>\$ 7,644,230</u>	<u>\$ (1,849,206)</u>	

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

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City of Moorpark
Statement of Revenues, Expenditures, and Changes in Fund Balances, (continued)
Governmental Funds
Year Ended June 30, 2013

	<u>Capital Projects</u>	<u>Non major Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>Special Projects</u>		
REVENUES			
Taxes	\$ -	\$ 1,056,772	\$ 12,662,488
Licenses and permits	-	367,983	498,102
Fines and forfeitures	-	167,884	420,555
Use of money and property	-	96,213	482,129
Charges for services	-	2,939,071	5,170,238
Intergovernmental	-	2,433,784	2,503,734
Maintenance assessments	-	-	1,893,699
Other revenue	-	6,516	167,784
	<hr/>	<hr/>	<hr/>
Total revenues	-	7,068,223	23,798,729
EXPENDITURES			
Current:			
General government	-	-	2,125,004
Public safety	-	311,614	6,306,906
Public services	-	4,618,289	7,391,632
Parks and recreation	-	99	5,086,773
Capital Outlay	-	2,157,746	5,144,756
	<hr/>	<hr/>	<hr/>
Total expenditures	-	7,087,748	26,055,071
Excess (deficiency) of revenues over (under) expenditures	<hr/>	<hr/>	<hr/>
	-	(19,525)	(2,256,342)
OTHER FINANCING SOURCES (USES)			
Transfers in	524,451	1,119,157	3,262,665
Transfers out	-	(226,812)	(3,262,665)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	524,451	892,345	-
Net change in fund balances	524,451	872,820	(2,256,342)
Fund balances, beginning of year	<hr/>	<hr/>	<hr/>
	26,247,733	14,817,616	92,238,637
Fund balances (deficit), end of year	<hr/>	<hr/>	<hr/>
	\$ 26,772,184	\$ 15,690,436	\$ 89,982,295

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

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, 2013

Net change in fund balance - total governmental funds \$ (2,256,342)

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 and reported as depreciation expense. Asset deletions also affect the amounts reported in the statement of activities. This activity is reconciled as follows:

	Repairs and Maintenance	Capital Outlay	
Capital outlays and other capital expenditures	\$ 1,604,238	\$ 3,540,519	
Depreciation expense		(3,569,224)	
Asset disposals		(18,036)	(46,741)

Long-term notes and loans receivable are reported as expenditures when made and as a revenue when repaid in the governmental funds. However, there is no impact in the statement of activities when these notes and loans are made or repaid. This amount represents the net change in the long term notes and loans receivable. 20,964

Revenues that are measurable but not available are not recorded as revenues under the modified accrual basis of accounting. 206,974

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Decrease in compensated absences	\$ 91,554	
Decrease in OPEB asset	(416,000)	(324,446)

Change in net position of governmental activities \$ (2,399,591)

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

**City of Moorpark
Statement of Fiduciary Net Position
June 30, 2013**

	Successor Agency Private Purpose Trust Fund	Agency Fund
ASSETS		
Cash and investments	\$ 3,905,893	\$ 3,895,779
Cash and investments with fiscal agent	3,176,417	6,824,889
Receivable:		
Accounts	560,164	16,675
Amortizable deferred charges - asset	396,044	-
Land held for resale	11,249,945	-
Construction in progress	9,442,996	-
	28,731,459	\$ 10,737,343
LIABILITIES		
Accounts payable	1,541,455	\$ 82,149
General deposits	-	3,803,596
Bonds payable - due within one year	635,000	-
Bonds payable - due in more than one year	26,335,000	-
Amortizable deferred charge - liability	(254,896)	-
Due to bond holders	-	6,851,598
	28,256,559	\$ 10,737,343
NET POSITION		
Held in trust for the Successor Agency	\$ 474,900	

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

City of Moorpark
Statement of Changes in Fiduciary Net Position
Private Purpose Trust Fund - Successor Agency
Year Ended June 30, 2013

	Successor Agency Private-Purpose Trust Fund
ADDITIONS	
RPTTF distribution	\$ 3,207,037
Investment earnings	112,668
Other receipts	5,670
Proceeds from sale of property to County	5,600,000
Total additions	8,925,375
DEDUCTIONS	
Administrative allowance	250,000
Debt service payments - interest	1,288,210
Cost of property sold to county	5,600,000
Amortization of deferred charges	27,700
Property maintenance	140,885
Total deductions	7,306,795
Change in net position	1,618,580
Net position, beginning of year	(1,143,680)
Net position, end of year	\$ 474,900

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

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013

<u>NOTE</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
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City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013

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 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 PFA was formed in 1993 as a joint powers authority between the City and the former Moorpark Redevelopment Agency (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 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 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. The PFA and IDA were inactive during the fiscal year ended June 30, 2013.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

A) Reporting Entity, (continued)

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

- 1) The members of the City Council also act as the governing body of the PFA, and the IDA.
- 2) The City, the PFA, and the IDA are financially interdependent.
- 3) The PFA, and the IDA are managed by employees of the City.

The PFA and IDA did not issue separate financial statements in the current fiscal year.

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 types of funds are in use by the City:

Governmental Fund Types

General Fund - Used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds - Used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C) Description of Funds, (continued)

Capital Projects Funds - Used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Fiduciary Fund Types:

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

Private Purpose Trust Fund – Used to account for the resources, obligations and activities of the Successor Agency of the Redevelopment Agency of the City of Moorpark (SARA) as directed by the Oversight Board to settle the affairs of the dissolved agency (see Note 15).

D) Basis of Accounting and Measurement Focus

Government-Wide Financial Statements

The City's Government-Wide Financial Statements include a Statement of Net position and a Statement of Activities. These statements present summaries of Governmental 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 Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while 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 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.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

D) Basis of Accounting and Measurement Focus, (continued)

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.

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

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 position presented in the Government-wide Financial Statements. The City has presented all major funds that met qualifications of GASB Statement No. 34. 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 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 include 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.

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

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

D) Basis of Accounting and Measurement Focus, (continued)

Furthermore, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

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. Sources of revenue are property tax, sales tax, franchise and transfer taxes, fines and forfeitures, fees for services and interest.

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. Sources of revenue are traffic fines and forfeitures collected through Ventura County Superior Courts.

The Assessment Districts Special Revenue Fund is used to account for funds received by the City for maintenance of community-wide parks, street lighting and landscaping. Sources of revenue are property assessments collected by the Ventura County Tax Collector.

The Affordable Housing Special Revenue Fund is used to account for grants used for development of affordable housing units. Sources of revenue are development fees and rental income.

The Los Angeles Area of Contribution Special Revenue Fund is used to account for the financial resources for capital projects related to streets and other improvements within the Los Angeles Avenue project area. Sources of revenues are development fees.

The Low and Moderate Income Housing Asset Special Revenue Fund is used to account for the housing assets transferred from the former redevelopment agency and Low and Moderate housing activities of the City. Sources of revenue are from sale of property and repayment of loans. The fund activities are restricted to the same requirements as the former Low and Moderate Income Housing Fund of the former Redevelopment Agency.

The Police Facilities Fee Capital Projects Fund is used to account for the funds used to build the new police facility. The source of revenue is a percentage of permit fees issued.

The Special Projects Capital Projects Fund is used to account for various City capital improvement projects including major rehabilitation of streets, parks and facilities and other infrastructure. Source of revenue is the General Fund monies in excess of the \$3,000,000 maximum unreserved fund balance per City General Fund Reserve Policy, Resolution No. 2008-2725.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

D) Basis of Accounting and Measurement Focus, (continued)

Fiduciary Funds Financial Statements

Fiduciary Funds Financial Statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The fiduciary funds are 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 fiduciary funds are accounted for using the accrual basis of accounting.

The City reports the following Private Purpose Trust Fund:

Private Purpose Trust Fund – This fund is used to account for the resources, obligations and activities of the Successor Agency of the Redevelopment Agency of the City of Moorpark (SARA) as directed by the Oversight Board to settle the affairs of the dissolved agency.

The City reports the following Agency Fund:

The agency fund accounts 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 General Fund, Low and Moderate Income Housing Asset Fund and City Affordable Housing Fund, represent land and buildings purchased by the City, or by the former Agency and transferred to the City as housing assets. Such property is valued at the lower of cost or estimated net realizable value and has been offset by nonspendable or restricted fund balances to indicate that these assets constitute future projects and are restricted or not available spendable resources. The balance at June 30, 2013 was \$8,096,221.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

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, 2013, unavailable revenue in the Governmental Funds amounted to \$235,045.

I) Long-Term Debt

In the statement of net position of the government-wide financial statements, long-term debt and other obligations are reported as liabilities. The balance showed as outstanding represents compensated absences payable at June 30, 2013.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

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 720 hours or annual leave up to a maximum of 744 hours and administrative 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 9.1 percent 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.

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, 2013, 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.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

L) Claims and Judgments, (continued)

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) Implementation of new GASB pronouncement

Beginning with the current fiscal year, the City implemented GASBS No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This statement is designed to improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on the government's net position. Deferred outflows of resources are transactions that result in the consumption of net position in one period that are applicable to future periods and are not considered assets as described by the statement. Deferred outflows of resources are required to be presented separately after assets on the Statement of Net Position. Deferred inflows of resources are transactions that result in the acquisition of net position in one period that are applicable to future periods and are not considered to be liabilities as described by the statement. Deferred inflows of resources are required to be presented separately after liabilities on the Statement of Net Position.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

2) CASH AND INVESTMENTS

Cash and investments at June 30, 2013, consisted of the following:

City Treasury Deposits	
Demand Deposits	\$ 6,311,097
Cash on Hand	1,750
Total City Treasury Deposits	6,312,847
City Treasury Investments	
Local Agency Investment Fund (LAIF)	3,023,299
Ventura County Pool	45,334,087
Highmark Money Market	191,594
U.S. Treasury Notes	2,058,280
U.S. Agency Securities:	
Federal National MTG Association	8,905,000
Federal Home Loan Bank	6,094,330
Federal Farm Credit Bank	5,007,170
Federal Home Loan MTG Corporation	10,984,390
Federal Agricultural MTG Corporation	2,946,600
Total City Treasury Investments	84,544,750
Cash and Investments With Fiscal Agent	
Money Market	8,201,730
US Treasury Notes	1,217,747
Guaranteed Investment Contracts	584,673
Total Cash and Investments With Fiscal Agent	10,004,150
Total Cash and Investments	\$ 100,861,747

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

	Statement of Net Position	Statement of Fiduciary Net Position		Total
	Governmental Activities	Private Purpose Trust Fund	Agency Fund	
Cash and investments	\$ 83,055,925	\$ 3,905,893	\$ 3,895,779	\$ 90,857,597
Cash and investments with fiscal agent	2,844	3,176,417	6,824,889	10,004,150
Total	\$ 83,058,769	\$ 7,082,310	\$ 10,720,668	\$ 100,861,747

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

2) CASH AND INVESTMENTS, (continued)

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.

<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	\$ 50,000,000

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

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

2) CASH AND INVESTMENTS, (continued)

A) Authorized Investments, (continued)

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.

Authorized Investment Type	Maximum Maturity
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

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.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

2) CASH AND INVESTMENTS, (continued)

B) Interest Rate Risk, (continued)

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	Remaining maturity (in years)				
		Less than 1	1 to 2	2 to 3	3 to 4	>4
LAIF	\$ 3,023,299	\$ 3,023,299	\$ -	\$ -	\$ -	\$ -
Ventura County Pool	45,334,087	45,334,087	-	-	-	-
Highmark Money Market	191,594	191,594	-	-	-	-
U.S. Treasury Notes	2,058,280	-	1,030,000	1,028,280	-	-
U.S. Agency Securities:						
Federal National MTG Assn.	8,905,000	-	-	2,028,720	2,995,160	3,881,120
Federal Home Loan Bank	6,094,330	-	1,030,650	3,077,110	1,000,000	986,570
Federal Farm Credit Bank	5,007,170	-	3,053,150	-	-	1,954,020
Federal National MTG Corp.	10,984,390	-	1,064,080	2,030,630	1,992,430	5,897,250
Federal Agric MTG Corp.	2,946,600	-	-	-	-	2,946,600
Held by bond trustee:						
Money market funds	8,201,730	8,201,730	-	-	-	-
U.S. Treasury Notes	1,217,747	1,217,747	-	-	-	-
Guaranteed Contracts	584,673	-	-	-	-	584,673
	<u>\$ 94,548,900</u>	<u>\$ 57,968,457</u>	<u>\$ 6,177,880</u>	<u>\$ 8,164,740</u>	<u>\$ 5,987,590</u>	<u>\$ 16,250,233</u>

C) Credit Risk and Concentration of Credit Risk

At June 30, 2013, the carrying amount of the City's deposits was \$6,312,847. Bank balances, before reconciling items, were \$5,360,019 at June 30, 2013, of which \$5,360,019 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, 2013**

2) CASH AND INVESTMENTS, (continued)

C) Credit Risk and Concentration of Credit Risk, (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 insured for interest and non-interest bearing accounts up to \$250,000 by the Federal Deposit Insurance Corporation. The City, however, does not normally waive the collateralization requirements. As of June 30, 2013, the City has \$4,844,959 in excess of the \$250,000 limit of FDIC coverage.

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:

Investment type	Carrying Value	Credit Rating	Percentage of Investments
LAIF	\$ 3,023,299	Not Rated	3.2%
Ventura County Pool	45,334,087	Not Rated	47.9%
Highmark Money Market	191,594	AAA	0.2%
U.S. Treasury Notes	2,058,280	AA+	2.2%
U.S. Agency Securities:			
Federal National MTG Assn.	8,905,000	AA+	9.4%
Federal Home Loan Bank	6,094,330	AA+	6.4%
Federal Farm Credit Bank	5,007,170	AA+	5.3%
Federal National MTG Corp.	10,984,390	AA+	11.6%
Federal Agric MTG Corp.	2,946,600	AA	3.1%
Held by bond trustee:			
Money market funds	8,201,730	Not Rated	8.7%
U.S. Treasury Notes	1,217,747	AA+	1.3%
Guaranteed Contracts	584,673	Not Rated	0.6%
	<u>\$ 94,548,900</u>		<u>100.0%</u>

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013

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, 2013, accounts were maintained in the name of the City for \$3,023,299. At June 30, 2013, the fair value of the State of California Pooled Money Investment Account (PMIA) including accrued interest was \$58,852,094,221. The PMIA 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. The City is a voluntary participant in the investment pool.

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 \$45,334,087 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, 2013**

3) **NOTES AND LOANS RECEIVABLE**

Notes and loans receivable activity for the year ended June 30, 2013, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Notes receivable				
Deferred property assessments	\$ 429,617	\$ 1,433	\$ -	\$ 431,050
Moorpark 20, LP	1,176,500	78,433	-	1,254,933
Moorpark 20, LP	600,000	40,000	-	640,000
Total notes receivable	<u>2,206,117</u>	<u>119,866</u>	<u>-</u>	<u>2,325,983</u>
Loans receivable				
Rehabilitation	31,384	-	(2,670)	28,714
First-time home buyer assistance	75,480	-	-	75,480
CalHome	152,716	35,639	(60,262)	128,093
Mountain Recreation & Conservation Authority	6,500	-	-	6,500
	<u>266,080</u>	<u>35,639</u>	<u>(62,932)</u>	<u>238,787</u>
Governmental activities Loans and Notes receivable	<u>\$ 2,472,197</u>	<u>\$ 155,505</u>	<u>\$ (62,932)</u>	<u>\$ 2,564,770</u>

A) **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, 2013, the principal balance outstanding is \$250,249 and accrued interest of \$180,801 for a total balance of \$431,050.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

3) NOTES AND LOANS RECEIVABLE, (continued)

B) Moorpark 20, LP Promissory Note

On October 29, 2010, the Agency signed the Disposition and Development Agreement (DDA) with the Area Housing Authority of the County of Ventura (AHA) and Moorpark 20, Limited Partnership (M20LP), consisting of AHA and Santa Barbara Housing Assistance Corporation. The DDA provides for the construction of a 20-unit affordable housing project (Project) on Agency-owned property located at 396, 406 and 496 Charles Street (Site). During the tax credit application, the sale price of Site was determined to be \$1,176,500 to show more local funds into the Project. On the same date, the Agency executed a \$1,176,500 loan agreement with M20LP to purchase the Site from the Agency. The loan will accrue interest at the rate of 2.5% per annum and have a term of 55 years. One annual payment will be made to the Agency by M20LP from residual receipts after the \$600,000 has been paid off. This loan is subordinate in right of payment to First Mortgage Note held by Bank of America, N.A. and is secured by Deed of Trust and Security Agreement. The principal and accrued interest outstanding on this note at June 30, 2013 are \$1,176,500 and \$78,433 respectively for a total of \$1,254,933.

On November 2, 2010 the Agency entered into a \$600,000 loan agreement with M20LP to complete the construction of the Project. As of June 30, 2012, M20LP has drawn down the entire amount. The term of the loan is 30 years with a fixed interest rate of 2.5%. One annual payment will be made to the Agency by M20LP equal to 75% of available residual receipts. This note is subordinate in right of payment to the First Mortgage Loan payable to Bank of America, N.A. and is secured by Deed of Trust and Security Agreement. The principal and accrued interest outstanding on this note at June 30, 2013 are \$600,000 and \$40,000 respectively for a total of \$640,000.

C) Rehabilitation Loans

The City operates a rehabilitation loan program for the renovation of low and moderate income housing. The total balance outstanding at June 30, 2013, was \$28,714.

D) First-Time Homeowner Assistance

The City provides down payment assistance loans to first-time homeowners. The total balance outstanding at June 30, 2013 was \$75,480. 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.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

3) NOTES AND LOANS RECEIVABLE, (continued)

E) Cal Home Mobile-home Rehabilitation Loans

The total balance of Cal Home loans for repairs to mobile-homes in Villa del Arroyo at June 30, 2013 was \$128,093. 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 \$117,958 has been received and \$174,897 has been forgiven. Funds received are deposited into a City Trust Fund to be used for eligible home ownership-related activities.

F) Mountains Recreation and Conservation Authority (MRCA)

The City advanced \$6,500 to MRCA to conduct an updated appraisal for approximately 3,805 acres in and adjacent to the Moorpark Area of Interest near Moorpark College for review by the State of California Department of General Services. These funds are to be repaid without interest to the City by June 30, 2013, or within sixty days of the State of California's reauthorization of MRCA's Proposition 84 Project Planning and Design grant from the Santa Monica Mountains Conservancy, whichever comes first. The total balance outstanding at June 30, 2013 was \$6,500. The City is exploring options for repayment; including exchange of services to manage the conservation of an 80-acres City-owned open space property located outside the City limits along Tierra Rejada Road.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

4) INTERFUND TRANSACTIONS

Due to/Due from

Due to/due from other funds for the year ending June 30, 2013, consisted of the following:

<u>Receivable Fund</u>	<u>Payable fund</u>	<u>Amount</u>
Special Revenues - Los Angeles A.O.C	Non Major Funds	\$ 177,006
Capital Projects - Special Projects	Non Major Funds	a 941,400
Non-Major Funds	Capital Projects - Police Facilities Fee	b 1,870,158
		<u>\$ 2,988,564</u>

- a. The Special Projects Fund has advanced to the Parks/Public Facilities Fund \$941,400 to construct a new Skate Park and improvement of the Poindexter Park.
- b. The Endowment Fund outstanding advance balance to the Police Facilities Fee Fund was \$1,870,158 previously used to fund capital improvements.

Transfers

Interfund transfers for the year ended June 30, 2013 consisted of the following:

<u>Fund receiving transfers</u>	<u>Fund making transfers</u>	<u>Amount</u>
General Fund	Street and Traffic Safety	1 \$ 1,758
	Los Angeles A.O.C.	1 5,674
	Non Major funds	1 11,443
		<u>18,875</u>
Assessment Districts	General Fund	2 1,524,482
	Streets Traffic and Safety	1 840
	Non Major funds	1 & 2 74,046
		<u>1,599,368</u>
Affordable Housing	Los Angeles A.O.C.	1 581
	Non Major funds	1 233
		<u>814</u>
Special Projects	General Fund	3 524,451
Non Major funds	General Fund	2 929,903
	Street and Traffic Safety	1 15,682
	Los Angeles A.O.C.	1 32,482
	Non Major funds	1 & 3 141,090
		<u>1,119,157</u>
Total governmental funds		<u>\$ 3,262,665</u>

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

4) INTERFUND TRANSACTIONS, (continued)

- (1) = Transfers made to reimburse expenditures/expenses.
- (2) = Transfers made to provide funding for operations.
- (3) = Transfers made to adjust fund balance to minimum requirement.

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 position. The City elected to use the basic approach as defined by GASB Statement No. 34 for all infrastructures reporting, whereby depreciation expense and accumulated depreciation have been recorded.

The following table presents the capital assets activity for the year ended June 30, 2013:

	Beginning Balance	Prior Year Adjustment	Additions	Deletions	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 39,520,861	\$ (544,455)	\$ 404,497	\$ -	\$ 39,380,903
Land Rights-of-Way	-	123,066,830	-	-	123,066,830
Construction in progress	6,665,025	-	3,420,734	(404,498)	9,681,261
Total capital assets not being depreciated	<u>46,185,886</u>	<u>122,522,375</u>	<u>3,825,231</u>	<u>(404,498)</u>	<u>172,128,994</u>
Capital assets, being depreciated:					
Buildings and improvements	38,765,370	-	-	-	38,765,370
Machinery and equipment	6,316,067	-	119,786	(7,675)	6,428,178
Infrastructure					
Roadway system	94,611,334	-	-	(18,036) *	94,593,298
Storm drain system	3,029,632	-	-	-	3,029,632
Parks system	251,434	-	-	-	251,434
Total capital assets being depreciated	<u>142,973,837</u>	<u>-</u>	<u>119,786</u>	<u>(25,711)</u>	<u>143,067,912</u>
Less accumulated depreciation/amortization for:					
Buildings and improvements	(8,836,103)	-	(1,122,026)	-	(9,958,129)
Machinery and equipment	(3,361,886)	-	(436,105)	7,675	(3,790,316)
Infrastructure					
Roadway system	(36,829,514)	-	(1,975,769)	-	(38,805,283)
Storm drain system	(268,534)	-	(30,296)	-	(298,830)
Parks system	(67,756)	-	(5,028)	-	(72,784)
Total accumulated depreciation	<u>(49,363,793)</u>	<u>-</u>	<u>(3,569,224)</u>	<u>7,675</u>	<u>(52,925,342)</u>
Total capital assets being depreciated net	<u>93,610,044</u>	<u>-</u>	<u>(3,449,438)</u>	<u>(18,036)</u>	<u>90,142,570</u>
Governmental activities capital assets, net	<u>\$ 139,795,930</u>	<u>\$ 122,522,375</u>	<u>\$ 375,793</u>	<u>\$ (422,534)</u>	<u>\$ 262,271,564</u>

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

5) CAPITAL ASSETS AND DEPRECIATION, (continued)

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

Governmental activities:	
General government	\$ 77,514
Public safety	244,030
Public services, including general infrastructure	2,578,925
Parks and recreation	<u>668,755</u>
Total depreciation expense - governmental activities	<u>\$ 3,569,224</u>

*Certain deletions in the capital assets activity schedule shown above could be the result of reclassifications of assets into a different class of asset, disposal of the assets, and/or transfer of the assets to another government or governmental agency. Such case is of a portion of the Construction in progress transferred to Land. If the asset transferred or disposed of is not fully depreciated at the time of the transfer or disposal, these deletions in the asset classes may not be accompanied by a like decrease in the accumulated depreciation for the same asset class.

6) LONG-TERM LIABILITIES

Long-term liability activities for the year ended June 30, 2013, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due within one year
Governmental activities:					
Compensated absences	\$ 706,165	\$ 299,449	\$ (391,003)	\$ 614,611	\$ 307,305
Governmental activities long-term liabilities	<u>\$ 706,165</u>	<u>\$ 299,449</u>	<u>\$ (391,003)</u>	<u>\$ 614,611</u>	<u>\$ 307,305</u>

Employee Compensated Absences

The long-term liability at June 30, 2013 is \$614,611 for employee compensated absences. The General Fund is primarily expected to liquidate this liability.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

7) 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.

On September 12, 2012 the Governor signed Assembly Bill 340, Public Employee's Pension Reform Act of 2013 (PEPRA), which significantly changed the retirement benefit of employees hired on or after January 1, 2013. A two-tier retirement system has been adopted by the City according to the provisions of the law.

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 2012/13 was 10.806 percent. The 10.806 percent is comprised of 9.716 percent for the cost-sharing pool and 1.090 percent for the payment on the City's side fund. The contribution requirements for plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS. The following represents the required contributions for the past three fiscal years and the percentage contributed by the City:

Fiscal Year	Required Contributions	Percent Contributed
2012-2013	\$ 536,748	100.00%
2011-2012	488,328	100.00%
2010-2011	504,158	100.00%

New employees who qualify as new members per PEPRA will be enrolled in Tier 2; and will be required to pay at least 50% of total normal cost rate. For the period January 1, 2013 thru June 30, 2015, CalPERS established the normal cost rate at 12.50%. As of June 30, 2013, the City does not have any new employees enrolled in the Tier 2.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

8) 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. 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 0.72 % of the annual covered payroll.

For 2013, the City's annual OPEB cost (expense) was \$455,000 for MRHP. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation (asset) for 2013 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 (Asset)	
6/30/13	\$ 455,000	100%	\$	-
6/30/12	44,215	92%		(416,000)
6/30/11	40,122	100%		(420,227)

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

8) OTHER POST EMPLOYMENT BENEFITS, (continued)

Annual OPEB Cost and Net OPEB Obligation Calculation:

The OPEB Cost and Net OPEB Obligation (Asset) for the fiscal year 2013 was as follows:

	June 30, 2013
Annual required contribution	\$ 39,000
Add: Interest on net OPEB obligation	(32,000)
Net OPEB asset expensed	404,000
Amortization of NOO	44,000
Annual OPEB cost (expense)	455,000
Contributions made	(39,000)
Increase in net OPEB obligation	416,000
Net OPEB asset - beginning of year	(416,000)
Net OPEB asset - end of year	\$ -

Funded Status and Funding Progress

The funded status of the plan as of June 30, 2013, the most recent actuarial valuation applicable to 2013, was as follows:

Actuarial Accrued Liability (AAL)	\$ 863,000
Actuarial Value of Plan Assets	\$ 877,000
Unfunded Actuarial Accrued Liability(Asset) (UAAL)	\$ (14,000)
Funded Ratio (Actuarial Value of Plan Assets/AAL)	101.6%
Covered Payroll (Active Plan Members)	\$ 4,890,000
UAAL as a Percentage of Covered Payroll	-0.3%

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.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

8) OTHER POST EMPLOYMENT BENEFITS, (continued)

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, 2013
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Remaining Amortization Period	15 years fixed (closed) period for plan changes
Actuarial Assumptions:	
Investment Rate of Return	7.25% Pre-funded
	Aggregate Increases – 3.25%
Projected Salary Increase	Merit Increases – CalPERS 1997-2007 Experience Study 4.5%
Health Care Trend Rate	4.50%
General Inflation	3.00%

9) 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 nonprofit 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. On May 31, 2012 these taxable subordinate bonds were refunded for \$13,085,000 and \$375,000, respectively. The total bonds outstanding at June 30, 2013, totaled \$13,005,000.

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, 2013, totaled \$13,918,800.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

9) CONDUIT DEBT - REVENUE BONDS, (continued)

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 there under have been excluded from the accompanying basic financial statements.

10) 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 \$1,255,000 at June 30, 2013.

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. On February 1, 2012 the City issued Community Facilities District No. 97-1 (Carlsberg) Special Tax Refunding Bonds-Series 2012 for \$5,720,000 to refund the original 1997 bond issue. The Special Tax Refunding Bonds-Series 2012 bonds mature on September 1, 2027 with interest payable at rates ranging from 2.0 percent to 4.5 percent per annum on March 1, and September 1, of each year commencing September 1, 2012. 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 of the Special Tax Refunding Bonds-Series 2012 is \$5,535,000 at June 30, 2013.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013

10) SPECIAL ASSESSMENT BONDS, (continued)

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 \$22,360,000 at June 30, 2013.

11) 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 coverage. 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.

The City does not have an equity interest in the Authority: therefore, no amount has been reported in the Statement of Net position. 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

Beginning coverage period 2010/11, the Authority implemented a new funding and cost allocation formula, from retrospective funding model to a prospective funding model and increased the funding estimate goal to 75 percent confidence level. This change aims to improve the Authority's long-term financial viability by sufficiently pre-funding each period to cover expected claims and expenditures. Under the new formula, the General Liability and Workers' Compensation annual contributions are separately calculated for public safety and non-public safety categories based on the member's exposure and experience factors. Exposure factor is determined by the annual reported payroll, with the minimum imputed payroll of \$420,000 for the liability formula. Experience factors are defined by loss layer weighting ratio equivalent to 50 percent on the agency's first layer losses (\$0 to \$30,000 for liability and \$0 to \$50,000 for worker's compensation) and 50 percent on its second layer of losses (\$30,000 to \$750,000 for liability and \$50,000 to \$100,000 for workers' compensation).

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013

11) RISK MANAGEMENT, (continued)

B) Self Insurance Programs of the Authority, (continued)

A credibility weighting component, ranging from 80 percent to 20 percent, is applied to determine the portion of the member's cost attributable to its own loss experience relative to its payroll size. The annual contribution is subject to 0 percent-35 percent volatility band, so that no member will pay more than 35 percent or pay less than prior year amount.

General Liability: Costs of 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: Members retain the first \$50,000 of each claim. Losses up to \$2,000,000 are pooled by members and excess coverage is purchased by statutory limits. Administrative expenses are paid from the Authority's investment earnings.

The City owes the Authority \$26,544 from the Workers' Compensation pool.

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 \$37,087,004. There is a \$5,000 per loss deductible. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

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 \$33,254,981. 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 programs 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.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013

11) RISK MANAGEMENT, (continued)

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.

12) CLASSIFICATION OF NET POSITION AND FUND BALANCE

A) Net position

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

Net Investment in Capital Assets - This category groups all assets, including infrastructure, into one component of net position. Accumulated depreciation on these assets reduces this category.

Restricted Net Position - 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.

Unrestricted Net Position - This category represents the net position of the City that are not externally restricted for any project or other purpose.

B) Fund Balance

The City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* as of June 30, 2011. Fund balances in governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The City considers restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts. A City Council Ordinance or Resolution is the formal action that would effectively commit fund balances for a particular purpose.

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance - Amounts that cannot be spent either because they are in nonspendable form or are required to be maintained intact.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013

12) CLASSIFICATION OF NET POSITION AND FUND BALANCE, (continued)

B) Fund Balance, (continued)

Restricted Fund Balance - Amounts that are constrained to specific purposes by state or federal laws, or externally imposed conditions by grantors or creditors.

Committed Fund Balance - Amounts that may be specified by the City Council by resolution to formally commit part of the City's fund balances or future revenues for a specific purpose(s) or program. To change or repeal any such commitment will require an additional formal City Council's action utilizing the same type of action that was originally used.

Assigned Fund Balance - Amounts that are constrained by the Council's intent to use specified financial resources for specific purposes, but are neither restricted nor committed. It is the policy of the City Council that assignment of fund balances must be approved by the Council prior to the fiscal year end.

Unassigned Fund Balance - These are either residual positive net resources of fund balance in excess of what can properly be classified in one of the other four categories, or negative balances.

The City's governmental fund balances at June 30, 2013, are presented below:

	<u>General</u>	<u>Street and Traffic Safety</u>	<u>Assessment Districts</u>
Nonspendable:			
Prepaid items	\$ 24,092	\$ -	\$ -
Due from other funds and governments	-	-	-
Property held for resale	611,084	-	-
Restricted for:			
Public services	-	17,992,139	5,597,953
Recreation services	-	-	-
Public safety	-	-	-
Low and moderate income housing	-	-	-
Committed to:			
Library services	-	-	-
Assigned to:			
Capital projects	-	-	-
Unassigned	<u>3,000,000</u>	<u>-</u>	<u>-</u>
Total fund balances (deficit)	<u>\$ 3,635,176</u>	<u>\$ 17,992,139</u>	<u>\$ 5,597,953</u>

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013

12) CLASSIFICATION OF NET POSITION AND FUND BALANCE, (continued)

B) Fund Balance, (continued)

	<u>Affordable Housing</u>	<u>Los Angeles Area of Contribution</u>	<u>Low-Mod Income Housing Asset</u>
Nonspendable:			
Prepaid items	\$ 5,200	\$ -	\$ -
Due from other funds and governments	-	177,006	-
Property held for resale	55,573	-	7,429,564
Restricted for:			
Public services	-	10,799,704	-
Recreation services	-	-	-
Public safety	-	-	-
Low and moderate income housing	3,461,900	-	214,666
Committed to:			
Library services	-	-	-
Assigned to:			
Capital projects	-	-	-
Unassigned	-	-	-
	<hr/>	<hr/>	<hr/>
Total fund balances (deficit)	<u>\$ 3,522,673</u>	<u>\$ 10,976,710</u>	<u>\$ 7,644,230</u>

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013

12) CLASSIFICATION OF NET POSITION AND FUND BALANCE, (continued)

B) Fund Balance, (continued)

	Police Facilities Fee	Special Projects	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:				
Prepaid items	\$ -	\$ -	\$ -	\$ 29,292
Due from other funds and governments	-	941,400	1,870,158	2,988,564
Property held for resale	-	-	-	8,096,221
Restricted for:				
Public services	-	-	2,606,766	36,996,562
Recreation services	-	-	1,922,768	1,922,768
Public safety	-	-	1,471,532	1,471,532
Low and moderate income housing	-	-	-	3,676,566
Committed to:				
Library services	-	-	742,546	742,546
Assigned to:				
Capital projects	-	25,830,784	7,253,672	33,084,456
Unassigned	(1,849,206)	-	(177,006)	973,788
Total fund balances (deficit)	<u>\$ (1,849,206)</u>	<u>\$ 26,772,184</u>	<u>\$ 15,690,436</u>	<u>\$ 89,982,295</u>

Deficit Fund Balances

The following major governmental fund has a deficit at June 30, 2013:

Police Facilities Fees Capital Projects Fund - \$ (1,849,206)

The following non-major governmental fund has a deficit at June 30, 2013:

Tierra Rejada/Spring Road A.O.C. Special Revenue Fund - \$ (177,006)

Management expects these deficits to be eliminated through future revenues.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013

13) **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.

The estimated amount of construction contract obligations at year-end is \$4,835,699. This amount represents all outstanding encumbrances relating to capital projects.

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.

C) **Successor Agency**

Deductions (expenses) incurred by the Successor Agency of the former Redevelopment Agency of the City of Moorpark for the year ended June 30, 2013 (and subsequent years in which the Successor Agency is in operation) are subject to review by various State agencies and the County in which the Successor Agency resides. If any expenses incurred by the Successor Agency are disallowed by the State agencies or County, the City, acting as the Successor Agency could be liable for the repayment of the disallowed costs from either its own funds or by the State withholding remittances normally paid to the City. The amount, if any, of expenses that may be disallowed by the State agencies or County cannot be determined at this time, although the Successor Agency expects such amounts, if any, to be immaterial. Furthermore, as of June 30, 2013, the Successor Agency of the former Moorpark Redevelopment Agency has completed its assets transfers review for any transfers made to the City, County, and/or private parties for the period from January 1, 2011 through June 30, 2012.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013

14) **SUCCESSOR AGENCY PRIVATE-PURPOSE TRUST FUND TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF MOORPARK (SARA)**

On December 29, 2011, the California Supreme Court upheld Assembly Bill X1 26, ("the bill") that provides for the dissolution of all redevelopment agencies in the State of California. Most of California cities had established a redevelopment agency that was included in the reporting entity of the city as a blended component unit (since the city council, in many cases, also served as the governing board for those agencies). The Bill provided that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the "Successor Agency" to administer assets, pay and adhere to the provisions of enforceable obligations, and to expeditiously settle the affairs of the dissolved redevelopment agency. If the city declines to accept the role of Successor Agency, other local agencies may elect to perform this role. If no local agency accepts the role of Successor Agency, the Governor is empowered by the Bill to establish a local "designated local authority" to perform this role. On January 4, 2012, the City Council met and created the Successor Agency of the former Redevelopment Agency of the City of Moorpark in accordance with the Bill as part of the City of Moorpark Resolution Number 2012-3079.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets could only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable, contractual commitments). In future fiscal years, successor agencies will only be allocated tax increment revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full.

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other private and public bodies that occurred after January 1, 2011. If the body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill. In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011), all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity on February 1, 2012. After the date of dissolution, January 31, 2012, the assets, liabilities, and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City of Moorpark. The private-purpose trust fund keeps its activities under the accrual method of accounting.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

14) **SUCCESSOR AGENCY PRIVATE-PURPOSE TRUST FUND TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF MOORPARK (SARA), (continued)**

In accordance with AB 1484 and in compliance with the California Health & Safety Code, the City of Moorpark elected to be Housing Successor to the housing activities and functions of the former Redevelopment Agency of the City of Moorpark. Accordingly, all housing assets, as defined by the Health and Safety Code Section 34176 (e), were transferred to the City of Moorpark in a specially created new fund shown, as a major fund in 2013, named "Successor Low-Mod Housing Asset" fund in the governmental funds financial statements.

LONG TERM DEBT

The following is a schedule of changes in long-term liabilities for the year ended June 30, 2013:

	Beginning Balance	Increases	Decreases	Ending Balance	Due within one year
<i>Bonds payable:</i>					
1999 Tax allocation bonds	\$ 4,470,000	\$ -	\$ (550,000)	\$ 3,920,000	\$ 580,000
2001 Tax allocation bonds	11,490,000	-	(20,000)	11,470,000	15,000
2006 Tax allocation bonds	11,615,000	-	(35,000)	11,580,000	40,000
Subtotal bonds payable	27,575,000	-	(605,000)	26,970,000	635,000
Plus/(less) deferred amounts:					
For issuance discount	(265,743)	-	10,847	(254,896)	-
Successor agency long-term liabilities	<u>\$ 27,309,257</u>	<u>\$ -</u>	<u>\$ (594,153)</u>	<u>\$ 26,715,104</u>	<u>\$ 635,000</u>

Combined annual debt service requirements to maturity for all bonds are as follows:

Year Ending	Principal	Interest	Total
2014	\$ 635,000	\$ 1,265,756	\$ 1,900,756
2015	665,000	1,234,608	1,899,608
2016	700,000	1,201,893	1,901,893
2017	730,000	1,167,604	1,897,604
2018	765,000	1,131,631	1,896,631
2019-2023	3,775,000	5,105,225	8,880,225
2024-2028	4,635,000	4,066,575	8,701,575
2029-2033	5,930,000	2,739,175	8,669,175
2034-2038	7,445,000	1,211,766	8,656,766
2039	1,690,000	36,968	1,726,968
Total	<u>\$ 26,970,000</u>	<u>\$ 19,161,201</u>	<u>\$ 46,131,201</u>

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

14) SUCCESSOR AGENCY PRIVATE-PURPOSE TRUST FUND TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF MOORPARK (SARA), (continued)

LONG TERM DEBT (continued)

A) 1999 Tax Allocation Bonds

In 1999, the former Redevelopment 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 were secured by all property tax increment revenue, which was deposited in the former 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 outstanding balance of the bonds was transferred to the Successor Agency on February 1, 2012 as part of the Moorpark Redevelopment Agency dissolution in accordance with ABX1 26 and AB 1484. The Successor Agency is in compliance with the covenants contained in debt indenture, which require the establishment of certain specific accounts for the 1999 Bonds.

B) 2001 Tax Allocation Bonds

In December 2001, the former Redevelopment Agency issued \$11,625,000 of Tax Allocation Parity Bonds (2001 Bonds). The proceeds of the 2001 Bonds were 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.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2013**

14) SUCCESSOR AGENCY PRIVATE-PURPOSE TRUST FUND TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF MOORPARK (SARA), (continued)

LONG TERM DEBT, (continued)

B) 2001 Tax Allocation Bonds, (continued)

The 2001 Bonds were secured by all property tax increment revenue, which were deposited in the former 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 outstanding balance of the bonds was transferred to the Successor Agency on February 1, 2012 as part of the Moorpark Redevelopment Agency dissolution in accordance with AB x1 26 and AB 1484. The Successor Agency is in compliance with the covenants contained in debt indentures, which require the establishment of certain specific accounts for the 2001 Bonds.

C) 2006 Tax Allocation Bonds

In 2006, the former Redevelopment 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 was recorded in the former 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 outstanding balance of the bonds was transferred to the Successor Agency on February 1, 2012 as part of the Moorpark Redevelopment Agency dissolution in accordance with AB x1 26 and AB 1484. The Successor 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, 2013

15) RESTATEMENT OF NET POSITION

The beginning net position balance shown in the Statement of Activities of the Government-wide statements was restated as a result of the correction of an error in a balance of certain capital assets being accounted twice in the schedule of capital assets of the City of Moorpark.

The beginning net position balance shown in the Statement of Activities of the Government-wide statements was restated as a result of the correction of an error in the balance of rights of way assets never reported in the financial statements of the City of Moorpark.

The beginning net position was restated as follows:

Government-wide statements

Statement of Activities

Net Position - Beginning of the Year - prior to restatement	\$ 234,316,279
Capital Assets - adjustment - Property accounted for twice	(544,455)
Capital Assets - adjustment - Rights of way never reported	<u>123,066,830</u>
Net Position - Beginning of the Year - as restated	<u><u>\$ 356,838,654</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

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Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - General Fund
Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Property Taxes				
Current Secured	\$ 3,270,000	\$ 3,080,000	\$ 2,945,232	\$ (134,768)
Current Unsecured	115,000	115,000	108,993	(6,007)
Prior year Secured-Unsecured	10,000	10,000	5,570	(4,430)
Supplemental Secured-Unsecured	35,000	35,000	32,293	(2,707)
Real Property Transfer Tax	120,000	140,000	167,110	27,110
Homeowners Property Exemption	40,000	40,000	37,121	(2,879)
Parcel Tax	200,000	200,000	200,086	86
Property Taxes - VLF	2,880,000	2,838,000	2,838,547	547
Other Property Taxes	-	340,000	441,777	101,777
	<u>6,670,000</u>	<u>6,798,000</u>	<u>6,776,729</u>	<u>(21,271)</u>
Total Property Taxes				
Sales Taxes				
Sales and use tax	2,750,000	2,730,000	2,730,871	871
Sales tax compensation	875,000	875,000	875,160	160
	<u>3,625,000</u>	<u>3,605,000</u>	<u>3,606,031</u>	<u>1,031</u>
Total Sales Taxes				
Franchise Fees				
Cable TV	400,000	425,000	427,467	2,467
Edison	300,000	282,000	281,518	(482)
Gas	100,000	79,000	79,099	99
Oil	-	-	5,388	5,388
PEG Fees	40,000	40,000	49,149	9,149
VM	155,000	-	-	-
GI Rubbish	200,000	200,000	195,381	(4,619)
Moorpark Rubbish	125,000	125,000	120,204	(4,796)
Landfill local impact fee	54,000	54,000	55,801	1,801
CIWMP Fees	10,000	10,000	8,949	(1,051)
	<u>1,384,000</u>	<u>1,215,000</u>	<u>1,222,956</u>	<u>7,956</u>
Total Franchise Fees				
Licenses and Permits				
Bicycle Permits	-	-	20	20
Business Registration	125,000	125,000	113,383	(11,617)
Filming Permits	7,000	7,000	8,400	1,400
NPDES Business Inspection Fees	8,100	8,100	8,316	216
	<u>140,100</u>	<u>140,100</u>	<u>130,119</u>	<u>(9,981)</u>
Total Licenses and Permits				

**Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - General Fund
Year Ended June 30, 2013**

Continued

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Fines and Forfeitures				
Municipal Codes Fines	200,000	250,000	250,724	724
Animal Control Fines	2,000	2,000	1,205	(795)
Forfeitures and Penalties	2,000	2,000	42	(1,958)
Total Fines and Forfeitures	<u>204,000</u>	<u>254,000</u>	<u>251,971</u>	<u>(2,029)</u>
Use of Money and Property				
Investment Earnings	250,000	250,000	80,574	(169,426)
Rents and Concessions	125,000	125,000	128,904	3,904
Rents Tenants	113,600	113,600	117,568	3,968
Other earnings and rents	7,000	7,000	7,784	784
Total Use of Money and Property	<u>495,600</u>	<u>495,600</u>	<u>334,830</u>	<u>(160,770)</u>
Charges for Services				
Other Administrative Services	86,400	86,400	101,470	15,070
Administrative Fees	250,000	250,000	250,000	-
Park and Facility Use Fee	93,600	93,600	130,189	36,589
Contract Class Registration Fees	249,000	249,000	220,942	(28,058)
Contract Admin Fee	-	-	250	250
League Fees	132,340	132,340	117,396	(14,944)
Recreation Events Fees	299,175	299,175	274,078	(25,097)
Other Recreation Fees	5,500	5,500	5,431	(69)
Advertising in Brochure	8,000	8,000	7,789	(211)
Other Community Services Fees	5,000	5,000	314	(4,686)
Photocopying	1,000	1,000	1,230	230
Sale of Documents	1,000	1,000	1,258	258
Special Police Department Services	30,000	30,000	38,275	8,275
NSF Fees and Charges	1,000	1,000	1,058	58
Planning Time Charges	-	-	27,715	27,715
HHW-Community Maintenance Fee	137,000	-	-	-
PW/ENG Staff Time Charges	-	-	10,475	10,475
Total Charges for Services	<u>1,299,015</u>	<u>1,162,015</u>	<u>1,187,870</u>	<u>25,855</u>
Intergovernmental				
Motor Vehicle in Lieu	-	20,000	19,262	(738)
Other State Funds	20,000	20,000	20,291	291
County Grants	20,000	20,000	22,557	2,557
Other Federal Revenue Grants	3,000	6,152	7,840	1,688
Total Intergovernmental	<u>43,000</u>	<u>66,152</u>	<u>69,950</u>	<u>3,798</u>

Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - General Fund
Year Ended June 30, 2013

Continued

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Other Revenues				
Cost Plan Revenues	1,864,700	-	-	-
Contributions-Donations	16,000	16,000	1,000	(15,000)
Revenues not classified elsewhere	5,000	5,000	3,010	(1,990)
Expense Reimbursements	80,000	80,000	79,255	(745)
Restitutions-Insurance Proceeds	20,000	20,000	34,849	14,849
Cash overage/shortage	-	-	30	30
Total Other Revenues	<u>1,985,700</u>	<u>121,000</u>	<u>118,144</u>	<u>(2,856)</u>
Total revenues	<u>15,846,415</u>	<u>13,856,867</u>	<u>13,698,600</u>	<u>(158,267)</u>
EXPENDITURES				
General government	3,253,779	1,469,304	1,358,343	110,961
Public safety	6,378,982	6,378,982	5,995,292	383,690
Public services	1,979,015	2,084,192	1,787,980	296,212
Parks and recreation	1,754,843	1,776,859	1,535,377	241,482
Capital Outlay	-	304,163	36,556	267,607
Total expenditures	<u>13,366,619</u>	<u>12,013,500</u>	<u>10,713,548</u>	<u>1,299,952</u>
Excess of revenues over expenditures	<u>2,479,796</u>	<u>1,843,367</u>	<u>2,985,052</u>	<u>1,141,685</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	18,875	18,875
Transfers out	(3,110,969)	(3,089,968)	(2,978,836)	111,132
Total other financing sources (uses)	<u>(3,110,969)</u>	<u>(3,089,968)</u>	<u>(2,959,961)</u>	<u>130,007</u>
Net change in fund balance	(631,173)	(1,246,601)	25,091	1,271,692
Fund balance, beginning of year	<u>3,610,085</u>	<u>3,610,085</u>	<u>3,610,085</u>	-
Fund balance, end of year	<u>\$ 2,978,912</u>	<u>\$ 2,363,484</u>	<u>\$ 3,635,176</u>	<u>\$ 1,271,692</u>

Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - Street and Traffic Safety - Special Revenue Fund
Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property				
Investment Earnings	\$ 20,000	\$ 20,000	\$ 19,239	\$ (761)
Rents Tenants	-	-	10,505	10,505
Total Use of Money and Property	<u>20,000</u>	<u>20,000</u>	<u>29,744</u>	<u>9,744</u>
Charges for Services				
Other Development Fees	348,000	348,000	613,012	265,012
Total Charges for Services	<u>348,000</u>	<u>348,000</u>	<u>613,012</u>	<u>265,012</u>
Other Revenues				
Sale Plans/Specifications	-	-	570	570
Pw/Eng Staff Time Charges	-	-	880	880
Total Other Revenues	<u>-</u>	<u>-</u>	<u>1,449</u>	<u>1,449</u>
Total revenues	<u>368,000</u>	<u>368,000</u>	<u>644,205</u>	<u>276,205</u>
EXPENDITURES				
Public services	265,251	367,650	342,844	24,806
Capital Outlay	4,142,462	4,645,951	1,595,554	3,050,397
Total expenditures	<u>4,407,713</u>	<u>5,013,601</u>	<u>1,938,398</u>	<u>3,075,203</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,039,713)</u>	<u>(4,645,601)</u>	<u>(1,294,193)</u>	<u>3,351,408</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(18,280)	(18,280)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(18,280)</u>	<u>(18,280)</u>
Net change in fund balance	(4,039,713)	(4,645,601)	(1,312,473)	3,333,128
Fund balance, beginning of year	19,304,612	19,304,612	19,304,612	-
Fund balance, end of year	<u>\$ 15,264,899</u>	<u>\$ 14,659,011</u>	<u>\$ 17,992,139</u>	<u>\$ 3,333,128</u>

Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - Assessment Districts - Special Revenue Fund
Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property				
Investment Earnings	\$ 7,000	\$ 7,000	\$ 6,769	\$ (231)
Total Use of Money and Property	7,000	7,000	6,769	(231)
Charges for Services				
Tennis-Basketball Court Lightning	7,600	7,600	6,806	(794)
Total Charges for Services	7,600	7,600	6,806	(794)
Maintenance Assessment				
SBA - Street Lightning	244,300	244,300	193,961	(50,339)
SBA - Landscape Maintenance	1,090,300	1,090,300	938,185	(152,115)
SBA - Storm Drain Maintenance	9,400	9,400	7,459	(1,941)
SBA - Park Maintenance	731,400	731,400	733,223	1,823
Total Maintenance Assessments	2,075,400	2,075,400	1,872,828	(202,572)
Other Revenues				
Expense Reimbursements	20,000	20,000	4,143	(15,857)
Pw/Eng Staff Time Charges	-	-	12,240	12,240
Total Other Revenues	20,000	20,000	16,383	(3,617)
Total revenues	2,110,000	2,110,000	1,902,786	(207,214)
EXPENDITURES				
General government	-	200	-	200
Public safety	-	500	-	500
Public services	411,243	406,243	382,184	24,059
Parks and recreation	4,258,705	4,409,391	3,551,297	858,094
Capital Outlay	41,000	20,369	9,512	10,857
Total expenditures	4,710,948	4,836,703	3,942,993	893,710
Excess (deficiency) of revenues over (under) expenditures	(2,600,948)	(2,726,703)	(2,040,207)	686,496
OTHER FINANCING SOURCES (USES)				
Transfers in	1,883,112	1,862,111	1,599,368	(262,743)
Total other financing sources (uses)	1,883,112	1,862,111	1,599,368	(262,743)
Net change in fund balance	(717,836)	(864,592)	(440,839)	423,753
Fund balance, beginning of year	6,038,792	6,038,792	6,038,792	-
Fund balance, end of year	\$ 5,320,956	\$ 5,174,200	\$ 5,597,953	\$ 423,753

Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - Affordable Housing - Special Revenue Fund
Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Fines and Forfeitures				
Fines and Forfeitures	\$ -	\$ -	\$ 700	\$ 700
Total Fines and Forfeitures	-	-	700	700
Use of Money and Property				
Investment Earnings	4,000	4,000	2,956	(1,044)
Total Use of Money and Property	4,000	4,000	2,956	(1,044)
Charges for Services				
Other Community Development Fees	113,000	113,000	194,086	81,086
Rents Tenants	22,200	22,200	3,650	(18,550)
Total Charges for Services	135,200	135,200	197,736	62,536
Other Revenues				
Expense Reimbursements	-	-	286	286
Other Loan Payoff	6,000	6,000	19,942	13,942
Pw/Eng Staff Time Charges	-	-	2,394	2,394
Total Other Revenues	6,000	6,000	22,622	16,622
Total revenues	145,200	145,200	224,014	78,814
EXPENDITURES				
General government	-	20,000	68,261	(48,261)
Public services	268,687	284,818	245,988	38,830
Capital Outlay	21,000	410,610	400,403	10,207
Total expenditures	289,687	715,428	714,652	776
Excess (deficiency) of revenues over (under) expenditures	(144,487)	(570,228)	(490,638)	79,590
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	814	814
Total other financing sources (uses)	-	-	814	814
Net change in fund balance	(144,487)	(570,228)	(489,824)	80,404
Fund balance, beginning of year	4,012,497	4,012,497	4,012,497	-
Fund balance, end of year	<u>\$ 3,868,010</u>	<u>\$ 3,442,269</u>	<u>\$ 3,522,673</u>	<u>\$ 80,404</u>

Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - Los Angeles AOC - Special Revenue Fund
Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property				
Investment Earnings	\$ 12,000	\$ 12,000	\$ 10,973	\$ (1,027)
Total Use of Money and Property	12,000	12,000	10,973	(1,027)
Charges for Services				
Area of Contribution Fee	171,000	171,000	201,240	30,240
Total Charges for Services	171,000	171,000	201,240	30,240
Total revenues	183,000	183,000	212,213	29,213
EXPENDITURES				
Public services	-	35,000	14,347	20,653
Capital Outlay	5,718,635	7,080,561	944,985	6,135,576
Total expenditures	5,718,635	7,115,561	959,332	6,156,229
Excess (deficiency) of revenues over (under) expenditures	(5,535,635)	(6,932,561)	(747,119)	6,185,442
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(38,737)	(38,737)
Total other financing sources (uses)	-	-	(38,737)	(38,737)
Net change in fund balance	(5,535,635)	(6,932,561)	(785,856)	6,146,705
Fund balance, beginning of year	11,762,566	11,762,566	11,762,566	-
Fund balance, end of year	\$ 6,226,931	\$ 4,830,005	\$ 10,976,710	\$ 6,146,705

Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - Low-Mod Income Housing Asset Fund - Special Revenue Fund
Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property				
Investment Earnings	\$ -	\$ -	\$ 563	\$ 563
Total Use of Money and Property	-	-	563	563
Charges for Services				
Rents Tenants	-	-	24,503	24,503
Total Charges for Services	-	-	24,503	24,503
Other Revenues				
Other Loan Payoff	-	-	2,670	2,670
Total Other Revenues	-	-	2,670	2,670
Total revenues	-	-	27,736	27,736
EXPENDITURES				
General Government	-	-	698,400	(698,400)
Capital Outlay	58,877	58,877	-	58,877
Total expenditures	58,877	58,877	698,400	(639,523)
Excess (deficiency) of revenues over (under) expenditures	(58,877)	(58,877)	(670,664)	(611,787)
Net change in fund balance	(58,877)	(58,877)	(670,664)	(611,787)
Fund balance, beginning of year	8,314,894	8,314,894	8,314,894	-
Fund balance, end of year	<u>\$ 8,256,017</u>	<u>\$ 8,256,017</u>	<u>\$ 7,644,230</u>	<u>\$ (611,787)</u>

**Required Supplementary Information
City of Moorpark
Schedule of Funding Progress for MRHP - OPEB
Year Ended June 30, 2013**

Schedule of Funding Progress for MRHP (Amounts in 000's)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Entry age Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b- a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
6/30/2008	\$ -	\$ 364	\$ 364	0.0%	\$ 4,519	8.1%
6/30/2010	487	590	103	82.5%	5,066	2.0%
6/30/2013	877	863	(14)	101.6%	4,890	-0.3%

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, 2013

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 \$3,512,499. This increase resulted primarily from additional appropriations to various construction in progress projects, acquisition of property, prepayments of certain liabilities and re-budgeted projects and amounts carried over from Fiscal Year 2011/12 as continuing appropriations.

The Low-Mod Income Housing Asset Fund presents total budgeted expenditures of \$58,877, total actual expenditures of \$698,400, and total excess of expenditures over budgeted amounts of \$639,523.

SUPPLEMENTARY INFORMATION

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City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – Police Facilities Fee – Major Capital Projects Fund
Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property				
Investment Earnings	\$ -	\$ -	\$ 81	\$ 81
Total Use of Money and Property	-	-	81	81
Maintenance Assesment				
Police Facilities Fees	39,000	39,000	20,871	(18,129)
Total Maintenance Assesment	39,000	39,000	20,871	(18,129)
Total revenues	39,000	39,000	20,952	(18,048)
EXPENDITURES				
Total expenditures	-	-	-	-
Net change in fund balance	39,000	39,000	20,952	(18,048)
Fund balance (deficit), beginning of year	(1,870,158)	(1,870,158)	(1,870,158)	-
Fund balance (deficit), end of year	<u>\$ (1,831,158)</u>	<u>\$ (1,831,158)</u>	<u>\$ (1,849,206)</u>	<u>\$ (18,048)</u>

**City of Moorpark
Non-Major Governmental Funds
June 30, 2013**

SPECIAL REVENUE FUNDS

Library Services Fund - is used to account for the financial resources for the operation of the City's public library system. Sources of revenue are a percentage of property taxes, library fines, federal and state grant funds, gifts, donations and fees for services.

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

Parks/Public Facilities Fund is used to account for fees used for park and public facilities improvements as a result of additional development. Sources of revenue are developer fees.

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

Community Development Fund - is used to account for planning, development, public works and engineering related expenditures. Sources of revenues are from service fees collected from issuance of various types of permits, plan checks, improvement inspections and other miscellaneous items.

Tierra Rejada/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 Rejada & Spring Road project area. Sources of revenue are development fees. The City does not present a Budget to Actual schedule for this fund.

Casey/Gabbert Road 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. Sources of revenue are development fees. . The City does not present a Budget to Actual schedule for this fund.

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. Sources of revenue are development fees. The City does not present a Budget to Actual schedule for this fund.

State Gas Tax Fund - is used to account for fees used for street maintenance, right-of-way acquisition and street construction. Source of revenue is gas tax money collected by the State of California.

Proposition 1B Local Streets and Roads Fund - is used to account for funds received from the State of California for specific transportation programs. Source of revenue is Prop 1B bond proceeds distributed by the State of California.

Art in Public Places Fund - is used to account for fees used for public facilities improvements, most recently the Veterans' Memorial. Source of revenue is development fees.

**City of Moorpark
Non-Major Governmental Funds
June 30, 2013**

SPECIAL REVENUE FUNDS, (continued)

State and Federal Assistance Fund - is used to account for Federal and State grants used for the construction of streets and related improvements and helps fund law enforcement. Sources of funds are federal and state grants.

Local Transportation Transit Fund - is used to account for fees spent on local transportation operations, maintenance and related programs. Sources of revenue include Ventura County 8C funding, the Federal Transportation Administration grant funding and bus fares.

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. Sources of revenue are AB939 fees from rubbish operators, compost bin sales, the California Beverage Container grant, and the Used Oil Recycling grant.

CAPITAL PROJECTS FUNDS

Capital Projects Fund - is used to account for financial resources used for major capital projects of the general government operations. Sources of revenue are the Ventura Community College District tax increment pass through fees and interest.

Moorpark Highlands Fund - is used to accounts for the remaining bond proceeds issued for the construction of certain public facilities for the benefit of the Community Facilities District 2004-01. The City does not present a Budget to Actual schedule for this fund

City Hall Building Fund - is used to account for the funds used to build the new Civic Center Complex. Original source of revenue was transferred from the Endowment Fund; current revenue source is interest earnings.

Equipment Replacement Fund - is used to account for the funds used to replace city equipment and vehicles. Sources of revenue are interest earnings and transfers from the General Fund.

**City of Moorpark
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2013**

	Special Revenue Funds		
	Library Services	Traffic Safety	Parks/Public Facilities
ASSETS			
Cash and investments	\$ 752,343	\$ 585,563	\$ 2,080,773
Cash and investments with fiscal agent	-	-	-
Receivables:			
Accounts	33	14,599	4,313
Notes and loans	-	-	-
Due from other funds	-	-	-
Prepaid items	-	-	-
Total assets	\$ 752,376	\$ 600,162	\$ 2,085,086
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 9,830	\$ 5,925	\$ -
Due to other funds	-	-	941,400
Deferred revenues	-	-	-
Total liabilities	9,830	5,925	941,400
Fund balances:			
Nonspendable	-	-	-
Restricted	-	594,237	1,143,686
Committed	742,546	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances (deficit)	742,546	594,237	1,143,686
Total liabilities and fund balances	\$ 752,376	\$ 600,162	\$ 2,085,086

Continued

Special Revenue Funds				
Endowment Fund	Community Development	Tierra Rejada/ Spring Road A.O.C.	Casey/Gabbert A.O.C.	Freemount Storm Drain A.O.C.
\$ 3,289,336	\$ 180,182	\$ -	\$ 88,381	\$ 15,470
-	-	-	-	-
6,669	2,311	-	179	31
6,500	-	-	-	-
1,870,158	-	-	-	-
-	19,167	-	-	-
<u>\$ 5,172,663</u>	<u>\$ 201,660</u>	<u>\$ -</u>	<u>\$ 88,560</u>	<u>\$ 15,501</u>
\$ 33,187	\$ 201,560	\$ -	\$ -	\$ -
-	-	177,006	-	-
6,500	-	-	-	-
<u>39,687</u>	<u>201,560</u>	<u>177,006</u>	<u>-</u>	<u>-</u>
1,870,158	-	-	-	-
-	100	-	88,560	15,501
-	-	-	-	-
3,262,818	-	-	-	-
-	-	(177,006)	-	-
<u>5,132,976</u>	<u>100</u>	<u>(177,006)</u>	<u>88,560</u>	<u>15,501</u>
<u>\$ 5,172,663</u>	<u>\$ 201,660</u>	<u>\$ -</u>	<u>\$ 88,560</u>	<u>\$ 15,501</u>

**City of Moorpark
Combining Balance Sheet, (continued)
Non-Major Governmental Funds
June 30, 2013**

	Special Revenue Funds		
	State Gas Tax	Prop 1B Local Streets and Roads	Art in Public Places
ASSETS			
Cash and investments	\$ 733,398	\$ 38,973	\$ 1,919,820
Cash and investments with fiscal agent	-	-	-
Receivables:			
Accounts	154,373	1,264	3,891
Notes and loans	-	-	-
Due from other funds	-	-	-
Prepaid items	-	-	-
 Total assets	 <u>\$ 887,771</u>	 <u>\$ 40,237</u>	 <u>\$ 1,923,711</u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 10,476	\$ 40,237	\$ 943
Due to other funds	-	-	-
Deferred revenues	-	-	-
 Total liabilities	 <u>10,476</u>	 <u>40,237</u>	 <u>943</u>
Fund balances:			
Nonspendable	-	-	-
Restricted	877,295	-	1,922,768
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
 Total fund balances (deficit)	 <u>877,295</u>	 <u>-</u>	 <u>1,922,768</u>
 Total liabilities and fund balances	 <u>\$ 887,771</u>	 <u>\$ 40,237</u>	 <u>\$ 1,923,711</u>

Continued

Special Revenue Funds			Total
State and Federal Assistance	Local Transportation Transit	Solid Waste	Special Revenue
\$ 250,017	\$ 133,971	\$ 1,003,764	\$ 11,071,991
-	-	-	-
83,786	132,999	24,510	428,958
-	-	-	6,500
-	-	-	1,870,158
-	-	-	19,167
<u>\$ 333,803</u>	<u>\$ 266,970</u>	<u>\$ 1,028,274</u>	<u>\$ 13,396,774</u>
\$ 31,069	\$ 67,773	\$ 12,318	\$ 413,318
-	-	-	1,118,406
136,189	22,779	-	165,468
<u>167,258</u>	<u>90,552</u>	<u>12,318</u>	<u>1,697,192</u>
-	-	-	1,870,158
166,545	176,418	1,015,956	6,001,066
-	-	-	742,546
-	-	-	3,262,818
-	-	-	(177,006)
<u>166,545</u>	<u>176,418</u>	<u>1,015,956</u>	<u>11,699,582</u>
<u>\$ 333,803</u>	<u>\$ 266,970</u>	<u>\$ 1,028,274</u>	<u>\$ 13,396,774</u>

**City of Moorpark
Combining Balance Sheet, (continued)
Non-Major Governmental Funds
June 30, 2013**

	Capital Projects		
	Capital Projects	Moorpark Highlands Improvement	City Hall Building
ASSETS			
Cash and investments	\$ 92,246	\$ -	\$ 3,631,041
Cash and investments with fiscal agent	-	2,844	-
Receivables:			
Accounts	187	-	7,360
Notes and loans	-	-	-
Due from other funds	-	-	-
Prepaid items	-	-	-
 Total assets	 <u>\$ 92,433</u>	 <u>\$ 2,844</u>	 <u>\$ 3,638,401</u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 1,267
Due to other funds	-	-	-
Deferred revenues	-	-	-
 Total liabilities	 <u>-</u>	 <u>-</u>	 <u>1,267</u>
Fund balances:			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	92,433	2,844	3,637,134
Unassigned	-	-	-
 Total fund balances (deficit)	 <u>92,433</u>	 <u>2,844</u>	 <u>3,637,134</u>
 Total liabilities and fund balances	 <u>\$ 92,433</u>	 <u>\$ 2,844</u>	 <u>\$ 3,638,401</u>

Continued

<u>Capital Projects</u>	<u>Total</u>	<u>Total</u>
<u>Equipment</u>	<u>Capital</u>	<u>NonMajor</u>
<u>Replacement</u>	<u>Projects</u>	<u>Governmental</u>
	<u>Funds</u>	<u>Funds</u>
\$ 257,920	\$ 3,981,207	\$ 15,053,198
-	2,844	2,844
523	8,070	437,028
-	-	6,500
-	-	1,870,158
-	-	19,167
<u>\$ 258,443</u>	<u>\$ 3,992,121</u>	<u>\$ 17,388,895</u>
\$ -	\$ 1,267	\$ 414,585
-	-	1,118,406
-	-	165,468
<u>-</u>	<u>1,267</u>	<u>1,698,459</u>
-	-	1,870,158
-	-	6,001,066
-	-	742,546
258,443	3,990,854	7,253,672
-	-	(177,006)
<u>258,443</u>	<u>3,990,854</u>	<u>15,690,436</u>
<u>\$ 258,443</u>	<u>\$ 3,992,121</u>	<u>\$ 17,388,895</u>

City of Moorpark
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Governmental Funds
Year Ended June 30, 2013

	Special Revenue Funds		
	Library Services	Traffic Safety	Parks/Public Facilities
REVENUES			
Taxes	\$ 782,302	\$ -	\$ -
Licenses and permits	-	-	-
Fines and forfeitures	17,029	142,933	-
Use of money and property	2,700	465	2,562
Charges for services	13,595	-	237,166
Intergovernmental	5,000	-	-
Other revenue	-	288	-
Total revenues	<u>820,626</u>	<u>143,686</u>	<u>239,728</u>
EXPENDITURES			
Current:			
Public safety	-	211,614	-
Public services	861,361	-	-
Parks and recreation	-	-	-
Capital Outlay	-	-	13,280
Total expenditures	<u>861,361</u>	<u>211,614</u>	<u>13,280</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(40,735)</u>	<u>(67,928)</u>	<u>226,448</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	3,792	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>3,792</u>	<u>-</u>
Net change in fund balances	(40,735)	(64,136)	226,448
Fund balances (deficit), beginning of year	<u>783,281</u>	<u>658,373</u>	<u>917,238</u>
Fund balances (deficit), end of year	<u>\$ 742,546</u>	<u>\$ 594,237</u>	<u>\$ 1,143,686</u>

Continued

Special Revenue Funds				
Endowment Fund	Community Development	Tierra Rejada/ Spring Road A.O.C.	Casey/Gabbert A.O.C.	Freemont Storm Drain A.O.C.
\$ -	\$ -	\$ -	\$ -	\$ -
-	367,833	-	-	-
-	7,922	-	-	-
80,930	-	-	100	18
1,751,868	701,750	-	-	-
-	-	-	-	-
-	736	-	-	-
<u>1,832,798</u>	<u>1,078,241</u>	<u>-</u>	<u>100</u>	<u>18</u>
-	-	-	-	-
-	2,052,730	-	-	-
-	-	-	-	-
72,500	-	-	-	-
<u>72,500</u>	<u>2,052,730</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
1,760,298	(974,489)	-	100	18
-	974,589	-	-	-
(22,130)	-	-	-	-
<u>(22,130)</u>	<u>974,589</u>	<u>-</u>	<u>-</u>	<u>-</u>
1,738,168	100	-	100	18
3,394,808	-	(177,006)	88,460	15,483
<u>\$ 5,132,976</u>	<u>\$ 100</u>	<u>\$ (177,006)</u>	<u>\$ 88,560</u>	<u>\$ 15,501</u>

City of Moorpark
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance, (continued)
Non-Major Governmental Funds
Year Ended June 30, 2013

	Special Revenue		
	State Gas Tax	Prop 1B Local Streets and Roads	Art in Public Places
REVENUES			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	150	-	-
Fines and forfeitures	-	-	-
Use of money and property	474	808	2,793
Charges for services	-	-	168,469
Intergovernmental	915,324	-	-
Other revenue	2,332	-	-
Total revenues	918,280	808	171,262
EXPENDITURES			
Current:			
Public safety	-	-	-
Public services	700,087	-	944
Parks and recreation	-	-	99
Capital Outlay	289,844	586,500	-
Total expenditures	989,931	586,500	1,043
Excess (deficiency) of revenues over (under) expenditures	(71,651)	(585,692)	170,219
OTHER FINANCING SOURCES (USES)			
Transfers in	98,202	-	-
Transfers out	(128,251)	-	-
Total other financing sources (uses)	(30,049)	-	-
Net change in fund balances	(101,700)	(585,692)	170,219
Fund balances (deficit), beginning of year	978,995	585,692	1,752,549
Fund balances (deficit), end of year	<u>\$ 877,295</u>	<u>\$ -</u>	<u>\$ 1,922,768</u>

Continued

State and Federal Assistance	Special Revenue		Total Special Revenue Funds
	Local Transportation Transit	Solid Waste	
\$ -	\$ -	\$ 274,470	\$ 1,056,772
-	-	-	367,983
-	-	-	167,884
-	904	1,011	92,765
-	63,589	2,634	2,939,071
991,813	501,770	19,877	2,433,784
2,771	389	-	6,516
<u>994,584</u>	<u>566,652</u>	<u>297,992</u>	<u>7,064,775</u>
100,000	-	-	311,614
418,130	308,298	276,739	4,618,289
-	-	-	99
792,017	271,118	-	2,025,259
<u>1,310,147</u>	<u>579,416</u>	<u>276,739</u>	<u>6,955,261</u>
<u>(315,563)</u>	<u>(12,764)</u>	<u>21,253</u>	<u>109,514</u>
31,012	4,791	6,771	1,119,157
(76,431)	-	-	(226,812)
<u>(45,419)</u>	<u>4,791</u>	<u>6,771</u>	<u>892,345</u>
(360,982)	(7,973)	28,024	1,001,859
527,527	184,391	987,932	10,697,723
<u>\$ 166,545</u>	<u>\$ 176,418</u>	<u>\$ 1,015,956</u>	<u>\$ 11,699,582</u>

City of Moorpark
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance, (continued)
Non-Major Governmental Funds
Year Ended June 30, 2013

	Capital Projects		
	Capital Projects	Moorpark Highlands Improvement	City Hall Building
REVENUES			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Use of money and property	80	-	3,368
Charges for services	-	-	-
Intergovernmental	-	-	-
Other revenue	-	-	-
Total revenues	80	-	3,368
EXPENDITURES			
Current:			
Public safety	-	-	-
Public services	-	-	-
Parks and recreation	-	-	-
Capital Outlay	-	-	52,272
Total expenditures	-	-	52,272
Excess (deficiency) of revenues over (under) expenditures	80	-	(48,904)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	80	-	(48,904)
Fund balances (deficit), beginning of year	92,353	2,844	3,686,038
Fund balances (deficit), end of year	<u>\$ 92,433</u>	<u>\$ 2,844</u>	<u>\$ 3,637,134</u>

Continued

<u>Capital Projects</u>	<u>Total</u>	<u>Total</u>
<u>Equipment</u>	<u>Capital</u>	<u>Nonmajor</u>
<u>Replacement</u>	<u>Projects</u>	<u>Governmental</u>
	<u>Funds</u>	<u>Funds</u>
\$ -	\$ -	\$ 1,056,772
-	-	367,983
-	-	167,884
-	3,448	96,213
-	-	2,939,071
-	-	2,433,784
-	-	6,516
-	-	-
-	3,448	7,068,223
-	-	311,614
-	-	4,618,289
-	-	99
80,215	132,487	2,157,746
80,215	132,487	7,087,748
(80,215)	(129,039)	(19,525)
-	-	1,119,157
-	-	(226,812)
-	-	892,345
(80,215)	(129,039)	872,820
338,658	4,119,893	14,817,616
<u>\$ 258,443</u>	<u>\$ 3,990,854</u>	<u>\$ 15,690,436</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, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 775,000	\$ 775,000	\$ 782,302	\$ 7,302
Fines and forfeitures	17,000	17,000	17,029	29
Use of money and property	1,000	1,000	2,700	1,700
Charges for services	9,000	9,000	13,595	4,595
Intergovernmental	-	-	5,000	5,000
Total revenues	802,000	802,000	820,626	18,626
EXPENDITURES				
Current:				
Public services	931,345	943,790	861,361	82,429
Total expenditures	931,345	943,790	861,361	82,429
Net change in fund balance	(129,345)	(141,790)	(40,735)	101,055
Fund balance, beginning of year	783,281	783,281	783,281	-
Fund balance, end of year	\$ 653,936	\$ 641,491	\$ 742,546	\$ 101,055

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Traffic Safety - Special Revenue Fund
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 175,000	\$ 175,000	\$ 142,933	\$ (32,067)
Use of money and property	1,000	1,000	465	(535)
Other revenue	-	-	288	288
Total revenues	<u>176,000</u>	<u>176,000</u>	<u>143,686</u>	<u>(32,314)</u>
EXPENDITURES				
Public safety	<u>230,697</u>	<u>240,842</u>	<u>211,614</u>	<u>29,228</u>
Total expenditures	<u>230,697</u>	<u>240,842</u>	<u>211,614</u>	<u>29,228</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(54,697)</u>	<u>(64,842)</u>	<u>(67,928)</u>	<u>(3,086)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>-</u>	<u>3,792</u>	<u>3,792</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>3,792</u>	<u>3,792</u>
Net change in fund balance	(54,697)	(64,842)	(64,136)	706
Fund balance, beginning of year	<u>658,373</u>	<u>658,373</u>	<u>658,373</u>	<u>-</u>
Fund balance, end of year	<u>\$ 603,676</u>	<u>\$ 593,531</u>	<u>\$ 594,237</u>	<u>\$ 706</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Parks and Public Facilities - Special Revenue Fund
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ 1,000	\$ 1,000	\$ 2,562	\$ 1,562
Charges for services	81,000	81,000	237,166	156,166
Intergovernmental	49,000	49,000	-	(49,000)
Total revenues	131,000	131,000	239,728	108,728
EXPENDITURES				
Public services	41,500	41,000	-	41,000
Capital outlay	27,000	157,176	13,280	143,896
Total expenditures	68,500	198,176	13,280	184,896
Excess (deficiency) of revenues over (under) expenditures	62,500	(67,176)	226,448	293,624
Net change in fund balance	62,500	(67,176)	226,448	293,624
Fund balance, beginning of year	917,238	917,238	917,238	-
Fund balance, end of year	\$ 979,738	\$ 850,062	\$ 1,143,686	\$ 293,624

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Endowment - Special Revenue Fund
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ 61,000	\$ 61,000	\$ 80,930	\$ 19,930
Charges for services	325,000	325,000	1,751,868	1,426,868
Total revenues	<u>386,000</u>	<u>386,000</u>	<u>1,832,798</u>	<u>1,446,798</u>
EXPENDITURES				
Public services	-	25,650	-	25,650
Parks and recreation	17,200	17,200	-	17,200
Capital outlay	401,773	415,666	72,500	343,166
Total expenditures	<u>418,973</u>	<u>458,516</u>	<u>72,500</u>	<u>386,016</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(32,973)</u>	<u>(72,516)</u>	<u>1,760,298</u>	<u>1,832,814</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(22,130)	(22,130)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(22,130)</u>	<u>(22,130)</u>
Net change in fund balance	(32,973)	(72,516)	1,738,168	1,810,684
Fund balance, beginning of year	<u>3,394,808</u>	<u>3,394,808</u>	<u>3,394,808</u>	<u>-</u>
Fund balance, end of year	<u>\$ 3,361,835</u>	<u>\$ 3,322,292</u>	<u>\$ 5,132,976</u>	<u>\$ 1,810,684</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Community Development - Special Revenue Fund
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Licenses and permits	\$ 417,700	\$ 417,700	\$ 367,833	\$ (49,867)
Fines and forfeitures	1,000	1,000	7,922	6,922
Charges for services	495,500	532,001	701,750	169,749
Other revenue	-	-	736	736
Total revenues	914,200	950,701	1,078,241	127,540
EXPENDITURES				
Public services	2,205,233	2,239,473	2,052,730	186,743
Total expenditures	2,205,233	2,239,473	2,052,730	186,743
Excess (deficiency) of revenues over (under) expenditures	(1,291,033)	(1,288,772)	(974,489)	314,283
OTHER FINANCING SOURCES (USES)				
Transfers in	1,289,303	1,289,303	974,589	(314,714)
Total other financing sources (uses)	1,289,303	1,289,303	974,589	(314,714)
Net change in fund balance	(1,730)	531	100	(431)
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ (1,730)</u>	<u>\$ 531</u>	<u>\$ 100</u>	<u>\$ (431)</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, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Licenses and permits	\$ -	\$ -	\$ 150	\$ 150
Use of money and property	-	-	474	474
Intergovernmental	946,000	946,000	915,324	(30,676)
Other revenue	-	-	2,332	2,332
Total revenues	<u>946,000</u>	<u>946,000</u>	<u>918,280</u>	<u>(27,720)</u>
EXPENDITURES				
Public services	731,456	740,011	700,087	39,924
Capital outlay	638,770	875,016	289,844	585,172
Total expenditures	<u>1,370,226</u>	<u>1,615,027</u>	<u>989,931</u>	<u>625,096</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(424,226)</u>	<u>(669,027)</u>	<u>(71,651)</u>	<u>597,376</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	98,202	98,202
Transfers out	(61,446)	(61,446)	(128,251)	(66,805)
Total other financing sources (uses)	<u>(61,446)</u>	<u>(61,446)</u>	<u>(30,049)</u>	<u>31,397</u>
Net change in fund balance	(485,672)	(730,473)	(101,700)	628,773
Fund balance, beginning of year	978,995	978,995	978,995	-
Fund balance, end of year	<u>\$ 493,323</u>	<u>\$ 248,522</u>	<u>\$ 877,295</u>	<u>\$ 628,773</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, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ 1,000	\$ 1,000	\$ 808	\$ (192)
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>808</u>	<u>(192)</u>
EXPENDITURES				
Capital outlay	538,139	539,061	586,500	(47,439)
Total expenditures	<u>538,139</u>	<u>539,061</u>	<u>586,500</u>	<u>(47,439)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(537,139)</u>	<u>(538,061)</u>	<u>(585,692)</u>	<u>(47,631)</u>
Net change in fund balance	(537,139)	(538,061)	(585,692)	(47,631)
Fund balance, beginning of year	<u>585,692</u>	<u>585,692</u>	<u>585,692</u>	<u>-</u>
Fund balance, end of year	<u>\$ 48,553</u>	<u>\$ 47,631</u>	<u>\$ -</u>	<u>\$ (47,631)</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, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ 2,000	\$ 2,000	\$ 2,793	\$ 793
Charges for services	121,000	121,000	168,469	47,469
Total revenues	<u>123,000</u>	<u>123,000</u>	<u>171,262</u>	<u>48,262</u>
EXPENDITURES				
Public services	-	-	944	(944)
Parks and recreation	-	20,000	99	19,901
Total expenditures	<u>-</u>	<u>20,000</u>	<u>1,043</u>	<u>18,957</u>
Net change in fund balance	123,000	103,000	170,219	67,219
Fund balance, beginning of year	<u>1,752,549</u>	<u>1,752,549</u>	<u>1,752,549</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,875,549</u>	<u>\$ 1,855,549</u>	<u>\$ 1,922,768</u>	<u>\$ 67,219</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, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 3,259,665	\$ 3,375,065	\$ 991,813	\$ (2,383,252)
Other revenue	-	-	2,771	2,771
Total revenues	<u>3,259,665</u>	<u>3,375,065</u>	<u>994,584</u>	<u>(2,380,481)</u>
EXPENDITURES				
Public safety	100,000	100,000	100,000	-
Public services	445,514	585,721	418,130	167,591
Capital outlay	3,201,625	3,754,914	792,017	2,962,897
Total expenditures	<u>3,747,139</u>	<u>4,440,635</u>	<u>1,310,147</u>	<u>3,130,488</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(487,474)</u>	<u>(1,065,570)</u>	<u>(315,563)</u>	<u>750,007</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	31,012	31,012
Transfers out	-	-	(76,431)	(76,431)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(45,419)</u>	<u>(45,419)</u>
Net change in fund balance	(487,474)	(1,065,570)	(360,982)	704,588
Fund balance, beginning of year	<u>527,527</u>	<u>527,527</u>	<u>527,527</u>	<u>-</u>
Fund balance, end of year	<u>\$ 40,053</u>	<u>\$ (538,043)</u>	<u>\$ 166,545</u>	<u>\$ 704,588</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, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 904	\$ 904
Charges for services	70,000	70,000	63,589	(6,411)
Intergovernmental	774,561	815,161	501,770	(313,391)
Other revenue	-	-	389	389
Total revenues	844,561	885,161	566,652	(318,509)
EXPENDITURES				
Public services	678,000	709,411	308,298	401,113
Capital outlay	262,618	289,482	271,118	18,364
Total expenditures	940,618	998,893	579,416	419,477
Excess (deficiency) of revenues over (under) expenditures	(96,057)	(113,732)	(12,764)	100,968
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	4,791	4,791
Total other financing sources (uses)	-	-	4,791	4,791
Net change in fund balance	(96,057)	(113,732)	(7,973)	105,759
Fund balance, beginning of year	184,391	184,391	184,391	-
Fund balance, end of year	\$ 88,334	\$ 70,659	\$ 176,418	\$ 105,759

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Solid Waste - Special Revenue Fund
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 285,300	\$ 285,300	\$ 274,470	\$ (10,830)
Use of money and property	1,000	1,000	1,011	11
Charges for services	2,700	2,700	2,634	(66)
Intergovernmental	20,100	20,100	19,877	(223)
Total revenues	309,100	309,100	297,992	(11,108)
EXPENDITURES				
Public services	291,012	294,012	276,739	17,273
Total expenditures	291,012	294,012	276,739	17,273
Excess of revenues over expenditures	18,088	15,088	21,253	6,165
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	6,771	6,771
Total other financing sources (uses)	-	-	6,771	6,771
Net change in fund balance	18,088	15,088	28,024	12,936
Fund balance, beginning of year	987,932	987,932	987,932	-
Fund balance, end of year	<u>\$ 1,006,020</u>	<u>\$ 1,003,020</u>	<u>\$ 1,015,956</u>	<u>\$ 12,936</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Capital Projects - Capital Projects Fund
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 80	\$ 80
Total revenues	-	-	80	80
EXPENDITURES				
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	80	80
OTHER FINANCING SOURCES (USES)				
Transfers in	60,000	60,000	-	(60,000)
Total other financing sources (uses)	60,000	60,000	-	(60,000)
Net change in fund balance	60,000	60,000	80	(59,920)
Fund balance, beginning of year	92,353	92,353	92,353	-
Fund balance, end of year	<u>\$ 152,353</u>	<u>\$ 152,353</u>	<u>\$ 92,433</u>	<u>\$ (59,920)</u>

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, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ 4,000	\$ 4,000	\$ 3,368	\$ (632)
Total revenues	4,000	4,000	3,368	(632)
EXPENDITURES				
Capital outlay	3,604,225	3,508,635	52,272	3,456,363
Total expenditures	3,604,225	3,508,635	52,272	3,456,363
Excess (deficiency) of revenues over (under) expenditures	(3,600,225)	(3,504,635)	(48,904)	3,455,731
Net change in fund balance	(3,600,225)	(3,504,635)	(48,904)	3,455,731
Fund balance, beginning of year	3,686,038	3,686,038	3,686,038	-
Fund balance, end of year	<u>\$ 85,813</u>	<u>\$ 181,403</u>	<u>\$ 3,637,134</u>	<u>\$ 3,455,731</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Equipment Replacement - Capital Projects Fund
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Total revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Capital outlay	37,000	146,969	80,215	66,754
Total expenditures	37,000	146,969	80,215	66,754
Excess (deficiency) of revenues over (under) expenditures	(37,000)	(146,969)	(80,215)	66,754
Net change in fund balance	(37,000)	(146,969)	(80,215)	66,754
Fund balance, beginning of year	338,658	338,658	338,658	-
Fund balance, end of year	\$ 301,658	\$ 191,689	\$ 258,443	\$ 66,754

**City of Moorpark
Statement of Fiduciary Net position
Agency Funds
Year Ended June 30, 2013**

	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013
General Trust				
Assets				
Cash and investments	\$ 3,595,018	\$ 661,584	\$ 360,823	\$ 3,895,779
Cash and investments with fiscal agent	5,485,612	1,339,277	-	6,824,889
Accounts receivable	27,780	-	11,105	16,675
Total assets	\$ 9,108,410	\$ 2,000,861	\$ 371,928	\$ 10,737,343
Liabilities				
Accounts payable	\$ 61,473	\$ 20,676	\$ -	\$ 82,149
Deposits payable	3,536,011	20,153,997	19,886,412	3,803,596
Due to bondholders	5,510,926	1,372,132	31,460	6,851,598
Total liabilities	\$ 9,108,410	\$ 21,546,805	\$ 19,917,872	\$ 10,737,343

STATISTICAL SECTION

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Statistical Section

This part of the City of Moorpark comprehensive annual financial report presents detailed information regarding five categories: financial trends, revenue capacity, demographic and economic information, and operating information. These schedules are presented as a context for understanding the City's overall financial health.

Statistical Section Categories

Financial Trends Data

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

Revenue Capacity Data

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

Debt Capacity Data

These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and its ability to issue additional debt in the future.

Demographic and Economic Information

These schedules contain demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

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

**CITY OF MOORPARK
Net Position by Component
Last Ten Fiscal Years
(Accrual basis of accounting)**

	Fiscal Year				
	2004	2005	2006	2007	2008
Governmental activities:					
Net investment in capital assets	\$ 93,941,392	\$ 99,760,671	\$ 108,190,324	\$ 125,900,770	\$ 130,071,108
Restricted	41,506,906	46,405,391	57,986,366	100,649,409	101,613,368
Unrestricted	<u>31,861,714</u>	<u>26,413,978</u>	<u>26,965,428</u>	<u>6,458,224</u>	<u>3,641,173</u>
Total governmental activities net position	<u>\$ 167,310,012</u>	<u>\$ 172,580,040</u>	<u>\$ 193,142,118</u>	<u>\$ 233,008,403</u>	<u>\$ 235,325,649</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
Net Position by Component
Last Ten Fiscal Years
(Accrual basis of accounting)**

	Fiscal Year				
	2009	2010	2011	2012	2013
Governmental activities:					
Net investment in capital assets	\$ 130,581,499	\$ 141,095,551	\$ 145,841,042	\$ 262,318,305	\$ 262,271,564
Restricted	94,878,693	91,504,803	72,654,599	87,274,979	82,125,331
Unrestricted	<u>14,213,503</u>	<u>15,828,208</u>	<u>13,402,969</u>	<u>7,245,370</u>	<u>10,042,168</u>
Total governmental activities net position	<u>\$ 239,673,695</u>	<u>\$ 248,428,562</u>	<u>\$ 231,898,610</u>	<u>\$ 356,838,654</u>	<u>\$ 354,439,063</u>

CITY OF MOORPARK
Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year				
	2004	2005	2006	2007	2008
Expenditures:					
General government	\$ 2,351,860	\$ 3,030,395	\$ 3,044,381	\$ 1,639,628	\$ 1,949,206
Public safety	4,902,148	5,709,323	6,230,057	6,317,283	6,882,072
Public services	10,957,272	9,844,050	13,106,843	21,231,766	20,580,204
Parks and recreation	2,600,523	2,304,852	2,771,270	4,293,823	4,551,045
Interest on long-term debt	1,097,421	978,843	1,333,370	1,332,541	1,773,841
Total governmental activities expenses	<u>21,909,224</u>	<u>21,867,463</u>	<u>26,485,921</u>	<u>34,815,041</u>	<u>35,736,368</u>
Program revenues:					
Charges for services:					
General government	1,407,130	2,010,540	2,201,590	191,674	283,576
Public safety	369,795	344,019	340,341	598,500	633,131
Public services	4,181,363	2,776,976	4,163,781	6,612,769	5,743,200
Parks and recreation	536,238	501,283	536,166	604,904	756,885
Total charges for services	<u>6,494,526</u>	<u>5,632,818</u>	<u>7,241,878</u>	<u>8,007,847</u>	<u>7,416,792</u>
Operating contributions and grants	4,077,849	2,313,834	3,237,143	4,489,945	7,113,883
Capital contributions and grants	4,731,311	4,633,166	18,027,831	38,337,638	5,481,792
Total governmental activities program revenues	15,303,686	12,579,818	28,506,852	50,835,430	20,012,467
Net program revenues (expenses)	<u>(6,605,538)</u>	<u>(9,287,645)</u>	<u>2,020,931</u>	<u>16,020,389</u>	<u>(15,723,901)</u>
General revenues and other changes in net assets:					
Taxes:					
Property tax	2,658,230	2,655,093	2,929,842	3,334,491	4,505,980
Property tax, Redevelopment Agency	4,116,542	3,901,779	5,530,198	6,347,692	6,887,079
Franchise tax	919,290	955,829	1,080,893	1,126,951	1,150,180
Sales tax	2,176,893	2,046,368	2,260,786	2,192,327	2,306,281
Sales tax in lieu	-	537,485	608,298	704,562	779,263
Motor vehicle in lieu	1,570,551	2,836,154	2,734,470	2,860,207	3,038,440
Investment income	1,363,344	1,725,579	3,261,384	6,556,186	2,491,856
Other	177,380	1,160,805	135,276	58,841	139,728
Gain on sale of property	-	48,339	-	276,797	-
Special item (1)	(900,000)	-	-	-	-
County settlement	-	-	-	-	-
Extraordinary item - Gain on Dissolution of RDA	-	-	-	-	-
Total governmental activities	<u>12,082,230</u>	<u>15,867,431</u>	<u>18,541,147</u>	<u>23,458,054</u>	<u>21,298,807</u>
Changes in net position - governmental activities	<u>\$ 5,476,692</u>	<u>\$ 6,579,786</u>	<u>\$ 20,562,078</u>	<u>\$ 39,478,443</u>	<u>\$ 5,574,906</u>

The City of Moorpark has elected to report retroactively back to the year the City

(1) Mission Bell note

CITY OF MOORPARK
Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
Expenditures:					
General government	\$ 2,041,596	\$ 1,603,279	\$ 3,201,184	\$ 2,207,826	\$ 4,149,965
Public safety	7,035,384	7,016,015	7,070,049	6,158,455	6,550,936
Public services	18,170,325	13,589,878	31,775,462	11,134,822	9,948,865
Parks and recreation	4,470,524	4,934,002	4,658,717	5,704,208	5,755,528
Interest on long-term debt	1,616,843	1,504,502	1,492,604	354,412	-
Total governmental activities expenses	<u>33,334,672</u>	<u>28,647,676</u>	<u>48,198,016</u>	<u>25,559,723</u>	<u>26,405,294</u>
Program revenues:					
Charges for services:					
General government	232,926	258,431	293,008	407,883	587,915
Public safety	538,636	477,305	492,847	445,642	809,257
Public services	3,172,708	2,769,641	2,473,770	1,988,453	4,154,598
Parks and recreation	644,979	643,593	697,787	858,333	973,761
Total charges for services	<u>4,589,249</u>	<u>4,148,970</u>	<u>3,957,412</u>	<u>3,700,311</u>	<u>6,525,531</u>
Operating contributions and grants	<u>6,172,315</u>	<u>4,128,842</u>	<u>5,999,168</u>	<u>3,702,582</u>	<u>3,533,608</u>
Capital contributions and grants	<u>3,326,778</u>	<u>1,970,931</u>	<u>1,703,076</u>	<u>2,770,701</u>	<u>1,879,634</u>
Total governmental activities program revenues	<u>14,088,342</u>	<u>10,248,743</u>	<u>11,659,656</u>	<u>10,173,594</u>	<u>11,938,773</u>
Net program revenues (expenses)	<u>(19,246,330)</u>	<u>(18,398,933)</u>	<u>(36,538,360)</u>	<u>(15,386,129)</u>	<u>(14,466,521)</u>
General revenues and other changes in net assets:					
Taxes:					
Property tax	7,802,643	7,449,063	7,287,282	6,943,275	6,776,729
Property tax, Redevelopment Agency	7,054,432	6,864,777	6,755,960	3,389,064	-
Franchise tax	1,171,556	1,171,825	1,207,778	1,231,741	1,222,956
Sales tax	2,329,522	2,382,010	2,577,105	2,622,419	2,730,871
Sales tax in lieu	849,227	588,635	940,791	857,217	875,160
Motor vehicle in lieu	125,307	109,136	170,592	18,590	19,262
Investment income	2,875,649	853,074	856,413	1,206,622	142,222
Other	386,040	283,372	212,487	245,235	299,730
Gain on sale of property	-	-	-	-	-
Special item (1)	-	-	-	-	-
County settlement	1,000,000	-	-	-	-
Extraordinary item - Gain on Dissolution of RDA	-	-	-	356,845	-
Total governmental activities	<u>22,594,376</u>	<u>19,701,892</u>	<u>20,008,408</u>	<u>16,871,008</u>	<u>12,066,930</u>
Changes in net position - governmental activities	<u>\$ 3,348,046</u>	<u>\$ 1,302,959</u>	<u>\$ (16,529,952)</u>	<u>\$ 1,484,879</u>	<u>\$ (2,399,591)</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 Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year				
	2004	2005	2006	2007	2008
General fund:					
Reserved	\$ -	\$ 5,772,444	\$ 2,943,353	\$ -	\$ 95,397.00
Unreserved	14,756,222	12,527,255	18,301,058	24,405,620	3,625,348
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total general fund	\$ 14,756,222	\$ 18,299,699	\$ 21,244,411	\$ 24,405,620	\$ 3,720,745
All other governmental funds:					
Reserved	\$ 4,099,849	\$ 13,889,036	\$ 14,124,235	\$ 41,864,116	\$ 35,103,620
Unreserved, reported in:					
Special revenue funds	29,994,471	26,977,320	36,903,391	41,486,631	42,761,089
Capital projects funds	8,950,250	3,361,134	1,293,998	16,807,370	39,098,065
Debt Service funds	(891,297)	(346,716)	(321,425)	83,243	(1,025,927)
Non-major funds	10,651,331	8,272,652	9,724,941	8,693,969	13,384,413
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	\$ 52,804,604	\$ 52,153,426	\$ 61,725,140	\$ 108,935,329	\$ 129,321,260

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
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
General fund:					
Reserved	\$ 373,209	\$ 337,286	\$ -	\$ -	\$ -
Unreserved	2,832,620	2,662,713	-	-	-
Nonspendable	-	-	220,976	1,275,022	635,176
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	2,779,024	2,999,000	3,000,000
Total general fund	\$ 3,205,829	\$ 2,999,999	\$ 3,000,000	\$ 4,274,022	\$ 3,635,176
All other governmental funds:					
Reserved	\$ 33,719,016	\$ 38,208,807	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	37,278,628	32,207,690	-	-	-
Capital projects funds	35,699,829	33,735,939	-	-	-
Debt Service funds	261,336	294,202	-	-	-
Non-major funds	25,043,397	25,335,288	-	-	-
Fund Balances:					
Nonspendable	-	-	14,862,594	3,055,064	10,478,901
Restricted	-	-	66,565,551	55,945,095	44,067,428
Committed	-	-	795,208	783,281	742,546
Assigned	-	-	28,849,138	30,892,276	33,084,456
Unassigned	-	-	(2,124,660)	(2,047,164)	(2,026,212)
Total all other governmental funds	\$ 132,002,206	\$ 129,781,926	\$ 108,947,831	\$ 88,628,552	\$ 86,347,119

The City of Moorpark has elected to report retroactively back to the year the City

CITY OF MOORPARK
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year				
	2004	2005	2006	2007	2008
Revenues:					
Taxes	\$ 9,870,955	\$ 9,139,722	\$ 12,231,076	\$ 13,706,024	\$ 15,392,269
Licenses and permits	63,146	54,180	72,365	65,630	72,951
Fines and forfeitures	306,871	344,019	340,341	343,579	358,665
Uses of money and property	1,363,006	1,924,579	3,261,384	7,085,104	5,684,111
Charges for services	2,001,561	2,558,974	2,665,391	338,929	677,277
Intergovernmental	4,298,009	5,150,992	6,302,193	6,163,985	7,549,040
Maintenance assessments	2,639,628	1,963,190	1,845,742	1,922,471	4,205,700
Franchise fees	257,127	1,231,763	283,162	292,003	301,514
Building and safety fees	595,138	431,959	1,110,715	716,552	530,761
Planning and public work fees	2,614,959	1,967,751	3,053,066	1,649,002	1,938,143
Development fees	4,097,977	2,669,976	15,568,347	6,403,851	4,501,837
Contributions from prop. owners	-	-	-	34,066,993	-
Other	281,506	2,832,962	397,574	2,030,211	433,378
Total revenues	<u>28,389,883</u>	<u>30,270,067</u>	<u>47,131,356</u>	<u>74,784,334</u>	<u>41,645,646</u>
Expenditures:					
Current:					
General government	2,259,017	2,893,359	2,919,564	1,471,354	1,835,801
Public safety	4,882,547	5,690,820	6,211,461	6,083,917	6,637,757
Public services	8,401,453	8,098,147	11,215,406	9,608,754	12,505,613
Parks and recreation	2,381,698	2,081,723	2,544,206	4,039,888	4,291,867
Capital outlay	8,775,159	7,810,879	10,038,439	19,477,866	14,682,017
Debt service:					
Principal	395,000	405,000	435,910	440,000	455,000
Interest	1,100,996	1,158,585	1,251,354	1,400,985	1,631,932
Bond issuance costs	-	-	-	505,588	-
Total expenditures	<u>28,195,870</u>	<u>28,138,513</u>	<u>34,616,340</u>	<u>43,028,352</u>	<u>42,039,987</u>
Excess of revenues over expenditures	<u>194,013</u>	<u>2,131,554</u>	<u>12,515,016</u>	<u>31,755,982</u>	<u>(394,341)</u>
Other financing sources (uses):					
Gain from sale of property	-	48,339	1,410	276,797	-
Bond Proceeds	-	-	-	11,695,000	-
Discount on Bonds	-	-	-	(325,401)	-
County settlements	-	-	-	-	-
Transfers in	3,588,717	2,027,315	3,352,002	9,457,260	27,626,755
Transfers out	(3,588,717)	(2,027,315)	(3,352,002)	(9,457,260)	(27,626,755)
Total other financing sources (uses)	<u>-</u>	<u>48,339</u>	<u>1,410</u>	<u>11,646,396</u>	<u>-</u>
Extraordinary Item	-	-	-	-	-
Net change in fund balances	<u>\$ 194,013</u>	<u>\$ 2,179,893</u>	<u>\$ 12,516,426</u>	<u>\$ 43,402,378</u>	<u>\$ (394,341)</u>
Debt service as a percentage of noncapital expenditures					
	8.3%	8.3%	7.4%	8.7%	8.3%

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 Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
Revenues:					
Taxes	\$ 19,716,636	\$ 18,730,771	\$ 19,042,900	\$ 16,147,175	\$ 12,662,488
Licenses and permits	645,010	598,370	587,186	561,530	498,102
Fines and forfeitures	484,930	436,377	441,543	446,426	420,555
Uses of money and property	3,114,881	1,547,229	1,537,255	1,381,412	482,129
Charges for services	3,813,159	3,284,275	2,579,593	3,559,454	5,170,238
Intergovernmental	3,948,059	2,629,132	4,786,235	1,627,462	2,503,734
Maintenance assessments	3,491,975	1,950,431	2,112,992	2,114,957	1,893,699
Franchise fees	-	-	-	-	-
Building and safety fees	-	-	-	-	-
Planning and public work fees	-	-	-	-	-
Development fees	-	-	-	-	-
Contributions from prop. owners	-	-	-	-	-
Other	398,539	587,832	833,082	1,345,246	167,784
Total revenues	35,613,189	29,764,417	31,920,786	27,183,662	23,798,729
Expenditures					
Current:					
General government	1,926,283	1,497,916	2,289,299	890,396	2,125,004
Public safety	6,814,425	6,769,484	6,839,355	6,467,065	6,306,906
Public services	11,259,297	12,343,896	12,876,132	8,321,267	7,391,632
Parks and recreation	4,182,091	4,453,400	4,074,490	5,038,957	5,086,773
Capital outlay	8,100,604	5,548,179	24,506,524	4,679,053	5,144,756
Debt service:					
Principal	475,000	495,000	1,874,064	590,122	-
Interest	1,594,062	1,482,799	1,471,516	688,825	-
Bond issuance costs	-	-	-	-	-
Total expenditures	34,351,762	32,590,674	53,931,380	26,675,685	26,055,071
Excess of revenues over expenditures	1,261,427	(2,826,257)	(22,010,594)	507,977	(2,256,342)
Other financing sources (uses):					
Gain from sale of property	-	-	-	-	-
Bond Proceeds	-	-	-	-	-
Discount on Bonds	-	-	-	-	-
County settlements	1,000,000	-	-	-	-
Transfers in	17,062,650	9,378,101	3,820,738	4,739,189	3,262,665
Transfers out	(17,062,650)	(9,378,101)	(2,644,238)	(4,739,189)	(3,262,665)
Total other financing sources (uses)	1,000,000	-	1,176,500	-	-
Extraordinary Item	-	-	-	(19,553,234)	-
Net change in fund balances	\$ 2,261,427	\$ (2,826,257)	\$ (20,834,094)	\$ (19,045,257)	\$ (2,256,342)
Debt service as a percentage of noncapital expenditures					
	8.6%	7.9%	12.8%	6.2%	0.0%

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

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

Fiscal Year Ended June 30	City			Taxable Assessed Value	Redevelopment Agency			Taxable Assessed Value	Total Direct Tax Rate
	Secured	Unsecured	Less: Exemptions		Secured	Unsecured	Less: Exemptions		
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%
2011	4,659,133,835	153,090,627	46,689,455	4,858,913,917	813,947,565	110,905,079	4,436,801	929,289,445	1.053%
2012	4,662,536,870	118,452,976	46,220,250	4,827,210,096	829,750,375	76,258,253	4,422,902	910,431,530	1.061%
2013	4,596,277,650	115,888,876	45,786,243	4,757,952,769	867,853,781	70,454,127	4,491,843	942,799,751	1.068%

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
City Direct Rates:										
City basic rate	1.05820	1.05020	1.05480	1.06163	1.04955	1.04950	1.05020	1.05300	1.06125	1.06750
Redevelopment agency	-	-	-	-	-	-	-	-	-	-
Total City Direct Rate	1.058	1.050	1.055	1.062	1.050	1.050	1.050	1.053	1.061	1.068
Overlapping Rates:										
Ventura County Flood Cont.	n/a									
Metropolitan Water District	0.233	0.232	0.235	0.233	0.234	0.230	0.230	0.233	0.232	0.224
Ventura Community College	4.311	4.269	4.331	4.296	4.361	4.371	4.402	4.383	4.373	4.506
Ventura County Waterworks	n/a									
Conejo Valley Unified School District	0.024	0.022	0.020	0.019	0.018	0.018	0.019	0.019	0.018	0.017
Moorpark Unified School District	91.959	92.121	92.442	92.313	92.417	92.240	91.924	91.820	92.126	93.008
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	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. 2004-1	n/a	n/a	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>									
Total Direct Rate	<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>	<u>97.508</u>	<u>97.810</u>	<u>98.823</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.
- 3) The Total Direct Rate is comprised of its five components listed above, the Metropolitan Water District, Ventura Community College, Ventura County Waterworks, Conejo Valley Unified School District, and the Moorpark Unified School District.

Source: California Municipal Statistics

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

Taxpayer	2013		2003	
	Taxable Assessed Value *	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
DBRE Moorpark, LLC	\$ 70,625,120	1.48%	\$ -	0.00%
Waterstone Properties Moorpark, LLC	68,611,932	1.44%	-	0.00%
Moorpark Center, LLC	50,586,490	1.06%	-	0.00%
Toll Land XIX, LLC	33,067,956	0.70%	35,651,094	1.11%
Village at Moorpark, LLC	29,904,965	0.63%	-	0.00%
Mission Bell West, LP	23,666,814	0.50%	-	0.00%
Tuscany Square Partners, LLC	23,081,188	0.49%	-	0.00%
EB West Properties, Inc.	22,000,000	0.46%	-	0.00%
G-S Partnership	21,976,694	0.46%	18,635,928	0.58%
James Birkenshaw, Et. Al. Lessor	20,334,538	0.43%	16,176,381	0.50%
	<u>\$ 363,855,697</u>	<u>7.65%</u>	<u>\$ 70,463,403</u>	<u>2.18%</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 2012-2013 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
2004	\$ 2,208,605	\$1,902,007	86.1%	\$ 84,452	\$1,986,459	89.9%
2005	2,391,927	1,796,670	75.1%	87,669	1,884,339	78.8%
2006	2,705,083	1,994,418	73.7%	93,157	2,087,575	77.2%
2007	3,010,493	2,432,164	80.8%	124,057	2,556,221	84.9%
2008	4,072,510	3,376,883	82.9%	145,134	3,522,017	86.5%
2009	3,763,078	3,393,933	90.2%	208,491	3,602,423	95.7%
2010	3,682,559	2,789,672	75.8%	262,057	3,051,730	82.9%
2011	3,663,098	3,388,402	92.5%	184,044	3,572,446	97.5%
2012	3,638,780	3,394,794	93.3%	162,584	3,557,378	97.8%
2013	3,724,968	3,533,421	94.9%	158,049	3,691,470	99.1%

NOTE:

The amounts presented includes City property taxes only.
It does not include redevelopment tax increment.

Source: Ventura County Auditor Controller's Office Levy Letter

Note: In FY 2007/08 \$785,653 in adjustments (including the Library) were added to the Levy Letter

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			
2004	\$ -	\$ 19,705,000	\$ 19,705,000	\$19,705,000	1%	564
2005	-	19,300,000	19,300,000	19,300,000	1%	537
2006	-	18,880,000	18,880,000	18,880,000	1%	527
2007	-	30,135,000	30,135,000	30,135,000	1%	826
2008	-	29,680,000	29,680,000	29,680,000	1%	803
2009	-	29,185,000	29,185,000	29,185,000	1%	787
2010	-	28,710,000	28,710,000	28,710,000	1%	764
2011	-	28,155,000	28,155,000	28,155,000	1%	811
2012	-	-	-	-	0%	-
2013	-	-	-	-	0%	-

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.

Tax Allocation Bonds are the debt of the Successor Agency and not a part of the City. Please read NOTE 14, pages 59-62.

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 ²	Per Capita
	General Obligation Bonds	Tax Allocation Bonds ¹	Total		
2004	\$ -	\$ 19,705,000	\$ 19,705,000	0.5%	564
2005	-	19,300,000	19,300,000	0.5%	537
2006	-	18,880,000	18,880,000	0.4%	527
2007	-	30,135,000	30,135,000	0.6%	826
2008	-	29,680,000	29,680,000	0.5%	803
2009	-	29,185,000	29,185,000	0.5%	787
2010	-	28,710,000	28,710,000	0.5%	764
2011	-	28,155,000	28,155,000	0.5%	811
2012	-	-	-	0.0%	-
2013	-	-	-	0.0%	-

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 Tax Allocation Bonds are the debt of the Successor Agency and not a part of the City. Please read NOTE 14, pages 59-62.

2 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**

City Assessed Valuation 2012-13	\$ 4,712,166,526
Redevelopment Agency Incremental Valuation	<u>674,152,546</u>
Adjusted Assessed Valuation	<u>\$ 4,038,013,980</u>

	Percentage Applicable	Debt as of 6/30/2013	Estimated Share of Overlapping Debt
Direct and Overlapping Tax and Assessment Debt:			
Metropolitan Water District	0.224 %	\$ 165,085,000	\$ 369,790
Ventura Community College District	4.506 %	308,659,326	13,908,189
Conejo Valley Unified School District	0.017 %	36,186,104	6,152
Moorpark Unified School District	93.008 %	57,579,983	53,553,991
City of Moorpark Community Facilities District No. 97-1	100.000 %	5,535,000	5,535,000
City of Moorpark Community Facilities District No. 2004-1	100.000 %	22,360,000	22,360,000
City of Moorpark 1915 Act Bonds	100.000 %	<u>995,000</u>	<u>995,000</u>
Total Direct and Overlapping Tax & Assessment Debt		<u>596,400,413</u>	<u>96,728,122</u>
Overlapping General Fund Obligation Debt:			
Ventura County General Fund Obligations	4.505 %	\$ 388,450,000	\$ 17,499,673
Ventura County Superintendent of Schools COPs	4.505 %	11,510,000	\$ 518,526
Moorpark Unified School District COPs	93.008 %	<u>6,615,000</u>	<u>\$ 6,152,479</u>
Total Overlapping General Fund Obligation Debt		<u>406,575,000</u>	<u>24,170,678</u>
Overlapping Tax Increment Debt (Successor Agency):	100.000 %	<u>26,970,000</u>	<u>26,970,000</u>
Combined Total Debt*		<u>\$ 1,029,945,413</u>	<u>147,868,800</u>
Total direct and overlapping debt			<u>\$ 147,868,800</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 obligation.

Source: California Municipal Statistics, Inc. The overlapping district's assessed valuation located within the City is divided by the total assessed valuation of the overlapping district. That percentage is multiplied by the total debt outstanding for the overlapping district resulting in the City's share of debt.

**CITY OF MOORPARK
Legal Debt Margin Information
Last Ten Fiscal Years**

	2004	2005	2006	2007	2008
Assessed valuation	\$2,823,727,286	\$3,231,418,940	\$3,721,591,791	\$4,157,360,033	\$4,558,597,806
Conversion percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted assessed valuation	705,931,822	807,854,735	930,397,948	1,039,340,008	1,139,649,452
Debt limit percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt limit	105,889,773	121,178,210	139,559,692	155,901,001	170,947,418
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-
Legal debt margin	<u>\$ 105,889,773</u>	<u>\$ 121,178,210</u>	<u>\$ 139,559,692</u>	<u>\$ 155,901,001</u>	<u>\$ 170,947,418</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
Legal Debt Margin Information
Last Ten Fiscal Years**

	2009	2010	2011	2012	2013
Assessed valuation	\$4,700,305,496	\$4,619,910,655	\$4,659,133,835	\$4,662,536,870	\$4,596,277,650
Conversion percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted assessed valuation	1,175,076,374	1,154,977,664	1,164,783,459	1,165,634,218	1,149,069,413
Debt limit percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt limit	176,261,456	173,246,650	174,717,519	174,845,133	172,360,412
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-
Legal debt margin	<u>\$ 176,261,456</u>	<u>\$ 173,246,650</u>	<u>\$ 174,717,519</u>	<u>\$ 174,845,133</u>	<u>\$ 172,360,412</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				Coverage %
	Tax Increment	Debt Service			
		Principal	Interest		
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	
2011	6,716,136	555,000	1,350,874	3.52	
2012	-	-	-	N/A	
2013	-	-	-	N/A	

The Moorpark Redevelopment Agency issued \$9,860,000 of tax allocation bonds in 1999, \$11,625,000 in 2001, and \$11,695,000 in 2006.

Tax Allocation Bonds are the debt of the Successor Agency and not a part of the City. Please refer to Note 14 to the Financial Statements, pages 59-62.

**CITY OF MOORPARK
Demographic and Economic Statistics
Last Ten Calendar Years**

Calendar Year	Population	Household Income (in thousands)	Median Household Income	Unemployment Rate
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%
2011	34,710	3,385,509	97,537	10.0%
2012	34,826	3,150,987	90,478	8.7%
2013	34,904	3,494,030	100,104	6.4%

Sources: California State Department of Finance

**CITY OF MOORPARK
Principal Employers
Current and Ten Calendar Years Ago**

Employer	2013	
	Number of Employees	Percent of Total Employment
Moorpark Unified School District	1,147	6.60%
PennyMac	600	3.45%
Moorpark College	592	3.41%
Pentair Water Pool and Spa	530	3.05%
Kavlico	375	2.16%
Benchmark Electronics	275	1.58%
Target	191	1.10%
AJ Machining	132	0.76%
Ensign-Bickford Aerospace	124	0.71%
Test Equity	121	0.70%

The City does not present 2003 information because data for that year was not available.

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

**CITY OF MOORPARK
Operating Indicators
by Function
Last Ten Fiscal Years**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police: (A)										
Arrests	1,520	1,388	1,653	1,890	1,732	1,412	2,207	1,266	1,158	1,120
Parking citations issued	4,285	3,706	2,890	4,160	2,860	3,254	4,969	4,887	5,704	5,129
Fire: (B)										
Number of "prime" emergency calls	1,415	1,308	1,329	1,351	1,362	1,100	1,945	1,707	2,174	-
Business Inspections*	125	125	125	123	130	143	115	196	196	-
Public works: (C)										
Street resurfacing (miles)	-	0.1	-	30.0	3.8	-	5.0	2.0	-	4.5
Parks and recreation: (D)										
Number of recreation classes	290	364	338	479	378	265	419	325	308	300
Number of facility rentals	307	491	338	180	210	186	230	277	118	226

Prime calls and business inspections are for County of Ventura, Fire Department Station #42

Source: City of Moorpark

(A) Provided by Moorpark Police Department.

(B) Ventura County Fire Department.

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

(D) Arroyo Vista Recreation Department: Active Adult Center.

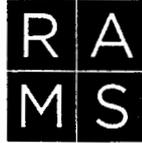
**CITY OF MOORPARK
Capital Asset Statistics
by Function
Last Ten Fiscal Years**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police:											
Stations	1	1	1	1	1	1	1	1	1	1	1
Fire:											
Fire stations	2	2	2	2	2	2	2	2	2	2	2
Public works:											
Streets (miles)	75	75	75	75	75	78	79	79	79	79	79
Streetlights	2,269	2,299	2,325	2,347	2,497	2,510	2,518	2,518	2,620	2,620	2,620
Traffic signals	16	17	17	17	17	20	20	20	21	21	21
Parks and recreation:											
Parks	15	15	15	16	16	16	17	18	18	18	18
Community centers	2	2	2	2	2	2	2	2	2	2	2

Of the streetlights, 2,612 are owned by Edison and 8 are owned by the City

Source: City of Moorpark

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CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

ATTACHMENT 2

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscpa.net

PARTNERS

Brenda L. Odle, CPA, MST
Terry P. Shea, CPA
Kirk A. Franks, CPA
Matthew B. Wilson, CPA, MSA, CGMA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Jay H. Zercher, CPA (Partner Emeritus)
Phillip H. Waller, CPA (Partner Emeritus)

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To the Honorable Mayor and City Council
City of Moorpark
Moorpark, California

INDEPENDENT AUDITOR'S 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, in accordance with the 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, 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, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 20, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

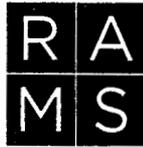
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rogers Anderson Malody & Scott, LLP

San Bernardino, California
December 20, 2013



735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscpa.net

To the Honorable City Council
City of Moorpark, California

PARTNERS

Brenda L. Odle, CPA, MST
Terry P. Shea, CPA
Kirk A. Franks, CPA
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**INDEPENDENT ACCOUNTANT'S REPORT ON AGREED-UPON
PROCEDURES APPLIED TO APPROPRIATIONS LIMIT WORKSHEETS**

We have performed the procedures enumerated below to the accompanying Appropriations Limit worksheet of the City of Moorpark, California (City), for the year ended June 30, 2013. These procedures, which were agreed to by the City 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'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.

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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 appropriation 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 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.

Rogers Anderson Maloney & Scott, LLP

December 20, 2013

**CITY OF MOORPARK
 APPROPRIATIONS LIMIT COMPUTATION
 2012 - 2013**

	<u>2012 - 2013</u>
Per Capita Personal Income Change	3.77%
Population Change	
City Population Growth	0.61%
CPI Change Converted to a Ratio	1.0377
Population Change Converted to a Ratio	1.0061
Calculation of Growth Factor	1.0440
2011 - 2012 Limit	\$ 26,792,899
2012 - 2013 Appropriations Limit	\$ 27,972,590



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FINANCE DEPT.

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscca.net

PARTNERS

Brenda L. Odle, CPA, MST
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To the Honorable City Council
City of Moorpark

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City of Moorpark (the City) for the year ended June 30, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted 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 April 23, 2013. 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 2013. We noted no transactions entered into by the governmental unit 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 City's financial statements were:

Management's estimate of the liability for pensions and other post employment benefits is based on actuarial reports provided by an independent actuarial. We evaluated the key factors and assumptions used to develop the estimate for pension and other post employment benefits in determining that it is reasonable in relation to the financial statements taken as a whole.

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Management's estimate of the depreciation expense is based on the allocation of capital assets costs over the estimated useful life of depreciable capital assets. The actual life of any single asset may vary significantly based on a variety of unknown factors, such as defects in the quality of manufacturing or materials used in the asset. Assets may last longer or shorter than anticipated resulting in disproportionate allocation of expense to various accounting periods. We evaluated the useful lives employed by the City to determine if the lives utilized appeared reasonable based on the asset classes in service in determining that it is reasonable in relation to the financial statements taken as a whole.

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

The disclosure of pension and other post employment benefits in the Notes to the financial statements is based on actuarial assumptions and estimates. The City is part of a cost-sharing risk pool for retirement benefits and actual future liabilities will vary from disclosed estimates.

The financial statement disclosures are neutral, consistent, and clear.

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 clearly 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 each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is 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 20, 2013.

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 governmental unit'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 governmental unit'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 Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

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

Very truly yours,

A handwritten signature in cursive script that reads "Rogers Anderson Maloney & Scott, LLP". The signature is written in black ink and is positioned above the typed name of the firm.

San Bernardino, California
December 20, 2013