

ITEM 9.D.

MOORPARK CITY COUNCIL AGENDA REPORT

TO: The Honorable City Council

FROM: Ron Ahlers, Finance Director 

DATE: January 27, 2015 (CC Meeting of February 4, 2015)

SUBJECT: Consider Annual Financial Statements and Other Audit Reports for Fiscal Year Ended June 30, 2014

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, Independent Auditor's memo regarding significant audit findings, Housing Successor Fund Audited Financial Statements and the Housing Successor Fund Addendum to the Annual Progress Report of the City of Moorpark for June 30, 2014 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, 2014, 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, 2013. 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, 2014 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, 2014 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, 2014 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 15) 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). An increase in net position of \$6.9 million was reported for the fiscal year ended June 30, 2014 (pages 16 and 66).

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 27-28. 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 29-66.

The Required Supplementary Information begins at page 67 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://www.MoorparkCA.gov>

General Fund Financial Status

For fiscal year ended June 30, 2014, 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 \$412,098 for this past year. Per Council policy the City transferred \$412,098 from the General Fund to the Special Projects Fund at June 30, 2014. The reasons for the surplus are revenues were greater than estimated while expenses were below appropriations.

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 Position 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 27-28 with explanatory notes on pages 62-65 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, 2014.

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, 2014.

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, 2014.

Housing Successor Fund Audited Financial Statements

This is a new report this fiscal year. Senate Bill 341 (SB 341) requires audited Financial Statements for the Housing Successor Fund to be filed with the State of California.

Housing Successor Fund Addendum to the Annual Progress Report

This is a new report this fiscal year. SB 341 requires this addendum report to be filed

with the State of California.

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, Independent Auditor's memo regarding significant audit findings, Housing Successor Fund Audited Financial Statements, Housing Successor Fund Addendum to the Annual Progress Report and receive and file this report.

Attachments:

1. City of Moorpark CAFR for Fiscal Year Ending June 30, 2014
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
5. Housing Successor Fund Audited Financial Statements
6. Housing Successor Fund Addendum to the Annual Progress Report

CITY OF MOORPARK, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended June 30, 2014

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

**City of Moorpark
Comprehensive Annual Financial Report
Year Ended June 30, 2014
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INTRODUCTORY SECTION



City of Moorpark

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

January 21, 2015

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, 2014. 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 Position that provides the total net position (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 Position 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 2013/14.

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.

JANICE S. PARVIN	KEITH F. MILLHOUSE	ROSEANN MIKOS	DAVID POLLOCK	MARK VAN DAM
Mayor	Councilmember	Councilmember	Councilmember	Councilmember

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).

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 to the REDEVELOPMENT AGENCY of the CITY of MOORPARK

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 x1 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. 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, 2014. 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 2013/2014 amounted to \$29,619,442 and \$14,821,366 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, 2014, approximately \$33 million was invested with the Ventura County Pool; \$57 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 Position. 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, 2014 have a net ending balance of \$260 million.

LONG-TERM LIABILITIES/BONDED INDEBTEDNESS

At June 30, 2014, the City has no outstanding bonds or other debt but does have long-term liabilities in the approximate amount of \$651,829 for employee compensated absences (accrued leave).

The City provides retirement benefits (pension) by contributing to the California Public Employees Retirement System (CalPERS). The City pays 100% of the Annual Required Contributions (ARC), as calculated by CalPERS. However, the retirement plan is not fully funded and the City is considering fully funding this plan in the near future.

The City participates in the California Employers' Retiree Benefit Trust (CERBT) administered by CalPERS to provide post-employment medical insurance to City retirees. The City accounts for this liability, per GASB 45, Other Post-Employment Benefits (OPEB). The most recent actuarial valuation was performed on June 30, 2013, and shows the OPEB liability is over 100% funded. The City has a "Net OPEB Asset" of \$134,000 on the Statement of Net Position. Please read note 8 in the CAFR.

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 \$3.3 million, \$11.5 million and \$11.5 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, 2013. 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.

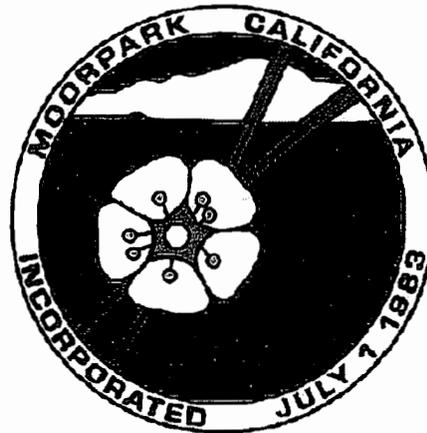
Respectfully submitted,



STEVEN KUENY
CITY MANAGER



RON AHLERS
FINANCE DIRECTOR



**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2014**

DIRECTORY OF CITY OFFICIALS

CITY COUNCIL

Janice S. Parvin, Mayor

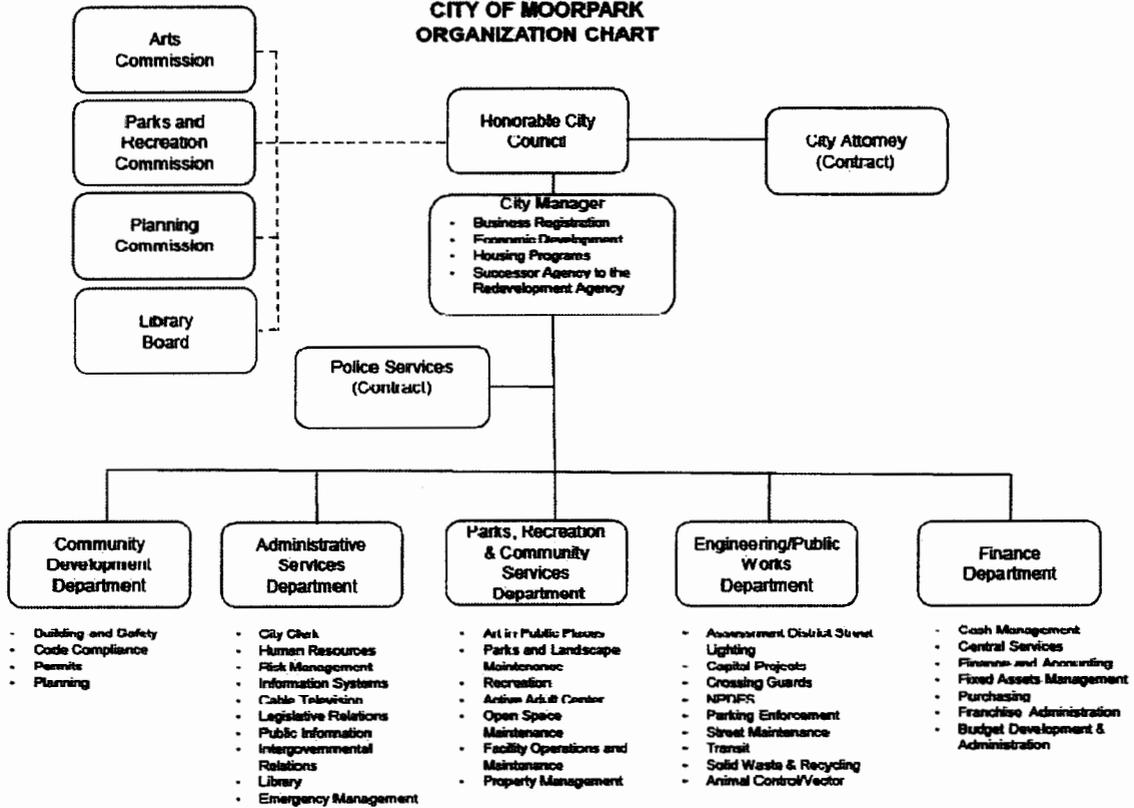
Roseann Mikos, Councilmember
Keith F. Millhouse, Councilmember

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

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

Presented to

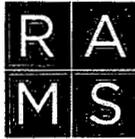
**City of Moorpark
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CFO

FINANCIAL SECTION



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

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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, 2014, 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
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Kirk A. Franks, CPA
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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Ivan Gonzales, CPA, MSA
Brianna Pascoe, CPA

MEMBERS

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PCPS The AICPA Alliance
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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, 2014, 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.

Emphasis of matter

Implementation of new pronouncement

As discussed in Note 1 of the financial statements, the City adopted the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinions are not modified with respect to this matter.

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 and individual 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.

Other reporting required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21, 2015, 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 Melody & Scott, LLP

San Bernardino, CA
January 21, 2015

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**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014**

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, 2014. 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 2013/14 by \$361,327,598 (Net Position). Of this amount, \$15,655,932 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, "Invested in Capital Assets" (\$259,798,991). Restrictions for Special Revenue Funds amounts to \$85,872,675, this reduces the Total Net Position to the Unrestricted Net Position (\$15,655,932). The Statement of Net Position is presented on page 15.
- The City's Total Net Position increased by \$6,888,535 during the current fiscal year. The Statement of Activities is presented on page 16.
- As of June 30, 2014, the City's governmental funds (General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds) reported combined ending fund balances of \$98,342,858, an increase of \$8,360,563, from the prior year. The increase is a result of developer fee revenues due to increased building activity within the City.
- At the end of the current fiscal year, fund balances for the General Fund were \$3,635,899 (\$635,899 is in nonspendable form, and \$3,000,000 is unassigned).

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

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

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

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

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

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

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014**

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 27-28).

The government-wide financial statements can be found on pages 15 and 16 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 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.

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014**

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 27-28 of this report. The assets, liabilities, net position 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 29-66 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 \$361 million at the close of the current fiscal year.

The City's net investment in capital assets, net of related debt reflects a positive \$260 million. As shown on Table 1, the largest portion of the City's net position (72%) 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 (24%) 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 (4%) 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, 2014, 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, 2014**

Table 1

**Net Position
Governmental Activities
As of June 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
Assets:		
Current and other assets	\$ 104,830,895	\$ 95,273,076
Capital Assets	259,798,991	262,271,564
Total Assets:	<u>364,629,886</u>	<u>357,544,640</u>
Liabilities:		
Other liabilities	3,302,288	3,105,577
Total Liabilities:	<u>3,302,288</u>	<u>3,105,577</u>
Net Position:		
Net invested in capital assets	259,798,991	262,271,564
Restricted	85,872,675	82,125,331
Unrestricted	15,655,932	10,042,168
Total Net Position, as restated	<u>\$ 361,327,598</u>	<u>\$ 354,439,063</u>

The City's net position increased by \$6.9 million during the current fiscal year as a result of increase development activity within the City.

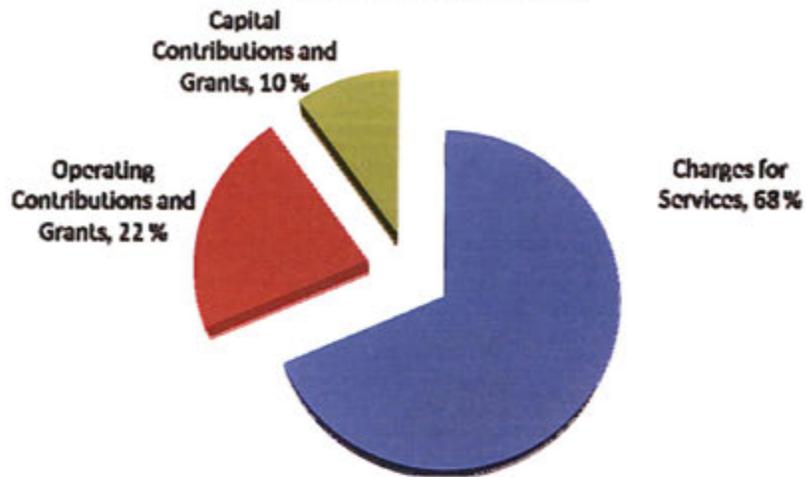
**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014**

Table 2

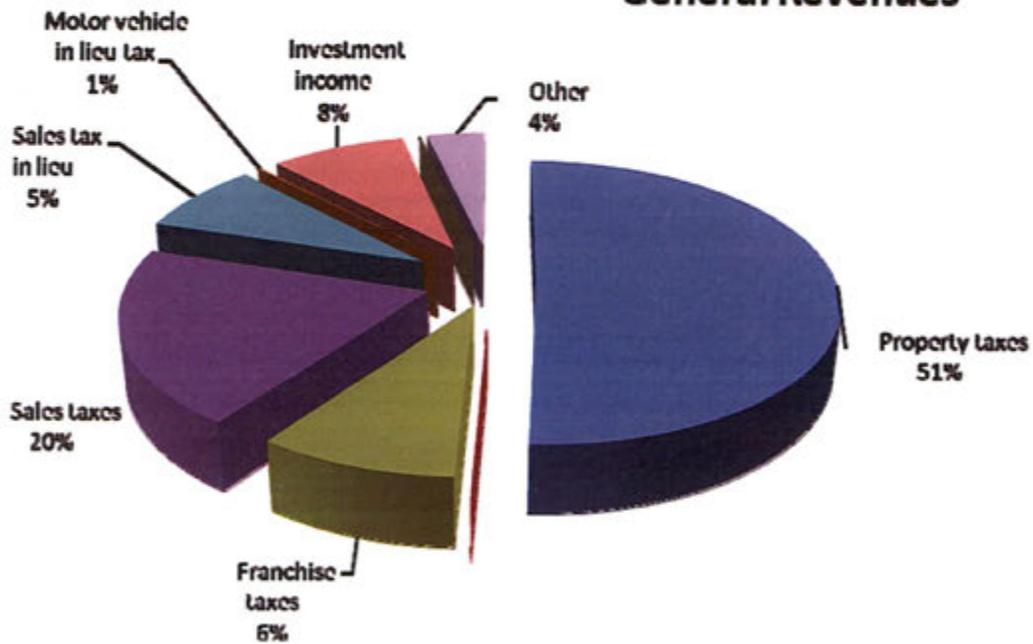
**Changes in Net Position
Governmental Activities
For the Years Ended June 30, 2014 and 2013**

	2014	2013
Revenues:		
Program Revenues:		
Charges for services	\$ 13,859,658	\$ 6,525,531
Operating contributions and grants	4,364,461	3,533,608
Capital contributions and grants	2,010,143	1,879,634
General Revenues:		
Property taxes, levied for general purposes	6,841,765	6,776,729
Franchise taxes	1,222,759	1,222,956
Sales taxes	2,695,884	2,730,871
Sales taxes in lieu	1,089,362	875,160
Motor vehicle in lieu tax, unrestricted	15,942	19,262
Investment income	1,153,683	142,222
Other	492,755	299,730
Total Revenues:	33,746,412	24,005,703
Expenses:		
General government	2,169,069	4,149,965
Public safety	6,882,753	6,550,936
Public services	11,779,873	9,948,865
Parks and recreation	6,026,182	5,755,528
Total Expenses:	26,857,877	26,405,294
Increase (decrease) in net position	6,888,535	(2,399,591)
Net position, beginning of year, as restated	354,439,063	356,838,654
Net position, end of year	\$ 361,327,598	\$ 354,439,063

Program Revenues



General Revenues



**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014**

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 \$98,342,858. This is an increase of \$8,360,563 in comparison with the prior year. \$10,889,688 or 11% is nonspendable, \$49,389,385 or 50% is restricted to specific purpose, \$698,395 or 1% is committed, \$36,190,577 or 37% is assigned and \$1,174,813 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 \$3,635,899, which increased by \$723 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 25% of total General Fund expenditures and transfers out. This is a healthy reserve.

Key factors for revenues and expenses when compared to fiscal year 2012/13 are as follows:

- The City's property tax revenues increased by \$65,037 or 1.0%.
- Sales tax revenues decreased by approximately \$34,987 or 1.3%.
- The Sales Tax Compensation or "triple flip" increased by \$214,202 or 24.5%. This year the City received amounts due from the prior years.
- Interest earnings increased by \$258,166 or 320% due to market value losses in the prior years and a correction in last year's calculation.
- Expenditures and transfers out ended the year approximately \$0.7 million more than the prior year figure due to increased spending in capital outlay and policing.

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014**

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

The fund balance of the Street and Traffic Safety Fund increased by \$1.7 million due to increased fees by new development within the City.

Assessment District Fund

The fund balance of the Assessment District Fund decreased by \$434,147 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.

Parks/Public Facilities Fund

The fund balance of the Parks/Public Facilities Fund increased by \$1.1 million from the prior year due to increased fees by new development within the City.

Los Angeles Area of Contribution Fund

The fund balance of the Los Angeles Area of Contribution Fund increased by \$788,282 from the prior year due to increased fees by new development within the City.

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. There was little activity this past year.

Prop 1B Local Streets and Roads Fund

This fund received a grant in the amount of approximately \$1.1 million for the purchase of two CNG busses and the expansion of the Moorpark Metrolink North Parking.

Community Development Fund

This fund experienced a dramatic increase in fees and activities due to new housing development within the City.

Police Facilities Fee Fund

The fund balance of the Police Facilities Fund improved by \$201,025 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. This amount was \$412,098 this past year. The Special Projects Fund transferred about \$1.8 million to fully fund the Equipment Replacement Fund. The June 30, 2014 fund balance is about \$25.5 million

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014**

Non-Major Governmental Funds

The fund balance of all other Non-Major Governmental Funds grew by \$6.3 million from the previous fiscal year due to the transfer of \$1.8 million to the Equipment Replacement Fund and increased fees from new development within the City.

The Equipment Replacement Fund is currently fully funded with a fund balance of \$2.4 million.

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, 2014, were revenues exceeding expenditures by approximately \$2.5 million which was transferred to the Special Projects Fund. Revenues plus Transfers In were \$402,796 more than the budget and expenditures plus Transfers Out ended the year under budget by \$2.2 million.

CAPITAL ASSET AND LONG-TERM LIABILITIES

Capital Assets. The City's investment in capital assets as of June 30, 2014, amounted to \$260 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. The total decrease in the City's investment in capital assets for the current fiscal year was \$2.5 million.

Table 3

**Capital Assets (net of depreciation)
Governmental Activities
As of June 30, 2014 and 2013**

	2014	2013
Land	\$ 39,380,903	\$ 39,380,903
Rights of Way	123,066,830	123,066,830
Construction in Progress	10,529,962	9,681,261
Buildings and improvements	27,733,353	28,807,241
Machinery and equipment	2,481,206	2,637,862
Infrastructure	56,606,737	58,697,467
Total	\$ 259,798,991	\$ 262,271,564

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014**

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 48 to 49 of this report.

Long-term Liabilities

At the end of the current fiscal year, the City's long-term liabilities outstanding are \$651,829, which is the employee compensated absences payable. Additional information on the City's long-term liabilities can be found in Note 6 on page 49 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. While these categories may not be declining and even increase as was the case this past fiscal year, increases in pension costs, parks and landscape maintenance and the Ventura County Sheriff's Contract continue to exceed revenue gains.

The State's "Triple Flip" payment plan remains in effect as the State attempts to repay the \$15 billion deficit reduction bonds from FY 2004-05. 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 2014/15, the City took into consideration the following factors in preparing the budget:

- Sales Tax revenues assume a 3% increase from fiscal year 2013/14.
- 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%.
- Increase of 0.75% in PERS employer retirement rate from 10.282% to 11.032% effective July 1, 2014.
- 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 2014/15 when compared to fiscal year 2013/14 actual payments.

**CITY OF MOORPARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014**

A priority of the City is to maintain high quality of services while adopting a balanced budget. As in prior years, the fiscal year 2014/15 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 www.MoorparkCA.gov.

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BASIC FINANCIAL STATEMENTS

**City of Moorpark
Statement of Net Position
June 30, 2014**

	Governmental Activities
ASSETS	
Cash and investments	\$ 92,380,585
Receivables, net:	
Accounts	1,406,956
Interest	217,394
Prepaid items	54,506
Net OPEB asset	134,000
Property held for resale	8,096,221
Long term notes receivables	2,541,233
Capital assets, net of accumulated depreciation	
Land	39,380,903
Rights of way	123,066,830
Construction in progress	10,529,962
Buildings and improvements	27,733,353
Machinery and equipment	2,481,206
Infrastructure	56,606,737
Total assets	364,629,886
LIABILITIES	
Accounts payable and accrued liabilities	2,650,459
Noncurrent liabilities:	
Due within one year	40,096
Due in more than one year	611,733
Total liabilities	3,302,288
NET POSITION	
Net investment in capital assets	259,798,991
Restricted for:	
Public services	66,077,650
Recreation services	4,832,755
Public safety	379,229
Housing activities	14,583,041
Unrestricted	15,655,932
Total net position	\$ 361,327,598

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

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**City of Moorpark
Statement of Activities
Year Ended June 30, 2014**

Functions/Programs	Expenses	Program Revenues		Net Governmental Activities
		Charges for Service	Operating Contributions and Grants	
Primary Government				
Governmental activities:				
General government	\$ 2,169,069	\$ 1,474,249	\$ -	\$ (694,820)
Public safety	6,882,753	2,657,332	-	(4,225,421)
Public services	11,779,873	7,815,032	4,364,461	2,409,763
Parks and recreation	6,026,182	1,913,045	-	(4,113,137)
Total governmental activities	<u>26,857,877</u>	<u>13,859,658</u>	<u>4,364,461</u>	<u>(6,623,615)</u>
Total primary government	<u>\$ 26,857,877</u>	<u>\$ 13,859,658</u>	<u>\$ 4,364,461</u>	
General revenues:				
Taxes:				
Property tax, levied for general purpose				6,841,765
Franchise tax				1,222,759
Sales tax				2,695,884
Sales tax in lieu				1,089,362
Motor vehicle in lieu tax, unrestricted				15,942
Investment income				1,153,683
Other				492,755
Total general revenues				<u>13,512,150</u>
Change in net position				6,888,535
Net position, beginning of year				<u>354,439,063</u>
Net position, end of year				<u>\$ 361,327,598</u>

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

**City of Moorpark
Balance Sheet
Governmental Funds
June 30, 2014**

	<u>Special Revenue</u>		
	<u>General</u>	<u>Street and Traffic Safety</u>	<u>Assessment Districts</u>
ASSETS			
Cash and investments	\$ 3,341,725	\$ 19,809,297	\$ 5,363,230
Receivables:			
Accounts	904,896	-	34,412
Interest	71,690	47,984	14,418
Notes and loans	-	-	-
Due from other funds	-	-	-
Prepaid items	24,815	10,156	-
Property held for resale	611,084	-	-
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 4,954,210</u>	<u>\$ 19,867,437</u>	<u>\$ 5,412,060</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 1,292,672	\$ 141,143	\$ 247,821
Due to other funds	-	-	-
Unavailable revenues	25,639	-	433
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>1,318,311</u>	<u>141,143</u>	<u>248,254</u>
 Deferred inflows of resources:			
Deferred loans	<u>-</u>	<u>-</u>	<u>-</u>
 Fund balances:			
Nonspendable	635,899	10,156	-
Restricted	-	19,716,138	5,163,806
Committed	-	-	-
Assigned	-	-	-
Unassigned	3,000,000	-	-
	<u> </u>	<u> </u>	<u> </u>
Total fund balances (deficit)	<u>3,635,899</u>	<u>19,726,294</u>	<u>5,163,806</u>
 Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,954,210</u>	<u>\$ 19,867,437</u>	<u>\$ 5,412,060</u>

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

Continued

Special Revenue				
Parks/Public Facilities	Los Angeles Area of Contribution	Low-Mod Income Housing Asset	Prop 1B Local Streets and Roads	Community Development
\$ 3,146,934	\$ 11,599,777	\$ 233,448	\$ 1,098,574	\$ 577,653
-	-	-	-	648
6,462	28,294	-	2,155	384
-	431,674	1,953,642	-	-
-	177,006	-	-	-
-	-	-	-	19,535
-	-	7,429,564	-	-
<u>\$ 3,153,396</u>	<u>\$ 12,236,751</u>	<u>\$ 9,616,654</u>	<u>\$ 1,100,729</u>	<u>\$ 598,220</u>
\$ 5,069	\$ 40,084	\$ -	\$ -	\$ 597,630
932,848	-	-	-	-
-	-	11,750	1,091,037	573
<u>937,917</u>	<u>40,084</u>	<u>11,750</u>	<u>1,091,037</u>	<u>598,203</u>
-	431,675	1,953,060	-	-
-	177,006	7,429,564	-	-
2,215,479	11,587,986	222,280	9,692	-
-	-	-	-	-
-	-	-	-	17
-	-	-	-	-
<u>2,215,479</u>	<u>11,764,992</u>	<u>7,651,844</u>	<u>9,692</u>	<u>17</u>
<u>\$ 3,153,396</u>	<u>\$ 12,236,751</u>	<u>\$ 9,616,654</u>	<u>\$ 1,100,729</u>	<u>\$ 598,220</u>

**City of Moorpark
Balance Sheet, (continued)
Governmental Funds
June 30, 2014**

	<u>Capital Projects</u>		<u>Nonmajor Governmental Funds</u>
	<u>Police Facilities</u>	<u>Special Projects</u>	
ASSETS			
Cash and investments	\$ 304	\$ 24,549,778	\$ 22,659,865
Receivables:			
Accounts	-	-	467,000
Interest	157	-	45,850
Notes and loans	-	-	155,917
Due from other funds	-	932,848	1,648,642
Prepaid items	-	-	-
Property held for resale	-	-	55,573
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 461</u>	<u>\$ 25,482,626</u>	<u>\$ 25,032,847</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 326,040
Due to other funds	1,648,642	-	177,006
Unavailable revenues	-	-	39,994
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>1,648,642</u>	<u>-</u>	<u>543,040</u>
Deferred inflows of resources:			
Deferred loans	-	-	149,417
	<u> </u>	<u> </u>	<u> </u>
Fund balances:			
Nonspendable	-	932,848	1,704,215
Restricted	-	-	10,474,004
Committed	-	-	698,395
Assigned	-	24,549,778	11,640,782
Unassigned	(1,648,181)	-	(177,006)
	<u> </u>	<u> </u>	<u> </u>
Total fund balances (deficit)	<u>(1,648,181)</u>	<u>25,482,626</u>	<u>24,340,390</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 461</u>	<u>\$ 25,482,626</u>	<u>\$ 25,032,847</u>

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

Continued

Total Governmental Funds	
\$	92,380,585
	1,406,956
	217,394
	2,541,233
	2,758,496
	54,506
	<u>8,096,221</u>
\$	<u>107,455,391</u>
\$	2,650,459
	2,758,496
	<u>1,169,426</u>
	<u>6,578,381</u>
	<u>2,534,152</u>
	10,889,688
	49,389,385
	698,395
	36,190,577
	<u>1,174,813</u>
	<u>98,342,858</u>
\$	<u>107,455,391</u>

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**City of Moorpark
 Reconciliation of the Balance Sheet of Governmental Funds
 to the Statement of Net Position
 June 30, 2014**

Fund balances of governmental funds	\$	98,342,858
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.		259,798,991
Long-term notes and loans receivable are not current financial resources and, therefore, are deferred in the governmental funds.		2,534,152
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.		1,169,426
Long term liabilities are not due and payable in the current period and, therefore, are not reported in funds.		
Compensated absences payable		(651,829)
The City is required to report a net Other Post Employment Benefits (OPEB) obligation in accordance with Governmental Accounting Standards Board (GASB) Statement No. 45. The City has contributed more than the required ARC to the retiree medical plan and reports the OPEB obligation as an asset on the statement of net assets.		134,000
		134,000
Net position of governmental activities	\$	361,327,598

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, 2014

	<u>Special Revenue</u>		
	<u>General</u>	<u>Street and Traffic Safety</u>	<u>Assessment Districts</u>
REVENUES			
Taxes	\$ 11,849,770	\$ -	\$ -
Licenses and permits	129,351	-	-
Fines and forfeitures	221,495	-	-
Use of money and property	610,465	274,971	77,785
Charges for services	1,247,745	2,243,108	7,592
Intergovernmental	69,036	-	-
Maintenance assessments	-	-	1,958,856
Other revenue	281,834	-	4,374
	<u>14,409,696</u>	<u>2,518,079</u>	<u>2,048,607</u>
EXPENDITURES			
Current:			
General government	1,725,569	-	-
Public safety	6,303,971	-	-
Public services	1,935,529	350,437	375,637
Parks and recreation	1,589,008	-	3,735,502
Capital Outlay	389,219	358,254	5,823
	<u>11,943,296</u>	<u>708,691</u>	<u>4,116,962</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,466,400</u>	<u>1,809,388</u>	<u>(2,068,355)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	1,634,208
Transfers out	<u>(2,465,677)</u>	<u>(75,233)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,465,677)</u>	<u>(75,233)</u>	<u>1,634,208</u>
Net change in fund balances	723	1,734,155	(434,147)
Fund balances, beginning of year	<u>3,635,176</u>	<u>17,992,139</u>	<u>5,597,953</u>
Fund balances (deficit), end of year	<u>\$ 3,635,899</u>	<u>\$ 19,726,294</u>	<u>\$ 5,163,806</u>

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

Continued

Special Revenue				
Parks/Public Facilities	Los Angeles Area of Contribution	Low-Mod Income Housing Asset	Prop 1B Local Streets and Roads	Community Development
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	1,150,268
-	-	-	-	4,766
46,523	150,907	3,123	9,692	-
1,168,224	913,758	4,950	-	1,344,555
-	-	-	-	-
-	-	-	-	-
-	-	-	-	855
<u>1,214,747</u>	<u>1,064,665</u>	<u>8,073</u>	<u>9,692</u>	<u>2,500,444</u>
-	-	459	-	-
-	-	-	-	-
-	39,728	-	-	2,918,166
16,650	-	-	-	-
24,283	236,655	-	-	1,733
<u>40,933</u>	<u>276,383</u>	<u>459</u>	<u>-</u>	<u>2,919,899</u>
<u>1,173,814</u>	<u>788,282</u>	<u>7,614</u>	<u>9,692</u>	<u>(419,455)</u>
-	-	-	-	419,372
(102,021)	-	-	-	-
<u>(102,021)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>419,372</u>
1,071,793	788,282	7,614	9,692	(83)
<u>1,143,686</u>	<u>10,976,710</u>	<u>7,644,230</u>	<u>-</u>	<u>100</u>
<u>\$ 2,215,479</u>	<u>\$ 11,764,992</u>	<u>\$ 7,651,844</u>	<u>\$ 9,692</u>	<u>\$ 17</u>

City of Moorpark
Statement of Revenues, Expenditures, and Changes in Fund Balances, (continued)
Governmental Funds
Year Ended June 30, 2014

	<u>Capital Projects</u>		<u>Non major Governmental Funds</u>
	<u>Police Facilities</u>	<u>Special Projects</u>	
REVENUES			
Taxes	\$ -	\$ -	\$ 1,082,211
Licenses and permits	-	-	-
Fines and forfeitures	-	-	199,583
Use of money and property	760	43,872	315,599
Charges for services	-	-	3,855,402
Intergovernmental	-	18,023	3,170,764
Maintenance assessments	200,265	-	-
Other revenue	-	-	151,549
	<hr/>	<hr/>	<hr/>
Total revenues	201,025	61,895	8,775,108
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current:			
General government	-	-	20,000
Public safety	-	-	339,579
Public services	-	-	3,507,354
Parks and recreation	-	-	13,441
Capital Outlay	-	-	564,471
	<hr/>	<hr/>	<hr/>
Total expenditures	-	-	4,444,845
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	201,025	61,895	4,330,263
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	412,098	2,252,366
Transfers out	-	(1,763,551)	(311,562)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	(1,351,453)	1,940,804
	<hr/>	<hr/>	<hr/>
Net change in fund balances	201,025	(1,289,558)	6,271,067
Fund balances, beginning of year	(1,849,206)	26,772,184	18,069,323
	<hr/>	<hr/>	<hr/>
Fund balances (deficit), end of year	\$ (1,648,181)	\$ 25,482,626	\$ 24,340,390
	<hr/>	<hr/>	<hr/>

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

Continued

Total Governmental Funds	
\$	12,931,981
	1,279,619
	425,844
	1,533,697
	10,785,334
	3,257,823
	2,159,121
	438,612
	<hr/>
	32,812,031
	<hr/>
	1,746,028
	6,643,550
	9,126,851
	5,354,601
	1,580,438
	<hr/>
	24,451,468
	<hr/>
	8,360,563
	<hr/>
	4,718,044
	(4,718,044)
	<hr/>
	-
	<hr/>
	8,360,563
	89,982,295
	<hr/>
\$	<u>98,342,858</u>

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, 2014

Net change in fund balance - total governmental funds \$ 8,360,563

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	\$ 463,386	\$ 1,117,052	
Depreciation expense		(3,445,305)	
Asset disposals		(144,320)	(2,472,573)

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. (30,618)

Revenues that are measurable but not available are not recorded as revenues under the modified accrual basis of accounting. 934,381

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.

Increase in compensated absences	\$ (37,218)
Increase in OPEB asset	134,000

Change in net position of governmental activities \$ 6,888,535

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

**City of Moorpark
Statement of Fiduciary Net Position
June 30, 2014**

	Successor Agency Private Purpose Trust Fund	Agency Fund
ASSETS		
Cash and investments	\$ 2,928,438	\$ 4,009,866
Cash and investments with fiscal agent	4,098,910	7,437,190
Receivable:		
Accounts	560,000	61,070
Prepaid insurance premium	208,648	
Land held for resale	11,402,135	-
Construction in progress	119,736	-
Capital assets, net	9,049,372	-
Total assets	28,367,239	\$ 11,508,126
LIABILITIES		
Accounts payable	327,028	\$ 236,241
General deposits	-	3,773,654
Bonds payable - due within one year	665,000	-
Bonds payable - due in more than one year	25,670,000	-
Amortizable charge - liability	(244,049)	-
Due to bondholders	-	7,498,231
Total liabilities	26,417,979	\$ 11,508,126
NET POSITION		
Held in trust for the Successor Agency	\$ 1,949,260	

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, 2014

	Successor Agency Private-Purpose Trust Fund
ADDITIONS	
RPTTF distribution	\$ 2,505,623
Investment earnings	98,957
Other receipts	3,496
Total additions	2,608,076
DEDUCTIONS	
Debt service payments - interest	1,258,151
Depreciation	193,881
Amortization of deferred charges	20,120
Other payments	324,390
Property maintenance	1,293
Total deductions	1,797,835
Change in net position	810,241
Net position, beginning of year, as restated (see Note 15)	1,139,019
Net position, end of year	\$ 1,949,260

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

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014**

<u>NOTE</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
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**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014**

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, 2014.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014**

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 balance, 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, 2014

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 14).

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 contributions and grants. 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, 2014

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 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, 2014

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

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.

Proposition 1B Local Streets and Roads Special Revenue Fund is used to account for funds received from the State of California Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B) for specified purposes, such as public transit and passenger rail improvements; local street and road improvement; congestion relief and traffic safety projects.

Community Development Special Revenue 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.

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.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

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

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 balance monies in excess of \$3,000,000.

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 (if 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, 2014 was \$8,096,221.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014**

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) **Unavailable Revenue**

Unavailable revenue is recorded for monies collected in advance that have not been earned. In the fund financial statements revenue is also unavailable when the availability criteria has not been met. As of June 30, 2014, unavailable revenue in the Governmental Funds amounted to \$1,169,426.

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, 2014.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014

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, 2014, 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, 2014

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**

Effective July 1, 2013, the City adopted the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. GASB 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. Deferred amounts resulting from the refunding of debt are reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. Accordingly, the Private Purpose Trust Fund's deferred amount on refunding of debt has been classified as a deferred outflow of resources in the Private Purpose Trust Fund's statement of net position in conformity with GASB 65. GASB 65 amended prior guidance with respect to the treatment of debt issuance costs. Under GASB 65, debt issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred rather than reported as an asset on the statement of net position and recognized as an expense in a systematic and rational manner over the duration of the related debt. Accordingly, as noted in Note 15 of the financial statements, the City has restated Private Purpose Trust Fund's beginning net position for any unamortized debt issuance costs previously reported on the Private Purpose Trust Fund's statement of net position in conformity with GASB 65.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014

2) CASH AND INVESTMENTS

Cash and investments at June 30, 2014, consisted of the following:

City Treasury Deposits		
Demand Deposits	\$	5,584,900
Cash on Hand		1,750
Total City Treasury Deposits		<u>5,586,650</u>
City Treasury Investments		
Local Agency Investment Fund (LAIF)		3,030,840
Ventura County Pool		33,498,069
Highmark Money Market		147,080
U.S. Treasury Notes		3,036,340
U.S. Agency Securities:		
Federal National MTG Association		18,103,670
Federal Home Loan Bank		13,185,940
Federal Farm Credit Bank		7,112,420
Federal Home Loan MTG Corporation		10,103,460
Federal Agricultural MTG Corporation		5,514,420
Total City Treasury Investments		<u>93,732,239</u>
Cash and Investments With Fiscal Agent		
Money Market		9,753,788
US Treasury Notes		1,197,637
Guaranteed Investment Contracts		584,675
Total Cash and Investments With Fiscal Agent		<u>11,536,100</u>
Total Cash and Investments		<u>\$ 110,854,989</u>

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	\$ 92,380,585	\$ 2,928,438	\$ 4,009,866	\$ 99,318,889
Cash and investments with fiscal agent	-	4,098,910	7,437,190	11,536,100
Total	<u>\$ 92,380,585</u>	<u>\$ 7,027,348</u>	<u>\$ 11,447,056</u>	<u>\$ 110,854,989</u>

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014**

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.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio*	Maximum Investment In One Issuer
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, 2014**

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.

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

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, 2014**

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	\$ 3,030,840	\$ 3,030,840	\$ -	\$ -	\$ -	\$ -
Ventura County Pool	33,498,069	33,498,069	-	-	-	-
Highmark Money Market	147,080	147,080	-	-	-	-
U.S. Treasury Notes	3,036,340	1,017,190	1,017,270	-	-	1,001,880
U.S. Agency Securities:						
Federal National MTG Assn.	18,103,670	-	1,017,090	-	12,051,700	5,034,880
Federal Home Loan Bank	13,185,940	1,016,100	4,150,730	1,011,040	977,000	6,031,070
Federal Farm Credit Bank	7,112,420	4,040,580	-	-	2,055,370	1,016,470
Federal National MTG Corp.	10,103,460	-	1,018,090	1,001,100	4,998,640	3,085,630
Federal Agric MTG Corp.	5,514,420	-	-	-	2,997,040	2,517,380
Held by bond trustee:						
Money market funds	9,753,788	9,753,788	-	-	-	-
U.S. Treasury Notes	1,197,637	1,197,637	-	-	-	-
Guaranteed Contracts	584,675	-	-	-	-	584,675
	<u>\$ 105,268,339</u>	<u>\$ 53,701,284</u>	<u>\$ 7,203,180</u>	<u>\$ 2,012,140</u>	<u>\$ 23,079,750</u>	<u>\$ 19,271,985</u>

C) Credit Risk and Concentration of Credit Risk

At June 30, 2014, the carrying amount of the City and Successor Agency's combined deposits was \$5,584,900. Bank balances, before reconciling items, were \$4,682,733 at June 30, 2014, of which \$4,682,733 were collateralized with securities held by the pledging financial institution's trust department but not in the City or Successor Agency's name.

The California Government Code requires California banks and savings and loan associations to secure government organizations' 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, 2014**

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 organization'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 organization's total cash deposits. The organizations 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, 2014, the City and the Successor Agency combined have \$4,432,733 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	\$ 3,030,840	Not Rated	2.9%
Ventura County Pool	33,498,069	AAAf	31.8%
Highmark Money Market	147,080	AAA	0.1%
U.S. Treasury Notes	3,036,340	AA+	2.9%
U.S. Agency Securities:			0.0%
Federal National MTG Assn.	18,103,670	AA+	17.2%
Federal Home Loan Bank	13,185,940	AA+	12.5%
Federal Farm Credit Bank	7,112,420	AA+	6.8%
Federal National MTG Corp.	10,103,460	AA+	9.6%
Federal Agric MTG Corp.	5,514,420	AA	5.2%
Held by bond trustee:			0.0%
Money market funds	9,753,788	Not Rated	9.3%
U.S. Treasury Notes	1,197,637	AA+	1.1%
Guaranteed Contracts	584,675	Not Rated	0.6%
	<u>\$ 105,268,339</u>		<u>100.0%</u>

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014**

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, 2014, accounts were maintained in the name of the City for \$3,030,840. At June 30, 2014, the fair value of the State of California Pooled Money Investment Account (PMIA) including accrued interest was \$64,896,335,761. 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 \$33,498,069 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, 2014**

3) **NOTES AND LOANS RECEIVABLE**

Notes and loans receivable activity for the year ended June 30, 2014, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Notes receivable				
Deferred property assessments	\$ 431,050	\$ 624	\$ -	\$ 431,674
Moorpark 20, LP I	1,254,933	684,994	-	1,939,927
Moorpark 20, LP II	640,000	15,000	(655,000)	-
Total notes receivable	<u>2,325,983</u>	<u>700,618</u>	<u>(655,000)</u>	<u>2,371,601</u>
Loans receivable				
Rehabilitation	28,714	-	-	28,714
First-time home buyer assistance - Affordable Housing	75,480	1,900	(54,736)	22,644
CallHome	128,093	20,000	(36,319)	111,774
Mountain Recreation & Conservation Authority	6,500	-	-	6,500
Total loans receivable	<u>238,787</u>	<u>21,900</u>	<u>(91,055)</u>	<u>169,632</u>
Governmental activities Loans and Notes receivable	<u>\$ 2,564,770</u>	<u>\$ 722,518</u>	<u>\$ (746,055)</u>	<u>\$ 2,541,233</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, 2014, the principal balance outstanding is \$250,249 and accrued interest of \$181,425 for a total balance of \$431,674.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014**

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, 2014 are \$1,176,500 and \$108,427 respectively for a total of \$1,284,927.

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, 2014 are \$600,000 and \$55,000 respectively for a total of \$655,000.

In the current fiscal year the City combined both notes for presentation purposes. The combined amount of principal and accrued interest outstanding at June 30, 2014 is \$1,776,500 and \$163,427 respectively, for a total of \$1,939,927.

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, 2014, was \$28,714.

D) First-Time Homeowner Assistance

The City provides down payment assistance loans to first-time homeowners under different State and City programs. The total balance outstanding at June 30, 2014 was \$22,644. 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, 2014**

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, 2014 was \$111,774. 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 \$222,231 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 were to be repaid without interest to the City by June 30, 2014, 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, 2014 was \$6,500. The City is exploring options for repayment; including provisions of services by MRCA to manage the conservation of an 80-acres City-owned open space property located outside the City limits along Tierra Rejada Road; or assistance with City acquisition of additional open space property.

4) INTERFUND TRANSACTIONS

Due to/Due from

Due to/due from other funds for the year ending June 30, 2014, consisted of the following:

Receivable Fund	Payable fund	Amount
Special Revenues - Los Angeles A.O.C	Non Major Funds	a \$ 177,006
Capital Projects - Special Projects	Special Revenues - Parks and Public Facilities	b 932,848
Non-Major Funds	Capital Projects - Police Facilities Fee	c <u>1,648,642</u>
		<u>\$ 2,758,496</u>

- a. In the Fiscal Year 2005/2006, the Los Angeles Area of Contribution (AOC) Fund advanced to the Tierra Rejada Road/Spring Road Area of Contribution, \$600,000 to construct the median landscaping along Tierra Rejada Road. Repayment of the outstanding loan is contingent upon collection of future development fees.
- b. In the Fiscal Year 2009/2010, the Special Projects Fund advanced to the Parks/Public Facilities Fund, \$1,000,000 to construct a new Skate Park and expansion of the Poindexter Park. The loan is subject to variable interest based on the average interest rate earned by LAIF from the previous year. The principal and interest will be repaid as Park fees are collected from new developments.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014**

4) INTERFUND TRANSACTIONS, (continued)

Due to/Due from, (continued)

c. In the Fiscal Year 2005/2006, the Endowment Fund advanced to the Public Facilities Fund, \$7,641,592 to construct the Police Services Center Building. Future development fees were pledged to repay this loan. However in March 2006, it was determined that at built-out, there will be an estimated \$6.6 million shortfall in future revenues and City Council subsequently approved the contribution of \$5,434,834 from the Endowment Fund.

Transfers

Interfund transfers for the year ended June 30, 2014 consisted of the following:

<u>Fund receiving transfers</u>	<u>Fund making transfers</u>	<u>Amount</u>
Assessment Districts	General Fund	1 \$ 1,634,208
Community Development	General Fund	1 419,372
Special Projects	General Fund	2 412,098
Non Major Funds	Streets & Traffic Safety	3 75,233
	Parks/Public Facilities	3 102,021
	Special Projects	3 1,763,551
	Non Major	3 311,561
		<u>2,252,366</u>
	Total governmental funds	\$ <u>4,718,044</u>

(1) = Transfers made to provide funding for operations

(2) = Transfers made to adjust fund balance to minimum requirement

(3) = Transfers made to provide funding for future equipment replacement

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014**

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, 2014:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 39,380,903	\$ -	\$ -	\$ 39,380,903
Land Rights-of-Way	123,066,830	-	-	123,066,830
Infrastructure - Roadway System	1,214,737	4,924	(15,646)	1,204,015
Construction in progress	9,681,261	861,968	(13,267)	10,529,962
Total capital assets not being depreciated	<u>173,343,731</u>	<u>866,892</u>	<u>(28,913)</u>	<u>174,181,710</u>
Capital assets, being depreciated:				
Buildings and improvements	38,765,370	-	-	38,765,370
Machinery and equipment	6,428,178	250,160	(252,579)	6,425,759
Infrastructure				
Roadway system	93,378,561	-	-	93,378,561
Storm drain system	3,029,632	-	(95,884)	2,933,748
Parks system	251,434	-	-	251,434
Total capital assets being depreciated	<u>141,853,175</u>	<u>250,160</u>	<u>(348,463)</u>	<u>141,754,872</u>
Less accumulated depreciation/amortization for:				
Buildings and improvements	(9,958,129)	(1,073,888)	-	(11,032,017)
Machinery and equipment	(3,790,316)	(387,293)	233,056	(3,944,553)
Infrastructure				
Roadway system	(38,805,283)	(1,953,114)	-	(40,758,397)
Storm drain system	(298,830)	(25,982)	-	(324,812)
Parks system	(72,784)	(5,028)	-	(77,812)
Total accumulated depreciation	<u>(52,925,342)</u>	<u>(3,445,305)</u>	<u>233,056</u>	<u>(56,137,591)</u>
Total capital assets being depreciated net	<u>88,927,833</u>	<u>(3,195,145)</u>	<u>(115,407)</u>	<u>85,617,281</u>
Governmental activities capital assets, net	<u>\$ 262,271,564</u>	<u>\$ (2,328,253)</u>	<u>\$ (144,320)</u>	<u>\$ 259,798,991</u>

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014**

5) CAPITAL ASSETS AND DEPRECIATION, (continued)

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

Governmental activities:	
General government	\$ 56,436
Public safety	239,206
Public services, including general infrastructure	2,478,082
Parks and recreation	<u>671,581</u>
 Total depreciation expense - governmental activities	 <u>\$ 3,445,305</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. 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, 2014, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due within one year
Governmental activities:					
Compensated absences	\$ 614,611	\$ 555,067	\$ (517,849)	\$ 651,829	\$ 40,096
 Governmental activities long-term liabilities	 <u>\$ 614,611</u>	 <u>\$ 555,067</u>	 <u>\$ (517,849)</u>	 <u>\$ 651,829</u>	 <u>\$ 40,096</u>

Employee Compensated Absences

The long-term liability at June 30, 2014 is \$651,829 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, 2014**

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 2014 (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 currently 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 2013/14 was 10.282 percent. The 10.282 percent is comprised of 8.052 percent for the City's normal cost and 2.230 percent for the City's share of the pool's amortization bases or cumulative gain and losses experienced by the pool since its June 30, 2003 inception. 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
2013-2014	\$ 552,671	100.00%
2012-2013	536,748	100.00%
2011-2012	488,328	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, 2014 thru June 30, 2015, CalPERS established the normal cost rate at 12.50%. As of June 30, 2014, the City had one employee enrolled in the Tier 2.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014**

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. The MRHP has a funded status of 101.6% as of June 30, 2014. 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 0.70 % of the annual covered payroll.

For 2014, the City's annual OPEB cost (expense) was \$34,000 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 2014 and the two preceding years were as follows:

THREE-YEAR TREND INFORMATION			
Fiscal Year	Annual OPEB Cost (AOC)	Percentage of OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/2014	\$ 34,000	100%	\$ (134,000)
6/30/2013	455,000	100%	-
6/30/2012	44,215	92%	(416,000)

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014**

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 2014 was as follows:

	June 30, 2014
Annual required contribution	\$ 34,000
Add: Interest on net OPEB obligation	-
Amortization of NOO	-
Annual OPEB cost (expense)	34,000
Contributions made	(168,000)
Increase in net OPEB obligation	(134,000)
Net OPEB obligation (asset) - beginning of year	-
Net OPEB obligation (asset) - end of year	\$ (134,000)

Funded Status and Funding Progress

The funded status of the plan as of June 30, 2013, the most recent actuarial valuation applicable to 2014, 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, 2014**

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
Projected Salary Increase	Aggregate Increases – 3.25%
	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, 2014, totaled \$12,775,000.

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, 2014, totaled \$13,580,906.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014**

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 2014 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 \$995,000 at June 30, 2014.

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 \$5,235,000 at June 30, 2014.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014

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. In February 2014 these bonds were refinanced and refunded with the issuance of a refunding Series A-2014 and Junior Series B-2014. The unpaid principal balance of the newly refinanced debt is \$19,625,000 at June 30, 2014.

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, 2014

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.

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 \$54,924,233. 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 and flood insurance is part of the property protection insurance program of the Authority. The City property currently has earthquake and flood protection in the amount of \$49,760,940. 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, 2014**

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 is 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, 2014**

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, 2014, are presented below:

	<u>General</u>	<u>Street and Traffic Safety</u>	<u>Assessment Districts</u>	<u>Parks/Public Facilities</u>
Nonspendable:				
Prepaid items	\$ 24,815	\$ 10,156	\$ -	\$ -
Due from other funds and governments	-	-	-	-
Property held for resale	611,084	-	-	-
Restricted for:				
Public services	-	19,716,138	5,163,806	-
Recreation services	-	-	-	2,215,479
Public safety	-	-	-	-
Low and moderate income housing	-	-	-	-
Committed to:				
Library services	-	-	-	-
Assigned to:				
Community/Engineering/Public Works	-	-	-	-
Capital projects	-	-	-	-
Unassigned	3,000,000	-	-	-
Total fund balances (deficit)	<u>\$ 3,635,899</u>	<u>\$ 19,726,294</u>	<u>\$ 5,163,806</u>	<u>\$ 2,215,479</u>

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014**

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

B) Fund Balance, (continued)

	<u>Los Angeles Area of Contribution</u>	<u>Low-Mod Income Housing Asset</u>	<u>Prop 1B Local Streets and Roads</u>	<u>Community Development</u>
Nonspendable:				
Prepaid items	\$ -	\$ -	\$ -	\$ -
Due from other funds and governments	177,006	-	-	-
Property held for resale	-	7,429,564	-	-
Restricted for:				
Public services	11,587,986	-	9,692	-
Recreation services	-	-	-	-
Public safety	-	-	-	-
Low and moderate income housing	-	222,280	-	-
Committed to:				
Library services	-	-	-	-
Assigned to:				
Community/Engineering/Public Works	-	-	-	17
Capital projects	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficit)	<u>\$ 11,764,992</u>	<u>\$ 7,651,844</u>	<u>\$ 9,692</u>	<u>\$ 17</u>

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014**

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

B) Fund Balance, (continued)

	<u>Police Facilities Fee</u>	<u>Special Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:				
Prepaid items	\$ -	\$ -	\$ -	\$ 34,971
Due from other funds and governments	-	932,848	1,648,642	2,758,496
Property held for resale	-	-	55,573	8,096,221
Restricted for:				
Public services	-	-	3,327,188	39,804,810
Recreation services	-	-	2,617,275	4,832,754
Public safety	-	-	379,230	379,230
Low and moderate income housing	-	-	4,150,311	4,372,591
Committed to:				
Library services	-	-	698,395	698,395
Assigned to:				
Community/Engineering/Public Works	-	-	-	17
Capital projects	-	24,549,778	11,640,782	36,190,560
Unassigned	(1,648,181)	-	(177,006)	1,174,813
Total fund balances (deficit)	<u>\$ (1,648,181)</u>	<u>\$ 25,482,626</u>	<u>\$ 24,340,390</u>	<u>\$ 98,342,858</u>

Deficit Fund Balances

The following major governmental fund has a deficit at June 30, 2014:

Police Facilities Fees Capital Projects Fund - \$ (1,648,181)

The following non-major governmental fund has a deficit at June 30, 2014:

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, 2014

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 \$4,480,500. 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, 2014 (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, 2014, the Successor Agency of the Redevelopment Agency of the City of Moorpark has completed and submitted its Long Range Property Management Plan and is waiting for approval from the State of California Department of Finance.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014

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, 2014**

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 2014, named "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, 2014:

	Beginning Balance	Increases	Decreases	Ending Balance	Due within one year
<i>Bonds payable:</i>					
1999 Tax allocation bonds	\$ 3,920,000	\$ -	\$ (580,000)	\$ 3,340,000	\$ 605,000
2001 Tax allocation bonds	11,470,000	-	(15,000)	11,455,000	20,000
2006 Tax allocation bonds	11,580,000	-	(40,000)	11,540,000	40,000
Subtotal bonds payable	26,970,000	-	(635,000)	26,335,000	665,000
Plus/(less) deferred amounts:					
For issuance discount	(254,896)	-	10,847	(244,049)	-
Successor agency long-term liabilities	<u>\$ 26,715,104</u>	<u>\$ -</u>	<u>\$ (624,153)</u>	<u>\$ 26,090,951</u>	<u>\$ 665,000</u>

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

Year Ending	Principal	Interest	Total
2015	\$ 665,000	\$ 1,250,544	\$ 1,915,544
2016	700,000	1,218,670	1,918,670
2017	730,000	1,185,113	1,915,113
2018	765,000	1,149,796	1,914,796
2019	805,000	1,113,168	1,918,168
2020-2024	3,810,000	5,011,660	8,821,660
2025-2029	4,865,000	3,949,214	8,814,214
2030-2034	6,225,000	2,596,330	8,821,330
2035-2039	7,770,000	709,003	8,479,003
Total	<u>\$26,335,000</u>	<u>\$ 18,183,498</u>	<u>\$ 44,518,498</u>

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2014

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, 2014

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, 2014**

15) **RESTATEMENT OF NET POSITION**

a. Change in accounting principle

As discussed in Note 1, the City implemented GASB Statement No. 65 effective July 1, 2013. GASB 65, among other provisions, amended prior guidance with respect to the treatment of debt issuance costs. Under GASB 65, debt issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred rather than reported as an asset on the statement of net position and recognized as an expense in a systematic and rational manner over the duration of the related debt. The Private Purpose Trust Fund's unamortized balance of debt issuance costs, at the beginning of the year was \$178,123. GASB 65 requires that accounting changes adopted to conform to the provisions of the Statement be applied retroactively by restating financial statements. Accordingly, beginning net position on the Statement of Changes in Fiduciary Net Position – Private Purpose Trust Fund has been restated for any unamortized debt issuance costs previously reported on the statement of net position.

b. Correction of an error

The beginning net position balance shown in the Private Purpose Trust Fund was restated as a result of the correction of an error in a balance of certain pass-thru liability improperly accrued and accounted for in the fund. The amount of the liability at the beginning of the year was \$842,242. Accordingly, beginning net position on the Statement of Changes in Fiduciary Net Position – Private Purpose Trust Fund has been restated for that amount related to on the statement of net position.

As a result of the above mentioned items, the beginning net position of the Private Purpose Trust Fund – Statement of Changes in Fiduciary Net Position was restated as follows:

Fiduciary Funds - Private Purpose Trust Fund

Statement of Changes in Fiduciary Net Position

Net position, beginning of the year, prior to restatement	\$	474,900
Bonds Cost of Issuance adjustment - GASB 65		(178,123)
Payables adjustment - Release of liability		<u>842,242</u>
Net position, beginning of the year, as restated	\$	<u><u>1,139,019</u></u>

16) **SUBSEQUENT EVENT**

During November 2014, the Successor Agency issued 2014 Tax Allocation Refunding Bonds to refund the entire 1999 Bonds and 2001 Bonds outstanding. The refunding resulted in an annual savings to the debt service expense of approximately \$190,000.

REQUIRED SUPPLEMENTARY INFORMATION

**Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - General Fund
Year Ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Property Taxes				
Current Secured	\$ 3,100,000	\$ 3,000,000	\$ 3,016,191	\$ 16,191
Current Unsecured	115,000	115,000	101,825	(13,175)
Prior year Secured-Unsecured	10,000	10,000	5,159	(4,841)
Supplemental Secured-Unsecured	35,000	35,000	49,589	14,589
Real Property Transfer Tax	140,000	140,000	219,852	79,852
Homeowners Property Exemption	40,000	40,000	35,574	(4,426)
Parcel Tax	210,000	210,000	212,641	2,641
Property Taxes - VLF	2,850,000	2,940,000	2,941,864	1,864
Other Property Taxes	125,000	125,000	259,070	134,070
Total Property Taxes	<u>6,625,000</u>	<u>6,615,000</u>	<u>6,841,765</u>	<u>226,765</u>
Sales Taxes				
Sales and use tax	2,800,000	2,725,000	2,695,884	(29,116)
Sales tax compensation	875,000	1,090,000	1,089,362	(638)
Total Sales Taxes	<u>3,675,000</u>	<u>3,815,000</u>	<u>3,785,246</u>	<u>(29,754)</u>
Franchise Fees				
Cable TV	425,000	425,000	401,384	(23,616)
Edison	300,000	300,000	297,329	(2,671)
Gas	100,000	100,000	90,869	(9,131)
Oil	-	-	4,131	4,131
PEG Fees	50,000	50,000	48,681	(1,319)
VM	155,000	-	-	-
GI Rubbish	200,000	200,000	196,707	(3,293)
Moorpark Rubbish	120,000	120,000	124,245	4,245
Landfill local impact fee	60,000	60,000	50,779	(9,221)
CIWMP Fees	10,000	10,000	8,634	(1,366)
Total Franchise Fees	<u>1,420,000</u>	<u>1,265,000</u>	<u>1,222,759</u>	<u>(42,241)</u>
Licenses and Permits				
Business Registration	125,000	125,000	111,871	(13,129)
Filming Permits	7,000	7,000	8,900	1,900
NPDES Business Inspection Fees	8,100	8,100	8,580	480
Total Licenses and Permits	<u>140,100</u>	<u>140,100</u>	<u>129,351</u>	<u>(10,749)</u>

Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - General Fund
Year Ended June 30, 2014

Continued

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Fines and Forfeitures				
Municipal Codes Fines	250,000	250,000	219,495	(30,505)
Animal Control Fines	1,000	1,000	45	(955)
Forfeitures and Penalties	1,000	1,000	1,955	955
Total Fines and Forfeitures	<u>252,000</u>	<u>252,000</u>	<u>221,495</u>	<u>(30,505)</u>
Use of Money and Property				
Investment Earnings	300,000	300,000	338,740	38,740
Rents and Concessions	125,000	125,000	119,995	(5,005)
Rents Tenants	115,000	115,000	142,604	27,604
Other earnings and rents	-	-	9,126	9,126
Total Use of Money and Property	<u>540,000</u>	<u>540,000</u>	<u>610,465</u>	<u>70,465</u>
Charges for Services				
Other Administrative Services	100,000	100,000	54,090	(45,910)
Administrative Fees	250,000	250,000	250,000	-
Administrative Fees - CFD	-	-	163,000	163,000
Park and Facility Use Fee	100,000	100,000	129,371	29,371
Contract Class Registration Fees	248,000	248,000	218,610	(29,390)
League Fees	122,800	122,800	100,978	(21,822)
Recreation Events Fees	299,500	299,500	249,737	(49,763)
Other Recreation Fees	5,000	5,000	7,537	2,537
Advertising in Brochure	8,000	8,000	13,958	5,958
Other Community Services Fees	140,500	3,500	2,121	(1,379)
Photocopying	1,000	1,000	514	(486)
Sale of Documents	1,000	1,000	952	(48)
Special Police Department Services	30,000	30,000	33,640	3,640
NSF Fees and Charges	1,000	1,000	505	(495)
Planning Time Charges	10,000	10,000	22,732	12,732
Total Charges for Services	<u>1,316,800</u>	<u>1,179,800</u>	<u>1,247,745</u>	<u>67,945</u>
Intergovernmental				
Motor Vehicle in Lieu	-	-	15,942	15,942
Other State Funds	20,000	20,000	20,919	919
County Grants	20,000	35,000	29,915	(5,085)
Other Federal Revenue Grants	15,000	15,000	2,260	(12,740)
Total Intergovernmental	<u>55,000</u>	<u>70,000</u>	<u>69,036</u>	<u>(964)</u>

**Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - General Fund
Year Ended June 30, 2014**

Continued

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Other Revenues				
Contributions-Donations	10,000	10,000	2,572	(7,428)
Revenues not classified elsewhere	5,000	5,000	16,667	11,667
Expense Reimbursements	80,000	95,000	205,967	110,967
Restitutions-Insurance Proceeds	20,000	20,000	56,598	36,598
Cash overage/shortage	-	-	30	30
Total Other Revenues	<u>115,000</u>	<u>130,000</u>	<u>281,834</u>	<u>151,834</u>
Total revenues	<u>14,138,900</u>	<u>14,006,900</u>	<u>14,409,696</u>	<u>402,796</u>
EXPENDITURES				
General government	1,329,281	1,897,120	1,725,569	171,551
Public safety	6,438,293	6,553,293	6,303,971	249,322
Public services	2,279,011	2,338,189	1,935,529	402,660
Parks and recreation	1,717,262	1,853,480	1,589,008	264,472
Capital Outlay	638,622	1,160,863	389,219	771,644
Total expenditures	<u>12,402,469</u>	<u>13,802,945</u>	<u>11,943,296</u>	<u>1,859,649</u>
Excess of revenues over expenditures	<u>1,736,431</u>	<u>203,955</u>	<u>2,466,400</u>	<u>2,262,445</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(2,574,461)</u>	<u>(2,824,496)</u>	<u>(2,465,677)</u>	<u>358,819</u>
Total other financing sources (uses)	<u>(2,574,461)</u>	<u>(2,824,496)</u>	<u>(2,465,677)</u>	<u>358,819</u>
Net change in fund balance	(838,030)	(2,620,541)	723	2,621,264
Fund balance, beginning of year	<u>3,635,176</u>	<u>3,635,176</u>	<u>3,635,176</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,797,146</u>	<u>\$ 1,014,635</u>	<u>\$ 3,635,899</u>	<u>\$ 2,621,264</u>

Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - Street and Traffic Safety - Special Revenue Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property				
Investment Earnings	\$ 254,000	\$ 254,000	\$ 255,170	\$ 1,170
Rents Tenants	19,800	19,800	19,801	1
Total Use of Money and Property	<u>273,800</u>	<u>273,800</u>	<u>274,971</u>	<u>1,171</u>
Charges for Services				
Other Development Fees	624,000	624,000	2,243,108	1,619,108
Total Charges for Services	<u>624,000</u>	<u>624,000</u>	<u>2,243,108</u>	<u>1,619,108</u>
 Total revenues	 <u>897,800</u>	 <u>897,800</u>	 <u>2,518,079</u>	 <u>1,620,279</u>
EXPENDITURES				
Public services	388,663	437,873	350,437	87,436
Capital Outlay	2,336,003	3,360,221	358,254	3,001,967
Total expenditures	<u>2,724,666</u>	<u>3,798,094</u>	<u>708,691</u>	<u>3,089,403</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,826,866)</u>	<u>(2,900,294)</u>	<u>1,809,388</u>	<u>4,709,682</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(75,550)	(75,233)	317
Total other financing sources (uses)	<u>-</u>	<u>(75,550)</u>	<u>(75,233)</u>	<u>317</u>
Net change in fund balance	(1,826,866)	(2,975,844)	1,734,155	4,709,999
Fund balance, beginning of year	<u>17,992,139</u>	<u>17,992,139</u>	<u>17,992,139</u>	<u>-</u>
Fund balance, end of year	<u>\$ 16,165,273</u>	<u>\$ 15,016,295</u>	<u>\$ 19,726,294</u>	<u>\$ 4,709,999</u>

Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - Assessment Districts - Special Revenue Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property	\$ -	\$ -	\$ 77,785	\$ 77,785
Charges for Services	7,600	7,600	7,592	(8)
Maintenance Assessments	1,964,200	1,964,200	1,958,856	(5,344)
Other Revenues	10,000	10,000	4,374	(5,626)
Total revenues	1,981,800	1,981,800	2,048,607	66,807
EXPENDITURES				
Public Services	406,865	406,865	375,637	31,228
Parks and Recreation	4,223,277	4,329,179	3,735,502	593,677
Capital Outlay	19,000	19,000	5,823	13,177
Total expenditures	4,649,142	4,755,044	4,116,962	638,082
Excess (deficiency) of revenues over (under) expenditures	(2,667,342)	(2,773,244)	(2,068,355)	704,889
OTHER FINANCING SOURCES (USES)				
Transfers in	1,803,299	1,803,299	1,634,208	(169,091)
Total other financing sources (uses)	1,803,299	1,803,299	1,634,208	(169,091)
Net change in fund balance	(864,043)	(969,945)	(434,147)	535,798
Fund balance, beginning of year	5,597,953	5,597,953	5,597,953	-
Fund balance, end of year	\$ 4,733,910	\$ 4,628,008	\$ 5,163,806	\$ 535,798

Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - Parks and Public Facilities - Special Revenue Fund
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property	\$ 18,000	\$ 18,000	\$ 46,523	\$ 28,523
Charges for Services	265,000	265,000	1,168,224	903,224
Total revenues	283,000	283,000	1,214,747	931,747
EXPENDITURES				
Parks and Recreation	63,200	78,200	16,650	61,550
Capital Outlay	388,800	388,800	24,283	364,517
Total expenditures	452,000	467,000	40,933	426,067
Excess (deficiency) of revenues over (under) expenditures	(169,000)	(184,000)	1,173,814	1,357,814
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(102,021)	(102,021)	-
Total other financing sources (uses)	-	(102,021)	(102,021)	-
Net change in fund balance	(169,000)	(286,021)	1,071,793	1,357,814
Fund balance, beginning of year	1,143,686	1,143,686	1,143,686	-
Fund balance, end of year	\$ 974,686	\$ 857,665	\$ 2,215,479	\$ 1,357,814

Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - Los Angeles AOC - Special Revenue Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property				
Investment Earnings	\$ 150,000	\$ 150,000	\$ 150,907	\$ 907
Total Use of Money and Property	150,000	150,000	150,907	907
Charges for Services				
Area of Contribution Fee	312,000	312,000	913,758	601,758
Total Charges for Services	312,000	312,000	913,758	601,758
Total revenues	462,000	462,000	1,064,665	602,665
EXPENDITURES				
Public services	27,091	52,640	39,728	12,912
Capital Outlay	5,705,176	6,125,259	236,655	5,888,604
Total expenditures	5,732,267	6,177,899	276,383	5,901,516
Net change in fund balance	(5,270,267)	(5,715,899)	788,282	6,504,181
Fund balance, beginning of year	10,976,710	10,976,710	10,976,710	-
Fund balance, end of year	<u>\$ 5,706,443</u>	<u>\$ 5,260,811</u>	<u>\$ 11,764,992</u>	<u>\$ 6,504,181</u>

Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - Low-Mod Income Housing Asset Fund - Special Revenue Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property	\$ -	\$ -	\$ 3,123	\$ 3,123
Charges for Services	-	-	4,950	4,950
Total revenues	-	-	8,073	8,073
EXPENDITURES				
General Government	30,000	30,000	459	29,541
Total expenditures	30,000	30,000	459	29,541
Net change in fund balance	(30,000)	(30,000)	7,614	37,614
Fund balance, beginning of year	7,644,230	7,644,230	7,644,230	-
Fund balance, end of year	<u>\$ 7,614,230</u>	<u>\$ 7,614,230</u>	<u>\$ 7,651,844</u>	<u>\$ 37,614</u>

Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - Prop 1B Local Streets and Roads - Special Revenue Fund
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 9,692	\$ 9,692
Intergovernmental	-	1,091,000	-	(1,091,000)
Total revenues	-	1,091,000	9,692	(1,081,308)
EXPENDITURES				
Capital outlay	539,061	537,267	-	537,267
Total expenditures	539,061	537,267	-	537,267
Net change in fund balance	(539,061)	553,733	9,692	(544,041)
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ (539,061)</u>	<u>\$ 553,733</u>	<u>\$ 9,692</u>	<u>\$ (544,041)</u>

Required Supplementary Information
City of Moorpark
Budgetary Comparison Schedule - Community Development - Special Revenue Fund
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Licenses and permits	\$ 510,900	\$ 510,900	\$ 1,150,268	\$ 639,368
Fines and forfeitures	1,000	1,000	4,766	3,766
Charges for services	745,500	745,500	1,344,555	599,055
Other revenue	-	-	855	855
Total revenues	<u>1,257,400</u>	<u>1,257,400</u>	<u>2,500,444</u>	<u>1,243,044</u>
EXPENDITURES				
Public services	2,278,598	2,341,069	2,918,166	(577,097)
Capital outlay	-	-	1,733	(1,733)
Total expenditures	<u>2,278,598</u>	<u>2,341,069</u>	<u>2,919,899</u>	<u>(578,830)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,021,198)</u>	<u>(1,083,669)</u>	<u>(419,455)</u>	<u>664,214</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,021,198	1,021,198	419,372	(601,826)
Total other financing sources (uses)	<u>1,021,198</u>	<u>1,021,198</u>	<u>419,372</u>	<u>(601,826)</u>
Net change in fund balance	-	(62,471)	(83)	62,388
Fund balance, beginning of year	<u>100</u>	<u>100</u>	<u>100</u>	<u>-</u>
Fund balance, end of year	<u>\$ 100</u>	<u>\$ (62,371)</u>	<u>\$ 17</u>	<u>\$ 62,388</u>

Required Supplementary Information
City of Moorpark
Schedule of Funding Progress for MRHP - OPEB
Year Ended June 30, 2014

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, 2014

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 \$6,337,087. 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 2012/13 as continuing appropriations.

The Community Development Fund presents total budgeted expenditures of \$2,341,069, total actual expenditures of \$2,919,899, and total excess of expenditures over budgeted amounts of \$578,830.

In the current year the City did not budget for its Special Project – Major Capital Projects fund.

SUPPLEMENTARY INFORMATION

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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property				
Investment Earnings	\$ -	\$ -	\$ 760	\$ 760
Total Use of Money and Property	-	-	760	760
Maintenance Assessment				
Police Facilities Fees	90,000	90,000	200,265	110,265
Total Maintenance Assessment	90,000	90,000	200,265	110,265
Total revenues	90,000	90,000	201,025	111,025
EXPENDITURES				
Total expenditures	-	-	-	-
Net change in fund balance	90,000	90,000	201,025	111,025
Fund balance (deficit), beginning of year	(1,849,206)	(1,849,206)	(1,849,206)	-
Fund balance (deficit), end of year	<u>\$ (1,759,206)</u>	<u>\$ (1,759,206)</u>	<u>\$ (1,648,181)</u>	<u>\$ 111,025</u>

**City of Moorpark
Non-Major Governmental Funds
June 30, 2014**

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.

Affordable Housing - is used to account for grants used for development of affordable housing units. Sources of revenue are grants, developer fees, and rental income.

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.

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.

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.

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.

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.

**City of Moorpark
Non-Major Governmental Funds
June 30, 2014**

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 account 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, 2014**

	Special Revenue		
	Library Services	Traffic Safety	Affordable Housing
ASSETS			
Cash and investments	\$ 765,368	\$ 353,902	\$ 4,159,194
Receivables:			
Accounts	-	40,576	-
Interest	832	1,278	9,614
Notes and loans	-	-	149,417
Due from other funds	-	-	-
Property held for resale	-	-	55,573
Total assets	\$ 766,200	\$ 395,756	\$ 4,373,798
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 67,803	\$ 16,526	\$ 18,497
Due to other funds	-	-	-
Unavailable revenues	2	-	-
Total liabilities	67,805	16,526	18,497
Deferred inflows of resources:			
Deferred loans	-	-	149,417
Fund balances:			
Nonspendable	-	-	55,573
Restricted	-	379,230	4,150,311
Committed	698,395	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances (deficit)	698,395	379,230	4,205,884
Total liabilities, deferred inflows of resources and fund balances	\$ 766,200	\$ 395,756	\$ 4,373,798

Continued

Special Revenue			
Endowment Fund	Tierra Rejada/ Spring Road A.O.C.	Casey/Gabbert A.O.C.	Freemount Storm Drain A.O.C.
\$ 5,514,529	\$ -	\$ 91,589	\$ 15,674
-	-	-	-
10,525	-	230	40
6,500	-	-	-
1,648,642	-	-	-
-	-	-	-
<u>\$ 7,180,196</u>	<u>\$ -</u>	<u>\$ 91,819</u>	<u>\$ 15,714</u>
\$ 17,511	\$ -	\$ -	\$ -
-	177,006	-	-
6,500	-	-	-
<u>24,011</u>	<u>177,006</u>	<u>-</u>	<u>-</u>
-	-	-	-
1,648,642	-	-	-
-	-	91,819	15,714
-	-	-	-
5,507,543	-	-	-
-	(177,006)	-	-
<u>7,156,185</u>	<u>(177,006)</u>	<u>91,819</u>	<u>15,714</u>
<u>\$ 7,180,196</u>	<u>\$ -</u>	<u>\$ 91,819</u>	<u>\$ 15,714</u>

**City of Moorpark
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2014**

	Special Revenue		
	State Gas Tax	Art in Public Places	State and Federal Assistance
ASSETS			
Cash and investments	\$ 974,903	\$ 2,619,489	\$ 940,711
Receivables:			
Accounts	120,149	-	98,828
Interest	2,533	5,705	1,010
Notes and loans	-	-	-
Due from other funds	-	-	-
Property held for resale	-	-	-
Total assets	\$ 1,097,585	\$ 2,625,194	\$ 1,040,549
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 18,953	\$ 7,919	\$ 63,553
Due to other funds	-	-	-
Unavailable revenues	6,384	-	890
Total liabilities	25,337	7,919	64,443
Deferred inflows of resources:			
Deferred loans	-	-	-
Fund balances:			
Nonspendable	-	-	-
Restricted	1,072,248	2,617,275	976,106
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances (deficit)	1,072,248	2,617,275	976,106
Total liabilities, deferred inflows of resources and fund balances	\$ 1,097,585	\$ 2,625,194	\$ 1,040,549

Continued

Special Revenue		Total
Local Transportation Transit	Solid Waste	Special Revenue
\$ 55,873	\$ 1,021,681	\$ 16,512,913
183,420	24,027	467,000
115	2,612	34,494
-	-	155,917
-	-	1,648,642
-	-	55,573
<u>\$ 239,408</u>	<u>\$ 1,048,320</u>	<u>\$ 18,874,539</u>
\$ 76,037	\$ 14,172	\$ 300,971
-	-	177,006
26,218	-	39,994
<u>102,255</u>	<u>14,172</u>	<u>517,971</u>
-	-	149,417
-	-	1,704,215
137,153	1,034,148	10,474,004
-	-	698,395
-	-	5,507,543
-	-	(177,006)
<u>137,153</u>	<u>1,034,148</u>	<u>18,207,151</u>
<u>\$ 239,408</u>	<u>\$ 1,048,320</u>	<u>\$ 18,874,539</u>

**City of Moorpark
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2014**

	Capital Projects		
	Capital Projects	Moorpark Highlands Improvement	City Hall Building
ASSETS			
Cash and investments	\$ 93,468	\$ -	\$ 3,649,898
Receivables:			
Accounts	-	-	-
Interest	237	-	9,287
Notes and loans	-	-	-
Due from other funds	-	-	-
Property held for resale	-	-	-
Total assets	\$ 93,705	\$ -	\$ 3,659,185
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 13,699
Due to other funds	-	-	-
Unavailable revenues	-	-	-
Total liabilities	-	-	13,699
Deferred inflows of resources:			
Deferred loans	-	-	-
Fund balances:			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	93,705	-	3,645,486
Unassigned	-	-	-
Total fund balances (deficit)	93,705	-	3,645,486
Total liabilities, deferred inflows of resources and fund balances	\$ 93,705	\$ -	\$ 3,659,185

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>
\$ 2,403,586	\$ 6,146,952	\$ 22,659,865
-	-	467,000
1,832	11,356	45,850
-	-	155,917
-	-	1,648,642
-	-	55,573
<u>\$ 2,405,418</u>	<u>\$ 6,158,308</u>	<u>\$ 25,032,847</u>
\$ 11,370	\$ 25,069	\$ 326,040
-	-	177,006
-	-	39,994
<u>11,370</u>	<u>25,069</u>	<u>543,040</u>
-	-	149,417
-	-	1,704,215
-	-	10,474,004
-	-	698,395
2,394,048	6,133,239	11,640,782
-	-	(177,006)
<u>2,394,048</u>	<u>6,133,239</u>	<u>24,340,390</u>
<u>\$ 2,405,418</u>	<u>\$ 6,158,308</u>	<u>\$ 25,032,847</u>

City of Moorpark
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Governmental Funds
Year Ended June 30, 2014

	Special Revenue		
	Library Services	Traffic Safety	Affordable Housing
REVENUES			
Taxes	\$ 802,084	\$ -	\$ -
Fines and forfeitures	19,131	180,252	200
Use of money and property	6,263	7,167	50,623
Charges for services	13,453	-	843,640
Intergovernmental	-	-	-
Other revenue	-	-	54,759
Total revenues	840,931	187,419	949,222
EXPENDITURES			
Current:			
General government	-	-	20,000
Public safety	-	240,432	-
Public services	884,428	-	232,746
Parks and recreation	-	-	-
Capital Outlay	654	-	13,265
Total expenditures	885,082	240,432	266,011
Excess (deficiency) of revenues over (under) expenditures	(44,151)	(53,013)	683,211
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	(161,994)	-
Total other financing sources (uses)	-	(161,994)	-
Net change in fund balances	(44,151)	(215,007)	683,211
Fund balances (deficit), beginning of year	742,546	594,237	3,522,673
Fund balances (deficit), end of year	<u>\$ 698,395</u>	<u>\$ 379,230</u>	<u>\$ 4,205,884</u>

Continued

Special Revenue			
Endowment Fund	Tierra Rejada/ Spring Road A.O.C.	Casey/Gabbert A.O.C.	Freemount Storm Drain A.O.C.
\$ -	\$ -	\$ -	\$ -
-	-	-	-
129,660	-	1,229	213
2,220,015	-	2,030	-
32,195	-	-	-
-	-	-	-
<u>2,381,870</u>	<u>-</u>	<u>3,259</u>	<u>213</u>
-	-	-	-
-	-	-	-
204,430	-	-	-
-	-	-	-
154,231	-	-	-
<u>358,661</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,023,209</u>	<u>-</u>	<u>3,259</u>	<u>213</u>
-	-	-	-
-	-	-	-
-	-	-	-
2,023,209	-	3,259	213
5,132,976	(177,006)	88,560	15,501
<u>\$ 7,156,185</u>	<u>\$ (177,006)</u>	<u>\$ 91,819</u>	<u>\$ 15,714</u>

City of Moorpark
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Governmental Funds
Year Ended June 30, 2014

	Special Revenue		
	State Gas Tax	Art in Public Places	State and Federal Assistance
REVENUES			
Taxes	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-
Use of money and property	13,541	29,697	4,437
Charges for services	-	704,692	-
Intergovernmental	1,182,188	-	1,403,273
Other revenue	7,797	-	77,493
Total revenues	1,203,526	734,389	1,485,203
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	-	-	99,147
Public services	709,316	-	576,495
Parks and recreation	-	13,441	-
Capital Outlay	149,689	26,441	-
Total expenditures	859,005	39,882	675,642
Excess (deficiency) of revenues over (under) expenditures	344,521	694,507	809,561
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(149,568)	-	-
Total other financing sources (uses)	(149,568)	-	-
Net change in fund balances	194,953	694,507	809,561
Fund balances (deficit), beginning of year	877,295	1,922,768	166,545
Fund balances (deficit), end of year	<u>\$ 1,072,248</u>	<u>\$ 2,617,275</u>	<u>\$ 976,106</u>

Continued

Special Revenue		Total
Local Transportation Transit	Solid Waste	Special Revenue Funds
\$ -	\$ 280,127	\$ 1,082,211
-	-	199,583
743	14,044	257,617
68,432	3,140	3,855,402
542,917	10,191	3,170,764
-	-	140,049
<u>612,092</u>	<u>307,502</u>	<u>8,705,626</u>
-	-	20,000
-	-	339,579
610,629	289,310	3,507,354
-	-	13,441
40,728	-	385,008
<u>651,357</u>	<u>289,310</u>	<u>4,265,382</u>
<u>(39,265)</u>	<u>18,192</u>	<u>4,440,244</u>
-	-	-
-	-	(311,562)
-	-	(311,562)
(39,265)	18,192	4,128,682
<u>176,418</u>	<u>1,015,956</u>	<u>14,078,469</u>
<u>\$ 137,153</u>	<u>\$ 1,034,148</u>	<u>\$ 18,207,151</u>

City of Moorpark
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance, (continued)
Non-Major Governmental Funds
Year Ended June 30, 2014

	Capital Projects		
	Capital Projects	Moorpark Highlands Improvement	City Hall Building
REVENUES			
Taxes	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-
Use of money and property	1,272	-	49,927
Charges for services	-	-	-
Intergovernmental	-	-	-
Other revenue	-	-	-
Total revenues	1,272	-	49,927
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	-	-	-
Public services	-	-	-
Parks and recreation	-	-	-
Capital Outlay	-	2,844	41,575
Total expenditures	-	2,844	41,575
Excess (deficiency) of revenues over (under) expenditures	1,272	(2,844)	8,352
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	1,272	(2,844)	8,352
Fund balances (deficit), beginning of year	92,433	2,844	3,637,134
Fund balances (deficit), end of year	\$ 93,705	\$ -	\$ 3,645,486

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>
\$ -	\$ -	\$ 1,082,211
-	-	199,583
6,783	57,982	315,599
-	-	3,855,402
-	-	3,170,764
11,500	11,500	151,549
<u>18,283</u>	<u>69,482</u>	<u>8,775,108</u>
-	-	20,000
-	-	339,579
-	-	3,507,354
-	-	13,441
135,044	179,463	564,471
<u>135,044</u>	<u>179,463</u>	<u>4,444,845</u>
<u>(116,761)</u>	<u>(109,981)</u>	<u>4,330,263</u>
2,252,366	2,252,366	2,252,366
-	-	(311,562)
<u>2,252,366</u>	<u>2,252,366</u>	<u>1,940,804</u>
2,135,605	2,142,385	6,271,067
258,443	3,990,854	18,069,323
<u>\$ 2,394,048</u>	<u>\$ 6,133,239</u>	<u>\$ 24,340,390</u>

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City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Library Services - Special Revenue Fund
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 775,000	\$ 775,000	\$ 802,084	\$ 27,084
Fines and forfeitures	20,000	20,000	19,131	(869)
Use of money and property	1,000	1,000	6,263	5,263
Charges for services	15,000	15,000	13,453	(1,547)
Total revenues	811,000	811,000	840,931	29,931
EXPENDITURES				
Current:				
Public services	894,444	935,250	884,428	50,822
Capital Outlay	-	-	654	(654)
Total expenditures	894,444	935,250	885,082	50,168
Net change in fund balance	(83,444)	(124,250)	(44,151)	80,099
Fund balance, beginning of year	742,546	742,546	742,546	-
Fund balance, end of year	<u>\$ 659,102</u>	<u>\$ 618,296</u>	<u>\$ 698,395</u>	<u>\$ 80,099</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Traffic Safety - Special Revenue Fund
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 150,000	\$ 150,000	\$ 180,252	\$ 30,252
Use of money and property	5,000	5,000	7,167	2,167
Total revenues	155,000	155,000	187,419	32,419
EXPENDITURES				
Public safety	232,793	258,291	240,432	17,859
Total expenditures	232,793	258,291	240,432	17,859
Excess (deficiency) of revenues over (under) expenditures	(77,793)	(103,291)	(53,013)	50,278
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(161,994)	(161,994)	-
Total other financing sources (uses)	-	(161,994)	(161,994)	-
Net change in fund balance	(77,793)	(265,285)	(215,007)	50,278
Fund balance, beginning of year	594,237	594,237	594,237	-
Fund balance, end of year	\$ 516,444	\$ 328,952	\$ 379,230	\$ 50,278

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - City Affordable Housing - Special Revenue Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ -	\$ -	\$ 200	\$ 200
Use of Money and Property	50,000	50,000	50,623	623
Charges for Services	234,300	234,300	843,640	609,340
Other Revenues	-	-	54,759	54,759
Total revenues	284,300	284,300	949,222	664,922
EXPENDITURES				
General government	20,000	20,000	20,000	-
Public services	257,575	305,357	232,746	72,611
Capital Outlay	-	-	13,265	(13,265)
Total expenditures	277,575	325,357	266,011	59,346
Net change in fund balance	6,725	(41,057)	683,211	724,268
Fund balance, beginning of year	3,522,673	3,522,673	3,522,673	-
Fund balance, end of year	<u>\$ 3,529,398</u>	<u>\$ 3,481,616</u>	<u>\$ 4,205,884</u>	<u>\$ 724,268</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Endowment - Special Revenue Fund
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ 95,000	\$ 95,000	\$ 129,660	\$ 34,660
Charges for services	678,000	678,000	2,220,015	1,542,015
Intergovernmental	-	-	32,195	32,195
Total revenues	<u>773,000</u>	<u>773,000</u>	<u>2,381,870</u>	<u>1,608,870</u>
EXPENDITURES				
Public services	201,291	200,648	204,430	(3,782)
Capital outlay	948,541	394,464	154,231	240,233
Total expenditures	<u>1,149,832</u>	<u>595,112</u>	<u>358,661</u>	<u>236,451</u>
Net change in fund balance	(376,832)	177,888	2,023,209	1,845,321
Fund balance, beginning of year	<u>5,132,976</u>	<u>5,132,976</u>	<u>5,132,976</u>	<u>-</u>
Fund balance, end of year	<u>\$ 4,756,144</u>	<u>\$ 5,310,864</u>	<u>\$ 7,156,185</u>	<u>\$ 1,845,321</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Tierra Rejada Spring Road - Special Revenue Fund
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Maintenance assessments	\$ 142,000	\$ 142,000	\$ -	\$ (142,000)
Other revenue			-	-
Total revenues	<u>142,000</u>	<u>142,000</u>	<u>-</u>	<u>(142,000)</u>
EXPENDITURES				
Total expenditures	-	-	-	-
Net change in fund balance	142,000	142,000	-	(142,000)
Fund balance, beginning of year	<u>(177,006)</u>	<u>(177,006)</u>	<u>(177,006)</u>	<u>-</u>
Fund balance, end of year	<u>\$ (35,006)</u>	<u>\$ (35,006)</u>	<u>\$ (177,006)</u>	<u>\$ (142,000)</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, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 13,541	\$ 13,541
Intergovernmental	946,000	946,000	1,182,188	236,188
Other revenue	-	-	7,797	7,797
Total revenues	946,000	946,000	1,203,526	257,526
EXPENDITURES				
Public services	750,938	800,539	709,316	91,223
Capital outlay	32,966	229,511	149,689	79,822
Total expenditures	783,904	1,030,050	859,005	171,045
Excess (deficiency) of revenues over (under) expenditures	162,096	(84,050)	344,521	428,571
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(149,568)	(149,568)	-
Total other financing sources (uses)	-	(149,568)	(149,568)	-
Net change in fund balance	162,096	(233,618)	194,953	428,571
Fund balance, beginning of year	877,295	877,295	877,295	-
Fund balance, end of year	<u>\$ 1,039,391</u>	<u>\$ 643,677</u>	<u>\$ 1,072,248</u>	<u>\$ 428,571</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, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ 75,000	\$ 75,000	\$ 29,697	\$ (45,303)
Charges for services	275,000	275,000	704,692	429,692
Total revenues	350,000	350,000	734,389	384,389
EXPENDITURES				
Parks and recreation	13,545	13,496	13,441	55
Capital outlay	300,000	300,000	26,441	273,559
Total expenditures	313,545	313,496	39,882	273,614
Net change in fund balance	36,455	36,504	694,507	658,003
Fund balance, beginning of year	1,922,768	1,922,768	1,922,768	-
Fund balance, end of year	<u>\$ 1,959,223</u>	<u>\$ 1,959,272</u>	<u>\$ 2,617,275</u>	<u>\$ 658,003</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, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 4,437	\$ 4,437
Intergovernmental	4,265,290	4,450,447	1,403,273	(3,047,174)
Other revenue	-	-	77,493	77,493
Total revenues	4,265,290	4,450,447	1,485,203	(2,965,244)
EXPENDITURES				
Public safety	100,000	100,000	99,147	853
Public services	681,960	680,920	576,495	104,425
Capital outlay	3,452,344	3,514,186	-	3,514,186
Total expenditures	4,234,304	4,295,106	675,642	3,619,464
Net change in fund balance	30,986	155,341	809,561	654,220
Fund balance, beginning of year	166,545	166,545	166,545	-
Fund balance, end of year	\$ 197,531	\$ 321,886	\$ 976,106	\$ 654,220

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, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 743	\$ 743
Charges for services	62,000	62,000	68,432	6,432
Intergovernmental	776,900	810,900	542,917	(267,983)
Total revenues	<u>838,900</u>	<u>872,900</u>	<u>612,092</u>	<u>(260,808)</u>
EXPENDITURES				
Public services	680,007	714,136	610,629	103,507
Capital outlay	335,182	335,182	40,728	294,454
Total expenditures	<u>1,015,189</u>	<u>1,049,318</u>	<u>651,357</u>	<u>397,961</u>
Net change in fund balance	(176,289)	(176,418)	(39,265)	137,153
Fund balance, beginning of year	<u>176,418</u>	<u>176,418</u>	<u>176,418</u>	<u>-</u>
Fund balance, end of year	<u>\$ 129</u>	<u>\$ -</u>	<u>\$ 137,153</u>	<u>\$ 137,153</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Solid Waste - Special Revenue Fund
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 285,000	\$ 285,000	\$ 280,127	\$ (4,873)
Use of money and property	13,000	13,000	14,044	1,044
Charges for services	2,700	2,700	3,140	440
Intergovernmental	20,300	20,300	10,191	(10,109)
Other revenue	5,000	5,000	-	(5,000)
Total revenues	326,000	326,000	307,502	(18,498)
EXPENDITURES				
Public services	307,019	313,247	289,310	23,937
Total expenditures	307,019	313,247	289,310	23,937
Net change in fund balance	18,981	12,753	18,192	5,439
Fund balance, beginning of year	1,015,956	1,015,956	1,015,956	-
Fund balance, end of year	\$ 1,034,937	\$ 1,028,709	\$ 1,034,148	\$ 5,439

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Capital Projects - Capital Projects Fund
Year Ended June 30, 2014

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 1,272	\$ 1,272
Total revenues	-	-	1,272	1,272
EXPENDITURES				
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	1,272	1,272
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	1,272	(58,728)
Fund balance, beginning of year	92,433	92,433	92,433	-
Fund balance, end of year	<u>\$ 152,433</u>	<u>\$ 152,433</u>	<u>\$ 93,705</u>	<u>\$ (58,728)</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, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ 50,000	\$ 50,000	\$ 49,927	\$ (73)
Total revenues	50,000	50,000	49,927	(73)
EXPENDITURES				
Capital outlay	3,457,629	3,456,362	41,575	3,414,787
Total expenditures	3,457,629	3,456,362	41,575	3,414,787
Net change in fund balance	(3,407,629)	(3,406,362)	8,352	3,414,714
Fund balance, beginning of year	3,637,134	3,637,134	3,637,134	-
Fund balance, end of year	<u>\$ 229,505</u>	<u>\$ 230,772</u>	<u>\$ 3,645,486</u>	<u>\$ 3,414,714</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, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ 5,000	\$ 5,000	\$ 6,783	\$ 1,783
Other revenue	-	-	11,500	11,500
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>18,283</u>	<u>13,283</u>
EXPENDITURES				
Capital outlay	<u>59,000</u>	<u>142,023</u>	<u>135,044</u>	<u>6,979</u>
Total expenditures	<u>59,000</u>	<u>142,023</u>	<u>135,044</u>	<u>6,979</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(54,000)</u>	<u>(137,023)</u>	<u>(116,761)</u>	<u>20,262</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>2,252,366</u>	<u>2,252,366</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>2,252,366</u>	<u>2,252,366</u>	<u>-</u>
Net change in fund balance	(54,000)	2,115,343	2,135,605	20,262
Fund balance, beginning of year	<u>258,443</u>	<u>258,443</u>	<u>258,443</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 204,443</u></u>	<u><u>\$ 2,373,786</u></u>	<u><u>\$ 2,394,048</u></u>	<u><u>\$ 20,262</u></u>

**City of Moorpark
Statement of Fiduciary Net position
Agency Funds
Year Ended June 30, 2014**

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014
General Trust				
Assets				
Cash and investments	\$ 3,895,779	\$ 8,074,709	\$ (7,960,622)	\$ 4,009,866
Cash and investments with fiscal agent	6,824,889	6,709,494	(6,097,193)	7,437,190
Accounts receivable	16,675	61,038	(16,643)	61,070
Total assets	\$ 10,737,343	\$ 14,845,241	\$ (14,074,458)	\$ 11,508,126
Liabilities				
Accounts payable	\$ 82,149	\$ 1,029,343	\$ (875,251)	\$ 236,241
General deposits	3,803,596	1,189,862	(1,219,804)	3,773,654
Due to bondholders	6,851,598	6,929,583	(6,282,950)	7,498,231
Total liabilities	\$ 10,737,343	\$ 9,148,788	\$ (8,378,005)	\$ 11,508,126

STATISTICAL SECTION

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 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)**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities:					
Invested in capital assets, net of related debt	\$ 99,760,671	\$ 108,190,324	\$ 125,900,770	\$ 130,071,108	\$ 130,581,499
Restricted	46,405,391	57,986,366	100,649,409	101,613,368	94,878,693
Unrestricted	26,413,978	26,965,428	6,458,224	3,641,173	14,213,503
Total governmental activities net position	<u>\$ 172,580,040</u>	<u>\$ 193,142,118</u>	<u>\$ 233,008,403</u>	<u>\$ 235,325,649</u>	<u>\$ 239,673,695</u>

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)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Governmental activities:					
Invested in capital assets, net of related debt	\$ 141,095,551	\$ 145,841,042	\$ 139,795,930	\$ 262,271,564	\$ 259,798,991
Restricted	91,504,803	72,654,599	87,274,980	82,125,331	85,872,675
Unrestricted	15,828,208	13,402,969	7,909,301	10,042,168	15,655,932
Total governmental activities net position	<u>\$ 248,428,562</u>	<u>\$ 231,898,610</u>	<u>\$ 234,980,211</u>	<u>\$ 354,439,063</u>	<u>\$ 361,327,598</u>

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

	2005	2006	2007	2008	2009
Expenditures:					
General government	\$ 3,030,395	\$ 3,044,381	\$ 1,639,628	\$ 1,949,206	\$ 2,041,596
Public safety	5,709,323	6,230,057	6,317,283	6,882,072	7,035,384
Public services	9,844,050	13,106,843	21,231,766	20,580,204	18,170,325
Parks and recreation	2,304,852	2,771,270	4,293,823	4,551,045	4,470,524
Interest on long-term debt	978,843	1,333,370	1,332,541	1,773,841	1,616,843
Total governmental activities expenses	<u>21,867,463</u>	<u>26,485,921</u>	<u>34,815,041</u>	<u>35,736,368</u>	<u>33,334,672</u>
Program revenues:					
Charges for services:					
General government	2,010,540	2,201,590	191,674	283,576	232,926
Public safety	344,019	340,341	598,500	633,131	538,636
Public services	2,776,976	4,163,781	6,612,769	5,743,200	3,172,708
Parks and recreation	501,283	536,166	604,904	756,885	644,979
Total charges for services	<u>5,632,818</u>	<u>7,241,878</u>	<u>8,007,847</u>	<u>7,416,792</u>	<u>4,589,249</u>
Operating contributions and grants	2,313,834	3,237,143	4,489,945	7,113,883	6,172,315
Capital contributions and grants	4,633,166	18,027,831	38,337,638	5,481,972	3,326,778
Total governmental activities program revenues	<u>12,579,818</u>	<u>28,506,852</u>	<u>50,835,430</u>	<u>20,012,647</u>	<u>14,088,342</u>
Net program revenues (expenses)	<u>(9,287,645)</u>	<u>2,020,931</u>	<u>16,020,389</u>	<u>(15,723,721)</u>	<u>(19,246,330)</u>
General revenues and other changes in net position:					
Taxes:					
Property tax	2,655,093	2,929,842	3,334,491	4,505,980	7,802,643
Property tax, Redevelopment Agency	3,901,779	5,530,198	6,347,692	6,887,079	7,054,432
Franchise tax	955,829	1,080,893	1,126,951	1,150,180	1,171,556
Sales tax	2,046,368	2,260,786	2,192,327	2,306,281	2,329,522
Sales tax in lieu	537,485	608,298	704,562	779,263	849,227
Motor vehicle in lieu	2,836,154	2,734,470	2,860,207	3,038,440	125,307
Investment income	1,725,579	3,261,384	6,556,186	2,491,856	2,875,649
Contributed Capital	-	-	-	-	-
Other	1,160,805	135,276	58,841	139,728	386,040
Gain on sale of property	48,339	-	276,797	-	-
County settlement	-	-	-	-	1,000,000
Extraordinary item - Gain on Dissolution of	-	-	-	-	-
Total governmental activities	<u>15,867,431</u>	<u>18,541,147</u>	<u>23,458,054</u>	<u>21,298,807</u>	<u>23,594,376</u>
Changes in net position - governmental activities	<u>\$ 6,579,786</u>	<u>\$ 20,562,078</u>	<u>\$ 39,478,443</u>	<u>\$ 5,575,086</u>	<u>\$ 4,348,046</u>

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

	2010	2011	2012	2013	2014
Expenditures:					
General government	\$ 1,603,279	\$ 3,201,184	\$ 2,217,953	\$ 4,149,965	\$ 2,169,069
Public safety	7,016,015	7,070,049	6,158,455	6,550,936	6,882,753
Public services	13,589,878	31,775,462	11,124,523	9,948,865	11,779,873
Parks and recreation	4,934,002	4,658,717	5,704,208	5,755,528	6,026,182
Interest on long-term debt	1,504,502	1,492,604	354,412	-	-
Total governmental activities expenses	<u>28,647,676</u>	<u>48,198,016</u>	<u>25,559,551</u>	<u>26,405,294</u>	<u>26,857,877</u>
Program revenues:					
Charges for services:					
General government	258,431	293,008	407,883	587,915	1,474,249
Public safety	477,305	492,847	445,642	809,257	2,657,332
Public services	2,769,641	2,473,770	1,988,453	4,154,598	7,815,032
Parks and recreation	643,593	697,787	858,333	973,761	1,913,045
Total charges for services	<u>4,148,970</u>	<u>3,957,412</u>	<u>3,700,311</u>	<u>6,525,531</u>	<u>13,859,658</u>
Operating contributions and grants	4,128,842	5,999,168	3,702,582	3,533,608	4,364,461
Capital contributions and grants	1,970,931	1,703,076	2,106,706	1,879,634	2,010,143
Total governmental activities program revenues	<u>10,248,743</u>	<u>11,659,656</u>	<u>9,509,599</u>	<u>11,938,773</u>	<u>20,234,262</u>
Net program revenues (expenses)	<u>(18,398,933)</u>	<u>(36,538,360)</u>	<u>(16,049,952)</u>	<u>(14,466,521)</u>	<u>(6,623,615)</u>
General revenues and other changes in net position:					
Taxes:					
Property tax	7,449,063	7,287,282	6,943,275	6,776,729	6,841,765
Property tax, Redevelopment Agency	6,864,777	6,755,960	3,389,064	-	-
Franchise tax	1,171,825	1,207,778	1,231,741	1,222,956	1,222,759
Sales tax	2,382,010	2,577,105	2,622,419	2,730,871	2,695,884
Sales tax in lieu	588,635	940,791	857,217	875,160	1,089,362
Motor vehicle in lieu	109,136	170,592	18,590	19,262	15,942
Investment income	853,074	856,413	1,206,622	142,222	1,153,683
Contributed Capital	-	-	663,818	-	-
Other	283,372	212,487	245,235	299,730	492,755
Gain on sale of property	-	-	-	-	-
County settlement	-	-	-	-	-
Extraordinary item - Gain on Dissolution of	-	-	356,845	-	-
Total governmental activities	<u>19,701,892</u>	<u>20,008,408</u>	<u>17,534,826</u>	<u>12,066,930</u>	<u>13,512,150</u>
Changes in net position - governmental activities	<u>\$ 1,302,959</u>	<u>\$ (16,529,952)</u>	<u>\$ 1,484,874</u>	<u>\$ (2,399,591)</u>	<u>\$ 6,888,535</u>

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

	2005	2006	2007	2008	2009
General fund:					
Reserved	\$ 5,772,444	\$ 2,943,353	\$ -	\$ 95,397	\$ 373,209
Unreserved	12,527,255	18,301,058	24,405,620	3,625,348	2,832,620
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total general fund	<u>\$ 18,299,699</u>	<u>\$ 21,244,411</u>	<u>\$ 24,405,620</u>	<u>\$ 3,720,745</u>	<u>\$ 3,205,829</u>
All other governmental funds:					
Reserved	\$ 13,889,036	\$ 14,124,235	\$ 41,864,116	\$ 35,103,620	\$ 33,719,016
Unreserved, reported in:					
Special revenue funds	26,977,320	36,903,391	41,486,631	42,761,089	37,278,628
Capital projects funds	3,361,134	1,293,998	16,807,370	39,098,065	35,699,829
Debt Service funds	(346,716)	(321,425)	83,243	(1,025,927)	261,336
Non-major funds	8,272,652	9,724,941	8,693,969	13,384,413	25,043,397
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>\$ 52,153,426</u>	<u>\$ 61,725,140</u>	<u>\$ 108,935,329</u>	<u>\$ 129,321,260</u>	<u>\$ 132,002,206</u>

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

	2010	2011	2012	2013	2014
General fund:					
Reserved	\$ 337,286	\$ -	\$ -	\$ -	\$ -
Unreserved	2,662,713	-	-	-	-
Nonspendable	-	220,976	1,275,022	635,176	635,899
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	2,779,024	2,999,000	3,000,000	3,000,000
Total general fund	\$ 2,999,999	\$ 3,000,000	\$ 4,274,022	\$ 3,635,176	\$ 3,635,899
All other governmental funds:					
Reserved	\$ 38,208,807	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	32,207,690	-	-	-	-
Capital projects funds	33,735,939	-	-	-	-
Debt Service funds	294,202	-	-	-	-
Non-major funds	25,335,288	-	-	-	-
Fund Balances:					
Nonspendable	-	14,862,594	3,055,064	10,478,901	10,253,789
Restricted	-	66,565,551	55,945,095	44,067,428	49,389,385
Committed	-	795,208	783,281	742,546	698,395
Assigned	-	28,849,138	30,892,276	33,084,456	36,190,577
Unassigned	-	(2,124,660)	(2,047,164)	(2,026,212)	(1,825,187)
Total all other governmental funds	\$ 129,781,926	108,947,831	88,628,552	86,347,119	94,706,959

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

	2005	2006	2007	2008	2009
Revenues:					
Taxes	\$ 9,139,722	\$ 12,231,076	\$ 13,706,024	\$ 15,392,269	\$ 19,716,636
Licenses and permits	54,180	72,365	65,630	72,951	645,010
Fines and forfeitures	344,019	340,341	343,579	358,665	484,930
Uses of money and property	1,924,579	3,261,384	7,085,104	5,684,111	3,114,881
Charges for services	2,558,974	2,665,391	338,929	677,277	3,813,159
Intergovernmental	5,150,992	6,302,193	6,163,985	7,549,040	3,948,059
Maintenance assessments	1,963,190	1,845,742	1,922,471	4,205,700	3,491,975
Franchise fees	1,231,763	283,162	292,003	301,514	-
Building and safety fees	431,959	1,110,715	716,552	530,761	-
Planning and public work fees	1,967,751	3,053,066	1,649,002	1,938,143	-
Development fees	2,669,976	15,568,347	6,403,851	4,501,837	-
Contributions from prop owners	-	-	34,066,993	-	-
Other	2,832,962	397,574	2,030,211	433,378	398,539
Total revenues	<u>30,270,067</u>	<u>47,131,356</u>	<u>74,784,334</u>	<u>41,645,646</u>	<u>35,613,189</u>
Expenditures:					
Current:					
General government	2,893,359	2,919,564	1,471,354	1,835,801	1,926,283
Public safety	5,690,820	6,211,461	6,083,917	6,637,757	6,814,425
Public services	8,098,147	11,215,406	9,608,754	12,505,613	11,259,297
Parks and recreation	2,081,723	2,544,206	4,039,888	4,291,867	4,182,091
Capital outlay	7,810,879	10,038,439	19,477,866	14,682,017	8,100,604
Debt service:					
Principal	405,000	435,910	440,000	455,000	475,000
Interest	1,158,585	1,251,354	1,400,985	1,631,932	1,594,062
Bond issuance costs	-	-	505,588	-	-
Total expenditures	<u>28,138,513</u>	<u>34,616,340</u>	<u>43,028,352</u>	<u>42,039,987</u>	<u>34,351,762</u>
Excess of revenues over expenditures	<u>2,131,554</u>	<u>12,515,016</u>	<u>31,755,982</u>	<u>(394,341)</u>	<u>1,261,427</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	-	-	-	-	1,000,000
Transfers in	2,027,315	3,352,002	9,457,260	27,626,755	17,062,650
Transfers out	(2,027,315)	(3,352,002)	(9,457,260)	(27,626,755)	(17,062,650)
Total other financing sources (uses)	<u>48,339</u>	<u>1,410</u>	<u>11,646,396</u>	<u>-</u>	<u>1,000,000</u>
Extraordinary Item	-	-	-	-	-
Net change in fund balances	<u>\$ 2,179,893</u>	<u>\$ 12,516,426</u>	<u>\$ 43,402,378</u>	<u>\$ (394,341)</u>	<u>\$ 2,261,427</u>
Debt service as a percentage of noncapital expenditures	8.3%	7.4%	8.7%	8.3%	8.6%

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

	2010	2011	2012	2013	2014
Revenues:					
Taxes	\$ 18,730,771	\$ 19,042,900	\$ 16,147,175	\$ 12,662,488	\$ 12,931,981
Licenses and permits	598,370	587,186	561,530	498,102	1,279,619
Fines and forfeitures	436,377	441,543	446,426	420,555	425,844
Uses of money and property	1,547,229	1,537,255	1,381,235	482,129	1,533,697
Charges for services	3,284,275	2,579,593	3,559,454	5,170,238	10,785,334
Intergovernmental	2,629,132	4,786,235	1,627,462	2,503,734	3,257,823
Maintenance assessments	1,950,431	2,112,992	2,114,957	1,893,699	2,159,121
Franchise fees	-	-	-	-	-
Building and safety fees	-	-	-	-	-
Planning and public work fees	-	-	-	-	-
Development fees	-	-	-	-	-
Contributions from prop owners	-	-	-	-	-
Other	587,832	833,082	1,345,246	167,784	438,612
Total revenues	<u>29,764,417</u>	<u>31,920,786</u>	<u>27,183,485</u>	<u>23,798,729</u>	<u>32,812,031</u>
Expenditures					
Current:					
General government	1,497,916	2,289,299	890,396	2,125,004	1,746,028
Public safety	6,769,484	6,839,355	6,467,065	6,306,906	6,643,550
Public services	12,343,896	12,876,132	8,321,090	7,391,632	9,126,851
Parks and recreation	4,453,400	4,074,490	5,038,957	5,086,773	5,354,601
Capital outlay	5,548,179	24,506,524	4,679,053	5,144,756	1,580,438
Debt service:					
Principal	495,000	1,874,064	590,122	-	-
Interest	1,482,799	1,471,516	688,825	-	-
Bond issuance costs	-	-	-	-	-
Total expenditures	<u>32,590,674</u>	<u>53,931,380</u>	<u>26,675,508</u>	<u>26,055,071</u>	<u>24,451,468</u>
Excess of revenues over expenditures	<u>(2,826,257)</u>	<u>(22,010,594)</u>	<u>507,977</u>	<u>(2,256,342)</u>	<u>8,360,563</u>
Other financing sources (uses):					
Gain from sale of property	-	-	-	-	-
Bond Proceeds	-	-	-	-	-
Discount on Bonds	-	-	-	-	-
County settlements	-	-	-	-	-
Transfers in	9,378,101	3,820,738	4,739,189	3,262,665	4,718,044
Transfers out	(9,378,101)	(2,644,238)	(4,739,189)	(3,262,665)	(4,718,044)
Total other financing sources (uses)	<u>-</u>	<u>1,176,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Extraordinary Item	-	-	(19,553,234)	-	-
Net change in fund balances	<u>\$ (2,826,257)</u>	<u>\$ (20,834,094)</u>	<u>\$ (19,045,257)</u>	<u>\$ (2,256,342)</u>	<u>\$ 8,360,563</u>
Debt service as a percentage of noncapital expenditures	7.9%	12.8%	6.2%	0.0%	0.0%

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

Fiscal Year Ended June 30	City			Redevelopment Agency			Taxable Assessed Value	Total Direct Tax Rate	
	Secured	Unsecured	Less: Exemptions	Secured	Unsecured	Less: Exemptions			
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	0.031%
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	0.037%
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	0.037%
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	0.033%
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	0.035%
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	0.038%
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	0.040%
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	0.031%
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%
2014	4,718,569,672	119,712,860	45,054,167	4,883,336,699	878,368,970	70,500,448	4,423,367	953,292,785	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

		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
1	Basic Levy	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
	Conejo Valley Unified	0.02800	0.02670	0.02490	0.02420	0.02500	0.02640	0.02850	0.03070	0.03240	0.03270
	Metropolitan Water District	0.00580	0.00520	0.00470	0.00450	0.00430	0.00430	0.00370	0.00370	0.00350	0.00350
	Moorpark Unified	0.03140	0.03660	0.03740	0.03310	0.03510	0.03760	0.03980	0.05750	0.04490	0.03950
	Ventura Community	0.01300	0.01300	0.01270	0.00500	0.01520	0.01390	0.01510	0.01400	0.01910	0.01670
2	Total Direct &	1.07820	1.08150	1.07970	1.06680	1.07960	1.08220	1.08710	1.10590	1.09990	1.09240
3	City's Share of 1% Levy	0.07447	0.07447	0.07447	0.07447	0.09094	0.09077	0.90770	0.09077	0.09078	0.09078
4	Redevelopment Rate	1.00580	1.00520	1.00470	1.00450	1.00430	1.00430	1.00370	1.00370	-	-
5	Total Direct Rate	0.17341	0.19150	0.19826	0.19963	0.21254	0.21589	0.21304	0.21047	0.21806	0.09508

Notes

- 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 any voter approved bonds.
- 2 Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.
- 3 City's share of 1% levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the city. ERAF general fund tax shifts may not be included in tax ratio figures.
- 4 Redevelopment rates is based on the largest RDA tax rate area and only includes rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of Abx1 26 eliminated redevelopment from the State of California for the fiscal year 2012/13 and years thereafter.
- 5 Total Direct Rates is the weighted average of all individual direct rates applied to by the government preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.

Source: HdL, Coren & Cone
Ventura County Assessor

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

Taxpayers	2014		2004	
	Taxable Assessed Value *	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
NF Moorpark Multifamily Assoc	\$ 73,122,239	1.50 %	\$ -	- %
Waterstone Properties Moorpark LLC	69,933,039	1.43 %	-	- %
Moorpark Center LLC	44,719,000	0.92 %	-	- %
Village at Moorpark LLC	30,503,063	0.62 %	-	- %
Toll Land XIX LLC	28,632,492	0.59 %	45,749,526	1.33 %
EB West Properties Inc.	22,888,798	0.47 %	-	- %
Tuscany Square Partners LLC	22,693,311	0.46 %	-	- %
G-S Partnership	22,413,963	0.46 %	19,363,532	0.56 %
Mission Bell West LP	22,125,629	0.45 %	-	- %
James Birkenshaw, Et. Al. Lessor	20,739,384	0.42 %	18,200,526	0.53 %
	<u>\$ 357,770,918</u>	<u>7.33 %</u>	<u>\$83,313,584</u>	<u>2.42 %</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 2013-2014 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
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 %
2014	3,817,587	3,545,339	92.9 %	125,651	3,670,990	96.2 %

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

Subsequent years = Realized Revenue Report, Prior secured

Collected within FY = Realized Revenue Report Current secured

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			
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%	-
2014	-	-	-	-	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 62-65.

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		
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	-	-	-	- %	-
2013	-	-	-	- %	-
2014	-	-	-	- %	-

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 62-65.

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 2013-14	\$ 4,883,679,669
Redevelopment Agency Incremental Valuation	689,137,423
Adjusted Assessed Valuation	<u>\$ 4,194,542,246</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 %	\$ 132,275,000	\$ 296,296
Ventura Community College District	4.524 %	300,628,714	13,600,443
Conejo Valley Unified School District	0.017 %	30,791,093	5,234
Moorpark Unified School District	93.183 %	59,069,983	55,043,182
City of Moorpark Community Facilities District No. 97-1	100.000 %	5,235,000	5,235,000
City of Moorpark Community Facilities District No. 2004-1	100.000 %	19,625,000	19,625,000
City of Moorpark 1915 Act Bonds	100.000 %	995,000	995,000
Total Direct and Overlapping Tax & Assessment Debt		<u>\$ 548,619,790</u>	<u>\$ 94,800,156</u>
Overlapping General Fund Obligation Debt:			
Ventura County General Fund Obligations	4.523 %	\$ 398,360,000	\$ 18,017,823
Ventura County Superintendent of Schools COPs	4.523 %	11,160,000	504,767
Moorpark Unified School District COPs	93.183 %	6,320,000	5,889,166
Total Overlapping General Fund Obligation Debt		<u>\$ 415,840,000</u>	<u>\$ 24,411,755</u>
Overlapping Tax Increment Debt (Successor Agency):			
Combined Total Debt*	100.000 %	\$ 26,335,000	\$ 26,335,000
Total direct and overlapping debt		<u>\$ 990,794,790</u>	<u>\$ 145,546,911</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**

	2005	2006	2007	2008	2009
Assessed valuation	\$ 3,231,418,940	\$ 3,721,591,791	\$ 4,157,360,033	\$ 4,558,597,806	\$ 4,700,305,496
Conversion percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation	807,854,735	930,397,948	1,039,340,008	1,139,649,452	1,175,076,374
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	121,178,210	139,559,692	155,901,001	170,947,418	176,261,456
Total net debt applicable to limit:	-	-	-	-	-
Legal debt margin	<u>\$ 121,178,210</u>	<u>\$ 139,559,692</u>	<u>\$ 155,901,001</u>	<u>\$ 170,947,418</u>	<u>\$ 176,261,456</u>
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

The Government Code 2227 of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 81-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation date for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: City Finance Department
Ventura County Tax Assessor's Office

CITY OF MOORPARK
Legal Debt Margin Information
Last Ten Fiscal Years

	2010	2011	2012	2013	2014
Assessed valuation	\$ 4,619,910,655	\$ 4,659,133,835	\$ 4,662,536,870	\$ 4,596,277,650	\$ 4,718,569,672
Conversion percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation	1,154,977,664	1,164,783,459	1,165,634,218	1,149,069,413	1,179,642,418
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	173,246,650	174,717,519	174,845,133	172,360,412	176,946,363
Total net debt applicable to limit:	-	-	-	-	-
Legal debt margin	<u>\$ 173,246,650</u>	<u>\$ 174,717,519</u>	<u>\$ 174,845,133</u>	<u>\$ 172,360,412</u>	<u>\$ 176,946,363</u>
 Total debt applicable to the limit as a percentage of debt limit	 0.0%	 0.0%	 0.0%	 0.0%	 0.0%

**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		
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	
2014	-	-	-	n/a	

Note

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 read Note 14 of the Financial Statements.

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

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

Calendar Year	Population	Household Income (in thousands)	Median Household Income	Unemployment Rate
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 %
2014	35,172	3,602,000	102,411	6.2 %

Sources: California State Department of Finance

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

Employer	2014	
	Number of Employees	Percent of Total Employment
PennyMac	1,117	6.24%
Moorpark Unified School District	841	4.70%
Moorpark College	627	3.50%
Pentair Water Pool and Spa	530	2.96%
Kavlico	390	2.18%
Benchmark Electronics	275	1.54%
Target	170	0.95%
Kretek International	110	0.61%
Ensign-Bickford Aerospace	126	0.70%
Test Equity	121	0.68%

"Total Employment" as used above represents the total employment of all employers located within City limits.

The City does not present 2004 information because data for that year was not available.

Source: Chamber of Commerce

City-data.com

Bureau of Labor Statistics

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

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government	32	31	30	26	26	26	27	28	27	27
Public safety (crossing guards)	4	7	7	7	6	5	5	3	3	3
Public services	17	17	26	22	22	20	16	18	19	19
Parks and recreation	38	41	49	54	56	55	54	51	58	75
Total	91	96	112	109	110	106	102	100	107	124
Public safety ¹	31	31	42	42	38	38	40	39	40	40

¹ Police and fire services were provided by the County.
Fire = 18 and police = 22

Source: City of Moorpark, Finance department

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police: (A)										
Arrests	1,388	1,653	1,890	1,732	1,412	2,207	1,266	1,158	1,120	1,148
Parking citations issued	3,706	2,890	4,160	2,860	3,254	4,969	4,887	5,704	5,129	2,736
Fire: (B)										
Number of "prime" emergency calls	1,308	1,329	1,351	1,362	1,100	1,945	1,707	2,174	1,851	1,835
Business Inspections*	125	125	123	130	143	115	196	196	132	500
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	364	338	479	378	265	419	325	308	300	265
Number of facility rentals	491	338	180	210	186	230	277	118	226	103

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

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

Source: City of Moorpark

(A) Provided by Moorpark Police Department;

(B) Ventura County Fire Dept.;

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

(D) Arroyo Vista Recreation Dept.;

Active Adult Center.

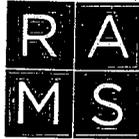
**CITY OF MOORPARK
Capital Asset Statistics
by Function
Last Ten Fiscal Years**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Fire stations	2	2	2	2	2	2	2	2	2	2
Public works:										
Streets (miles)	75	75	75	78	79	79	79	79	79	79
Streetlights	2,325	2,347	2,497	2,510	2,518	2,518	2,620	2,620	2,620	2,620
Traffic signals	17	17	17	20	20	20	21	21	21	21
Parks and recreation:										
Parks	15	16	16	16	17	18	18	18	18	18
Community centers	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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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, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 21, 2015.

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.

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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

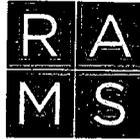
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect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

A handwritten signature in black ink that reads "Rogers Anderson Maloney & Scott, LLP". The signature is written in a cursive, flowing style.

San Bernardino, California
January 21, 2015



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To the Honorable City Council
City of Moorpark, California

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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, 2014. 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*.

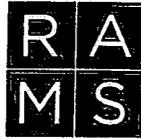
This report is intended solely for the use of the City Council and management of the City and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Rogers Anderson Malochy & Scott, LLP

January 21, 2015

**CITY OF MOORPARK
 APPROPRIATIONS LIMIT COMPUTATION
 2013 - 2014**

	2013 - 2014
Per Capita Personal Income Change	5.12%
Population Change	
City Population Growth	0.73%
CPI Change Converted to a Ratio	1.0512
Population Change Converted to a Ratio	1.0073
Calculation of Growth Factor	1.0589
2012 - 2013 Limit	\$ 27,972,590
2013 - 2014 Appropriations Limit	\$ 29,619,441



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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, 2014. 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 June 23, 2014. 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. As described in Note 15 to the financial statements, the City changed accounting policies related to treatment of debt issuance costs by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 65, *Items Previously Reported as Assets and Liabilities*, in 2014. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the Statement of Changes in Fiduciary Net Position – Private Purpose Trust Fund. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the 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 January 21, 2015.

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 black ink that reads "Rogers Anderson Matody & Scott, LLP". The signature is written in a cursive style with a large, sweeping initial 'R'.

San Bernardino, California
January 21, 2015

**CITY OF MOORPARK, CALIFORNIA
HOUSING SUCCESSOR FUND**

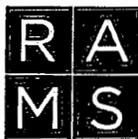
AUDITED FINANCIAL STATEMENTS

JUNE 30, 2014

**City of Moorpark
Housing Successor Fund
Financial Statements
June 30, 2014**

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FINANCIAL STATEMENTS	
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Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund	4
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To the City Council
City of Moorpark, California

INDEPENDENT AUDITOR'S REPORT

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Report on the Financial Statements

We have audited the accompanying financial statements of the Housing Successor Fund of the City of Moorpark (Housing Successor), California, as of and for the year ended June 30, 2014, and the related notes to the 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 an opinion 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.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Housing Successor Fund of the City of Moorpark, California, as of June 30, 2014, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

Change in Accounting Principle

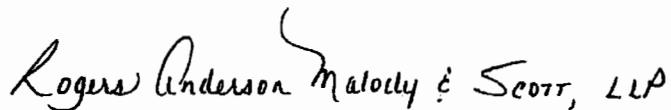
As discussed in Note 1 of the financial statements, the Housing Successor Fund of the City of Moorpark, California, adopted the provisions of GASB Statement No. 65, Items Previously Reported as Assets and Liabilities. Our opinion is not modified with respect to this matter.

Housing Successor Fund Financial Statements

As discussed in Note 1, the financial statements present only the Housing Successor Fund and do not purport to, and do not present fairly, the financial position of the City of Moorpark, California, as of June 30, 2014, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other reporting required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21, 2015, 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.



San Bernardino, California
January 21, 2015

**City of Moorpark
Housing Successor Fund
Balance Sheet
Governmental Fund
June 30, 2014**

	<u>Housing Successor Fund</u>
ASSETS	
Cash and investments	\$ 233,448
Notes and loans receivable	1,953,642
Property held for resale & development	<u>7,429,564</u>
Total assets	<u><u>\$ 9,616,654</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	
Liabilities:	
Unavailable revenue	<u>\$ 11,750</u>
Total liabilities	<u>11,750</u>
Deferred inflows of resources:	
Deferred loans	<u>1,953,060</u>
Fund balance:	
Nonspendable	7,429,564
Restricted	<u>222,280</u>
Total fund balance	<u>7,651,844</u>
Total liabilities, deferred inflows of resources and fund balance	<u><u>\$ 9,616,654</u></u>

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

**City of Moorpark
Housing Successor Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Fund
For the Year Ended June 30, 2014**

	<u>Housing Successor Fund</u>
REVENUES	
Use of money and property	\$ 3,123
Charges for services	<u>4,950</u>
Total revenues	<u>8,073</u>
EXPENDITURES	
Current:	
General government	<u>459</u>
Total expenditures	<u>459</u>
Net change in fund balance	7,614
Fund balance, beginning of year	<u>7,644,230</u>
Fund balance, end of year	<u><u>\$ 7,651,844</u></u>

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

**City of Moorpark
Housing Successor Fund
Notes to the Financial Statements
Year Ended June 30, 2014**

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 accounting policies of the City of Moorpark as they pertain to the Housing Successor Fund. Only the Housing Successor Fund information is included herein and these financial statements, therefore, do not purport to represent the financial position or results of operations of the City of Moorpark, California.

A) **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.

B) **Basis of Accounting**

These fund financial statements are reported using the modified-accrual basis of accounting. Under the modified-accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter (within 60 days) to be used to pay liabilities of the current period. Expenditures are generally recognized in the accounting period in which the liability is incurred, if measurable.

In Fiscal Year 2013, 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 assets 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 assets 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. The implementation of this statement had no impact on the Housing Successor Fund's financial statements.

**City of Moorpark
Housing Successor Fund
Notes to the Financial Statements
Year Ended June 30, 2014**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C) Use of estimates in the preparation of financial statements

The financial statements have been prepared in accordance with generally accepted accounting principles and necessarily include amounts based on estimates and assumptions by management. Actual results could differ from those amounts.

D) Property Held for Resale/Development

Property held for resale and development in the Housing Successor Fund represents land and buildings purchased by the former Redevelopment Agency and transferred to the City as housing assets with Dissolution on February 1, 2012. 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, 2014 was \$7,429,564.

E) Unavailable Revenue

Unavailable revenue is recorded for monies collected in advance that have not been earned. In the fund financial statements, revenue is also unavailable when the availability criteria have not been met. As of June 30, 2014, unavailable revenue in the Governmental Funds amounted to \$11,750.

F) Implementation of New Accounting Principle

Effective July 1, 2013, the City adopted the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. GASB 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The Housing Successor's financial statements contain elements that meet the definition of deferred inflow of resources. The amount of deferred inflows of resources is reported in the Balance Sheet as follows:

Deferred loans	<u>\$ 1,953,060</u>
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**City of Moorpark
Housing Successor Fund
Notes to the Financial Statements
Year Ended June 30, 2014**

2) CASH AND INVESTMENTS

Cash and investments at June 30, 2014, consisted of the following:

	Amount
Pooled cash and investments	\$ 233,448

The Housing Successor follows the practice of pooling cash and investments with the City of Moorpark for all funds except for funds required to be held by outside fiscal agents under the provisions of bond indentures.

For more information on the City's cash and investments as of June 30, 2014, please see the City of Moorpark's audited financial statements.

3) NOTES AND LOANS RECEIVABLE

Notes and loans receivable activity for the year ended June 30, 2014, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Notes receivable				
Moorpark 20, LP	\$ 1,254,933	\$ 684,994	\$ -	\$ 1,939,927
Moorpark 20, LP	640,000	15,000	(655,000)	-
Total notes receivable	1,894,933	699,994	(655,000)	1,939,927
Loans receivable				
Rehabilitation	13,715	-	-	13,715
Total loans receivable	13,715	-	-	13,715
Total notes and loans receivable	\$ 1,908,648	\$ 699,994	\$ (655,000)	\$ 1,953,642

**City of Moorpark
Housing Successor Fund
Notes to the Financial Statements
Year Ended June 30, 2014**

3) NOTES AND LOANS RECEIVABLE (continued)

A) Moorpark 20, LP Promissory Notes

On October 29, 2010, the former Redevelopment 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 Former Redevelopment 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 former Redevelopment Agency executed a \$1,176,500 loan agreement with M20LP to purchase the Site from the former Redevelopment Agency. The loan will accrue interest at the rate of 2.5% per annum and have a term of 55 years.

One annual payment is to be made to the Agency by M20LP from residual receipts after the November 2, 2010 Note for \$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, 2014 are \$1,176,500 and \$108,427 respectively for a total of \$1,284,927.

On November 2, 2010 the former Redevelopment 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 former Redevelopment 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, 2014 are \$600,000 and \$55,000 respectively for a total of \$655,000.

Both of the Moorpark 20, LP promissory Notes were transferred to the Housing Successor Fund as part of the former Redevelopment Agency Dissolution on February 1, 2012.

B) Rehabilitation Loans

The Housing Successor Fund operates a rehabilitation loan program for the renovation of low and moderate income housing. The total balance outstanding at June 30, 2014, was \$13,715.

**City of Moorpark
Housing Successor Fund
Notes to the Financial Statements
Year Ended June 30, 2014**

4) PROPERTY HELD FOR RESALE AND DEVELOPMENT

The Housing Successor Fund owns several interests in real property held for resale and development through the City of Moorpark that were acquired by the former Redevelopment Agency prior to February 1, 2012 and transferred to the Housing Successor Fund as part of the Dissolution of the former Redevelopment Agency on February 1, 2012. The value of these properties is shown in the Balance Sheet as follows:

	June 30, 2014
Land held for resale and development	\$ 7,429,564

5) CLASSIFICATION OF FUND BALANCE

The Housing Successor Fund follows the City's 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 Housing Successor is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The Housing Successor Fund 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 Housing Successor considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts. A City of Moorpark's 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.

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 Housing Successor Fund'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.

**City of Moorpark
Housing Successor Fund
Notes to the Financial Statements
Year Ended June 30, 2014**

5) CLASSIFICATION OF FUND BALANCE (continued)

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 Housing Successor Fund's governmental fund balances at June 30, 2014, are presented below:

	Housing Successor Fund
Nonspendable:	
Property held for resale & development	\$ 7,429,564
Restricted for:	
Low and moderate income housing	222,280
	\$ 7,651,844

**Housing Successor Fund of the City of Moorpark
Addendum to the Annual Progress Report
For Fiscal Year Ended June 30, 2014**



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To Management of the
Housing Successor of the City of Moorpark
Moorpark, California

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Independent Accountant's Compilation Report

MANAGERS / STAFF

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We have compiled the accompanying Addendum to the Annual Progress Report ("Addendum to the APR") of the Housing Successor of the City of Moorpark ("Housing Successor") as of June 30, 2014 and for the year then ended. We have not audited or reviewed the accompanying Addendum to the APR and, accordingly, do not express an opinion or provide any assurance about whether the Addendum to the APR is in accordance with the reporting provisions of the California Health & Safety Code Section 34176 as amended by Senate Bill 341 (Chapter 796, Statutes of 2013, effective January 2014) ("SB 341").

Management of the Housing Successor is responsible for the preparation and fair presentation of the Addendum to the APR in accordance with the reporting provisions of SB 341, and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the Addendum to the APR.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting information in the form of an Addendum to the APR without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the Addendum to the APR.

The accompanying Addendum to the APR was prepared for the purpose of complying with the reporting provisions of SB 341, and is not intended to be a presentation of all compliance matters related to SB 341.

This report is intended solely for the information and use of management of the Housing Successor of the City of Moorpark, and is not intended to be and should not be used by anyone other than this specified party.

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January 21, 2015
San Bernardino, California

**Housing Successor of the City of Moorpark
Addendum to the Annual Progress Report
For Fiscal Year Ended June 30, 2014**

- 1) The amount deposited to the Low and Moderate Income Housing Asset Fund, distinguishing any amounts deposited for items listed on the Recognized Obligation Payment Schedule from other amounts deposited.**

The Housing Successor Fund received \$3,123 from use of money and property and \$4,950 from charges for services as of June 30, 2014. None of these amounts were deposited for items listed on the Recognized Obligation Payment Schedule

- 2) A statement of the balance in the fund as of the close of the fiscal year, distinguishing any amounts held for items listed on the Recognized Obligation Payment Schedule from other amounts.**

The balance in the Housing Successor Fund as of June 30, 2014 was \$7,651,844, none of which was held for items listed on the Recognized Obligation Payment Schedule.

- 3) A description of expenditures from the fund by category, including, but not limited to, expenditures**

- a. for monitoring and preserving the long-term affordability of units subject to affordability restrictions or covenants entered into by the redevelopment agency or the housing successor and administering the activities described in paragraphs (2) and (3) of subdivision (a),**

The Housing Successor Fund's expenditures related to this category as of June 30, 2014 were \$459 in administrative expenses.

- b. for homeless prevention and rapid re-housing services for the development of housing described in paragraph (2) of subdivision (a),and**

The Housing Successor Fund had no expenditures related to homeless prevention and rapid re-housing services as of June 30, 2014.

- c. for the development of housing pursuant to paragraph (3) of subdivision (a).**

The Housing Successor Fund had no expenditures related to the development of housing as of June 30, 2014.

- 4) As described in paragraph (1) of subdivision (a), the statutory value of real property owned by the housing successor, the value of loans and grants receivable, and the sum of these two amounts.**

The statutory value of real property owned by the Housing Successor Fund as of June 30, 2014 was \$7,429,564.

The value of loans and notes receivable in the Housing Successor Fund as of June 30, 2014 was \$1,790,215.

The sum of the statutory value of real property and the value of loans and notes receivable owned by the Housing Successor Fund adds up to \$9,219,779.

- 5) A description of any transfers made pursuant to paragraph (2) of subdivision (c) in the previous fiscal year and, if still unencumbered, in earlier fiscal years and a description of and status update on any project for which transferred funds have been or will be expended if that project has not yet been placed in service.**

No transfers occurred pursuant to paragraph (2) of subdivision (c) in the previous fiscal year or earlier fiscal years in the Housing Successor Fund.

- 6) A description of any project for which the housing successor receives or holds property tax revenue pursuant to the Recognized Obligation Payment Schedule and the status of that project.**

The Housing Successor Fund received no such property tax revenue as of June 30, 2014.

- 7) For interests in real property acquired by the former redevelopment agency prior to February 1, 2012, a status update on compliance with Section 33334.16. For interests in real property acquired on or after February 1, 2012, a status update on the project.**

As of June 30, 2014, the Housing Successor Fund's real property interests were as follows:

Property Description	Year of Acquisition	Value	Status on compliance with 33334.16
Land, Regal Park Condo - 1.15 acres	1992	\$ 170,100	In Compliance
Land, W/Buildings - 782 Moorpark Avenue - old Fire Station (swaped with 285 High Street new Fire Station)	2000	110,737	In Compliance
Land, W/House - 798 Moorpark Avenue (Public Works Office and Parking Lot)	2001	221,320	In Compliance
Land, W/House - 81 Charles	2004	339,491	In Compliance
Land, W/House - 81 Charles	2007	4,083	In Compliance
Land, 765 Walnut Street	2007	451,492	In Compliance
Land, 765 Walnut Street	2008	62,000	In Compliance
Land, 250 E LA Avenue	2007	578,814	In Compliance
Land, 1095 Walnut Canyon	2007	10,500	In Compliance
Land, 1095 Walnut Canyon	2008	356,650	In Compliance
Land, 1113 Walnut Canyon	2007	10,470	In Compliance
Land, 1113 Walnut Canyon	2008	386,915	In Compliance
Land, 460 Charles Street	2007	13,050	In Compliance
Land, 460 Charles Street	2008	436,855	In Compliance
Land, 450 Charles Street	2008	470,531	In Compliance
Land, 450 Charles Street	2009	40,507	In Compliance
Land, 450 Charles Street	2009	11,112	In Compliance
Land, 1293 Walnut Canyon	2008	519,985	In Compliance
Land, 1293 Walnut Canyon	2009	12,556	In Compliance
Land, 1331 Walnut Canyon	2008	387,640	In Compliance
Land, 1331 Walnut Canyon	2009	8,517	In Compliance
Land, 484 Charles Street	2008	481,681	In Compliance
Land, 484 Charles Street	2009	16,610	In Compliance
Land, w/ House - 1063 Walnut Canyon Road	2008	464,859	In Compliance
Land, w/ House - 1063 Walnut Canyon Road	2009	9,675	In Compliance
Land, w/ House - 1073 Walnut Canyon Road	2009	301,073	In Compliance
Land, w/ House - 1123 Walnut Canyon Road	2008	477,782	In Compliance
Land, w/ House - 1123 Walnut Canyon Road	2009	10,950	In Compliance
Land, w/ House - 1083 Walnut Canyon Road	2010	703,202	In Compliance
Land, w/ House - 1083 Walnut Canyon Road	2011	8,472	In Compliance
Land, w/ House - 112 First Street	2010	12,940	In Compliance
112 First Street, Demolition	2011	4,020	In Compliance
124 First Street	2010	334,974	In Compliance
		\$ 7,429,564	

As of June 30, 2014, the Housing Successor Fund did not hold any property acquired after February 1, 2012.

- 8) A description of any outstanding obligations pursuant to Section 33413 that remained to transfer to the housing successor on February 1, 2012, of the housing successor's progress in meeting those obligations, and of the housing successor's plans to meet unmet obligations. In addition, the housing successor shall include in the report posted on its Internet Web site the implementation plans of the former redevelopment agency.**

As of June 30, 2014; there were no outstanding obligations pursuant to Section 33413 that remained to be transferred to the Housing Successor Fund on February 1, 2012.

- 9) The information required by subparagraph (B) of paragraph (3) of subdivision (a).**

This item is not applicable to the Housing Successor until Fiscal Year Ended June 30, 2019.

- 10) The percentage of units of deed-restricted rental housing restricted to seniors and assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the same time period.**

As of June 30, 2014, the Housing Successor Fund had 0% of units of deed-restricted rental housing restricted to seniors and assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the same time period.

- 11) The amount of any excess surplus, the amount of time that the successor agency has had excess surplus, and the housing successor's plan for eliminating the excess surplus.**

The Housing Successor Fund did not have any excess surplus as of June 30, 2014 or at any point during the fiscal year.