

City of Moreno Valley

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



Fiscal Year  
Ended June 30, 2013

Prepared by:  
The Financial & Management Services Department

**City of Moreno Valley**  
**Comprehensive Annual Financial Report**  
**Fiscal Year Ended June 30, 2013**

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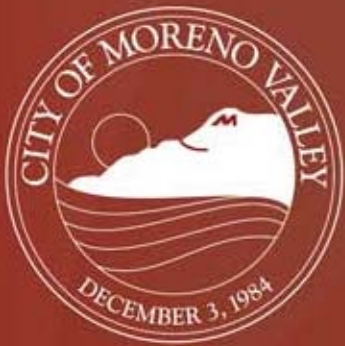
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Introductory Section

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



**Fiscal Year  
Ended June 30, 2013**



December 2, 2013

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

On behalf of the City Manager, Management Team and City Staff, it is my pleasure to submit the Comprehensive Annual Financial Report (CAFR) of the City of Moreno Valley (the City) for the fiscal year ended June 30, 2013.

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

The City's financial statements have been audited by Lance, Soll & Lunghard, LLP, a firm of certified public accountants. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unqualified opinion on the City's financial statements for the fiscal year ended June 30, 2013. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing the Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on internal controls and compliance with legal requirements, with emphasis on those involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

Management has provided an overall analysis of the financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

### **Profile of the City of Moreno Valley**

The City of Moreno Valley was incorporated on December 3, 1984. It is centrally located in Southern California, 66 miles east of Los Angeles and 100 miles north of San Diego. The City encompasses approximately 50 square miles of land area in western Riverside County and with a population estimate of 198,129, continues to be the second largest city in Riverside County. Though it has slowed because of the economy, the City's population continues to grow.

The City operates under the council-manager form of government with a five-member council elected by district for four-year overlapping terms. Each year the council elects the mayor for a one-year term. The City Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the City Manager, City Attorney and City Clerk. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments.

The City provides a wide range of services, which include general government, public safety (police, fire, code enforcement, animal control services, disaster preparedness, and school crossing guards), construction and maintenance of highways and streets, economic development, library, an electric utility which primarily serves the newly developed areas of the City, parks, and a wide range of community and recreation programs. In addition to general City activities, the Council is financially accountable for the Moreno Valley Community Services District, the Moreno Valley Public Financing Authority, the Moreno Valley Public Facilities Financing Corporation, the Housing Authority, Successor Agency and several Community Facilities Districts. These entities are included as an integral part of the City's financial statements. Additional information on these legally separate entities can be found in Note 1a of the Notes to Basic Financial Statements.

The annual budget serves as the foundation for the City's financial planning and control. The City Manager presents the proposed budget to the City Council for review in April/May of each year. The Council holds a series of public meetings on the proposed budget, and generally adopts a final budget no later than June 30<sup>th</sup>. The City's fiscal year is July 1<sup>st</sup> through June 30<sup>th</sup>. The appropriated budget is prepared by fund, department and program, and is controlled at the department level. The City Manager can approve transfers between programs, departments or funds, provided that such transfers do not increase the overall budget. Appropriations that increase the budget require City Council approval. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. The budget-to-actual comparisons for the general fund and the major governmental funds can be found in the Basic Financial Statements section of this report. The budget-to-actual comparisons for the non-major governmental funds can be found in the Non-Major governmental funds section of this report.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Moreno Valley operates.

**Local economy.** The City of Moreno Valley is located in the Inland Empire, which consists of Riverside and San Bernardino Counties. The Inland Empire had experienced a vibrant economic environment from the mid 90's to mid 2000's, and during this period the City experienced strong residential and commercial growth. With the current economic situation, the growth rate has slowed considerably.

For six years, from 2002 to 2008, the City experienced double-digit growth in many of the key factors that generate revenue for the City. During this six-year period assessed valuations of property increased by 136%. However, during fiscal year 2007-08 the City began to see the developing weakness in the economy that is now evident on a national basis. Assessed valuations of property decreased in Moreno Valley in FY 2009-10 and continued to decline through fiscal year 2010-11. In FY 2011-12 the region experienced flat to moderate levels of growth in assessed valuations and this moderate level of growth continued throughout FY 2012-13.



**Long-term financial planning.** In April 2011, the City Council approved a Three-Year Deficit Elimination Plan that established the framework to reduce the General Fund expenses to match the expected revenue stream. This adopted Plan became the framework for the two-year budget adopted in May 2011 for fiscal years 2011-12 and 2012-13. The City prepared a Long Range Business Plan approved in July 2012 that includes the adopted two-year budget plus projected revenues and expenditures through June 2020. This provides the City Council with expected results of operations based on their budget and other policy decisions within the scope of projected revenues and expenditures. The City annually prepares and updates the five-year capital improvement plan (CIP) which includes all capital projects and identifies the timing of each project as well as the funding source. The first year of the CIP represents the capital expenditure budget for the City.

### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Moreno Valley for its comprehensive annual financial report (CAFR) for the year ended June 30, 2012. This was the fifteenth consecutive year that the City has received this prestigious award. The City received the award for publishing an easily readable and efficiently organized CAFR that satisfied both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. I believe that our CAFR continues to meet the Certificate of Achievement Program's requirements and I am submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Financial & Management Services Department and especially the Financial and Treasury Operations Divisions. I would like to express my appreciation to all members of the divisions who assisted and contributed to its preparation. Credit also must be given to other City departments for their assistance and the City Council for their continuous support for maintaining the highest standards of professionalism in the management of the City of Moreno Valley's finances.

Lastly, I would like to thank the City's independent auditors, Lance, Soll & Lunghard, LLP, for their assistance in preparing this important financial document.

Respectfully submitted,



Richard Teichert  
Chief Financial Officer/City Treasurer

**CITY OF MORENO VALLEY**

**MUNICIPAL OFFICIALS**

June 30, 2013

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**CITY COUNCIL**

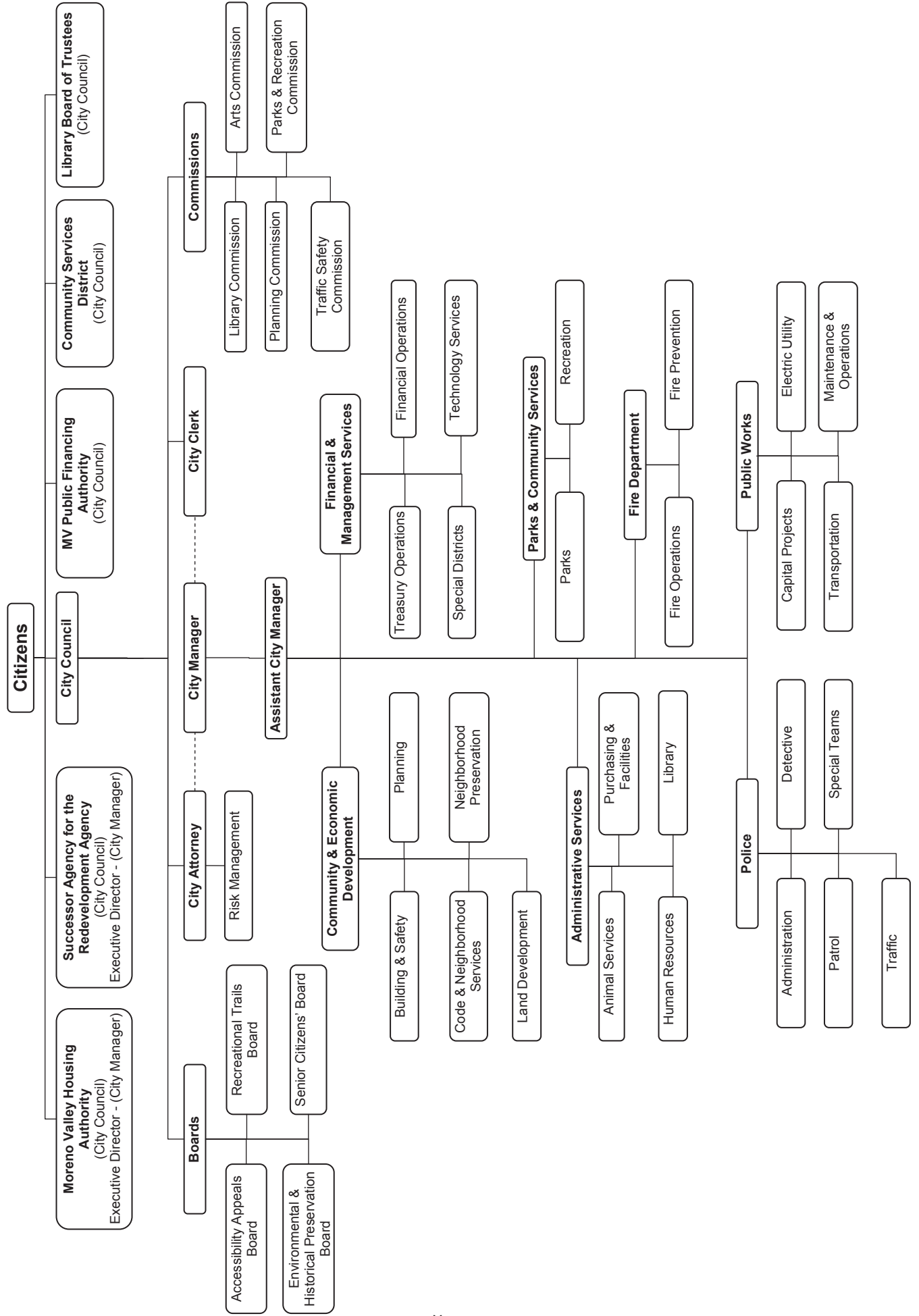
Tom Owings, Mayor  
Marcelo Co, Mayor Pro Tem  
Jesse L. Molina, Councilmember  
Richard A. Stewart, Councilmember  
Victoria Baca, Councilmember

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**EXECUTIVE OFFICERS**

Michelle Dawson, City Manager  
Tom DeSantis, Assistant City Manager  
Suzanne Bryant, City Attorney  
Jane Halstead, City Clerk  
Richard Teichert, Chief Financial Officer/City Treasurer  
Ahmad Ansari, P.E., Public Works Director/City Engineer  
John Terell, Community & Economic Development Director  
Abdul Ahmad, Fire Chief  
Michael McCarty, Parks & Community Services Director  
Joel Ontiveros, Police Chief

# City of Moreno Valley Organization Chart





Government Finance Officers Association

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

Presented to

**City of Moreno Valley  
California**

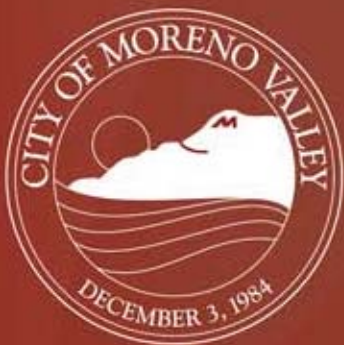
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

Executive Director/CEO

Financial Section

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



**Fiscal Year  
Ended June 30, 2013**

## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council  
City of Moreno Valley, California

### Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moreno Valley, California, (the City) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements 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.

### *Auditors' Responsibility*

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

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

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



To the Honorable Mayor and Members of the City Council  
City of Moreno Valley, California

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moreno Valley, California, as of June 30, 2013, and, the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, the State Gasoline Tax Special Revenue Fund, the CSD Zones Special Revenue Fund, the Development Impact Fees Special Revenue Fund, and the Housing Authority Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

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

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and 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 schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



To the Honorable Mayor and Members of the City Council  
City of Moreno Valley, California

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

*Lance, Solt & Lughard, LLP*

Brea, California  
November 20, 2013





## Management's Discussion and Analysis

As management of the City of Moreno Valley (the City), we offer this narrative overview and analysis of financial activities for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which can be found in the Introductory Section of this Comprehensive Annual Financial Report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

### Financial Highlights

- The assets of the City of Moreno Valley exceeded its liabilities at June 30, 2013 by \$1.0 billion (*net position*). Of this amount, \$90.7 million (*unrestricted*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's net position increased by \$67.3 million from the previous fiscal year. Of the increase, \$30.7 million was due to the extraordinary gain from the dissolution of the former Redevelopment Agency and an increase of \$36.6 million was the result of operations of the current fiscal year.
- For governmental activities, expenses were \$34.1 million greater than program revenues generated for governmental activities. Taxes, return on investments and other income for \$69.3 million provided sufficient funding for City-wide programs. With an extraordinary gain of \$30.7 million, governmental activities' net position increased by \$65.9 million from the previously reported amount.
- For business-type activities, revenues exceeded expenses by \$0.9 million. Adding other miscellaneous charges of \$0.4 million to the revenue, the current fiscal year showed a \$1.3 million surplus in the business-type activities.
- The total debt of the City showed a net decrease of \$3.4 million (3.6%) during the current fiscal year. The decrease in debt was a result of normal maturity on existing debt.
- The General Fund had an end of year fund balance of \$34.4 million. This was a decrease of \$7.1 million and a decrease of 17.1% over FY 2011-12.

### Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains certain supplementary information.

**Government-wide financial statements.** The *government-wide 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 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 the 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 expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements display functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a

significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, community development, community and cultural, public works, and interest on long-term debt. The business-type activities of the City include the Electric Utility.

The government-wide financial statements include the City and its component units. The City's component units are the Moreno Valley Community Services District, Moreno Valley Public Financing Authority, and the Moreno Valley Public Facilities Financing Corporation. Although legally separate, for all practical purposes these entities function as departments of the City and therefore have been blended as part of the primary government.

**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 three categories: governmental, proprietary and fiduciary.

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

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 government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Information regarding governmental funds is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, State Gasoline Tax, the Community Services District Zones, the Development Impact Fees, the Housing Authority Special Revenue Funds, and the Facility Construction Fund. All of these are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the supplementary section of the report in the form of *combining statements*.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided to demonstrate compliance with the budget.

**Proprietary funds.** The City maintains two different types of proprietary funds - enterprise and internal service funds. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses an enterprise fund to account for its Electric Utility. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for self-insured insurance programs, technology services, facilities maintenance, equipment maintenance, and equipment replacement. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Electric Utility, the City's only enterprise fund, is included in the Basic Financial Statements. All internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* in the supplementary section of the report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the City. In these cases, the City has a fiduciary responsibility and is acting as *trustee*. The *Statement of Fiduciary Funds*, included in the Basic Financial Statements, separately reports all of the City's fiduciary activities. The City's fiduciary activities are reported in separate statements of fiduciary net position, statements of changes in fiduciary net position (Successor Agency of the former RDA only), and combining statement of changes in assets and liabilities (Agency Fund only). Detailed information of the fiduciary funds is in the Agency Funds section of the report. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. However, the City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

### Government-wide Financial Analysis

The following table presents a condensed version of the City's statement of net position for its governmental and business-type activities for fiscal year ended June 30, 2013. Comparative data from fiscal year ended June 30, 2012 is also presented.

#### City of Moreno Valley's Net Position (in \$000's)

	Governmental		Business-type		Totals	
	Activities		Activities			
	2012	2013	2012	2013	2012	2013
Current and other assets	\$ 221,161	\$ 226,948	\$ 8,825	\$ 10,998	\$ 229,986	\$ 237,946
Capital assets	807,659	866,938	35,094	35,418	842,753	902,356
Total assets	<u>1,028,820</u>	<u>1,093,886</u>	<u>43,919</u>	<u>46,416</u>	<u>1,072,739</u>	<u>1,140,302</u>
Current Liabilities	20,205	22,249	2,510	6,045	22,715	28,294
Long-term liabilities	66,550	63,642	30,905	28,526	97,455	92,168
Total liabilities	<u>86,755</u>	<u>85,891</u>	<u>33,415</u>	<u>34,571</u>	<u>120,170</u>	<u>120,462</u>
Net investment in capital assets	757,856	812,637	8,397	9,053	766,253	821,690
Restricted	89,194	104,000	2521	3,445	91,715	107,445
Unrestricted	95,015	91,359	(414)	(653)	94,601	90,706
Total net position	<u>\$ 942,065</u>	<u>\$1,007,996</u>	<u>\$ 10,504</u>	<u>\$ 11,845</u>	<u>\$ 952,569</u>	<u>\$1,019,841</u>

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 of Moreno Valley, net position as a whole increased by 5.0% from \$952.6 million at June 30, 2012 to \$1.0 billion at June 30, 2013. By far the largest portion of the City's net position (80.6%) is its net investment in capital assets (e.g., land, buildings, machinery, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table presents a summarization of the changes in net position of the City's governmental and business-type activities, as of June 30, 2013. Comparative data from fiscal year ended June 30, 2012 is also presented.

**Changes in Net Position**  
(in \$000's)

	Governmental Activities		Business-type Activities		Total	
	2012	2013	2012	2013	2012	2013
Revenues:						
Program Revenues:						
Charges for services	\$ 28,848	\$ 31,731	\$ 16,779	\$ 19,098	\$ 45,627	\$ 50,829
Operating contributions and grants	27,897	36,117	-	-	27,897	36,117
Capital contributions and grants	5,679	38,205	-	-	5,679	38,205
General Revenues:						
Property tax	18,342	13,089	-	-	18,342	13,089
Property tax in lieu	13,171	13,414	-	-	13,171	13,414
Transient occupancy tax	747	832	-	-	747	832
Sales tax	14,004	14,044	-	-	14,004	14,044
Franchise tax	5,009	5,147	-	-	5,009	5,147
Business license tax	1,175	1,306	-	-	1,175	1,306
Utility user's tax	15,591	15,684	-	-	15,591	15,684
Franchise in lieu tax	168	190	-	-	168	190
Documentary transfer tax	435	350	-	-	435	350
Other taxes	1,155	1,325	-	-	1,155	1,325
Use of money and property	8,708	2,236	89	9	8,797	2,245
Other	470	1,728	164	373	634	2,101
Extraordinary gain/(loss) on Dissolution of Redevelopment Agency	(7,306)	31,493	-	-	(7,306)	31,493
Total Revenues	<u>134,093</u>	<u>206,891</u>	<u>17,032</u>	<u>19,480</u>	<u>151,125</u>	<u>226,371</u>
Expenses:						
General government	11,326	11,758	-	-	11,326	11,758
Public safety	56,037	56,896	-	-	56,037	56,896
Community development	11,317	11,886	-	-	11,317	11,886
Community and cultural	19,245	18,400	-	-	19,245	18,400
Public works	36,159	39,468	-	-	36,159	39,468
Interest on long-term debt	6,415	2,552	-	-	6,415	2,552
Electric	-	-	16,549	18,139	16,549	18,139
Total Expenses	<u>140,499</u>	<u>140,960</u>	<u>16,549</u>	<u>18,139</u>	<u>157,048</u>	<u>159,099</u>
Change in Net Position	(6,406)	65,931	483	1,341	(5,923)	67,272
Net Position Beginning of Year	948,471	942,065	10,021	10,504	958,492	952,569
Net Position End of Year	<u>\$ 942,065</u>	<u>\$ 1,007,996</u>	<u>\$ 10,504</u>	<u>\$ 11,845</u>	<u>\$ 952,569</u>	<u>\$1,019,841</u>

Charges for services increased \$5.2 million, 11.4%, over FY 2011-12. This increase was primarily due to developer reimbursement agreements in excess of \$2 million that did not occur in prior year. User fees related to the City’s electric utility increased by over \$2.3 million as a result of customer base growth.

Capital contributions and grants increased \$32.5 million, 572.8% over FY 2011-12. This category fluctuates dramatically each year depending upon the number and value of dedications of developer constructed and City investment in infrastructure projects, such as streets, curbs, gutters, and street lights.

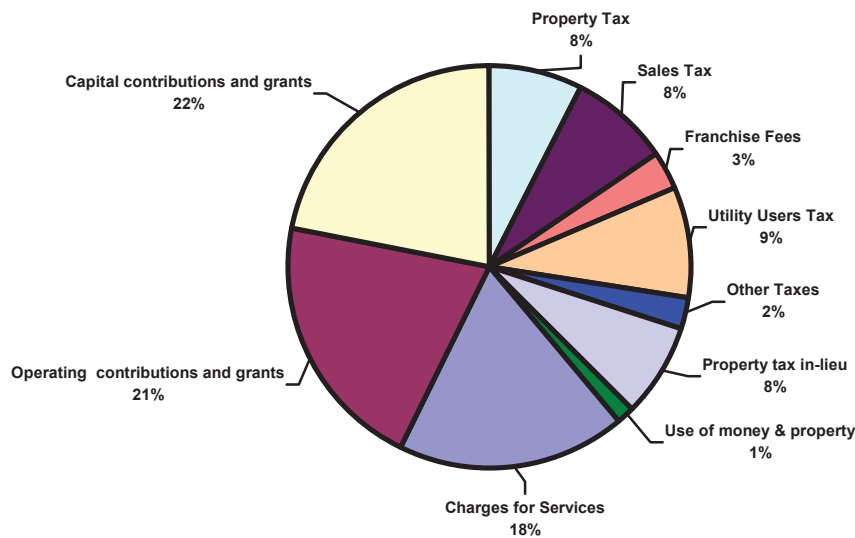
Property tax revenue decreased \$5.3 million, 28.6% under FY 2011-12. The Property Tax collections in FY 2012-13 primarily decreased due to the dissolution of the former Community Redevelopment Agency of the City. Property taxes distributed to the Successor Agency are reported in the Successor Agency Private-Purpose Trust Fund effective as of February 1, 2012 and is no longer a part of the City’s tax revenue.

Use of money and property decreased \$6.6 million, 74.5% under FY 2011-12. The primary perceived decrease in this category is created by an accounting requirement dictated by Government Accounting Standards Board Statement (GASB) 31 which required the recording of an unrealized investment loss in FY 2012-13 of \$2.2 million. These revenues were further impacted by \$1.0 million decrease as a result of the dissolution of the former Redevelopment Agency in FY 2011-12.

**Governmental Activities**

The government’s net position increased by \$65.9 million, with total revenues of \$206.9 million, and total expenses of \$140.0 million. Program revenues were \$106.1 million and general revenues were \$100.0 million. The largest single category of revenue was capital contributions and grants at \$38.2 million and is also program revenue. This revenue is applied directly to expenses in recovering the costs of providing those services. This revenue category increased by \$32.5 million over FY 2011-12 primarily due to an increase in investment in the City’s infrastructure such as bridges, streets, and curbs. The second largest single revenue category was operating contributions and grants, at \$36.1 million. This is program revenue and goes directly against expenses in recovering the costs of providing those services. This revenue category increased by \$8.2 million from FY 2011-12. The third largest single revenue category was charges for services at \$31.7 million. An extraordinary gain due to the dissolution of the former redevelopment agency at \$30.7 million was the fourth largest single revenue source, and utility user’s tax was the fifth largest revenue source at \$15.7 million. The below graph presents the revenues by source for governmental activities for the fiscal year ended June 30, 2013.

**Revenues by Source – Governmental Activities**



The single largest expense category was public safety at \$56.9 million, accounting for 40.4% of total expenses. Public works was the second largest expense category at \$38.7 million and 28.0% of total expenses. Community and cultural was the third largest expense category at \$18.4 million. Community development was the fourth largest expense category at \$11.9 million, followed by general government at \$11.8 million, the fifth largest expense category, and interest on long-term debt at \$2.6 million, the sixth largest expense category.

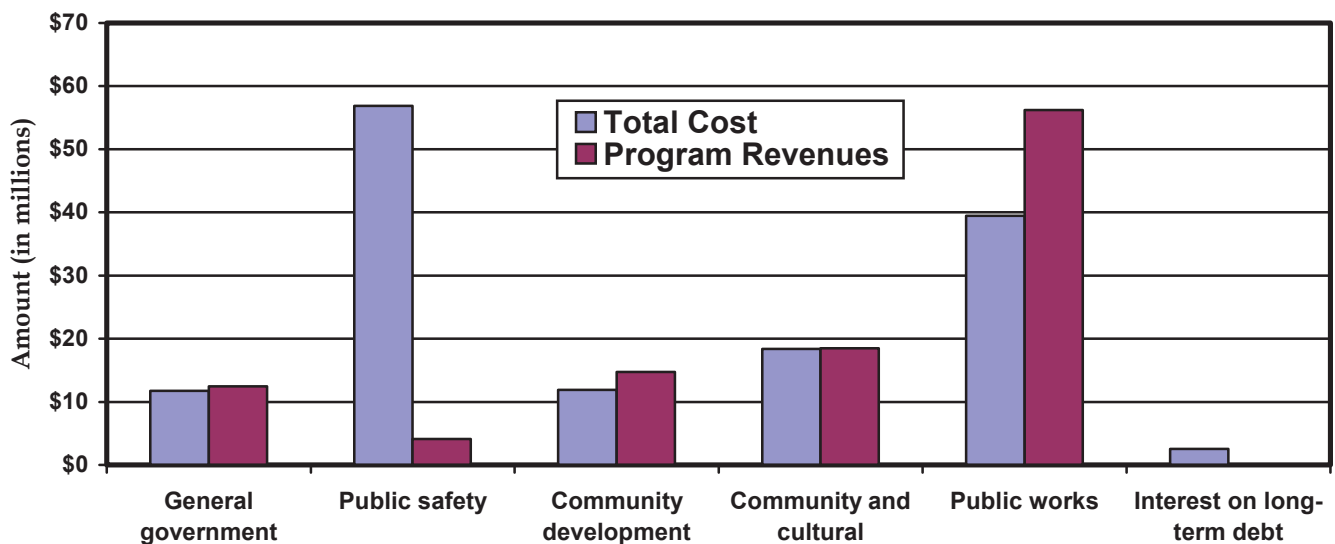
The table below presents the cost of each of the six major program categories, and identifies each program's *net cost* (total cost less revenues generated by the activities). The net cost is the amount paid for by general revenue sources that are generated by all City taxpayers.

**Governmental Activities - Net Cost of Services  
For the year ended June 30, 2013**

	Total Cost of Services	Net Cost of Services
General government	\$ 11,758,206	\$ 722,534
Public safety	56,896,151	(52,791,200)
Community development	11,886,089	2,864,236
Community and cultural	18,400,148	109,931
Public works	38,677,668	17,530,036
Interest on long-term debt	2,552,119	(2,552,119)
<b>TOTAL</b>	<b>\$ 140,170,381</b>	<b>\$ (34,116,582)</b>

As illustrated in the above table, program revenues recovered \$106.1 million of the cost of providing these services. The City paid for the remaining public benefit portion of these governmental activities with \$69.3 million in taxes (some of which were restricted for certain programs) and with other revenues. This governmental activity cost/revenue relationship is further illustrated in the following graph.

**Governmental Activities - Net Cost of Services  
For the year ended June 30, 2013**



**Business-Type Activities**

The City’s business-type activities include the activities of the Electric Utility. The net position of the City’s business-type activities increased \$1.3 million primarily due to the increase in electric consumption. The Electric Utility had total revenues of \$19.4 million, and total expenses of \$18.1 million.

**THE CITY’S FUNDS**

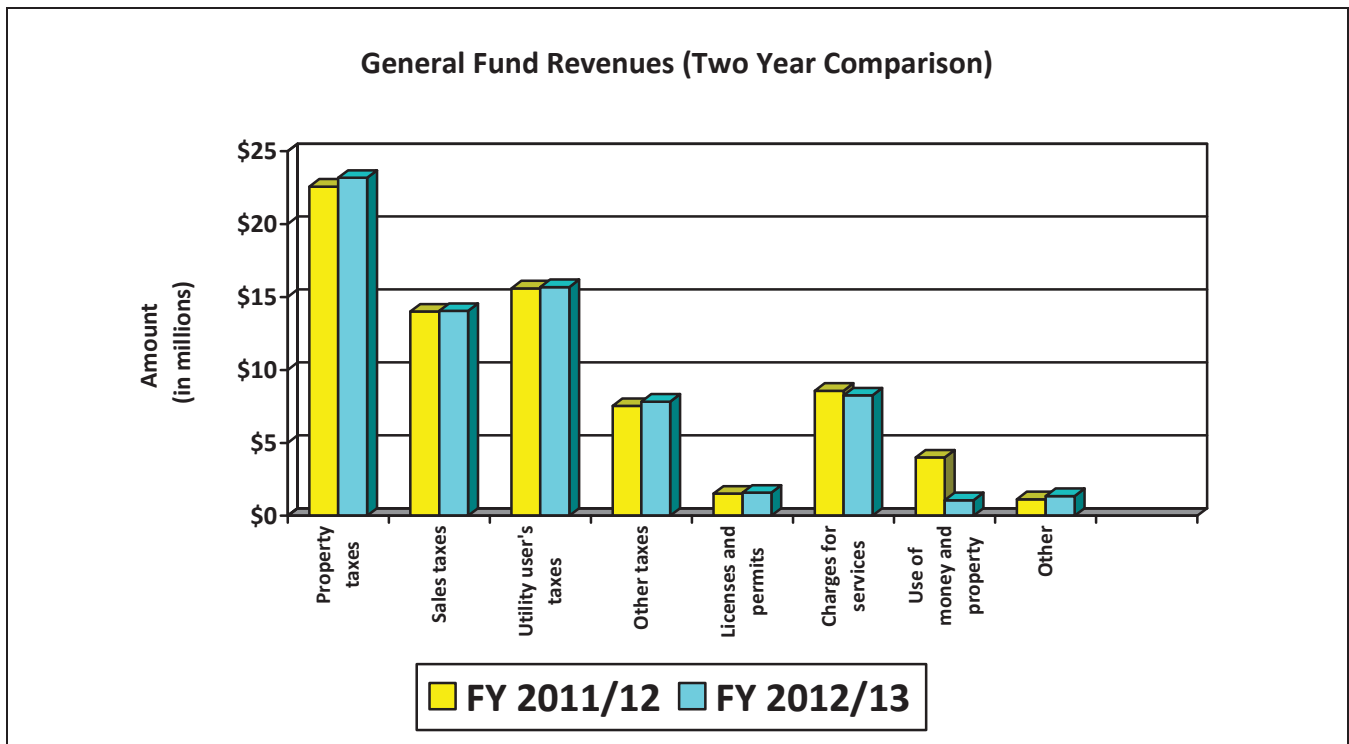
Total fund balances presented in the governmental funds balance sheet are \$148.4 million, with the General Fund representing \$34.4 million, or 23.2% of the total. The City’s General Fund fund balance has unassigned fund balance of \$25.5 million.

**General Fund Financial Results**

The General Fund fund balance decreased by \$7.1 million over FY 2011-12. The final budget anticipated a decrease of \$7.2 million. These results were anticipated as a part of budget process as an element of the second year of the Three-Year Deficit Elimination Plan adopt by Council in response to the economic downturn.

Although at fiscal year end, eight General Fund revenues met or exceeded the final budget, the total revenues fell short of expectations by \$0.9 million. The recording of the unrealized investment loss to comply with GASB 31 which generated a current fiscal year fluctuation of \$1.6 million was the primary source of this total revenue short fall.

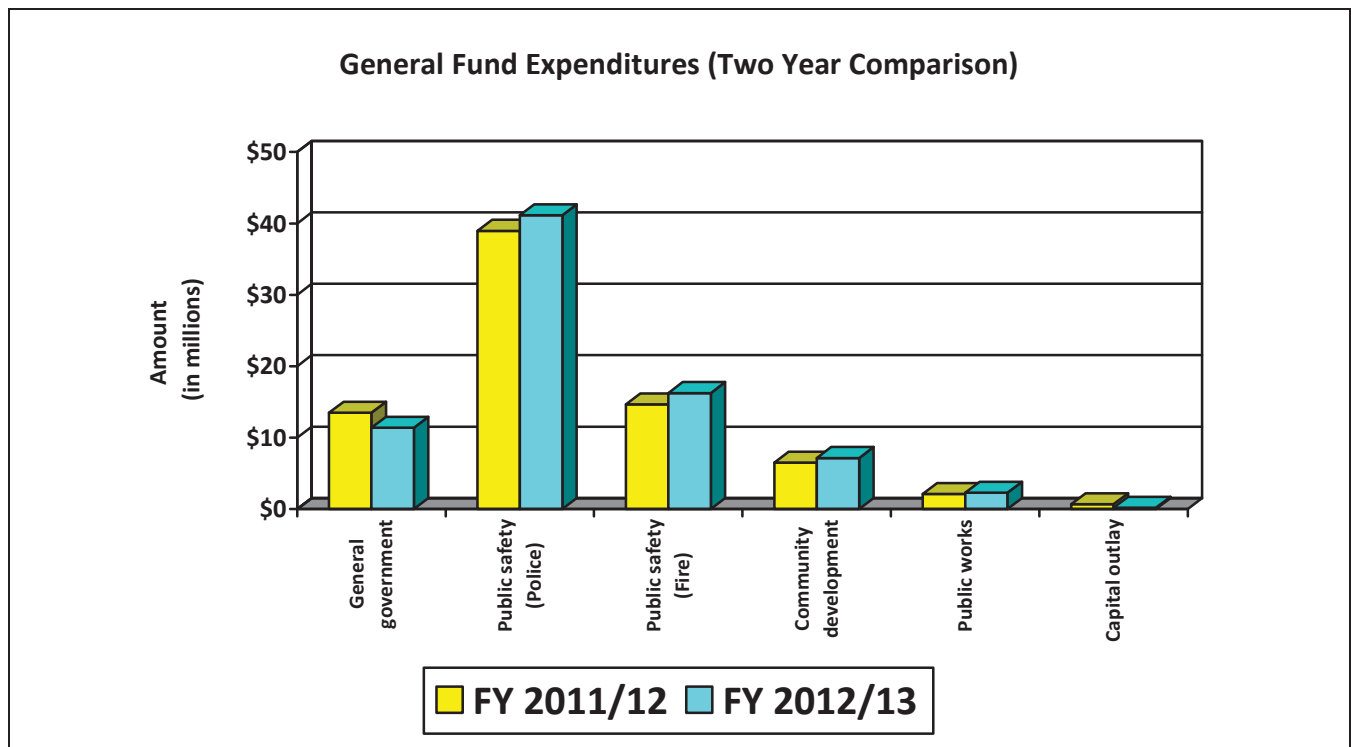
The graph below presents a comparison of each General Fund revenue source for the fiscal years ended June 30, 2012 and 2013.





General Fund actual expenditures were \$0.6 million less than the final budget. The major contributor to this result was in large part due to Fire Services coming in under budget by \$1.0 million primarily as a result of contract service rates coming in below budgeted rates. Savings was offset by approximately \$0.4 million of additional expenditures incurred due to restructuring of operations and activities as a result of the formation of the Successor Agency.

The graph below presents a comparison of each General Fund expenditure category for the fiscal years ended June 30, 2012 and 2013.



**Other Major Fund Financial Results**

The fund balance of the State Gasoline Tax Fund decreased by \$1.7 million under FY 2011-12. This fund accounts for the City’s share of state gas tax revenue restricted for street improvement and maintenance. The decrease in fund balance is primarily the result of expenditures incurred that are approved for reimbursement from bond proceeds that were scheduled to be issued in the fiscal year. However, delay of the issuance as a result of litigation postponed this eligible reimbursement to FY 2013-14.

The fund balance of the Community Service District Zones Special Revenue Fund increased by \$1.3 million over FY 2011-12. This fund accounts for the administration, operations and maintenance of the City’s various service zones established by the Moreno Valley Community Services District. The increase in fund balance is primarily the result of \$1.5 million in transfers from the General Fund to support Residential Street Lights Administration (\$675,000), Library Services (\$415,800) and projects in Parks and Community Services (\$307,500).

The fund balance of the Development Impact Fees Special Revenue Fund increased by \$4.0 million over FY 2011-12. This fund accounts for the developer impact fees, which are one-time charges, used to offset the additional public-service costs of new development. The increase in fund balance is due to a larger volume of activity as a result of the improved economic conditions on new development projects.

The fund balance of the Housing Authority Fund was unchanged over FY 2011-12 resulting in a fund balance consistent with prior fiscal year end of \$30.5 million. This fund accounts for the housing assets as a result of the recently dissolved redevelopment agency of the City.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of 2013, the City’s governmental activities had \$1.2 billion (\$866.9 million net of depreciation) invested in a broad range of capital assets, including land, buildings and improvements, machinery and equipment, vehicles, park facilities, roads, highways and bridges. The increase of \$59.3 million from FY 2011-12 is primarily attributed to the increase in infrastructure.

At June 30, 2013, the City’s business-type activities had \$40.8 million (\$35.4 million net of depreciation) invested in capital assets, primarily utility infrastructure. The increase of \$0.3 million from FY 2011-12 is primarily attributed to the increase in infrastructure. The below table presents the City’s capital assets by asset type.

**Capital Assets at Year End  
(Net of Depreciation)  
For the Year Ended June 30, 2013**

	Governmental Activities	Business-type Activities
Land	\$ 300,286,754	\$ 1,237,459
Buildings and improvements	70,505,410	-
Machinery and equipment	4,870,700	-
Vehicles	1,812,214	-
Construction in progress	38,339,817	161,713
Infrastructure	451,123,446	34,019,132
Total	\$ 866,938,341	\$ 35,418,304

Additional information on the City’s capital assets can be found in Note 5 to the basic financial statements.

**Long-Term Debt**

At year-end, the City’s governmental activities had \$60.6 million in bonds, certificates of participation, leases, and compensated absences, versus \$63.2 million last year, a decrease of \$2.6 million, or 4.1%. The decrease was the result of normal maturity on existing debt.

At June 30, 2013, the City’s business-type activities had \$28.5 million in bonds and compensated absences versus \$29.0 million last year, a decrease of \$0.5 million. The decrease was the result of normal maturity on existing debt. The City was able to meet its current debt obligations in a timely manner. The City has an active Debt Management Committee and an approved Debt Management Policy. The table on the next page provides the total long-term debt by category.

**Outstanding Debt at Year End  
For the Year Ended June 30, 2013**

	Governmental Activities	Business-type Activities
Special tax bonds	\$ 10,685,000	\$ -
Certificates of participation	5,761,000	-
Lease revenue bonds	37,855,000	28,422,319
Compensated absences	6,333,086	103,758
Total	\$ 60,634,086	\$ 28,526,077

Additional information on the City’s long-term debt can be found in Note 6 to the basic financial statements.

**ECONOMIC FACTORS AND OUTLOOK FOR FUTURE YEARS**

Although the focus of this Annual Report is on the economic condition of the City in the fiscal year that ended June 30, 2013, it is important for the City’s financial management to report on current issues affecting the City and their economic impact on FY 2012-13 and future years.

Clearly the economic downturn has impacted Moreno Valley, as well as the Inland Region as a whole. Both Riverside and San Bernardino counties are experiencing a delayed and slow economic recovery period.

With a population of 198,129, Moreno Valley is still experiencing population growth, albeit at a slower rate because of the economic downturn impacting California. Moreno Valley remains the second largest city in Riverside County and is presently the fourth largest city in the Inland Region. Though population growth has slowed because of the economy, population growth continues in Moreno Valley because of its strategic location at the junction of Interstate I-215 and State Route 60, along with offering a wide array of quality housing options, a family oriented lifestyle and a variety of quality of life amenities.

New housing development opportunities have long been a mainstay of Moreno Valley’s growth and economic foundation. Over the years, the regional economy in the Inland Region of Riverside and San Bernardino counties has been heavily dependent on construction activity, and specifically, the new residential development industry. Moreno Valley was an active area for new home development and this industry peaked in FY 2004-05. Moreno Valley has not escaped the new housing construction decline that has hit the Inland Region especially hard, and residential building permit activity decreased 90% in the City for the period from 2005 to 2010.

New housing development will remain dormant for the foreseeable future based on current market conditions. Once the City’s main economic engine, the current state of foreclosures that will continue to be absorbed during the next several years, and the general sluggishness of the real estate market will deter new housing growth for the next several years. The City’s assessed valuation has experienced a similar trend to that of the new housing development market. According to the Riverside County Assessor, for a six-year period from 2002 to 2008, the City of Moreno Valley’s assessed valuation grew a robust 136% from \$5.8 billion in 2002, to \$13.7 billion in 2008. With the recession officially starting in fourth quarter of 2007, property assessed valuation decreased in Moreno Valley from FY 2008-09 through FY 2010-11 when assessed valuations are projected to be approximately \$10.8 billion. With the conclusion of the Proposition 8 adjustments and a decline in foreclosure activity, the region is seeing stabilization in assessed valuations. For FY 2012-13 and the following few years, the regions are expected to see flat to moderate levels of growth in assessed valuations.

For several years Moreno Valley has experienced substantial non-residential growth including significant new commercial retail and industrial development. The economy has slowed commercial development in Southern California, but Moreno Valley continues to secure new business development opportunities. In FY 2012-13

several new retail developments opened adding to the sales tax base which will provide a foundation for sales tax revenue to grow moderately in the near future.

Current economic activity is in the commercial sector, with a specific focus on logistics/distribution centers and medical support businesses. The City Council approved an Economic Development Action Plan during FY 2010-11 that specifically focuses on these market sectors to rebuild the City's tax revenue base and promote job creation. The impact of the action plan has had an influence on the unemployment rate in our City as we have begun to experience a decrease in the unemployment rate since last year with projections to further decrease this rate over the next few fiscal years. Creating employment opportunities and job growth is important to the continued development of the community and creating the proper jobs to housing balance is key to Moreno Valley's continued economic success as a community and to the development of the City's tax revenue base in the future.

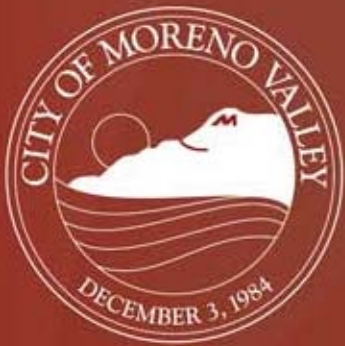
### **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. For component units that publish separate financial statements, those statements can be obtained from the City Clerk. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer/City Treasurer, City of Moreno Valley, 14177 Frederick Street, P.O. Box 88005, Moreno Valley, California 92552-0805.



Basic Financial Section

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



**Fiscal Year  
Ended June 30, 2013**



City of Moreno Valley

Statement of Net Position  
June 30, 2013

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Pooled cash and investments (note 3)	\$ 146,489,471	\$ 6,223,181	\$ 152,712,652
Receivables:			
Accounts	9,759,178	2,723,312	12,482,490
Notes and loans (note 4)	34,941,147	-	34,941,147
Notes to Successor Agency (note 4)	16,723,574	-	16,723,574
Interest	1,972,757	-	1,972,757
Internal balances	580,657	(580,657)	-
Prepaid costs	2,500	-	2,500
Deposits	5,799	-	5,799
Due from other governments	6,339,149	-	6,339,149
Inventories	42,636	232,050	274,686
Land held for resale	3,916,126	-	3,916,126
Restricted assets:			
Cash with fiscal agent (note 3)	6,175,114	2,400,294	8,575,408
Capital assets not being depreciated (note 5)	338,626,571	1,399,172	340,025,743
Capital assets, net of depreciation (note 5)	528,311,770	34,019,132	562,330,902
<b>Total Assets</b>	<b>1,093,886,449</b>	<b>46,416,484</b>	<b>1,140,302,933</b>
<b>Liabilities:</b>			
Accounts payable	20,126,661	2,432,945	22,559,606
Accrued liabilities	1,190,483	13,990	1,204,473
Accrued interest	370,680	260,400	631,080
Unearned revenue	506,326	22,201	528,527
Deposits payable	16,041	900,552	916,593
Due to other governments	38,356	126,000	164,356
Due to utility operator	-	2,289,297	2,289,297
Noncurrent liabilities:			
Long-term debt, due within one year (note 6)	6,413,543	657,255	7,070,798
Long-term debt, due in more than one year (note 6)	57,228,543	27,868,822	85,097,365
<b>Total Liabilities</b>	<b>85,890,633</b>	<b>34,571,462</b>	<b>120,462,095</b>
<b>Net Position:</b>			
Net investment in capital assets	812,637,341	9,052,878	821,690,219
Restricted for:			
Community development projects	38,269,946	-	38,269,946
Public safety	328,561	-	328,561
Community and cultural	12,219,506	-	12,219,506
Public works	25,192,910	-	25,192,910
Capital projects	15,071,781	-	15,071,781
Debt service	12,413,131	-	12,413,131
Permanent funds - nonexpendable	191,646	-	191,646
Water quality	311,702	-	311,702
Public purpose programs	-	3,444,969	3,444,969
Unrestricted	91,359,292	(652,825)	90,706,467
<b>Total Net Position</b>	<b>\$ 1,007,995,816</b>	<b>\$ 11,845,022</b>	<b>\$ 1,019,840,838</b>



City of Moreno Valley

Statement of Activities  
Year Ended June 30, 2013

	Program Revenues			
	Expenses	Charges for Services	Operating Contributions and Grants	
<b>Functions/Programs</b>				
<b>Primary Government:</b>				
Governmental Activities:				
General government	\$ 11,758,206	\$ 9,505,989	\$ 2,974,751	\$ -
Public safety	56,896,151	2,951,403	796,155	357,393
Community development	11,886,089	4,821,911	9,928,414	-
Community and cultural	18,400,148	11,343,108	7,166,971	-
Public works	38,677,668	3,109,029	15,250,978	37,847,697
Interest on long-term debt	2,552,119	-	-	-
<b>Total Governmental Activities</b>	<b>140,170,381</b>	<b>31,731,440</b>	<b>36,117,269</b>	<b>38,205,090</b>
Business-Type Activities:				
Electric	18,139,446	19,098,088	-	-
<b>Total Business-Type Activities</b>	<b>18,139,446</b>	<b>19,098,088</b>	<b>-</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 158,309,827</b>	<b>\$ 50,829,528</b>	<b>\$ 36,117,269</b>	<b>\$ 38,205,090</b>

**General Revenues:**

Taxes:

Property taxes  
 Property taxes in lieu  
 Transient occupancy taxes  
 Sales taxes  
 Franchise taxes  
 Business licenses taxes  
 Utility users tax  
 Other taxes  
 Franchise in lieu taxes  
 Documentary transfer tax  
 Use of money and property  
 Miscellaneous

**Extraordinary gain/(loss) on dissolution  
of redevelopment agency (note 13)**

**Total General Revenues and Extraordinary Items**

Change in Net Position

Net Position at Beginning of Year

**Net Position at End of Year**

**Net (Expenses) Revenues and Changes in Net  
Position**

**Primary Government**

<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ 722,534	\$ -	\$ 722,534
(52,791,200)	-	(52,791,200)
2,864,236	-	2,864,236
109,931	-	109,931
17,530,036	-	17,530,036
(2,552,119)	-	(2,552,119)
<b>(34,116,582)</b>	<b>-</b>	<b>(34,116,582)</b>
-	958,642	958,642
-	<b>958,642</b>	<b>958,642</b>
<b>(34,116,582)</b>	<b>958,642</b>	<b>(33,157,940)</b>
13,088,911	-	13,088,911
13,414,446	-	13,414,446
831,881	-	831,881
14,043,560	-	14,043,560
5,147,342	-	5,147,342
1,305,925	-	1,305,925
15,683,931	-	15,683,931
1,325,025	-	1,325,025
189,577	-	189,577
350,413	-	350,413
2,236,328	8,848	2,245,176
1,728,104	373,220	2,101,324
30,702,555	-	30,702,555
<b>100,047,998</b>	<b>382,068</b>	<b>100,430,066</b>
65,931,416	1,340,710	67,272,126
942,064,400	10,504,312	952,568,712
<b>\$ 1,007,995,816</b>	<b>\$ 11,845,022</b>	<b>\$ 1,019,840,838</b>



## **MAJOR GOVERNMENTAL FUNDS**

### **General Fund**

This fund is used to account for all financial resources of the city traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund. This fund now includes the accounting for operations and fire prevention functions.

### **State Gasoline Tax Fund**

This fund is used to account for the City's share of state gas tax revenue restricted for street improvement and maintenance. The revenue is apportioned under the Streets and Highway Code of the State of California.

### **Community Services District (CSD) Zones Special Revenue Fund**

This group of funds is used to account for the revenues expended on the various Community Services District (CSD) programs. There are nine Zones within the Community Services District providing services. Zone A-Parks and Community Services provides citywide park maintenance and community programming. Zone B-Residential Street Lighting provides residential subdivision street lighting. Zone C-Arterial Street Lighting provides citywide street lighting on major arterial streets. Zone D-Standard Landscaping provides landscaping for residential developments throughout the City. Zone E-Extensive Landscaping provides landscaping in major developments within the City. Zone L-Library Services provides library services to City residents. Zone M-Medians provides development and maintenance of median landscaping within the City. Community Facilities District (CFD) #1 provides maintenance of new parks, trails and class 1 bikeways. Zone S – Sunnymead Boulevard Maintenance provides maintenance of landscape for certain improvements constructed by the City and the former Community Redevelopment Agency on Sunnymead Boulevard.

### **Development Impact Fees Special Revenue Fund**

This group of funds is used to account for the restricted fees collected to provide funding for capital improvements related to the impact of development on various City services. The City collects fees for the following: arterial streets, traffic signals, fire facilities, police facilities, parkland facilities, Quimby in-lieu of parks, recreation facilities, library facilities, city hall facilities, corporate yard facilities, interchange improvements, maintenance equipment, and animal shelter facilities.

### **Housing Authority Special Revenue Fund**

This fund is used to account for the housing assets as a result of the dissolution of the former Community Redevelopment Agency of the City.

### **Facility Construction Fund**

This fund is used to account for City facility related capital projects.

### **Nonmajor Governmental Funds**

These funds constitute all other governmental funds that do not meet the criteria to be a major fund, which is 10% or more of assets, liabilities, revenues or expenditures for the governmental funds and 5% or more of total assets, liabilities, revenues or expenditures for the total governmental and enterprise funds combined. These funds include other Special Revenue Funds, other Capital Projects Funds, all Debt Service Funds and all Permanent Funds of the City.

City of Moreno Valley

Balance Sheet  
Governmental Funds  
June 30, 2013

Special Revenue Funds

	Special Revenue Funds			
	General	State Gasoline Tax	CSD Zones	Development Impact Fees
<b>Assets:</b>				
Pooled cash and investments (note 3)	\$ 31,229,246	\$ 46,834	\$ 12,737,942	\$ 9,384,172
Receivables:				
Accounts	2,278,299	57,145	186,214	-
Notes and loans (note 4)	-	-	-	-
Notes to Successor Agency (note 4)	16,723,574	-	-	-
Interest	697,176	-	-	-
Prepaid costs	-	-	-	-
Due from other governments	3,128,071	370,429	267,915	-
Due from other funds (note 7)	7,647,285	-	-	6,500,000
Advances to other funds (note 7)	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash with fiscal agents (note 3)	-	-	-	-
<b>Total Assets</b>	<b>\$ 61,703,651</b>	<b>\$ 474,408</b>	<b>\$ 13,192,071</b>	<b>\$ 15,884,172</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 15,021,137	\$ 209,527	\$ 671,904	\$ -
Accrued liabilities	815,571	76,309	119,171	-
Unearned revenues	262,966	-	163,498	-
Deposits payable	-	-	16,041	-
Due to other governments	4,032	-	25	-
Due to other funds (note 7)	-	581,168	1,926	3,320,000
<b>Total Liabilities</b>	<b>16,103,706</b>	<b>867,004</b>	<b>972,565</b>	<b>3,320,000</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	11,225,920	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>11,225,920</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid costs	-	-	-	-
Land held for resale	-	-	-	-
Notes and loans	5,497,653	-	-	-
Advances to other funds	-	-	-	-
Permanent fund principal	-	-	-	-
<b>Restricted for:</b>				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Community and cultural	-	-	12,202,174	-
Public works	-	-	-	12,564,172
Capital projects	-	-	-	-
Debt service	-	-	-	-
Endowments	-	-	-	-
Water quality	-	-	-	-
<b>Committed to:</b>				
Revolving line of credit	2,600,000	-	-	-
Scholarship program	-	-	17,332	-
Outside legal services	101,000	-	-	-
<b>Assigned to:</b>				
Capital projects	61,641	-	-	-
Continuing appropriations	17,770	-	-	-
GASB 31	567,187	-	-	-
<b>Unassigned</b>	<b>25,528,774</b>	<b>(392,596)</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>34,374,025</b>	<b>(392,596)</b>	<b>12,219,506</b>	<b>12,564,172</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 61,703,651</b>	<b>\$ 474,408</b>	<b>\$ 13,192,071</b>	<b>\$ 15,884,172</b>



**City of Moreno Valley**

**Reconciliation of the Balance Sheet of Governmental Funds  
To the Statement of Net Position  
June 30, 2013**

Fund balances of governmental funds \$ 148,428,903

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

Capital assets net of depreciation have not been included as financial resources in governmental fund activity.

Capital Assets (excludes internal service capital assets)	1,188,537,533
Accumulated depreciation (excludes internal service accumulated depreciation)	(335,510,143)

Long-term debt and compensated absences have not been included in the governmental fund activity:

2007 Towngate Special Tax Refunding Bonds	\$ (7,525,000)	
2007 Towngate Improvement Tax Refunding	(3,055,000)	
Auto Mall Special Tax Bonds	(105,000)	
2011 Private Placement Refunding, Series 1997 Variable Rate Certificates of Participation	(2,972,000)	
2005 Lease Revenue Bonds	(37,855,000)	
2011 Private Placement Refunding, Series 1997 Variable Rate Certificates of Participation	(2,789,000)	
Compensated Absences	<u>(5,679,304)</u>	(59,980,304)

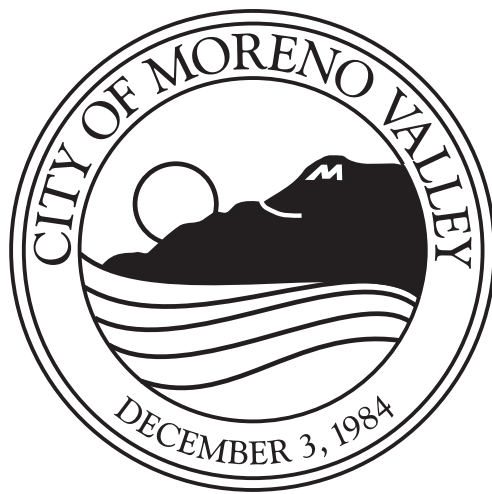
Governmental funds report all OPEB contributions as expenditures, however in the statement of net position any excesses or deficiencies in contributions in relation to the Annual Required Contribution (ARC) are recorded as a asset or liability. (900,000)

Accrued interest payable for the current portion of interest due on long-term debt has not been reported in the governmental funds. (370,680)

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity. 16,614,860

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position. 51,175,647

**Net Position of governmental activities \$1,007,995,816**





City of Moreno Valley

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

	<u>Special Revenue Funds</u>			
	<u>General</u>	<u>State Gasoline Tax</u>	<u>CSD Zones</u>	<u>Development Impact Fees</u>
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 9,765,007	\$ -	\$ 3,323,904	\$ -
Property taxes in lieu	13,414,446	-	-	-
Utility taxes	15,683,931	-	-	-
Sales taxes	14,043,560	-	-	-
Other taxes	7,825,138	-	1,098,895	-
Licenses and permits	1,585,312	-	-	-
Intergovernmental	260,691	4,388,961	-	-
Charges for services	8,258,733	-	11,244,031	1,049,926
Use of money and property	1,071,418	130,280	674,122	(5,776)
Fines and forfeitures	610,171	-	40,088	-
Contributions	-	-	-	-
Miscellaneous	485,160	62,113	71,393	25,004
<b>Total Revenues</b>	<b>73,003,567</b>	<b>4,581,354</b>	<b>16,452,433</b>	<b>1,069,154</b>
<b>Expenditures:</b>				
Current:				
General government	11,370,282	-	-	-
Public safety	57,356,187	-	-	-
Community development	7,143,586	-	-	-
Community and cultural	-	-	11,271,743	-
Public works	2,271,319	5,051,197	5,349,478	-
Capital outlay	173,372	1,378,822	16,114	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>78,314,746</b>	<b>6,430,019</b>	<b>16,637,335</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,311,179)	(1,848,665)	(184,902)	1,069,154
<b>Other Financing Sources (Uses):</b>				
Transfers in (note 7)	588,370	160,000	1,505,100	7,635,898
Transfers out (note 7)	(2,370,220)	-	-	(4,741,800)
Contributions from Successor Agency	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(1,781,850)</b>	<b>160,000</b>	<b>1,505,100</b>	<b>2,894,098</b>
Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 13)	-	-	-	-
Net Change in Fund Balances	(7,093,029)	(1,688,665)	1,320,198	3,963,252
Fund Balances, Beginning of Year	41,467,054	1,296,069	10,899,308	8,600,920
<b>Fund Balances, End of Year</b>	<b>\$ 34,374,025</b>	<b>\$ (392,596)</b>	<b>\$ 12,219,506</b>	<b>\$ 12,564,172</b>

Special Revenue Funds	Capital Projects Funds	Nonmajor Governmental Funds	Total Governmental Funds	
Housing Authority	Facility Construction			
\$ -	\$ -	\$ -	\$ 13,088,911	<b>Revenues:</b>
-	-	-	13,414,446	Taxes:
-	-	-	15,683,931	Property taxes
-	-	-	14,043,560	Property taxes in lieu
-	-	226,130	9,150,163	Utility taxes
-	-	-	1,585,312	Sales taxes
-	-	-	38,624,704	Other taxes
-	-	33,975,052	27,718,832	Licenses and permits
-	-	7,166,142	1,749,494	Intergovernmental
(212)	-	(120,338)	650,259	Charges for services
-	-	-	211,860	Use of money and property
-	-	211,860	211,860	Fines and forfeitures
8,448	1,250,461	1,048,432	2,951,011	Contributions
				Miscellaneous
<b>8,236</b>	<b>1,250,461</b>	<b>42,507,278</b>	<b>138,872,483</b>	<b>Total Revenues</b>
-	-	729,702	12,099,984	<b>Expenditures:</b>
-	-	1,037,787	58,393,974	Current:
9,742	-	5,220,888	12,374,216	General government
-	-	6,749,867	18,021,610	Public safety
-	-	3,001,617	15,673,611	Community development
-	8,373,773	35,673,299	45,615,380	Community and cultural
-	-	3,017,500	3,017,500	Public works
-	-	2,462,481	2,462,481	Capital outlay
				Debt service:
				Principal retirement
				Interest and fiscal charges
<b>9,742</b>	<b>8,373,773</b>	<b>57,893,141</b>	<b>167,658,756</b>	<b>Total Expenditures</b>
(1,506)	(7,123,312)	(15,385,863)	(28,786,273)	Excess (Deficiency) of Revenues Over (Under) Expenditures
-	568,351	6,231,706	16,689,425	<b>Other Financing Sources (Uses):</b>
-	(6,500,000)	(1,861,598)	(15,473,618)	Transfers in (note 7)
-	-	2,811,741	2,811,741	Transfers out (note 7)
				Contributions from Successor Agency
<b>-</b>	<b>(5,931,649)</b>	<b>7,181,849</b>	<b>4,027,548</b>	<b>Total Other Financing Sources (Uses)</b>
-	-	23,492,746	23,492,746	Extraordinary gain on dissolution of redevelopment agency (Note 13)
(1,506)	(13,054,961)	15,288,732	(1,265,979)	Net Change in Fund Balances
30,531,858	12,783,061	44,116,612	149,694,882	Fund Balances, Beginning of Year
<b>\$ 30,530,352</b>	<b>\$ (271,900)</b>	<b>\$ 59,405,344</b>	<b>\$ 148,428,903</b>	<b>Fund Balances, End of Year</b>

**City of Moreno Valley**

**Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended June 30, 2013**

Net change in fund balances - total governmental funds \$ (1,265,979)

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 costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay (excludes internal service capital outlay)	42,896,000
Depreciation expense (excludes internal service depreciation)	(24,990,020)
Contributed capital assets	29,039,171

The issuance of long-term debt provides current financial resources in the governmental funds, but issuing debt increases the long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal repayments	3,017,500
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Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.

(89,638)

Compensated absences 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.

(397,072)

Governmental funds report all contributions in relation to the annual required contribution (ARC) for OPEB as expenditures, however in the statement of activities only the ARC is an expense.

(450,000)

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.

4,675,847

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities.

6,285,798

Extraordinary gains and losses relating to capital assets and long-term liabilities transferred to the Successor Agency are reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported in the governmental funds.

Capital assets	7,209,809
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**Change in net position of governmental activities**

**\$ 65,931,416**

City of Moreno Valley

Budgetary Comparison Statement  
General Fund  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 9,900,000	\$ 9,900,000	\$ 9,765,007	\$ (134,993)
Property taxes in-lieu	13,300,000	13,300,000	13,414,446	114,446
Utility user's tax	16,060,000	16,060,000	15,683,931	(376,069)
Sales taxes	13,800,000	13,800,000	14,043,560	243,560
Other taxes	7,740,000	7,740,000	7,825,138	85,138
Licenses and permits	1,531,800	1,531,800	1,585,312	53,512
Intergovernmental	235,000	241,000	260,691	19,691
Charges for services	7,299,160	7,299,160	8,258,733	959,573
Use of money and property	3,296,300	3,296,300	1,071,418	(2,224,882)
Fines and forfeitures	566,000	566,000	610,171	44,171
Miscellaneous	153,550	153,550	485,160	331,610
<b>Total Revenues:</b>	<b>73,881,810</b>	<b>73,887,810</b>	<b>73,003,567</b>	<b>(884,243)</b>
<b>Expenditures:</b>				
Current:				
General government				
City council	587,270	605,770	588,669	17,101
City manager	1,411,408	1,565,948	1,789,443	(223,495)
City clerk	541,564	541,564	553,957	(12,393)
City attorney	961,369	961,369	1,194,457	(233,088)
Financial and management services	5,456,800	2,838,924	2,601,572	237,352
Administrative services	859,424	3,603,300	3,569,049	34,251
Non-departmental	681,500	1,048,960	1,073,135	(24,175)
Public safety				
Police	40,439,398	41,223,681	41,125,418	98,263
Fire	17,201,996	17,212,496	16,230,769	981,727
Community development	6,712,904	6,798,904	7,143,586	(344,682)
Public works	2,334,540	2,219,540	2,271,319	(51,779)
Capital outlay	26,897	323,514	173,372	150,142
<b>Total Expenditures</b>	<b>77,215,070</b>	<b>78,943,970</b>	<b>78,314,746</b>	<b>629,224</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,333,260)	(5,056,160)	(5,311,179)	(255,019)
<b>Other Financing Sources (Uses):</b>				
Transfers in (note 7)	568,013	588,392	588,370	(22)
Transfers out (note 7)	(2,407,400)	(2,775,400)	(2,370,220)	405,180
<b>Total Other Financing Sources (Uses)</b>	<b>(1,839,387)</b>	<b>(2,187,008)</b>	<b>(1,781,850)</b>	<b>405,158</b>
Net Change in Fund Balances	(5,172,647)	(7,243,168)	(7,093,029)	150,139
Fund Balance, Beginning of Year	41,467,054	41,467,054	41,467,054	-
<b>Fund Balance, End of Year</b>	<b>\$ 36,294,407</b>	<b>\$ 34,223,886</b>	<b>\$ 34,374,025</b>	<b>\$ 150,139</b>

City of Moreno Valley

Budgetary Comparison Statement  
State Gasoline Tax  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 4,693,169	\$ 4,920,069	\$ 4,388,961	\$ (531,108)
Use of money and property	5,000	(2,400)	130,280	132,680
Miscellaneous	1,411,000	27,000	62,113	35,113
<b>Total Revenues</b>	<b>6,109,169</b>	<b>4,944,669</b>	<b>4,581,354</b>	<b>(363,315)</b>
<b>Expenditures:</b>				
Current:				
Public works	5,020,815	5,020,815	5,051,197	(30,382)
Capital outlay	15,121,000	15,400,148	1,378,822	14,021,326
<b>Total Expenditures</b>	<b>20,141,815</b>	<b>20,420,963</b>	<b>6,430,019</b>	<b>13,990,944</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,032,646)	(15,476,294)	(1,848,665)	13,627,629
<b>Other Financing Sources (Uses):</b>				
Transfers in (note 7)	160,000	160,000	160,000	-
<b>Total Other Financing Sources (Uses)</b>	<b>160,000</b>	<b>160,000</b>	<b>160,000</b>	<b>-</b>
Net Change in Fund Balances	(13,872,646)	(15,316,294)	(1,688,665)	13,627,629
Fund Balance, Beginning of Year	1,296,069	1,296,069	1,296,069	-
<b>Fund Balance, End of Year</b>	<b><u><u>\$(12,576,577)</u></u></b>	<b><u><u>\$(14,020,225)</u></u></b>	<b><u><u>\$(392,596)</u></u></b>	<b><u><u>\$ 13,627,629</u></u></b>

**City of Moreno Valley**  
**Budgetary Comparison Statement**  
**CSD Zones**  
**Year Ended June 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 3,131,900	\$ 3,131,900	\$ 3,323,904	\$ 192,004
Other taxes	1,000,000	1,000,000	1,098,895	98,895
Charges for services	10,948,582	10,936,582	11,244,031	307,449
Use of money and property	591,820	591,820	674,122	82,302
Fines and forfeitures	60,600	60,600	40,088	(20,512)
Miscellaneous	78,500	102,714	71,393	(31,321)
<b>Total Revenues</b>	<b>15,811,402</b>	<b>15,823,616</b>	<b>16,452,433</b>	<b>628,817</b>
<b>Expenditures:</b>				
Current:				
Community and cultural	11,324,531	11,772,045	11,271,743	500,302
Public works	6,487,264	6,651,351	5,349,478	1,301,873
Capital outlay	91,000	139,000	16,114	122,886
<b>Total Expenditures</b>	<b>17,902,795</b>	<b>18,562,396</b>	<b>16,637,335</b>	<b>1,925,061</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,091,393)	(2,738,780)	(184,902)	2,553,878
<b>Other Financing Sources (Uses):</b>				
Transfers in (note 7)	1,852,700	1,921,700	1,505,100	(416,600)
<b>Total Other Financing Sources (Uses)</b>	<b>1,852,700</b>	<b>1,921,700</b>	<b>1,505,100</b>	<b>(416,600)</b>
Net Change in Fund Balances	(238,693)	(817,080)	1,320,198	2,137,278
Fund Balance, Beginning of Year	10,899,308	10,899,308	10,899,308	-
<b>Fund Balance, End of Year</b>	<b>\$ 10,660,615</b>	<b>\$ 10,082,228</b>	<b>\$ 12,219,506</b>	<b>\$ 2,137,278</b>

City of Moreno Valley

**Budgetary Comparison Statement  
Development Impact Fees  
Year Ended June 30, 2013**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 418,500	\$ 418,500	\$ 1,049,926	\$ 631,426
Use of money and property	211,400	211,400	(5,776)	(217,176)
Miscellaneous	-	-	25,004	25,004
<b>Total Revenues</b>	<b>629,900</b>	<b>629,900</b>	<b>1,069,154</b>	<b>439,254</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	629,900	629,900	1,069,154	439,254
<b>Other Financing Sources (Uses):</b>				
Transfers in (note 7)	1,135,898	1,135,898	7,635,898	6,500,000
Transfers out (note 7)	(3,461,800)	(4,741,800)	(4,741,800)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(2,325,902)</b>	<b>(3,605,902)</b>	<b>2,894,098</b>	<b>6,500,000</b>
Net Change in Fund Balances	(1,696,002)	(2,976,002)	3,963,252	6,939,254
Fund Balance, Beginning of Year	8,600,920	8,600,920	8,600,920	-
<b>Fund Balance, End of Year</b>	<b>\$ 6,904,918</b>	<b>\$ 5,624,918</b>	<b>\$ 12,564,172</b>	<b>\$ 6,939,254</b>

City of Moreno Valley

Budgetary Comparison Statement  
Housing Authority  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ -	\$ -	\$ (212)	\$ (212)
Miscellaneous	-	-	8,448	8,448
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>8,236</b>	<b>8,236</b>
<b>Expenditures:</b>				
Current:				
Community development	25,561	25,561	9,742	15,819
<b>Total Expenditures</b>	<b>25,561</b>	<b>25,561</b>	<b>9,742</b>	<b>15,819</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,561)	(25,561)	(1,506)	24,055
<b>Other Financing Sources (Uses):</b>				
Transfers in (note 7)	2,900,000	2,900,000	-	(2,900,000)
<b>Total Other Financing Sources (Uses)</b>	<b>2,900,000</b>	<b>2,900,000</b>	<b>-</b>	<b>(2,900,000)</b>
<b>Net Change in Fund Balances</b>	<b>2,874,439</b>	<b>2,874,439</b>	<b>(1,506)</b>	<b>(2,875,945)</b>
Fund Balance, Beginning of Year	30,531,858	30,531,858	30,531,858	-
<b>Fund Balance, End of Year</b>	<b>\$ 33,406,297</b>	<b>\$ 33,406,297</b>	<b>\$ 30,530,352</b>	<b>\$ (2,875,945)</b>





## **PROPRIETARY FUNDS**

### **ENTERPRISE FUND:**

#### **Electric Fund**

This fund is used to account for the operations of the City electric utility, with its basic purpose to purchase and distribute electricity to customers in the City's newly developed areas under the "Greenfield" concept. The City began serving its first customers in February 2004.

### **INTERNAL SERVICE FUNDS:**

#### **Internal Service Funds**

These funds are used to account for services provided to other departments on a cost reimbursement basis. These services include providing insurance benefits, maintaining and replacing information systems, facilities maintenance, vehicle and equipment maintenance, and accumulating cash reserves for equipment replacement.

City of Moreno Valley

Statement of Net Position  
Proprietary Funds  
June 30, 2013

	<u>Enterprise Fund - Electric</u>	<u>Governmental Activities- Internal Service Funds</u>
<b>Assets:</b>		
Current:		
Pooled cash and investments (note 3)	\$ 6,223,181	\$ 41,078,544
Receivables:		
Accounts	2,723,312	212
Prepaid costs	-	5,799
Inventories	232,050	42,636
Restricted:		
Cash with fiscal agent (note 3)	2,400,294	-
<b>Total Current Assets</b>	<b><u>11,578,837</u></b>	<b><u>41,127,191</u></b>
Noncurrent:		
Capital assets - net of accumulated depreciation (note 5)	35,418,304	13,910,951
<b>Total Noncurrent Assets</b>	<b><u>35,418,304</u></b>	<b><u>13,910,951</u></b>
<b>Total Assets</b>	<b><u>\$ 46,997,141</u></b>	<b><u>\$ 55,038,142</u></b>
<b>Liabilities and Net Position:</b>		
<b>Liabilities:</b>		
Current:		
Accounts payable	\$ 2,432,945	\$ 1,040,414
Accrued liabilities	13,990	60,299
Accrued interest	260,400	-
Unearned revenues	22,201	-
Deposits payable	900,552	-
Due to other governments	126,000	-
Due to utility operator	2,289,297	-
Compensated absences (note 6)	62,255	392,270
Self-insurance payable (note 12)	-	684,000
Bonds, notes, and loans payable (note 6)	595,000	-
<b>Total Current Liabilities</b>	<b><u>6,702,640</u></b>	<b><u>2,176,983</u></b>
Noncurrent:		
Advances from other funds (note 7)	580,657	-
Compensated absences (note 6)	41,503	261,512
Self-insurance payable (note 12)	-	1,424,000
Bonds, notes, and loans payable (note 6)	27,827,319	-
<b>Total Noncurrent Liabilities</b>	<b><u>28,449,479</u></b>	<b><u>1,685,512</u></b>
<b>Total Liabilities</b>	<b><u>35,152,119</u></b>	<b><u>3,862,495</u></b>
<b>Net Position:</b>		
Net investment in capital assets	9,052,878	13,910,951
Restricted for public purpose programs	3,444,969	-
Unrestricted	(652,825)	37,264,696
<b>Total Net Position</b>	<b><u>11,845,022</u></b>	<b><u>51,175,647</u></b>
<b>Total Liabilities and Net Position</b>	<b><u>\$ 46,997,141</u></b>	<b><u>\$ 55,038,142</u></b>

City of Moreno Valley

Statement of Revenues, Expenses  
and Changes in Fund Net Position  
Proprietary Funds  
Year Ended June 30, 2013

	<u>Enterprise Fund - Electric</u>	<u>Governmental Activities- Internal Service Funds</u>
<b>Operating Revenues:</b>		
Sales and service charges	\$ 19,051,214	\$ 13,180,797
Miscellaneous	373,220	21,112
<b>Total Operating Revenues</b>	<b><u>19,424,434</u></b>	<b><u>13,201,909</u></b>
<b>Operating Expenses:</b>		
Cost of services	613,974	7,668,688
Depreciation expense	807,947	522,167
Electricity purchased	9,573,589	-
Services and supplies	2,844,108	-
Distributive share	2,697,745	-
Self-insurance claims and charges	-	98,359
<b>Total Operating Expenses</b>	<b><u>16,537,363</u></b>	<b><u>8,289,214</u></b>
Operating Income (Loss)	<u>2,887,071</u>	<u>4,912,695</u>
<b>Nonoperating Revenues (Expenses):</b>		
Interest revenue	8,848	-
Interest expense	(1,602,083)	-
Engineering plan check fees	46,874	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b><u>(1,546,361)</u></b>	<b><u>-</u></b>
Income (Loss) Before Transfers and Contributions	1,340,710	4,912,695
Contributions	-	2,588,910
Transfers in (note 7)	-	488,000
Transfers out (note 7)	-	(1,703,807)
Changes in Net Position	1,340,710	6,285,798
<b>Net Position:</b>		
Beginnig of Year	<u>10,504,312</u>	<u>44,889,849</u>
<b>End of Fiscal Year</b>	<b><u>\$ 11,845,022</u></b>	<b><u>\$ 51,175,647</u></b>

City of Moreno Valley

Statement of Cash Flows  
Proprietary Funds  
Year Ended June 30, 2013

	Enterprise Fund - Electric	Governmental Activities- Internal Service Funds
<b>Cash Flows from Operating Activities:</b>		
Cash received from customers	\$ 18,886,424	\$ 13,207,488
Cash paid to suppliers for goods and services	(11,351,590)	(4,382,279)
Cash paid to employees for services	(3,347,451)	(2,493,446)
Cash paid for claims	-	(886,359)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>4,187,383</b>	<b>5,445,404</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>		
Cash transfers in	-	488,000
Cash transfers out	-	(1,703,807)
Cash received from operator	428,379	-
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>428,379</b>	<b>(1,215,807)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Acquisition and construction of capital assets	(1,132,667)	(5,646,671)
Engineering plan check fees	46,874	-
Contributions	-	2,588,910
Principal paid on capital debt	(549,055)	-
Interest paid on capital debt	(1,606,703)	-
Repayment of loans to other governments	(31,500)	-
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(3,273,051)</b>	<b>(3,057,761)</b>
<b>Cash Flows from Investing Activities:</b>		
Interest received	8,848	-
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>8,848</b>	<b>-</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>1,351,559</b>	<b>1,171,836</b>
Cash and Cash Equivalents at Beginning of Year	7,271,916	39,906,708
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 8,623,475</b>	<b>\$ 41,078,544</b>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>		
Operating income (loss)	2,887,071	4,912,695
<b>Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:</b>		
Depreciation	807,947	522,167
(Increase) decrease in accounts receivable	(597,501)	5,579
(Increase) decrease in prepaid costs	319	27,740
(Increase) decrease in inventories	(223,650)	(31,601)
Increase (decrease) in accounts payable	1,220,002	748,868
Increase (decrease) in accrued liabilities	2,955	(2,028)
Increase (decrease) in unearned revenue	22,201	-
Increase (decrease) in deposits payable	37,290	-
Increase (decrease) in self-insurance payable	-	(788,000)
Increase (decrease) in compensated absences	30,749	49,984
<b>Total Adjustments</b>	<b>1,300,312</b>	<b>532,709</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 4,187,383</b>	<b>\$ 5,445,404</b>

**Non-Cash Investing, Capital, and Financing Activities:**

There were no noncash investing, capital or noncapital financing activities for the year ended June 30, 2013.

## FIDUCIARY FUNDS

### **FIDUCIARY FUNDS:**

#### **Fiduciary Funds**

These funds are used to account for assets held in an agency or trustee capacity for others. These funds cannot be used to support the City's own programs.

City of Moreno Valley

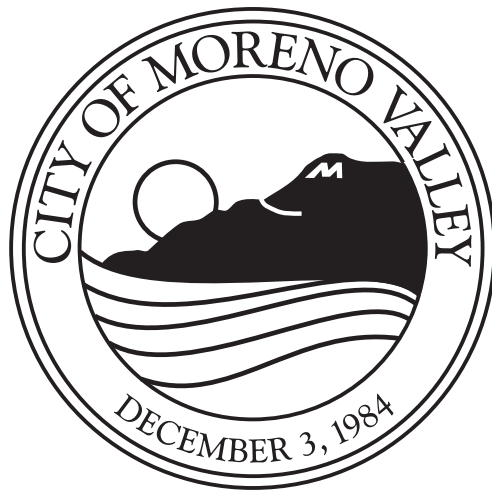
Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2013

	<u>Agency Funds</u>	<u>Private- Purpose Trust Fund</u>  <u>Successor Agency of the Former RDA</u>
<b>Assets:</b>		
Pooled cash and investments (note 3 and 13)	\$ 4,933,160	\$ 3,531,113
Due from other governments	93	126,000
Restricted assets:		
Cash with fiscal agents (note 3 and 13)	763,813	6,950,000
Capital assets, not being depreciated (note 13)	-	9,435,936
Capital assets, net of accumulated depreciation (note 13)	-	17,919,336
	<u>                    </u>	<u>                    </u>
<b>Total Assets</b>	<b><u>\$ 5,697,066</u></b>	<b><u>37,962,385</u></b>
<b>Liabilities:</b>		
Accounts payable	\$ 36,003	42,184
Accrued liabilities	-	2,750
Accrued interest	-	846,035
Deposits payable	4,106,867	-
Due to other governments	4,116	1,056
Payable to trustee	1,550,080	-
Long-term debt, due within one year (note 13)	-	230,000
Long-term debt, due in more than one year (note 13)	-	59,635,008
	<u>                    </u>	<u>                    </u>
<b>Total Liabilities</b>	<b><u>\$ 5,697,066</u></b>	<b><u>60,757,033</u></b>
<b>Net Position:</b>		
Held in trust for other purposes		<u>(22,794,648)</u>
		<u>                    </u>
<b>Total Net Position</b>		<b><u>\$ (22,794,648)</u></b>

City of Moreno Valley  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
Year Ended June 30, 2013

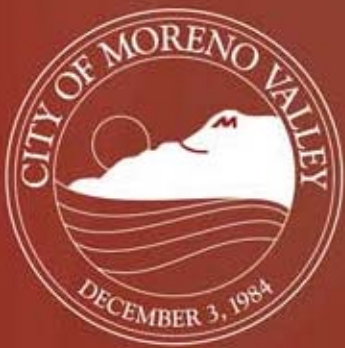
	<b>Private- Purpose Trust Fund</b>
	<b>Successor Agency of the Former RDA</b>
<b>Additions:</b>	
Taxes	\$ 8,789,053
Use of money and property	15,116
Repayment of loans received	31,500
<b>Total Additions</b>	<b>8,835,669</b>
<b>Deductions:</b>	
Administrative expenses	858,614
Contractual services	790,027
Interest expense	3,058,083
Depreciation expense	718,675
Contributions to City	2,811,741
<b>Total Deductions</b>	<b>8,237,140</b>
Extraordinary gain/(loss) on dissolution of redevelopment agency (note 13)	(30,702,555)
<b>Changes in Net Position</b>	<b>(30,104,026)</b>
Net Position - Beginning of the Year	7,309,378
<b>Net Position - End of the Year</b>	<b>\$ (22,794,648)</b>





Notes to Basic Financial Statements

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



**Fiscal Year  
Ended June 30, 2013**

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013**

**Note 1: Organization and Summary of Significant Accounting Policies**

**a. Description of the Reporting Entity**

The City of Moreno Valley, California (the City), is located in the County of Riverside and was incorporated on December 3, 1984 under the general laws of the State of California. The City operates under an elected Council/City Manager form of government. The City's major operations include police and fire protection, public works, parks, recreation and certain social services and general administration services.

Reporting Entity

Accounting principles generally accepted in the United States of America require that these financial statements represent the City of Moreno Valley and its component units. A component unit is included in the primary government's financial statements if the governing body is substantively the same as that of the City or if the component unit provides services or other benefits almost entirely to the primary government. The component units discussed below are included in the City's reporting entity because of their operational significance or financial relationships with the City. These component units are controlled by common governing boards, which are substantively the same as the City's and are presented as blended component units for financial reporting purposes. The component units have the same fiscal year end as the City.

- The Moreno Valley Community Services District (the District) was established pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982. Its purpose is to finance the acquisition and construction of certain major public capital infrastructure and improvements within the boundaries of the Community Facilities Districts. Separate financial statements for the District are available from the City Clerk.
- Community Facilities District No. 3 (Auto Mall Refinancing), and Community Facilities District No. 87-1 and 87-1, IA#1 (Towngate) were established pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982. Their purpose is to finance the acquisition and construction of certain major public capital infrastructure and improvements within the boundaries of the Community Facilities Districts and they are governed by City Council. Separate financial statements are not available for the Community Facilities Districts.
- The Moreno Valley Public Facilities Financing Corporation (MVPFFC) and the Moreno Valley Public Financing Authority (MVPFA) are nonprofit public benefit corporations, formed for the purpose of providing public facility financing to the City. The Corporations' Boards of Directors are each composed of the five elected City Council members. Both Corporations may acquire, construct, rehabilitate, remodel, improve, install and finance or lease various facilities, land and equipment for the benefit of the City. Separate financial statements are not available for the Public Financing Corporation and the Public Financing Authority.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

- The Moreno Valley Housing Authority (the Housing Authority) was established pursuant to State law section 34240 of the California Health and Safety Code, which allows for every City to establish a housing authority. The Housing Authority is designed to protect local housing funds and programs, provide new revenue opportunities for affordable housing programs, serve the public interest, promote public safety and welfare, and ensure decent, safe, sanitary and affordable housing accommodations to persons of low income. The City of Moreno Valley City Council serves as the Housing Authority's Commissioners. Separate financial statements are not available for the Housing Authority.

The accounting policies of the City of Moreno Valley conform with generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies.

**b. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are included in the program expense reported for individual functions and activities. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

**c. Measurement Focus, Basis of Accounting and Financial Statements Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus but utilize the accrual basis of accounting for reporting its assets and liabilities.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, while grant and sales tax revenues have an availability period of 120 days.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and as such have been recognized as revenue in the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

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 general government, except those required to be accounted for in another fund.

The State Gasoline Tax Fund is used to account for the City's share of state gas tax revenue restricted for street improvement and maintenance. The revenue is apportioned under the Streets and Highway Code of the State of California.

The CSD Zones Special Revenue Fund accounts for restricted property taxes for the various Community Services District (CSD) programs. There are nine Zones within the Community Services District providing services. Zone A-Parks and Community Services provides citywide park maintenance and community programming. Zone B-Residential Street Lighting provides residential subdivision street lighting. Zone C-Arterial Street Lighting provides citywide street lighting on major arterial streets. Zone D-Standard Landscaping provides landscaping for residential developments throughout the City. Zone E-Extensive Landscaping provides landscaping in major developments within the City. Zone L-Library Services provides library services to City residents. Zone M-Medians provides development and maintenance of median landscaping within the City. Community Facilities District (CFD) #1 provides maintenance of new parks, trails and class 1 bikeways. Zone S – Sunnymead Boulevard Maintenance provides maintenance of landscape services for certain improvements constructed by the City and the former RDA on Sunnymead Boulevard.

The Development Impact Fees Special Revenue Fund accounts for the restricted fees collected to provide funding for capital improvements related to the impact of development on various City services. The City collects fees for the following: arterial streets, traffic signals, fire facilities, police facilities, parkland facilities, Quimby in-lieu of parks, recreation facilities, library facilities, city hall facilities, corporate yard

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

facilities, interchange improvements, maintenance equipment, and animal shelter facilities. The City has elected to report this fund as a major fund.

The Housing Authority is used to account for the local housing funds and programs for affordable housing.

The Facility Construction Fund is used to account for City facility related capital projects.

The City reports the following major business-type fund:

The Electric Fund accounts for the operations of the City electric utility, with its basic purpose to purchase and distribute electricity to customers in the City's newly developed areas under the "Greenfield" concept. The City began serving its first customers in February 2004.

Additionally the government reports the following fund types:

Internal Service Funds account for financial transactions related to repair, replacement and maintenance of City-owned equipment, the City's self-insurance programs and the City's general information systems and telecommunications hardware and software. These services are provided to other departments or agencies of the City on a cost reimbursement basis.

The Agency Funds are used to report resources held by the City in a purely custodial capacity, which includes assets held on behalf of customers and trustees for the Assessment Districts, TUMF and MSHCP Trust funds.

The Private-Purpose Trust Fund accounts for the assets and liabilities of the former redevelopment agency and its allocated revenue to pay estimated installment payments of enforceable obligations until obligations of the former redevelopment agency are paid in full and assets have been liquidated.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Internal Service Funds are charges to other departments or agencies for sales and services. Operating expenses for Internal Service Funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**d. Assets, Liabilities, Deferred Inflows and Net Position or Equity**

**Deposits, Investments, Cash and Cash Equivalents**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the City, as well as for its component units, are reported at fair value except for investment contracts that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates. The City's policy is generally to hold investments until maturity or until fair values equal or exceed cost. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

**Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "advances to/from other funds".

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

City of Moreno Valley

Notes to Financial Statements
Year Ended June 30, 2013 (Continued)

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Inventory and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventory consists of expendable supplies held for consumption.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The fund balances in the governmental fund types have been set aside as nonspendable for amounts equal to the prepaid items in the fund-level statements, since these amounts are not available for appropriation.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Table with 2 columns: Assets and Years. Rows include Buildings and Improvements (5 - 50), Furniture and Equipment (3 - 15), Vehicles (3 - 10), and Infrastructure (25 - 50).

Deferred inflows of resources

In addition to liabilities, the statement of financial position and governmental balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. Unavailable revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. The amount is deferred and recognized as an inflow of resources in the period when the amount becomes available.



**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

Unearned Revenue

The City reports unearned revenue in the fund-level statements and in the statement of net position. Unearned revenue arises when the City receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures.

Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused annual leave benefits. The City records the annual leave liability using benefits earned by employees at the balance sheet date that will result in termination payments rather than compensated absences. The City records the annual leave liability using the dollar value of employees' rights to receive compensation attributable to services already rendered.

Long-Term Obligations

In the government-wide financial statements, and proprietary and fiduciary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

Land Held for Resale

Land purchased for the purposes of resale is recorded at the cost to purchase the property or, upon entering into a contract for sale, the estimated net realizable value, if lower.

Fund Balance

The City implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" during fiscal year 2010-2011. In the fund financial statements, government funds report the following fund balance classification:

Nonspendable include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

Restricted include amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws of regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

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

Assigned include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The Financial and Management Services Director is authorized to assign amounts to a specific purpose, which was established by the governing body in a resolution.

Unassigned include the residual amounts that have not been restricted, committed, or assigned to specific purposes.

An individual governmental fund could include nonspendable resources and amounts that are restricted, committed, assigned, or unassigned or any combination of those classifications. Restricted amounts are to be considered spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and committed, assigned, then unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

**Fund balance flow assumptions**

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

**Net position flow assumption**

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

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Secured property taxes are payable in two installments with December 10 the last day to pay the first installment of secured property taxes without penalty, and April 10 the last day to pay the second installment of secured property taxes without penalty. Unsecured personal property taxes are due in a single installment on August 31. The County of Riverside bills and collects the property taxes and remits them to the City in installments during the year. Property taxes received within 60 days after the City's fiscal year end are considered "measurable" and "available" and are accrued in the City's financial statements.

**Note 2: Stewardship, Compliance and Accountability**

**a. Budgetary Information**

Budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for all governmental fund types. The budget is prepared on a GAAP (Generally Accepted Accounting Principles) basis. From the effective date of the budget, the amounts stated therein as proposed expenditures become appropriations to the various City departments.

The City Council may amend the budget only during a regular meeting, providing that sufficient monies are available and that expenditures of proceeds of taxes will not be increased beyond the constitutional appropriation limit as imposed by Article XIIIB of the State Constitution.

The City's formal budgetary process begins at the operating program level. Departmental budgets are comprised of the various operating program budgets. Operating programs do not cross departmental lines. Individual fund budgets consist of the departmental budgets; departmental budgets may cross fund lines.

Individual fund budgets are, in all cases where appropriations are required, the same as the appropriation amounts. In the case of the Governmental Fund types, unexpended budgeted amounts, except for amounts relating to capital projects, lapse at the end of the budget year. Spending control (legal level) for most funds is established by the amount of expenditures budgeted at the departmental and fund levels. Accordingly, the General Fund expenditures are displayed in the supplementary schedules at the department level and the Special Revenue, Debt Service and Capital Projects Funds expenditures are displayed at the function level. Management control is exercised at the line item level in each operating program. Management can transfer budgeted amounts between operating programs, departments or funds, provided that such transfers do not increase the overall budget. Appropriations that increase the budget require City Council approval.

For fiscal year 2012-2013, the following funds had no adopted annual budgets:

- Article 3 Transportation
- Homeless Prevention Program Special Revenue Fund
- Traffic Signal Mitigation Capital Projects Fund
- Warner Ranch Capital Development Capital Projects Fund
- 2007 Tax Allocation Bonds Capital Projects Fund
- Equestrian Trail Endowment Permanent Fund
- Rockridge Park Endowment Permanent Fund
- NPDES Endowment Permanent Fund

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 2: Stewardship, Compliance and Accountability (Continued)**

These funds had no adopted budget due to the timing of the usage of the funds. Money will be budgeted as needed based on specific projects to be completed with these funds.

**b. Excess Expenditures Over Appropriations**

Excess of expenditures over appropriations in departments of individual funds are as follows:

	<u>Final Budget</u>	<u>Expenditures</u>	<u>Excess</u>
General Fund:			
City manager	\$ 1,565,948	\$ 1,789,443	\$ 223,495
City clerk	541,564	553,957	12,393
City attorney	961,369	1,194,457	233,088
Non-departmental	1,048,960	1,073,135	24,175
Community development	6,798,904	7,143,586	344,682
Public works	2,219,540	2,271,319	51,779
State Gasoline Tax Special Revenue Fund:			
Public works	5,020,815	5,051,197	30,382
Other Grants Special Revenue Fund:			
Community development	68,821	184,377	115,556
Air Quality Management Special Revenue Fund:			
Community and cultural	219,310	229,505	10,195
CFD #4M Special Revenue Fund:			
Public works	48,200	55,054	6,854
CDBG Recovery Act of 2009 Special Revenue Fund:			
Community development	-	105,101	105,101
Civil Penalties Special Revenue Fund:			
Community development	81,401	146,882	65,481
Lease Revenue Bonds 2005 Debt Service Fund:			
General government	2,300	2,850	550

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 3: Cash and Investments**

As of June 30, 2013, cash and investments were reported in the accompanying financial statements as follows:

Government Activities:	\$ 152,664,585
Business-Type Activities	8,623,475
Fiduciary Funds	<u>16,178,086</u>
Total Cash and Investments	<u>\$ 177,466,146</u>

Cash and investments as of June 30, 2013, consist of the following:

Cash and Cash Equivalents	
Petty cash and change boxes	\$ 10,770
Demand deposit	863,936
Investments	160,302,220
Cash and Investments with fiscal agents	<u>16,289,220</u>
Total Cash and Investments	<u>\$ 177,466,146</u>

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

**Deposits**

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

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 3: Cash and Investments (Continued)**

Investments

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

- U.S. Treasury Bills, Notes and Bonds
- Government Sponsored Enterprises (GSE's) or U.S. Agencies
- California State Local Agency Investment Fund (LAIF)
- Bonds, notes or other indebtedness of the State of California
- Bonds, notes or other indebtedness of local agencies in California
- Bankers Acceptances
- Commercial Paper
- Commercial Paper issued under the Temporary Liquidity Guarantee Program (TLGP)
- Time Deposits and Non-negotiable Certificates of Deposit
- Negotiable Certificates of Deposit
- Repurchase Agreements
- Corporate Obligations (Medium-term Notes)
- Corporate Obligations (Medium-term Notes) issued under the Temporary Liquidity Guarantee Program (TLGP)
- Mutual Funds and Money Market Accounts
- Other Government Sponsored Investment Pools

Investments Authorized by Debt Agreements

The above investments do not address the investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

Investments in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shares.

GASB Statement No. 31

The City adopted GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, as of July 1, 1997. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Accordingly, the City reports its investments at fair value in the balance sheet. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 3: Cash and Investments (Continued)**

Credit Risk

The City's investment policy limits investments in medium term notes (MTN's) to those rated in the top category by two of the three largest nationally recognized rating services at the time of purchase (with split ratings, the lower rating must meet the standard). As of June 30, 2013, the City's investment in medium term notes consisted of investments with Bank of New York Mellon, Berkshire Hathaway, Blackrock Inc., Coca Cola Company, Google Inc., John Deere, Occidental Petroleum, United Technologies, Chevron Corp., Intel Corp., Apple Inc., Honda, Toyota, Chase, EBay Inc., Walt Disney Corp., Northern Trust Corp., General Electric Capital Corp., Goldman Sachs, IBM Corp., JP Morgan, Morgan Stanley, PepsiCo Inc., Pfizer Inc., Praxair, U.S. Bankcorp, Wal-Mart, and Wells Fargo Bank. At June 30, 2013, all MTN's were rated "A" or higher by Moody's. All securities were investment grade and legal under State and City law at their time of purchase. Federal agency securities are rated AA+. Investments in U.S. Treasury securities are not considered to have credit risk and, therefore, their credit quality is not disclosed. As of June 30, 2013, the City's investments in external investment pools and investment agreements are unrated.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The carrying amount of the City's demand deposits was \$863,936 at June 30, 2013. Bank balances before reconciling items was \$4,058,662 at that date, the total amount of which was collateralized or insured with securities held by the pledging financial institutions in the City's name as discussed above under "Deposits". The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. In accordance with the City's investment policy, all investments are held by third-party custodians for safekeeping, with the securities in the City's name. This is the lowest level of custodial credit risk exposure.

Interest Rate Risk

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's investment portfolio will not directly invest in securities maturing in more than five years. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 3: Cash and Investments (Continued)**

As of June 30, 2013, the City had the following investments and original maturities:

Investment Type	6 months or less	6 months to 1 year	1 to 3 years	3 to 5 years	Fair Value
Local Agency Investment Fund	\$ 11,652,451	\$ -	\$ -	\$ -	\$ 11,652,451
Money Market Fund	47,918	-	-	-	47,918
Commercial Paper	3,672,281	-	-	-	3,672,281
Medium Term Notes	4,419,304	5,133,832	23,568,997	17,109,661	50,231,794
US Treasury Notes	-	-	17,110,420	10,745,964	27,856,384
Federal Farm Credit Banks	1,973,767	2,893,916	8,612,717	1,607,713	15,088,113
Federal Farm Loan Banks	-	-	6,967,901	7,342,981	14,310,882
Federal Home Loan Mortgage Corp	-	-	4,860,167	12,389,066	17,249,233
Federal National Mortgage Assn	-	-	3,884,460	12,545,140	16,429,600
Tennessee Valley Authority	3,763,564	-	-	-	3,763,564
Held by Bond Trustee:					
Money Market Funds	16,289,220	-	-	-	16,289,220
<b>Totals</b>	<b>\$ 41,818,505</b>	<b>\$ 8,027,748</b>	<b>\$ 65,004,662</b>	<b>\$ 61,740,525</b>	<b>\$ 176,591,440</b>

**Concentration of Credit Risk**

The City's investment policy imposes restrictions on the maximum percentage and amount that can be invested in certain types of investments. These restrictions are as follows:

Investment Types	Maturity Limit	Maximum Portfolio Percentage	Maximum Investment in One Issuer
U.S. Treasury bills, notes and bonds	5 years	None	None
GSE's or U.S. Agencies	5 years	None	None
California State Local Agency Investment Fund	n/a	None	None
Bonds, notes or other indebtedness of the State of California	5 years	None	None
Bonds, notes or other indebtedness of local agencies in CA	5 years	None	5%
Bankers Acceptances	180 days	40%	5%
Commercial Paper	270 days	25%	5%
Negotiable Certificates of Deposits	5 years	30%	5%
CD Placement Service	5 years	30%	5%
Repurchase Agreements	1 year	None	5%
Reverse Repurchase Agreements	92 days	20%	5%
Medium-term Notes (MTN's)	5 years	30%	5%
Mutual Funds and Money Market Accounts	n/a	20%	5%
Collateralized Bank Deposits	5 years	None	5%
Mortgage Pass-Through Securities	5 years	20%	5%
Bank/Time Deposits	5 years	None	5%
Other Governmental Sponsored Investment Pools	n/a	None	None

As of June 30, 2013, the City is in compliance with the investment policy restriction.



**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 3: Cash and Investments (Continued)**

In accordance with GASB Statement No. 40, if the City has invested more than 5% of its investments in any one issuer, it is exposed to credit risk. The following investments are considered exposed to credit risk:

Federal Farm Credit Bank	9.0%
Federal Farm Loan Bank	8.0%
Federal Home Loan Mortgage Corp	10.0%
Federal National Mortgage Association	9.0%

Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this.

**Note 4: Notes and Loans**

**a. Notes and Loans Receivable**

Notes and loans receivables of \$34,941,147 consist primarily of revolving home improvement loans and are due beyond one year.

A summary of amounts owed at June 30, 2013, follows:

	Housing Authority	Nonmajor Governmental Funds	Total
Cottonwood Properties	\$ 3,845,394	\$ 2,050,000	\$ 5,895,394
Sheila Street Rehabilitation	2,651,875	-	2,651,875
RHDC Properties	1,844,781	751,042	2,595,823
CVHC	1,639,450	-	1,639,450
Ability First	824,917	-	824,917
Bay Family Apartments	755,000	-	755,000
Perris Isle	413,000	687,000	1,100,000
Oakwood	3,000,000	-	3,000,000
Rancho Dorado	5,550,000	-	5,550,000
Hemlock Family Apartments	5,300,000	400,000	5,700,000
Others	687,577	4,541,111	5,228,688
Totals	<u>\$ 26,511,994</u>	<u>\$ 8,429,153</u>	<u>\$ 34,941,147</u>

**b. Notes to Successor Agency**

In prior years, the City made various loans to the former Redevelopment Agency. Upon dissolution of the Redevelopment Agency, certain loans were approved as enforceable obligations in a letter dated May 26, 2012 from the California Department of Finance and remain as a receivable in the General Fund and a liability of the Successor Agency. At June 30, 2013, the balance of \$16,723,574 consists of the following:

The Towngate Regional Mall notes (Sears Note), totaling \$13,000,000, originate from a participation agreement (as amended) whereby the Agency acquired certain parcels within the mall for subsequent transfer to major tenants. The notes bear interest at 7.25% and are payable solely from available site-generated property tax increment and up to 50% of site-generated sales tax. Furthermore, the Agency has covenanted to use

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 4: Notes and Loans (Continued)**

reasonable best efforts to refinance these notes with Tax Allocation Bonds, provided such financing is determined to be fiscally feasible. At June 30, 2013, accrued interest amounts to \$3,053,567.

The long-term payable to the General Fund from the Agency Debt Service Fund includes \$652,248 representing monies borrowed in prior fiscal years by the Agency to finance redevelopment activities. The monies loaned to the Agency bear an interest rate of 12%. Repayment of the long-term payable will be made when funds becomes available. At June 30, 2013, accrued interest amounts to \$17,759.

**Note 5: Capital Assets**

The following is a schedule of changes in governmental activities capital assets for the year ended June 30, 2013:

	Balance July 1, 2012	Transfers	Additions	Deletions	Transfers from Successor Agency*	Balance June 30, 2013
<b>Non-Depreciable Assets:</b>						
Land	\$ 300,286,754	\$ -	\$ -	\$ -	\$ -	\$ 300,286,754
Construction In Progress	27,903,728	(40,624,780)	48,229,592	-	2,831,277	38,339,817
<b>Total Non-Depreciable Assets</b>	<b>328,190,482</b>	<b>(40,624,780)</b>	<b>48,229,592</b>	<b>-</b>	<b>2,831,277</b>	<b>338,626,571</b>
<b>Depreciable Assets:</b>						
Buildings and Improvements	106,504,621	5,252,452	-	-	3,436,958	115,194,031
Furniture and Equipment	12,458,394	3,684,422	316,987	(330,565)	-	16,129,238
Vehicles	10,529,705	-	120,511	(139,932)	-	10,510,284
Infrastructure	672,903,460	31,687,906	29,039,171	-	941,574	734,572,111
<b>Total Depreciable Assets</b>	<b>802,396,180</b>	<b>40,624,780</b>	<b>29,476,669</b>	<b>(470,497)</b>	<b>4,378,532</b>	<b>876,405,664</b>
<b>Less Accumulated Depreciation:</b>						
Buildings and Improvements	(41,577,065)	-	(3,111,556)	-	-	(44,688,621)
Furniture and Equipment	(10,946,546)	-	(521,636)	209,644	-	(11,258,538)
Vehicles	(8,221,687)	-	(612,817)	136,434	-	(8,698,070)
Infrastructure	(262,182,487)	-	(21,266,178)	-	-	(283,448,665)
<b>Total Accumulated Depreciation</b>	<b>(322,927,785)</b>	<b>-</b>	<b>(25,512,187)</b>	<b>346,078</b>	<b>-</b>	<b>(348,093,894)</b>
<b>Total Depreciable Assets, Net of Accumulated Depreciation</b>	<b>479,468,395</b>	<b>40,624,780</b>	<b>3,964,482</b>	<b>(124,419)</b>	<b>4,378,532</b>	<b>528,311,770</b>
<b>Total Net Capital Assets</b>	<b>\$ 807,658,877</b>	<b>\$ -</b>	<b>\$ 52,194,074</b>	<b>\$ (124,419)</b>	<b>\$ 7,209,809</b>	<b>\$ 866,938,341</b>

\*As a result of the dissolution of the former Redevelopment Agency, assets of the former Redevelopment Agency were transferred to the Successor Agency as of January 31, 2012. These assets were transferred to the Successor Agency, but should have remained with the City's Governmental Activities. See Note 13 for additional information about the Successor Agency.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 5: Capital Assets (Continued)**

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

Governmental Activities:	
General government	\$ 972,442
Public safety	1,115,827
Community development	178,649
Community and cultural	1,811,357
Public works	20,911,745
Internal service funds	522,167
Total	<u>\$ 25,512,187</u>

The following is a schedule of changes in business-type activities capital assets for the year ended June 30, 2013:

	<u>Balance July 1, 2012</u>	<u>Transfers</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>
Non-Depreciable Assets:					
Land	\$ 1,237,459	\$ -	\$ -	\$ -	\$ 1,237,459
Construction In Progress	322,120	(1,125,527)	965,120	-	161,713
Total Non-Depreciable Assets	<u>1,559,579</u>	<u>(1,125,527)</u>	<u>965,120</u>	<u>-</u>	<u>1,399,172</u>
Depreciable Assets:					
Infrastructure	38,088,500	1,125,527	167,547	-	39,381,574
Total Depreciable Assets	<u>38,088,500</u>	<u>1,125,527</u>	<u>167,547</u>	<u>-</u>	<u>39,381,574</u>
Less Accumulated Depreciation:					
Infrastructure	(4,554,495)	-	(807,947)	-	(5,362,442)
Total Accumulated Depreciation	<u>(4,554,495)</u>	<u>-</u>	<u>(807,947)</u>	<u>-</u>	<u>(5,362,442)</u>
Total Depreciable Assets, Net of Accumulated Depreciation	<u>33,534,005</u>	<u>1,125,527</u>	<u>(640,400)</u>	<u>-</u>	<u>34,019,132</u>
Total Net Capital Assets	<u>\$ 35,093,584</u>	<u>\$ -</u>	<u>\$ 324,720</u>	<u>\$ -</u>	<u>\$ 35,418,304</u>

Depreciation expense for business-type activities was charged as follows:

Electric Utility	<u>\$ 807,947</u>
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**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 6: Long Term Debt**

**a. Changes in Long-Term Debt - Governmental Activities**

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

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013	Due Within One Year
Towngate Community Facilities District No. 87-1:					
2007 Towngate Special Tax Refunding Bonds	\$ 8,205,000	\$ -	\$ (680,000)	\$ 7,525,000	\$ 700,000
2007 Towngate Improvement Tax Refunding	3,265,000	-	(210,000)	3,055,000	220,000
Community Facilities District No. 3:					
Auto Mall Special Tax Bonds	400,000	-	(295,000)	105,000	15,000
Moreno Valley Public Facilities Financing:					
2011 Private Placement Refunding, Series 1997 Variable Rate Certificates of Participation	3,662,500	-	(690,500)	2,972,000	710,500
Moreno Valley Public Financing Authority:					
Lease Revenue Bonds, 2005	38,775,000	-	(920,000)	37,855,000	970,000
2011 Private Placement Refunding, Series 1997 Variable Rate Certificates of Participation	3,011,000	-	(222,000)	2,789,000	234,000
City:					
OPEB Liability	450,000	450,000	-	900,000	-
Accrued Self-Insurance Claims and Judgments	2,896,000	684,000	(1,472,000)	2,108,000	684,000
Compensated Absences:					
Governmental Funds	5,282,232	2,832,527	(2,435,455)	5,679,304	2,618,531
Internal Service Funds	603,798	305,027	(255,043)	653,782	261,512
Totals	<u>\$ 66,550,530</u>	<u>\$ 4,271,554</u>	<u>\$ (7,179,998)</u>	<u>\$ 63,642,086</u>	<u>\$ 6,413,543</u>

**2007 Towngate Special Tax Refunding Bonds**

Towngate CFD 87-1 2007 Special Tax Refunding Bonds in the original issue of \$10,665,000 were issued in November 2007 to refund prior bonds currently outstanding, to fund a reserve for the bonds and to pay issuance costs. The bonds mature in serial fashion through December 1, 2021 and bear interest ranging from 3.50% to 5.00%. The bonds are subject to both optional and mandatory redemption prior to maturity beginning on December 1, 2017. The bonds are payable from and secured by a special tax levy against certain affected parcels within the District. Under an arrangement (Participation Agreement) involving the District, the City and the Successor Agency of the former RDA, the required tax levy may be reduced in part by the reimbursable tax increment and utility reimbursements from the Agency.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 6: Long Term Debt (Continued)**

The annual debt service requirements for the 2007 Towngate Special Tax Refunding Bonds payable outstanding at June 30, 2013, are as follows:

Year Ending June 30,	2007 Towngate Special Tax Refunding Bonds	
	Principal	Interest
2014	\$ 700,000	\$ 310,906
2015	730,000	283,181
2016	760,000	253,381
2017	790,000	218,431
2018	830,000	177,931
2019-2023	3,715,000	312,884
Totals	<u>\$ 7,525,000</u>	<u>\$ 1,556,714</u>

**2007 Towngate Improvement Tax Refunding Bonds**

CFD 87-1 Improvement Area No. 1 Special Tax Refunding Bonds in the original issue of \$4,075,000 were issued in November 2007 to refund prior bonds currently outstanding, to fund a reserve for the bonds and to pay issuance costs. The bonds mature in serial fashion through October 1, 2023 and bear interest ranging from 3.75% to 4.875%. The bonds are subject to both optional and mandatory redemption prior to maturity beginning on April 1, 2009. The bonds are payable from and secured by a special tax levy against certain affected parcels within the District. Under an arrangement (a Cooperation and Reimbursement Agreement) involving the District, the City and the Successor Agency of the former RDA, the required tax levy may be reduced in part by a reimbursable tax increment from the Agency to a maximum of 70.3% of required debt service.

The annual debt service requirements for the 2007 Towngate Improvement Tax Refunding Bonds payable outstanding at June 30, 2013, are as follows:

Year Ending June 30,	2007 Towngate Improvement Tax Refunding Bonds	
	Principal	Interest
2014	\$ 220,000	\$ 135,009
2015	230,000	125,669
2016	240,000	115,739
2017	250,000	105,170
2018	260,000	93,851
2019-2023	1,510,000	269,763
2024-2028	345,000	8,409
Totals	<u>\$ 3,055,000</u>	<u>\$ 853,610</u>

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 6: Long Term Debt (Continued)**

**Auto Mall Special Tax Bonds**

Community Facilities District No. 3, Auto Mall Special Tax Bonds 2000, Refinancing in March 2000, the Community Facilities District No. 3 of the City of Moreno Valley issued Special Tax Bonds 2000 (Refinancing Bonds) in the amount of \$8,075,000 to refund on June 1, 2000 \$7,828,258 of outstanding Auto Mall Special Tax Bonds (Refunded Bonds). The Refinancing Bonds mature in serial and term fashion through September 2030 and bear interest payable semi-annually at rates ranging from 5.25% to 7.50%. The bonds are subject to optional and mandatory redemption prior to maturity beginning September 1, 2010. The bonds are payable from and secured by a special tax levy against parcels within the District. Under an arrangement (Owner Participation Agreement) involving the parcel owners, the District, the City and the Successor Agency of the former RDA, the required tax levy is to be offset by available property tax increment from the Agency. Should available increment be insufficient to offset the levy, available project sales tax collected by the City will be used.

The annual debt service requirements for the Auto Mall Special Tax Bonds payable outstanding at June 30, 2013, are as follows:

Year Ending June 30,	Auto Mall Special Tax Bonds	
	Principal	Interest
2014	\$ 15,000	\$ 7,313
2015	15,000	6,188
2016	15,000	5,063
2017	15,000	3,938
2018	15,000	2,813
2019-2023	30,000	2,250
Totals	<u>\$ 105,000</u>	<u>\$ 27,565</u>

**2011 Private Placement Refunding, 1997 Certificates of Participation**

The 2011 Private Placement Refunding of the 1997 Certificates of Participation mature in serial fashion through November 1, 2016 and bear interest of 2.92%. The original amount of the issue was \$4,343,500. The bonds are payable from lease payments made by the City under a project lease dated November 1, 1997 between the City and the Moreno Valley Public Facilities Financing Corporation. The lease payments are equal to the principal and interest on the bonds and are made by the City for the rental use of the public safety building financed by the original 1997 Certificates of Participations issue. This issue is fully insured in the event of nonpayment by the City. These refinancing decreased aggregate debt service payments that were required by approximately \$65,630. This refunding resulted in an economic gain of approximately \$25,174.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 6: Long Term Debt (Continued)**

The annual debt service requirements for the 2011 Private Placement Refunding, 1997 Certificates of Participation payable outstanding at June 30, 2013, are as follows:

Year Ending June 30,	2011 Private Placement Refunding, 1997 Certificates of Participation	
	Principal	Interest
2014	\$ 710,500	\$ 76,409
2015	732,000	55,349
2016	753,500	33,660
2017	776,000	11,330
Totals	<u>\$ 2,972,000</u>	<u>\$ 176,748</u>

**2011 Private Placement Refunding, 1997 Lease Revenue Bonds**

The 2011 Private Placement Refunding bonds mature in serial and term fashion through November 1, 2022 and bear interest ranging from 5.2% to 5.5%. The original amount of the issue was \$3,272,000. The bonds are payable from lease payments made by the City under a project lease dated November 1, 1997 between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City for the rental use of the public safety building financed by the original 1997 Lease Revenue bonds issue. This issue is fully insured in the event of nonpayment by the City.

The annual debt service requirements for the 2011 Private Placement Refunding, 1997 Lease Revenue Bonds payable outstanding at June 30, 2013, are as follows:

Year Ending June 30,	2011 Private Placement Refunding, 1997 Lease Revenue Bonds	
	Principal	Interest
2014	\$ 234,000	\$ 106,346
2015	241,000	96,893
2016	252,000	87,082
2017	262,000	76,854
2018	273,000	66,207
2019-2023	1,527,000	156,912
Totals	<u>\$ 2,789,000</u>	<u>\$ 590,294</u>

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 6: Long Term Debt (Continued)**

**Lease Revenue Bonds, 2005**

Lease Revenue Bonds 2005 in the original issue amount of \$48,205,000 were issued for the purpose of financing a portion of the cost of the expansion of the public safety building, electric utility infrastructure, construction of a fire station, various public works and redevelopment projects, to fund a reserve for the bonds and to pay issuance costs. Of the \$48,205,000 originally issued, the portion for the electric utility infrastructure (\$5,105,000) has been separated and is shown as long-term debt for business-type activities. The bonds mature in serial and term fashion through November 1, 2035 and bear interest ranging from 3% to 4.375%. The bonds are subject to both optional and mandatory redemption beginning November 1, 2006. The bonds are payable from lease payments made by the City under a project lease dated May 1, 1997, between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City as rent for use of the Public Safety Building and the City Hall. This issue is fully insured in the event of nonpayment by the City.

The annual debt service requirements for the Lease Revenue Bonds, 2005 payable outstanding at June 30, 2013, are as follows:

Year Ending June 30,	2005 Lease Revenue Bonds	
	Principal	Interest
2014	\$ 970,000	\$ 1,670,690
2015	1,020,000	1,626,040
2016	1,050,000	1,579,390
2017	1,115,000	1,530,840
2018	1,150,000	1,479,790
2019-2023	6,610,000	6,557,175
2024-2028	8,285,000	4,852,638
2029-2033	10,315,000	2,778,294
2034-2038	7,340,000	491,094
Totals	<u>\$ 37,855,000</u>	<u>\$ 22,565,951</u>

**Compensated Absences**

At June 30, 2013, the amount of compensated absences liability was \$6,333,086. This amount consists of \$5,679,304 for governmental funds, principally paid by the General Fund, and \$653,782 for internal service funds.



**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 6: Long Term Debt (Continued)**

**b. Changes in Long-Term Debt - Business-Type Activities**

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

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013	Due Within One Year
Lease Revenue Bonds, 2005	\$ 4,705,000	\$ -	\$ 110,000	\$ 4,595,000	\$ 120,000
Lease Revenue Bonds, 2007	24,540,000	-	450,000	24,090,000	475,000
Less Unamortized Discount	(273,626)	-	(10,945)	(262,681)	-
Compensated Absences	73,009	59,952	29,203	103,758	62,255
<b>Totals</b>	<b>\$ 29,044,383</b>	<b>\$ 59,952</b>	<b>\$ 578,258</b>	<b>\$ 28,526,077</b>	<b>\$ 657,255</b>

**Lease Revenue Bonds, 2005**

Lease Revenue Bonds 2005 in the original issue amount of \$48,205,000 were issued for the purpose of financing a portion of the cost of the expansion of the public safety building, electric utility infrastructure, construction of a fire station, various public works and redevelopment projects, to fund a reserve for the bonds and to pay issuance costs. Of the \$48,205,000 originally issued, the portion for the electric utility infrastructure (\$5,105,000) has been separated and is shown as long-term debt for business-type activities. The bonds mature in serial and term fashion through November 1, 2035 and bear interest ranging from 3% to 4.375%. The bonds are subject to both optional and mandatory redemption beginning November 1, 2006. The bonds are payable from lease payments made by the City under a project lease dated May 1, 1997, between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City as rent for use of the Public Safety Building and the City Hall. This issue is fully insured in the event of nonpayment by the City.

The annual debt service requirements for the Lease Revenue Bonds, 2005 payable outstanding at June 30, 2013, are as follows:

Year Ending June 30,	Lease Revenue Bonds, 2005	
	Principal	Interest
2014	\$ 120,000	\$ 202,763
2015	125,000	197,263
2016	130,000	191,513
2017	135,000	185,563
2018	140,000	179,363
2019-2023	800,000	794,763
2034-2028	1,005,000	577,298
2029-2033	1,250,000	336,375
2034-2038	890,000	59,500
<b>Totals</b>	<b>\$ 4,595,000</b>	<b>\$ 2,724,401</b>

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 6: Long Term Debt (Continued)**

**Lease Revenue Bonds, 2007**

Lease Revenue Bonds 2007 (Taxable) in the original issue amount of \$25,765,000 were issued for the purpose of financing a City-owned 115kV to 12kV substation, an 115kV to 12kV switchyard adjacent to the substation, and other infrastructure improvements to support planned growth of the City-owned electrical distribution system. The bonds mature in serial and term fashion through May 1, 2038 and bear interest ranging from 5.084% to 5.75%. The bonds are subject to both optional and mandatory redemption beginning May 1, 2017. The bonds are payable from lease payments made by the City under a project lease dated May 1, 2007, between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City as rent for use of the 115kV to 12kV substation. This issue is fully insured in the event of nonpayment by the City.

The annual debt service requirements for the Lease Revenue Bonds, 2007 payable outstanding at June 30, 2013, are as follows:

Year Ending June 30,	Lease Revenue Bonds, 2007	
	Principal	Interest
2014	\$ 475,000	\$ 1,356,644
2015	495,000	1,332,495
2016	520,000	1,307,329
2017	550,000	1,280,893
2018	575,000	1,252,931
2019-2023	3,400,000	5,748,041
2024-2028	4,450,000	4,694,841
2029-2033	5,865,000	3,280,663
2034-2038	7,760,000	1,388,050
Totals	<u>\$ 24,090,000</u>	<u>\$ 21,641,887</u>

**Compensated Absences**

At June 30, 2013, the amount of compensated absences liability totaled \$103,758. Based on the current trend of usage, \$62,555 is expected to be paid within one year.

**c. Conduit Debt**

The Moreno Valley Public Financing Authority issued \$5,548,000 Assisted Living Housing Revenue Bonds, Series 2000A. The bonds and interest thereon are limited obligations of the issuer, payable solely from the revenues and the trust estate, which are assigned and pledged to such purposes. Consequently, no liability is reported in these accompanying financial statements. The outstanding balance at June 30, 2013, was \$5,158,000.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 6: Long Term Debt (Continued)**

**d. Non-Commitment Debt**

The Community Facilities District No. 5 of the City of Moreno Valley 2007 Special Tax Bonds were issued to finance various public improvements needed to develop property located within the Community Facilities District No. 5 ("District"). The original issue amount was \$5,870,000. The Bonds are special limited obligations of the District and are payable solely from revenues derived from certain annual Special Taxes to be levied on and collected from the owners of the taxable land within the District and from certain other funds pledged under the Fiscal Agent Agreement dated May 1, 2007 by and between the City for and on behalf of the District and Wells Fargo Bank, National Association, as fiscal agent. The Special Taxes are to be levied according to the rates and method of apportionment approved by the City Council, the legislative body of the District, and the qualified electors within the District. Except for the Special Taxes, no other taxes are pledged to the payment of the Bonds. The City is in no way liable for repayment but is acting as an agent for the property owners in collecting the assessments and forwarding the collections to bondholders. Interest on the Bonds will be payable on September 1, 2007 and semiannually thereafter on each March 1 and September 1 thru 2037. Interest rates range from 4.00% to 5.00%. Principal on the Bonds is due each September 1 beginning 2009 and ending 2037. The outstanding balance at June 30, 2013, was \$5,770,000.

**Note 7: Interfund Receivables, Payables and Transfers**

**a. Due To/From Other Funds**

Due From Other Funds	Due To Other Funds					Total
	CSD Zones	State Gasoline Tax	Development Impact Fees	Facility Construction	Nonmajor Governmental Funds	
General Fund	\$ 1,926	\$ 581,168	\$ 3,320,000	\$ -	\$ 3,744,191	\$ 7,647,285
Development Impact Fees	-	-	-	6,500,000	-	6,500,000
<b>Total</b>	<b>\$ 1,926</b>	<b>\$ 581,168</b>	<b>\$ 3,320,000</b>	<b>\$ 6,500,000</b>	<b>\$ 3,744,191</b>	<b>\$ 14,147,285</b>

The Corporate Yard and Library Development Impact Fee Funds loaned to the Facility Construction Fund \$4,000,000 and \$2,500,000. These funds will be used for capital projects and are intended to be repaid from a combination of Measure A Sales Tax, State Gas Tax Funds, Arterial DIF and Traffic Signal DIF funds.

The City of Moreno Valley utilizes the State of California Local Agency Investment Fund (LAIF) as a short-term investment tool. In June 2006, the General Fund LAIF account reached the LAIF threshold and as an alternative for investing, the remaining funds were loaned to the CSD Zones Fund. The amount of the loans outstanding at June 30, 2013, was \$1,926.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 7: Interfund Receivables, Payables and Transfers (Continued)**

The General Fund has made short-term loans to the following funds to eliminate negative cash balances:

Major Governmental Funds:	
State Gas Tax	\$ 581,168
Development Impact Fees	<u>3,320,000</u>
Total Major Governmental Funds	<u>\$ 3,901,168</u>
Nonmajor Governmental Funds:	
Article 3 Transportation	\$ 4,049
Law Enforcement	315,873
Other Grants	293,989
Stormwater Maintenance	217,418
ASES Program Grants	412,671
Neighborhood Stabilization Grant	398,370
TUMF Capital Projects	1,881,519
Auto Mall Special Tax Bonds	<u>220,302</u>
Total Nonmajor Governmental Funds	<u>\$ 3,744,191</u>
Total all Governmental Funds	<u>\$ 7,645,359</u>

**b. Advances To/From Other Funds**

	<u>Advances from Other Funds</u>
	<u>Electric Enterprise Fund</u>
<u>Advances to Other Funds</u>	
Nonmajor Governmental Fund	<u>\$ 580,657</u>

The Special Districts Administration Fund has loaned \$580,657 to the Electric Fund for start-up costs. The loan will be repaid when revenue becomes available.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 7: Interfund Receivables, Payables and Transfers (Continued)**

**c. Interfund Transfers**

Transfers Out	Transfers In							Total
	General Fund	State Gasoline Tax	CSD Zones	Development Impact Fees	Facility Construction	Nonmajor Governmental Funds	Internal Service Funds	
General Fund	\$ -	\$ 160,000	\$ 1,505,100	\$ -	\$ -	\$ 467,120	\$ 238,000	\$ 2,370,220
Facility Construction	-	-	-	6,500,000	-	-	-	6,500,000
Development Impact Fees	-	-	-	-	400,000	4,341,800	-	4,741,800
Nonmajor Governmental Funds	390,278	-	-	1,135,898	-	335,422	-	1,861,598
Internal Service Funds	198,092	-	-	-	168,351	1,087,364	250,000	1,703,807
<b>Total</b>	<b>\$ 588,370</b>	<b>\$ 160,000</b>	<b>\$ 1,505,100</b>	<b>\$ 7,635,898</b>	<b>\$ 568,351</b>	<b>\$ 6,231,706</b>	<b>\$ 488,000</b>	<b>\$ 17,177,425</b>

The General Fund transferred a total of \$2,370,220 to several funds to provide subsidies to cover the operating deficits.

The Development Impact Fees Fund transferred a total of \$4,341,800 to nonmajor governmental funds for debt service payments and to provide support for several capital projects in the fiscal year.

**Note 8: Employee Pension Plan**

**Plan Description**

The City's defined benefit pension plan, Public Employees Retirement System (PERS), provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. PERS is part of the Public Agency portion of the California Public Employees Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions, as well as other requirements, is established by state statutes within the Public Employees' Retirement Law. The City selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS Headquarters, 400 Q Street, Sacramento, California 95811.

**Funding Policy**

Active plan members in PERS are required to contribute 8.00% of their annual covered salary as of January 2008. The City is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate is 20.847% for fiscal year 2012-2013. The contribution requirements of the plan members are established by state statute and the employer contribution rate is established and may be amended by CalPERS.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 8: Employee Pension Plan (Continued)**

Annual Pension Cost

For fiscal year 2012-2013, the City's annual pension cost was \$6,055,649. The City also contributed \$1,262,421 on behalf of the employees for the employee contribution. The required contribution for the fiscal year 2012-2013 was determined as part of the June 30, 2010 actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included: a) 7.75% investment rate of return (net of administrative expenses), b) projected salary increases for employees that vary by duration of service ranging from 3.55% to 14.45% for miscellaneous members, and c) 3.25% cost-of-living adjustment. Both a) and b) include an inflation component of 3.00%. The actuarial value of PERS an asset was determined using a technique that smooths the effect of short-term volatility in the fair value of investments over a 15-year period. The PERS unfunded actuarial accrued liability (or excess assets) is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2013, was 24 years.

Year Ended June 30,	Pension Cost (APC)	Percentage of APC Contributed	Pension Obligation
2011	\$ 5,214,878	100%	\$ -
2012	5,402,864	100%	-
2013	6,055,649	100%	-

Required Supplementary Information – Funded Status of Plan  
Latest Information Available

Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Ratio	Annual Covered Payroll	UAAL as Percent of Payroll
06/30/09	\$ 109,758,482	\$78,175,287	\$ 31,583,195	71.2%	\$ 26,384,952	119.7%
06/30/10	120,692,084	85,693,181	34,998,903	71.0%	23,670,851	147.9%
06/30/11	132,322,141	92,912,456	39,409,685	70.2%	20,743,000	190.0%

The Funded Status of Plan schedule above shows the recent history of the actuarial value of assets, actuarial accrued liability, their relationship, and the relationship of the unfunded actuarial accrued liability to payroll. The Funded Status of Plan schedule, presented above, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Note 9: Other Post Employment Benefits (OPEB)**

Plan Description

The City's defined benefit postemployment healthcare plan provides a portion of certain health care for retired employees. In accordance with City policy, employees hired prior to September 30, 2011, who retire directly from the City under CalPERS (age 50 and 5 years of CalPERS service or disability) and are not temporary employees, are eligible for these benefits. In June 2009, the City established an irrevocable trust fund to begin funding the City's unfunded liability through the California Employers' Retiree Benefit Trust (CERBT), an agent multiple-employer plan administered by California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions, as well as other requirements, are established by state statutes within the Public Employees' Retirement Law. The City selects optional benefit

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 9: Other Post Employment Benefits (OPEB) (Continued)**

provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS Headquarters, 400 Q Street, Sacramento, California 95811.

**Funding Policy**

The contribution requirements of plan members and the City are established and may be amended by City Council. The City is required to contribute the Annual Required Contribution (ARC) of the employer, 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 normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The current ARC rate is 7.00% of the annual covered payroll.

**Annual OPEB Cost**

For fiscal year 2012-2013, the City's annual OPEB cost was \$1,018,000. The required contribution for the fiscal year was determined as part of the June 30, 2011 actuarial valuation using the entry age normal cost method. The actuarial assumptions included: a) 6.00% investment rate of return (net of administrative expenses), and b) projected salary increases for employees of 3.25%, and c) an annual healthcare cost increase of 4.5%. Both a) and b) include an inflation component of 3.00%. The amortization method is the level percent of payroll. The amortization period is a 30 year fixed (closed) period for the initial unfunded accrued actuarial liability. There are 26 years remaining as of June 30, 2013.

The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation for these benefits:

Annual required contribution	\$ 1,018,000
Interest on OPEB obligation	27,000
Adjustment to annual require contribution	<u>(27,000)</u>
Annual OPEB cost (expense)	1,018,000
Contribution made	<u>568,000</u>
Increase in OPEB Obligation	450,000
Net OPEB obligation - beginning of year	<u>450,000</u>
Net OPEB obligation - end of the year	<u><u>\$ 900,000</u></u>

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 on the next page, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 9: Other Post Employment Benefits (OPEB) (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 the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing the benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial assets, consistent with the long-term perspective of the calculations.

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current and three preceding fiscal years were as follows:

Fiscal Year Ending	Annual OPEB Cost (AOC)	Percentage of OPEB Cost Contributed	Net OPEB Obligation
06/30/11	\$ 1,564,000	100%	\$ -
06/30/12	1,615,000	72%	450,000
06/30/13	1,018,000	56%	900,000

Required Supplementary Information – Funded Status of Plan  
Latest Information Available

Valuation Date	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Ratio	Annual Covered Payroll	UAAL as Percent of Payroll
06/30/08	\$ 9,338,000	\$ -	\$ 9,338,000	0.0%	\$ 29,794,978	31.3%
01/01/10	13,600,000	2,386,000	11,214,000	17.5%	22,465,000	49.9%
06/30/11	11,670,000	4,428,000	7,242,000	37.9%	23,195,000	31.2%

**Note 10: Fund Deficits**

The following funds contained a deficit fund balance as of June 30, 2013:

<u>Major Governmental Funds:</u>	
Special Revenue Funds:	
State Gas Tax	\$ 392,596
Capital Projects Funds:	
Facility Construction	271,900
<u>Non-major Governmental Funds:</u>	
Special Revenue Funds:	
Storm Water maintenance	135,260
Capital Projects Funds:	
TUMF Capital Projects	199,951
Debt Service Funds:	
Auto Mall Special Tax Bonds	74,849

The deficit fund balances are a result of reimbursement monies not yet received.



**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 11: Commitments and Contingencies**

**a. Community Facilities District No. 3 Agreement**

In conjunction with the issue of the Moreno Valley Auto Mall Special Tax Bonds Series 2000 (Auto Mall Refinancing), the Successor Agency of the former RDA and the City are parties to an owner-participation agreement which provides that the Agency will transmit to the Community Facilities District No. 3 (District) the available property tax increment it receives on parcels within the District as a credit against the special parcel taxes that otherwise would be payable by the owners.

This agreement replaces a previous arrangement involving these parcels when they were included in Community Facilities District No. 2.

**b. Community Facilities District No. 87-1 Agreement**

In connection with the issuance of the Community Facilities District No. 87-1 (CFD) Towngate 2007 Special Tax Refunding Bonds, the former Community Redevelopment Agency entered into an owner participation agreement whereby the Agency has committed tax increment for the payment of debt service requirements for these Bonds.

**c. Other Agreements**

On May 10, 2005, the former Community Redevelopment Agency and the Community Services District entered into a lease agreement for the Conference and Recreation Center. The Community Services District occupied the building during June 2005 although construction was still in progress. Upon completion of construction during fiscal year 2005-2006 the lease agreement became effective for a base rent of \$1.00 per month. The Community Services District has responsibility for facility maintenance and provides programming that serves the residents of the Project Area.

**d. Construction Commitments**

The following material construction commitments existed at June 30, 2013:

<u>Project Name</u>	<u>Contract Amount</u>	<u>Expenditures to date as of June 30, 2013</u>	<u>Remaining Commitments</u>
SR-60 Moreno Beach Drive (Phase 1)	\$ 6,716,533	\$ 4,566,062	\$ 2,150,471
SR-60 / Nason Overcrossing Bridge	13,104,132	5,769,086	7,335,046

**e. Litigation**

There are several lawsuits pending against the City. The outcome and eventual liability of the City, if any, in these cases is not known at this time. Management estimates that the potential claims against the City, not covered by insurance or self-insurance reserves, resulting from such litigation would not materially affect the financial statements of the City.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 12: Self-Insurance**

The City is a member of CSAC Excess Insurance Authority. The Authority is a member directed joint powers insurance pool, which has been operational since October of 1979. 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 City participates in the excess workers' compensation and employer's liability programs of the Authority. For workers' compensation the City has a self-insured retention of \$300,000 per occurrence. For employer's liability the City has a self-insured retention of \$250,000 per occurrence. The City has a pooled retention of \$5,000,000 each occurrence, a \$45,000,000 reinsurance layer in excess of the \$5,000,000 pooled retention per occurrence for workers' compensation claims, and a \$5,000,000 employer's liability reinsurance layer per occurrence in excess of the \$5,000,000 pooled retention.

During the past three fiscal years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There has been no significant reduction in pooled or insured liability coverage from coverage in the prior year.

*Self-Insurance Payable*

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and injuries to employees. The City established two self-insurance funds (Internal Service Funds) to account for and finance its uninsured risks of loss. Under this program, the self-insurance funds provide coverage for up to a maximum of \$300,000 for each workers' compensation claim and \$250,000 for each general liability claim. The City purchases commercial insurance for claims in excess of coverage provided by the funds and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years. All funds of the City participate in the program and make payments to the self-insurance funds based on actuarial estimates of the amounts needed to pay prior and current year claims.

The fund establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. The City has accrued for its anticipated liability with respect to claims filed and claims incurred but not reported to the City as of year-end. The accruals are in the amounts of \$1,545,000 and \$563,000 for the workers' compensation claims and general liability claims, respectively, for a total of \$2,108,000. Of these amounts, the current year's adjustment is a decrease of \$788,000.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 12: Self-Insurance (Continued)**

A reconciliation of changes in aggregate liabilities for claims for the current fiscal year and the prior fiscal year is as follows:

	<u>General Liability</u>	<u>Workers' Compensation</u>	<u>Total</u>
Amount of accrued claims at June 30, 2011	\$ 1,444,000	\$ 1,983,000	\$ 3,427,000
Incurred claims, representing the total of a provision for events for the current fiscal year and any changes (increase or decrease) in the provision for events of prior fiscal years and adjustments to estimates.	300,000	406,000	706,000
Payments on claims attributable to events of both the current fiscal year and prior fiscal years.	<u>(614,000)</u>	<u>(623,000)</u>	<u>(1,237,000)</u>
Amount of accrued claims at June 30, 2012	<u>\$ 1,130,000</u>	<u>\$ 1,766,000</u>	<u>\$ 2,896,000</u>
Incurred claims, representing the total of a provision for events for the current fiscal year and any changes (increase or decrease) in the provision for events of prior fiscal years and adjustments to estimates.	\$ 312,000	\$ 372,000	\$ 684,000
Payments on claims attributable to events of both the current fiscal year and prior fiscal years.	<u>(879,000)</u>	<u>(593,000)</u>	<u>(1,472,000)</u>
Amount of accrued claims at June 30, 2013	<u>\$ 563,000</u>	<u>\$ 1,545,000</u>	<u>\$ 2,108,000</u>

**Note 13: Successor Agency Trust for Assets of the Former Redevelopment Agency**

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. This action impacted the reporting entity of the City of Moreno Valley that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. On January 10, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 2012-04.

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

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 13: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)**

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

The Bill directed the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public 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.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012. After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private purpose trust fund) in the financial statements of the City.

During fiscal year 2012-2013, projects funded with the 2007 tax allocation bonds have been moved from the Successor Agency to the City and have been recorded as an extraordinary gain/(loss) on dissolution of the redevelopment agency in the amount of \$30,702,555

**a. Cash and investments**

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

Cash and investments	\$ 3,531,113
Cash and investments with fiscal agent	<u>6,950,000</u>
	<u>\$ 10,481,113</u>

The Successor Agency's cash and investments are pooled with the City's cash and investment in order to generate optimum interest income. The share of the pooled cash account is separately accounted for, and investment income is allocated to all participating funds based on the relationship of their average daily cash balances to the total of the pooled cash and investments. Information regarding the authorized types of deposits and investments, the type of risks (i.e. credit, interest rate, custodial, etc.) and other disclosures associated with the City's pooled cash and investments is reported in Note 3.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 13: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)**

**b. Capital Assets**

Capital assets as of June 30, 2013, are as follows:

	Balance July 1, 2012	Additions	Deletions	Transfers To City	Balance June 30, 2013
<b>Non-Depreciable Assets:</b>					
Land	\$ 9,435,936	\$ -	\$ -	\$ -	\$ 9,435,936
Construction In Progress	7,209,809	-	-	(7,209,809)	-
<b>Total Non-Depreciable Assets</b>	<b>16,645,745</b>	<b>-</b>	<b>-</b>	<b>(7,209,809)</b>	<b>9,435,936</b>
<b>Depreciable Assets:</b>					
Buildings and improvements	12,191,837	-	-	-	12,191,837
Furniture and Equipment	352,837	-	-	-	352,837
Infrastructure	9,933,800	-	-	-	9,933,800
<b>Total Depreciable Assets</b>	<b>22,478,474</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,478,474</b>
<b>Less Accumulated Depreciation:</b>					
Buildings and improvements	(3,168,889)	(474,892)	-	-	(3,643,781)
Furniture and Equipment	(352,837)	-	-	-	(352,837)
Infrastructure	(318,737)	(243,783)	-	-	(562,520)
<b>Total Accumulated Depreciation</b>	<b>(3,840,463)</b>	<b>(718,675)</b>	<b>-</b>	<b>-</b>	<b>(4,559,138)</b>
<b>Total Depreciable Assets Net of Accumulated Depreciation</b>	<b>18,638,011</b>	<b>(718,675)</b>	<b>-</b>	<b>-</b>	<b>17,919,336</b>
<b>Total Net Capital Assets</b>	<b>\$ 35,283,756</b>	<b>\$ (718,675)</b>	<b>\$ -</b>	<b>\$ (7,209,809)</b>	<b>\$ 27,355,272</b>

\* As a result of the dissolution of the former Redevelopment Agency, assets of the former Redevelopment Agency were transferred to the Successor Agency as of January 2012. These assets were transferred to the Successor Agency, but should have remained with the City.

**c. Long-Term Debt**

A description of long-term debt outstanding of the Successor Agency as of June 30, 2013, follows:

	Balance July 1, 2012	Additions	Repayments	Balance June 30, 2013	Due Within One Year
<b>Fiduciary Activities</b>					
City Loans - Principal	\$ 13,652,248	\$ -	\$ -	\$ 13,652,248	\$ -
City Loans - Interest	2,651,873	462,500	43,047	3,071,326	-
Notes Payable, Price Company	1,592,660	-	496,226	1,096,434	-
2007 TABs, Series A	42,265,000	-	220,000	42,045,000	230,000
<b>Total</b>	<b>\$ 60,161,781</b>	<b>\$ 462,500</b>	<b>\$ 759,273</b>	<b>\$ 59,865,008</b>	<b>\$ 230,000</b>

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 13: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)**

**Loans Payable to the City of Moreno Valley**

The Towngate Regional Mall notes (Sears Note), totaling \$13,000,000, originated from a participation agreement (as amended) whereby the Agency acquired certain parcels within the mall for subsequent transfer to major tenants. The notes bear interest of 7.25% and are payable solely from available site-generated property tax increment and up to 50% of site-generated sales tax. Furthermore, the Agency had covenanted to use reasonable best efforts to refinance these notes with Tax Allocation Bonds, provided such financing is determined to be fiscally feasible. During 2003-2004, the City purchased the rights to the notes from the holder. In a letter dated May 26, 2012, the California Department of Finance approved this loan as an enforceable obligation. At June 30, 2013, the outstanding principal and accrued interest balances are \$13,000,000 and \$3,053,567, respectively.

The Successor Agency owes the City a total of \$652,248 in future sales tax revenue for funds borrowed to finance redevelopment activities. \$518,520 represents monies borrowed during 2006-2007 by the Agency. \$133,728 represents monies borrowed during 2007-2008 by the Agency. The interest rate on the borrowings is 12% and repayment of the long-term payable is made when funds become available. In a letter dated May 26, 2012, the California Department of Finance approved this loan as an enforceable obligation. At June 30, 2013, the outstanding principal and accrued interest balances are \$652,248 and \$17,758.

**Note Payable - Price Company**

The former Redevelopment Agency had recorded a long-term payable in the original amount of \$2,433,744 under a development and disposition agreement and promissory note with Price Company for the reimbursement of costs of construction of a 130,000-square-foot retail store. The note bears interest at 8% per annum and is payable solely from 50% of site-generated sales tax. Any remainder payable after September 2015 will be forgiven. The amount outstanding as of June 30, 2013, was \$1,096,434.

**2007 Tax Allocation Bonds Series A**

The former Redevelopment Agency issued the 2007 Tax Allocation Bonds, Series A, in the original issue amount of \$43,495,000 were issued in November 2007 for the purpose of financing various redevelopment activities and other undertakings permitted under the Redevelopment Law, to fund a reserve for the bonds and to pay issuance costs. The bonds mature in serial and term fashion through August 1, 2038 and bear interest ranging from 3.5% to 5.0%. The bonds are subject to both optional and mandatory redemption prior to maturity beginning on August 1, 2017. The bonds are payable solely from Tax Increment Revenues and other funds and amounts pledged therefore pursuant to the Indenture. This issue is fully insured in the event of nonpayment by the Agency.

**City of Moreno Valley**

**Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)**

**Note 13: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)**

The annual debt service requirements for the 2007 Tax Allocation Bonds Series A payable outstanding at June 30, 2013, are as follows:

Year Ending June 30,	2007 Tax Allocation Bonds Series A	
	Principal	Interest
2014	\$ 230,000	\$ 2,025,884
2015	230,000	2,017,259
2016	235,000	2,009,121
2017	245,000	2,000,109
2018	250,000	1,990,209
2019-2023	2,400,000	9,767,751
2034-2028	8,555,000	8,510,189
2029-2033	11,360,000	6,133,250
2034-2038	15,060,000	2,826,250
2039-2043	3,480,000	87,000
<b>Totals</b>	<b>\$42,045,000</b>	<b>\$37,367,022</b>

**Pledged Revenue**

The former Redevelopment Agency pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill X1 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$79,412,022 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$8,789,053 and the debt service obligation on the bonds was \$2,254,884.

**d. Insurance**

The Successor Agency is covered under the City of Moreno Valley's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 12.

City of Moreno Valley

Notes to Financial Statements  
Year Ended June 30, 2013 (Continued)

**Note 13: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)**

**e. Commitments and Contingencies**

*Litigation*

At June 30, 2013, the Successor Agency was involved as a defendant in several lawsuits arising out of the ordinary conduct of its affairs. It is the opinion of management that settlements of these lawsuits, including losses for claims that are incurred but not reported, if any, will not have a material effect on the financial position of the Successor Agency.

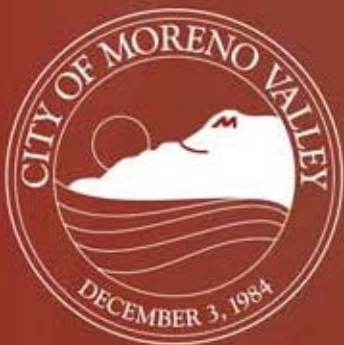
*Borrowings from the City of Moreno Valley*

In accordance with AB X1 26 which dissolves redevelopment agencies, Section 34171(d)(2) states, in relation to borrowings between the City and the Agency, that “for purposes of this part, enforceable obligation does not include any agreements, contracts, or arrangements between the city, county, or city and county that created the redevelopment agency. However, written agreements entered into (A) at the time of issuance, but in no event later than December 31, 2010, of indebtedness obligations, and (B) solely for the purpose of securing or repaying those indebtedness obligations may be deemed enforceable obligations for the purposes of this part. Notwithstanding this paragraph, loan agreements entered into between the redevelopment agency and the city, county, or city and county that created it, within two years of the date of creation of the redevelopment agency, may be deemed to be enforceable obligations”. As a result of the dissolution of the former redevelopment agency, loans between the City and former redevelopment agency totaling \$18,759,570 have been removed from these statements. The City and Agency believe these are to be upheld as viable enforceable obligations and have been included on the Recognized Obligation Payment Schedule (ROPS) from the Successor Agency, however they have been denied by the Department of Finance at this time. Upon receiving a Finding of Completion from the Department of Finance, Health and Safety Code Section 34191.4(b) may cause these items to be enforceable in future periods; however the result is not determinable at this time.



Non-Major Governmental Funds

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



**Fiscal Year  
Ended June 30, 2013**

## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS:**

#### **Article 3 Transportation Fund**

This fund is used to account for the City's share of Article 3 revenue restricted for construction of pedestrian and bikeway projects.

#### **Measure A Fund**

This fund is used to account for the City's share of the Riverside County half-cent sales tax restricted for transportation projects.

#### **Law Enforcement Fund**

This fund is used to account for revenue from several grants restricted for law enforcement. The grants include the Supplemental Law Enforcement Services Fund (SLESF), Office of Traffic Safety Grant (OTS), Edward Byrne Memorial Justice Assistance Grant (JAG), and the other miscellaneous law enforcement grants Fund.

#### **Other Grants Fund**

This fund is used to account for revenues and expenditures received from various governmental agencies and other sources for multiple purposes including beverage container recycling, and public safety.

#### **Public Education Government Access Fund**

This fund is used to account for revenues and expenditures received in support of the City's cable television channel, MVTV-3. This fund also includes activity related to public education and government programming and equipment.

#### **Air Quality Management Fund**

This fund is used to account for the City's share of the State AB 2766 funds. The revenue is apportioned to cities by the South Coast Air Quality Management District and is restricted for programs to reduce air pollution from mobile sources pursuant to the California Clean Air Act of 1988.

#### **Community Development Block Grant Fund**

This fund is used to account for federal funds received from the U.S. Department of Housing and Urban Development – Community Development Block Grant Program to be used for the development of suitable housing environment and expansion of economic opportunities for low and moderate income families.

#### **Special Districts Administration Fund**

This fund is used to account for the coordination and administration of all special financing districts formed within the City for infrastructure and maintenance improvements.

## **NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**

### **SPECIAL REVENUE FUNDS (CONTINUED):**

#### **Storm Water Management Fund**

This fund is used to account for the city-wide storm water and non-storm water pollution prevention compliance work conducted and programs prepared to comply with regulations set forth by the current National Pollutant Discharge Elimination System (NPDES).

#### **HOME Fund**

This fund is used to account for federal funds received from the U.S. Department of Housing and Urban Development to be used to develop and implement programs that expand the supply of affordable housing for low and very low income families.

#### **Child Care Grant Fund**

This fund is used to account for the Child Care grant program which provides after-school day care for the City's residents.

#### **Used Oil Recycling Fund**

This fund is used to account for the California Integrated Waste Management Board Used Oil Block Grant. The program provides public education and convenient used oil collection sites.

#### **Storm Water Maintenance Fund**

This fund is used to ensure the safety and cleanliness of our City streets and the City's maintained storm drain system by cleaning all catch basins, connector pipes and culverts on an annual basis and by providing emergency services, as needed.

#### **ASES Program Grants Fund**

This fund is used to account for the ASES program grants which provide after school education, after school safety and a food program that helps providers serve nutritious and safely prepared meals and snacks to children and adults in a day care setting.

#### **CFD #4M Fund**

This fund is used to account for the maintenance and administration costs of the detention basin within Centerpointe Business Park.

#### **Neighborhood Stabilization Grant Fund**

This fund is used to account for the grant allocation received by the City from HUD to address the foreclosure crisis and implement a neighborhood stabilization program (NSP) aimed at assisting low- to moderate- income households, while targeting the areas of the City most affected by the foreclosures.

## **NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**

### **SPECIAL REVENUE FUNDS (CONTINUED):**

#### **Homelessness Prevention Program Fund**

This fund is used to account for the Homelessness Prevention Program grant which aims to assist households that would otherwise become homeless (many, due to the economic crises) or rapidly re-house those who are homeless or at risk of homelessness.

#### **CDBG Recovery Act of 2009 Fund**

This fund is used to account for the grant allocation used in implementing activities that benefit the low and moderate income population in accordance with the Recovery Act objectives.

#### **Prop 42 Replacement Fund**

This fund is used to account for the City's share of Prop 42 revenue restricted for transportation programs.

#### **Prop 1B Fund**

This fund is used to account for the City's share of Prop 1B revenue restricted for transportation programs.

#### **Civil Penalties Fund**

This fund is used to account for all financial transactions involving civil penalties received by the City in accordance with the provisions of SB 1137, which requires legal owners of vacant properties to maintain and care for them.

#### **Emergency Services Agency Fines Fund**

This fund is used to account for the financial transactions involving AMR fines received by the City, which are to be used only to fund the purchase of various equipment needed by the Fire Department.

#### **Disaster Fund**

This fund is used to account for unforeseeable disasters and emergency situations for which reimbursement may become available.

## NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

### **CAPITAL PROJECTS FUNDS:**

#### **Public Works Capital Projects Fund**

This fund is used to account for general City capital projects.

#### **Traffic Signal Mitigation Fund**

This fund is used to account for traffic signal projects funded by revenues received from traffic mitigation fees.

#### **Fire Services Capital Projects Fund**

This fund is used to account for capital projects specific to Fire Services, including construction of new fire stations.

#### **Towngate Capital/Administration Fund**

This fund is used to account for the acquisition and construction of capital facilities in the Towngate area financed through special tax bonds.

#### **Warner Ranch Capital/Development Fund**

This fund is used to account for the acquisition or construction of capital facilities in the Warner Ranch area financed through special assessments.

#### **Auto Mall Capital/Administration Fund**

This fund is used to account for the acquisition or construction of capital facilities in the Auto Mall area financed through special tax bonds.

#### **Parks and Community Services Capital Projects Fund**

This fund is used to account for parks acquisition and development projects funded by revenues received from developers on a dwelling unit basis in accordance with the Quimby Act, a 1965 provision in the State Subdivision Map Act for the dedication of park land. This fund is used to account for general parks and recreation capital projects, the development of new parks and recreation facilities, community parks, neighborhood parks and sports facilities and for the major renovation of existing parks and facilities.

#### **TUMF Capital Projects Fund**

This fund is used to account for transportation capital projects funded by the City's share of the Transportation Uniform Mitigation Fee (TUMF) which is a mandatory development impact fee program in Western Riverside County. This program, enacted by a two-thirds majority of voters in 2002, was designed to pay for major roads and interchange projects that are needed to serve communities as a result of new development. The Western Riverside Council of Governments (WRCOG) administers the program.

## **NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**

### **CAPITAL PROJECTS FUNDS (CONTINUED):**

#### **DIF Capital Projects Fund**

This group of funds is used to account for construction of major capital improvements funded by the development impact fee (DIF) revenues charged to developers.

#### **Lease Revenue Bonds 2005 Capital Projects Fund**

This fund is used to account for the construction of capital improvements funded by the 2005 Lease Revenue Bonds issued in July 2005.

#### **2007 Tax Allocation Bonds Capital Projects Fund**

This fund is used to account for the construction of capital improvements funded by the 2007 Tax Allocation Bonds issued in November 2007.

### **DEBT SERVICE FUNDS:**

#### **Auto Mall Special Tax Bonds Fund**

This fund is used to account for the accumulation of resources and for the payment of principal, interest, and trustee and administrative costs related to the Auto Mall Special Tax Bonds Series 2000 (Auto Mall Refinancing).

#### **Lease Revenue Bonds 2005 Debt Service Fund**

This fund is used to account for the accumulation of resources and for the payment of principal, interest, and trustee and administrative costs related to the 2005 Lease Revenue Bonds issued in July 2005 to finance various City capital improvements.

#### **2007 Towngate Improvement Refunding Fund**

This fund is used to account for the accumulation of resources and for the payment of principal, interest, and trustee and administrative costs related to the Improvement Area No. 1 Special Tax Refunding Bonds issued November 29, 2007.

#### **2007 Towngate Refunding Fund**

This fund is used to account for the accumulation of resources and for the payment of principal, interest, and trustee and administrative costs related to the Special Tax Refunding Bonds issued November 29, 2007.

#### **2011 Priv Place Ref 97 Lease Rev Bonds Fund**

This fund is used to account for the accumulation of resources and for the payment of the refinancing of the 1997 Lease Revenue Bonds.

## **NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**

### **DEBT SERVICE FUNDS (CONTINUED):**

#### **2011 Priv Place Ref 97 COPs Fund**

This fund is used to account for the accumulation of resources and for the payment of the refinancing of the 1997 Certificates of Participation.

### **PERMANENT FUNDS:**

#### **Celebration Park Endowment Fund**

This fund is used to account for the endowment program for Celebration Park. The principal endowment amount was provided by a developer. The Parks and Community Services Department will use 85% of the interest earned each year to sponsor a community event at Celebration Park for the surrounding community to enhance community pride and involvement.

#### **Equestrian Trail Endowment Fund**

This fund is used to account for the endowment program for the Equestrian Trail. The principal endowment amount was provided by a developer. The interest earned will be used for the benefit of citywide trail use, maintenance, education and other trail-related costs.

#### **Rockridge Park Endowment Fund**

This fund is used to account for the endowment program provided for Rockridge Park. The principal endowment was provided by a developer. The interest earned will be used for the benefit of the facilities at Rockridge Park.

#### **NPDES Endowment Fund**

This fund is used to account for the endowment program provided for by National Pollutant Discharge Elimination System (NPDES). The principal endowment was provided by a property owner. The interest earned will be used for the benefit of the NPDES program.





City of Moreno Valley

Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2013

	<u>Special Revenue Funds</u>		
	<u>Article 3 Transportation</u>	<u>Measure A</u>	<u>Law Enforcement</u>
<b>Assets:</b>			
Pooled cash and investments	\$ -	\$ 9,510,236	\$ 2,000
Receivables:			
Accounts	-	1,162,299	-
Notes and loans	-	-	-
Interest	-	-	-
Prepaid costs	-	-	-
Due from other governments	4,049	533,389	446,511
Advances to other funds	-	-	-
Restricted assets:			
Cash with fiscal agents	-	-	-
<b>Total Assets</b>	<b><u>\$ 4,049</u></b>	<b><u>\$ 11,205,924</u></b>	<b><u>\$ 448,511</u></b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ -	\$ 403,508	\$ 126,158
Accrued liabilities	-	8,615	1,550
Unearned revenues	-	-	2,930
Due to other governments	-	-	-
Due to other funds	4,049	-	315,873
<b>Total Liabilities</b>	<b><u>4,049</u></b>	<b><u>412,123</u></b>	<b><u>446,511</u></b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenues	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Fund Balances:</b>			
<b>Nonspendable:</b>			
Prepaid costs	-	-	-
Notes and loans	-	-	-
Advances to other funds	-	-	-
Permanent fund principal	-	-	-
<b>Restricted for:</b>			
Community development projects	-	-	-
Public safety	-	-	2,000
Public works	-	10,793,801	-
Capital projects	-	-	-
Debt service	-	-	-
Endowment	-	-	-
Water quality	-	-	-
<b>Assigned to:</b>			
Capital projects	-	-	-
<b>Unassigned</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total Fund Balances</b>	<b><u>-</u></b>	<b><u>10,793,801</u></b>	<b><u>2,000</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 4,049</u></b>	<b><u>\$ 11,205,924</u></b>	<b><u>\$ 448,511</u></b>

(Continued)

<b>Special Revenue Funds</b>		
<b>Other Grants</b>	<b>Public Education Government Access</b>	<b>Air Quality Management</b>
\$ -	\$ 2,388,091	\$ 182,199
15,875	144,615	62,066
-	-	-
-	-	-
-	-	-
312,196	-	-
-	-	-
-	-	-
<b>\$ 328,071</b>	<b>\$ 2,532,706</b>	<b>\$ 244,265</b>
\$ 190	\$ -	\$ 23,900
3,892	7,113	4,527
30,000	-	-
-	-	-
293,989	-	-
<b>328,071</b>	<b>7,113</b>	<b>28,427</b>
-	-	-
-	-	-
-	-	-
-	-	-
-	2,525,593	-
-	-	-
-	-	215,838
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	2,525,593	215,838
<b>\$ 328,071</b>	<b>\$ 2,532,706</b>	<b>\$ 244,265</b>

**Assets:**  
Pooled cash and investments  
Receivables:  
    Accounts  
    Notes and loans  
    Interest  
Prepaid costs  
Due from other governments  
Advances to other funds  
Restricted assets:  
    Cash with fiscal agents

**Total Assets**

**Liabilities, Deferred Inflows of Resources, and Fund Balances:**

**Liabilities:**  
Accounts payable  
Accrued liabilities  
Unearned revenues  
Due to other governments  
Due to other funds

**Total Liabilities**

**Deferred inflows of resources:**

Unavailable revenues

**Total Deferred Inflows of Resources**

**Fund Balances:**

**Nonspendable:**

Prepaid costs  
Notes and loans  
Advances to other funds  
Permanent fund principal

**Restricted for:**

Community development projects  
Public safety  
Public works  
Capital projects  
Debt service  
Endowment  
Water quality

**Assigned to:**

Capital projects

**Unassigned**

**Total Fund Balances**

**Total Liabilities, Deferred Inflows of Resources, and Fund Balances**

City of Moreno Valley

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2013

	<u>Special Revenue Funds</u>		
	<u>Community Development Block Grant</u>	<u>Special Districts Administration</u>	<u>Storm Water Management</u>
<b>Assets:</b>			
Pooled cash and investments	\$ 18,091	\$ 150,874	\$ 185,806
Receivables:			
Accounts	-	5,624	140,514
Notes and loans	-	-	-
Interest	-	-	-
Prepaid costs	-	2,500	-
Due from other governments	269,858	-	5,771
Advances to other funds	-	580,657	-
Restricted assets:			
Cash with fiscal agents	-	-	-
<b>Total Assets</b>	<b><u>\$ 287,949</u></b>	<b><u>\$ 739,655</u></b>	<b><u>\$ 332,091</u></b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 153,245	\$ 1,328	\$ 13,104
Accrued liabilities	4,935	20,109	7,285
Unearned revenues	-	-	-
Due to other governments	-	-	-
Due to other funds	-	-	-
<b>Total Liabilities</b>	<b><u>158,180</u></b>	<b><u>21,437</u></b>	<b><u>20,389</u></b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenues	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Fund Balances:</b>			
<b>Nonspendable:</b>			
Prepaid costs	-	2,500	-
Notes and loans	-	-	-
Advances to other funds	-	580,657	-
Permanent fund principal	-	-	-
<b>Restricted for:</b>			
Community development projects	129,769	-	-
Public safety	-	-	-
Public works	-	135,061	-
Capital projects	-	-	-
Debt service	-	-	-
Endowment	-	-	-
Water quality	-	-	311,702
<b>Assigned to:</b>			
Capital projects	-	-	-
<b>Unassigned</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total Fund Balances</b>	<b><u>129,769</u></b>	<b><u>718,218</u></b>	<b><u>311,702</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 287,949</u></b>	<b><u>\$ 739,655</u></b>	<b><u>\$ 332,091</u></b>

(Continued)

**Special Revenue Funds**

<b>HOME</b>	<b>Child Care Grant</b>	<b>Used Oil Recycling</b>
\$ 499,540	\$ 63,278	\$ 47,620
1,881	-	-
4,295,002	-	-
336,508	-	-
-	-	-
-	14,340	-
-	-	-
-	-	-
<b>\$ 5,132,931</b>	<b>\$ 77,618</b>	<b>\$ 47,620</b>
\$ -	\$ 3,555	\$ 60
-	39,764	628
-	-	46,932
-	34,299	-
-	-	-
<b>-</b>	<b>77,618</b>	<b>47,620</b>
336,508	-	-
<b>336,508</b>	<b>-</b>	<b>-</b>
-	-	-
4,295,002	-	-
-	-	-
-	-	-
501,421	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<b>4,796,423</b>	<b>-</b>	<b>-</b>
<b>\$ 5,132,931</b>	<b>\$ 77,618</b>	<b>\$ 47,620</b>

**Assets:**  
Pooled cash and investments  
Receivables:  
    Accounts  
    Notes and loans  
    Interest  
Prepaid costs  
Due from other governments  
Advances to other funds  
Restricted assets:  
    Cash with fiscal agents

**Total Assets**

**Liabilities, Deferred Inflows of Resources, and Fund Balances:**

**Liabilities:**  
Accounts payable  
Accrued liabilities  
Unearned revenues  
Due to other governments  
Due to other funds

**Total Liabilities**

**Deferred inflows of resources:**

Unavailable revenues

**Total Deferred Inflows of Resources**

**Fund Balances:**

**Nonspendable:**

Prepaid costs  
Notes and loans  
Advances to other funds  
Permanent fund principal

**Restricted for:**

Community development projects  
Public safety  
Public works  
Capital projects  
Debt service  
Endowment  
Water quality

**Assigned to:**

Capital projects

**Unassigned**

**Total Fund Balances**

**Total Liabilities, Deferred Inflows of Resources, and Fund Balances**

City of Moreno Valley

Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2013

Special Revenue Funds

	Storm Water Maintenance	ASES Program Grants	CFD #4M
<b>Assets:</b>			
Pooled cash and investments	\$ -	\$ 4,334	\$ 69,515
Receivables:			
Accounts	88,706	-	-
Notes and loans	-	-	-
Interest	-	-	-
Prepaid costs	-	-	-
Due from other governments	-	455,985	-
Advances to other funds	-	-	-
Restricted assets:			
Cash with fiscal agents	-	-	-
<b>Total Assets</b>	<b>\$ 88,706</b>	<b>\$ 460,319</b>	<b>\$ 69,515</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 2,849	\$ 27,244	\$ 11,944
Accrued liabilities	3,699	1,498	-
Unearned revenues	-	-	-
Due to other governments	-	-	-
Due to other funds	217,418	412,671	-
<b>Total Liabilities</b>	<b>223,966</b>	<b>441,413</b>	<b>11,944</b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenues	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>			
<b>Nonspendable:</b>			
Prepaid costs	-	-	-
Notes and loans	-	-	-
Advances to other funds	-	-	-
Permanent fund principal	-	-	-
<b>Restricted for:</b>			
Community development projects	-	18,906	-
Public safety	-	-	-
Public works	-	-	57,571
Capital projects	-	-	-
Debt service	-	-	-
Endowment	-	-	-
Water quality	-	-	-
<b>Assigned to:</b>			
Capital projects	-	-	-
<b>Unassigned</b>	<b>(135,260)</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>(135,260)</b>	<b>18,906</b>	<b>57,571</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 88,706</b>	<b>\$ 460,319</b>	<b>\$ 69,515</b>

(Continued)

**Special Revenue Funds**

Neighborhood Stabilization Grant	Homelessness Prevention Program	CDBG Recovery Act of 2009
\$ -	\$ -	\$ -
-	-	-
4,134,151	-	-
-	-	-
-	-	-
529,933	-	-
-	-	-
-	-	-
<u>\$ 4,664,084</u>	<u>\$ -</u>	<u>\$ -</u>
-	-	-
\$ 102,952	\$ -	\$ -
1,891	-	-
-	-	-
-	-	-
398,370	-	-
<u>503,213</u>	<u>-</u>	<u>-</u>
-	-	-
4,134,151	-	-
<u>4,134,151</u>	<u>-</u>	<u>-</u>
-	-	-
-	-	-
-	-	-
-	-	-
26,720	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
26,720	-	-
<u>\$ 4,664,084</u>	<u>\$ -</u>	<u>\$ -</u>

**Assets:**  
Pooled cash and investments  
Receivables:  
    Accounts  
    Notes and loans  
    Interest  
Prepaid costs  
Due from other governments  
Advances to other funds  
Restricted assets:  
    Cash with fiscal agents

**Total Assets**

**Liabilities, Deferred Inflows of Resources, and Fund Balances:**

**Liabilities:**  
Accounts payable  
Accrued liabilities  
Unearned revenues  
Due to other governments  
Due to other funds

**Total Liabilities**

**Deferred Inflows of Resources:**

Unavailable revenues

**Total Deferred Inflows of Resources**

**Fund Balances:**

**Nonspendable:**  
Prepaid costs  
Notes and loans  
Advances to other funds  
Permanent fund principal

**Restricted for:**  
Community development projects  
Public safety  
Public works  
Capital projects  
Debt service  
Endowment  
Water quality

**Assigned to:**  
Capital projects

**Unassigned**

**Total Fund Balances**

**Total Liabilities, Deferred Inflows of Resources, and Fund Balances**

City of Moreno Valley

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2013

	<u>Special Revenue Funds</u>		
	<u>Prop 42 Replacement Funds</u>	<u>Prop 1B</u>	<u>Civil Penalties</u>
<b>Assets:</b>			
Pooled cash and investments	\$ 851,678	\$ -	\$ 245,316
Receivables:			
Accounts	-	-	-
Notes and loans	-	-	-
Interest	-	-	-
Prepaid costs	-	-	-
Due from other governments	-	-	-
Advances to other funds	-	-	-
Restricted assets:			
Cash with fiscal agents	-	-	-
<b>Total Assets</b>	<b><u>\$ 851,678</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 245,316</u></b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 8,282	\$ -	\$ 3,133
Accrued liabilities	86	-	-
Unearned revenues	-	-	-
Due to other governments	-	-	-
Due to other funds	-	-	-
<b>Total Liabilities</b>	<b><u>8,368</u></b>	<b><u>-</u></b>	<b><u>3,133</u></b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenues	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Fund Balances:</b>			
<b>Nonspendable:</b>			
Prepaid costs	-	-	-
Notes and loans	-	-	-
Advances to other funds	-	-	-
Permanent fund principal	-	-	-
<b>Restricted for:</b>			
Community development projects	-	-	242,183
Public safety	-	-	-
Public works	843,310	-	-
Capital projects	-	-	-
Debt service	-	-	-
Endowment	-	-	-
Water quality	-	-	-
<b>Assigned to:</b>			
Capital projects	-	-	-
<b>Unassigned</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total Fund Balances</b>	<b><u>843,310</u></b>	<b><u>-</u></b>	<b><u>242,183</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 851,678</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 245,316</u></b>

(Continued)

<u>Special Revenue Funds</u>		<u>Capital Projects Funds</u>
<u>Emergency Services Agency Fines</u>	<u>Disaster</u>	<u>Public Works Capital Projects</u>
\$ 326,561	\$ -	\$ 3,994,036
-	-	3,019,389
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<u>\$ 326,561</u>	<u>\$ -</u>	<u>\$ 7,013,425</u>
\$ -	\$ -	\$ 295,771
-	-	2,356
-	-	-
-	-	-
-	-	-
-	-	<u>298,127</u>
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
326,561	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	6,715,298
-	-	-
<u>326,561</u>	<u>-</u>	<u>6,715,298</u>
<u>\$ 326,561</u>	<u>\$ -</u>	<u>\$ 7,013,425</u>

**Assets:**  
Pooled cash and investments  
Receivables:  
    Accounts  
    Notes and loans  
    Interest  
Prepaid costs  
Due from other governments  
Advances to other funds  
Restricted assets:  
    Cash with fiscal agents

**Total Assets**

**Liabilities, Deferred Inflows of Resources,  
and Fund Balances:**

**Liabilities:**  
Accounts payable  
Accrued liabilities  
Unearned revenues  
Due to other governments  
Due to other funds

**Total Liabilities**

**Deferred Inflows of Resources:**

Unavailable revenues

**Total Deferred Inflows of Resources**

**Fund Balances:**

**Nonspendable:**  
Prepaid costs  
Notes and loans  
Advances to other funds  
Permanent fund principal

**Restricted for:**  
Community development projects  
Public safety  
Public works  
Capital projects  
Debt service  
Endowment  
Water quality

**Assigned to:**  
Capital projects

**Unassigned**

**Total Fund Balances**

**Total Liabilities, Deferred Inflows of  
Resources, and Fund Balances**



City of Moreno Valley

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2013

	<u>Capital Projects Funds</u>		
	<u>Traffic Signal Mitigation</u>	<u>Fire Services Capital Projects</u>	<u>Towngate Capital / Administration</u>
<b>Assets:</b>			
Pooled cash and investments	\$ 137,578	\$ 378,342	\$ -
Receivables:			
Accounts	-	-	-
Notes and loans	-	-	-
Interest	-	-	-
Prepaid costs	-	-	-
Due from other governments	-	-	-
Advances to other funds	-	-	-
Restricted assets:			
Cash with fiscal agents	-	-	-
<b>Total Assets</b>	<b><u>\$ 137,578</u></b>	<b><u>\$ 378,342</u></b>	<b><u>\$ -</u></b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ -	\$ -	\$ -
Accrued liabilities	-	570	-
Unearned revenues	-	-	-
Due to other governments	-	-	-
Due to other funds	-	-	-
<b>Total Liabilities</b>	<b><u>-</u></b>	<b><u>570</u></b>	<b><u>-</u></b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenues	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Fund Balances:</b>			
<b>Nonspendable:</b>			
Prepaid costs	-	-	-
Notes and loans	-	-	-
Advances to other funds	-	-	-
Permanent fund principal	-	-	-
<b>Restricted for:</b>			
Community development projects	-	-	-
Public safety	-	-	-
Public works	-	-	-
Capital projects	137,578	377,772	-
Debt service	-	-	-
Endowment	-	-	-
Water quality	-	-	-
<b>Assigned to:</b>			
Capital projects	-	-	-
<b>Unassigned</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total Fund Balances</b>	<b><u>137,578</u></b>	<b><u>377,772</u></b>	<b><u>-</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 137,578</u></b>	<b><u>\$ 378,342</u></b>	<b><u>\$ -</u></b>

(Continued)

<b>Capital Projects Funds</b>			
<b>Warner Ranch Capital / Development</b>	<b>Auto Mall Capital / Administration</b>	<b>Parks and Community Services Capital Projects</b>	
\$ 13,673	\$ -	\$ 4,415,120	<b>Assets:</b>
-	-	-	Pooled cash and investments
-	-	-	Receivables:
-	-	-	Accounts
-	-	-	Notes and loans
-	-	-	Interest
-	-	-	Prepaid costs
-	-	-	Due from other governments
-	-	-	Advances to other funds
-	-	-	Restricted assets:
-	-	-	Cash with fiscal agents
<b>\$ 13,673</b>	<b>\$ -</b>	<b>\$ 4,415,120</b>	<b>Total Assets</b>
			<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>
			<b>Liabilities:</b>
\$ -	\$ -	\$ -	Accounts payable
-	-	167	Accrued liabilities
-	-	-	Unearned revenues
-	-	-	Due to other governments
-	-	-	Due to other funds
<b>-</b>	<b>-</b>	<b>167</b>	<b>Total Liabilities</b>
			<b>Deferred Inflows of Resources:</b>
-	-	-	Unavailable revenues
<b>-</b>	<b>-</b>	<b>-</b>	<b>Total Deferred Inflows of Resources</b>
			<b>Fund Balances:</b>
			<b>Nonspendable:</b>
-	-	-	Prepaid costs
-	-	-	Notes and loans
-	-	-	Advances to other funds
-	-	-	Permanent fund principal
			<b>Restricted for:</b>
-	-	-	Community development projects
-	-	-	Public safety
-	-	-	Public works
13,673	-	-	Capital projects
-	-	-	Debt service
-	-	-	Endowment
-	-	-	Water quality
-	-	4,414,953	<b>Assigned to:</b>
-	-	-	Capital projects
<b>13,673</b>	<b>-</b>	<b>4,414,953</b>	<b>Unassigned</b>
<b>\$ 13,673</b>	<b>\$ -</b>	<b>\$ 4,415,120</b>	<b>Total Fund Balances</b>
			<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>

City of Moreno Valley

Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2013

	<u>Capital Projects Funds</u>		
	<u>TUMF Capital Projects</u>	<u>DIF Capital Projects</u>	<u>Lease Revenue Bonds 2005 Capital Projects</u>
<b>Assets:</b>			
Pooled cash and investments	\$ -	\$ 4,842,104	\$ 447,245
Receivables:			
Accounts	2,565,455	2,067	-
Notes and loans	-	-	-
Interest	-	-	-
Prepaid costs	-	-	-
Due from other governments	702	-	-
Advances to other funds	-	-	-
Restricted assets:			
Cash with fiscal agents	-	-	8
<b>Total Assets</b>	<b><u>\$ 2,566,157</u></b>	<b><u>\$ 4,844,171</u></b>	<b><u>\$ 447,253</u></b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 882,005	\$ 13,265	\$ 30,377
Accrued liabilities	2,584	2,680	448
Unearned revenues	-	-	-
Due to other governments	-	-	-
Due to other funds	1,881,519	-	-
<b>Total Liabilities</b>	<b><u>2,766,108</u></b>	<b><u>15,945</u></b>	<b><u>30,825</u></b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenues	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Fund Balances:</b>			
<b>Nonspendable:</b>			
Prepaid costs	-	-	-
Notes and loans	-	-	-
Advances to other funds	-	-	-
Permanent fund principal	-	-	-
<b>Restricted for:</b>			
Community development projects	-	-	-
Public safety	-	-	-
Public works	-	-	-
Capital projects	-	4,828,226	416,428
Debt service	-	-	-
Endowment	-	-	-
Water quality	-	-	-
<b>Assigned to:</b>			
Capital projects	-	-	-
<b>Unassigned</b>	<b><u>(199,951)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total Fund Balances</b>	<b><u>(199,951)</u></b>	<b><u>4,828,226</u></b>	<b><u>416,428</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 2,566,157</u></b>	<b><u>\$ 4,844,171</u></b>	<b><u>\$ 447,253</u></b>

(Continued)

<b>Capital Projects Funds</b>	<b>Debt Service Funds</b>	
<b>2007 Tax Allocation Bonds Capital Projects</b>	<b>Auto Mall Special Tax Bonds</b>	<b>Lease Revenue Bonds 2005 Debt Service</b>
\$ 10,230,350	\$ -	\$ 6,155,671
700	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	145,453	2,649,358
<b>\$ 10,231,050</b>	<b>\$ 145,453</b>	<b>\$ 8,805,029</b>
\$ 928,592	\$ -	\$ -
4,354	-	-
-	-	-
-	-	-
-	220,302	-
<b>932,946</b>	<b>220,302</b>	<b>-</b>
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
9,298,104	-	-
-	-	8,805,029
-	-	-
-	-	-
-	-	-
-	(74,849)	-
<b>9,298,104</b>	<b>(74,849)</b>	<b>8,805,029</b>
<b>\$ 10,231,050</b>	<b>\$ 145,453</b>	<b>\$ 8,805,029</b>

**Assets:**

Pooled cash and investments  
Receivables:  
    Accounts  
    Notes and loans  
    Interest  
Prepaid costs  
Due from other governments  
Advances to other funds  
Restricted assets:  
    Cash with fiscal agents

**Total Assets**

**Liabilities, Deferred Inflows of Resources,  
and Fund Balances:**

**Liabilities:**

Accounts payable  
Accrued liabilities  
Unearned revenues  
Due to other governments  
Due to other funds

**Total Liabilities**

**Deferred Inflows of Resources:**

Unavailable revenues

**Total Deferred Inflows of Resources**

**Fund Balances:**

**Nonspendable:**

Prepaid costs  
Notes and loans  
Advances to other funds  
Permanent fund principal

**Restricted for:**

Community development projects  
Public safety  
Public works  
Capital projects  
Debt service  
Endowment  
Water quality

**Assigned to:**

Capital projects

**Unassigned**

**Total Fund Balances**

**Total Liabilities, Deferred Inflows of  
Resources, and Fund Balances**

City of Moreno Valley

Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2013

	<u>Debt Service Funds</u>		
	<u>2007 Towngate Improvement Refunding</u>	<u>2007 Towngate Refunding</u>	<u>2011 Priv Placement Ref 97 Lease Rev Bonds</u>
<b>Assets:</b>			
Pooled cash and investments	\$ 68,277	\$ 159,530	\$ -
Receivables:			
Accounts	-	-	-
Notes and loans	-	-	-
Interest	-	-	-
Prepaid costs	-	-	-
Due from other governments	-	-	-
Advances to other funds	-	-	-
Restricted assets:			
Cash with fiscal agents	770,777	2,609,518	-
<b>Total Assets</b>	<u><u>\$ 839,054</u></u>	<u><u>\$ 2,769,048</u></u>	<u><u>\$ -</u></u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-
Unearned revenues	-	-	-
Due to other governments	-	-	-
Due to other funds	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenues	-	-	-
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>			
<b>Nonspendable:</b>			
Prepaid costs	-	-	-
Notes and loans	-	-	-
Advances to other funds	-	-	-
Permanent fund principal	-	-	-
<b>Restricted for:</b>			
Community development projects	-	-	-
Public safety	-	-	-
Public works	-	-	-
Capital projects	-	-	-
Debt service	839,054	2,769,048	-
Endowment	-	-	-
Water quality	-	-	-
<b>Assigned to:</b>			
Capital projects	-	-	-
<b>Unassigned</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Fund Balances</b>	<u><u>839,054</u></u>	<u><u>2,769,048</u></u>	<u><u>-</u></u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u><u>\$ 839,054</u></u>	<u><u>\$ 2,769,048</u></u>	<u><u>\$ -</u></u>

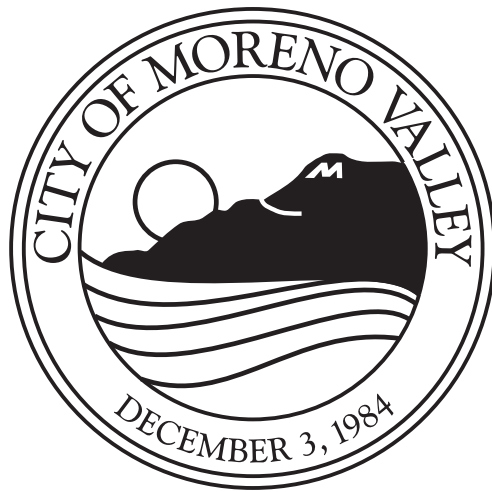
(Continued)

Debt Service Funds	Permanent Funds		
2011 Priv Placement Ref 97 COPs	Celebration Park Endowment	Equestrian Trail Endowment	
\$ -	\$ 60,252	\$ 12,191	<b>Assets:</b>
-	-	-	Pooled cash and investments
-	-	-	Receivables:
-	-	-	Accounts
-	-	-	Notes and loans
-	-	-	Interest
-	-	-	Prepaid costs
-	-	-	Due from other governments
-	-	-	Advances to other funds
-	-	-	Restricted assets:
-	-	-	Cash with fiscal agents
<u>\$ -</u>	<u>\$ 60,252</u>	<u>\$ 12,191</u>	<b>Total Assets</b>
			<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>
\$ -	\$ -	\$ -	<b>Liabilities:</b>
-	-	-	Accounts payable
-	-	-	Accrued liabilities
-	-	-	Unearned revenues
-	-	-	Due to other governments
-	-	-	Due to other funds
<u>-</u>	<u>-</u>	<u>-</u>	<b>Total Liabilities</b>
<u>-</u>	<u>-</u>	<u>-</u>	<b>Deferred Inflows of Resources:</b>
-	-	-	Unavailable revenues
<u>-</u>	<u>-</u>	<u>-</u>	<b>Total Deferred Inflows of Resources</b>
-	-	-	<b>Fund Balances:</b>
-	-	-	<b>Nonspendable:</b>
-	-	-	Prepaid costs
-	-	-	Notes and loans
-	-	-	Advances to other funds
-	49,050	10,000	Permanent fund principal
-	-	-	<b>Restricted for:</b>
-	-	-	Community development projects
-	-	-	Public safety
-	-	-	Public works
-	-	-	Capital projects
-	-	-	Debt service
-	11,202	2,191	Endowment
-	-	-	Water quality
-	-	-	<b>Assigned to:</b>
-	-	-	Capital projects
<u>-</u>	<u>-</u>	<u>-</u>	<b>Unassigned</b>
<u>-</u>	<u>60,252</u>	<u>12,191</u>	<b>Total Fund Balances</b>
<u>\$ -</u>	<u>\$ 60,252</u>	<u>\$ 12,191</u>	<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>

City of Moreno Valley

Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2013

	<u>Permanent Funds</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Rockridge Park Endowment</u>	<u>NPDES Endowment</u>	
<b>Assets:</b>			
Pooled cash and investments	\$ 104,334	\$ 14,869	\$ 45,578,711
Receivables:			
Accounts	-	-	7,209,191
Notes and loans	-	-	8,429,153
Interest	-	-	336,508
Prepaid costs	-	-	2,500
Due from other governments	-	-	2,572,734
Advances to other funds	-	-	580,657
Restricted assets:			
Cash with fiscal agents	-	-	6,175,114
<b>Total Assets</b>	<b><u>\$ 104,334</u></b>	<b><u>\$ 14,869</u></b>	<b><u>\$ 70,884,568</u></b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ -	\$ -	\$ 3,031,462
Accrued liabilities	-	-	118,751
Unearned revenues	-	-	79,862
Due to other governments	-	-	34,299
Due to other funds	-	-	3,744,191
<b>Total Liabilities</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>7,008,565</u></b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenues	-	-	4,470,659
<b>Total Deferred Inflows of Resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>4,470,659</u></b>
<b>Fund Balances:</b>			
<b>Nonspendable:</b>			
Prepaid costs	-	-	2,500
Notes and loans	-	-	4,295,002
Advances to other funds	-	-	580,657
Permanent fund principal	100,000	14,506	173,556
<b>Restricted for:</b>			
Community development projects	-	-	3,444,592
Public safety	-	-	328,561
Public works	-	-	12,045,581
Capital projects	-	-	15,071,781
Debt service	-	-	12,413,131
Endowment	4,334	363	18,090
Water quality	-	-	311,702
<b>Assigned to:</b>			
Capital projects	-	-	11,130,251
<b>Unassigned</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>(410,060)</u></b>
<b>Total Fund Balances</b>	<b><u>104,334</u></b>	<b><u>14,869</u></b>	<b><u>59,405,344</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 104,334</u></b>	<b><u>\$ 14,869</u></b>	<b><u>\$ 70,884,568</u></b>





City of Moreno Valley

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

Special Revenue Funds

	<u>Article 3 Transportation</u>	<u>Measure A</u>	<u>Law Enforcement</u>
<b>Revenues:</b>			
Taxes			
Other taxes	\$ -	\$ -	\$ -
Intergovernmental	-	9,268,527	858,194
Charges for services	-	-	-
Use of money and property	-	(12,896)	2,060
Contributions	-	-	-
Miscellaneous	-	2,303	-
	<u>-</u>	<u>9,257,934</u>	<u>860,254</u>
<b>Total Revenues</b>			
<b>Expenditures:</b>			
Current:			
General government	-	-	-
Public safety	-	-	860,198
Community development	-	-	-
Community and cultural	-	-	-
Public works	-	315,195	-
Capital outlay	-	5,201,945	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	35,969	-
	<u>-</u>	<u>5,553,109</u>	<u>860,198</u>
<b>Total Expenditures</b>			
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	3,704,825	56
	<u>-</u>	<u>3,704,825</u>	<u>56</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Contributions from Successor Agency	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Other Financing Sources (Uses)</b>			
	<u>-</u>	<u>-</u>	<u>-</u>
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	3,704,825	56
Fund Balances, Beginning of Year	-	7,088,976	1,944
	<u>-</u>	<u>7,088,976</u>	<u>1,944</u>
<b>Fund Balances, End of Year</b>	<u>\$ -</u>	<u>\$ 10,793,801</u>	<u>\$ 2,000</u>

(Continued)

<b>Special Revenue Funds</b>			
<b>Other Grants</b>	<b>Public Education Government Access</b>	<b>Air Quality Management</b>	
\$ -	\$ -	\$ -	<b>Revenues:</b>
505,615	-	237,036	Taxes
-	-	-	Other taxes
-	-	-	Intergovernmental
-	-	277	Charges for services
-	-	-	Use of money and property
-	570,456	-	Contributions
-	-	-	Miscellaneous
<b>505,615</b>	<b>570,456</b>	<b>237,313</b>	<b>Total Revenues</b>
			<b>Expenditures:</b>
44,864	616,275	-	Current:
177,589	-	-	General government
184,375	-	-	Public safety
-	-	-	Community development
-	-	-	Community and cultural
-	-	229,505	Public works
321,213	-	117,744	Capital outlay
-	-	-	Debt service:
-	-	-	Principal retirement
-	-	-	Interest and fiscal charges
<b>728,041</b>	<b>616,275</b>	<b>347,249</b>	<b>Total Expenditures</b>
(222,426)	(45,819)	(109,936)	Excess (Deficiency) of Revenues Over (Under) Expenditures
100,333	300,000	-	<b>Other Financing Sources (Uses):</b>
-	-	-	Transfers in
-	-	-	Transfers out
-	-	-	Contributions from Successor Agency
<b>100,333</b>	<b>300,000</b>	<b>-</b>	<b>Total Other Financing Sources (Uses)</b>
-	-	-	Extraordinary gain/(loss) on dissolution of redevelopment agency
(122,093)	254,181	(109,936)	Net Change in Fund Balances
122,093	2,271,412	325,774	Fund Balances, Beginning of Year
<b>\$ -</b>	<b>\$ 2,525,593</b>	<b>\$ 215,838</b>	<b>Fund Balances, End of Year</b>

City of Moreno Valley

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

Special Revenue Funds

	<u>Community Development Block Grant</u>	<u>Special Districts Administration</u>	<u>Storm Water Management</u>
<b>Revenues:</b>			
Taxes			
Other taxes	\$ -	\$ -	\$ -
Intergovernmental	1,749,157	-	-
Charges for services	-	926,373	764,325
Use of money and property	-	349	-
Contributions	-	-	-
Miscellaneous	-	-	9,010
<b>Total Revenues</b>	<b>1,749,157</b>	<b>926,722</b>	<b>773,335</b>
<b>Expenditures:</b>			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	1,193,639	-	-
Community and cultural	-	-	-
Public works	-	824,541	911,384
Capital outlay	516,096	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>Total Expenditures</b>	<b>1,709,735</b>	<b>824,541</b>	<b>911,384</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	39,422	102,181	(138,049)
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	-	279,700
Transfers out	-	-	-
Contributions from Successor Agency	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>279,700</b>
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-
Net Change in Fund Balances	39,422	102,181	141,651
Fund Balances, Beginning of Year	90,347	616,037	170,051
<b>Fund Balances, End of Year</b>	<b>\$ 129,769</b>	<b>\$ 718,218</b>	<b>\$ 311,702</b>

(Continued)

<b>Special Revenue Funds</b>			
<b>HOME</b>	<b>Child Care Grant</b>	<b>Used Oil Recycling</b>	
\$ -	\$ -	\$ -	<b>Revenues:</b>
446,897	555,901	65,713	Taxes
-	19,929	-	Other taxes
-	-	-	Intergovernmental
-	-	-	Charges for services
-	-	-	Use of money and property
-	-	-	Contributions
-	18,326	-	Miscellaneous
<b>446,897</b>	<b>594,156</b>	<b>65,713</b>	<b>Total Revenues</b>
-	-	65,713	<b>Expenditures:</b>
-	-	-	Current:
46,895	-	-	General government
-	-	-	Public safety
-	575,829	-	Community development
-	-	-	Community and cultural
-	-	-	Public works
-	-	-	Capital outlay
-	-	-	Debt service:
-	-	-	Principal retirement
-	-	-	Interest and fiscal charges
<b>46,895</b>	<b>575,829</b>	<b>65,713</b>	<b>Total Expenditures</b>
400,002	18,327	-	Excess (Deficiency) of Revenues Over (Under) Expenditures
-	-	-	<b>Other Financing Sources (Uses):</b>
-	-	-	Transfers in
-	-	-	Transfers out
-	-	-	Contributions from Successor Agency
-	-	-	<b>Total Other Financing Sources (Uses)</b>
-	-	-	Extraordinary gain/(loss) on dissolution of redevelopment agency
400,002	18,327	-	Net Change in Fund Balances
4,396,421	(18,327)	-	Fund Balances, Beginning of Year
<b>\$ 4,796,423</b>	<b>\$ -</b>	<b>\$ -</b>	<b>Fund Balances, End of Year</b>

City of Moreno Valley

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

Special Revenue Funds

	Storm Water Maintenance	ASES Program Grants	CFD #4M
<b>Revenues:</b>			
Taxes			
Other taxes	\$ -	\$ -	\$ -
Intergovernmental	-	6,602,389	-
Charges for services	388,913	-	32,749
Use of money and property	-	(12,004)	1,811
Contributions	-	-	-
Miscellaneous	-	-	-
<b>Total Revenues</b>	<b>388,913</b>	<b>6,590,385</b>	<b>34,560</b>
<b>Expenditures:</b>			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	-	-	-
Community and cultural	-	6,174,038	-
Public works	425,049	-	55,054
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>Total Expenditures</b>	<b>425,049</b>	<b>6,174,038</b>	<b>55,054</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(36,136)	416,347	(20,494)
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Contributions from Successor Agency	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-
Net Change in Fund Balances	(36,136)	416,347	(20,494)
Fund Balances, Beginning of Year	(99,124)	(397,441)	78,065
<b>Fund Balances, End of Year</b>	<b>\$ (135,260)</b>	<b>\$ 18,906</b>	<b>\$ 57,571</b>

(Continued)

<b>Special Revenue Funds</b>			
<b>Neighborhood Stabilization Grant</b>	<b>Homelessness Prevention Program</b>	<b>CDBG Recovery Act of 2009</b>	
\$ -	\$ -	\$ -	<b>Revenues:</b>
3,535,781	1,566	105,101	Taxes
-	-	-	Other taxes
-	-	-	Intergovernmental
-	-	-	Charges for services
-	-	-	Use of money and property
1,041	-	-	Contributions
-	-	-	Miscellaneous
<b>3,536,822</b>	<b>1,566</b>	<b>105,101</b>	<b>Total Revenues</b>
-	-	-	<b>Expenditures:</b>
-	-	-	Current:
-	-	-	General government
-	-	-	Public safety
3,542,378	1,618	105,101	Community development
-	-	-	Community and cultural
-	-	-	Public works
-	-	-	Capital outlay
-	-	-	Debt service:
-	-	-	Principal retirement
-	-	-	Interest and fiscal charges
<b>3,542,378</b>	<b>1,618</b>	<b>105,101</b>	<b>Total Expenditures</b>
(5,556)	(52)	-	Excess (Deficiency) of Revenues Over (Under) Expenditures
-	-	-	<b>Other Financing Sources (Uses):</b>
-	-	-	Transfers in
-	-	-	Transfers out
-	-	-	Contributions from Successor Agency
<b>-</b>	<b>-</b>	<b>-</b>	<b>Total Other Financing Sources (Uses)</b>
-	-	-	Extraordinary gain/(loss) on dissolution of redevelopment agency
(5,556)	(52)	-	Net Change in Fund Balances
32,276	52	-	Fund Balances, Beginning of Year
<b>\$ 26,720</b>	<b>\$ -</b>	<b>\$ -</b>	<b>Fund Balances, End of Year</b>

City of Moreno Valley

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

Special Revenue Funds

	<u>Prop 42 Replacement Funds</u>	<u>Prop 1B</u>	<u>Civil Penalties</u>
<b>Revenues:</b>			
Taxes			
Other taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	-	-	-
Use of money and property	-	-	1,523
Contributions	-	-	-
Miscellaneous	-	-	115,396
	<u>-</u>	<u>-</u>	<u>116,919</u>
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>116,919</u>
<b>Expenditures:</b>			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	-	-	146,882
Community and cultural	-	-	-
Public works	-	-	-
Capital outlay	286,132	76,631	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
	<u>286,132</u>	<u>76,631</u>	<u>146,882</u>
<b>Total Expenditures</b>	<u>286,132</u>	<u>76,631</u>	<u>146,882</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(286,132)</u>	<u>(76,631)</u>	<u>(29,963)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Contributions from Successor Agency	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
Extraordinary gain/(loss) on dissolution of redevelopment agency	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(286,132)</u>	<u>(76,631)</u>	<u>(29,963)</u>
Fund Balances, Beginning of Year	<u>1,129,442</u>	<u>76,631</u>	<u>272,146</u>
<b>Fund Balances, End of Year</b>	<u><u>\$ 843,310</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 242,183</u></u>

(Continued)

<u>Special Revenue Funds</u>		<u>Capital Projects Funds</u>	
<u>Emergency Services Agency Fines</u>	<u>Disaster</u>	<u>Public Works Capital Projects</u>	
\$ -	\$ -	\$ -	<b>Revenues:</b>
90,055	-	3,019,389	Taxes
-	-	5,033,853	Other taxes
2,183	-	-	Intergovernmental
-	-	-	Charges for services
-	-	-	Use of money and property
-	-	-	Contributions
-	-	170,995	Miscellaneous
<b>92,238</b>	<b>-</b>	<b>8,224,237</b>	<b>Total Revenues</b>
-	-	-	<b>Expenditures:</b>
-	-	-	Current:
-	-	-	General government
-	-	-	Public safety
-	-	-	Community development
-	-	-	Community and cultural
-	-	-	Public works
-	-	3,850,812	Capital outlay
-	-	-	Debt service:
-	-	-	Principal retirement
-	-	-	Interest and fiscal charges
<b>-</b>	<b>-</b>	<b>3,850,812</b>	<b>Total Expenditures</b>
92,238	-	4,373,425	Excess (Deficiency) of Revenues Over (Under) Expenditures
-	-	-	<b>Other Financing Sources (Uses):</b>
-	-	-	Transfers in
-	(390,278)	-	Transfers out
-	-	-	Contributions from Successor Agency
<b>-</b>	<b>(390,278)</b>	<b>-</b>	<b>Total Other Financing Sources (Uses)</b>
-	-	-	Extraordinary gain/(loss) on dissolution of redevelopment agency
92,238	(390,278)	4,373,425	Net Change in Fund Balances
234,323	390,278	2,341,873	Fund Balances, Beginning of Year
<b>\$ 326,561</b>	<b>\$ -</b>	<b>\$ 6,715,298</b>	<b>Fund Balances, End of Year</b>



City of Moreno Valley

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

Capital Projects Funds

	<u>Traffic Signal Mitigation</u>	<u>Fire Services Capital Projects</u>	<u>Towngate Capital / Administration</u>
<b>Revenues:</b>			
Taxes			
Other taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	-	-	-
Use of money and property	-	-	-
Contributions	-	-	-
Miscellaneous	-	303	-
<b>Total Revenues</b>	<u>-</u>	<u>303</u>	<u>-</u>
<b>Expenditures:</b>			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	-	-	-
Community and cultural	-	-	-
Public works	-	-	178,157
Capital outlay	-	76,684	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>76,684</u>	<u>178,157</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(76,381)</u>	<u>(178,157)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	-	168,872
Transfers out	-	-	-
Contributions from Successor Agency	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>168,872</u>
Extraordinary gain/(loss) on dissolution of redevelopment agency	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	(76,381)	(9,285)
Fund Balances, Beginning of Year	<u>137,578</u>	<u>454,153</u>	<u>9,285</u>
<b>Fund Balances, End of Year</b>	<u><u>\$ 137,578</u></u>	<u><u>\$ 377,772</u></u>	<u><u>\$ -</u></u>

(Continued)

<b>Capital Projects Funds</b>			
<b>Warner Ranch Capital / Development</b>	<b>Auto Mall Capital / Administration</b>	<b>Parks and Community Services Capital Projects</b>	
\$ -	\$ -	\$ -	<b>Revenues:</b>
-	-	-	Taxes
-	-	-	Other taxes
-	-	-	Intergovernmental
-	-	-	Charges for services
-	-	-	Use of money and property
-	-	-	Contributions
-	-	-	Miscellaneous
-	-	-	<b>Total Revenues</b>
-	-	-	<b>Expenditures:</b>
-	-	-	Current:
-	-	-	General government
-	-	-	Public safety
-	-	-	Community development
-	-	-	Community and cultural
-	62,732	-	Public works
-	-	452,402	Capital outlay
-	-	-	Debt service:
-	-	-	Principal retirement
-	-	-	Interest and fiscal charges
-	<b>62,732</b>	<b>452,402</b>	<b>Total Expenditures</b>
-	(62,732)	(452,402)	Excess (Deficiency) of Revenues Over (Under) Expenditures
-	66,162	691,300	<b>Other Financing Sources (Uses):</b>
-	-	(407,995)	Transfers in
-	-	-	Transfers out
-	-	-	Contributions from Successor Agency
-	<b>66,162</b>	<b>283,305</b>	<b>Total Other Financing Sources (Uses)</b>
-	-	-	Extraordinary gain/(loss) on dissolution of redevelopment agency
-	3,430	(169,097)	Net Change in Fund Balances
13,673	(3,430)	4,584,050	Fund Balances, Beginning of Year
<b>\$ 13,673</b>	<b>\$ -</b>	<b>\$ 4,414,953</b>	<b>Fund Balances, End of Year</b>

City of Moreno Valley

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

	<b>Capital Projects Funds</b>		
	<b>TUMF Capital Projects</b>	<b>DIF Capital Projects</b>	<b>Lease Revenue Bonds 2005 Capital Projects</b>
<b>Revenues:</b>			
Taxes			
Other taxes	\$ -	\$ -	\$ -
Intergovernmental	6,928,956	4,775	-
Charges for services	-	-	-
Use of money and property	-	-	90
Contributions	211,860	-	-
Miscellaneous	10,961	1,078	148,563
<b>Total Revenues</b>	<b>7,151,777</b>	<b>5,853</b>	<b>148,653</b>
<b>Expenditures:</b>			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	-	-	-
Community and cultural	-	-	-
Public works	-	-	-
Capital outlay	7,177,107	2,750,406	759,141
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>Total Expenditures</b>	<b>7,177,107</b>	<b>2,750,406</b>	<b>759,141</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,330)	(2,744,553)	(610,488)
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	1,600,000	-
Transfers out	-	(727,903)	(100,388)
Contributions from Successor Agency	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>872,097</b>	<b>(100,388)</b>
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-
Net Change in Fund Balances	(25,330)	(1,872,456)	(710,876)
Fund Balances, Beginning of Year	(174,621)	6,700,682	1,127,304
<b>Fund Balances, End of Year</b>	<b>\$ (199,951)</b>	<b>\$ 4,828,226</b>	<b>\$ 416,428</b>

(Continued)

<b>Capital Projects Funds</b>	<b>Debt Service Funds</b>		
<b>2007 Tax Allocation Bonds Capital Projects</b>	<b>Auto Mall Special Tax Bonds</b>	<b>Lease Revenue Bonds 2005 Debt Service</b>	
\$ -	\$ 115,458	\$ -	<b>Revenues:</b>
-	-	-	Taxes
-	-	-	Other taxes
(107,656)	14	310	Intergovernmental
-	-	-	Charges for services
-	-	-	Use of money and property
-	-	-	Contributions
-	-	-	Miscellaneous
<b>(107,656)</b>	<b>115,472</b>	<b>310</b>	<b>Total Revenues</b>
-	-	2,850	<b>Expenditures:</b>
-	-	-	Current:
-	-	-	General government
-	-	-	Public safety
-	-	-	Community development
-	-	-	Community and cultural
-	-	-	Public works
14,086,986	-	-	Capital outlay
-	295,000	920,000	Debt service:
-	18,938	1,715,640	Principal retirement
-	-	-	Interest and fiscal charges
<b>14,086,986</b>	<b>313,938</b>	<b>2,638,490</b>	<b>Total Expenditures</b>
(14,194,642)	(198,466)	(2,638,180)	Excess (Deficiency) of Revenues Over (Under) Expenditures
-	-	2,050,555	<b>Other Financing Sources (Uses):</b>
-	(66,162)	-	Transfers in
-	31,192	597,373	Transfers out
-	-	-	Contributions from Successor Agency
-	<b>(34,970)</b>	<b>2,647,928</b>	<b>Total Other Financing Sources (Uses)</b>
23,492,746	-	-	Extraordinary gain/(loss) on dissolution of redevelopment agency
9,298,104	(233,436)	9,748	Net Change in Fund Balances
-	158,587	8,795,281	Fund Balances, Beginning of Year
<b>\$ 9,298,104</b>	<b>\$ (74,849)</b>	<b>\$ 8,805,029</b>	<b>Fund Balances, End of Year</b>

City of Moreno Valley

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

Debt Service Funds

	2007 Towngate Improvement Refunding	2007 Towngate Refunding	2011 Priv Placement Ref 97 Lease Rev Bonds
<b>Revenues:</b>			
Taxes			
Other taxes	\$ 110,672	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	-	-	-
Use of money and property	60	230	-
Contributions	-	-	-
Miscellaneous	-	-	-
<b>Total Revenues</b>	<b>110,732</b>	<b>230</b>	<b>-</b>
<b>Expenditures:</b>			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	-	-	-
Community and cultural	-	-	-
Public works	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	210,000	680,000	222,000
Interest and fiscal charges	143,719	335,931	115,420
<b>Total Expenditures</b>	<b>353,719</b>	<b>1,015,931</b>	<b>337,420</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(242,987)	(1,015,701)	(337,420)
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	-	187,420
Transfers out	(30,183)	(138,689)	-
Contributions from Successor Agency	275,008	1,758,168	150,000
<b>Total Other Financing Sources (Uses)</b>	<b>244,825</b>	<b>1,619,479</b>	<b>337,420</b>
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-
Net Change in Fund Balances	1,838	603,778	-
Fund Balances, Beginning of Year	837,216	2,165,270	-
<b>Fund Balances, End of Year</b>	<b>\$ 839,054</b>	<b>\$ 2,769,048</b>	<b>\$ -</b>

(Continued)

Debt Service Funds	Permanent Funds		
2011 Priv Placement Ref 97 COPs	Celebration Park Endowment	Equestrian Trail Endowment	
\$ -	\$ -	\$ -	<b>Revenues:</b>
-	-	-	Taxes
-	-	-	Other taxes
-	-	-	Intergovernmental
-	438	(49)	Charges for services
-	-	-	Use of money and property
-	-	-	Contributions
-	-	-	Miscellaneous
<u>-</u>	<u>438</u>	<u>(49)</u>	<b>Total Revenues</b>
-	-	-	<b>Expenditures:</b>
-	-	-	Current:
-	-	-	General government
-	-	-	Public safety
-	-	-	Community development
-	-	-	Community and cultural
-	-	-	Public works
-	-	-	Capital outlay
690,500	-	-	Debt service:
96,864	-	-	Principal retirement
<u>787,364</u>	<u>-</u>	<u>-</u>	Interest and fiscal charges
-	-	-	<b>Total Expenditures</b>
<u>(787,364)</u>	<u>438</u>	<u>(49)</u>	Excess (Deficiency) of Revenues Over (Under) Expenditures
787,364	-	-	<b>Other Financing Sources (Uses):</b>
-	-	-	Transfers in
-	-	-	Transfers out
<u>-</u>	<u>-</u>	<u>-</u>	Contributions from Successor Agency
<u>787,364</u>	<u>-</u>	<u>-</u>	<b>Total Other Financing Sources (Uses)</b>
-	-	-	Extraordinary gain/(loss) on dissolution of redevelopment agency
-	438	(49)	Net Change in Fund Balances
-	59,814	12,240	Fund Balances, Beginning of Year
<u>\$ -</u>	<u>\$ 60,252</u>	<u>\$ 12,191</u>	<b>Fund Balances, End of Year</b>

City of Moreno Valley

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

	<u>Permanent Funds</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Rockridge Park Endowment</u>	<u>NPDES Endowment</u>	
<b>Revenues:</b>			
Taxes			
Other taxes	\$ -	\$ -	\$ 226,130
Intergovernmental	-	-	33,975,052
Charges for services	-	-	7,166,142
Use of money and property	2,559	363	(120,338)
Contributions	-	-	211,860
Miscellaneous	-	-	1,048,432
<b>Total Revenues</b>	<b><u>2,559</u></b>	<b><u>363</u></b>	<b><u>42,507,278</u></b>
<b>Expenditures:</b>			
Current:			
General government	-	-	729,702
Public safety	-	-	1,037,787
Community development	-	-	5,220,888
Community and cultural	-	-	6,749,867
Public works	-	-	3,001,617
Capital outlay	-	-	35,673,299
Debt service:			
Principal retirement	-	-	3,017,500
Interest and fiscal charges	-	-	2,462,481
<b>Total Expenditures</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>57,893,141</u></b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,559</u>	<u>363</u>	<u>(15,385,863)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	-	6,231,706
Transfers out	-	-	(1,861,598)
Contributions from Successor Agency	-	-	2,811,741
<b>Total Other Financing Sources (Uses)</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>7,181,849</u></b>
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	23,492,746
Net Change in Fund Balances	2,559	363	15,288,732
Fund Balances, Beginning of Year	<u>101,775</u>	<u>14,506</u>	<u>44,116,612</u>
<b>Fund Balances, End of Year</b>	<b><u>\$ 104,334</u></b>	<b><u>\$ 14,869</u></b>	<b><u>\$ 59,405,344</u></b>

City of Moreno Valley

Budgetary Comparison Schedule  
 Measure A  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 6,525,000	\$ 9,637,950	\$ 9,268,527	\$ (369,423)
Use of money and property	225,000	225,000	(12,896)	(237,896)
Miscellaneous	1,000	1,000	2,303	1,303
<b>Total Revenues</b>	<b>6,751,000</b>	<b>9,863,950</b>	<b>9,257,934</b>	<b>(606,016)</b>
<b>Expenditures:</b>				
Current:				
Public works	448,794	448,794	315,195	133,599
Capital outlay	14,283,376	22,076,703	5,201,945	16,874,758
Debt service:				
Interest and fiscal charges	-	-	35,969	(35,969)
<b>Total Expenditures</b>	<b>14,732,170</b>	<b>22,525,497</b>	<b>5,553,109</b>	<b>16,972,388</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,981,170)	(12,661,547)	3,704,825	16,366,372
Net Change in Fund Balances	(7,981,170)	(12,661,547)	3,704,825	16,366,372
Fund Balance, Beginning of Year	7,088,976	7,088,976	7,088,976	-
<b>Fund Balance, End of Year</b>	<b>\$ (892,194)</b>	<b>\$ (5,572,571)</b>	<b>\$ 10,793,801</b>	<b>\$ 16,366,372</b>



City of Moreno Valley

Budgetary Comparison Schedule  
Law Enforcement  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 874,900	\$ 1,303,520	\$ 858,194	\$ (445,326)
Use of money and property	-	-	2,060	2,060
<b>Total Revenues</b>	<b>874,900</b>	<b>1,303,520</b>	<b>860,254</b>	<b>(443,266)</b>
<b>Expenditures:</b>				
Current:				
Public safety	849,043	1,402,863	860,198	542,665
<b>Total Expenditures</b>	<b>849,043</b>	<b>1,402,863</b>	<b>860,198</b>	<b>542,665</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	25,857	(99,343)	56	99,399
Net Change in Fund Balances	25,857	(99,343)	56	99,399
Fund Balance, Beginning of Year	1,944	1,944	1,944	-
<b>Fund Balance, End of Year</b>	<b>\$ 27,801</b>	<b>\$ (97,399)</b>	<b>\$ 2,000</b>	<b>\$ 99,399</b>

City of Moreno Valley

Budgetary Comparison Schedule  
Other Grants  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 664,483	\$ 723,483	\$ 505,615	\$ (217,868)
<b>Total Revenues</b>	<b>664,483</b>	<b>723,483</b>	<b>505,615</b>	<b>(217,868)</b>
<b>Expenditures:</b>				
Current:				
General government	102,006	122,006	44,864	77,142
Public safety	375,259	390,259	177,589	212,670
Community development	24,821	68,821	184,375	(115,554)
Capital outlay	423,387	423,387	321,213	102,174
<b>Total Expenditures</b>	<b>925,473</b>	<b>1,004,473</b>	<b>728,041</b>	<b>276,432</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(260,990)	(280,990)	(222,426)	58,564
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	100,333	100,333	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>100,333</b>	<b>100,333</b>	<b>-</b>
Net Change in Fund Balances	(260,990)	(180,657)	(122,093)	58,564
Fund Balance, Beginning of Year	122,093	122,093	122,093	-
<b>Fund Balance, End of Year</b>	<b>\$ (138,897)</b>	<b>\$ (58,564)</b>	<b>\$ -</b>	<b>\$ 58,564</b>

City of Moreno Valley

Budgetary Comparison Schedule  
Public Education Government Access  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Miscellaneous	\$ 430,000	\$ 430,000	\$ 570,456	\$ 140,456
<b>Total Revenues</b>	<b>430,000</b>	<b>430,000</b>	<b>570,456</b>	<b>140,456</b>
<b>Expenditures:</b>				
Current:				
General government	664,224	664,224	616,275	47,949
Capital outlay	-	500,000	-	500,000
<b>Total Expenditures</b>	<b>664,224</b>	<b>1,164,224</b>	<b>616,275</b>	<b>547,949</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(234,224)	(734,224)	(45,819)	688,405
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	300,000	300,000	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>300,000</b>	<b>300,000</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(234,224)</b>	<b>(434,224)</b>	<b>254,181</b>	<b>688,405</b>
Fund Balance, Beginning of Year	2,271,412	2,271,412	2,271,412	-
<b>Fund Balance, End of Year</b>	<b>\$ 2,037,188</b>	<b>\$ 1,837,188</b>	<b>\$ 2,525,593</b>	<b>\$ 688,405</b>

City of Moreno Valley

Budgetary Comparison Schedule  
Air Quality Management  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 200,000	\$ 200,000	\$ 237,036	\$ 37,036
Use of money and property	7,000	7,000	277	(6,723)
<b>Total Revenues</b>	<b>207,000</b>	<b>207,000</b>	<b>237,313</b>	<b>30,313</b>
<b>Expenditures:</b>				
Current:				
Public works	219,310	219,310	229,505	(10,195)
Capital outlay	57,064	241,263	117,744	123,519
<b>Total Expenditures</b>	<b>276,374</b>	<b>460,573</b>	<b>347,249</b>	<b>113,324</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(69,374)	(253,573)	(109,936)	143,637
Net Change in Fund Balances	(69,374)	(253,573)	(109,936)	143,637
Fund Balance, Beginning of Year	325,774	325,774	325,774	-
<b>Fund Balance, End of Year</b>	<b>\$ 256,400</b>	<b>\$ 72,201</b>	<b>\$ 215,838</b>	<b>\$ 143,637</b>

City of Moreno Valley

Budgetary Comparison Schedule  
Community Development Block Grant  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 2,119,650	\$ 3,599,850	\$ 1,749,157	\$ (1,850,693)
<b>Total Revenues</b>	<b>2,119,650</b>	<b>3,599,850</b>	<b>1,749,157</b>	<b>(1,850,693)</b>
<b>Expenditures:</b>				
Current:				
Community development	1,788,053	2,387,033	1,193,639	1,193,394
Capital outlay	805,000	1,212,829	516,096	696,733
<b>Total Expenditures</b>	<b>2,593,053</b>	<b>3,599,862</b>	<b>1,709,735</b>	<b>1,890,127</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(473,403)	(12)	39,422	39,434
Net Change in Fund Balances	(473,403)	(12)	39,422	39,434
Fund Balance, Beginning of Year	90,347	90,347	90,347	-
<b>Fund Balance, End of Year</b>	<b>\$ (383,056)</b>	<b>\$ 90,335</b>	<b>\$ 129,769</b>	<b>\$ 39,434</b>

City of Moreno Valley

Budgetary Comparison Schedule  
 Special Districts Administration  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 1,764,800	\$ 882,898	\$ 926,373	\$ 43,475
Use of money and property	600	600	349	(251)
<b>Total Revenues</b>	<b>1,765,400</b>	<b>883,498</b>	<b>926,722</b>	<b>43,224</b>
<b>Expenditures:</b>				
Current:				
Public works	875,137	877,137	824,541	52,596
<b>Total Expenditures</b>	<b>875,137</b>	<b>877,137</b>	<b>824,541</b>	<b>52,596</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	890,263	6,361	102,181	95,820
Net Change in Fund Balances	890,263	6,361	102,181	95,820
Fund Balance, Beginning of Year	616,037	616,037	616,037	-
<b>Fund Balance, End of Year</b>	<b>\$ 1,506,300</b>	<b>\$ 622,398</b>	<b>\$ 718,218</b>	<b>\$ 95,820</b>

City of Moreno Valley

Budgetary Comparison Schedule  
Storm Water Management  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 124,000	\$ 124,000	\$ -	\$ (124,000)
Charges for services	587,174	587,174	764,325	177,151
Miscellaneous	-	-	9,010	9,010
<b>Total Revenues</b>	<b>711,174</b>	<b>711,174</b>	<b>773,335</b>	<b>62,161</b>
<b>Expenditures:</b>				
Current:				
Public works	1,058,441	1,119,441	911,384	208,057
<b>Total Expenditures</b>	<b>1,058,441</b>	<b>1,119,441</b>	<b>911,384</b>	<b>208,057</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(347,267)	(408,267)	(138,049)	270,218
<b>Other Financing Sources (Uses):</b>				
Transfers in	218,700	279,700	279,700	-
<b>Total Other Financing Sources (Uses)</b>	<b>218,700</b>	<b>279,700</b>	<b>279,700</b>	<b>-</b>
Net Change in Fund Balances	(128,567)	(128,567)	141,651	270,218
Fund Balance, Beginning of Year	170,051	170,051	170,051	-
<b>Fund Balance, End of Year</b>	<b>\$ 41,484</b>	<b>\$ 41,484</b>	<b>\$ 311,702</b>	<b>\$ 270,218</b>

**City of Moreno Valley**  
**Budgetary Comparison Schedule**  
**HOME**  
**Year Ended June 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Intergovernmental	\$ 413,435	\$ 413,435	\$ 446,897	\$ 33,462
<b>Total Revenues</b>	<b>413,435</b>	<b>413,435</b>	<b>446,897</b>	<b>33,462</b>
<b>Expenditures:</b>				
Current:				
Community development	449,073	449,073	46,895	402,178
Capital outlay	1,200,000	1,200,000	-	1,200,000
<b>Total Expenditures</b>	<b>1,649,073</b>	<b>1,649,073</b>	<b>46,895</b>	<b>1,602,178</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,235,638)	(1,235,638)	400,002	1,635,640
Net Change in Fund Balances	(1,235,638)	(1,235,638)	400,002	1,635,640
Fund Balance, Beginning of Year	4,396,421	4,396,421	4,396,421	-
<b>Fund Balance, End of Year</b>	<b>\$ 3,160,783</b>	<b>\$ 3,160,783</b>	<b>\$ 4,796,423</b>	<b>\$ 1,635,640</b>



City of Moreno Valley

Budgetary Comparison Schedule  
 Child Care Grant  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 787,338	\$ 787,338	\$ 555,901	\$ (231,437)
Charges for services	25,000	25,000	19,929	(5,071)
Miscellaneous	-	-	18,326	18,326
<b>Total Revenues</b>	<b>812,338</b>	<b>812,338</b>	<b>594,156</b>	<b>(218,182)</b>
<b>Expenditures:</b>				
Current:				
Community and cultural	871,865	871,865	575,829	296,036
<b>Total Expenditures</b>	<b>871,865</b>	<b>871,865</b>	<b>575,829</b>	<b>296,036</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(59,527)	(59,527)	18,327	77,854
Net Change in Fund Balances	(59,527)	(59,527)	18,327	77,854
Fund Balance, Beginning of Year, as Restated	(18,327)	(18,327)	(18,327)	-
<b>Fund Balance, End of Year</b>	<b>\$ (77,854)</b>	<b>\$ (77,854)</b>	<b>\$ -</b>	<b>\$ 77,854</b>

City of Moreno Valley

Budgetary Comparison Schedule  
Used Oil Recycling  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 85,086	\$ 140,627	\$ 65,713	\$ (74,914)
<b>Total Revenues</b>	<b>85,086</b>	<b>140,627</b>	<b>65,713</b>	<b>(74,914)</b>
<b>Expenditures:</b>				
Current:				
General government	89,930	145,471	65,713	79,758
<b>Total Expenditures</b>	<b>89,930</b>	<b>145,471</b>	<b>65,713</b>	<b>79,758</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,844)	(4,844)	-	4,844
Net Change in Fund Balances	(4,844)	(4,844)	-	4,844
Fund Balance, Beginning of Year	-	-	-	-
<b>Fund Balance, End of Year</b>	<b>\$ (4,844)</b>	<b>\$ (4,844)</b>	<b>\$ -</b>	<b>\$ 4,844</b>

City of Moreno Valley

Budgetary Comparison Schedule  
Storm Water Maintenance  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 421,400	\$ 421,400	\$ -	\$ (421,400)
Charges for services	-	-	388,913	388,913
<b>Total Revenues</b>	<b>421,400</b>	<b>421,400</b>	<b>388,913</b>	<b>(32,487)</b>
<b>Expenditures:</b>				
Current:				
Public works	448,085	448,085	425,049	23,036
<b>Total Expenditures</b>	<b>448,085</b>	<b>448,085</b>	<b>425,049</b>	<b>23,036</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(26,685)	(26,685)	(36,136)	(9,451)
Net Change in Fund Balances	(26,685)	(26,685)	(36,136)	(9,451)
Fund Balance, Beginning of Year	(99,124)	(99,124)	(99,124)	-
<b>Fund Balance, End of Year</b>	<b>\$ (125,809)</b>	<b>\$ (125,809)</b>	<b>\$ (135,260)</b>	<b>\$ (9,451)</b>

City of Moreno Valley

Budgetary Comparison Schedule  
 ASES Program Grants  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 6,184,600	\$ 6,184,600	\$ 6,602,389	\$ 417,789
Use of money and property	25,000	25,000	(12,004)	(37,004)
Miscellaneous	3,000	3,000	-	(3,000)
<b>Total Revenues</b>	<b>6,212,600</b>	<b>6,212,600</b>	<b>6,590,385</b>	<b>377,785</b>
<b>Expenditures:</b>				
Current:				
Community and cultural	6,175,017	6,175,017	6,174,038	979
<b>Total Expenditures</b>	<b>6,175,017</b>	<b>6,175,017</b>	<b>6,174,038</b>	<b>979</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	37,583	37,583	416,347	378,764
Net Change in Fund Balances	37,583	37,583	416,347	378,764
Fund Balance, Beginning of Year	(397,441)	(397,441)	(397,441)	-
<b>Fund Balance, End of Year</b>	<b>\$ (359,858)</b>	<b>\$ (359,858)</b>	<b>\$ 18,906</b>	<b>\$ 378,764</b>

City of Moreno Valley

Budgetary Comparison Schedule  
 CFD #4M  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 41,700	\$ 41,700	\$ 32,749	\$ (8,951)
Use of money and property	1,000	1,000	1,811	811
<b>Total Revenues</b>	<b>42,700</b>	<b>42,700</b>	<b>34,560</b>	<b>(8,140)</b>
<b>Expenditures:</b>				
Current:				
Public works	42,700	48,200	55,054	(6,854)
<b>Total Expenditures</b>	<b>42,700</b>	<b>48,200</b>	<b>55,054</b>	<b>(6,854)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(5,500)	(20,494)	(14,994)
Net Change in Fund Balances	-	(5,500)	(20,494)	(14,994)
Fund Balance, Beginning of Year	78,065	78,065	78,065	-
<b>Fund Balance, End of Year</b>	<b>\$ 78,065</b>	<b>\$ 72,565</b>	<b>\$ 57,571</b>	<b>\$ (14,994)</b>

City of Moreno Valley

Budgetary Comparison Schedule  
 Neighborhood Stabilization Grant  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 2,364,600	\$ 2,364,600	\$ 3,535,781	\$ 1,171,181
Miscellaneous	15,000	15,000	1,041	(13,959)
<b>Total Revenues</b>	<b>2,379,600</b>	<b>2,379,600</b>	<b>3,536,822</b>	<b>1,157,222</b>
<b>Expenditures:</b>				
Current:				
Community development	7,740,511	7,870,741	3,542,378	4,328,363
<b>Total Expenditures</b>	<b>7,740,511</b>	<b>7,870,741</b>	<b>3,542,378</b>	<b>4,328,363</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,360,911)	(5,491,141)	(5,556)	5,485,585
Net Change in Fund Balances	(5,360,911)	(5,491,141)	(5,556)	5,485,585
Fund Balance, Beginning of Year	32,276	32,276	32,276	-
<b>Fund Balance, End of Year</b>	<b>\$ (5,328,635)</b>	<b>\$ (5,458,865)</b>	<b>\$ 26,720</b>	<b>\$ 5,485,585</b>

City of Moreno Valley

Budgetary Comparison Schedule  
 CDBG Recovery Act of 2009  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 135,083	\$ 135,083	\$ 105,101	\$ (29,982)
<b>Total Revenues</b>	<b>135,083</b>	<b>135,083</b>	<b>105,101</b>	<b>(29,982)</b>
<b>Expenditures:</b>				
Current:				
Community development	-	-	105,101	(105,101)
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>105,101</b>	<b>(105,101)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	135,083	135,083	-	(135,083)
Net Change in Fund Balances	135,083	135,083	-	(135,083)
Fund Balance, Beginning of Year	-	-	-	-
<b>Fund Balance, End of Year</b>	<b>\$ 135,083</b>	<b>\$ 135,083</b>	<b>\$ -</b>	<b>\$ (135,083)</b>

City of Moreno Valley

Budgetary Comparison Schedule  
 Prop 42 Replacement Funds  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
Capital outlay	\$ 1,106,000	\$ 1,129,049	\$ 286,132	\$ 842,917
<b>Total Expenditures</b>	<b>1,106,000</b>	<b>1,129,049</b>	<b>286,132</b>	<b>842,917</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<b>(1,106,000)</b>	<b>(1,129,049)</b>	<b>(286,132)</b>	<b>842,917</b>
Net Change in Fund Balances	(1,106,000)	(1,129,049)	(286,132)	842,917
Budgetary Fund Balance, Beginning of Year	1,129,442	1,129,442	1,129,442	-
<b>Budgetary Fund Balance, End of Year</b>	<b>\$ 23,442</b>	<b>\$ 393</b>	<b>\$ 843,310</b>	<b>\$ 842,917</b>



City of Moreno Valley

Budgetary Comparison Schedule  
 Prop 1B  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
Capital outlay	\$ 5,000	\$ 75,286	\$ 76,631	\$ (1,345)
<b>Total Expenditures</b>	<b>5,000</b>	<b>75,286</b>	<b>76,631</b>	<b>(1,345)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<b>(5,000)</b>	<b>(75,286)</b>	<b>(76,631)</b>	<b>(1,345)</b>
Net Change in Fund Balances	(5,000)	(75,286)	(76,631)	(1,345)
Budgetary Fund Balance, Beginning of Year	76,631	76,631	76,631	-
<b>Budgetary Fund Balance, End of Year</b>	<b>\$ 71,631</b>	<b>\$ 1,345</b>	<b>\$ -</b>	<b>\$ (1,345)</b>

City of Moreno Valley

Budgetary Comparison Schedule  
Civil Penalties  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ -	\$ -	\$ 1,523	\$ 1,523
Miscellaneous	-	-	115,396	115,396
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>116,919</b>	<b>116,919</b>
<b>Expenditures:</b>				
Current:				
Community development	81,401	81,401	146,882	(65,481)
<b>Total Expenditures</b>	<b>81,401</b>	<b>81,401</b>	<b>146,882</b>	<b>(65,481)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(81,401)	(81,401)	(29,963)	51,438
Net Change in Fund Balances	(81,401)	(81,401)	(29,963)	51,438
Budgetary Fund Balance, Beginning of Year	272,146	272,146	272,146	-
<b>Budgetary Fund Balance, End of Year</b>	<b>\$ 190,745</b>	<b>\$ 190,745</b>	<b>\$ 242,183</b>	<b>\$ 51,438</b>

City of Moreno Valley

Budgetary Comparison Schedule  
Emergency Services Agency Fines  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ 90,055	\$ 90,055
Use of money and property	-	-	2,183	2,183
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>92,238</b>	<b>92,238</b>
<b>Expenditures:</b>				
Current:				
Public safety	80,000	80,000	-	80,000
<b>Total Expenditures</b>	<b>80,000</b>	<b>80,000</b>	<b>-</b>	<b>80,000</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(80,000)	(80,000)	92,238	172,238
Net Change in Fund Balances	(80,000)	(80,000)	92,238	172,238
Budgetary Fund Balance, Beginning of Year	234,323	234,323	234,323	-
<b>Budgetary Fund Balance, End of Year</b>	<b>\$ 154,323</b>	<b>\$ 154,323</b>	<b>\$ 326,561</b>	<b>\$ 172,238</b>

City of Moreno Valley

Budgetary Comparison Schedule  
 Disaster  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Other Financing Sources (Uses):</b>				
Transfers out	\$ -	\$ (390,300)	\$ (390,278)	\$ (22)
<b>Total Other Financing Sources (Uses)</b>	-	(390,300)	(390,278)	(22)
Net Change in Fund Balances	-	(390,300)	(390,278)	(22)
Budgetary Fund Balance, Beginning of Year	390,278	390,278	390,278	-
<b>Budgetary Fund Balance, End of Year</b>	<b>\$ 390,278</b>	<b>\$ (22)</b>	<b>\$ -</b>	<b>\$ (22)</b>

City of Moreno Valley

Budgetary Comparison Schedule  
 Facility Construction  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Miscellaneous	\$ -	\$ -	\$ 1,250,461	\$ 1,250,461
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>1,250,461</b>	<b>1,250,461</b>
<b>Expenditures</b>				
Capital outlay	\$ 8,178,101	\$ 10,168,336	\$ 8,373,773	\$ 1,794,563
<b>Total Expenditures</b>	<b>8,178,101</b>	<b>10,168,336</b>	<b>8,373,773</b>	<b>1,794,563</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,178,101)	(10,168,336)	(7,123,312)	3,045,024
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	568,351	568,351	-
Transfers out	(6,500,000)	-	(6,500,000)	(6,500,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(6,500,000)</b>	<b>568,351</b>	<b>(5,931,649)</b>	<b>(6,500,000)</b>
Net Change in Fund Balances	(14,678,101)	(9,599,985)	(13,054,961)	(3,454,976)
Fund Balance, Beginning of Year	12,783,061	12,783,061	12,783,061	-
<b>Fund Balance, End of Year</b>	<b>\$ (1,895,040)</b>	<b>\$ 3,183,076</b>	<b>\$ (271,900)</b>	<b>\$ (3,454,976)</b>

City of Moreno Valley

Budgetary Comparison Schedule  
Public Works Capital Projects  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 834,535	\$ 3,019,389	\$ 2,184,854
Charges for services	-	4,867,396	5,033,853	166,457
Miscellaneous	-	-	170,995	170,995
<b>Total Revenues</b>	<b>-</b>	<b>5,701,931</b>	<b>8,224,237</b>	<b>2,522,306</b>
<b>Expenditures</b>				
Capital outlay	3,678,448	8,872,696	3,850,812	5,021,884
<b>Total Expenditures</b>	<b>3,678,448</b>	<b>8,872,696</b>	<b>3,850,812</b>	<b>5,021,884</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,678,448)	(3,170,765)	4,373,425	7,544,190
Net Change in Fund Balances	(3,678,448)	(3,170,765)	4,373,425	7,544,190
Fund Balance, Beginning of Year	2,341,873	2,341,873	2,341,873	-
<b>Fund Balance, End of Year</b>	<b>\$ (1,336,575)</b>	<b>\$ (828,892)</b>	<b>\$ 6,715,298</b>	<b>\$ 7,544,190</b>

City of Moreno Valley

Budgetary Comparison Schedule  
 Fire Services Capital Projects  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Miscellaneous	\$ -	\$ -	\$ 303	\$ 303
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>303</b>	<b>303</b>
<b>Expenditures</b>				
Capital outlay	590,000	663,335	76,684	586,651
<b>Total Expenditures</b>	<b>590,000</b>	<b>663,335</b>	<b>76,684</b>	<b>586,651</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(590,000)	(663,335)	(76,381)	586,954
Net Change in Fund Balances	(590,000)	(663,335)	(76,381)	586,954
Fund Balance, Beginning of Year	454,153	454,153	454,153	-
<b>Fund Balance, End of Year</b>	<b>\$ (135,847)</b>	<b>\$ (209,182)</b>	<b>\$ 377,772</b>	<b>\$ 586,954</b>

City of Moreno Valley

Budgetary Comparison Schedule  
 Towngate Capital / Administration  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures</b>				
Current:				
Public works	\$ 181,200	\$ 181,200	\$ 178,157	\$ 3,043
<b>Total Expenditures</b>	<b>181,200</b>	<b>181,200</b>	<b>178,157</b>	<b>3,043</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(181,200)	(181,200)	(178,157)	3,043
<b>Other Financing Sources (Uses):</b>				
Transfers in	181,100	181,100	168,872	(12,228)
<b>Total Other Financing Sources (Uses)</b>	<b>181,100</b>	<b>181,100</b>	<b>168,872</b>	<b>(12,228)</b>
Net Change in Fund Balances	(100)	(100)	(9,285)	(9,185)
Fund Balance, Beginning of Year	9,285	9,285	9,285	-
<b>Fund Balance, End of Year</b>	<b>\$ 9,185</b>	<b>\$ 9,185</b>	<b>\$ -</b>	<b>\$ (9,185)</b>



City of Moreno Valley

Budgetary Comparison Schedule  
Auto Mall Capital / Administration  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures</b>				
Current:				
Public works	\$ 63,800	\$ 63,800	\$ 62,732	\$ 1,068
<b>Total Expenditures</b>	<b>63,800</b>	<b>63,800</b>	<b>62,732</b>	<b>1,068</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(63,800)	(63,800)	(62,732)	1,068
<b>Other Financing Sources (Uses):</b>				
Transfers in	63,800	63,800	66,162	2,362
<b>Total Other Financing Sources (Uses)</b>	<b>63,800</b>	<b>63,800</b>	<b>66,162</b>	<b>2,362</b>
Net Change in Fund Balances	-	-	3,430	3,430
Fund Balance, Beginning of Year	(3,430)	(3,430)	(3,430)	-
<b>Fund Balance, End of Year</b>	<b>\$ (3,430)</b>	<b>\$ (3,430)</b>	<b>\$ -</b>	<b>\$ 3,430</b>

City of Moreno Valley

Budgetary Comparison Schedule  
Parks and Community Services Capital Projects  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures</b>				
Capital outlay	\$ 3,027,657	\$ 3,156,741	\$ 452,402	\$ 2,704,339
<b>Total Expenditures</b>	<b>3,027,657</b>	<b>3,156,741</b>	<b>452,402</b>	<b>2,704,339</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,027,657)	(3,156,741)	(452,402)	2,704,339
<b>Other Financing Sources (Uses):</b>				
Transfers in	691,300	691,300	691,300	-
Transfers out	(407,995)	(407,995)	(407,995)	-
<b>Total Other Financing Sources (Uses)</b>	<b>283,305</b>	<b>283,305</b>	<b>283,305</b>	<b>-</b>
Net Change in Fund Balances	(2,744,352)	(2,873,436)	(169,097)	2,704,339
Fund Balance, Beginning of Year	4,584,050	4,584,050	4,584,050	-
<b>Fund Balance, End of Year</b>	<b>\$ 1,839,698</b>	<b>\$ 1,710,614</b>	<b>\$ 4,414,953</b>	<b>\$ 2,704,339</b>

City of Moreno Valley

Budgetary Comparison Schedule  
TUMF Capital Projects  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 4,000,000	\$ 4,000,000	\$ 6,928,956	\$ 2,928,956
Contributions	-	-	211,860	211,860
Miscellaneous	-	-	10,961	10,961
<b>Total Revenues</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>7,151,777</b>	<b>3,151,777</b>
<b>Expenditures</b>				
Capital outlay	11,513,933	12,946,253	7,177,107	5,769,146
<b>Total Expenditures</b>	<b>11,513,933</b>	<b>12,946,253</b>	<b>7,177,107</b>	<b>5,769,146</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,513,933)	(8,946,253)	(25,330)	8,920,923
Net Change in Fund Balances	(7,513,933)	(8,946,253)	(25,330)	8,920,923
Fund Balance, Beginning of Year	(174,621)	(174,621)	(174,621)	-
<b>Fund Balance, End of Year</b>	<b>\$ (7,688,554)</b>	<b>\$ (9,120,874)</b>	<b>\$ (199,951)</b>	<b>\$ 8,920,923</b>

City of Moreno Valley

Budgetary Comparison Schedule  
DIF Capital Projects  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ 4,775	\$ 4,775
Miscellaneous	2,000	2,000	1,078	(922)
<b>Total Revenues</b>	<b>2,000</b>	<b>2,000</b>	<b>5,853</b>	<b>3,853</b>
<b>Expenditures</b>				
Capital outlay	4,235,884	6,928,161	2,750,406	4,177,755
<b>Total Expenditures</b>	<b>4,235,884</b>	<b>6,928,161</b>	<b>2,750,406</b>	<b>4,177,755</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,233,884)	(6,926,161)	(2,744,553)	4,181,608
<b>Other Financing Sources (Uses):</b>				
Transfers in	720,000	1,600,000	1,600,000	-
Transfers out	(727,903)	(727,903)	(727,903)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(7,903)</b>	<b>872,097</b>	<b>872,097</b>	<b>-</b>
Net Change in Fund Balances	(4,241,787)	(6,054,064)	(1,872,456)	4,181,608
Fund Balance, Beginning of Year	6,700,682	6,700,682	6,700,682	-
<b>Fund Balance, End of Year</b>	<b>\$ 2,458,895</b>	<b>\$ 646,618</b>	<b>\$ 4,828,226</b>	<b>\$ 4,181,608</b>

City of Moreno Valley

Budgetary Comparison Schedule  
 Lease Revenue Bonds 2005 Capital Projects  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ -	\$ -	\$ 90	\$ 90
Miscellaneous	-	-	148,563	148,563
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>148,653</b>	<b>148,653</b>
<b>Expenditures</b>				
Capital outlay	1,706,592	1,097,032	759,141	337,891
<b>Total Expenditures</b>	<b>1,706,592</b>	<b>1,097,032</b>	<b>759,141</b>	<b>337,891</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,706,592)	(1,097,032)	(610,488)	486,544
<b>Other Financing Sources (Uses):</b>				
Transfers out	-	(100,333)	(100,388)	(55)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(100,333)</b>	<b>(100,388)</b>	<b>(55)</b>
Net Change in Fund Balances	(1,706,592)	(1,197,365)	(710,876)	486,489
Fund Balance, Beginning of Year	1,127,304	1,127,304	1,127,304	-
<b>Fund Balance, End of Year</b>	<b>\$ (579,288)</b>	<b>\$ (70,061)</b>	<b>\$ 416,428</b>	<b>\$ 486,489</b>

City of Moreno Valley

Budgetary Comparison Schedule  
Auto Mall Special Tax Bonds  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes:				
Other taxes	\$ 81,600	\$ 81,600	\$ 115,458	\$ 33,858
Use of money and property	200	200	14	(186)
<b>Total Revenues</b>	<b>81,800</b>	<b>81,800</b>	<b>115,472</b>	<b>33,672</b>
<b>Expenditures:</b>				
Debt service:				
Principal retirement	15,000	300,000	295,000	5,000
Interest and fiscal charges	29,700	29,700	18,938	10,762
<b>Total Expenditures</b>	<b>44,700</b>	<b>329,700</b>	<b>313,938</b>	<b>15,762</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	37,100	(247,900)	(198,466)	49,434
<b>Other Financing Sources (Uses):</b>				
Transfers in	109,450	109,450	-	(109,450)
Transfers out	(63,800)	(63,800)	(66,162)	(2,362)
Contributions from Successor Agency	-	-	31,192	31,192
<b>Total Other Financing Sources (Uses)</b>	<b>45,650</b>	<b>45,650</b>	<b>(34,970)</b>	<b>(80,620)</b>
Net Change in Fund Balances	82,750	(202,250)	(233,436)	(31,186)
Fund Balances, Beginning of Year	158,587	158,587	158,587	-
<b>Fund Balances, End of Year</b>	<b>\$ 241,337</b>	<b>\$ (43,663)</b>	<b>\$ (74,849)</b>	<b>\$ (31,186)</b>

City of Moreno Valley

Budgetary Comparison Schedule  
Lease Revenue Bonds 2005 Debt Service  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ -	\$ -	\$ 310	\$ 310
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>310</b>	<b>310</b>
<b>Expenditures:</b>				
Current:				
General government	2,300	2,300	2,850	(550)
Debt service:				
Principal retirement	890,000	890,000	920,000	(30,000)
Interest and fiscal charges	1,758,500	1,758,500	1,715,640	42,860
<b>Total Expenditures</b>	<b>2,650,800</b>	<b>2,650,800</b>	<b>2,638,490</b>	<b>12,310</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,650,800)	(2,650,800)	(2,638,180)	12,620
<b>Other Financing Sources (Uses):</b>				
Transfers in	2,647,873	2,647,873	2,050,555	(597,318)
Contributions from Successor Agency	-	-	597,373	597,373
<b>Total Other Financing Sources (Uses)</b>	<b>2,647,873</b>	<b>2,647,873</b>	<b>2,647,928</b>	<b>55</b>
Net Change in Fund Balances	(2,927)	(2,927)	9,748	12,675
Fund Balances, Beginning of Year	8,795,281	8,795,281	8,795,281	-
<b>Fund Balances, End of Year</b>	<b>\$ 8,792,354</b>	<b>\$ 8,792,354</b>	<b>\$ 8,805,029</b>	<b>\$ 12,675</b>

City of Moreno Valley

Budgetary Comparison Schedule  
2007 Towngate Improvement Refunding  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes:				
Other taxes	\$ 115,800	\$ 115,800	\$ 110,672	\$ (5,128)
Use of money and property	100	100	60	(40)
<b>Total Revenues</b>	<b>115,900</b>	<b>115,900</b>	<b>110,732</b>	<b>(5,168)</b>
<b>Expenditures:</b>				
Debt service:				
Principal retirement	205,000	205,000	210,000	(5,000)
Interest and fiscal charges	152,200	152,200	143,719	8,481
<b>Total Expenditures</b>	<b>357,200</b>	<b>357,200</b>	<b>353,719</b>	<b>3,481</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(241,300)	(241,300)	(242,987)	(1,687)
<b>Other Financing Sources (Uses):</b>				
Transfers in	277,181	277,181	-	(277,181)
Transfers out	(32,500)	(32,500)	(30,183)	2,317
Contributions from Successor Agency	-	-	275,008	275,008
<b>Total Other Financing Sources (Uses)</b>	<b>244,681</b>	<b>244,681</b>	<b>244,825</b>	<b>144</b>
Net Change in Fund Balances	3,381	3,381	1,838	(1,543)
Fund Balances, Beginning of Year	837,216	837,216	837,216	-
<b>Fund Balances, End of Year</b>	<b>\$ 840,597</b>	<b>\$ 840,597</b>	<b>\$ 839,054</b>	<b>\$ (1,543)</b>



City of Moreno Valley

Budgetary Comparison Schedule  
2007 Towngate Refunding  
Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ 300	\$ 300	\$ 230	\$ (70)
<b>Total Revenues</b>	<b>300</b>	<b>300</b>	<b>230</b>	<b>(70)</b>
<b>Expenditures:</b>				
Debt service:				
Principal retirement	655,000	655,000	680,000	(25,000)
Interest and fiscal charges	359,300	359,300	335,931	23,369
<b>Total Expenditures</b>	<b>1,014,300</b>	<b>1,014,300</b>	<b>1,015,931</b>	<b>(1,631)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,014,000)	(1,014,000)	(1,015,701)	(1,701)
<b>Other Financing Sources (Uses):</b>				
Transfers in	1,182,347	1,182,347	-	(1,182,347)
Transfers out	(148,600)	(148,600)	(138,689)	9,911
Contributions from Successor Agency	-	-	1,758,168	1,758,168
<b>Total Other Financing Sources (Uses)</b>	<b>1,033,747</b>	<b>1,033,747</b>	<b>1,619,479</b>	<b>585,732</b>
Net Change in Fund Balances	19,747	19,747	603,778	584,031
Fund Balances, Beginning of Year	2,165,270	2,165,270	2,165,270	-
<b>Fund Balances, End of Year</b>	<b>\$ 2,185,017</b>	<b>\$ 2,185,017</b>	<b>\$ 2,769,048</b>	<b>\$ 584,031</b>

City of Moreno Valley

Budgetary Comparison Schedule  
 2011 Priv Placement Ref 97 Lease Rev Bonds  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
Current:				
General government	\$ 3,750	\$ 3,750	\$ -	\$ 3,750
Debt service:				
Principal retirement	215,000	215,000	222,000	(7,000)
Interest and fiscal charges	185,000	185,000	115,420	69,580
<b>Total Expenditures</b>	<b>403,750</b>	<b>403,750</b>	<b>337,420</b>	<b>66,330</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(403,750)	(403,750)	(337,420)	66,330
<b>Other Financing Sources (Uses):</b>				
Transfers in	326,000	326,000	187,420	(138,580)
Contributions from Successor Agency	-	-	150,000	150,000
<b>Total Other Financing Sources (Uses)</b>	<b>326,000</b>	<b>326,000</b>	<b>337,420</b>	<b>11,420</b>
Net Change in Fund Balances	(77,750)	(77,750)	-	77,750
Fund Balances, Beginning of Year	-	-	-	-
<b>Fund Balances, End of Year</b>	<b>\$ (77,750)</b>	<b>\$ (77,750)</b>	<b>\$ -</b>	<b>\$ 77,750</b>

City of Moreno Valley

Budgetary Comparison Schedule  
 2011 Priv Placement Ref 97 COPs  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
Current:				
General government	\$ 66,140	\$ 66,140	\$ -	\$ 66,140
Debt service:				
Principal retirement	645,000	645,000	690,500	(45,500)
Interest and fiscal charges	81,180	81,180	96,864	(15,684)
<b>Total Expenditures</b>	<b>792,320</b>	<b>792,320</b>	<b>787,364</b>	<b>4,956</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(792,320)	(792,320)	(787,364)	4,956
<b>Other Financing Sources (Uses):</b>				
Transfers in	711,100	711,100	787,364	76,264
<b>Total Other Financing Sources (Uses)</b>	<b>711,100</b>	<b>711,100</b>	<b>787,364</b>	<b>76,264</b>
Net Change in Fund Balances	(81,220)	(81,220)	-	81,220
Fund Balances, Beginning of Year	-	-	-	-
<b>Fund Balances, End of Year</b>	<b>\$ (81,220)</b>	<b>\$ (81,220)</b>	<b>\$ -</b>	<b>\$ 81,220</b>

City of Moreno Valley

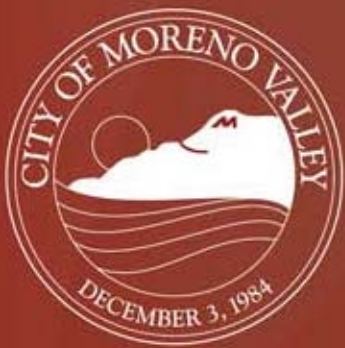
Budgetary Comparison Schedule  
 Celebration Park Endowment  
 Year Ended June 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ 1,000	\$ 1,000	\$ 438	\$ (562)
<b>Total Revenues</b>	<b>1,000</b>	<b>1,000</b>	<b>438</b>	<b>(562)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	1,000	438	(562)
Net Change in Fund Balances	1,000	1,000	438	(562)
Fund Balance, Beginning of Year	59,814	59,814	59,814	-
<b>Fund Balance, End of Year</b>	<b>\$ 60,814</b>	<b>\$ 60,814</b>	<b>\$ 60,252</b>	<b>\$ (562)</b>



Internal Service Funds

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



**Fiscal Year  
Ended June 30, 2013**



## **INTERNAL SERVICE FUNDS**

### **General Liability Insurance Fund**

This fund is used to account for the costs of maintaining the City's general liability insurance program, on a reimbursement basis through charges to benefiting funds; and maintaining responsible reserves based on current actuarial assumptions.

### **Workers' Compensation Insurance Fund**

This fund is used to account for the costs of maintaining the City worker's compensation insurance program, on a reimbursement basis through charges to benefiting funds; and maintaining responsible reserves based on current actuarial assumptions.

### **Technology Services Fund**

This fund is used to account for the costs of maintaining and replacing the City's information systems including major software, hardware, radios, telephones, and the City's backbone telecommunications infrastructure. The fund recovers costs through charges to benefiting funds.

### **Facilities Maintenance Fund**

This fund is used to account for the costs of maintaining all City-owned and leased buildings. Its user charges include the recovery of both depreciation on the City Hall building and debt service on the 1997 variable rate Certificates of Participation originally issued in 1995 to finance the acquisition of the building.

### **Equipment Maintenance Fund**

This fund is used to account for the maintenance costs of the City's inventory of vehicles and equipment, on a cost reimbursement basis through user charges to benefiting funds.

### **Equipment Replacement Reserve Fund**

This fund is used to account for the accumulation of cash reserves to replace City vehicles and capital equipment, based on replacement cost and useful life. The reserve receives cash through user charges for each fund's share of annual depreciation; and provides cash as a funding source to participating funds for capital replacement.



City of Moreno Valley

Combining Statement of Net Position  
Internal Service Funds  
June 30, 2013

	General Liability Insurance	Workers' Compensation Insurance	Technology Services	Facilities Maintenance
<b>Assets:</b>				
Current:				
Pooled cash and investments	\$ 1,884,839	\$ 4,180,586	\$ 8,754,231	\$ 5,379,876
Receivables:				
Accounts	-	-	-	212
Prepaid costs	-	-	-	5,799
Inventories	-	-	-	29,242
<b>Total Current Assets</b>	<b>1,884,839</b>	<b>4,180,586</b>	<b>8,754,231</b>	<b>5,415,129</b>
Noncurrent:				
Capital assets - net of accumulated depreciation	-	-	3,412,002	10,370,424
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>-</b>	<b>3,412,002</b>	<b>10,370,424</b>
<b>Total Assets</b>	<b>\$ 1,884,839</b>	<b>\$ 4,180,586</b>	<b>\$ 12,166,233</b>	<b>\$ 15,785,553</b>
<b>Liabilities and Net Position:</b>				
<b>Liabilities:</b>				
Current:				
Accounts payable	\$ 31,150	\$ 161	\$ 574,336	\$ 384,502
Accrued liabilities	2,096	806	38,132	14,701
Compensated absences	-	-	325,541	56,900
Self-insurance payable	312,000	372,000	-	-
<b>Total Current Liabilities</b>	<b>345,246</b>	<b>372,967</b>	<b>938,009</b>	<b>456,103</b>
Noncurrent:				
Compensated absences	-	-	217,027	37,933
Self-insurance payable	251,000	1,173,000	-	-
<b>Total Noncurrent Liabilities</b>	<b>251,000</b>	<b>1,173,000</b>	<b>217,027</b>	<b>37,933</b>
<b>Total Liabilities</b>	<b>596,246</b>	<b>1,545,967</b>	<b>1,155,036</b>	<b>494,036</b>
<b>Net Position:</b>				
Investment in capital assets	-	-	3,412,002	10,370,424
Unrestricted	1,288,593	2,634,619	7,599,195	4,921,093
<b>Total Net Position</b>	<b>1,288,593</b>	<b>2,634,619</b>	<b>11,011,197</b>	<b>15,291,517</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 1,884,839</b>	<b>\$ 4,180,586</b>	<b>\$ 12,166,233</b>	<b>\$ 15,785,553</b>

<b>Equipment Maintenance</b>	<b>Equipment Replacement Reserve</b>	<b>Totals</b>
\$ 215,673	\$ 20,663,339	\$ 41,078,544
-	-	212
-	-	5,799
13,394	-	42,636
<b>229,067</b>	<b>20,663,339</b>	<b>41,127,191</b>
14,739	113,786	13,910,951
<b>14,739</b>	<b>113,786</b>	<b>13,910,951</b>
<b>\$ 243,806</b>	<b>\$ 20,777,125</b>	<b>\$ 55,038,142</b>
\$ 50,265	\$ -	\$ 1,040,414
4,564	-	60,299
9,829	-	392,270
-	-	684,000
<b>64,658</b>	<b>-</b>	<b>2,176,983</b>
6,552	-	261,512
-	-	1,424,000
<b>6,552</b>	<b>-</b>	<b>1,685,512</b>
<b>71,210</b>	<b>-</b>	<b>3,862,495</b>
14,739	113,786	13,910,951
157,857	20,663,339	37,264,696
<b>172,596</b>	<b>20,777,125</b>	<b>51,175,647</b>
<b>\$ 243,806</b>	<b>\$ 20,777,125</b>	<b>\$ 55,038,142</b>

**Assets:**

Current:

Pooled cash and investments  
 Receivables:  
 Accounts  
 Prepaid costs  
 Inventories

**Total Current Assets**

Noncurrent:

Capital assets - net of accumulated depreciation

**Total Noncurrent Assets**

**Total Assets**

**Liabilities and Net Position:**

**Liabilities:**

Current:

Accounts payable  
 Accrued liabilities  
 Compensated absences  
 Self-insurance payable

**Total Current Liabilities**

Noncurrent:

Compensated absences  
 Self-insurance payable

**Total Noncurrent Liabilities**

**Total Liabilities**

**Net Position:**

Net investment in capital assets  
 Unrestricted

**Total Net Position**

**Total Liabilities and Net Position**

City of Moreno Valley

Combining Statement of Revenues, Expenses  
and Changes in Fund Net Position  
Internal Service Funds  
Year Ended June 30, 2013

	<u>General Liability Insurance</u>	<u>Workers' Compensation Insurance</u>	<u>Technology Services</u>	<u>Facilities Maintenance</u>
<b>Operating Revenues:</b>				
Sales and service charges	\$ 786,552	\$ 787,700	\$ 3,766,900	\$ 4,136,850
Miscellaneous	43	-	1,816	14,275
<b>Total Operating Revenues</b>	<b><u>786,595</u></b>	<b><u>787,700</u></b>	<b><u>3,768,716</u></b>	<b><u>4,151,125</u></b>
<b>Operating Expenses:</b>				
Cost of services	127,855	65,973	3,860,268	2,859,099
Depreciation expense	-	-	169,737	223,299
Self-insurance claims and charges	20,450	77,909	-	-
<b>Total Operating Expenses</b>	<b><u>148,305</u></b>	<b><u>143,882</u></b>	<b><u>4,030,005</u></b>	<b><u>3,082,398</u></b>
Operating Income (Loss)	<u>638,290</u>	<u>643,818</u>	<u>(261,289)</u>	<u>1,068,727</u>
Income (Loss) Before Transfers and Contributions	638,290	643,818	(261,289)	1,068,727
Contributions	-	-	-	2,588,910
Transfers in	-	-	238,000	250,000
Transfers out	<u>(43,950)</u>	<u>(4,500)</u>	<u>-</u>	<u>(984,778)</u>
Changes in Net Position	594,340	639,318	(23,289)	2,922,859
<b>Net Position:</b>				
Beginning of Year	<u>694,253</u>	<u>1,995,301</u>	<u>11,034,486</u>	<u>12,368,658</u>
<b>End of Fiscal Year</b>	<b><u>\$ 1,288,593</u></b>	<b><u>\$ 2,634,619</u></b>	<b><u>\$ 11,011,197</u></b>	<b><u>\$ 15,291,517</u></b>

<b>Equipment Maintenance</b>	<b>Equipment Replacement Reserve</b>	<b>Totals</b>	
\$ 790,129	\$ 2,912,666	\$ 13,180,797	<b>Operating Revenues:</b>
-	4,978	21,112	Sales and service charges
<b>790,129</b>	<b>2,917,644</b>	<b>13,201,909</b>	Miscellaneous
			<b>Total Operating Revenues</b>
755,493	-	7,668,688	<b>Operating Expenses:</b>
13,217	115,914	522,167	Cost of services
-	-	98,359	Depreciation expense
<b>768,710</b>	<b>115,914</b>	<b>8,289,214</b>	Self-insurance claims and charges
			<b>Total Operating Expenses</b>
21,419	2,801,730	4,912,695	Operating Income (Loss)
			Income (Loss) Before Transfers and Contributions
21,419	2,801,730	4,912,695	
-	-	2,588,910	Contributions
-	-	488,000	Transfers in
-	(670,579)	(1,703,807)	Transfers out
21,419	2,131,151	6,285,798	Changes in Net Position
151,177	18,645,974	44,889,849	<b>Net Position:</b>
			Beginning of Year
<b>\$ 172,596</b>	<b>\$ 20,777,125</b>	<b>\$ 51,175,647</b>	<b>End of Fiscal Year</b>

City of Moreno Valley

Combining Statement of Cash Flows  
Internal Service Funds  
Year Ended June 30, 2013

	General Liability Insurance	Workers' Compensation Insurance	Technology Services	Facilities Maintenance
<b>Cash Flows from Operating Activities:</b>				
Cash received from customers	\$ 786,595	\$ 787,700	\$ 3,768,716	\$ 4,156,704
Cash paid to suppliers for goods and services	(183,792)	(35,712)	(1,533,672)	(2,095,492)
Cash paid for claims	(587,450)	(298,909)	-	-
Cash paid to employees for services	(2,675)	(33,013)	(1,792,965)	(480,136)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>12,678</b>	<b>420,066</b>	<b>442,079</b>	<b>1,581,076</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>				
Cash transfers in	-	-	238,000	250,000
Cash transfers out	(43,950)	(4,500)	-	(984,778)
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>(43,950)</b>	<b>(4,500)</b>	<b>238,000</b>	<b>(734,778)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition and construction of capital assets	-	-	(1,861,534)	(3,770,398)
Contributions	-	-	-	2,588,910
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>-</b>	<b>-</b>	<b>(1,861,534)</b>	<b>(1,181,488)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(31,272)</b>	<b>415,566</b>	<b>(1,181,455)</b>	<b>(335,190)</b>
Cash and Cash Equivalents at Beginning of Year	1,916,111	3,765,020	9,935,686	5,715,066
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 1,884,839</b>	<b>\$ 4,180,586</b>	<b>\$ 8,754,231</b>	<b>\$ 5,379,876</b>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>				
Operating income (loss)	\$ 638,290	\$ 643,818	\$ (261,289)	\$ 1,068,727
<b>Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:</b>				
Depreciation	-	-	169,737	223,299
(Increase) decrease in accounts receivable	-	-	-	5,579
(Increase) decrease in prepaid costs	319	-	21,469	5,952
(Increase) decrease in inventories	-	-	-	(29,242)
Increase (decrease) in accounts payable	(15,261)	(2,652)	437,832	293,431
Increase (decrease) in accrued liabilities	353	(100)	(2,988)	669
Increase (decrease) in self-insurance payable	(567,000)	(221,000)	-	-
Increase (decrease) in compensated absences	(44,023)	-	77,318	12,661
<b>Total Adjustments</b>	<b>(625,612)</b>	<b>(223,752)</b>	<b>703,368</b>	<b>512,349</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 12,678</b>	<b>\$ 420,066</b>	<b>\$ 442,079</b>	<b>\$ 1,581,076</b>

**Non-Cash Investing, Capital, and Financing Activities:**

There was no noncash investing, capital or noncapital financing activities for the year ended June 30, 2013.

<u>Equipment Maintenance</u>	<u>Equipment Replacement Reserve</u>	<u>Totals</u>
\$ 790,129	\$ 2,917,644	\$ 13,207,488
(533,611)	-	(4,382,279)
-	-	(886,359)
(184,657)	-	(2,493,446)
<u>71,861</u>	<u>2,917,644</u>	<u>5,445,404</u>
-	-	488,000
-	(670,579)	(1,703,807)
<u>-</u>	<u>(670,579)</u>	<u>(1,215,807)</u>
(14,739)	-	(5,646,671)
-	-	2,588,910
<u>(14,739)</u>	<u>-</u>	<u>(3,057,761)</u>
57,122	2,247,065	1,171,836
158,551	18,416,274	39,906,708
<u>\$ 215,673</u>	<u>\$ 20,663,339</u>	<u>\$ 41,078,544</u>
\$ 21,419	\$ 2,801,730	\$ 4,912,695
13,217	115,914	522,167
-	-	5,579
-	-	27,740
(2,359)	-	(31,601)
35,518	-	748,868
38	-	(2,028)
-	-	(788,000)
4,028	-	49,984
<u>50,442</u>	<u>115,914</u>	<u>532,709</u>
<u>\$ 71,861</u>	<u>\$ 2,917,644</u>	<u>\$ 5,445,404</u>

**Cash Flows from Operating Activities:**

Cash received from customers  
Cash paid to suppliers for goods and services  
Cash paid for claims  
Cash paid to employees for services

**Net Cash Provided (Used) by Operating Activities**

**Cash Flows from Non-Capital Financing Activities:**

Cash transfers in  
Cash transfers out

**Net Cash Provided (Used) by Non-Capital Financing Activities**

**Cash Flows from Capital and Related Financing Activities:**

Acquisition and construction of capital assets  
Contributions

**Net Cash Provided (Used) by Capital and Related Financing Activities**

**Net Increase (Decrease) in Cash and Cash Equivalents**

Cash and Cash Equivalents at Beginning of Year

Cash and Cash Equivalents at End of Year

**Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:**

Operating income (loss)  
**Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:**

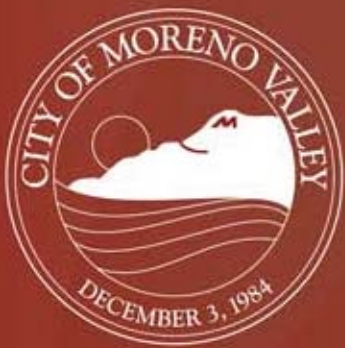
Depreciation  
(Increase) decrease in accounts receivable  
(Increase) decrease in prepaid costs  
(Increase) decrease in inventories  
Increase (decrease) in accounts payable  
Increase (decrease) in accrued liabilities  
Increase (decrease) in self-insurance payable  
Increase (decrease) in compensated absences

**Total Adjustments  
Net Cash Provided (Used) by Operating Activities**



Agency Funds

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



**Fiscal Year  
Ended June 30, 2013**





## **AGENCY FUNDS**

### **Deposit Liability Fund**

This fund is used to account for miscellaneous deposits collected by the City.

### **Assessment District 87-4 Fund**

This fund is used to account for the receipt and remittance of special assessments for the Assessment District 87-4 Limited Obligation Improvement Bonds. The bonds are not secured by the general taxing power of the City, the State of California or any other political subdivision thereof, and neither the City nor the State, nor any potential subdivision thereof, has pledged its full faith and credit for the payment thereof.

### **Assessment District 98-1 Fund**

This fund is used to account for the receipt and remittance of special assessments for the Assessment District 98-1 Limited Obligation Improvement Bonds. All property owners except one paid their fees upfront.

### **TUMF Trust Fund**

This fund is used to account for the receipt of the Transportation Uniform Mitigation Fees (TUMF) and their remittance to the Western Riverside Council of Governments (WRCOG).

### **MSHCP Trust Fund**

This fund is used to account for the receipt of the receipt of the Multi-Species Habitat Conservation Plan (MSHCP) fees and their remittance to the Western Riverside County Regional Agency (WRRCRA).

### **Moreno Valley Foundation Donations Fund**

This fund is being used on a temporary basis to account for the receipts and disbursements of the Moreno Valley Community Foundation until such time that the Foundation is officially cleared by the Internal Revenue Service to become operational as a tax-exempt 501(c)3 organization.

### **CFD #5 Stoneridge Fund**

This fund is used to account for the receipt and remittance of special taxes for the CFD #5 Stoneridge Special Tax Bonds. The bonds are not secured by the general taxing power of the City, the State of California or any other political subdivision thereof, and neither the City nor the State, nor any potential subdivision thereof, has pledged its full faith and credit for the payment thereof.

### **Riverside County Flood Control and Water Conservation District Fund**

This fund is used to account for receipt and disbursements of the District's tax increment for flood control improvement projects.

### **Arts Commission Fund**

This fund is used to account for funds received to encourage, stimulate, promote and foster programs for the cultural enrichment of the City, thereby contributing to the quality of life of its residents. This fund also accounts for funding received to develop an awareness of the value of arts in Moreno Valley's business community, local government and the general public.

City of Moreno Valley

Combining Balance Sheet  
All Agency Funds  
June 30, 2013

	<u>Deposit Liability</u>	<u>Assessment District 87-4</u>	<u>Assessment District 98-1</u>	<u>TUMF Trust</u>	<u>MSHCP Trust</u>
<b>Assets:</b>					
Pooled cash and investments	\$ 4,119,614	\$ 105,577	\$ 2,649	\$ -	\$ 23,256
Due from other governments	-	93	-	-	-
Restricted assets:					
Cash with fiscal agents	-	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 4,119,614</u></b>	<b><u>\$ 105,670</u></b>	<b><u>\$ 2,649</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 23,256</u></b>
<b>Liabilities:</b>					
Accounts payable	\$ 12,747	\$ -	\$ -	\$ -	\$ 23,256
Deposits payable	4,106,867	-	-	-	-
Due to other governments	-	-	-	-	-
Payable to trustee	-	105,670	2,649	-	-
<b>Total Liabilities</b>	<b><u>\$ 4,119,614</u></b>	<b><u>\$ 105,670</u></b>	<b><u>\$ 2,649</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 23,256</u></b>

<b>Moreno Valley Foundation Donations</b>	<b>CFD # 5 Stoneridge</b>	<b>Riverside County Flood Control and Water Conservation District Fund</b>	<b>Arts Commission</b>	<b>Totals</b>	
\$ 221,650	\$ -	\$ 455,446	\$ 4,968	\$ 4,933,160	<b>Assets:</b>
-	-	-	-	93	Pooled cash and investments
-	763,813	-	-	763,813	Due from other governments
<b>\$ 221,650</b>	<b>\$ 763,813</b>	<b>\$ 455,446</b>	<b>\$ 4,968</b>	<b>\$ 5,697,066</b>	Restricted assets:
					Cash with fiscal agents
					<b>Total Assets</b>
\$ -	\$ -	\$ -	\$ -	\$ 36,003	<b>Liabilities:</b>
-	-	-	-	4,106,867	Accounts payable
-	4,116	-	-	4,116	Deposits payable
221,650	759,697	455,446	4,968	1,550,080	Due to other governments
<b>\$ 221,650</b>	<b>\$ 763,813</b>	<b>\$ 455,446</b>	<b>\$ 4,968</b>	<b>\$ 5,697,066</b>	Payable to trustee
					<b>Total Liabilities</b>

City of Moreno Valley

Combining Statement of Changes in Assets and Liabilities  
All Agency Funds  
Year Ended June 30, 2013

	<u>Balance 7/1/2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2013</u>
<b><u>Deposit Liability</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 5,315,330	\$ 1,317,487	\$ 2,513,203	\$ 4,119,614
<b>Total Assets</b>	<b><u>\$ 5,315,330</u></b>	<b><u>\$ 1,317,487</u></b>	<b><u>\$ 2,513,203</u></b>	<b><u>\$ 4,119,614</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 560	\$ 445,964	\$ 433,777	\$ 12,747
Deposits payable	5,314,770	1,317,487	2,525,390	4,106,867
<b>Total Liabilities</b>	<b><u>\$ 5,315,330</u></b>	<b><u>\$ 1,763,451</u></b>	<b><u>\$ 2,959,167</u></b>	<b><u>\$ 4,119,614</u></b>
<b><u>Assessment District 87-4</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 105,477	\$ 100	\$ -	\$ 105,577
Due from other governments	101	93	101	93
<b>Total Assets</b>	<b><u>\$ 105,578</u></b>	<b><u>\$ 193</u></b>	<b><u>\$ 101</u></b>	<b><u>\$ 105,670</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 105,578	\$ 92	\$ -	\$ 105,670
<b>Total Liabilities</b>	<b><u>\$ 105,578</u></b>	<b><u>\$ 92</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 105,670</u></b>
<b><u>Assessment District 98-1</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 2,649	\$ -	\$ -	\$ 2,649
<b>Total Assets</b>	<b><u>\$ 2,649</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,649</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 2,649	\$ -	\$ -	\$ 2,649
<b>Total Liabilities</b>	<b><u>\$ 2,649</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,649</u></b>
<b><u>TUMF Trust</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 1,513	\$ 1,495,123	\$ 1,496,636	\$ -
<b>Total Assets</b>	<b><u>\$ 1,513</u></b>	<b><u>\$ 1,495,123</u></b>	<b><u>\$ 1,496,636</u></b>	<b><u>\$ -</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 1,513	\$ 1,495,123	\$ 1,496,636	\$ -
<b>Total Liabilities</b>	<b><u>\$ 1,513</u></b>	<b><u>\$ 1,495,123</u></b>	<b><u>\$ 1,496,636</u></b>	<b><u>\$ -</u></b>
<b><u>MSHCP Trust</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ -	\$ 448,015	\$ 424,759	\$ 23,256
<b>Total Assets</b>	<b><u>\$ -</u></b>	<b><u>\$ 448,015</u></b>	<b><u>\$ 424,759</u></b>	<b><u>\$ 23,256</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 448,015	\$ 424,759	\$ 23,256
<b>Total Liabilities</b>	<b><u>\$ -</u></b>	<b><u>\$ 448,015</u></b>	<b><u>\$ 424,759</u></b>	<b><u>\$ 23,256</u></b>

City of Moreno Valley

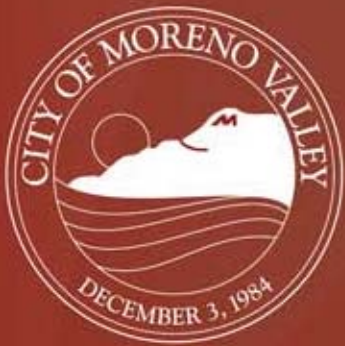
Combining Statement of Changes in Assets and Liabilities  
All Agency Funds  
Year Ended June 30, 2013

	Balance 7/1/2012	Additions	Deductions	Balance 6/30/2013
<b><u>Moreno Valley Foundation Donations</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 221,650	\$ -	\$ -	\$ 221,650
<b>Total Assets</b>	<b>\$ 221,650</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 221,650</b>
<b>Liabilities:</b>				
Payable to trustee	\$ 221,650	\$ -	\$ -	\$ 221,650
<b>Total Liabilities</b>	<b>\$ 221,650</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 221,650</b>
<b><u>CFD # 5 Stoneridge</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 22,500	\$ 391,966	\$ 414,466	\$ -
Restricted assets:				
Cash and investments with fiscal agents	722,526	414,466	373,179	763,813
<b>Total Assets</b>	<b>\$ 745,026</b>	<b>\$ 806,432</b>	<b>\$ 787,645</b>	<b>\$ 763,813</b>
<b>Liabilities:</b>				
Due to other governments	\$ -	\$ 4,116	\$ -	\$ 4,116
Payable to trustee	745,026	14,671	-	759,697
<b>Total Liabilities</b>	<b>\$ 745,026</b>	<b>\$ 18,787</b>	<b>\$ -</b>	<b>\$ 763,813</b>
<b><u>Riverside County Flood Control and Water Conservation District Fund</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 6,420,977	\$ -	\$ 5,965,531	\$ 455,446
<b>Total Assets</b>	<b>\$ 6,420,977</b>	<b>\$ -</b>	<b>\$ 5,965,531</b>	<b>\$ 455,446</b>
<b>Liabilities:</b>				
Payable to trustee	\$ 6,420,977	\$ -	\$ 5,965,531	\$ 455,446
<b>Total Liabilities</b>	<b>\$ 6,420,977</b>	<b>\$ -</b>	<b>\$ 5,965,531</b>	<b>\$ 455,446</b>
<b><u>Arts Commission</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 3,314	\$ 2,365	\$ 711	\$ 4,968
<b>Total Assets</b>	<b>\$ 3,314</b>	<b>\$ 2,365</b>	<b>\$ 711</b>	<b>\$ 4,968</b>
<b>Liabilities:</b>				
Payable to trustee	\$ 3,314	\$ 2,365	\$ 711	\$ 4,968
<b>Total Liabilities</b>	<b>\$ 3,314</b>	<b>\$ 2,365</b>	<b>\$ 711</b>	<b>\$ 4,968</b>
<b><u>Totals - All Agency Funds</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 12,093,410	\$ 3,655,056	\$ 10,815,306	\$ 4,933,160
Due from other governments	101	93	101	93
Restricted assets:				
Cash and investments with fiscal agents	722,526	414,466	373,179	763,813
<b>Total Assets</b>	<b>\$ 12,816,037</b>	<b>\$ 4,069,615</b>	<b>\$ 11,188,586</b>	<b>\$ 5,697,066</b>
<b>Liabilities:</b>				
Accounts payable	\$ 2,073	\$ 2,389,102	\$ 2,355,172	\$ 36,003
Deposits payable	5,314,770	1,317,487	2,525,390	4,106,867
Due to other governments	-	4,116	-	4,116
Payable to trustee	7,499,194	17,128	5,966,242	1,550,080
<b>Total Liabilities</b>	<b>\$ 12,816,037</b>	<b>\$ 3,727,833</b>	<b>\$ 10,846,804</b>	<b>\$ 5,697,066</b>



Capital Assets

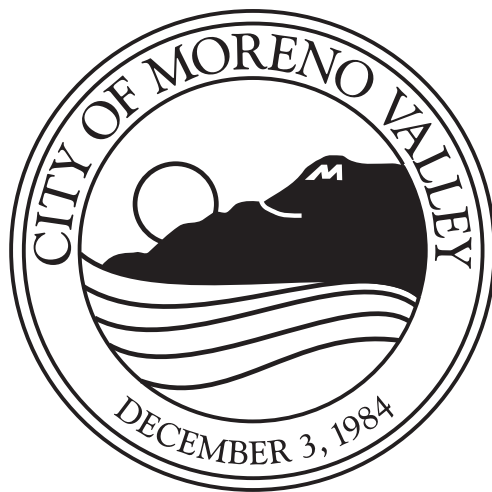
# COMPREHENSIVE ANNUAL FINANCIAL REPORT



**Fiscal Year  
Ended June 30, 2013**







**City of Moreno Valley**

**Schedule of General Capital Assets  
By Function and Activity  
June 30, 2013**

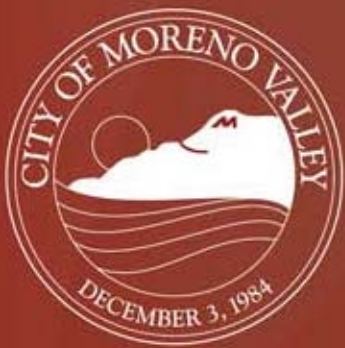
<b>Function and Activity:</b>	<u>Land</u>	<u>CIP</u>	<u>Buildings and Improvements</u>	<u>Furniture and Equipment</u>
General Government				
City Manager	\$ -	\$ -	\$ -	\$ 238,295
City Clerk	-	-	-	313,048
Administrative Services	590,127	-	-	65,238
Finance	45,768,900	449,001	6,180,016	145,133
Other- unclassified	-	-	-	21,832
<b>Total General Government</b>	<u>46,359,027</u>	<u>449,001</u>	<u>6,180,016</u>	<u>783,546</u>
Public Safety				
Police	1,030,443	-	11,764,895	1,371,848
Fire	983,316	474,546	28,305,491	810,950
<b>Total Public Safety</b>	<u>2,013,759</u>	<u>474,546</u>	<u>40,070,386</u>	<u>2,182,798</u>
Public Works	251,134,384	34,697,935	219,502	1,728,492
Community & Economic Development	-	-	5,965,154	364,889
Community Services District	779,584	1,445,419	49,703,175	1,784,278
Internal Service Funds	-	1,272,916	13,055,798	9,285,235
<b>Grand Total</b>	<u>\$ 300,286,754</u>	<u>\$ 38,339,817</u>	<u>\$ 115,194,031</u>	<u>\$ 16,129,238</u>

Vehicles	Infrastructure	Total	Function and Activity:
\$ 84,428	\$ -	\$ 322,723	General Government
-	-	313,048	City Manager
82,896	-	738,261	City Clerk
391,584	-	52,934,634	Administrative Services
-	-	21,832	Finance
			Other- unclassified
<u>558,908</u>	<u>-</u>	<u>54,330,498</u>	Total General Government
1,246,467	-	15,413,653	Public Safety
2,586,364	-	33,160,667	Police
			Fire
<u>3,832,831</u>	<u>-</u>	<u>48,574,320</u>	Total Public Safety
2,681,269	734,069,539	1,024,531,121	Public Works
422,353	-	6,752,396	Community & Economic Development
535,286	101,457	54,349,199	Community Services District
2,479,638	401,116	26,494,702	Internal Service Funds
<u>\$ 10,510,284</u>	<u>\$ 734,572,111</u>	<u>\$ 1,215,032,235</u>	<b>Grand Total</b>



Statistical Section

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

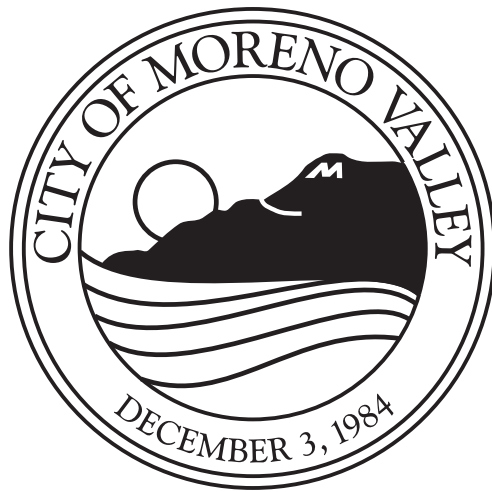


**Fiscal Year  
Ended June 30, 2013**

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

<b><u>Contents</u></b>	<b><u>Page #</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	177
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the City's ability to generate its key revenues.	182
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	188
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and help make comparisons over time and with other governments.	193
<b>Operating Information</b> These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	196

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented Statement 34 in 2003.





City of Moreno Valley  
 Net Position by Component,  
 Last ten fiscal years  
 (accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Governmental activities</b>										
Net investment in capital assets	\$ 465,542,271	\$ 475,642,146	\$ 523,083,597	\$ 594,870,636	\$ 622,102,140	\$ 704,987,685	\$ 768,345,954	\$ 784,881,452	\$ 757,856,437	\$ 812,637,341
Restricted for:										
Community development projects	6,961,781	6,404,249	10,076,376	-	41,908,201	19,960,752	36,341,964	7,079,640	37,716,605	38,269,946
Community and cultural	-	-	-	-	8,259,181	-	8,368,534	8,968,479	10,880,981	12,219,506
Public safety	2,086,222	2,649,176	1,655,374	973,667	663,854	280,107	2,103,241	644,786	626,545	328,561
Public works/capital projects	40,769,509	47,442,301	60,687,985	66,493,508	79,745,801	71,335,816	61,365,635	109,095,517	27,654,589	40,264,691
Debt service	23,966,889	21,673,132	12,985,998	12,538,629	7,291,425	17,373,369	15,818,072	12,867,643	11,956,354	12,413,131
Other Programs	-	-	-	14,863,573	3,598,110	11,731,764	2,545,781	301,868	170,051	311,702
Permanent funds-nonexpendable	-	-	59,359	62,537	64,692	66,436	169,287	170,162	188,335	191,646
Unrestricted	32,744,174	46,215,255	73,846,697	101,941,651	104,545,617	69,630,581	46,594,052	24,461,651	95,014,503	91,359,292
Total Governmental activities net position	\$ 572,070,846	\$ 600,026,259	\$ 682,395,386	\$ 791,744,201	\$ 868,179,021	\$ 895,366,510	\$ 941,652,520	\$ 948,471,198	\$ 942,064,400	\$ 1,007,995,816
<b>Business-type activities</b>										
Net investment in capital assets	\$ 709,310	\$ 1,815,311	\$ 18,151,135	\$ 14,130,659	\$ 14,110,399	\$ 10,083,679	\$ 12,201,754	\$ 13,942,981	\$ 8,396,845	\$ 9,052,878
Restricted										
Regulatory contingencies	-	-	-	1,604,444	948,207	1,767,402	1,158,200	1,702,037	2,520,912	3,444,969
Unrestricted	(575,790)	(799,941)	(3,713,053)	(634,406)	(2,252,565)	(4,023,374)	(4,520,034)	(5,623,674)	(413,445)	(652,825)
Total Business-type activities net position	\$ 133,520	\$ 1,015,370	\$ 14,438,082	\$ 15,100,697	\$ 12,860,041	\$ 7,827,707	\$ 8,839,920	\$ 10,021,344	\$ 10,504,312	\$ 11,845,022
<b>Primary government</b>										
Net investment in capital assets	\$ 466,251,581	\$ 477,457,457	\$ 541,234,732	\$ 609,001,295	\$ 636,212,539	\$ 715,071,364	\$ 780,547,708	\$ 798,824,433	\$ 766,253,282	\$ 821,690,219
Restricted for:										
Community development projects	6,961,781	6,404,249	10,076,376	-	41,908,201	19,960,752	36,341,964	7,079,640	37,716,605	38,269,946
Community and cultural	-	-	-	-	8,259,181	-	8,368,534	8,968,479	10,880,981	12,219,506
Public safety	2,086,222	2,649,176	1,655,374	973,667	663,854	280,107	2,103,241	644,786	626,545	328,561
Public works/capital projects	40,769,509	47,442,301	60,687,985	66,493,508	79,745,801	71,335,816	61,365,635	109,095,517	27,654,589	40,264,691
Debt service	23,966,889	21,673,132	12,985,998	12,538,629	7,291,425	17,373,369	15,818,072	12,867,643	11,956,354	12,413,131
Other Programs	-	-	-	14,863,573	3,598,110	11,731,764	2,545,781	301,868	170,051	311,702
Permanent funds-nonexpendable	-	-	59,359	62,537	64,692	66,436	169,287	170,162	188,335	191,646
Regulatory contingencies	-	-	-	1,604,444	948,207	1,767,402	1,158,200	1,702,037	2,520,912	3,444,969
Unrestricted	32,168,384	45,415,314	70,133,644	101,307,245	102,293,052	65,607,207	42,074,018	18,837,977	94,601,058	90,706,467
Total primary government net position	\$ 572,204,366	\$ 601,041,629	\$ 696,833,468	\$ 806,844,898	\$ 880,985,062	\$ 903,194,217	\$ 950,492,440	\$ 958,492,542	\$ 952,568,712	\$ 1,019,840,838

City of Moreno Valley  
Change in Net Position,  
Last ten fiscal years  
(accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Expenses</b>										
Governmental activities:										
General government	\$ 10,902,771	\$ 18,583,987	\$ 12,817,483	\$ 10,796,963	\$ 14,416,941	\$ 14,948,628	\$ 12,093,157	\$ 13,001,340	\$ 11,326,363	\$ 11,758,206
Public safety	39,563,567	42,797,971	47,282,305	43,415,662	54,412,284	50,856,439	58,165,412	59,640,431	56,037,192	56,896,151
Community development	8,198,449	10,041,715	13,666,378	9,643,084	10,964,507	12,036,237	29,663,451	10,003,780	11,317,359	11,886,089
Community and cultural	13,789,758	14,132,146	15,999,800	21,181,096	33,717,135	27,904,884	22,700,681	25,046,848	19,245,060	18,400,148
Public works	10,287,806	11,352,870	10,273,707	30,750,411	29,247,892	36,095,949	14,990,867	34,432,579	36,159,171	38,677,668
Interest on long-term debt	5,869,952	5,514,358	8,079,935	8,724,134	12,081,884	10,334,932	9,126,054	8,333,540	6,415,304	2,552,119
Total Governmental activities expenses	88,612,303	102,423,047	108,119,608	124,511,350	154,840,643	152,177,069	146,739,622	150,458,518	140,500,449	140,170,381
Business-type activities:										
Electric	76,106	1,080,589	3,673,509	8,298,955	12,282,161	14,067,086	13,812,966	14,807,788	16,549,224	18,139,446
Total business-type activities expenses	76,106	1,080,589	3,673,509	8,298,955	12,282,161	14,067,086	13,812,966	14,807,788	16,549,224	18,139,446
Total primary government expenses	\$ 88,688,409	\$ 103,503,636	\$ 111,793,117	\$ 132,810,305	\$ 167,122,804	\$ 166,244,155	\$ 160,552,588	\$ 165,266,306	\$ 157,049,673	\$ 158,309,827
<b>Program revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 1,699,588	\$ 1,855,342	\$ 2,447,730	\$ 2,994,550	\$ 1,329,861	\$ 1,144,983	\$ 3,148,712	\$ 5,008,441	\$ 7,056,028	\$ 9,505,989
Public safety	922,986	1,158,745	2,040,725	1,212,229	4,948,823	6,559,817	4,371,535	2,787,962	2,738,303	2,951,403
Community development	7,964,124	10,814,238	12,576,280	12,947,546	6,962,389	7,607,316	4,071,460	4,911,984	5,973,104	4,821,911
Community and cultural	8,397,842	9,012,514	10,067,509	10,963,716	12,163,575	14,982,931	11,254,752	11,237,049	11,584,756	11,343,108
Public works	16,113,736	14,639,669	20,523,959	10,612,170	19,134,172	7,840,754	2,264,619	3,364,804	1,495,407	3,109,029
Operating contributions and grants:										
General government	2,315,147	2,121,229	422,310	622,513	-	92,319	66,861	940,799	1,094,413	2,974,751
Public safety	973,642	773,875	838,921	931,062	704,324	385,195	1,016,552	1,009,290	988,848	796,155
Community development	866,940	1,586,824	3,252,611	4,023,295	2,873,752	2,541,925	8,909,018	5,769,165	4,028,880	9,928,414
Community and cultural	1,216	68,396	133,325	100,777	6,911,186	5,936,040	5,174,090	6,635,271	6,284,823	7,166,971
Public works	626,074	887,750	2,985,031	460,787	631,830	3,901,583	6,345,620	6,353,159	15,499,751	15,250,978
Capital contributions and grants	-	-	-	-	-	-	31,307	-	5,056,545	-
General government	-	-	-	-	-	-	146,606	534,771	893,608	357,393
Public safety	221,729	-	-	-	-	-	918,785	20,180	-	-
Community development	-	-	-	-	-	-	-	-	-	-
Community and cultural	-	-	-	-	-	239,746	-	-	-	-
Public works	1,157,085	2,160,498	24,442,306	74,752,980	74,004,139	31,573,778	70,826,175	29,208,716	(270,863)	37,847,697
Total governmental activities program revenues	41,260,109	45,079,080	79,730,707	119,621,625	129,664,151	82,806,387	118,546,092	77,781,591	62,423,603	106,053,799
Business-type activities:										
Charges for services										
Electric	319,135	1,356,555	11,445,287	8,712,097	10,311,654	12,430,482	13,326,364	15,671,939	16,778,766	19,098,088
Capital contributions and grants	-	-	-	1,604,577	-	-	-	-	-	-
Total business-type activities program revenues	319,135	1,356,555	11,445,287	10,316,674	10,311,654	12,430,482	13,326,364	15,671,939	16,778,766	19,098,088
Total primary government program revenues	\$ 41,579,244	\$ 46,435,635	\$ 91,175,994	\$ 129,938,299	\$ 139,975,805	\$ 95,236,869	\$ 131,872,456	\$ 93,453,530	\$ 79,202,369	\$ 125,151,887
Net (Expense)/Revenue	\$ (47,352,194)	\$ (57,343,967)	\$ (28,388,901)	\$ (4,889,725)	\$ (25,176,492)	\$ (69,370,682)	\$ (28,193,530)	\$ (72,676,927)	\$ (78,076,846)	\$ (34,116,582)
Governmental activities	243,029	275,966	7,771,778	2,017,719	(1,970,507)	(1,636,604)	(486,602)	864,151	229,542	958,642
Business-type activities										

(Continued)

City of Moreno Valley  
Change in Net Position,  
Last ten fiscal years  
(accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total primary government net (expense)/revenue	\$ (47,109,165)	\$ (57,068,001)	\$ (20,617,123)	\$ (2,872,006)	\$ (27,146,999)	\$ (71,007,286)	\$ (28,680,132)	\$ (71,812,776)	\$ (77,847,304)	\$ (33,157,940)
General Revenues and Other Changes in Net Position	\$ 12,897,208	\$ 19,678,253	\$ 18,001,808	\$ 23,379,735	\$ 30,351,211	\$ 28,316,208	\$ 16,836,699	\$ 22,699,683	\$ 18,342,475	\$ 13,088,911
Governmental activities:										
Taxes:										
Property taxes	-	8,644,834	12,068,070	14,150,000	16,728,600	16,791,078	13,703,197	13,055,796	13,170,964	13,414,446
Transient taxes in lieu of property occupancy tax	455,009	519,193	582,307	586,383	593,009	497,936	535,775	692,586	747,100	831,881
Sales tax	15,469,300	18,054,078	12,275,626	15,701,460	13,623,654	12,163,719	10,982,811	12,277,450	14,003,993	14,043,560
Franchise taxes	3,599,486	3,791,547	4,099,859	4,349,870	4,381,882	4,876,055	4,607,594	4,888,143	5,008,507	5,147,342
Business license taxes	1,289,434	1,457,521	1,240,764	1,315,039	1,111,021	1,051,702	961,303	1,053,146	1,175,104	1,305,925
Utility users tax	10,980,848	12,527,514	13,811,740	15,463,291	15,186,616	15,081,286	15,358,341	15,317,439	15,591,386	15,683,931
Other taxes	7,963,160	4,497,323	5,448,829	6,320,978	2,620,059	2,683,193	2,278,529	1,204,064	1,155,334	1,325,025
Franchise in lieu taxes	-	9,699	42,788	78,573	96,816	120,969	132,548	150,456	168,267	189,577
Documentary transfer tax	1,055,205	1,391,199	1,548,205	972,995	575,003	598,084	479,208	424,931	434,554	350,413
Intergovernmental-motor vehicle in lieu, unrestricted	7,288,137	3,484,623	11,899,563	16,054,145	800,667	865,718	547,188	-	-	-
Use of property and money	1,608,126	5,295,415	6,959,412	13,467,580	16,380,462	9,381,199	10,850,116	5,298,098	8,708,429	2,236,328
Gain on sale of capital assets	-	-	-	-	2,575	-	-	605	-	-
Miscellaneous	14,427,133	5,435,103	1,820,976	405,679	885,602	1,787,772	1,238,641	2,784,308	469,671	1,728,104
Extraordinary items	-	-	-	-	-	-	-	-	(7,305,736)	30,702,555
Transfers	193,000	(16,857)	(1,257,370)	(75,851)	61,817	653,554	225,192	(107,841)	-	-
Total governmental activities	77,226,046	84,769,445	88,542,577	112,169,877	103,398,994	94,868,473	78,737,142	79,738,864	71,670,048	100,047,998
Business-type activities										
Use of property and money	-	-	-	-	-	-	61,428	29,540	89,183	8,848
Other	83,491	589,027	-	-	-	131,033	1,250,000	179,892	164,243	373,220
Transfers	(193,000)	16,857	1,257,370	75,851	(61,817)	(653,554)	(225,192)	107,841	-	-
Total business-type activities	(109,509)	605,884	1,257,370	75,851	(61,817)	(522,521)	1,086,236	317,273	253,426	382,068
Total primary government	\$ 77,116,537	\$ 85,375,329	\$ 89,799,947	\$ 112,245,728	\$ 103,337,177	\$ 94,345,952	\$ 79,823,378	\$ 80,056,137	\$ 71,923,474	\$ 100,430,066
Change in Net Position	\$ 29,873,852	\$ 27,425,478	\$ 60,153,676	\$ 107,280,152	\$ 78,222,502	\$ 25,497,791	\$ 50,543,612	\$ 7,061,937	\$ (6,406,798)	\$ 65,931,416
Government activities	133,520	881,850	9,029,148	2,093,570	(2,032,324)	(2,159,125)	599,634	1,181,424	482,968	1,340,710
Business-type activities	\$ 30,007,372	\$ 28,307,328	\$ 69,182,824	\$ 109,373,722	\$ 76,190,178	\$ 23,338,666	\$ 51,143,246	\$ 8,243,361	\$ (5,923,830)	\$ 67,272,126

City of Moreno Valley  
Fund Balances, Governmental Funds  
Last ten fiscal years  
(modified accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Reserved	\$ 6,654,472	\$ 6,052,320	\$ 11,808,994	\$ 13,580,492	\$ 35,752,164	\$ 34,787,698	\$ 33,788,960	\$ -	\$ -	\$ -
Unreserved	11,943,948	24,992,976	25,920,111	39,494,188	21,937,845	17,066,883	17,500,579	-	-	-
Nonspendable	-	-	-	-	-	-	-	5,716,008	5,438,306	5,497,653
Restricted	-	-	-	-	-	-	-	-	1,000,000	-
Committed	-	-	-	-	-	-	-	2,600,000	2,600,000	2,701,000
Assigned	-	-	-	-	-	-	-	1,414,860	2,613,937	646,598
Unassigned	-	-	-	-	-	-	-	36,634,651	29,814,811	25,528,774
Total General Fund	\$18,598,420	\$31,045,296	\$37,729,105	\$53,074,680	\$57,690,009	\$51,854,581	\$51,289,539	\$46,365,519	\$41,467,054	\$34,374,025
All Other Funds										
Reserved	\$26,685,317	\$21,994,729	\$49,040,215	\$49,559,718	\$90,143,820	\$86,530,127	\$79,688,486	\$-	\$-	\$-
Unreserved reported in:										
Special revenue funds	37,493,168	44,049,195	47,464,569	48,534,518	50,516,963	42,222,678	30,378,947	-	-	-
Capital projects funds	(6,891,945)	(2,959,368)	27,383,018	36,453,807	29,300,262	27,359,094	27,373,151	-	-	-
Debt service funds	4,304,047	917,262	949,518	-	-	-	-	-	-	-
Permanent funds	-	-	59,359	-	-	66,436	169,287	-	-	-
Nonspendable	-	-	-	-	-	-	-	32,582,050	35,169,140	35,479,835
Restricted	-	-	-	-	-	-	-	106,735,045	54,025,315	68,502,016
Committed	-	-	-	-	-	-	-	13,321	17,332	17,332
Assigned	-	-	-	-	-	-	-	15,151,482	19,708,984	11,130,251
Unassigned	-	-	-	-	-	-	-	(33,954,694)	(692,943)	(1,074,556)
Total all other funds	\$61,590,587	\$64,001,818	\$124,896,679	\$134,548,043	\$169,961,045	\$156,178,335	\$137,609,871	\$120,527,204	\$108,227,828	\$114,054,878

Notes: The City implemented GASB Statement No. 54 in fiscal year 2011.

City of Moreno Valley  
Changes in Fund Balances, Governmental Funds  
Last ten fiscal years  
(modified accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenue										
Taxes	\$ 46,216,887	\$ 54,463,821	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property tax	-	-	14,342,099	26,854,009	30,351,211	28,316,208	16,836,699	22,699,683	18,342,475	13,088,911
Property taxes in lieu	-	-	12,068,070	14,150,000	16,728,600	16,791,078	13,703,197	13,055,796	13,170,964	13,414,446
Utility taxes	-	-	13,811,740	15,463,291	15,186,616	15,081,286	15,358,341	15,317,439	15,591,386	15,683,931
Sales taxes	-	-	12,275,627	15,701,460	13,623,654	12,163,719	10,982,811	12,277,450	14,003,993	14,043,560
Other taxes	-	-	16,622,460	9,637,850	9,377,790	9,827,939	8,994,957	8,413,326	8,688,866	9,150,163
Assessments	41,683	-	-	-	-	-	-	-	-	-
Licenses, fees and permits	8,868,460	12,159,692	13,041,187	13,552,983	2,650,530	1,930,905	1,354,188	1,532,514	1,523,800	1,585,312
Charges for services	26,874,096	25,755,085	18,574,210	25,046,576	24,745,073	21,876,389	20,182,147	21,497,689	25,480,671	27,718,832
Intergovernmental	20,164,244	27,037,053	33,213,048	16,703,254	31,497,898	32,642,154	39,049,424	27,591,342	28,993,998	38,624,704
Use of property and money	1,571,485	4,438,468	7,199,105	13,466,716	16,380,462	9,381,199	10,850,116	7,027,197	7,605,758	1,749,494
Fines and forfeitures	929,813	1,097,508	1,205,173	1,159,350	1,293,056	1,262,712	1,176,403	833,799	653,285	650,259
Miscellaneous/ other	1,393,391	4,078,406	2,652,320	1,089,949	885,602	1,787,772	1,238,641	4,251,577	1,424,186	3,162,871
Total revenues	106,060,059	129,030,033	145,005,039	152,825,438	162,720,492	151,061,361	139,726,924	134,497,812	135,479,382	138,872,483
Expenditures										
General government	8,937,124	14,983,932	10,723,374	12,060,789	14,681,999	14,825,012	12,607,630	14,504,781	14,442,873	12,099,984
Public Safety	32,300,542	36,806,865	43,478,949	50,276,192	56,361,977	57,866,348	58,311,716	58,152,125	54,602,358	58,393,974
Community development	6,790,803	8,711,599	24,608,096	10,116,658	18,144,115	13,895,163	15,003,855	9,061,184	10,530,127	12,374,216
Community and cultural	11,492,361	12,331,683	14,889,677	19,286,807	32,683,219	27,331,726	21,982,074	23,006,061	17,348,779	18,021,610
Public works	8,724,368	9,999,497	21,262,923	31,391,248	34,616,617	45,328,685	13,796,314	15,018,071	15,588,709	15,673,611
Capital outlay	14,647,639	19,885,754	-	-	-	-	26,269,751	23,879,656	27,709,622	45,615,380
Debt service	20,472,246	2,723,847	2,896,585	3,095,387	18,538,387	4,154,660	3,690,094	11,724,021	3,965,407	3,017,500
Interest and fiscal charges	5,897,812	5,381,740	7,334,361	8,476,750	9,213,625	10,382,080	9,198,762	8,345,084	6,250,237	2,462,481
Bond issuance costs	-	-	664,638	326,385	2,413,464	-	-	-	-	-
Total expenditures	109,262,895	110,824,917	125,858,603	135,029,829	186,653,399	173,783,674	160,860,196	163,690,983	150,438,112	167,658,756
Excess of revenues over/ (under) expenditures	(3,202,836)	18,205,116	19,146,436	17,795,609	(23,932,907)	(22,722,313)	(21,133,272)	(29,193,171)	(14,958,730)	(28,786,273)
Other Financing Sources (Uses)										
Issuance of debt	-	-	48,205,000	5,870,000	58,412,429	-	-	7,447,764	-	-
Transfers in	13,058,959	24,871,852	37,201,043	33,422,242	38,016,856	27,284,397	29,322,934	18,994,235	25,245,873	16,689,425
Transfers out	(12,125,059)	(24,165,709)	(38,480,919)	(30,526,931)	(36,688,115)	(24,926,511)	(26,106,962)	(19,012,256)	(25,818,899)	(15,473,618)
Sale of capital assets	-	-	-	-	442,085	-	-	-	-	-
Premium on debt issued	-	-	570,840	-	-	-	-	-	-	-
Discount on debt issued	-	-	(385,640)	-	-	-	-	-	-	-
Payment to refunded bond escrow agents	-	(5,006,586)	-	-	-	-	-	-	-	-
Other debts issued	1,199,343	250,767	-	-	-	-	-	-	900,124	2,811,741
Contributions from successor agency	-	(4,049,676)	47,110,324	8,765,311	60,183,255	2,357,886	3,215,972	7,429,743	327,098	4,027,948
Total other financing sources (uses)	2,133,243	(1,069,593)	66,256,760	26,560,920	36,250,348	(20,364,427)	(17,917,300)	(21,763,428)	(17,197,841)	(1,265,979)
Extraordinary Items	-	-	-	-	-	-	-	-	(2,566,209)	23,492,746
Net change in fund balances	(1,069,593)	14,155,440	66,256,760	26,560,920	36,250,348	(20,364,427)	(17,917,300)	(21,763,428)	(17,197,841)	(1,265,979)
Debt service as a percentage of noncapital expenditures	27.87%	8.91%	10.54%	10.56%	19.40%	10.65%	9.58%	14.35%	8.59%	4.36%

City of Moreno Valley  
 Tax Revenues by Source, General Fund  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

Fiscal Year	Property Tax		Property Tax In-Lieu of Vehicle License Fees		Utility Users		Sales & Use		Transient Occupancy		Franchise		Motor Vehicle In-Lieu		Business License Gross Receipt		Documentary Transfer		Total
	Property	Vehicle License Fees	(2)	(2)	Utility Users	Sales & Use	Transient Occupancy	Franchise	Motor Vehicle In-Lieu	Business License Gross Receipt	Documentary Transfer	Total							
2004	\$ 6,354,247	\$ -			\$ 10,980,848	\$ 9,100,608	\$ 455,009	\$ 3,599,485	\$ 7,283,124	\$ 920,928	\$ 1,055,205	\$ 39,749,454							
2005	7,230,082	8,644,834	(2)	(2)	12,527,514	11,753,794	519,193	3,791,546	3,478,877	1,059,009	1,391,200	50,396,049							
2006	11,930,618	12,068,070		(3)	13,811,740	11,317,841	582,307	4,142,646	1,275,342	1,240,764	1,548,205	57,917,533							
2007	14,022,135	14,150,000			15,463,291	13,116,271	586,383	4,349,870	943,313	1,315,039	972,995 (4)	64,919,297							
2008	14,361,253	16,728,600			15,186,616	11,694,525	593,009	4,478,698	800,667	1,111,021	575,003	65,529,392							
2009	12,790,196	16,791,078			15,081,286	10,202,384	497,936	4,997,024	865,718	1,051,701	598,084	62,875,407							
2010	9,917,734	13,703,197			15,358,341	9,298,296	535,775	4,757,920	547,188	961,303	479,208	55,558,962							
2011	9,430,846	13,055,796			15,317,439	11,283,435	692,586	5,038,600	887,331	1,053,145	424,931	57,184,109							
2012	9,397,373	13,170,964			15,591,386	14,003,992	747,100	5,176,775	96,578	1,175,104	434,554	59,793,826							
2013	9,765,007	13,414,446			15,683,931	14,043,560	831,881	5,336,919	100,726	1,305,924	350,413	60,832,807							

Change

2004 to 2013	54.00%	(3)	100.00%	(3)	43.00%	(3)	54.00%	(3)	83.00%	(3)	48.00%	-99.00%	42.00%	-67.00%	53.00%
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(1) In 2004 the State of California discontinued the back-fill of the Vehicle License Fee In-Lieu. At the same time the basis of the revenue stream was changed from a per capita calculation to the change in assessed valuations of property.

(2) In 2005 the governor instituted the "triple-flip" which changed the funding source for Vehicle License Fees to the ERAF fund and changed the allocation of funds to cities from a per capita computation to the change in the assessed valuation of property. The foundation of the fee is not based on the tax rates established by the City and as such is not considered to be property tax. Because this revenue is under the control of the state it would be considered a "shared" revenue rather than an "own-source" revenue.

(3) The decline in sales tax reported in FY 2006 is related to the implementation of the "Triple-Flip" and a take-back of revenues related to a change in the formula that was used to allocate funds to the cities. The amount of the take-back was \$720,000.

(4) Documentary Transfer Tax has declined since FY 2006. This decline is due to the combination of a decrease in the number of properties that transferred ownership and the decline in the value of properties being transferred.

Source: City of Moreno Valley Financial and Management Services Department

City of Moreno Valley  
Key Revenues, General Fund  
Last Ten Fiscal Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Utility Users Tax	\$ 10,980,848	\$ 12,527,514	\$ 13,811,740	\$ 15,463,291	\$ 15,186,616	\$15,081,286	\$15,358,341	\$15,317,439	\$15,591,386	\$15,683,931
Property Tax	6,354,247	7,230,082	11,930,618	14,022,135	14,361,253	12,790,196	9,917,734	9,430,846	9,397,373	9,765,007
Property Tax In-Lieu of VLF	-	8,644,834	12,068,070	14,150,000	16,728,600	16,791,078	13,703,197	13,055,796	13,170,964	13,414,446
Vehicle License In-Lieu Fees	7,283,124	3,478,877	1,275,342	943,313	800,667	865,718	547,188	887,331	96,578	100,726
Sales Tax	9,100,608	8,696,776	8,623,390	9,472,304	7,942,982	7,135,246	6,952,123	8,113,635	10,848,031	10,523,544
Property Tax In-Lieu of Sales Tax	-	3,057,018	2,694,451	3,643,967	3,751,543	3,067,138	2,346,173	3,169,800	3,155,962	3,520,016
Development Services	7,992,934	10,968,374	12,592,569	12,473,161	8,706,327	5,510,492	2,631,820	2,675,770	3,928,365	3,586,632

Notes:

In late FY 2004 due to budget constraints the State of California discontinued the back-fill of the Vehicle In-Lieu fees which accounted for approximately two-thirds of the total amount paid to local government. In 2005 this "gap" amount was repaid to local agencies which for the City of Moreno Valley amounted to \$2,547,036.

The FY 03/04 State of California budget withheld a portion of the Vehicle License Fee back-fill owed to cities. Under the terms of the borrowing the Vehicle License Fee gap loan, as it was known, was to be repaid in FY 06/07. The City of Moreno Valley, along with a number of other cities, sold the rights to the receivable to a third party, California Communities, in order to receive the cash on a more timely basis. The agreement resulted in the City receiving a discounted amount of \$2,347,317 of the original receivable amount of \$2,547,036 in FY 04/05.

In FY 2005 in order to provide collateral for the Budget Deficit Bonds the State of California began withholding twenty five percent of the City's sales tax and replaced it with a like amount from the ERAF fund. This switch was one of the components of the "Triple-flip" and unlike the switch of vehicle license fees, which is permanent, only lasts until the bonds are repaid or mature.

Source: City of Moreno Valley Financial and Management Services Department

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

Fiscal Year Ended June 30,	City					Redevelopment Agency					Total Direct Tax Rate		
	Secured Value	Unsecured Value	Total Assessed and Estimated Full Value	Less: Exemptions	Taxable Assessed Value	Direct Tax Rate	Secured Value	Unsecured Value	Total Assessed and Estimated Full Value	Less: Exemptions		Taxable Assessed Value	Direct Tax Rate
2004	\$ 7,323,326	\$ 144,893	\$ 7,468,219	\$ (94,858)	\$ 7,373,361	0.00124	\$ 1,382,232	\$ 86,290	\$ 1,468,522	\$ (28,117)	\$ 1,440,405	0.00517	0.00188
2005	9,182,553	154,604	9,337,157	(109,759)	9,227,398	0.00116	1,643,835	82,341	1,726,176	(34,169)	1,692,007	0.00572	0.00187
2006	11,327,235	165,133	11,492,368	(118,051)	11,374,317	0.00131	2,028,330	85,608	2,113,938	(35,633)	2,078,305	0.00643	0.00210
2007	13,419,168	198,776	13,617,944	(147,891)	13,470,053	0.00140	2,546,327	109,685	2,656,012	(47,345)	2,608,667	0.00672	0.00226
2008	13,491,161	232,774	13,723,935	(194,693)	13,529,242	0.00143	2,788,876	137,206	2,926,082	(75,251)	2,850,831	0.00838	0.00264
2009	13,132,444	243,521	13,375,965	(154,973)	13,220,992	0.00131	2,229,290	117,596	2,346,886	(72,232)	2,274,654	0.01045	0.00265
2010	10,625,910	236,904	10,862,814	(154,289)	10,708,525	0.00160	2,391,494	154,639	2,546,133	(81,595)	2,464,538	0.00675	0.00256
2011	10,516,338	238,786	10,755,124	(227,178)	10,527,946	0.00164	2,375,549	157,430	2,532,979	(81,830)	2,451,149	0.00575	0.00242
2012	10,561,585	271,336	10,832,921	(236,235)	10,596,686	0.00258	-	-	-	-	-	-	0.00258
2013	11,042,637	352,337	11,394,974	(264,161)	11,130,813	0.00177	-	-	-	-	-	-	0.00177

Source: Riverside County Auditor/Controller

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

\*\*As of January 31, 2012 the Redevelopment Agency was dissolved due to the California Supreme Court passing two bills, AB XI 26 and AB XI 27.

Source: City of Moreno Valley Financial and Management Services Department  
County of Riverside Auditor-Controller



City of Moreno Valley  
Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Fiscal Years  
(per \$100 of assessed value)

Fiscal Year	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
City Direct Rate:	\$0.00124	\$0.00116	\$0.00131	\$0.00140	\$0.00143	\$0.00131	\$0.00160	\$0.00164	\$0.00258	\$0.00177
Redevelopment Agency Direct Rate:	0.00517	0.00572	0.00643	0.00672	0.00838	0.01045	0.00675	0.00575	0.00000	0.00000
Total Direct Tax Rate:	0.00188	0.00187	0.00210	0.00226	0.00264	0.00265	0.00256	0.00242	0.00258	0.00177
Eastern Municipal Water Imp Dist	0.02900	0.02900	0.02300	0.01500	0.01500	0.00700	0.03000	0.03000	0.03000	0.03000
Metro Water Dist Original Area	0.00610	0.00580	0.00520	0.00470	0.00450	0.00430	0.00430	0.00370	0.00370	0.00350
Moreno Valley Unified School District	0.00000	0.03395	0.03149	0.02271	0.03066	0.03081	0.02660	0.03357	0.04096	0.04060
Nuview School District	0.00000	0.00000	0.00000	0.00000	0.02998	0.02996	0.02790	0.02987	0.02988	0.04043
Perris Union High School District	0.15600	0.01192	0.02350	0.03222	0.02110	0.02031	0.02686	0.03126	0.03429	0.03429
Riverside City Community College District	0.00000	0.01800	0.01800	0.01800	0.01259	0.01254	0.01242	0.01499	0.01700	0.01702
San Jacinto Unified School District	0.03540	0.02812	0.02451	0.01407	0.07202	0.09600	0.09052	0.11744	0.12875	0.12800
Val Verde Unified District	0.00000	0.00000	0.00000	0.00000	0.00000	0.03189	0.04089	0.03347	0.03160	0.08383
Total Tax Rate	<u>\$0.23479</u>	<u>\$0.13554</u>	<u>\$0.13554</u>	<u>\$0.11708</u>	<u>\$0.19830</u>	<u>\$0.24722</u>	<u>\$0.22708</u>	<u>\$0.30411</u>	<u>\$0.32134</u>	<u>\$0.38121</u>

NOTE:

In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of the Metropolitan Water District bonds, the Eastern Municipal Water District bonds and the Riverside Community College bonds.

Source: City of Moreno Valley Finance Department  
County of Riverside Auditor-Controller

City of Moreno Valley  
Principal Property Tax Payers  
Current Year and Nine Years Ago

Taxpayer	Fiscal Year 2012/2013			Fiscal Year 2003/2004		
	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value
Walgreen Company	\$ 136,531,865	1	1.27%	\$ 13,780,240	8	0.22%
Ross Dress for Less, Inc.	135,506,611	2	1.26%	-		0.00%
HF Logistics SKX T1	125,000,050	3	1.16%	-		0.00%
Stonegate 552	80,994,352	4	0.75%	-		0.00%
IIT Inland Empire Logistics Center	76,549,021	5	0.71%	-		0.00%
Skechers USA, Inc.	70,865,599	6	0.66%	-		0.00%
Kaiser Foundation Health Plan, Inc.	59,475,581	7	0.55%	-		0.00%
First Industrial LP	59,133,015	8	0.55%	-		0.00%
CLPF 16850 Heacock Street	46,580,000	9	0.43%	-		0.00%
2250 Town Circle Holdings	46,406,344	10	0.43%	-		0.00%
Homart Newco Two, Inc.			0.00%	44,300,000	1	0.70%
Passco Sunnymead	-		0.00%	25,916,359	2	0.41%
TSC	-		0.00%	24,686,857	3	0.39%
May Department Stores Company	-		0.00%	17,338,777	4	0.27%
Sears Roebuck and Company	-		0.00%	16,527,846	5	0.26%
Hemlock Properties	-		0.00%	15,405,363	6	0.24%
Desert Pointe Properties	-		0.00%	13,866,000	7	0.22%
Apartments Highland Meadows	-		0.00%	13,460,833	9	0.21%
J C Penney Properties, Inc.	-		0.00%	13,026,568	10	0.21%
	<u>\$ 837,042,438</u>		<u>7.77%</u>	<u>\$ 198,308,843</u>		<u>3.13%</u>

Source: Hdl Coren & Cone

City of Moreno Valley  
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 in Subsequent years	Total Collections to Date	
		Amount	Percent of Levy (1)		Amount	Percent of Levy
2004	\$ 26,353,337	\$24,884,530	94.43%	\$ 11,609	\$24,896,139	94.47%
2005	28,865,321	26,775,299	92.76%	7,922	26,783,221	92.79%
2006	30,426,678	32,347,436	106.31%	37,812	32,385,248	106.44%
2007	35,606,935	39,141,295	109.93%	64,980	39,206,275	110.11%
2008	41,349,349	43,457,010	105.10%	104,898	43,561,908	105.35%
2009	36,524,643	41,165,168	112.71%	119,943	41,285,111	113.03%
2010	31,875,985	35,492,693	111.35%	80,963	35,573,656	111.60%
2011	30,099,696	33,658,226	111.82%	55,108	33,713,334	112.01%
2012	35,046,104	39,027,115	111.36%	53,724	39,080,839	111.51%
2013	27,035,993	31,072,148	114.93% (2)	49,701	31,121,849	115.11%

Notes: (1) The City began participating in the "Teeter Plan" in FY 1993-94. The Teeter Plan adopted by the County of Riverside guarantees each participating city payment equal to 100% of the total tax value. Any delinquencies and the associated penalties and interest are collected and maintained by the County.

Supplemental taxes for new construction put into service after the tax rolls are completed are collected in a county pool and then allocated to all cities based on a formula. Because these tax amounts are not included on the original tax roll these amounts are reported as collections but are not included in the amount levied.

(2) Beginning in 2013 the Redevelopment Tax Increment was no longer included in the calculation for the levy and the collections.

Source: County of Riverside Auditor-Controller  
City of Moreno Valley Financial and Management Services Department

City of Moreno Valley  
Direct and Overlapping Debt

Fiscal Year 2012/13 Assessed Valuation

\$ 10,810,828,113

	Total Debt 6/30/2013	% Applicable(1)	City's Share of Debt 6/30/2013
<b><u>OVERLAPPING TAX AND ASSESSMENT DEBT</u></b>			
Metropolitan Water District	\$ 165,085,000	0.514%	\$ 848,537
Eastern Municipal Water District I.D. No U-22	3,609,000	100.	3,609,000
Riverside Community College District	229,362,310	14.373	32,966,245
Moreno Valley Unified School District	39,508,521	82.384	32,548,700
San Jacinto Unified School District	43,735,786	0.489	213,868
Val Verde Unified School District	74,971,948	37.465	28,088,240
Moreno Valley Unified School District Community Facilities District No. 88-1	4,960,000	100.	4,960,000
Moreno Valley Unified School District Community Facilities District No. 2002-1	7,545,000	100.	7,545,000
Moreno Valley Unified School District Community Facilities District No. 2003-1&2	10,605,000	100.	10,605,000
Moreno Valley Unified School District Community Facilities District No. 2004-1	3,035,000	100.	3,035,000
Moreno Valley Unified School District Community Facilities District No. 2004-2	5,365,000	100.	5,365,000
Moreno Valley Unified School District Community Facilities District No. 2004-3	3,895,000	100.	3,895,000
Moreno Valley Unified School District Community Facilities District No. 2004-5	4,870,000	100.	4,870,000
Moreno Valley Unified School District Community Facilities District No. 2004-6	27,005,000	100.	27,005,000
Moreno Valley Unified School District Community Facilities District No. 2005-2, 3 & 5	23,950,000	100.	23,950,000
Val Verde Unified School District Community Facilities District No. 98-1	21,710,000	100.	21,710,000
Val Verde Unified School District Community Facilities District No. 2003-2	2,550,000	100.	2,550,000
Eastern Municipal Water District Community Facilities District	14,505,000	100.	14,505,000
City of Moreno Valley Community Facilities District No. 3	105,000	100.	105,000
City of Moreno Valley Community Facilities District No. 5	5,770,000	100.	5,770,000
City of Moreno Valley Community Facilities District No. 87-1	7,525,000	100.	7,525,000
City of Moreno Valley Community Facilities District No. 87-1, I.A. No. 1	3,055,000	100.	3,055,000
<b>TOTAL GROSS OVERLAPPING TAX AND ASSESSMENT DEBT</b>			<b>\$ 244,724,590</b>
Less: Moreno Valley Community Facilities District No. 3 & 87-1 (100% supported from tax increment revenues)			7,630,000
<b>TOTAL NET OVERLAPPING TAX AND ASSESSMENT DEBT</b>			<b>\$ 237,094,590</b>
<b><u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u></b>			
Riverside County General Fund Obligations	640,243,149	5.361%	\$ 34,323,435
Riverside County Pension Obligations	346,790,000	5.361%	18,591,412
Riverside County Board of Education Certificates of Participation	3,900,000	5.361%	209,079
Mt. San Jacinto Community College District General Fund Obligations	11,675,000	0.016%	1,868
Moreno Valley Unified School District Certificates of Participation	18,585,000	82.384%	15,311,066
San Jacinto Unified School District Certificates of Participation	41,865,000	0.489%	204,720
Val Verde Unified School District Certificates of Participation	81,525,000	37.465%	30,543,341
<b>TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>			<b>99,184,922</b>
Less: Riverside County self-supporting obligations			584,067
<b>TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>			<b>98,600,855</b>
City Direct Debt (City of Moreno Valley General Fund Obligations)			72,301,000
<b>TOTAL DIRECT &amp; OVERLAPPING DEBT</b>			<b>\$ 170,901,855</b>
<b><u>OVERLAPPING TAX INCREMENT DEBT:</u></b>	51,046,585	100.	\$ 51,046,585
<b>TOTAL DIRECT DEBT</b>			<b>72,301,000</b>
<b>TOTAL GROSS OVERLAPPING DEBT</b>			<b>394,956,096</b>
<b>TOTAL NET OVERLAPPING DEBT</b>			<b>386,742,029</b>
<b>GROSS COMBINED TOTAL DEBT</b>			<b>467,257,097 (2)</b>
<b>NET COMBINED TOTAL DEBT</b>			<b>459,043,030</b>

Notes:

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

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations

Ratios to FY 2012-13 Assessed Valuation:

Total Gross Overlapping Tax and Assessment Debt	2.26%
Total Net Overlapping Tax and Assessment Debt	2.19%

Ratios to Adjusted Assessed Valuation:

Total Direct Debt (\$72,301,000)	0.67%
Gross Combined Total Debt	4.32%
Net Combined Total Debt	4.25%

Ratios to Redevelopment Incremental Valuation (\$2,025,486,679):

Total Overlapping Tax Increment Debt	2.52%
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KD: (\$450)

City of Moreno Valley  
 Legal Debt Margin  
 Last Nine Fiscal Years  
 (dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2013

Assessed Value	\$ 10,590,832
Debt Limit (15% of assessed value)	1,588,625
Debt applicable to limit:	-

Total net debt applicable to limit \$ -

	Fiscal Year (1)								
	2005	2006	2007	2008	2009	2010	2011	2012	2013
Assessed Valuation (in thousands)	\$ 7,227,360	\$ 9,075,495	\$ 11,220,188	\$ 13,374,229	\$ 13,375,965	\$ 10,862,814	\$ 10,366,869	\$ 10,462,566	\$ 10,590,832
Conversion percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted assessed valuation (in thousands)	1,806,840	2,268,874	2,805,047	3,343,557	3,343,991	2,715,704	2,591,717	2,615,642	2,647,708
Debt limit percentage	15%	15%	15%	15%	15%	15%	15%	15%	15%
Debt Limit (in thousands)	271,026	340,331	420,757	501,534	501,599	407,356	388,758	392,346	397,156
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-
Legal debt margin (in thousands)	271,026	340,331	420,757	501,534	501,599	407,356	388,758	392,346	397,156
Total net debt applicable to the limit as a percentage of the debt limit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.

Source: City of Moreno Valley Financial and Management Services Department  
 County of Riverside Auditor-Controller

City of Moreno Valley  
Ratios of Outstanding Debt by Type  
Last Nine Fiscal Years

Fiscal Year Ended June 30 <sup>(2)</sup>	Governmental Activities						Business-type Activities		Total Primary Government	Percentage of Personal Income <sup>1</sup>	Debt per Capita <sup>1</sup>
	Special Tax Bonds	Certificates of Participation	Lease Revenue Bonds	RDA Tax Allocation Bonds	Notes and Other	Governmental Activities	Lease Revenue Bonds				
2005	\$ 25,130,000	\$ 7,625,000	\$ 4,590,000	\$ -	\$ 4,660,558	\$ 42,005,558	\$ -	\$ 42,005,558	1.40%	254	
2006	23,345,000	7,115,000	47,530,000	-	4,866,378	82,856,378	4,647,000	87,503,378	2.75%	501	
2007	21,415,000	6,590,000	46,890,000	-	4,696,689	79,591,689	30,870,000	110,461,689	3.38%	612	
2008	18,925,000	6,040,000	46,160,000	43,495,000	4,318,513	118,938,513	30,870,000	149,808,513	4.38%	815	
2009	17,265,000	5,470,001	45,205,000	42,725,000	6,849,487	117,514,488	30,775,000	148,289,488	4.01%	796	
2010	15,525,000	4,875,000	44,205,000	42,605,000	6,667,850	113,877,850	30,285,000	144,162,850	4.09%	765	
2011	13,655,000	- <sup>(3)</sup>	39,660,000 <sup>(3)</sup>	42,475,000	12,301,668	108,091,668	29,780,000	137,871,668	3.80%	706	
2012	11,870,000	-	38,775,000	- <sup>(4)</sup>	12,405,733	63,050,733	29,245,000	92,295,733	2.70%	470	
2013	10,685,000	-	37,855,000	- <sup>(4)</sup>	12,340,304	60,880,304	28,685,000	89,565,304	2.62%	452	

Notes:

- 1) These ratios are calculated using personal income and population for the prior year.
- 2) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.
- 3) In Fiscal Year 2011 the City defeased the 1997 Lease Revenue Bonds and the 1997 City Hall COPs with private placement financing.
- 4) No Longer considered general bonded debt as the result of the dissolution of the Redevelopment Agency.

Source: City of Moreno Valley Financial and Management Services Department  
City of Moreno Valley Economic Development Department  
Riverside County Economic Development Agency  
State of California Department of Finance

City of Moreno Valley  
Ratio of Bonded Debt  
Last Eight Fiscal Years

Fiscal Year Ended June 30, <sup>(2)</sup>	Special Tax	Certificates of	Lease Revenue	Total	Percent of	Per Capita
	Bonds	Participation	Bonds	Governmental Activities	Assessed Value (1)	447
2006	\$ 23,345,000	\$ 7,115,000	\$ 47,530,000	\$ 77,990,000	0.86%	447
2007	21,415,000	6,590,000	46,890,000	74,895,000	0.67%	415
2008	18,925,000	6,040,000	46,160,000	71,125,000	0.53%	387
2009	17,265,000	5,470,001	45,205,000	67,940,001	0.51%	365
2010	15,525,000	4,875,000	44,205,000	64,605,000	0.59%	343
2011	13,655,000	- (3)	39,660,000 (3)	53,315,000	0.50%	273
2012	11,870,000	-	38,775,000	50,645,000	0.47%	258
2013	10,685,000	-	37,855,000	48,540,000	0.45%	245

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

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

2) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.

3) In Fiscal Year 2011 the City defeased the 1997 Lease Revenue Bonds and the 1997 City Hall COPs with private placement financing.

City of Moreno Valley  
Pledged Revenue Coverage  
Last Ten Years

Fiscal Year Ended June 30,	Community Facilities District No. 3, AutoMall Refinancing				Community Facilities District No. 5 of the City of Moreno Valley (Stoneridge)				Towngate Community Facilities District No. 87-1, 2007 Special Tax Refunding Bonds				Towngate Community Facilities District No. 87-1, No. 1 Special Tax Refunding Bonds				
	Special Tax Levy	Property Tax Increment	Debt Service Principal	Debt Service Interest	Special Tax Levy	Property Tax Increment	Debt Service Principal	Debt Service Interest	Special Tax Levy	Property Tax Increment	Debt Service Principal	Debt Service Interest	Special Tax Levy	Property Tax Increment	Debt Service Principal	Debt Service Interest	Coverage
2004	\$ 1,067,950	\$ 145,265	\$ 515,000	\$ 507,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2005	1,121,094	116,871	575,000	469,150	-	-	-	-	-	-	-	-	-	-	-	-	-
2006	1,189,465	73,700	640,000	426,625	-	-	-	-	-	-	-	-	-	-	-	-	-
2007	1,179,479	108,986	710,000	379,375	-	-	-	-	-	-	-	-	-	-	-	-	-
2008	1,088,427	190,425	785,000	327,050	198,306	190,425	217,261	217,261	198,306	2,072,568	198,306	226,176	429,990	2,072,568	-	60,994	0.00
2009	1,212,713	103,026	865,000	269,300	344,701	103,026	288,613	288,613	344,701	1,164,131	344,701	435,881	108,706	287,228	220,000	175,859	1.00
2010	1,173,443	185,125	950,000	205,775	362,124	185,125	288,313	288,313	362,124	373,011	362,124	409,381	78,519	303,573	190,000	168,029	1.07
2011	78,021	96,489	1,045,000	135,950	376,005	96,489	287,613	287,613	376,005	1,168,536	20,000	382,569	112,162	277,359	195,000	160,375	1.10
2012	74,137	29,292	925,000	64,688	384,249	29,292	286,613	286,613	384,249	1,175,145	30,000	359,294	115,946	274,445	205,000	152,173	1.09
2013	75,878	31,192	295,000	18,938	388,022	31,192	285,295	285,295	388,022	1,170,595	35,000	335,931	110,672	275,008	210,000	143,719	1.09

Community Redevelopment Agency 2007 Tax Allocation Bonds

Fiscal Year Ended June 30,	Property Tax Increment		Debt Service		Coverage
	Principal	Interest	Principal	Interest	
2008	\$ 23,890,555	\$ -	\$ 359,683	\$ -	66.42
2009	23,775,956	770,000	2,073,084	8.36	8.36
2010	0	0	0	0	0
2011	0	0	0	0	0
2012	0	0	0	0	0
2013	0	0	0	0	0

1) The interest payment related to the CFD 5 - Stoneridge was paid from the capitalized interest account but in future years this will be paid from the special tax.

Data Source: City of Moreno Valley Financial and Management Services Department  
City of Moreno Valley Community Redevelopment Agency  
City of Moreno Valley Special Districts



City of Moreno Valley  
Demographic and Economic Statistics  
Last six years

Calendar Year	Population <sup>(1)</sup>	Personal Income (in thousands) <sup>(2)</sup>	Per Capita Personal Income <sup>(2)</sup>	Unemployment Rate <sup>(3), (A)</sup>
<b>2008</b>	183,860	\$ 3,423,011	\$ 17,997	9.9%
<b>2009</b>	186,301	3,702,458	18,898	15.7%
<b>2010</b>	188,537	3,836,808	19,230	17.6%
<b>2011</b>	195,216	3,463,419	17,519	16.1%
<b>2012</b>	196,495	3,491,186	17,425	13.9%
<b>2013</b>	198,129	3,615,062	18,246	11.8%

Source: 1- California Department of Finance

2-City of Moreno Valley Economic Development Department

3-California Employment Development Department

A- This data is for the Moreno Valley area.

City of Moreno Valley  
Principal Employers  
Current Year and Seven Years Ago

Employer	Sector	Business Type	2013		2006	
			Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
March Air Reserve Base	Military/Public Sector	Military Reserve Base	8,600	26.12%	9,167	26.71%
Moreno Valley Unified School District	Public Sector	Public Schools	3,366	10.22%	3,447	10.04%
Riverside County Regional Medical Center	Medical Facilities	County Hospital	2,600	7.90%	2,000	5.83%
Ross Dress For Less/DD's Discounts	Distribution	Retail Distribution	1,630	4.95%	0	0.00%
Moreno Valley Mall (excludes major tenants)	Retail	Retail Mall	1,365	4.15%	1,000	2.91%
<sup>1</sup> / <sub>4</sub> Kaiser Permanente Community Hospital/Office	Medical Facilities	Hospital/Medical Services	944	2.87%	0	0.00%
City of Moreno Valley/Police/Fire Depts	Public Sector	Municipal Government	771	2.34%	833	2.43%
Walgreens Co.	Distribution	Retail Distribution	685	2.08%	600	1.75%
Val Verde Unified School District (MV only)	Public Sector	Public Schools	674	2.05%	695	2.02%
Skechers USA	Distribution	Retail Distribution	600	1.82%	0	0.00%

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

Source: City of Moreno Valley Economic Development Department  
Note: Information for FY 2004 is not available.

City of Moreno Valley  
 Full-time and Part-time City Employees by Function  
 Past Eight Years

Function	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Government	143	153	150	142	150	147	125	96
Public Works	126	134	141	151	146	143	134	122
Community Development	71	74	74	72	68	59	66	59
Parks and Community Services	123	184 (2)	240	238	453	101 (3)	118	64
Animal Services	24	26	27	29	27	21	19	21
Redevelopment Agency	17	17	18	16	14	12	0	0
Public Safety (1)	329	356	383	393	415	407	407	286
<u>Total</u>	<u>833</u>	<u>944</u>	<u>1,033</u>	<u>1,041</u>	<u>1,273</u>	<u>890</u>	<u>869</u>	<u>648</u>

This data represents a count of people employed by the City not the number of approved full time equivalents.

(1) The City contracts with the County of Riverside for Police and Fire services.

(2) In 2007 the Parks and Community Services Department received a grant from the State of California related to the After School Education and Safety Grant. This grant resulted in an increase in staffing to achieve the grant growth objectives.

(3) In 2011 the Parks and Community Services Department received a grant from the State of California related to the After School Education and Safety Grant, however staffing for this services was contracted to an outside agency. This resulted in a large decrease in staffing.

Note: GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.

Source: City of Moreno Valley Financial and Management Services Department

City of Moreno Valley  
 Capital Asset Statistics  
 Last Six Fiscal Years

	2008	2009	2010	2011	2012	2013
Lane miles of streets	1,076	1,076	1,076	1,076	1,076	1,095
Number of street lights	11,027	11,037	11,046	11,260	11,358	11,381
Number of traffic signals	162	167	170	173	175	180
Fire protection:						
Number of stations	6	6	6	6	6	7
Police protection:						
Number of policing stations	1	1	1	1	1	1
Number of policing substations	4	4	4	4	6	6
Recreation and culture:						
Parks	38	39	37	37	37	37
Maintained acreage of parks	529.55	531.48	531.48	531.66	519.91	519.91
Parks under construction	7	6	6	1	1	1
Acreage of parks under construction	27.07	25.14	25.14	12.25	12.75	12.75
Multi-use athletic fields	21	21	21	21	21	21
Conference/Recreation centers	1	1	1	1	1	1
Square footage of recreation centers	42,413	42,413	42,413	42,413	42,413	42,413
Senior Centers	1	1	1	1	1	1
Square footage of senior centers	14,700	14,700	14,700	14,700	14,700	14,700
Equestrian centers	1	1	1	1	1	1
Maintained acreage of equestrian centers	45	45	45	45	45	45
Multi-use equestrian trails maintained	10 Miles	10 Miles	10 Miles	10 Miles	10 Miles	10 Miles
Community centers	4	4	4	4	4	4
Square footage of community centers	38,758	38,758	38,758	38,758	38,758	38,758
Sports courts	44	44	44	44	44	44
Skate parks	1	1	1	1	1	1
Square footage of skate parks	850	850	850	850	850	1,850
Soccer Arena	0	0	0	0	1	1
Nine-hole golf courses	1	1	1	1	1	1
Play apparatus	23	24	26	26	26	26
Water play features	2	2	2	2	2	2
Utilities:						
Residential utility meters	4,702	4,802	4,904	5,003	5,028	5,091
Commercial utility meters	499	565	545	599	592	607

1) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.

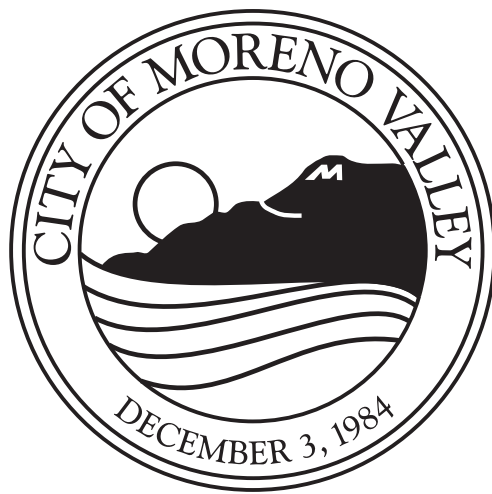
Sources: City of Moreno Valley Technology Services, Special Districts, Transportation, Fire Department, Police Department, Parks & Community Services, Utilities.

City of Moreno Valley  
 Operating Indicators by Function  
 Last Six Fiscal Years

	2008	2009	2010	2011	2012	2013
Square mileage of area	52	52	52	52	52	52
Fire protection:						
Provided by the County of Riverside in cooperation with the State Department of Forestry and Fire:						
Sworn personnel	85	81	80	79	71	72
Volunteers	25	25	25	10	16	16
Non-sworn personnel	10	8	8	8	8	8
OEM non-sworn personnel	0	0	0	0	2	3
Responses to emergency calls	13,011	12,971	13,530	15,268	14,824	15,905
Inspections and Permits	4,269	3,522	2,369	3,383	2,304	2,400
Apartment Complex Inspections	0	0	0	0	849	872
Plan checks	1,482	664	424	358	786	1,218
Counter/Public inquires	7,932	7,249	2,734	2,452	2,671	2,431
Police protection:						
Provided through contract with the County of Riverside Sheriff's Department:						
Sworn officers	188	186	184	186	181	181
Classified personnel	56	55	54	55	54	51.5
City support personnel	4	3	3	3	3	3
Volunteers	39	56	62	77	85	77
Responses to Calls:						
Priority 1	429	572	519	423	363	425
Priority 1A	1,271	1,110	1,181	1,274	1,289	1,584
Priority 2	24,819	24,967	24,938	27,797	26,021	27,733
Priority 3	24,859	26,466	24,800	27,487	29,393	29,860
Priority 4	16,932	17,592	16,630	18,625	18,087	17,280
Priority 5	2	91	1	1	1	1
Priority 6	0	0	0	0	0	0
Priority 7	0	0	0	0	0	0
Priority 8	0	0	0	1	1	0
Priority 9	174	248	279	312	223	347
Cancelled	5,983	5,359	5,222	5,543	5,991 (2)	23,338
Disp/Arr Time Missing	9,437	8,540	7,638	7,944	8,125	8,941
Same Disp/Arr Time	50,516	60,510	54,645	54,379	47,638	45,096
T. R. U. Calls	32	43	32	37	54	87
Building and Safety:						
Building permits issued	2,413	2,058	1,645	1,700	1,889	1,797
Counter requests for service	11,249	8,922	6,611	6,105	6,563	6,407
Planning:						
Planning applications processed	1,100	894	682	644	740	745
Counter requests for service	6,550	4,669	3,875	3,683	3,853	3,749
Recreation and culture:						
Rounds of golf played	12,000	6,123	6,638	9,719	n/a	8,209
Facility rentals	971	893	1,026	1,005	992	997
Participants in recreation programs	57,139	46,075	46,561	46,040	48,473	41,992
Utilities:						
Average residential daily consumption (kilowatt hours)	18	19.8	18.5	18.5	19.7	20.7
Average commercial daily consumption (kilowatt hours)	171	254.8	284.4	296.3	371.9	383.0
New residential connections	473	123	93	99	23	63
New commercial connections	118	65	5	54	23	15
Employees:						
Members of City Council	5	5	5	5	5	5
Members of the Planning Commission	7	7	7	7	7	7
Full-time career status (FTE)	406	324	312	283	281	277
Part-time career status (FTE)	18	14	29	21	66	22

3) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.

Sources: City of Moreno Valley Technology Services, Fire Department, Police Department, Community & Economic Development, Parks & Community Services, Utilities, Financial-Payroll.



City of Moreno Valley, California

# COMMUNITY SERVICES DISTRICT



## FINANCIAL STATEMENTS Year ended June 30, 2013

(with Independent Auditors' Report Thereon)

City of Moreno Valley, California  
Community Services District

Financial Statements

Year Ended June 30, 2013

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## INDEPENDENT AUDITORS' REPORT

To the Directors  
City of Moreno Valley, California  
Community Services District

### Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Moreno Valley, California, Community Services District (the District) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District'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.

### Auditors' Responsibility

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

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

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



To the Directors  
City of Moreno Valley, California  
Community Services District

### 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 Moreno Valley, California, Community Services District as of June 30, 2013, and the respective changes in financial position, and budgetary comparison for Zone L Library Services, Zone A Parks and Community Services, Zone E Extensive Landscaping Administration and CFD #1 special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and schedules 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 schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2013 on our consideration of the District'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 the District's internal control over financial reporting and compliance.

Brea, California  
November 20, 2013



City of Moreno Valley  
Community Services District

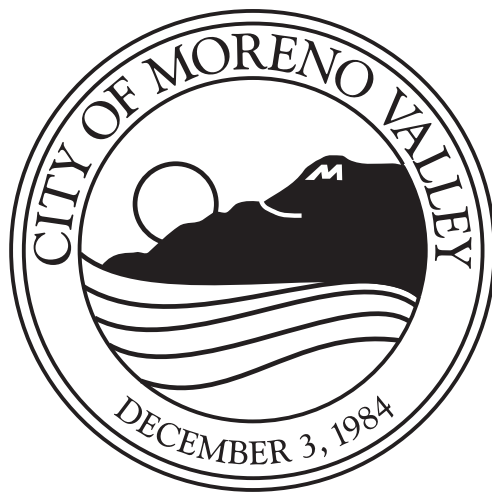
Statement of Net Position  
June 30, 2013

	<u>Governmental Activities</u>
Assets:	
Cash and investments (note 2)	\$ 12,737,942
Receivables:	
Accounts	186,214
Due from other governments	267,915
Capital assets not being depreciated (note 3)	2,225,004
Capital assets, net of depreciation (note 3)	<u>17,641,787</u>
 Total Assets	 <u>33,058,862</u>
Liabilities:	
Accounts payable	671,904
Accrued liabilities	119,171
Unearned revenue	163,498
Deposits payable	16,041
Due to other governments	25
Due to the City of Moreno Valley	<u>1,926</u>
 Total Liabilities	 <u>972,565</u>
Net Position:	
Net investment in capital assets	19,866,791
Restricted for:	
Special zones	<u>12,219,506</u>
 Total Net Position	 <u><u>\$ 32,086,297</u></u>

**City of Moreno Valley  
Community Services District**

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

	<b>Program Revenues</b>			<b>Net (Expenses) Revenues and Changes in Net Position</b>
<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Contributions and Grants</b>	<b>Capital Contributions and Grants</b>	<b>Governmental Activities</b>
<b>Functions/Programs</b>				
<b>Primary Government:</b>				
Governmental Activities:				
Community and cultural	\$ 13,120,947	\$ 11,284,119	\$ -	\$ -
Public works	5,349,478	-	-	-
	<b>\$ 18,470,425</b>	<b>\$ 11,284,119</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Governmental Activities</b>	<b>\$ 18,470,425</b>	<b>\$ 11,284,119</b>	<b>\$ -</b>	<b>\$ -</b>
<b>General Revenues:</b>				
Taxes:				
Property taxes, levied for general purpose				3,323,904
Other taxes				1,098,895
Use of money and property				674,122
Other				71,393
<b>Capital assets contribution from the City of Moreno Valley</b>				949,401
<b>Contributions from the City of Moreno Valley</b>				1,505,100
				<b>7,622,815</b>
Change in Net Position				436,509
Net Position at Beginning of Year				31,649,788
<b>Net Position at End of Year</b>				<b>\$ 32,086,297</b>



City of Moreno Valley, California  
Community Services District

Governmental Funds  
Balance Sheet  
June 30, 2013

	Special Revenue Funds		
	Zone L Library Services	Zone A Parks and Community Services	Zone E Extensive Landscaping Administration
Assets:			
Pooled cash and investments (note 2)	\$ 234,600	\$ 3,513,078	\$ 5,437,013
Receivables:			
Accounts	381	181,543	399
Due from other governments	40,051	122,990	30,471
Total Assets	<u>\$ 275,032</u>	<u>\$ 3,817,611</u>	<u>\$ 5,467,883</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 76,963	\$ 252,768	\$ 88,419
Accrued liabilities	25,922	84,461	-
Unearned revenues	-	163,498	-
Deposits payable	-	16,041	-
Due to other governments	-	25	-
Due to the City of Moreno Valley	-	1,926	-
Total Liabilities	<u>102,885</u>	<u>518,719</u>	<u>88,419</u>
Fund Balances:			
Restricted for:			
Special zones	172,147	3,281,560	5,379,464
Committed to:			
Scholarship program	-	17,332	-
Unassigned	-	-	-
Total Fund Balances	<u>172,147</u>	<u>3,298,892</u>	<u>5,379,464</u>
Total Liabilities and Fund Balances	<u>\$ 275,032</u>	<u>\$ 3,817,611</u>	<u>\$ 5,467,883</u>

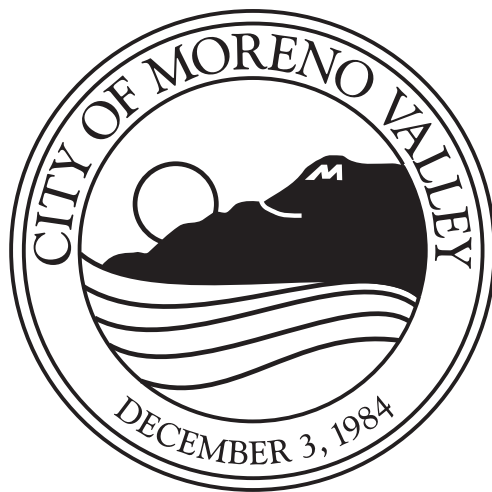
<u>Special Revenue Funds</u>			
<u>CFD #1</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>	
\$ 1,591,595	\$ 1,961,656	\$ 12,737,942	Assets:
-	3,891	186,214	Pooled cash and investments (note 2)
34,116	40,287	267,915	Receivables:
			Accounts
			Due from other governments
<u>\$ 1,625,711</u>	<u>\$ 2,005,834</u>	<u>\$ 13,192,071</u>	Total Assets
			Liabilities and Fund Balances:
			Liabilities:
\$ 44,887	\$ 208,867	\$ 671,904	Accounts payable
8,788	-	119,171	Accrued liabilities
-	-	163,498	Unearned revenues
-	-	16,041	Deposits payable
-	-	25	Due to other governments
-	-	1,926	Due to other funds
<u>53,675</u>	<u>208,867</u>	<u>972,565</u>	Total Liabilities
			Fund Balances:
1,572,036	1,800,393	12,205,600	Restricted for:
-	-	17,332	Special zones
-	(3,426)	(3,426)	Committed to:
			Scholarship Program
<u>1,572,036</u>	<u>1,796,967</u>	<u>12,219,506</u>	Unassigned
			Total Fund Balances
<u>\$ 1,625,711</u>	<u>\$ 2,005,834</u>	<u>\$ 13,192,071</u>	Total Liabilities and Fund Balances



City of Moreno Valley  
Community Services District

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

Fund balances of governmental funds	\$ 12,219,506
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets, net of depreciation, used in governmental activities are not financial resources and therefore, are not reported in the funds.	
Capital assets, not being depreciated	2,225,004
Depreciable capital assets, net of accumulated depreciation	<u>17,641,787</u>
Net Position of governmental activities	<u>\$ 32,086,297</u>



City of Moreno Valley, California  
Community Services District

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

	Special Revenue Funds		
	Zone L Library Services	Zone A Parks and Community Services	Zone E Extensive Landscaping Administration
Revenues:			
Taxes:			
Property taxes	\$ 1,379,299	\$ 1,741,628	\$ -
Other taxes	-	72,319	-
Charges for services	22,029	5,891,127	2,478,509
Use of money and property	-	574,107	54,771
Fines and forfeitures	40,088	-	-
Miscellaneous	22,867	29,189	8,400
Total Revenues	<u>1,464,283</u>	<u>8,308,370</u>	<u>2,541,680</u>
Expenditures:			
Current:			
Community and cultural	1,996,249	8,268,614	-
Public works	-	-	1,860,165
Capital outlay	-	16,114	-
Total Expenditures	<u>1,996,249</u>	<u>8,284,728</u>	<u>1,860,165</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(531,966)</u>	<u>23,642</u>	<u>681,515</u>
Other Financing Sources (Uses):			
Contribution from the City of Moreno Valley	415,800	307,500	-
Transfers in	160,000	-	-
Transfers out	-	(160,000)	-
Total Other Financing Sources (Uses)	<u>575,800</u>	<u>147,500</u>	<u>-</u>
Net Change in Fund Balances	43,834	171,142	681,515
Fund Balances, Beginning of Year	<u>128,313</u>	<u>3,127,750</u>	<u>4,697,949</u>
Fund Balances, End of Year	<u>\$ 172,147</u>	<u>\$ 3,298,892</u>	<u>\$ 5,379,464</u>

<u>Special Revenue Funds</u>			
<u>CFD #1</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>	
\$ -	\$ 202,977	\$ 3,323,904	Revenues:
1,019,915	6,661	1,098,895	Taxes:
25,300	2,827,066	11,244,031	Property taxes
12,550	32,694	674,122	Other taxes
-	-	40,088	Charges for services
-	10,937	71,393	Use of money and property
			Fines and forfeitures
			Miscellaneous
<u>1,057,765</u>	<u>3,080,335</u>	<u>16,452,433</u>	Total Revenues
			Expenditures:
1,006,880	-	11,271,743	Current:
-	3,489,313	5,349,478	Community and cultural
-	-	16,114	Public works
			Capital outlay
<u>1,006,880</u>	<u>3,489,313</u>	<u>16,637,335</u>	Total Expenditures
			Excess (Deficiency) of Revenues Over (Under) Expenditures
<u>50,885</u>	<u>(408,978)</u>	<u>(184,902)</u>	
			Other Financing Sources (Uses):
-	781,800	1,505,100	Contribution from the City of Moreno Valley
-	-	160,000	Transfers in
-	-	(160,000)	Transfers out
			Total Other Financing Sources (Uses)
<u>-</u>	<u>781,800</u>	<u>1,505,100</u>	
50,885	372,822	1,320,198	Net Change in Fund Balances
<u>1,521,151</u>	<u>1,424,145</u>	<u>10,899,308</u>	Fund Balances, Beginning of Year
<u>\$ 1,572,036</u>	<u>\$ 1,796,967</u>	<u>\$ 12,219,506</u>	Fund Balances, End of Year

**City of Moreno Valley  
Community Services District**

**Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
Year Ended June 30, 2013**

Net change in fund balances - total governmental funds \$ 1,320,198

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 costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	16,114
Depreciation expense	(1,849,204)
Capital assets contributions from the City of Moreno Valley	<u>949,401</u>

**Change in net position of governmental activities \$ 436,509**

City of Moreno Valley, California  
Community Services District

Zone L Library Services  
Budgetary Comparison Statement  
Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 1,244,800	\$ 1,244,800	\$ 1,379,299	\$ 134,499
Charges for services	11,000	11,000	22,029	11,029
Fines and forfeitures	60,600	60,600	40,088	(20,512)
Miscellaneous	2,000	14,214	22,867	8,653
Total Revenues	<u>1,318,400</u>	<u>1,330,614</u>	<u>1,464,283</u>	<u>133,669</u>
Expenditures:				
Current:				
Community and cultural	2,035,041	2,057,255	1,996,249	61,006
Total Expenditures	<u>2,035,041</u>	<u>2,057,255</u>	<u>1,996,249</u>	<u>61,006</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(716,641)</u>	<u>(726,641)</u>	<u>(531,966)</u>	<u>194,675</u>
Other Financing Sources (Uses)				
Contribution from the City of Moreno Valley	346,800	415,800	415,800	-
Transfers in	160,000	160,000	160,000	-
Total Other Financing Sources (Uses)	<u>506,800</u>	<u>575,800</u>	<u>575,800</u>	<u>-</u>
Net Change in Fund Balances	(209,841)	(150,841)	43,834	194,675
Fund Balance, Beginning of Year	<u>128,313</u>	<u>128,313</u>	<u>128,313</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ (81,528)</u>	<u>\$ (22,528)</u>	<u>\$ 172,147</u>	<u>\$ 194,675</u>

City of Moreno Valley, California  
Community Services District

Zone A Parks and Community Services  
Budgetary Comparison Statement  
Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$1,695,100	\$ 1,695,100	\$ 1,741,628	\$ 46,528
Other taxes	-	-	72,319	72,319
Charges for services	5,725,900	5,725,900	5,891,127	165,227
Use of money and property	500,000	500,000	574,107	74,107
Miscellaneous	76,500	76,500	29,189	(47,311)
Total Revenues	<u>7,997,500</u>	<u>7,997,500</u>	<u>8,308,370</u>	<u>310,870</u>
Expenditures:				
Current:				
Community and cultural	8,244,502	8,648,802	8,268,614	380,188
Capital outlay	-	43,000	16,114	26,886
Total Expenditures	<u>8,244,502</u>	<u>8,691,802</u>	<u>8,284,728</u>	<u>407,074</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(247,002)</u>	<u>(694,302)</u>	<u>23,642</u>	<u>717,944</u>
Other Financing Sources (Uses)				
Contribution from the City of Moreno Valley	307,500	307,500	307,500	-
Transfers out	(160,000)	(160,000)	(160,000)	-
Total Other Financing Sources (Uses)	<u>147,500</u>	<u>147,500</u>	<u>147,500</u>	<u>-</u>
Net Change in Fund Balances	(99,502)	(546,802)	171,142	717,944
Fund Balance, Beginning of Year	<u>3,127,750</u>	<u>3,127,750</u>	<u>3,127,750</u>	<u>-</u>
Fund Balance, End of Year	<u>\$3,028,248</u>	<u>\$ 2,580,948</u>	<u>\$ 3,298,892</u>	<u>\$ 717,944</u>

City of Moreno Valley, California  
Community Services District

Zone E Extensive Landscaping Administration  
Budgetary Comparison Statement  
Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Charges for services	\$ 2,448,238	\$ 2,436,238	\$ 2,478,509	\$ 42,271
Use of money and property	70,000	70,000	54,771	(15,229)
Miscellaneous	-	12,000	8,400	(3,600)
Total Revenues	<u>2,518,238</u>	<u>2,518,238</u>	<u>2,541,680</u>	<u>23,442</u>
Expenditures:				
Current:				
Public works	2,430,700	2,441,992	1,860,165	581,827
Total Expenditures	<u>2,430,700</u>	<u>2,441,992</u>	<u>1,860,165</u>	<u>581,827</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>87,538</u>	<u>76,246</u>	<u>681,515</u>	<u>605,269</u>
Net Change in Fund Balances	87,538	76,246	681,515	605,269
Fund Balance, Beginning of Year	<u>4,697,949</u>	<u>4,697,949</u>	<u>4,697,949</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 4,785,487</u>	<u>\$ 4,774,195</u>	<u>\$ 5,379,464</u>	<u>\$ 605,269</u>



City of Moreno Valley, California  
Community Services District

CFD #1  
Budgetary Comparison Statement  
Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Other taxes	\$ 1,000,000	\$ 1,000,000	\$ 1,019,915	\$ 19,915
Charges for services	25,400	25,400	25,300	(100)
Use of money and property	16,000	16,000	12,550	(3,450)
Total Revenues	<u>1,041,400</u>	<u>1,041,400</u>	<u>1,057,765</u>	<u>16,365</u>
Expenditures:				
Current:				
Community and cultural	1,044,988	1,065,988	1,006,880	59,108
Capital outlay	91,000	96,000	-	96,000
Total Expenditures	<u>1,135,988</u>	<u>1,161,988</u>	<u>1,006,880</u>	<u>155,108</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(94,588)</u>	<u>(120,588)</u>	<u>50,885</u>	<u>171,473</u>
Net Change in Fund Balances	(94,588)	(120,588)	50,885	171,473
Fund Balance, Beginning of Year	<u>1,521,151</u>	<u>1,521,151</u>	<u>1,521,151</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,426,563</u>	<u>\$ 1,400,563</u>	<u>\$ 1,572,036</u>	<u>\$ 171,473</u>

City of Moreno Valley, California  
Community Services District

Notes to Financial Statements  
June 30, 2013

Note 1: Summary of Significant Accounting Policies

a. Description of the Reporting Entity

The City of Moreno Valley, California Community Services District (the District), was created by a City Council ordinance adopted on December 3, 1984. Its purpose is to act as a legal entity, separate and distinct from the City of Moreno Valley (the City), even though the City Council is currently serving as the District's Governing Board. The District is broadly empowered to engage in the general maintenance and administration of the City's community programs.

Governmental Accounting Standards define the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either: a) the primary government has the ability to impose its will, or b) the possibility that the component unit will provide a financial benefit to, or impose a financial burden on the primary government. Since the City Council of the City of Moreno Valley also serves as the Governing Board of the District, the City, in effect, has the ability to influence and control operations. Therefore, the City has oversight responsibility for the District. Accordingly, in applying the criteria of Governmental Accounting Standards, the financial statements of the District are included in the City's Comprehensive Annual Financial Report. The District has the same fiscal year end as the City and its financial statements can be obtained from the City Clerk.

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the component unit. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported as separate columns in the fund financial statements.

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they have been levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

City of Moreno Valley, California  
Community Services District

Notes to Financial Statements (Continued)  
June 30, 2013

Note 1: Summary of Significant Accounting Policies (Continued)

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers operating revenues to be available if they are collected within 60 days of the end of the current fiscal period, while grant revenues have an availability period of 120 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

Zone L Library Services accounts for the operations necessary to process and administer the library services program.

Zone A Parks and Community Services accounts for the administration and maintenance of the parks and community services facilities and programs.

Zone E Extensive Landscaping Administration accounts for the operations necessary to provide high-service level landscape maintenance in and around specific major residential developments.

CFD #1 provides funding for maintenance of new neighborhood parks, trails, and Class I bikeways.

d. Budgetary Reporting

Budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for the governmental activities. Budgets presented in this report for comparison to actual amounts are presented in accordance with generally accepted accounting principles (GAAP). From the effective date of the budget, the amounts stated therein as proposed expenditures become appropriations to the various District departments.

Reported budget amounts represent the original legally adopted budget as amended. The City Council may amend the budget only by a duly adopted minute resolution during a regular meeting, providing that sufficient monies are available and that expenditures of proceeds of taxes will not be increased beyond the constitutional appropriation limit as imposed by Article XIII B of the State Constitution.

Individual fund budgets are, in all cases where appropriations are required, the same as the appropriation amounts. In the case of the Governmental Fund type, unexpended budgeted amounts, except for amounts relating to capital projects, lapse at the end of the

City of Moreno Valley, California  
Community Services District

Notes to Financial Statements (Continued)  
June 30, 2013

Note 1: Summary of Significant Accounting Policies (Continued)

budget year. Spending control for most funds is established by the amount of expenditures budgeted for each department within the fund, but management control is exercised at budgetary line item levels within the departments. Management can transfer budgeted amounts between line items within each department provided that they do not increase or decrease total department appropriations. Expenditures may not legally exceed budgeted appropriations at the department and fund levels.

For the year ended June 30, 2013, there were no funds that had in excess of appropriations adopted by City Council.

e. Unavailable Revenue and Unearned Revenue

The District reports unavailable revenue in the fund-level statements as deferred inflows. Unavailable revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the deferred inflow for unavailable revenue is removed and revenue is recognized.

The District reports unearned revenue in the fund-level statements and in the statement of net position. Unearned revenue arises when the District receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures.

f. Fund Balance

In the fund financial statements, government funds report the following fund balance classifications:

Nonspendable include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted include amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws of regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

Committed include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority, the Governing Board. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution by the governing body.

Assigned include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The Financial and Management Services Director is authorized to assign amounts to a specific purpose, which was established by the governing body in a resolution.

City of Moreno Valley, California  
Community Services District

Notes to Financial Statements (Continued)  
June 30, 2013

Note 1: Summary of Significant Accounting Policies (Continued)

Unassigned include the residual amounts that have not been restricted, committed, or assigned to specific purposes.

Fund balance flow assumptions

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

g. Net Position

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

*Net Investment in Capital Assets* – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets. Currently, the District does not have any debt attributed to capital assets.

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

Net position flow assumption

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

h. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to restrict that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental fund type. Unexpended and unencumbered appropriations of the governmental fund automatically lapse at the end of the fiscal year. Encumbrances at year-end are a portion of the restricted fund balance and are reappropriated the following year.

City of Moreno Valley, California  
Community Services District

Notes to Financial Statements (Continued)  
June 30, 2013

Note 1: Summary of Significant Accounting Policies (Continued)

i. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	5 – 50
Furniture and Equipment	3 – 15
Vehicles	3 – 10
Infrastructure	25 – 50

j. Investments

The District records all investments at fair value. The current year's changes in fair value are recognized in the statement of revenues, expenditures and changes in fund balances as use of money and property. *Use of money and property* includes interest earnings, changes in fair value, rental income and any gains or losses.

k. Salary Expenditures

The District does not employ any personnel and relies on the City for administrative services. The financial statements include expenditures for salary and other benefits, which were allocated to the District by the City.

l. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Secured property taxes are levied on August 10 and are payable in two installments on November 1 and February 1. Unsecured personal property taxes are due in a single installment on July 1. The County of Riverside bills and collects the property taxes and remits them to the District in installments during the year. Property taxes received within 60 days after the District's fiscal year-end are considered "measurable" and "available" and are accrued in the District's financial statements.

City of Moreno Valley, California  
Community Services District

Notes to Financial Statements (Continued)  
June 30, 2013

Note 1: Summary of Significant Accounting Policies (Continued)

m. Use of Estimates

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

Note 2: Cash and Investments

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

Cash and investments pooled with the City	<u>\$12,737,942</u>
---	---------------------

The District's cash and investments are pooled with the City of Moreno Valley's cash and investments in order to generate optimum investment income. The District is a voluntary participant in the City's investment pool. This pool is governed by and under the regulatory oversight of the Investment Policy adopted by the City Council of the City. The District has not adopted an investment policy separate from that of the City. Each fund's share of the pooled cash account is separately accounted for, and investment income is allocated to all participating funds based on the relationship of their average daily cash balances to the total of the pooled cash and investments. Information regarding the authorized types of deposits and investments, the type of risks (i.e. credit, interest rate, custodial, etc.) and other disclosures associated with the City's pooled cash and investments is included in the City's basic financial statements, which are available at City Hall.

City of Moreno Valley, California  
Community Services District

Notes to Financial Statements (Continued)  
June 30, 2013

Note 3: Capital Assets

The following is a summary of capital assets for governmental activities:

	Balances 7/1/2012	Transfers	Additions	Deletions	Balances 6/30/2013
<b>Non-depreciable Assets:</b>					
Land	\$ 779,584	\$ -	\$ -	\$ -	\$ 779,584
Construction in progress	766,536	(273,692)	952,576	-	1,445,420
Total Non-depreciable Assets	<u>1,546,120</u>	<u>(273,692)</u>	<u>952,576</u>	<u>-</u>	<u>2,225,004</u>
<b>Depreciable Assets:</b>					
Buildings and Improvements	49,649,151	273,692	-	(167)	49,922,676
Furniture and Equipment	1,771,172	-	13,106	-	1,784,278
Vehicles	575,920	-	-	(40,634)	535,286
Infrastructure	101,457	-	-	-	101,457
Total Depreciable Assets	<u>52,097,700</u>	<u>273,692</u>	<u>13,106</u>	<u>(40,801)</u>	<u>52,343,697</u>
<b>Accumulated Depreciation:</b>					
Buildings and Improvements	(31,202,130)	-	(1,693,769)	-	(32,895,899)
Furniture and Equipment	(1,172,994)	-	(131,421)	-	(1,304,415)
Vehicles	(509,326)	-	(19,990)	40,634	(488,682)
Infrastructure	(8,890)	-	(4,024)	-	(12,914)
Total Accumulated Depreciation	<u>(32,893,340)</u>	<u>-</u>	<u>(1,849,204)</u>	<u>40,634</u>	<u>(34,701,910)</u>
Total Depreciable Assets, Net of Depreciation	<u>19,204,360</u>	<u>273,692</u>	<u>(1,836,098)</u>	<u>(167)</u>	<u>17,641,787</u>
Total Capital Assets, Net of Depreciation	<u>\$ 20,750,480</u>	<u>\$ -</u>	<u>\$ (883,522)</u>	<u>\$ (167)</u>	<u>\$ 19,866,791</u>

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

Governmental Activities:	
Community and cultural	<u>\$ 1,849,204</u>

Note 4: Commitments and Contingencies

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and injuries to employees. The City of Moreno Valley established two Self-Insurance Funds (internal service funds) to account for and finance its uninsured risks of loss. Under this program, the self-insurance funds provide coverage for up to a maximum of \$300,000 for each worker's compensation claim and \$250,000 for each general liability claim. The City purchases commercial insurance for claims in excess of coverage provided by the funds and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years. All funds of the District participate in the program and make payments to the Self-Insurance Funds based on actuarial estimates of the amounts needed to pay prior and current year claims.



City of Moreno Valley  
Community Services District

Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2013

	Special Revenue Funds		
	Zone B Residential Street Lights Administration	Zone C Arterial Street Lights Administration	Zone D Standard Landscaping Administration
Assets:			
Pooled cash and investments	\$ 72,114	\$ 483,495	\$ 852,434
Receivables:			
Accounts	-	3,891	-
Due from other governments	15,469	9,929	13,380
Total Assets	\$ 87,583	\$ 497,315	\$ 865,814
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 91,009	\$ 42,213	\$ 59,521
Total Liabilities	91,009	42,213	59,521
Fund Balances:			
Restricted for:			
Special zones	-	455,102	806,293
Unassigned	(3,426)	-	-
Total Fund Balances	(3,426)	455,102	806,293
Total Liabilities and Fund Balances	\$ 87,583	\$ 497,315	\$ 865,814

Special Revenue Funds		
Zone M Median	Zone S Sunnymead Boulevard Maintenance	Total Nonmajor Funds
\$ 478,774	\$ 74,839	\$ 1,961,656
-	-	3,891
-	1,509	40,287
<u>\$ 478,774</u>	<u>\$ 76,348</u>	<u>\$ 2,005,834</u>
\$ 13,155	\$ 2,969	\$ 208,867
<u>13,155</u>	<u>2,969</u>	<u>208,867</u>
465,619	73,379	1,800,393
-	-	(3,426)
<u>465,619</u>	<u>73,379</u>	<u>1,796,967</u>
<u>\$ 478,774</u>	<u>\$ 76,348</u>	<u>\$ 2,005,834</u>

Assets:  
Pooled cash and investments  
Receivables:  
    Accounts  
Due from other governments

Total Assets

Liabilities and Fund Balances:  
Liabilities:  
Accounts payable

Total Liabilities

Fund Balances:  
Restricted for:  
    Special zones  
Unassigned

Total Fund Balances

Total Liabilities and Fund Balances

City of Moreno Valley  
Community Services District

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

	Special Revenue Funds		
	Zone B Residential Street Lights Administration	Zone C Arterial Street Lights Administration	Zone D Standard Landscaping Administration
Revenues:			
Taxes:			
Property taxes	\$ 83,706	\$ 119,271	\$ -
Licenses and permits	-	6,661	-
Charges for services	949,638	480,597	1,144,846
Use of money and property	5,633	7,394	8,033
Miscellaneous	-	-	10,042
	<u>1,038,977</u>	<u>613,923</u>	<u>1,162,921</u>
Expenditures:			
Current:			
Public works	1,501,789	743,380	966,225
	<u>1,501,789</u>	<u>743,380</u>	<u>966,225</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(462,812)</u>	<u>(129,457)</u>	<u>196,696</u>
Other Financing Sources (Uses):			
Contribution from the City of Moreno Valley	258,400	420,000	-
	<u>258,400</u>	<u>420,000</u>	<u>-</u>
Net Change in Fund Balances	<u>(204,412)</u>	<u>290,543</u>	<u>196,696</u>
Fund Balances, Beginning of Year	200,986	164,559	609,597
Fund Balances, End of Year	<u>\$ (3,426)</u>	<u>\$ 455,102</u>	<u>\$ 806,293</u>

Special Revenue Funds		
Zone M Median	Zone S Sunnymead Boulevard Maintenance	Total Nonmajor Funds
\$ -	\$ -	\$ 202,977
-	-	6,661
196,776	55,209	2,827,066
10,063	1,571	32,694
895	-	10,937
<u>207,734</u>	<u>56,780</u>	<u>3,080,335</u>
<u>225,910</u>	<u>52,009</u>	<u>3,489,313</u>
<u>225,910</u>	<u>52,009</u>	<u>3,489,313</u>
<u>(18,176)</u>	<u>4,771</u>	<u>(408,978)</u>
<u>103,400</u>	<u>-</u>	<u>781,800</u>
<u>103,400</u>	<u>-</u>	<u>781,800</u>
85,224	4,771	372,822
380,395	68,608	1,424,145
<u>\$ 465,619</u>	<u>\$ 73,379</u>	<u>\$ 1,796,967</u>

Revenues:

Taxes:

Property taxes  
Licenses and permits  
Charges for services  
Use of money and property  
Miscellaneous

Total Revenues

Expenditures:

Current:

Public works

Total Expenditures

Excess (Deficiency) of Revenues  
Over (Under) Expenditures

Other Financing Sources (Uses):

Contribution from the City of Moreno Valley

Total Other Financing Sources  
(Uses)

Net Change in Fund Balances

Fund Balances, Beginning of Year

Fund Balances, End of Year

City of Moreno Valley, California  
Community Services District

Zone B Residential Street Lights Administration  
Budgetary Comparison Schedule  
Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 94,200	\$ 94,200	\$ 83,706	\$ (10,494)
Charges for services	933,352	933,352	949,638	16,286
Use of money and property	-	-	5,633	5,633
Total Revenues	<u>1,027,552</u>	<u>1,027,552</u>	<u>1,038,977</u>	<u>11,425</u>
Expenditures:				
Current:				
Public works	<u>1,693,177</u>	<u>1,761,277</u>	<u>1,501,789</u>	<u>259,488</u>
Total Expenditures	<u>1,693,177</u>	<u>1,761,277</u>	<u>1,501,789</u>	<u>259,488</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(665,625)</u>	<u>(733,725)</u>	<u>(462,812)</u>	<u>270,913</u>
Other Financing Sources (Uses)				
Contribution from the City of Moreno Valley	<u>675,000</u>	<u>675,000</u>	<u>258,400</u>	<u>(416,600)</u>
Total Other Financing Sources (Uses)	<u>675,000</u>	<u>675,000</u>	<u>258,400</u>	<u>(416,600)</u>
Net Change in Fund Balances	9,375	(58,725)	(204,412)	(145,687)
Fund Balance, Beginning of Year	<u>200,986</u>	<u>200,986</u>	<u>200,986</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 210,361</u>	<u>\$ 142,261</u>	<u>\$ (3,426)</u>	<u>\$ (145,687)</u>

City of Moreno Valley, California  
Community Services District

Zone C Arterial Street Lights Administration  
Budgetary Comparison Schedule  
Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 97,800	\$ 97,800	\$ 119,271	\$ 21,471
Other taxes	-	-	6,661	6,661
Charges for services	431,186	431,186	480,597	49,411
Use of money and property	4,500	4,500	7,394	2,894
Total Revenues	<u>533,486</u>	<u>533,486</u>	<u>613,923</u>	<u>80,437</u>
Expenditures:				
Current:				
Public works	953,013	953,013	743,380	209,633
Total Expenditures	<u>953,013</u>	<u>953,013</u>	<u>743,380</u>	<u>209,633</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(419,527)</u>	<u>(419,527)</u>	<u>(129,457)</u>	<u>290,070</u>
Other Financing Sources (Uses)				
Contribution from the City of Moreno Valley	420,000	420,000	420,000	-
Total Other Financing Sources (Uses)	<u>420,000</u>	<u>420,000</u>	<u>420,000</u>	<u>-</u>
Net Change in Fund Balances	473	473	290,543	290,070
Fund Balance, Beginning of Year	<u>164,559</u>	<u>164,559</u>	<u>164,559</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 165,032</u>	<u>\$ 165,032</u>	<u>\$ 455,102</u>	<u>\$ 290,070</u>

City of Moreno Valley, California  
Community Services District

Zone D Standard Landscaping Administration  
Budgetary Comparison Schedule  
Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 1,138,180	\$ 1,138,180	\$ 1,144,846	\$ 6,666
Use of money and property	720	720	8,033	7,313
Miscellaneous	-	-	10,042	10,042
Total Revenues	<u>1,138,900</u>	<u>1,138,900</u>	<u>1,162,921</u>	<u>24,021</u>
Expenditures:				
Current:				
Public works	<u>1,039,591</u>	<u>1,122,086</u>	<u>966,225</u>	<u>155,861</u>
Total Expenditures	<u>1,039,591</u>	<u>1,122,086</u>	<u>966,225</u>	<u>155,861</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>99,309</u>	<u>16,814</u>	<u>196,696</u>	<u>179,882</u>
Net Change in Fund Balances	99,309	16,814	196,696	179,882
Fund Balance, Beginning of Year	<u>609,597</u>	<u>609,597</u>	<u>609,597</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 708,906</u>	<u>\$ 626,411</u>	<u>\$ 806,293</u>	<u>\$ 179,882</u>

City of Moreno Valley, California  
Community Services District

Zone M Median  
Budgetary Comparison Schedule  
Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 182,031	\$ 182,031	\$ 196,776	\$ 14,745
Use of money and property	-	-	10,063	10,063
Miscellaneous	-	-	895	895
Total Revenues	<u>182,031</u>	<u>182,031</u>	<u>207,734</u>	<u>25,703</u>
Expenditures:				
Current:				
Public works	<u>306,709</u>	<u>306,709</u>	<u>225,910</u>	<u>80,799</u>
Total Expenditures	<u>306,709</u>	<u>306,709</u>	<u>225,910</u>	<u>80,799</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(124,678)</u>	<u>(124,678)</u>	<u>(18,176)</u>	<u>106,502</u>
Other Financing Sources (Uses)				
Contribution from the City of Moreno Valley	<u>103,400</u>	<u>103,400</u>	<u>103,400</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>103,400</u>	<u>103,400</u>	<u>103,400</u>	<u>-</u>
Net Change in Fund Balances	(21,278)	(21,278)	85,224	106,502
Fund Balance, Beginning of Year	<u>380,395</u>	<u>380,395</u>	<u>380,395</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 359,117</u>	<u>\$ 359,117</u>	<u>\$ 465,619</u>	<u>\$ 106,502</u>



City of Moreno Valley, California  
Community Services District

Zone S Sunnymead Boulevard Maintenance  
Budgetary Comparison Schedule  
Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 53,295	\$ 53,295	\$ 55,209	\$ 1,914
Use of money and property	600	600	1,571	971
Total Revenues	<u>53,895</u>	<u>53,895</u>	<u>56,780</u>	<u>2,885</u>
Expenditures:				
Current:				
Public works	<u>64,074</u>	<u>66,274</u>	<u>52,009</u>	<u>14,265</u>
Total Expenditures	<u>64,074</u>	<u>66,274</u>	<u>52,009</u>	<u>14,265</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(10,179)</u>	<u>(12,379)</u>	<u>4,771</u>	<u>17,150</u>
Net Change in Fund Balances	(10,179)	(12,379)	4,771	17,150
Fund Balance, Beginning of Year	<u>68,608</u>	<u>68,608</u>	<u>68,608</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 58,429</u>	<u>\$ 56,229</u>	<u>\$ 73,379</u>	<u>\$ 17,150</u>

