

City of Moreno Valley

COMPREHENSIVE ANNUAL FINANCIAL REPORT



MORENO VALLEY
WHERE DREAMS SOAR

Fiscal Year
Ended June 30, 2012

Prepared by:
The Financial & Administrative Services Department



City of Moreno Valley
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2012

Table of Contents

Page
Number

INTRODUCTORY SECTION

Letter of Transmittal.....	i
Municipal Officials.....	iv
Organization Chart	v
GFOA Certificate of Achievement for Excellence in Financial Reporting.....	vi

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	1
------------------------------------	---

MANAGEMENT'S DISCUSSION AND ANALYSIS	3
--	---

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements:	
Statement of Net Assets	13

Statement of Activities	14
-------------------------------	----

Fund Financial Statements:	
Balance Sheet – Governmental Funds	18

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	21
---	----

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	22
---	----

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	24
---	----

Budgetary Comparison Statement – General Fund.....	25
--	----

Budgetary Comparison Statement – State Gasoline Tax Special Revenue Fund	26
--	----

Budgetary Comparison Statement – CSD Zones Special Revenue Fund	27
---	----

Budgetary Comparison Statement – Development Impact Fees Special Revenue Fund.....	28
---	----

Proprietary Funds:	
Statement of Fund Net Assets – Proprietary Funds	30

Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds.....	31
--	----

City of Moreno Valley
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2012

Table of Contents (Continued)

Page
Number

FINANCIAL SECTION (CONTINUED)

Statement of Cash Flows – Proprietary Funds	32
Fiduciary Funds:	
Statement of Fiduciary Net Assets – Fiduciary Funds	34
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds	35
Notes to Financial Statements	37

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Nonmajor Governmental Funds:	
Combining Balance Sheet – Nonmajor Governmental Funds	82
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	100
Budgetary Comparison Schedules – Special Revenue Funds:	
Article 3 Transportation	117
Measure A	118
Law Enforcement	119
Other Grants	120
Public Education Government Access	121
Air Quality Management	122
Community Development Block Grant	123
Special Districts Administration	124
Storm Water Management	125
HOME	126
Child Care Grant	127
Used Oil Recycling	128
Storm Water Maintenance	129
ASES Program Grants	130
CFD # 4M	131
Neighborhood Stabilization Grant	132
Homelessness Prevention Program	133
CDBG Recovery Act of 2009	134
Prop 42 Replacement Funds	135
Prop 1B	136
TR16-06-1 Targeted Rubberized	137
Civil Penalties	138
Emergency Services Agency Fines	139

City of Moreno Valley
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2012

Table of Contents (Continued)

Page
Number

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (CONTINUED)

Budgetary Comparison Schedules – Capital Projects Funds:	
Facility Construction.....	140
Public Works Capital Projects.....	141
Fire Services Capital Projects.....	142
Towngate Capital / Administration	143
Auto Mall Capital / Administration.....	144
Parks and Community Services Capital Projects	145
TUMF Capital Projects	146
DIF Capital Projects	147
Lease Revenue Bonds 2005 Capital Projects	148
Community Redevelopment Agency Capital Projects	149
Budgetary Comparison Schedules – Debt Service Funds:	
Auto Mall Special Tax Bonds	150
Lease Revenue Bonds 2005 Debt Service	151
2007 Towngate Improvement Refunding.....	152
2007 Towngate Refunding.....	153
2011 Priv Placement Ref 97 Lease Rev Bonds.....	154
2011 Priv Placement Ref 97 COPs.....	155
Community Redevelopment Agency Debt Service.....	156
Budgetary Comparison Schedule – Permanent Funds:	
Celebration Park Endowment	157
Internal Service:	
Combining Statement of Net Assets – Internal Service Funds	160
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets – Internal Service Funds	162
Combining Statement of Cash Flows – Internal Service Funds	164
Agency Funds:	
Combining Balance Sheet – All Agency Funds	168
Combining Statement of Changes in Assets and Liabilities – All Agency Funds	170
Schedule of General Capital Assets by Function and Activity	174

**City of Moreno Valley
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2012**

Table of Contents (Continued)

Page
Number

STATISTICAL SECTION

Statistical Section Table of Contents.....	177
Net Assets by Component.....	178
Change in Net Assets.....	179
Fund Balances - Governmental Funds.....	181
Changes in Fund Balances - Governmental Funds	182
Tax Revenues by Source – Governmental Funds	184
Key Revenues	185
Assessed Value and Estimated Actual Value of Taxable Property.....	186
Property Tax Rates.....	187
Principal Property Tax Payers	188
Property Tax Levies and Collections	189
Direct and Overlapping Debt	190
Legal Debt Margin	191
Ratios of Outstanding Debt by Type.....	192
Ratio of Bonded Debt	193
Pledged Revenue Coverage	194
Demographic and Economic Statistics	195
Principal Employers	196
Full-time and Part-time City Employees by Function	197
Capital Asset Statistics	198
Operating Indicators by Function.....	199

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

Introductory Section

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 **June 30, 2012** June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012



February 14, 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, 2012.

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, 2012. 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 196,495, 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 30th. The City's fiscal year is July 1st through June 30th. 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 have continued to decline through fiscal year 2010-11. For FY 2011-12 the region experienced flat to moderate levels of growth in assessed valuations.

Long-term financial planning. In April 2011, the City Council approved a Three-Year Deficit Elimination Plan that establishes 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. 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 the 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, 2011. This was the fourteenth 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 & Administrative 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
Financial & Management Services Director

CITY OF MORENO VALLEY

MUNICIPAL OFFICIALS

June 30, 2012

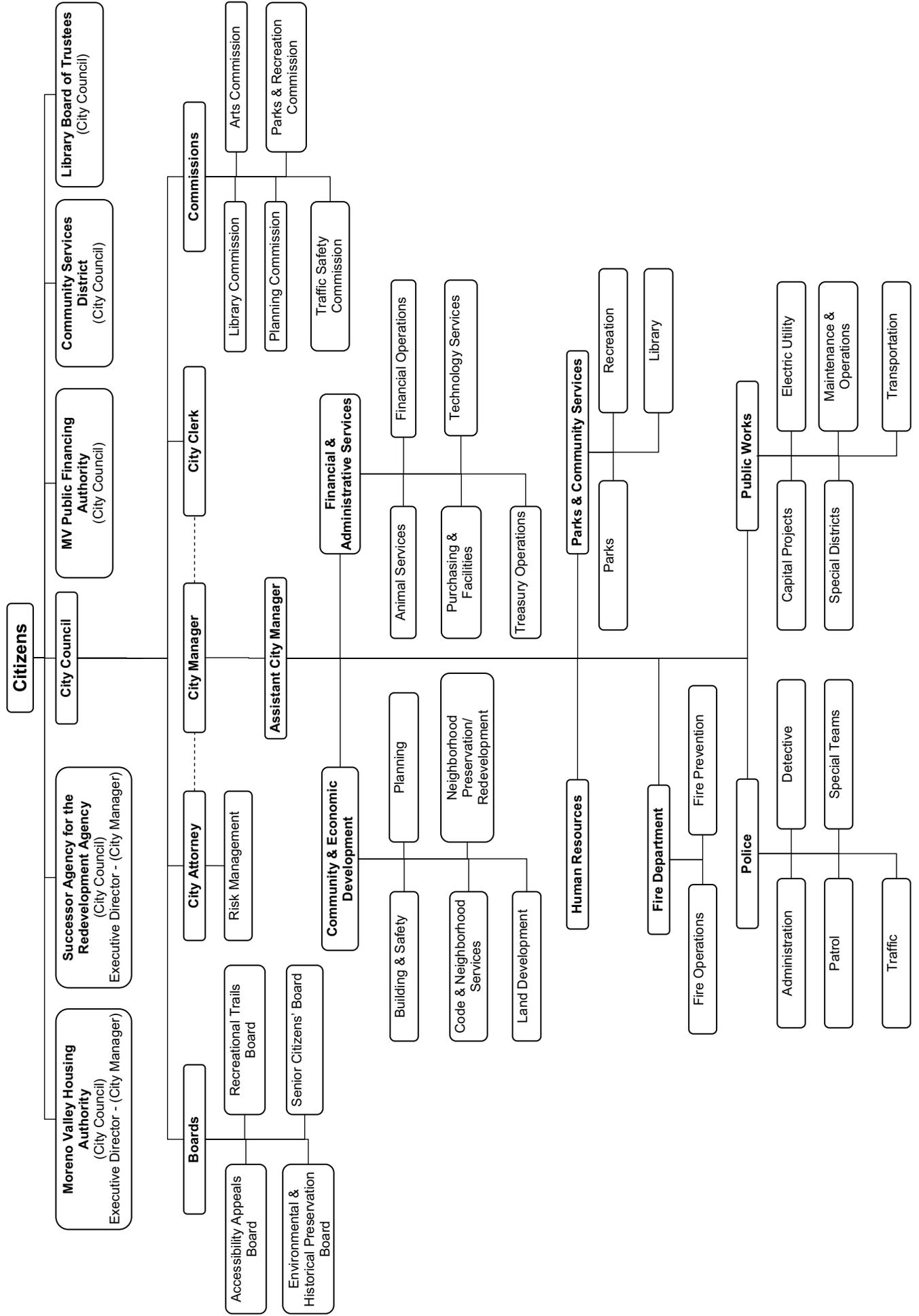
CITY COUNCIL

Richard A. Stewart, Mayor
Jesse L. Molina, Mayor Pro Tem
William H. Batey II, Councilmember
Marcelo Co, Councilmember
Robin N. Hastings, Councilmember

EXECUTIVE OFFICERS

Henry Garcia, City Manager
Michelle Dawson, Assistant City Manager
Robert L. Hansen, City Attorney
Jane Halstead, City Clerk
Barry Foster, Community & Economic Development Director
Richard Teichert, Financial & Administrative Services Director
Abdul Ahmad, Fire Chief
Tom DeSantis, Human Resources Director
Michael McCarty, Parks & Community Services Director
Joel Ontiveros, Police Chief
Ahmad Ansari, P.E., Public Works Director/City Engineer

City of Moreno Valley Organization Chart



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, 2011

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



Christopher P. Morrell

President

Jeffrey R. Emer

Executive Director

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

Financial Section

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012



CERTIFIED PUBLIC ACCOUNTANTS

- David E. Hale, CPA, CFP
- Donald G. Slater, CPA
- Richard K. Kikuchi, CPA
- Susan F. Matz, CPA
- Shelly K. Jackley, CPA
- Bryan S. Gruber, CPA
- Deborah A. Harper, CPA

Brandon W. Burrows, CPA, Retired

INDEPENDENT AUDITORS' REPORT

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

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, as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of City of Moreno Valley, California's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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, 2012, and the respective changes in financial position, and cash flows, where applicable, 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 conformity with accounting principles generally accepted in the United States of America.

We would like to draw the reader's attention to Note 13 – "Successor Agency Trust for Assets of the Former Redevelopment Agency". The note provides information on the dissolution of the Redevelopment Agency and the new formed Successor Agency.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 14, 2013, on our consideration of the City of Moreno Valley, California'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* and should be considered in assessing the results of our audit.



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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Moreno Valley, California's financial statements as a whole. 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 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Lance, Soll & Lughard, LLP

Brea, California
February 14, 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, 2012. 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, 2012 by \$952.6 million (*net assets*). Of this amount, \$94.6 million (*unrestricted net assets*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's governmental activities' net assets decreased by \$5.9 million, which is largely attributable to the dissolution of the Redevelopment Agency.
- During the year, the City (which includes the City of Moreno Valley Community Services District) had revenues that were \$5.9 million less than the \$157 million expenses recorded by the City in its governmental and business-type activities.
- The total debt of the City showed a net decrease of \$47.7 million (33.3%) during the current fiscal year. The decrease in debt was largely attributable to the dissolution of the Redevelopment Agency.
- The General Fund had an end of year fund balance of \$41.5 million. This was a decrease of \$4.9 million and a decrease of 10.6% over FY 2010-11.

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

The statement of activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (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, and the Housing Authority Special Revenue Funds. 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 Fund Assets and Liabilities*, 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 assets, statements of changes in fiduciary net assets (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 summarization of the City’s assets, liabilities and net assets for its governmental and business-type activities as of June 30, 2012.

Table 1
Net Assets
(in \$000’s)

	Governmental Activities		Business-type Activities		Totals	
	2011	2012	2011	2012	2011	2012
Current and other assets	\$ 265,029	\$ 221,161	\$ 8,535	\$ 8,825	\$ 273,564	\$ 229,986
Capital assets	829,740	807,659	35,734	35,094	865,474	842,753
Total assets	1,094,769	1,028,820	44,269	43,919	1,139,038	1,072,739
Current Liabilities	32,515	20,205	3,253	2,510	35,768	22,715
Long-term liabilities	113,783	66,550	30,995	30,905	144,778	97,455
Total liabilities	146,298	86,755	34,248	33,415	180,546	120,170
Net assets:						
Invested in capital assets, net of related debt	784,881	757,856	13,943	8,397	798,824	766,253
Restricted for						
Community development projects	7,080	37,717	-	-	7,080	37,717
Community & cultural	8,968	10,881	-	-	8,968	10,881
Public safety	645	627	-	-	645	627
Public works/capital projects	109,096	27,655	-	-	109,096	27,655
Debt service	12,868	11,956	-	-	12,868	11,956
Water quality	302	170	-	-	302	170
Permanent funds - nonexpendable	170	188	-	-	170	188
Public purpose programs	-	-	1,702	2,521	1,702	2,521
Unrestricted	24,461	95,015	(5,624)	(414)	18,837	94,601
Total net assets	\$ 948,471	\$ 942,065	\$ 10,021	\$ 10,504	\$ 958,492	\$ 952,569

As noted earlier, net assets may serve over time as a useful indicator of a government’s financial position. In the case of the City of Moreno Valley, assets exceeded liabilities by \$952.6 million at June 30, 2012.

By far the largest portion of the City's net assets (80%) is its investment in capital assets (e.g., land, buildings, machinery, and equipment) net of related debt. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's 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 assets of the City's governmental and business-type activities, as of June 30, 2012.

Table 2
Changes in Net Assets
(in \$000's)

	Governmental Activities		Business-type Activities		Total	
	2011	2012	2011	2012	2011	2012
Revenues:						
Program Revenues:						
Charges for services	\$ 27,310	\$ 28,848	\$ 15,672	\$ 16,779	\$ 42,982	\$ 45,627
Operating contributions and grants	20,708	27,897	-	-	20,708	27,897
Capital contributions and grants	29,764	5,679	-	-	29,764	5,679
General Revenues:						
Property tax	22,700	18,342	-	-	22,700	18,342
Property tax in lieu	13,056	13,171	-	-	13,056	13,171
Transient occupancy tax	693	747	-	-	693	747
Sales tax	12,277	14,004	-	-	12,277	14,004
Franchise tax	4,888	5,009	-	-	4,888	5,009
Business license tax	1,053	1,175	-	-	1,053	1,175
Utility user's tax	15,317	15,591	-	-	15,317	15,591
Franchise in lieu tax	150	168	-	-	150	168
Documentary transfer tax	425	435	-	-	425	435
Other taxes	1,204	1,155	-	-	1,204	1,155
Intergovernmental	-	-	-	-	-	-
Use of money and property	5,298	8,708	29	89	5,327	8,797
Other	2,785	470	180	164	2,965	634
Extraordinary gain/(loss) on Dissolution of Redevelopment Agency	-	(7,306)	-	-	-	(7,306)
Total Revenues	<u>157,628</u>	<u>134,093</u>	<u>15,881</u>	<u>17,032</u>	<u>173,509</u>	<u>151,125</u>
Expenses:						
General government	13,001	11,326	-	-	13,001	11,326
Public safety	59,640	56,037	-	-	59,640	56,037
Community development	10,004	11,317	-	-	10,004	11,317
Community and cultural	25,047	19,245	-	-	25,047	19,245
Public works	34,433	36,159	-	-	34,433	36,159
Interest on long-term debt	8,334	6,415	-	-	8,334	6,415
Electric	-	-	14,808	16,549	14,808	16,549
Total Expenses	<u>150,459</u>	<u>140,499</u>	<u>14,808</u>	<u>16,549</u>	<u>165,267</u>	<u>157,048</u>
Change in net assets before transfers	7,169	(6,406)	1,073	483	8,242	(5,923)
Transfers	(108)	-	108	-	-	-
Change in Net Assets	7,061	(6,406)	1,181	483	8,242	(5,923)
Restatement of Net Assets	(243)	-	-	-	(243)	-
Net Assets Beginning	941,653	948,471	8,840	10,021	950,493	958,492
Net Assets Ending	<u>\$ 948,471</u>	<u>\$ 942,065</u>	<u>\$ 10,021</u>	<u>\$ 10,504</u>	<u>\$ 958,492</u>	<u>\$ 952,569</u>

Charges for services increased \$2.6 million, 6.2%, over FY 2010-11. 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 Cities electric utility increased by over \$1 million as a result of customer base growth.

Capital contributions and grants decreased \$24.1 million, 81% under FY 2010-11. This category fluctuates dramatically each year depending upon the number and value of dedications of developer constructed infrastructure projects, such as streets, curbs, gutters, street lights, etc.

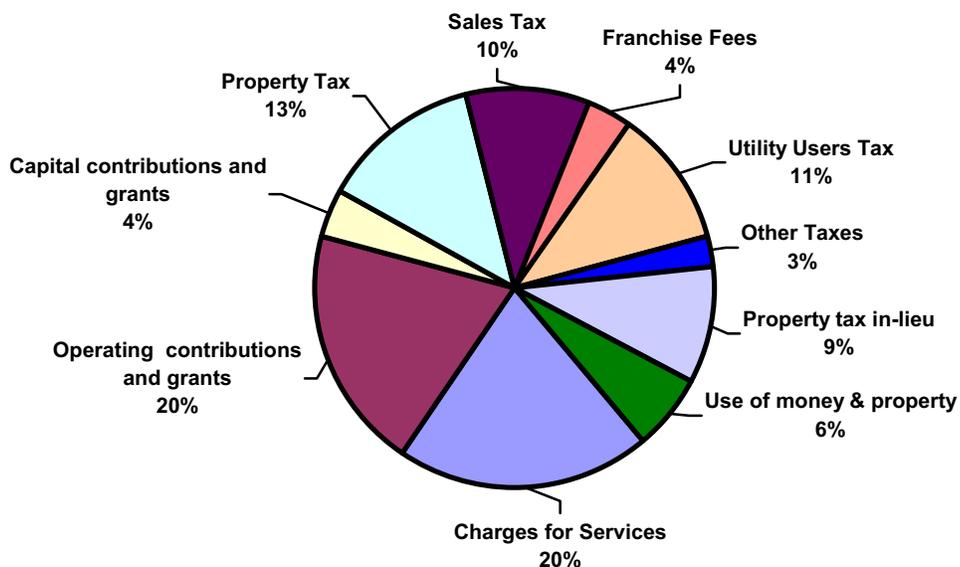
Property tax revenue decreased \$4.4 million, 19.2% under FY 2010-11. The Property Tax collections in FY 2011-12 primarily decreased due to the dissolution of the former Community Redevelopment Agency of the City. Property taxes distributed to the Successor Agency are reported in the Successor Agency 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 increased \$3.5 million, 65.1% over FY 2010-11. The primary perceived increase 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 gain in FY 2011-12 totals of \$2.2 million. The GASB 31 adjustment in FY 2011-12 was a large increase in unrealized investment income. The balance of the increase is a result of investment gains realized as interest rates continue to decline.

Governmental Activities

The government’s net assets decreased by \$6.4 million, with total revenues of \$134.1 million, and total expenses of \$140.5 million. Program revenues were \$62.4 million and general revenues were \$71.7 million, funding the net difference between program revenues and expenses. The largest single category of revenue was charges for services at \$28.8 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 \$1.5 million over FY 2010-11 primarily due to an increase in commercial development activity. The second largest single revenue category was operating contributions and grants, at \$27.8 million. This is program revenue and goes directly against expenses in recovering the costs of providing those services. This revenue category increased by \$7.1 million from FY 2010-11. The third largest single revenue category was property taxes at \$18.3 million. Utility user’s tax was the fourth largest single revenue source at \$15.5 million, and sales tax was the fifth largest revenue source at \$14 million. Graph 1 presents the revenues by source for governmental activities for the fiscal year ended June 30, 2012.

**Graph 1
Revenues by Source – Governmental Activities**



The single largest expense category was public safety at \$56.0 million, accounting for 39.9% of total expenses. Public works was the second largest expense category at \$36.2 million and 25.7% of total expenses. Community and cultural was the third largest expense category at \$19.2 million. General government was the fourth largest expense category at \$11.3 million, followed by community development at \$11.3 million, the fifth largest expense category, and interest on long-term debt at \$6.4 million, the sixth largest expense category.

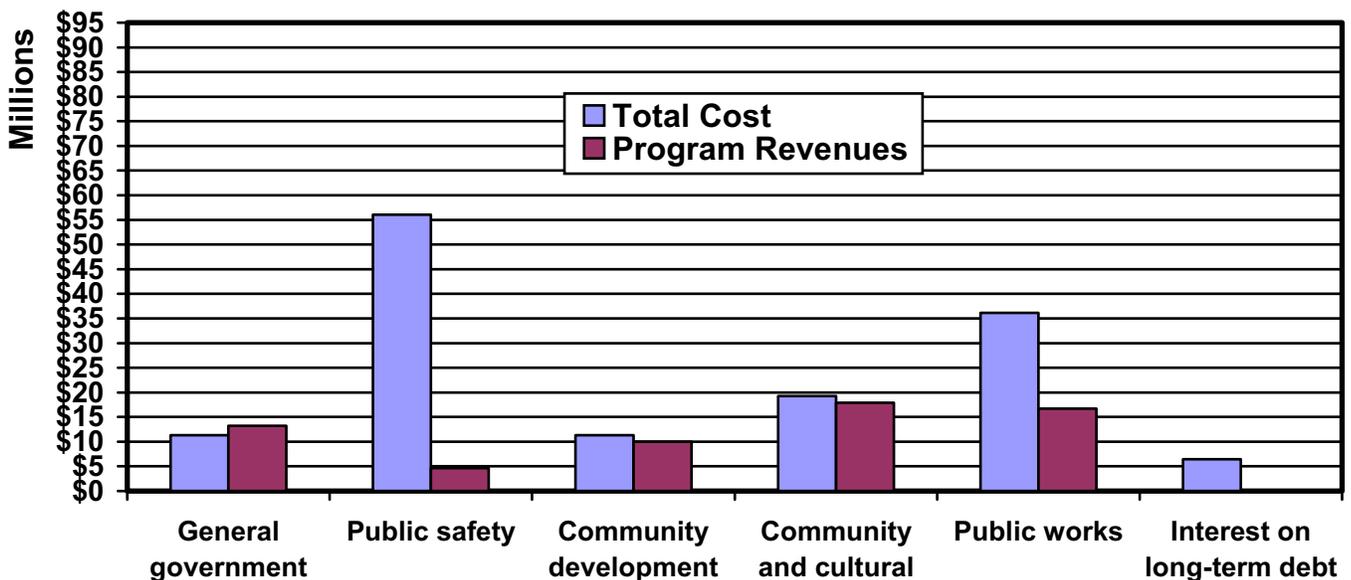
Table 3 presents the cost of each of the six major program categories, and identifies each program's *net cost* (total cost less revenues generated by the activities). The net cost is the amount paid for by general revenue sources that are generated by all City taxpayers.

Table 3
Governmental Activities - Net Cost of Services
For the year ended June 30, 2012

	Total Cost of Services	Net Cost of Services
General government	\$ 11,326,363	\$ 1,880,623
Public safety	56,037,192	(51,416,433)
Community development	11,317,359	(1,315,375)
Community and cultural	19,245,060	(1,375,481)
Public works	36,159,171	(19,434,876)
Interest on long-term debt	6,415,304	(6,415,304)
TOTAL	\$ 140,500,449	\$ (78,076,846)

As illustrated in the Table 3, program revenues recovered \$62.4 million of the cost of providing these services. The City paid for the remaining public benefit portion of these governmental activities with \$78.1 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.

Graph 2
Governmental Activities - Net Cost of Services
For the year ended June 30, 2012



Business-Type Activities

The City's business-type activities include the activities of the Electric Utility. The net assets of the City's business-type activities increased \$0.5 million primarily due to the increase in electric consumption. The Electric Utility had total revenues of \$17.0 million, and total expenses of \$16.5 million.

THE CITY'S FUNDS

Total fund balances presented in the governmental funds balance sheet are \$149.7 million, with the General Fund representing \$41.4 million, or 27.7% of the total. The City's General Fund fund balance has unassigned fund balance of \$29.8 million.

General Fund Financial Results

The General Fund fund balance decreased by \$4.9 million over FY 2010-11. The final budget anticipated a decrease of \$8.7 million. The reduced use of fund balance was the result of revenues increasing by \$3.7 million over original budget, primarily due to an increase in sales taxes.

Total revenues exceeded budget by \$3.7 million. The economic recovery has had a positive effect on revenue performance to budget. Sales taxes were budgeted to be flat compared to the prior year, while actual revenue growth delivered a \$3.1 million increase compared to budget. A portion of this unexpected sales tax growth was due to a State Board of Equalization audit requested by the City that resulted in a one-time increase of \$0.8 million in sales tax revenue. Charges for services also contributed to this revenue growth by increasing \$0.8 million over prior year.

General Fund actual expenditures were \$0.2 million over the final amended budget. Although Police Services (\$1.7 million) and Fire Services (\$1.1 million) expenditures were under budget these savings were offset with the recognition of a one-time expenditure to write off of an investment as a result of the Lehman Bros. bankruptcy.

Other Major Fund Financial Results

The fund balance of the State Gasoline Tax Fund increased by \$0.3 million over FY 2010-11. This fund accounts for the City's share of state gas tax revenue restricted for street improvement and maintenance. The increase in fund balance is primarily the result of a slight increase in gas tax revenues being received over budget.

The fund balance of the Community Service District Zones Special Revenue Fund increased by \$1.9 million over FY 2010-11. 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 (\$347,000) and projects in Parks and Community Services (\$308,000). Parks and Community Services also experienced an increase in fees collected of \$695,000.

The fund balance of the Development Impact Fees Special Revenue Fund decreased by \$10.8 million under FY 2010-11. 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 decrease in fund balance is due to fewer fee collections as a result of the recessionary impact on new development projects.

The fund balance of the Housing Authority Fund increased by \$30.5 million over FY 2010-11. 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 2012, the City's governmental activities had \$1.1 billion (\$808 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 decrease of \$22.1 million from FY 2010-11 is primarily attributed to normal depreciation of existing assets.

At June 30, 2012, the City's business-type activities had \$39.6 million (\$35.1 million net of depreciation) invested in capital assets, primarily utility infrastructure. The decrease of \$0.6 million from FY 2010-11 is primarily attributed to normal depreciation of existing assets. Table 4 presents the City's capital assets by asset type.

Table 4
Capital Assets at Year End
(Net of Depreciation)
For the Year Ended June 30, 2012

	Governmental Activities	Business-type Activities
Land	\$ 300,286,754	\$ 1,237,459
Buildings and improvements	64,927,556	-
Machinery and equipment	1,511,848	-
Vehicles	2,308,018	-
Construction in progress	27,903,728	322,120
Infrastructure	410,720,973	33,534,005
Total	\$ 807,658,877	\$ 35,093,584

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 \$62.6 million in bonds, certificates of participation, leases, and compensated absences, versus \$110.4 million last year, a decrease of \$47.8 million, or 43.3%. The decrease was primarily due to the result of the dissolution of the Redevelopment Agency; indebtedness of the former Redevelopment Agency was transferred to the Successor Agency. See Note 6 for Disclosures on Indebtedness. The decrease was also the result of normal maturity on existing debt.

At June 30, 2012, the City's business-type activities had \$29 million in bonds and compensated absences versus \$29.5 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 a City Council-approved Debt Management Policy. Table 5 provides the total long-term debt by category.

Table 5
Outstanding Debt at Year End
For the Year Ended June 30, 2012

	Governmental Activities	Business-type Activities
Special tax bonds	\$ 11,870,000	\$ -
Certificates of participation	6,673,500	-
Lease revenue bonds	38,775,000	28,971,374
Compensated absences	5,282,233	73,009
Total	<u>\$ 62,600,733</u>	<u>\$ 29,044,383</u>

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, 2012, it is important for the City's financial management to report on current issues affecting the City and their economic impact on FY 2011-12 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 196,495, 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 an amazing 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. Although new retail

slowed in FY 2011-12, Harbor Freight Tools, Five Guys Burgers & Fries, Rue 21, and other retail centers opened during FY 2011-12.

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 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. 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 Financial & Management Services Director, City of Moreno Valley, 14177 Frederick Street, P.O. Box 88005, Moreno Valley, California 92552-0805.

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 **June 30, 2012** June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 **June 30, 2012** June 30, 2012

**Basic Financial
Statements**

June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012

City of Moreno Valley

Statement of Net Assets
June 30, 2012

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Pooled cash and investments (note 3)	\$ 146,626,193	\$ 4,723,655	\$ 151,349,848
Receivables:			
Accounts	8,959,164	2,125,811	11,084,975
Notes and loans (note 4)	30,478,289	-	30,478,289
Notes to Successor Agency (note 4)	16,304,121	-	16,304,121
Interest	1,966,975	-	1,966,975
Internal balances	580,657	(580,657)	-
Prepaid costs	110,067	319	110,386
Due from other governments	4,580,094	-	4,580,094
Inventories	11,035	8,400	19,435
Deferred charges	112,208	-	112,208
Land held for resale	3,916,126	-	3,916,126
Restricted assets:			
Cash with fiscal agent (note 3)	7,516,060	2,548,261	10,064,321
Capital assets not being depreciated (note 5)	328,190,482	1,559,579	329,750,061
Capital assets, net of depreciation (note 5)	479,468,395	33,534,005	513,002,400
Total Assets	1,028,819,866	43,919,373	1,072,739,239
Liabilities:			
Accounts payable	18,015,347	1,212,943	19,228,290
Accrued liabilities	876,244	11,035	887,279
Accrued interest	393,250	265,020	658,270
Unearned revenue	851,678	-	851,678
Deposits payable	20,144	863,262	883,406
Due to other governments	48,273	157,500	205,773
Noncurrent liabilities:			
Advances from operator	-	1,860,918	1,860,918
Long-term debt, due within one year (note 6)	6,321,712	633,009	6,954,721
Long-term debt, due in more than one year (note 6)	60,228,818	28,411,374	88,640,192
Total Liabilities	86,755,466	33,415,061	120,170,527
Net Assets:			
Invested in capital assets, net of related debt	757,856,437	8,396,845	766,253,282
Restricted for:			
Community development projects	37,716,605	-	37,716,605
Public safety	626,545	-	626,545
Community and cultural	10,880,981	-	10,880,981
Public works	19,211,914	-	19,211,914
Capital projects	8,442,675	-	8,442,675
Debt service	11,956,354	-	11,956,354
Permanent funds - nonexpendable	188,335	-	188,335
Water quality	170,051	-	170,051
Public purpose programs	-	2,520,912	2,520,912
Unrestricted	95,014,503	(413,445)	94,601,058
Total Net Assets	\$ 942,064,400	\$ 10,504,312	\$ 952,568,712

City of Moreno Valley

Statement of Activities
Year Ended June 30, 2012

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Primary Government:				
Governmental Activities:				
General government	\$ 11,326,363	\$ 7,056,028	\$ 1,094,413	\$ 5,056,545
Public safety	56,037,192	2,738,303	988,848	893,608
Community development	11,317,359	5,973,104	4,028,880	-
Community and cultural	19,245,060	11,584,756	6,284,823	-
Public works	36,159,171	1,495,407	15,499,751	(270,863)
Interest on long-term debt	6,415,304	-	-	-
Total Governmental Activities	140,500,449	28,847,598	27,896,715	5,679,290
Business-Type Activities:				
Electric	16,549,224	16,778,766	-	-
Total Business-Type Activities	16,549,224	16,778,766	-	-
Total Primary Government	\$ 157,049,673	\$ 45,626,364	\$ 27,896,715	\$ 5,679,290

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 Assets

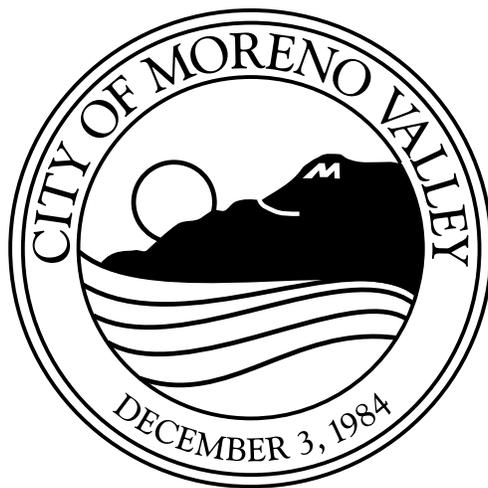
Net Assets at Beginning of Year

Net Assets at End of Year

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

Primary Government

Governmental Activities	Business-Type Activities	Total
\$ 1,880,623	\$ -	\$ 1,880,623
(51,416,433)	-	(51,416,433)
(1,315,375)	-	(1,315,375)
(1,375,481)	-	(1,375,481)
(19,434,876)	-	(19,434,876)
(6,415,304)	-	(6,415,304)
(78,076,846)	-	(78,076,846)
-	229,542	229,542
-	229,542	229,542
(78,076,846)	229,542	(77,847,304)
18,342,475	-	18,342,475
13,170,964	-	13,170,964
747,100	-	747,100
14,003,993	-	14,003,993
5,008,507	-	5,008,507
1,175,104	-	1,175,104
15,591,386	-	15,591,386
1,155,334	-	1,155,334
168,267	-	168,267
434,554	-	434,554
8,708,429	89,183	8,797,612
469,671	164,243	633,914
(7,305,736)	-	(7,305,736)
71,670,048	253,426	71,923,474
(6,406,798)	482,968	(5,923,830)
948,471,198	10,021,344	958,492,542
\$ 942,064,400	\$ 10,504,312	\$ 952,568,712



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 Recreation provides citywide park maintenance and recreation 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 within the City. Community Facilities District (CFD) #1 provides maintenance of new neighborhood parks, trails and class 1 bikeways. Zone S – Sunnymead Boulevard Maintenance provides orderly development and maintenance of extensive landscape services for certain improvements constructed by the City and the RDA 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.

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, 2012

Special Revenue Funds

	General	State Gasoline Tax	CSD Zones	Development Impact Fees
Assets:				
Pooled cash and investments (note 3)	\$ 38,670,375	\$ 7,477,814	\$ 12,676,249	\$ 2,100,920
Receivables:				
Accounts	3,159,916	40,129	271,877	-
Notes and loans (note 4)	-	-	-	-
Notes to Successor Agency (note 4)	16,304,121	-	-	-
Interest	1,001,495	-	-	-
Prepaid costs	56,017	2,801	4,775	-
Due from other governments	2,734,436	533,361	280,472	-
Due from other funds (note 7)	3,585,358	-	-	6,500,000
Advances to other funds (note 7)	51,700	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash with fiscal agents (note 3)	-	-	-	-
Total Assets	\$ 65,563,418	\$ 8,054,105	\$ 13,233,373	\$ 8,600,920
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 12,296,380	\$ 191,645	\$ 561,410	\$ -
Accrued liabilities	488,097	66,391	145,725	-
Deferred revenues	10,973,533	-	-	-
Unearned revenues	333,158	-	233,799	-
Deposits payable	-	-	20,144	-
Due to other governments	5,196	-	-	-
Due to other funds (note 7)	-	6,500,000	1,321,287	-
Advances from other funds (note 7)	-	-	51,700	-
Total Liabilities	24,096,364	6,758,036	2,334,065	-
Fund Balances:				
Nonspendable:				
Prepaid costs	56,017	2,801	4,775	-
Land held for resale	-	-	-	-
Notes and loans	5,330,589	-	-	-
Advances to other funds	51,700	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Community and cultural	-	-	10,877,201	-
Public works	-	1,293,268	-	8,600,920
Capital projects	-	-	-	-
Debt service	-	-	-	-
Endowments	-	-	-	-
Water quality	-	-	-	-
Committed to:				
Revolving line of credit	2,600,000	-	-	-
Scholarship program	-	-	17,332	-
Assigned to:				
Capital projects	-	-	-	-
Debt service	1,000,000	-	-	-
Continuing appropriations	458,283	-	-	-
GASB 31	2,155,654	-	-	-
Unassigned	29,814,811	-	-	-
Total Fund Balances	41,467,054	1,296,069	10,899,308	8,600,920
Total Liabilities and Fund Balances	\$ 65,563,418	\$ 8,054,105	\$ 13,233,373	\$ 8,600,920

Special Revenue Funds		
Housing Authority	Nonmajor Governmental Funds	Total Governmental Funds
\$ 34,289	\$ 45,759,838	\$ 106,719,485
29,790	5,451,661	8,953,373
26,542,001	3,936,288	30,478,289
-	-	16,304,121
683,834	281,646	1,966,975
-	12,935	76,528
12,562	1,019,263	4,580,094
-	-	10,085,358
-	580,657	632,357
3,916,126	-	3,916,126
-	7,516,060	7,516,060
\$ 31,218,602	\$ 64,558,348	\$ 191,228,766
\$ 2,910	\$ 4,671,456	\$ 17,723,801
-	113,704	813,917
683,834	281,646	11,939,013
-	284,721	851,678
-	-	20,144
-	43,077	48,273
-	2,264,071	10,085,358
-	-	51,700
686,744	7,658,675	41,533,884
-	12,935	76,528
3,916,126	-	3,916,126
26,542,001	3,936,288	35,808,878
-	580,657	632,357
-	173,556	173,556
73,731	3,248,459	3,322,190
-	626,545	626,545
-	-	10,877,201
-	8,721,333	18,615,521
-	8,442,675	8,442,675
-	11,956,354	11,956,354
-	14,779	14,779
-	170,051	170,051
-	-	2,600,000
-	-	17,332
-	19,708,984	19,708,984
-	-	1,000,000
-	-	458,283
-	-	2,155,654
-	(692,943)	29,121,868
30,531,858	56,899,673	149,694,882
\$ 31,218,602	\$ 64,558,348	\$ 191,228,766

Assets:

Pooled cash and investments (note 3)
Receivables:
Accounts
Notes and loans (note 4)
Notes to Successor Agency (note 4)
Accrued interest
Prepaid costs
Due from other governments
Due from other funds (note 7)
Advances to other funds (note 7)
Land held for resale
Restricted assets:
Cash with fiscal agents (note 3)

Total Assets

Liabilities and Fund Balances:

Liabilities:

Accounts payable
Accrued liabilities
Deferred revenues
Unearned revenues
Deposits payable
Due to other governments
Due to other funds (note 7)
Advances from other funds (note 7)

Total Liabilities

Fund Balances:

Nonspendable:

Prepaid costs
Land held for resale
Notes and loans
Advances to other funds
Permanent fund principal

Restricted for:

Community development projects
Public safety
Community and cultural
Public works
Capital Projects
Debt service
Endowments
Water quality

Committed to:

Revolving line of credit
Scholarship program

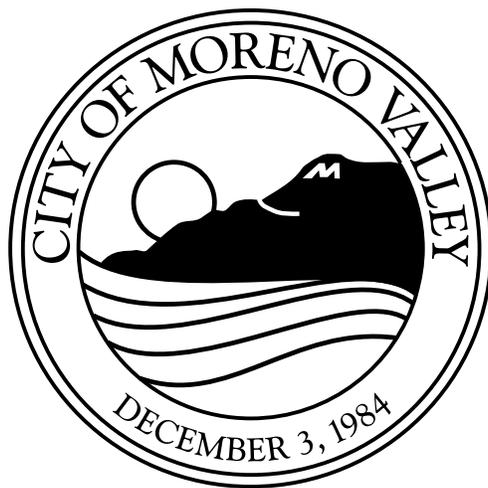
Assigned to:

Capital Projects
Debt service
Continuing appropriations
GASB 31

Unassigned

Total Fund Balances

Total Liabilities and Fund Balances



City of Moreno Valley

**Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Assets
June 30, 2012**

Fund balances of governmental funds	\$	149,694,882
<p>Amounts reported for governmental activities in the statement of net assets are different because:</p>		
<p>Capital assets net of depreciation have not been included as financial resources in governmental fund activity.</p>		
Capital Assets (excludes internal service capital assets)		1,109,535,111
Accumulated depreciation (excludes internal service accumulated depreciation)		(310,662,681)
<p>Bond issuance cost is an expenditure in the governmental funds, but it is a deferred charge in the statement of net assets.</p>		
		112,208
<p>Long-term debt and compensated absences that have not been included in the governmental fund activity:</p>		
2007 Towngate Special Tax Refunding Bonds	\$ (8,205,000)	
2007 Towngate Improvement Tax Refunding	(3,265,000)	
Auto Mall Special Tax Bonds	(400,000)	
2011 Private Placement Refunding, Series 1997		
Variable Rate Certificates of Participation	(3,662,500)	
Lease Revenue Bonds, 2005	(38,775,000)	
2011 Private Placement Refunding, Series 1997		
Variable Rate Certificates of Participation	<u>(3,011,000)</u>	(57,318,500)
Compensated Absences		(5,282,232)
<p>Governmental funds report all OPEB contributions as expenditures, however in the statement of net assets any excesses or deficiencies in contributions in relation to the Annual Required Contribution (ARC) are recorded as a asset or liability.</p>		
		(450,000)
<p>Accrued interest payable for the current portion of interest due on long-term debt has not been reported in the governmental funds.</p>		
		(393,250)
<p>Revenues reported as deferred revenue in the governmental funds and recognized in the Statement of Activities. These are included in the intergovernmental revenues in the governmental fund activity.</p>		
		11,939,013
<p>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 assets.</p>		
		<u>44,889,849</u>
Net assets of governmental activities	\$	<u>942,064,400</u>

City of Moreno Valley
Statement of Revenues,
Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2012

Special Revenue Funds

	<u>General</u>	<u>State Gasoline Tax</u>	<u>CSD Zones</u>	<u>Development Impact Fees</u>
Revenues:				
Taxes:				
Property taxes	\$ 9,397,373	\$ -	\$ 3,214,971	\$ -
Property taxes in lieu	13,170,964	-	-	-
Utility taxes	15,591,386	-	-	-
Sales taxes	14,003,993	-	-	-
Other taxes	7,533,532	-	965,251	-
Licenses and permits	1,523,800	-	-	-
Intergovernmental	398,193	5,352,868	17,641	-
Charges for services	8,574,131	-	11,551,772	1,041,562
Use of money and property	4,004,511	(800)	776,050	422,342
Fines and forfeitures	603,065	-	50,220	-
Contributions	-	-	-	-
Miscellaneous	138,346	43,913	84,666	-
Total Revenues	74,939,294	5,395,981	16,660,571	1,463,904
Expenditures:				
Current:				
General government	13,482,192	-	-	-
Public safety	53,600,412	-	-	-
Community development	6,482,658	-	-	-
Community and cultural	-	-	10,604,011	-
Public works	2,109,287	4,735,556	5,572,392	-
Capital outlay	673,934	516,386	84,068	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	76,348,483	5,251,942	16,260,471	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,409,189)	144,039	400,100	1,463,904
Other Financing Sources (Uses):				
Transfers in (note 7)	539,656	160,000	1,522,700	2,400,000
Transfers out (note 7)	(4,028,932)	-	-	(14,695,500)
Contributions from Successor Agency	-	-	-	-
Contributions to Successor Agency	-	-	-	-
Total Other Financing Sources (Uses)	(3,489,276)	160,000	1,522,700	(12,295,500)
Extraordinary gain/(loss) on dissolution of redevelopment agency (note 13)	-	-	-	-
Net Change in Fund Balances	(4,898,465)	304,039	1,922,800	(10,831,596)
Fund Balances, Beginning of Year	46,365,519	992,030	8,976,508	19,432,516
Fund Balances, End of Year	\$ 41,467,054	\$ 1,296,069	\$ 10,899,308	\$ 8,600,920

Special Revenue Funds		
Housing Authority	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 5,730,131	\$ 18,342,475
-	-	13,170,964
-	-	15,591,386
-	-	14,003,993
-	190,083	8,688,866
-	-	1,523,800
-	23,225,296	28,993,998
-	4,313,206	25,480,671
57,792	2,345,863	7,605,758
-	-	653,285
-	175,062	175,062
363,902	618,297	1,249,124
421,694	36,597,938	135,479,382
-	960,681	14,442,873
-	1,001,946	54,602,358
15	4,047,454	10,530,127
-	6,744,768	17,348,779
-	3,171,474	15,588,709
-	26,435,234	27,709,622
-	3,965,407	3,965,407
-	6,250,237	6,250,237
15	52,577,201	150,438,112
421,679	(15,979,263)	(14,958,730)
-	20,623,517	25,245,873
-	(7,094,467)	(25,818,899)
-	926,832	926,832
-	(26,708)	(26,708)
-	14,429,174	327,098
30,110,179	(32,676,388)	(2,566,209)
30,531,858	(34,226,477)	(17,197,841)
-	91,126,150	166,892,723
\$ 30,531,858	\$ 56,899,673	\$ 149,694,882

Revenues:

Taxes:

Property taxes
Property taxes in lieu
Utility taxes
Sales taxes
Other taxes
Licenses and permits
Intergovernmental
Charges for services
Use of money and property
Fines and forfeitures
Contributions
Miscellaneous

Total Revenues

Expenditures:

Current:

General government
Public safety
Community development
Community and cultural
Public works
Capital outlay
Debt service:
Principal retirement
Interest and fiscal charges

Total Expenditures

Excess (Deficiency) of Revenues
Over (Under) Expenditures

Other Financing Sources (Uses):

Transfers in (note 7)
Transfers out (note 7)
Contributions from Successor Agency
Contributions to Successor Agency

Total Other Financing Sources (Uses)

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

Net Change in Fund Balances

Fund Balances, Beginning of Year

Fund Balances, End of Year

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, 2012**

Net change in fund balances - total governmental funds \$ (17,197,841)

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)	31,562,696
Depreciation expense (excludes internal service depreciation)	(23,371,520)

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 assets. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Principal payments	3,965,407
--------------------	-----------

Debt issuance costs are expenditures in governmental funds, but these costs are capitalized on the statement of net assets.

Amortization of refunding bond issuance costs	(27,764)
---	----------

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.	(137,303)
--	-----------

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.	(596,064)
---	-----------

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 deferred revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.	(48,866)
--	----------

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.	4,633,984
--	-----------

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	(30,857,259)
Long-term liabilities	43,857,660
Accrued interest for long-term liabilities	1,019,642
Deferred revenues	(18,759,570)

Change in net assets of governmental activities	<u><u>\$ (6,406,798)</u></u>
--	-------------------------------------

City of Moreno Valley

Budgetary Comparison Statement
General Fund
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 9,086,000	\$ 9,630,000	\$ 9,397,373	\$ (232,627)
Property taxes in-lieu	13,000,000	13,170,000	13,170,964	964
Sales taxes	10,949,760	12,835,000	14,003,993	1,168,993
Utility user's tax	15,700,000	15,700,000	15,591,386	(108,614)
Other taxes	7,201,208	7,590,000	7,533,532	(56,468)
Licenses and permits	1,464,700	1,648,800	1,523,800	(125,000)
Intergovernmental	647,000	436,222	398,193	(38,029)
Charges for services	7,806,996	7,427,900	8,574,131	1,146,231
Use of money and property	3,868,800	4,492,768	4,004,511	(488,257)
Fines and forfeitures	1,173,000	551,000	603,065	52,065
Miscellaneous	304,750	269,845	138,346	(131,499)
Total Revenues:	71,202,214	73,751,535	74,939,294	1,187,759
Expenditures:				
Current:				
General government				
City council	573,450	577,150	553,224	23,926
City manager	1,334,087	1,398,087	1,345,111	52,976
City clerk	529,007	543,007	513,257	29,750
City attorney	918,169	928,169	819,388	108,781
Financial and administrative services	5,141,982	5,166,982	5,052,104	114,878
Human resources	784,510	890,959	773,363	117,596
Non-departmental	1,914,500	3,715,213	4,425,745	(710,532)
Public safety				
Police	41,257,270	40,673,276	38,952,960	1,720,316
Fire	15,641,664	15,778,017	14,647,452	1,130,565
Community development	6,024,141	6,301,211	6,482,658	(181,447)
Public works	2,219,092	2,287,897	2,109,287	178,610
Capital outlay	30,897	730,069	673,934	56,135
Total Expenditures	76,368,769	78,990,037	76,348,483	2,641,554
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,166,555)	(5,238,502)	(1,409,189)	3,829,313
Other Financing Sources (Uses):				
Transfers in (note 7)	-	539,656	539,656	-
Transfers out (note 7)	-	(3,968,900)	(4,028,932)	(60,032)
Total Other Financing Sources (Uses)	-	(3,429,244)	(3,489,276)	(60,032)
Net Change in Fund Balances	(5,166,555)	(8,667,746)	(4,898,465)	3,769,281
Fund Balance, Beginning of Year	46,365,519	46,365,519	46,365,519	-
Fund Balance, End of Year	\$ 41,198,964	\$ 37,697,773	\$ 41,467,054	\$ 3,769,281

City of Moreno Valley

Budgetary Comparison Statement
State Gasoline Tax
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 4,693,169	\$ 4,693,169	\$ 5,352,868	\$ 659,699
Use of money and property	5,000	5,000	(800)	(5,800)
Miscellaneous	401,000	401,000	43,913	(357,087)
Total Revenues	5,099,169	5,099,169	5,395,981	296,812
Expenditures:				
Current:				
Public works	4,780,732	4,794,821	4,735,556	59,265
Capital outlay	-	15,395,043	516,386	14,878,657
Total Expenditures	4,780,732	20,189,864	5,251,942	14,937,922
Excess (Deficiency) of Revenues Over (Under) Expenditures	318,437	(15,090,695)	144,039	15,234,734
Other Financing Sources (Uses):				
Transfers in (note 7)	-	160,000	160,000	-
Total Other Financing Sources (Uses)	-	160,000	160,000	-
Net Change in Fund Balances	318,437	(14,930,695)	304,039	15,234,734
Fund Balance, Beginning of Year	992,030	992,030	992,030	-
Fund Balance, End of Year	\$ 1,310,467	\$ (13,938,665)	\$ 1,296,069	\$ 15,234,734

City of Moreno Valley

Budgetary Comparison Statement
CSD Zones
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 3,131,900	\$ 3,131,900	\$ 3,214,971	\$ 83,071
Other taxes	1,000,000	1,000,000	965,251	(34,749)
Intergovernmental	-	-	17,641	17,641
Charges for services	10,914,582	10,914,582	11,551,772	637,190
Use of money and property	591,820	591,820	776,050	184,230
Fines and forfeitures	60,600	60,600	50,220	(10,380)
Miscellaneous	40,500	61,915	84,666	22,751
Total Revenues	15,739,402	15,760,817	16,660,571	899,754
Expenditures:				
Current:				
Community and cultural	10,954,665	11,104,751	10,604,011	500,740
Public works	6,624,191	6,277,733	5,572,392	705,341
Capital outlay	100,000	246,417	84,068	162,349
Total Expenditures	17,678,856	17,628,901	16,260,471	1,368,430
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,939,454)	(1,868,084)	400,100	2,268,184
Other Financing Sources (Uses):				
Transfers in (note 7)	-	1,522,700	1,522,700	-
Total Other Financing Sources (Uses)	-	1,522,700	1,522,700	-
Net Change in Fund Balances	(1,939,454)	(345,384)	1,922,800	2,268,184
Fund Balance, Beginning of Year	8,976,508	8,976,508	8,976,508	-
Fund Balance, End of Year	\$ 7,037,054	\$ 8,631,124	\$ 10,899,308	\$ 2,268,184

City of Moreno Valley

Budgetary Comparison Statement
Development Impact Fees
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 418,500	\$ 418,500	\$ 1,041,562	\$ 623,062
Use of money and property	211,400	211,400	422,342	210,942
Total Revenues	629,900	629,900	1,463,904	834,004
Excess (Deficiency) of Revenues Over (Under) Expenditures	629,900	629,900	1,463,904	834,004
Other Financing Sources (Uses):				
Transfers in (note 7)	-	2,400,000	2,400,000	-
Transfers out (note 7)	-	(14,695,500)	(14,695,500)	-
Total Other Financing Sources (Uses)	-	(12,295,500)	(12,295,500)	-
Net Change in Fund Balances	629,900	(11,665,600)	(10,831,596)	834,004
Fund Balance, Beginning of Year	19,432,516	19,432,516	19,432,516	-
Fund Balance, End of Year	\$ 20,062,416	\$ 7,766,916	\$ 8,600,920	\$ 834,004

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 Assets
Proprietary Funds
June 30, 2012

	<u>Enterprise Fund - Electric</u>	<u>Governmental Activities- Internal Service Funds</u>
Assets:		
Current:		
Pooled cash and investments (note 3)	\$ 4,723,655	\$ 39,906,708
Receivables:		
Accounts	2,125,811	5,791
Prepaid costs	319	33,539
Inventories	8,400	11,035
Restricted:		
Cash with fiscal agent (note 3)	2,548,261	-
Total Current Assets	<u>9,406,446</u>	<u>39,957,073</u>
Noncurrent:		
Capital assets - net of accumulated depreciation (note 5)	35,093,584	8,786,447
Total Noncurrent Assets	<u>35,093,584</u>	<u>8,786,447</u>
Total Assets	<u>\$ 44,500,030</u>	<u>\$ 48,743,520</u>
Liabilities and Net Assets:		
Liabilities:		
Current:		
Accounts payable	\$ 1,212,943	\$ 291,546
Accrued liabilities	11,035	62,327
Accrued interest	265,020	-
Deposits payable	863,262	-
Due to other governments	157,500	-
Compensated absences (note 6)	73,009	362,279
Self-insurance payable (note 12)	-	706,000
Bonds, notes, and loans payable (note 6)	560,000	-
Total Current Liabilities	<u>3,142,769</u>	<u>1,422,152</u>
Noncurrent:		
Advances from other funds (note 7)	580,657	-
Advances from operator	1,860,918	-
Compensated absences (note 6)	-	241,519
Self-insurance payable (note 12)	-	2,190,000
Bonds, notes, and loans payable (note 6)	28,411,374	-
Total Noncurrent Liabilities	<u>30,852,949</u>	<u>2,431,519</u>
Total Liabilities	<u>33,995,718</u>	<u>3,853,671</u>
Net Assets:		
Invested in capital assets, net of related debt	8,396,845	8,786,447
Restricted for public purpose programs	2,520,912	-
Unrestricted	(413,445)	36,103,402
Total Net Assets	<u>10,504,312</u>	<u>44,889,849</u>
Total Liabilities and Net Assets	<u>\$ 44,500,030</u>	<u>\$ 48,743,520</u>

City of Moreno Valley

Statement of Revenues, Expenses
and Changes in Fund Net Assets
June 30, 2012
Year Ended June 30, 2012

	Enterprise Fund - Electric	Governmental Activities- Internal Service Funds
Operating Revenues:		
Sales and service charges	\$ 16,605,127	\$ 12,897,559
Miscellaneous	159,293	9,355
	<u>16,764,420</u>	<u>12,906,914</u>
Total Operating Revenues		
Operating Expenses:		
Cost of services	724,803	7,479,210
Depreciation expense	814,368	662,394
Electricity purchased	8,472,266	-
Services and supplies	2,598,302	-
Distribution share	1,898,875	-
Self-insurance claims and charges	-	704,352
	<u>14,508,614</u>	<u>8,845,956</u>
Total Operating Expenses		
Operating Income (Loss)	<u>2,255,806</u>	<u>4,060,958</u>
Nonoperating Revenues (Expenses):		
Interest revenue	89,183	-
Interest expense	(1,630,610)	-
Litigation settlement	(405,050)	-
Engineering plan check fees	173,639	-
	<u>(1,772,838)</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)		
Income (Loss) Before Transfers	482,968	4,060,958
Transfers in (note 7)	-	1,900,000
Transfers out (note 7)	-	(1,326,974)
	<u>482,968</u>	<u>4,633,984</u>
Changes in Net Assets		
Net Assets:		
Beginning of Year	10,021,344	40,255,865
End of Fiscal Year	<u><u>\$ 10,504,312</u></u>	<u><u>\$ 44,889,849</u></u>

City of Moreno Valley

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2012

	Enterprise Fund - Electric	Governmental Activities- Internal Service Funds
Cash Flows from Operating Activities:		
Cash received from customers	\$ 16,386,412	\$ 12,893,102
Cash paid to suppliers for goods and services	(11,363,483)	(4,822,556)
Cash paid for claims	-	(1,235,352)
Cash paid to employees for services	(3,191,523)	(2,461,741)
Cash paid for litigation settlement	(405,050)	-
Other operating revenues (expenses)	159,293	9,355
Net Cash Provided (Used) by Operating Activities	1,585,649	4,382,808
Cash Flows from Non-Capital Financing Activities:		
Cash transfers out	-	(1,326,974)
Cash transfers in	-	1,900,000
Repayment made to other funds	(294,102)	-
Advances received from operator	377,814	-
Net Cash Provided (Used) by Non-Capital Financing Activities	83,712	573,026
Cash Flows from Capital and Related Financing Activities:		
Acquisition and construction of capital assets	(173,680)	(1,247,193)
Engineering plan check fees	173,639	-
Principal paid on capital debt	(537,482)	-
Interest paid on capital debt	(1,624,225)	-
Loans to other governments	157,500	-
Repayment of advances from other funds	(189,000)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,193,248)	(1,247,193)
Cash Flows from Investing Activities:		
Interest received	89,183	-
Net Cash Provided (Used) by Investing Activities	89,183	-
Net Increase (Decrease) in Cash and Cash Equivalents	(434,704)	3,708,641
Cash and Cash Equivalents at Beginning of Year	7,706,620	36,198,067
Cash and Cash Equivalents at End of Year	\$ 7,271,916	\$ 39,906,708
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	\$ 2,255,806	\$ 4,060,958
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:		
Depreciation	814,368	662,394
Cash paid for litigation settlement	(405,050)	-
(Increase) decrease in accounts receivable	(233,777)	(4,457)
(Increase) decrease in prepaid costs	(319)	(12,033)
(Increase) decrease in inventories	(8,400)	(2,460)
Increase (decrease) in accounts payable	(911,010)	120,640
Increase (decrease) in accrued liabilities	244	13,012
Increase (decrease) in deposits payable	15,062	-
Increase (decrease) in self-insurance payable	-	(531,000)
Increase (decrease) in compensated absences	58,725	75,754
Total Adjustments	(670,157)	321,850
Net Cash Provided (Used) by Operating Activities	\$ 1,585,649	\$ 4,382,808
Non-Cash Investing, Capital, and Financing Activities:		
Amortization of deferred issuance	\$ 10,945	\$ -

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.

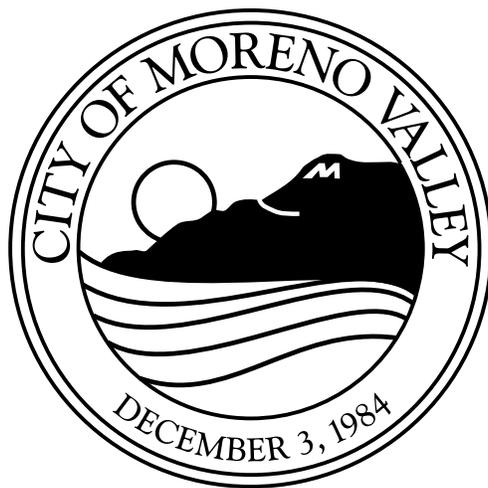
City of Moreno Valley

**Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012**

	<u>Agency Funds</u>	<u>Private- Purpose Trust</u>
		<u>Successor Agency of the Former RDA</u>
Assets:		
Pooled cash and investments (note 3 and 13)	\$ 12,093,410	\$ 33,709,056
Due from other governments	101	157,500
Restricted assets:		
Cash with fiscal agents (note 3 and 13)	722,526	1,777,002
Capital assets not being depreciated (note 13)	-	16,645,745
Capital assets, net of depreciation (note 13)	-	18,638,011
	<u> </u>	<u> </u>
Total Assets	<u>\$ 12,816,037</u>	<u>70,927,314</u>
Liabilities:		
Accounts payable	\$ 2,073	2,595,437
Accrued liabilities	-	11,016
Accrued interest	-	849,702
Deposits payable	5,314,770	-
Payable to trustee	7,499,194	-
Long-term debt, due within one year (note 13)	-	220,000
Long-term debt, due in more than one year (note 13)	-	59,941,781
	<u> </u>	<u> </u>
Total Liabilities	<u>\$ 12,816,037</u>	<u>63,617,936</u>
Net Assets:		
Held in trust for other purposes		<u>7,309,378</u>
Total Net Assets		<u>\$ 7,309,378</u>

City of Moreno Valley
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
Year Ended June 30, 2012

	<u>Private- Purpose Trust</u>
	<u>Successor Agency of the Former RDA</u>
Additions:	
Taxes	\$ 2,537,358
Use of money and property	239,213
Contributions from City	<u>26,708</u>
Total Additions	<u>2,803,279</u>
Deductions:	
Administrative expenses	244,819
Interest expense	1,013,024
Depreciation expense	283,193
Contributions to City	926,832
Loss on disposition of land held for resale	<u>331,769</u>
Total Deductions	<u>2,799,637</u>
Extraordinary gain/(loss) on dissolution of redevelopment agency (note 13)	<u>7,305,736</u>
Changes in Net Assets	7,309,378
Net Assets - Beginning of the Year	<u>-</u>
Net Assets - End of the Year	<u>\$ 7,309,378</u>



June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 **June 30, 2012** June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 **June 30, 2012** June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 **Notes to Basic Financial Statements** June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012**

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. For those that publish separate financial statements, those statements can be obtained from the City Clerk.

- The Community Redevelopment Agency of the City of Moreno Valley (the Agency) was established pursuant to the State of California Health and Safety Code, Section 53601, entitled Community Redevelopment Law. Its purpose is to prepare and carry out plans for the improvement, rehabilitation and redevelopment of blighted areas within the City of Moreno Valley. The Agency was dissolved as of January 31, 2012 through the Supreme Court decision on AB 1X 26. See Note 13 for more information on the dissolution.
- 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.
- Community Facilities District No. 2 (Moreno Valley Auto Mall), 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.
- 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.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

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

- The Industrial Development Authority (the Authority) was established pursuant to the "California Industrial Development Financing Act" of the California Government Code. The Authority was established for the purpose of financing the construction, acquisition and equipment of certain land and facilities within the City of Moreno Valley and is governed by the City Council. The Authority did not report any activity for the current year.
- 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.

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 assets 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.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

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

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.

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 so have been recognized as revenue 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 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 Recreation provides citywide park maintenance and recreation 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 within the City. Community Facilities District (CFD) #1 provides maintenance of new neighborhood parks, trails and class 1 bikeways. Zone S – Sunnymead Boulevard Maintenance provides orderly development and maintenance of extensive landscape services for certain improvements constructed by the City and the RDA on Sunnymead Boulevard.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

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

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 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 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 is 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

Private-sector standards of accounting and financial reporting issued prior to December 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

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

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

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

resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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.

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

d. Assets, Liabilities and Net Assets 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 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, 2012 (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:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	5 - 50
Furniture and Equipment	3 - 15
Vehicles	3 - 10
Infrastructure	25 - 50

Deferred Revenue and Unearned Revenue

The City reports deferred revenue in the fund-level statements. Deferred 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 City has a legal claim to the resources, the liability for deferred revenue is removed and revenue is recognized.

The City reports unearned revenue in the fund-level statements and in the statement of net assets. 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.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

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

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, as well as issuance costs, 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. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face 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 (or contribution to a redevelopment project) 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 Equity

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.

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 minute action or a resolution by the City Council.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

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

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 Administrative 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.

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 XIII B 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

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

Note 2: Stewardship, Compliance and Accountability (Continued)

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 2011-2012, the following funds had no adopted annual budgets:

- Housing Authority Special Revenue Fund
- Traffic Congestion Relief Special Revenue Fund
- Disaster Special Revenue Fund
- Capital Improvements Capital Projects Fund
- Traffic Signal Mitigation Capital Projects Fund
- Equestrian Trail Endowment Permanent Fund
- Rockridge Park Endowment Permanent Fund
- NPDES Endowment Permanent Fund

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:			
Non-departmental	\$ 3,715,213	\$ 4,425,745	\$ 710,532
Community development	6,301,211	6,482,658	181,447
Other Grants Special Revenue Fund:			
General government	115,413	307,449	192,036
Community development	101,952	138,740	36,788
HOME Special Revenue Fund:			
Capital outlay	-	202	202
ASES Program Grants Special Revenue Fund:			
Community and cultural	6,141,212	6,189,351	48,139
CDBG Recovery Act of 2009 Special Revenue Fund:			
Community development	26,402	30,700	4,298
TR16-06-1 Targeted Rubberized Special Revenue Fund:			
Public safety	-	93,526	93,526
Civil Penalties Special Revenue Fund:			
Community development	81,244	118,729	37,485
Fire Services Capital Projects Fund:			
Public safety	-	14	14
Auto Mall Capital/ Administration Capital Projects Fund:			
Public works	63,800	63,866	66
Auto Mall Special Debt Service Fund			
Interest and fiscal charges	64,700	73,788	9,088
Lease Revenue Bonds 2005 Debt Service Fund:			
General Governments	2,300	2,655	355
2011 Priv Placement Ref 97 Debt Service Fund:			
Principal retirement	215,000	261,000	46,000
2011 Priv Placement Ref 97 COPs Debt Service Fund:			
Principal retirement	645,000	681,000	36,000
Interest and fiscal charges	81,180	106,318	25,138
Community Redevelopment Agency Debt Service Fund:			
General government	251,200	465,687	214,487
Principal retirement	210,000	353,407	143,407

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

Note 3: Cash and Investments

As of June 30, 2012, cash and investments were reported in the accompanying financial statements as follows:

Government Activities:	
Governmental Funds	\$ 114,235,545
Internal Service Funds	39,906,708
Business-Type Activities	7,271,916
Fiduciary Funds	<u>48,301,994</u>
Total Cash and Investments	<u>\$ 209,716,163</u>

Cash and investments as of June 30, 2012 consist of the following:

Cash and Cash Equivalents	
Petty cash and change boxes	\$ 10,670
Demand deposit	(2,479,877)
Investments	199,621,521
Cash and Investments with fiscal agents	<u>12,563,849</u>
Total Cash and Investments	<u>\$ 209,716,163</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 which are fully insured through December 31, 2012 by the FDIC, at which time it reverts back to \$250,000. 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, 2012 (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, 2012 (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, 2012, the City's investment in medium term notes consisted of investments with Bank of New York Mellon, Berkshire Hathaway, Blackrock Inc., Coca Cola Company, EBay Inc., General Electric Capital Corp., Goldman Sachs, IBM Corp., JP Morgan, Lehman Bros, Morgan Stanley, PepsiCo Inc., Pfizer Inc., Praxair, U.S. Bankcorp, Wal-Mart, and Wells Fargo Bank. At June 30, 2012, 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. In the current year, the City's investment portfolio wrote-off corporate notes from Lehman Brothers. Since Lehman Brothers filed for Chapter 11 bankruptcy in September 2008, these investments were deemed to be uncollectible accounts and approved through resolution the write-off of the remainder of the initial investment of \$2,819,046. 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, 2012, 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 (\$2,479,877) at June 30, 2012. Bank balances before reconciling items were \$2,394,730 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.

As of June 30, 2012, the City had the following investments and original maturities:

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

Note 3: Cash and Investments (Continued)

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	\$ 27,072,682	\$ -	\$ -	\$ -	\$ 27,072,682
Money Market Fund	184,504	-	-	-	184,504
Commercial Paper	6,547,119	1,597,815	-	-	8,144,934
Certificates of Deposit	3,640,000	-	-	-	3,640,000
Medium Term Notes	3,676,420	4,598,726	37,192,180	-	45,467,326
US Treasury Notes	4,386,288	-	2,400,653	24,120,512	30,907,453
Federal Farm Credit Banks	-	1,014,591	11,684,340	5,592,859	18,291,790
Federal Farm Loan Banks	2,604,227	-	-	14,729,208	17,333,435
Federal Home Loan Mortgage Corp	3,457,014	-	2,753,148	14,211,195	20,421,357
Federal National Mortgage Assn	-	-	3,996,526	16,353,733	20,350,259
Tennessee Valley Authority	-	3,876,101	3,931,680	-	7,807,781
Held by Bond Trustee:					
Money Market Funds	12,563,849	-	-	-	12,563,849
Totals	\$ 64,132,103	\$ 11,087,233	\$ 61,958,527	\$ 75,007,507	\$ 212,185,370

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, 2012, the City is in compliance with the investment policy restriction.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

Note 3: Cash and Investments (Continued)

The City has invested more than 5% of the total investment value with the following issuers:

Medium Term Notes	21.4%
U.S. Treasury Notes	14.6%
Federal Farm Credit Bank	8.6%
Federal Farm Loan Bank	8.2%
Federal Home Loan Mortgage Corp	9.6%
Federal National Mortgage Association	9.6%

Note 4: Notes and Loans

a. Notes and Loans Receivable

Notes and loans receivables of \$30,478,289 consist primarily of revolving home improvement loans and are due beyond one year.

A summary of amounts owed at June 30, 2012 follows:

	Housing Authority	Nonmajor Governmental Funds	Total
Cottonwood Properties	\$ 3,866,186	\$ 2,050,000	\$ 5,916,186
Sheila Street Rehabilitation	2,651,875	-	2,651,875
RHDC Properties	1,853,996	762,329	2,616,325
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	-	5,300,000
Others	687,577	436,959	1,124,536
Totals	\$ 26,542,001	\$ 3,936,288	\$ 30,478,289

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, 2012, the balance of \$16,304,121 consists of the following:

The City purchased the Towngate Regional Mall - Department Store Parcel Acquisition Notes for \$5,000,000. The notes, 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

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

Note 4: Notes and Loans (Continued)

site-generated sales tax. Furthermore, the Agency has covenanted to use reasonable best efforts to refinance these notes with Tax Allocation Bonds, provided such financing is determined to be fiscally feasible. At June 30, 2012, accrued interest amounts to \$2,591,067.

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, 2012, accrued interest amounts to \$60,806.

Note 5: Capital Assets

The following is a schedule of changes in governmental activities capital assets for the year ended June 30, 2012:

	Balance July 1, 2011	Transfers	Additions	Deletions	Transfers to Successor Agency*	Balance June 30, 2012
Non-Depreciable Assets:						
Land	\$ 308,409,790	\$ -	\$ 1,312,900	\$ -	\$ (9,435,936)	\$ 300,286,754
Construction In Progress	50,309,666	(44,713,997)	24,997,016	-	(2,688,957)	27,903,728
Subtotal: Non-Depreciable Assets	<u>358,719,456</u>	<u>(44,713,997)</u>	<u>26,309,916</u>	<u>-</u>	<u>(12,124,893)</u>	<u>328,190,482</u>
Depreciable Assets:						
Buildings and Improvements	116,219,428	1,905,872	571,158	-	(12,191,837)	106,504,621
Furniture and Equipment	12,573,838	69,412	167,981	-	(352,837)	12,458,394
Vehicles	9,810,910	-	718,795	-	-	10,529,705
Infrastructure	634,867,670	42,738,713	5,042,039	-	(9,744,962)	672,903,460
Subtotal: Depreciable Assets	<u>773,471,846</u>	<u>44,713,997</u>	<u>6,499,973</u>	<u>-</u>	<u>(22,289,636)</u>	<u>802,396,180</u>
Total Capital Assets	1,132,191,302	-	32,809,889	-	(34,414,529)	1,130,586,662
Less Accumulated Depreciation for:						
Buildings and Improvements	(41,301,943)	-	(3,240,814)	-	2,965,692	(41,577,065)
Furniture and Equipment	(10,683,344)	-	(616,039)	-	352,837	(10,946,546)
Vehicles	(7,547,061)	-	(674,626)	-	-	(8,221,687)
Infrastructure	(242,918,793)	-	(19,502,435)	-	238,741	(262,182,487)
Total Accumulated Depreciation	<u>(302,451,141)</u>	<u>-</u>	<u>(24,033,914)</u>	<u>-</u>	<u>3,557,270</u>	<u>(322,927,785)</u>
Total Net Capital Assets	<u>\$ 829,740,161</u>	<u>\$ -</u>	<u>\$ 8,775,975</u>	<u>\$ -</u>	<u>\$ (30,857,259)</u>	<u>\$ 807,658,877</u>

*As a result of the dissolution of the Redevelopment Agency, assets of the former Redevelopment Agency were transferred to the Successor Agency as of January 31, 2012. See Note 13 for additional information.

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

Governmental Activities:	
General government	\$ 152,337
Public safety	1,415,433
Community development	729,817
Community and cultural	1,810,949
Public works	19,262,984
Internal service funds	662,394
Total	<u>\$ 24,033,914</u>

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

Note 5: Capital Assets (Continued)

The following is a schedule of changes in business-type activities capital assets for the year ended June 30, 2012:

	Balance July 1, 2011	Transfers	Additions	Deletions	Balance June 30, 2012
Non-Depreciable Assets:					
Land	\$ 1,237,459	\$ -	\$ -	\$ -	\$ 1,237,459
Construction In Progress	283,653	(3,461)	41,928	-	322,120
Subtotal: Non-Depreciable Assets	<u>1,521,112</u>	<u>(3,461)</u>	<u>41,928</u>	<u>-</u>	<u>1,559,579</u>
Depreciable Assets:					
Infrastructure	37,953,287	3,461	131,752	-	38,088,500
Subtotal: Depreciable Assets	<u>37,953,287</u>	<u>3,461</u>	<u>131,752</u>	<u>-</u>	<u>38,088,500</u>
Total Capital Assets	39,474,399	-	173,680	-	39,648,079
Less Accumulated Depreciation for:					
Infrastructure	(3,740,127)	-	(814,368)	-	(4,554,495)
Total Accumulated Depreciation	<u>(3,740,127)</u>	<u>-</u>	<u>(814,368)</u>	<u>-</u>	<u>(4,554,495)</u>
Total Net Capital Assets	<u>\$ 35,734,272</u>	<u>\$ -</u>	<u>\$ (640,688)</u>	<u>\$ -</u>	<u>\$ 35,093,584</u>

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

Electric Utility	<u>\$ 814,368</u>
------------------	-------------------

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, 2012:

	Balance July 1, 2011	Additions	Deletions	Transfers to Successor Agency*	Balance June 30, 2012	Due Within One Year
Towngate Community Facilities District No. 87-7:						
2007 Towngate Special Tax Refunding Bonds	\$ 8,860,000	\$ -	\$ (655,000)	\$ -	\$ 8,205,000	\$ 680,000
2007 Towngate Improvement Tax Refunding	3,470,000	-	(205,000)	-	3,265,000	210,000
Community Facilities District No. 3:						
Auto Mall Special Tax Bonds	1,325,000	-	(925,000)	-	400,000	10,000
Moreno Valley Public Facilities Financing:						
2011 Private Placement Refunding, Series 1997 Variable Rate Certificates of Participation	4,343,500	-	(681,000)	-	3,662,500	690,500
Moreno Valley Public Financing Authority:						
Lease Revenue Bonds, 2005	39,660,000	-	(885,000)	-	38,775,000	920,000
2011 Private Placement Refunding, Series 1997 Variable Rate Certificates of Participation	3,272,000	-	(261,000)	-	3,011,000	222,000
City:						
OPEB Liability	-	450,000	-	-	450,000	-
Accrued Self-Insurance Claims and Judgments	3,427,000	706,000	(1,237,000)	-	2,896,000	706,000
Compensated Absences:						
Governmental Funds	4,686,168	2,832,527	(2,236,463)	-	5,282,232	2,520,933
Internal Service Funds	528,044	288,633	(212,879)	-	603,798	362,279
Community Redevelopment Agency						
Notes Payable, Price Company	1,736,067	-	(143,407)	(1,592,660)	-	-
RDA - 2007 Tax Allocation Bonds Series A	42,475,000	-	(210,000)	(42,265,000)	-	-
Totals	<u>\$ 113,782,779</u>	<u>\$ 4,277,160</u>	<u>\$ (7,651,749)</u>	<u>\$ (43,857,660)</u>	<u>\$ 66,550,530</u>	<u>\$ 6,321,712</u>

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

Note 6: Long Term Debt (Continued)

*As a result of the dissolution of the Redevelopment Agency, indebtedness of the former Redevelopment Agency was transferred to the Successor Agency. See Note 13 for disclosures of indebtedness.

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 City's Redevelopment Agency, the required tax levy may be reduced in part by the reimbursable tax increment and utility reimbursements from the Agency. This refinancing decreased the aggregate debt service payments that were required on the Refunded Bonds by approximately \$3,650,042. This refunding resulted in an economic gain of approximately \$1,061,603.

The annual debt service requirements for the 2007 Towngate Special Tax Refunding Bonds payable outstanding at June 30, 2012, are as follows:

Year Ending June 30,	2007 Towngate Special Tax Refunding Bonds	
	Principal	Interest
2013	\$ 680,000	\$ 335,931
2014	700,000	310,906
2015	730,000	283,181
2016	760,000	253,381
2017	790,000	218,431
2018-2022	<u>4,545,000</u>	<u>490,816</u>
Totals	<u>\$ 8,205,000</u>	<u>\$ 1,892,646</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 City's Redevelopment Agency, 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. This refinancing increased the aggregate debt service payments that were required on the Refunded Bonds by approximately \$984,049. This refunding resulted in an economic gain of approximately \$465,301.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

Note 6: Long Term Debt (Continued)

The annual debt service requirements for the 2007 Towngate Improvement Tax Refunding Bonds payable outstanding at June 30, 2012, are as follows:

Year Ending June 30,	2007 Towngate Improvement Tax Refunding Bonds	
	Principal	Interest
2013	\$ 210,000	\$ 143,719
2014	220,000	135,009
2015	230,000	125,669
2016	240,000	115,739
2017	250,000	105,170
2018-2022	1,440,000	338,875
2023-2027	675,000	33,148
Totals	\$ 3,265,000	\$ 997,329

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 City's Redevelopment Agency, 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. This refinancing increased the aggregate debt service payments that were required on the Refunded Bonds by approximately \$3,100,000 and produced an economic loss (the excess of the present value of the new over old debt service payments) of approximately \$418,000. The refinancing was undertaken to cure a debt service payment default that had occurred on the now refunded bonds. Special tax delinquencies were the primary cause of the default.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

Note 6: Long Term Debt (Continued)

The annual debt service requirements for the Auto Mall Special Tax Bonds payable outstanding at June 30, 2012, are as follows:

Year Ending June 30,	Auto Mall Special Tax Bonds	
	Principal	Interest
2013	\$ 10,000	\$ 29,625
2014	15,000	28,688
2015	15,000	27,563
2016	15,000	26,438
2017	15,000	25,313
2018-2022	80,000	109,500
2023-2027	115,000	73,313
2028-2032	135,000	21,563
Totals	<u>\$ 400,000</u>	<u>\$ 342,003</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.

The annual debt service requirements for the 2011 Private Placement Refunding, 1997 Certificates of Participation payable outstanding at June 30, 2012, are as follows:

Year Ending June 30,	2011 Private Placement Refunding, 1997 Certificates of Participation	
	Principal	Interest
2013	\$ 690,500	\$ 96,864
2014	710,500	76,409
2015	732,000	55,349
2016	753,500	33,660
2017	776,000	11,330
Totals	<u>\$ 3,662,500</u>	<u>\$ 273,612</u>

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

Note 6: Long Term Debt (Continued)

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. These refinancing decreased aggregate debt service payments that were required by approximately \$731,963. This refunding resulted in an economic gain of approximately \$171,743.

The annual debt service requirements for the 2011 Private Placement Refunding, 1997 Lease Revenue Bonds payable outstanding at June 30, 2012, are as follows:

Year Ending June 30,	2011 Private Placement Refunding, 1997 Lease Revenue Bonds	
	Principal	Interest
2013	\$ 222,000	\$ 115,420
2014	234,000	106,346
2015	241,000	96,893
2016	252,000	87,082
2017	262,000	76,854
2018-2022	1,469,000	216,532
2023-2027	331,000	6,587
Totals	<u>\$ 3,011,000</u>	<u>\$ 705,714</u>

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 \$4,910,000 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.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

Note 6: Long Term Debt (Continued)

The annual debt service requirements for the Lease Revenue Bonds, 2005 payable outstanding at June 30, 2012, are as follows:

Year Ending June 30,	2005 Lease Revenue Bonds	
	Principal	Interest
2013	\$ 920,000	\$ 1,715,640
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
2018-2022	6,310,000	6,855,425
2023-2027	7,930,000	5,216,340
2028-2032	9,875,000	3,225,897
2033-2037	9,585,000	861,328
Totals	\$ 38,775,000	\$ 24,281,590

Compensated Absences

At June 30, 2012, the amount of compensated absences liability was \$5,886,030. This amount consists of \$5,282,232 for governmental funds, principally paid by the General Fund, and \$603,798 for internal service funds.

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, 2012:

	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012	Due Within One Year
Electrical Cabinet Capital Leases	\$ 2,482	\$ -	\$ 2,482	\$ -	\$ -
Lease Revenue Bonds, 2005	4,810,000	-	105,000	4,705,000	110,000
Lease Revenue Bonds, 2007	24,970,000	-	430,000	24,540,000	450,000
Less Deferred Issuance	(284,571)	-	(10,945)	(273,626)	-
Compensated Absences	14,284	89,167	30,442	73,009	73,009
Totals	\$ 29,512,195	\$ 89,167	\$ 556,979	\$ 29,044,383	\$ 633,009

Electrical Cabinets Capital Lease

Between January 2004 and August 2006, the City entered into nine separate lease purchase agreements to lease electrical cabinets in the amount of \$65,000 each. The term of each lease is for 60 months. As of June 30, 2012 the balance was fully paid.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (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, 2012, are as follows:

Year Ending June 30,	Lease Revenue Bonds, 2005	
	Principal	Interest
2013	\$ 110,000	\$ 208,238
2014	120,000	202,763
2015	125,000	197,263
2016	130,000	191,513
2017	135,000	185,563
2018-2022	765,000	830,888
2023-2027	960,000	621,373
2028-2032	1,200,000	390,694
2033-2037	1,160,000	104,344
Totals	<u>\$ 4,705,000</u>	<u>\$ 2,932,639</u>

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.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

Note 6: Long Term Debt (Continued)

The annual debt service requirements for the Lease Revenue Bonds, 2007 payable outstanding at June 30, 2012, are as follows:

Year Ending June 30,	Lease Revenue Bonds, 2007	
	Principal	Interest
2012-2013	\$ 450,000	\$ 1,379,522
2013-2014	475,000	1,356,644
2014-2015	495,000	1,332,495
2015-2016	520,000	1,307,329
2016-2017	550,000	1,280,893
2017-2022	3,220,000	5,926,719
2022-2027	4,215,000	4,928,732
2027-2032	5,545,000	3,599,500
2032-2037	7,340,000	1,810,100
2037-2042	1,730,000	99,475
Totals	\$ 24,540,000	\$ 23,021,409

Compensated Absences

At June 30, 2012, the amount of compensated absences liability totaled \$73,009. Based on the current trend of usage, this entire amount 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, 2012 was \$5,198,000.

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, 2012 was \$5,775,000.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

Note 7: Interfund Receivables, Payables and Transfers

a. Due To/From Other Funds

Due From Other Funds	Due To Other Funds			
	CSD Zones	State Gasoline Tax	Nonmajor Governmental Funds	Total
General Fund	\$ 1,321,287	\$ -	\$ 2,264,071	\$ 3,585,358
Development Impact Fees	-	6,500,000	-	6,500,000
Total	\$ 1,321,287	\$ 6,500,000	\$ 2,264,071	\$ 10,085,358

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 amounts of the loans outstanding at June 30, 2012 were \$1,321,287.

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

Nonmajor Governmental Funds:	
Article 3 Transportation	\$ 149,434
Community Development Block Grant	190,370
Storm Water Maintenance	180,047
ASES Program Grant	406,166
Homelessness Prevention Program	74,730
CDBG Recovery Act of 2009	31,696
Neighborhood Stabilization Grant	98,098
Auto Mall Capital / Administration	3,430
TUMF Capital Projects	508,734
Auto Mall Special Tax Bonds	185,448
2007 Towngate Refunding	435,918
Total Nonmajor Governmental Funds	\$ 2,264,071

b. Advances To/From Other Funds

Advances To Other Funds	Advances From Other Funds		
	CSD Zones	Electric Enterprise Fund	Total
General Fund	\$ 51,700	\$ -	\$ 51,700
Nonmajor Governmental	-	580,657	580,657
Total	\$ 51,700	\$ 580,657	\$ 632,357

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

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

The General Fund advanced \$51,700 to the CSD Zones Fund for operations. The outstanding balance as of June 30, 2012 is \$51,700.

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.

c. Interfund Transfers

Transfers Out	Transfers In						Total
	General Fund	State Gasoline Tax	CSD Zones	Development Impact Fees	Nonmajor Governmental Funds	Internal Service Funds	
General Fund	\$ -	\$ 160,000	\$ 1,522,700	\$ -	\$ 446,232	\$ 1,900,000	\$ 4,028,932
Development Impact Fees	-	-	-	-	14,695,500	-	14,695,500
Nonmajor Governmental Funds	-	-	-	2,400,000	4,694,467	-	7,094,467
Internal Service Funds	539,656	-	-	-	787,318	-	1,326,974
Total	\$ 539,656	\$ 160,000	\$ 1,522,700	\$ 2,400,000	\$ 20,623,517	\$ 1,900,000	\$ 27,145,873

The General Fund transferred a total of \$4,028,932 to several funds to provide subsidies to cover the operating deficits.

The Development Impact Fees Fund transferred a total of \$14,695,500 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 19.344% for fiscal year 2011-2012. 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, 2012 (Continued)**

Note 8: Employee Pension Plan (Continued)

Annual Pension Cost

For fiscal year 2011-2012, the City's annual pension cost was \$5,402,864. The City also contributed \$1,432,581 on behalf of the employees for the employee contribution. The required contribution for the fiscal year 2011-2012 was determined as part of the June 30, 2009 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 3.25% 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 assets was determined using a technique that smoothes 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, 2012 was 23 years.

Year Ended June 30,	Pension Cost (APC)	Percentage of APC Contributed	Pension Obligation
2010	\$ 5,233,518	100%	\$ -
2011	5,214,878	100%	-
2012	5,402,864	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 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,

City of Moreno Valley

Notes to Financial Statements
Year Ended June 30, 2012 (Continued)

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

as well as other requirements, are 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

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 2011-2012, the City's annual OPEB cost was \$1,615,000. The required contribution for the fiscal year was determined as part of the June 30, 2011 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included: a) 7.75% 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, 2012.

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:

Table with 2 columns: Description and Amount. Rows include Annual OPEB cost (expense) \$1,615,000, Contributions (including premiums/benefits paid) 1,165,000, Increase in net OPEB obligation 450,000, Net OPEB obligation - beginning of year -, and Net OPEB obligation - end of the year \$450,000.

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, 2012 (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
06/30/10	\$ 1,425,000	100%	\$ -
06/30/11	1,564,000	100%	-
06/30/12	1,615,000	72%	450,000

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, 2012:

Non-Major Governmental Funds:

Special Revenue Funds:	
Child Care Grant	\$ 18,327
Storm Water Maintenance	99,124
ASES Program Grants	397,441
Capital Projects Funds:	
Auto Mall Capital/Administration	3,430
TUMF Capital Projects	174,621

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, 2012 (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 Community Redevelopment Agency 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. Furthermore, the City has agreed to loan the Agency available sales tax generated within the District for payment directly to the parcel owners should the increment be insufficient to offset the special parcel taxes. In addition, the Agency has agreed to pay to the parcel owners, subject to certain restrictions, certain available surplus sales tax from within the District. The obligations to remit sales tax terminate by December 1, 2010.

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

The amounts remitted during the year under the replacement and previous agreement to parcel owners totaled \$29,292.

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 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 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, 2012:

<u>Project Name</u>	<u>Contract Amount</u>	<u>Expenditures to date as of June 30, 2012</u>	<u>Remaining Commitments</u>
Morrison Park Fire Station	\$ 3,110,936	\$ 1,649,492	\$ 1,461,444
SR-60 / Nason	11,294,069	10,560,133	733,936
SR-60 / Nason & Moreno Beach (Design)	2,755,312	2,559,771	195,541
Heacock Bridge	2,217,783	791,600	1,426,183
Nason / Cactus	20,983,753	2,378,053	18,605,700

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

Note 11: Commitments and Contingencies (Continued)

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.

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 \$1,766,000 and \$1,130,000 for the workers' compensation claims and general liability claims, respectively, for a total of \$2,896,000. Of these amounts, the current year's adjustment is a decrease of \$531,000.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (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:

	General Liability	Workers' Compensation	Total
Amount of accrued claims at June 30, 2010	\$ 1,432,000	\$ 2,188,000	\$ 3,620,000
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.	692,596	330,091	1,022,687
Payments on claims attributable to events of both the current fiscal year and prior fiscal years.	<u>(680,596)</u>	<u>(535,091)</u>	<u>(1,215,687)</u>
Amount of accrued claims at June 30, 2011	<u>\$ 1,444,000</u>	<u>\$ 1,983,000</u>	<u>\$ 3,427,000</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.	\$ 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>

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

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. 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).

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.

City of Moreno Valley

Notes to Financial Statements
Year Ended June 30, 2012 (Continued)

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

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other 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.

Prior to that date, the final seven months of the activity of the redevelopment agency continued to be reported in the governmental funds of the City. 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.

The transfer of the assets and liabilities of the former redevelopment agency as of February 1, 2012 (effectively the same date as January 31, 2012) from governmental funds of the City to fiduciary funds was reported in the governmental funds as an extraordinary loss (or gain) in the governmental fund financial statements. The receipt of these assets and liabilities as of January 31, 2012 was reported in the private-purpose trust fund as an extraordinary gain (or loss).

Because of the different measurement focus of the governmental funds (*current financial resources measurement focus*) and the measurement focus of the trust funds (*economic resources measurement focus*), the extraordinary loss (gain) recognized in the governmental funds was not the same amount as the extraordinary gain (loss) that was recognized in the fiduciary fund financial statements.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

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

The difference between the extraordinary loss recognized in the fund financial statements and the extraordinary gain recognized in the fiduciary fund financial statements is reconciled as follows:

Total extraordinary loss reported in the governmental funds - increase to net assets of the Successory Agency Trust Fund	\$ 2,566,209
Capital assets recorded in the government-wide financial statements - increase to net assets of the Successor Agency Trust Fund	30,857,259
Deferred revenues recorded in the government-wide financial statements - increase to net assets of the Successor Agency Trust Fund	18,759,570
Accrued bond interest reported in the government-wide financial statements - decrease in net assets of the Successor Agency Bond Trust Fund	(1,019,642)
Long-term debt reported in the government-wide financial statements - decrease to net assets of the Successor Agency Trust Fund	<u>(43,857,660)</u>
Net decrease to net assets of the Successor Agency Trust Fund as a result of initial transfers (equal to amount of extraordinary gain reported in the government-wide financial statements of the City)	<u>\$ 7,305,736</u>

a. Cash and investments

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

Cash and investments	\$ 33,709,056
Cash and investments with fiscal agent	<u>1,777,002</u>
	<u>\$ 35,486,058</u>

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

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

b. Capital Assets

Capital assets as of June 30, 2012 are as follows:

	Balance July 1, 2011	Transfers in from Former RDA	Transfers	Additions	Deletions	Balance June 30, 2012
Non-Depreciable Assets:						
Land	\$ -	\$ 9,435,936	\$ -	\$ -	\$ -	\$ 9,435,936
Construction In Progress	-	2,688,957	(188,838)	4,709,690	-	7,209,809
Subtotal: Non-Depreciable Assets	-	12,124,893	(188,838)	4,709,690	-	16,645,745
Depreciable Assets:						
Buildings and improvements	-	12,191,837	-	-	-	12,191,837
Furniture and Equipment	-	352,837	-	-	-	352,837
Infrastructure	-	9,744,962	188,838	-	-	9,933,800
Subtotal: Depreciable Assets	-	22,289,636	188,838	-	-	22,478,474
Total Capital Assets	-	34,414,529	-	4,709,690	-	39,124,219
Less Accumulated Depreciation for:						
Buildings and improvements	-	(2,965,692)	-	(203,197)	-	(3,168,889)
Furniture and Equipment	-	(352,837)	-	-	-	(352,837)
Infrastructure	-	(238,741)	-	(79,996)	-	(318,737)
Total Accumulated Depreciation	-	(3,557,270)	-	(283,193)	-	(3,840,463)
Total Net Capital Assets	\$ -	\$ 30,857,259	\$ -	\$ 4,426,497	\$ -	\$ 35,283,756

c. Long-Term Debt

A description of long-term debt outstanding (excluding defeased debt) of the Successor Agency as of June 30, 2012, follows:

	Balance July 1, 2011	Transferred from the former RDA	Adjustments *	Additions	Repayments	Balance June 30, 2012	Due Within One Year
Fiduciary Activities							
City Loans - Principal	\$ -	\$ -	\$ -	\$ 13,652,248	\$ -	\$ 13,652,248	\$ -
City Loans - Interest	-	-	(193,251)	2,845,124	-	2,651,873	-
Notes Payable, Price Company	-	1,592,660	-	-	-	1,592,660	-
2007 TABs, Series A	-	42,265,000	-	-	-	42,265,000	220,000
Total	\$ -	\$ 43,857,660	\$ (193,251)	\$ 16,497,372	\$ -	\$ 60,161,781	\$ 220,000

*Adjustments were to restore unpaid interest to LAIF rates from origination of the loan in accordance AB 1X 26.

The following debt was transferred from the Redevelopment Agency to the Successor Agency as of February 1, 2012 as a result of the dissolution.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (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, 2012, the outstanding principal and accrued interest balances are \$13,000,000 and \$2,591,067, 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, 2012, the outstanding principal and accrued interest balances are \$652,248 and \$60,806.

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, 2012 was \$1,592,660.

2007 Tax Allocation Bonds Series A

On June 14, 2012, Moody's Investors Service ("Moody's") downgraded all California tax allocation bonds rated 'Baa3' and above. As such, the Bonds' insured rating was downgraded from 'A3' to 'Ba1' and underlying rating was downgraded from 'A3' to 'Ba1'. According to Moody's, all California tax allocation bond ratings remain on review for possible withdrawal.

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, 2012 (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, 2012, are as follows:

Year Ending June 30,	2007 Tax Allocation Bonds Series A	
	Principal	Interest
2013	\$ 220,000	\$ 2,034,884
2014	230,000	2,025,884
2015	230,000	2,017,259
2016	235,000	2,009,121
2017	245,000	2,000,109
2018-2022	1,330,000	9,845,381
2023-2027	7,960,000	8,883,484
2028-2032	10,680,000	6,680,659
2033-2037	14,340,000	3,561,250
2038-2042	6,795,000	343,875
Totals	<u>\$ 42,265,000</u>	<u>\$ 39,401,906</u>

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 1X 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 \$81,666,906 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the City and Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$8,267,489 and the debt service obligation on the bonds was \$2,253,484.

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.

e. Commitments and Contingencies

Litigation

At June 30, 2012, 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.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2012 (Continued)**

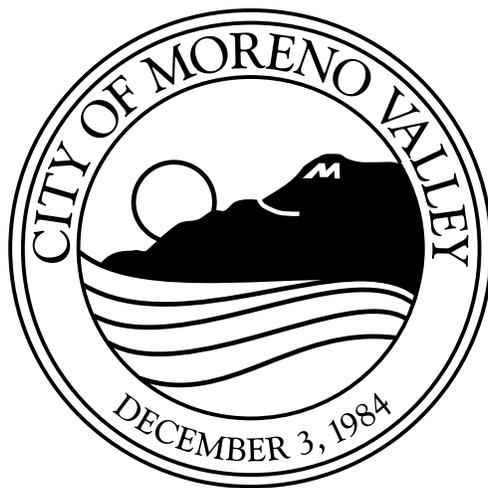
Note 13: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

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.

f. Subsequent Events

Assembly Bill 1484 established a requirement for the successor agency to remit to the County auditor-controller three payments as determined by the auditor-controller which consist of a payment to be made in July 2012 for taxing entities’ share of December 2011 property tax distribution to redevelopment agency/successor agency, a payment to be made in November 2012 related to Low-Moderate Income Housing Fund Due Diligence Review for unencumbered cash, and a payment to be made in April 2013 related to the other Redevelopment Funds Due Diligence Review for unencumbered cash. As of the date of the report the Low-Moderate Income Housing Due Diligence Review and the other Redevelopment Funds Due Diligence Review resulted in no amount due; however, the Department of Finance has issued an adjustment of the Low-Moderate Due Diligence Review final determination to be \$3,595,351 and has confirmed the other Redevelopment Funds Due Diligence Review. The City has contested the adjustment and at this time the outcome of pending litigation is uncertain.



June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 **June 30, 2012** June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 **June 30, 2012** June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

**Non-Major
Governmental Funds**

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 ABC Police Grant Fund, the Local Law Enforcement Block Grant (LLEBG), Supplemental Law Enforcement Services Fund (SLESF), Office of Traffic Safety Grant (OTS), Edward Byrne Memorial Justice Assistance Grant (JAG), and the 2008 COPS Tech Program Grant 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 energy efficiency, 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 assessments districts formed within the City for infrastructure 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.

Traffic Congestion Relief Fund

This fund is used to account for revenues and expenditures related to legally restricted funds obtained through grants from the State of California for traffic congestion relief.

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.

TRI16-06-1 Targeted Rubberized Asphalt Concrete Incentive Grant Fund

This fund is used to account for the recycling grant from the California Integrated Waste Management Board, which essentially pays for the differential costs of an asphalt overlay project.

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.

CAPITAL PROJECTS FUNDS:

Facility Construction Fund

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

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

CAPITAL PROJECTS FUNDS (CONTINUED):

Capital Improvements Fund

This fund is used to account for revenues received to construct capital projects to mitigate the impact of new development on the City's infrastructure.

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 Development and 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.

Community Redevelopment Agency Capital Projects Fund

This fund is used to account for the tax increment revenues collected by the Community Redevelopment Agency and used for administrative expenditures, capital projects within the redevelopment project area, and low and moderate income housing programs as required by law. The redevelopment agency was dissolved as of January 31, 2012 through the Supreme Court decision on Assembly Bill 1X 26.

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 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.

Community Redevelopment Agency Debt Service Fund

This fund is used to account for the tax increment revenues and other resources collected by the Community Redevelopment Agency for the payment of Agency debt service. The redevelopment agency was dissolved as of January 31, 2012 through the Supreme Court decision on Assembly Bill 1X 26.

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

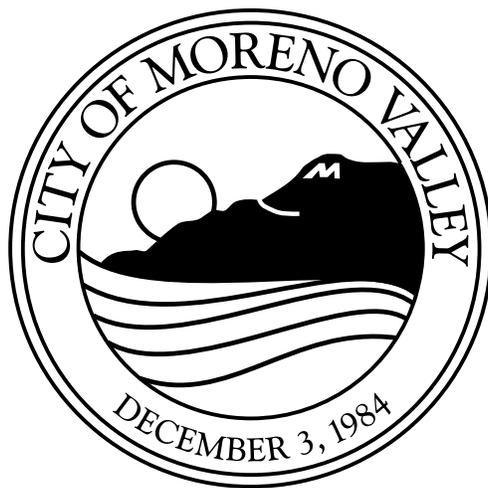
This fund is used to account for the endowment program for the Equestrian Trail. The principal endowment amount was provided by a developer. The interest earned will be used for the benefit of citywide trail use, maintenance, education and other trail-related costs.

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, 2012

	Special Revenue Funds		
	Article 3 Transportation	Measure A	Law Enforcement
Assets:			
Pooled cash and investments	\$ -	\$ 4,318,556	\$ 36,485
Receivables:			
Accounts	-	4,238,555	-
Notes and loans	-	-	-
Interest	-	-	-
Prepaid costs	-	-	-
Due from other governments	154,049	214,790	330,798
Advances to other funds	-	-	-
	\$ 154,049	\$ 8,771,901	\$ 367,283
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 4,615	\$ 1,671,825	\$ 191,124
Accrued liabilities	-	11,100	1,828
Deferred revenues	-	-	-
Unearned revenues	-	-	172,387
Due to other governments	-	-	-
Due to other funds	149,434	-	-
	154,049	1,682,925	365,339
Fund Balances:			
Nonspendable:			
Prepaid costs	-	-	-
Notes and loans	-	-	-
Advances to other funds	-	-	-
Permanent fund principal	-	-	-
Restricted for:			
Community development projects	-	-	-
Public safety	-	-	1,944
Community and cultural	-	-	-
Public works	-	7,088,976	-
Capital projects	-	-	-
Debt service	-	-	-
Endowment	-	-	-
Water quality	-	-	-
Assigned to:			
Capital projects	-	-	-
Unassigned	-	-	-
Total Fund Balances	-	7,088,976	1,944
Total Liabilities and Fund Balances	\$ 154,049	\$ 8,771,901	\$ 367,283

(Continued)

Special Revenue Funds

Other Grants	Public Education Government Access	Air Quality Management	
\$ 31,292	\$ 2,135,974	\$ 272,184	Assets:
31,749	141,883	60,438	Pooled cash and investments
-	-	-	Receivables:
-	-	-	Accounts
-	-	-	Notes and loans
-	-	-	Interest
119,606	-	-	Prepaid costs
-	-	-	Due from other governments
-	-	-	Advances to other funds
\$ 182,647	\$ 2,277,857	\$ 332,622	
			Liabilities and Fund Balances:
\$ -	\$ -	\$ 3,341	Liabilities:
5,252	6,445	3,507	Accounts payable
-	-	-	Accrued liabilities
55,302	-	-	Deferred revenues
-	-	-	Unearned revenues
-	-	-	Due to other governments
-	-	-	Due to other funds
60,554	6,445	6,848	
			Fund Balances:
-	-	-	Nonspendable:
-	-	-	Prepaid costs
-	-	-	Notes and loans
-	-	-	Advances to other funds
-	-	-	Permanent fund principal
122,093	2,271,412	-	Restricted for:
-	-	-	Community development projects
-	-	-	Public safety
-	-	-	Community and cultural
-	-	325,774	Public works
-	-	-	Capital projects
-	-	-	Debt service
-	-	-	Endowment
-	-	-	Water quality
-	-	-	Assigned to:
-	-	-	Capital projects
-	-	-	Unassigned
122,093	2,271,412	325,774	Total Fund Balances
\$ 182,647	\$ 2,277,857	\$ 332,622	Total Liabilities and Fund Balances

City of Moreno Valley
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

	Special Revenue Funds		
	Community Development Block Grant	Special Districts Administration	Storm Water Management
Assets:			
Pooled cash and investments	\$ -	\$ 24,879	\$ 165,303
Receivables:			
Accounts	323,444	5,624	25,783
Notes and loans	30,000	-	-
Interest	-	-	-
Prepaid costs	-	12,935	-
Due from other governments	-	-	4,700
Advances to other funds	-	580,657	-
	\$ 353,444	\$ 624,095	\$ 195,786
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 67,409	\$ 4	\$ 17,100
Accrued liabilities	5,318	8,054	8,635
Deferred revenues	-	-	-
Unearned revenues	-	-	-
Due to other governments	-	-	-
Due to other funds	190,370	-	-
	263,097	8,058	25,735
Fund Balances:			
Nonspendable:			
Prepaid costs	-	12,935	-
Notes and loans	30,000	-	-
Advances to other funds	-	580,657	-
Permanent fund principal	-	-	-
Restricted for:			
Community development projects	60,347	-	-
Public safety	-	-	-
Community and cultural	-	-	-
Public works	-	22,445	-
Capital projects	-	-	-
Debt service	-	-	-
Endowment	-	-	-
Water quality	-	-	170,051
Assigned to:			
Capital projects	-	-	-
Unassigned	-	-	-
Total Fund Balances	90,347	616,037	170,051
Total Liabilities and Fund Balances	\$ 353,444	\$ 624,095	\$ 195,786

(Continued)

Special Revenue Funds

HOME	Child Care Grant	Used Oil Recycling
\$ 489,791	\$ 60,397	\$ 32,781
-	-	-
3,906,288	-	-
281,646	-	-
-	-	-
940	7,598	24,425
-	-	-
\$ 4,678,665	\$ 67,995	\$ 57,206
\$ -	\$ 2,418	\$ -
598	40,827	174
281,646	-	-
-	-	57,032
-	43,077	-
-	-	-
282,244	86,322	57,206
-	-	-
3,906,288	-	-
-	-	-
-	-	-
490,133	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	(18,327)	-
4,396,421	(18,327)	-
\$ 4,678,665	\$ 67,995	\$ 57,206

Assets:

Pooled cash and investments
Receivables:
 Accounts
 Notes and loans
 Interest
Prepaid costs
Due from other governments
Advances to other funds

Liabilities and Fund Balances:

Liabilities:

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

Fund Balances:

Nonspendable:

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

Restricted for:

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

Assigned to:

Capital projects

Unassigned

Total Fund Balances

Total Liabilities and Fund Balances

City of Moreno Valley
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

Special Revenue Funds

	Traffic Congestion Relief	Storm Water Maintenance	ASES Program Grants
Assets:			
Pooled cash and investments	\$ -	\$ -	\$ -
Receivables:			
Accounts	-	86,316	-
Notes and loans	-	-	-
Interest	-	-	-
Prepaid costs	-	-	-
Due from other governments	-	-	50,749
Advances to other funds	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ 86,316</u>	<u>\$ 50,749</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ 1,890	\$ 40,576
Accrued liabilities	-	3,503	1,448
Deferred revenues	-	-	-
Unearned revenues	-	-	-
Due to other governments	-	-	-
Due to other funds	-	180,047	406,166
	<u>-</u>	<u>180,047</u>	<u>406,166</u>
	<u>-</u>	<u>185,440</u>	<u>448,190</u>
Fund Balances:			
Nonspendable:			
Prepaid costs	-	-	-
Notes and loans	-	-	-
Advances to other funds	-	-	-
Permanent fund principal	-	-	-
Restricted for:			
Community development projects	-	-	-
Public safety	-	-	-
Community and cultural	-	-	-
Public works	-	-	-
Capital projects	-	-	-
Debt service	-	-	-
Endowment	-	-	-
Water quality	-	-	-
Assigned to:			
Capital projects	-	-	-
Unassigned	<u>-</u>	<u>(99,124)</u>	<u>(397,441)</u>
Total Fund Balances	<u>-</u>	<u>(99,124)</u>	<u>(397,441)</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 86,316</u>	<u>\$ 50,749</u>

(Continued)

Special Revenue Funds

CFD #4M	Neighborhood Stabilization Grant	Homelessness Prevention Program
\$ 78,065	\$ -	\$ -
-	174,043	-
-	-	-
-	-	-
-	-	-
-	-	74,782
-	-	-
\$ 78,065	\$ 174,043	\$ 74,782
\$ -	\$ 38,411	\$ -
-	5,258	-
-	-	-
-	-	-
-	-	-
-	98,098	74,730
-	141,767	74,730
-	-	-
-	-	-
-	-	-
-	-	-
-	32,276	52
-	-	-
78,065	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
78,065	32,276	52
\$ 78,065	\$ 174,043	\$ 74,782

Assets:

Pooled cash and investments
Receivables:
 Accounts
 Notes and loans
 Interest
Prepaid costs
Due from other governments
Advances to other funds

Liabilities and Fund Balances:

Liabilities:

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

Fund Balances:

Nonspendable:

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

Restricted for:

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

Assigned to:

Capital projects

Unassigned

Total Fund Balances

Total Liabilities and Fund Balances

City of Moreno Valley
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

Special Revenue Funds

	CDBG Recovery Act of 2009	Prop 42 Replacement Funds	Prop 1B
Assets:			
Pooled cash and investments	\$ -	\$ 1,136,231	\$ 84,446
Receivables:			
Accounts	-	-	-
Notes and loans	-	-	-
Interest	-	-	-
Prepaid costs	-	-	-
Due from other governments	36,826	-	-
Advances to other funds	-	-	-
	\$ 36,826	\$ 1,136,231	\$ 84,446
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 5,107	\$ 6,034	\$ 7,771
Accrued liabilities	23	755	44
Deferred revenues	-	-	-
Unearned revenues	-	-	-
Due to other governments	-	-	-
Due to other funds	31,696	-	-
	36,826	6,789	7,815
Fund Balances:			
Nonspendable:			
Prepaid costs	-	-	-
Notes and loans	-	-	-
Advances to other funds	-	-	-
Permanent fund principal	-	-	-
Restricted for:			
Community development projects	-	-	-
Public safety	-	-	-
Community and cultural	-	-	-
Public works	-	1,129,442	76,631
Capital projects	-	-	-
Debt service	-	-	-
Endowment	-	-	-
Water quality	-	-	-
Assigned to:			
Capital projects	-	-	-
Unassigned	-	-	-
Total Fund Balances	-	1,129,442	76,631
Total Liabilities and Fund Balances	\$ 36,826	\$ 1,136,231	\$ 84,446

City of Moreno Valley
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

	Special Revenue Funds	Capital Projects Funds	
	Disaster	Facility Construction	Capital Improvements
Assets:			
Pooled cash and investments	\$ 390,278	\$ 13,425,604	\$ -
Receivables:			
Accounts	-	-	-
Notes and loans	-	-	-
Interest	-	-	-
Prepaid costs	-	-	-
Due from other governments	-	-	-
Advances to other funds	-	-	-
	<u>\$ 390,278</u>	<u>\$ 13,425,604</u>	<u>\$ -</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ 641,735	\$ -
Accrued liabilities	-	808	-
Deferred revenues	-	-	-
Unearned revenues	-	-	-
Due to other governments	-	-	-
Due to other funds	-	-	-
	<u>-</u>	<u>642,543</u>	<u>-</u>
Fund Balances:			
Nonspendable:			
Prepaid costs	-	-	-
Notes and loans	-	-	-
Advances to other funds	-	-	-
Permanent fund principal	-	-	-
Restricted for:			
Community development projects	-	-	-
Public safety	390,278	-	-
Community and cultural	-	-	-
Public works	-	-	-
Capital projects	-	-	-
Debt service	-	-	-
Endowment	-	-	-
Water quality	-	-	-
Assigned to:			
Capital projects	-	12,783,061	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>390,278</u>	<u>12,783,061</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 390,278</u>	<u>\$ 13,425,604</u>	<u>\$ -</u>

(Continued)

<u>Capital Projects Funds</u>			
<u>Public Works Capital Projects</u>	<u>Traffic Signal Mitigation</u>	<u>Fire Services Capital Projects</u>	
\$ 2,970,148	\$ 137,578	\$ 455,869	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
<u>\$ 2,970,148</u>	<u>\$ 137,578</u>	<u>\$ 455,869</u>	Total Assets
			Liabilities and Fund Balances:
\$ 628,275	\$ -	\$ 1,500	Liabilities:
-	-	216	Accounts payable
-	-	-	Accrued liabilities
-	-	-	Deferred revenues
-	-	-	Unearned revenues
-	-	-	Due to other governments
-	-	-	Due to other funds
<u>628,275</u>	<u>-</u>	<u>1,716</u>	Total Liabilities
			Fund Balances:
			Nonspendable:
-	-	-	Prepaid costs
-	-	-	Notes and loans
-	-	-	Advances to other funds
-	-	-	Permanent fund principal
			Restricted for:
-	-	-	Community development projects
-	-	-	Public safety
-	-	-	Public works
-	137,578	454,153	Capital Projects
-	-	-	Debt service
-	-	-	Endowment
-	-	-	Water quality
2,341,873	-	-	Assigned to:
-	-	-	Capital Projects
<u>2,341,873</u>	<u>137,578</u>	<u>454,153</u>	Unassigned
<u>\$ 2,970,148</u>	<u>\$ 137,578</u>	<u>\$ 455,869</u>	Total Fund Balances
			Total Liabilities and Fund Balances

City of Moreno Valley
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

Capital Projects Funds

	<u>Towngate Capital / Administration</u>	<u>Warner Ranch Capital / Development</u>	<u>Auto Mall Capital / Administration</u>
Assets:			
Pooled cash and investments	\$ 9,285	\$ 13,673	\$ -
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> </u>	<u> </u>
Total Assets	<u>\$ 9,285</u>	<u>\$ 13,673</u>	<u>\$ -</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-
Deferred revenues	-	-	-
Unearned revenues	-	-	-
Due to other governments	-	-	-
Due to other funds	-	-	3,430
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>3,430</u>
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	9,285	13,673	-
Debt service	-	-	-
Endowment	-	-	-
Water quality	-	-	-
Assigned to:			
Capital Projects	-	-	-
Unassigned	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>9,285</u>	<u>13,673</u>	<u>(3,430)</u>
Total Liabilities and Fund Balances	<u>\$ 9,285</u>	<u>\$ 13,673</u>	<u>\$ -</u>

(Continued)

Capital Projects Funds			
Parks and Community Services Capital Projects	TUMF Capital Projects	DIF Capital Projects	
\$ 4,804,161	\$ -	\$ 7,562,809	Assets:
-	363,826	-	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
\$ 4,804,161	\$ 363,826	\$ 7,562,809	Total Assets
			Liabilities and Fund Balances:
\$ 220,111	\$ 28,435	\$ 855,663	Liabilities:
-	1,278	6,464	Accounts payable
-	-	-	Accrued liabilities
-	-	-	Deferred revenues
-	-	-	Unearned revenues
-	-	-	Due to other governments
-	508,734	-	Due to other funds
220,111	538,447	862,127	Total Liabilities
			Fund Balances:
-	-	-	Nonspendable:
-	-	-	Prepaid costs
-	-	-	Notes and loans
-	-	-	Advances to other funds
-	-	-	Permanent fund principal
-	-	-	Restricted for:
-	-	-	Community development projects
-	-	-	Public safety
-	-	-	Public works
-	-	6,700,682	Capital Projects
-	-	-	Debt service
-	-	-	Endowment
-	-	-	Water quality
4,584,050	-	-	Assigned to:
-	(174,621)	-	Capital Projects
4,584,050	(174,621)	6,700,682	Unassigned
\$ 4,804,161	\$ 363,826	\$ 7,562,809	Total Fund Balances
			Total Liabilities and Fund Balances

City of Moreno Valley
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

	<u>Capital Projects Funds</u>		<u>Debt Service Funds</u>
	<u>Lease Revenue Bonds 2005 Capital Projects</u>	<u>Community Redevelopment Agency Capital Projects</u>	<u>Auto Mall Special Tax Bonds</u>
Assets:			
Pooled cash and investments	\$ 185,574	\$ -	\$ -
Receivables:			
Accounts	-	-	-
Notes and loans	-	-	-
Interest	-	-	-
Prepaid costs	-	-	-
Due from other governments	-	-	-
Advances to other funds	-	-	-
Restricted assets:			
Cash with fiscal agents	1,166,933	-	344,035
Total Assets	<u>\$ 1,352,507</u>	<u>\$ -</u>	<u>\$ 344,035</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 224,188	\$ -	\$ -
Accrued liabilities	1,015	-	-
Deferred revenues	-	-	-
Unearned revenues	-	-	-
Due to other governments	-	-	-
Due to other funds	-	-	185,448
Total Liabilities	<u>225,203</u>	<u>-</u>	<u>185,448</u>
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	1,127,304	-	-
Debt service	-	-	158,587
Endowment	-	-	-
Water quality	-	-	-
Assigned to:			
Capital Projects	-	-	-
Unassigned	-	-	-
Total Fund Balances	<u>1,127,304</u>	<u>-</u>	<u>158,587</u>
Total Liabilities and Fund Balances	<u>\$ 1,352,507</u>	<u>\$ -</u>	<u>\$ 344,035</u>

(Continued)

Debt Service Funds		
Lease Revenue Bonds 2005 Debt Service	2007 Towngate Improvement Refunding	2007 Towngate Refunding
\$ 6,145,869	\$ 82,724	\$ -
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
2,649,412	754,492	2,601,188
\$ 8,795,281	\$ 837,216	\$ 2,601,188
\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-
-	-	-
-	-	435,918
-	-	435,918
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
8,795,281	837,216	2,165,270
-	-	-
-	-	-
-	-	-
-	-	-
8,795,281	837,216	2,165,270
\$ 8,795,281	\$ 837,216	\$ 2,601,188

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 and Fund Balances:

Liabilities:

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

Total Liabilities

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 and Fund Balances

City of Moreno Valley
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

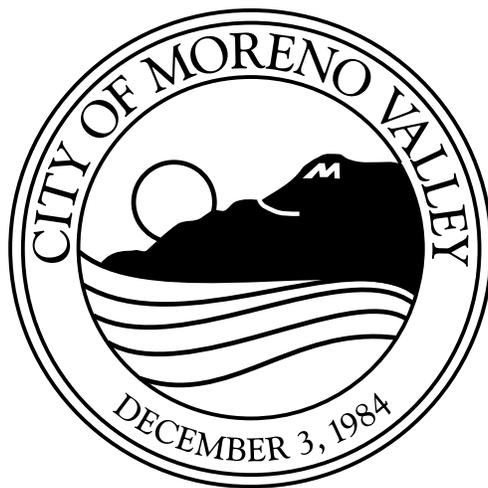
	<u>Debt Service Funds</u>		
	<u>2011 Priv Placement Ref 97 Lease Rev Bonds</u>	<u>2011 Priv Placement Ref 97 COPs</u>	<u>Community Redevelopment Agency Debt Service</u>
Assets:			
Pooled cash and investments	\$ -	\$ -	\$ -
Receivables:			
Accounts	-	-	-
Notes and loans	-	-	-
Interest	-	-	-
Prepaid costs	-	-	-
Due from other governments	-	-	-
Advances to other funds	-	-	-
Restricted assets:			
Cash with fiscal agents	-	-	-
Total Assets	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-
Deferred revenues	-	-	-
Unearned revenues	-	-	-
Due to other governments	-	-	-
Due to other funds	-	-	-
Total Liabilities	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
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	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Total Fund Balances	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Total Liabilities and Fund Balances	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(Continued)

Permanent Funds			
Celebration Park Endowment	Equestrian Trail Endowment	Rockridge Park Endowment	
\$ 59,814	\$ 12,240	\$ 101,775	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
\$ 59,814	\$ 12,240	\$ 101,775	Total Assets
-	-	-	Liabilities and Fund Balances:
-	-	-	Liabilities:
-	-	-	Accounts payable
-	-	-	Accrued liabilities
-	-	-	Deferred revenues
-	-	-	Unearned revenues
-	-	-	Due to other governments
-	-	-	Due to other funds
-	-	-	Total Liabilities
-	-	-	Fund Balances:
-	-	-	Nonspendable:
-	-	-	Prepaid costs
-	-	-	Notes and loans
49,050	10,000	100,000	Advances to other funds
-	-	-	Permanent fund principal
-	-	-	Restricted for:
-	-	-	Community development projects
-	-	-	Public safety
-	-	-	Public works
-	-	-	Capital Projects
-	-	-	Debt service
10,764	2,240	1,775	Endowment
-	-	-	Water quality
-	-	-	Assigned to:
-	-	-	Capital Projects
-	-	-	Unassigned
59,814	12,240	101,775	Total Fund Balances
\$ 59,814	\$ 12,240	\$ 101,775	Total Liabilities and Fund Balances

City of Moreno Valley
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

	Permanent Funds	Total Nonmajor Governmental Funds
	NPDES Endowment	Total Nonmajor Governmental Funds
Assets:		
Pooled cash and investments	\$ 14,506	\$ 45,759,838
Receivables:		
Accounts	-	5,451,661
Notes and loans	-	3,936,288
Interest	-	281,646
Prepaid costs	-	12,935
Due from other governments	-	1,019,263
Advances to other funds	-	580,657
Restricted assets:		
Cash with fiscal agents	-	7,516,060
Total Assets	\$ 14,506	\$ 64,558,348
 Liabilities and Fund Balances:		
Liabilities:		
Accounts payable	\$ -	\$ 4,671,456
Accrued liabilities	-	113,704
Deferred revenues	-	281,646
Unearned revenues	-	284,721
Due to other governments	-	43,077
Due to other funds	-	2,264,071
Total Liabilities	-	7,658,675
 Fund Balances:		
Nonspendable:		
Prepaid costs	-	12,935
Notes and loans	-	3,936,288
Advances to other funds	-	580,657
Permanent fund principal	14,506	173,556
Restricted for:		
Community development projects	-	3,248,459
Public safety	-	626,545
Public works	-	8,721,333
Capital Projects	-	8,442,675
Debt service	-	11,956,354
Endowment	-	14,779
Water quality	-	170,051
Assigned to:		
Capital Projects	-	19,708,984
Unassigned	-	(692,943)
Total Fund Balances	14,506	56,899,673
 Total Liabilities and Fund Balances	\$ 14,506	\$ 64,558,348



City of Moreno Valley
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2012

	Special Revenue Funds		
	Article 3 Transportation	Measure A	Law Enforcement
Revenues:			
Taxes			
Property taxes	\$ -	\$ -	\$ -
Other taxes	-	-	-
Intergovernmental	154,049	9,369,027	829,466
Charges for services	-	-	-
Use of money and property	-	191,370	4,875
Miscellaneous	566	18,096	-
	154,615	9,578,493	834,341
Total Revenues			
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	832,201
Community development	-	-	-
Community and cultural	-	-	-
Public works	-	341,365	-
Capital outlay	154,615	11,904,743	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
	154,615	12,246,108	832,201
Total Expenditures			
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(2,667,615)	2,140
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	-	-	-
Contributions from Successor Agency	-	-	-
Contributions to Successor Agency	-	-	-
	-	-	-
Total Other Financing Sources (Uses)			
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-
Net Change in Fund Balances	-	(2,667,615)	2,140
Fund Balances, Beginning of Year	-	9,756,591	(196)
Fund Balances, End of Year	\$ -	\$ 7,088,976	\$ 1,944

(Continued)

Special Revenue Funds			
Other Grants	Public Education Government Access	Air Quality Management	
\$ -	\$ -	\$ -	Revenues:
-	-	-	Taxes
1,297,446	-	244,830	Property taxes
-	-	-	Other taxes
(918)	-	6,144	Intergovernmental
-	528,362	375	Charges for services
			Use of money and property
			Miscellaneous
1,296,528	528,362	251,349	Total Revenues
			Expenditures:
			Current:
307,449	566,141	-	General government
142,382	-	-	Public safety
138,740	-	-	Community development
-	-	-	Community and cultural
-	-	206,759	Public works
621,159	-	115,802	Capital outlay
-	-	-	Debt service:
-	-	-	Principal retirement
-	-	-	Interest and fiscal charges
1,209,730	566,141	322,561	Total Expenditures
			Excess (Deficiency) of Revenues
86,798	(37,779)	(71,212)	Over (Under) Expenditures
			Other Financing Sources (Uses):
-	2,309,191	-	Transfers in
(2,309,191)	-	-	Transfers out
-	-	-	Contributions from Successor Agency
-	-	-	Contributions to Successor Agency
(2,309,191)	2,309,191	-	Total Other Financing Sources (Uses)
			Extraordinary gain/(loss) on dissolution of redevelopment agency
-	-	-	
(2,222,393)	2,271,412	(71,212)	Net Change in Fund Balances
2,344,486	-	396,986	Fund Balances, Beginning of Year
\$ 122,093	\$ 2,271,412	\$ 325,774	Fund Balances, End of Year

City of Moreno Valley

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2012

	<u>Special Revenue Funds</u>		
	<u>Community Development Block Grant</u>	<u>Special Districts Administration</u>	<u>Storm Water Management</u>
Revenues:			
Taxes			
Property taxes	\$ -	\$ -	\$ -
Other taxes	-	-	-
Intergovernmental	1,168,287	-	111,944
Charges for services	-	792,387	506,364
Use of money and property	-	(1,910)	-
Miscellaneous	-	-	-
Total Revenues	<u>1,168,287</u>	<u>790,477</u>	<u>618,308</u>
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	1,096,637	-	-
Community and cultural	-	-	-
Public works	-	878,049	960,325
Capital outlay	57,170	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	<u>1,153,807</u>	<u>878,049</u>	<u>960,325</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>14,480</u>	<u>(87,572)</u>	<u>(342,017)</u>
Other Financing Sources (Uses):			
Transfers in	-	-	210,200
Transfers out	-	-	-
Contributions from Successor Agency	-	-	-
Contributions to Successor Agency	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>210,200</u>
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-
Net Change in Fund Balances	<u>14,480</u>	<u>(87,572)</u>	<u>(131,817)</u>
Fund Balances, Beginning of Year	<u>75,867</u>	<u>703,609</u>	<u>301,868</u>
Fund Balances, End of Year	<u>\$ 90,347</u>	<u>\$ 616,037</u>	<u>\$ 170,051</u>

(Continued)

Special Revenue Funds

HOME	Child Care Grant	Used Oil Recycling	
\$ -	\$ -	\$ -	Revenues:
-	-	-	Taxes
167,601	534,329	84,436	Property taxes
-	21,086	-	Other taxes
-	-	-	Intergovernmental
-	-	-	Charges for services
-	-	-	Use of money and property
-	-	-	Miscellaneous
167,601	555,415	84,436	Total Revenues
-	-	84,436	Expenditures:
-	-	-	Current:
133,366	-	-	General government
-	555,417	-	Public safety
-	-	-	Community development
-	-	-	Community and cultural
202	-	-	Public works
-	-	-	Capital outlay
-	-	-	Debt service:
-	-	-	Principal retirement
-	-	-	Interest and fiscal charges
133,568	555,417	84,436	Total Expenditures
34,033	(2)	-	Excess (Deficiency) of Revenues Over (Under) Expenditures
-	-	-	Other Financing Sources (Uses):
-	-	-	Transfers in
-	-	-	Transfers out
-	-	-	Contributions from Successor Agency
-	-	-	Contributions to Successor Agency
-	-	-	Total Other Financing Sources (Uses)
-	-	-	Extraordinary gain/(loss) on dissolution of redevelopment agency
34,033	(2)	-	Net Change in Fund Balances
4,362,388	(18,325)	-	Fund Balances, Beginning of Year
\$ 4,396,421	\$ (18,327)	\$ -	Fund Balances, End of Year

City of Moreno Valley

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2012

	<u>Special Revenue Funds</u>		
	<u>Traffic Congestion Relief</u>	<u>Storm Water Maintenance</u>	<u>ASES Program Grants</u>
Revenues:			
Taxes			
Property taxes	\$ -	\$ -	\$ -
Other taxes	-	-	-
Intergovernmental	-	260,151	5,732,853
Charges for services	-	-	-
Use of money and property	(12,328)	-	40,956
Miscellaneous	-	-	14,187
	<u>-</u>	<u>-</u>	<u>14,187</u>
Total Revenues	<u>(12,328)</u>	<u>260,151</u>	<u>5,787,996</u>
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	-	-	-
Community and cultural	-	-	6,189,351
Public works	-	427,739	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>427,739</u>	<u>6,189,351</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(12,328)</u>	<u>(167,588)</u>	<u>(401,355)</u>
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	-	-	-
Contributions from Successor Agency	-	-	-
Contributions to Successor Agency	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-
Net Change in Fund Balances	<u>(12,328)</u>	<u>(167,588)</u>	<u>(401,355)</u>
Fund Balances, Beginning of Year	<u>12,328</u>	<u>68,464</u>	<u>3,914</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ (99,124)</u>	<u>\$ (397,441)</u>

(Continued)

Special Revenue Funds			
CFD #4M	Neighborhood Stabilization Grant	Homelessness Prevention Program	
\$ -	\$ -	\$ -	Revenues:
-	-	-	Taxes
-	-	-	Property taxes
-	1,781,643	93,634	Other taxes
33,520	-	-	Intergovernmental
1,635	-	-	Charges for services
-	-	-	Use of money and property
-	-	-	Miscellaneous
35,155	1,781,643	93,634	Total Revenues
-	-	-	Expenditures:
-	-	-	Current:
-	-	-	General government
-	-	-	Public safety
-	1,232,117	81,926	Community development
-	-	-	Community and cultural
19,929	-	-	Public works
-	-	-	Capital outlay
-	-	-	Debt service:
-	-	-	Principal retirement
-	-	-	Interest and fiscal charges
19,929	1,232,117	81,926	Total Expenditures
15,226	549,526	11,708	Excess (Deficiency) of Revenues Over (Under) Expenditures
-	-	-	Other Financing Sources (Uses):
-	-	-	Transfers in
-	-	-	Transfers out
-	-	-	Contributions from Successor Agency
-	-	-	Contributions to Successor Agency
-	-	-	Total Other Financing Sources (Uses)
-	-	-	Extraordinary gain/(loss) on dissolution of redevelopment agency
15,226	549,526	11,708	Net Change in Fund Balances
62,839	(517,250)	(11,656)	Fund Balances, Beginning of Year
\$ 78,065	\$ 32,276	\$ 52	Fund Balances, End of Year

City of Moreno Valley

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2012

	<u>Special Revenue Funds</u>		
	<u>CDBG Recovery Act of 2009</u>	<u>Prop 42 Replacement Funds</u>	<u>Prop 1B</u>
Revenues:			
Taxes			
Property taxes	\$ -	\$ -	\$ -
Other taxes	-	-	-
Intergovernmental	30,700	-	-
Charges for services	-	-	-
Use of money and property	-	-	-
Miscellaneous	-	195	381
	<u>30,700</u>	<u>195</u>	<u>381</u>
Total Revenues	30,700	195	381
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	30,700	-	-
Community and cultural	-	-	-
Public works	-	-	-
Capital outlay	-	676,951	301,845
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
	<u>30,700</u>	<u>676,951</u>	<u>301,845</u>
Total Expenditures	30,700	676,951	301,845
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(676,756)	(301,464)
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	-	-	-
Contributions from Successor Agency	-	-	-
Contributions to Successor Agency	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	-	-	-
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-
Net Change in Fund Balances	-	(676,756)	(301,464)
Fund Balances, Beginning of Year	-	1,806,198	378,095
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ 1,129,442</u>	<u>\$ 76,631</u>

(Continued)

Special Revenue Funds			
TR16-06-1 Targeted Rubberized	Civil Penalties	Emergency Services Agency Fines	
\$ -	\$ -	\$ -	Revenues:
-	-	-	Taxes
-	-	-	Property taxes
-	-	-	Other taxes
-	-	-	Intergovernmental
-	7,936	6,797	Charges for services
-	50,745	-	Use of money and property
-	-	-	Miscellaneous
-	58,681	6,797	Total Revenues
-	-	-	Expenditures:
-	-	-	Current:
-	-	27,349	General government
-	118,729	-	Public safety
-	-	-	Community development
93,526	-	-	Community and cultural
-	-	-	Public works
-	-	-	Capital outlay
-	-	-	Debt service:
-	-	-	Principal retirement
-	-	-	Interest and fiscal charges
93,526	118,729	27,349	Total Expenditures
(93,526)	(60,048)	(20,552)	Excess (Deficiency) of Revenues Over (Under) Expenditures
-	-	-	Other Financing Sources (Uses):
-	-	-	Transfers in
-	-	-	Transfers out
-	-	-	Contributions from Successor Agency
-	-	-	Contributions to Successor Agency
-	-	-	Total Other Financing Sources (Uses)
-	-	-	Extraordinary gain/(loss) on dissolution of redevelopment agency
(93,526)	(60,048)	(20,552)	Net Change in Fund Balances
93,526	332,194	254,875	Fund Balances, Beginning of Year
\$ -	\$ 272,146	\$ 234,323	Fund Balances, End of Year

City of Moreno Valley

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2012

	Special Revenue Funds	Capital Projects Funds	
	Disaster	Facility Construction	Capital Improvements
Revenues:			
Taxes			
Property taxes	\$ -	\$ -	\$ -
Other taxes	-	-	-
Intergovernmental	33,366	-	-
Charges for services	-	-	-
Use of money and property	-	-	-
Miscellaneous	-	-	-
Total Revenues	33,366	-	-
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	-	-	-
Community and cultural	-	-	-
Public works	-	-	-
Capital outlay	-	1,078,363	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	-	1,078,363	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	33,366	(1,078,363)	-
Other Financing Sources (Uses):			
Transfers in	-	6,676,852	-
Transfers out	-	(2,400,000)	(176,852)
Contributions from Successor Agency	-	-	-
Contributions to Successor Agency	-	-	-
Total Other Financing Sources (Uses)	-	4,276,852	(176,852)
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-
Net Change in Fund Balances	33,366	3,198,489	(176,852)
Fund Balances, Beginning of Year	356,912	9,584,572	176,852
Fund Balances, End of Year	\$ 390,278	\$ 12,783,061	\$ -

(Continued)

<u>Capital Projects Funds</u>			
<u>Public Works Capital Projects</u>	<u>Traffic Signal Mitigation</u>	<u>Fire Services Capital Projects</u>	
			Revenues:
			Taxes
\$ -	\$ -	\$ -	Property taxes
-	-	-	Other taxes
-	-	-	Intergovernmental
2,959,849	-	-	Charges for services
-	-	-	Use of money and property
-	-	-	Contributions
-	-	-	Miscellaneous
<u>2,959,849</u>	<u>-</u>	<u>-</u>	Total Revenues
			Expenditures:
			Current:
-	-	-	General government
-	-	14	Public safety
-	-	-	Community development
-	-	-	Community and cultural
-	-	-	Public works
690,553	-	1,395,665	Capital outlay
			Debt service:
-	-	-	Principal retirement
-	-	-	Interest and fiscal charges
<u>690,553</u>	<u>-</u>	<u>1,395,679</u>	Total Expenditures
2,269,296	-	(1,395,679)	Excess (Deficiency) of Revenues Over (Under) Expenditures
			Other Financing Sources (Uses):
-	-	-	Transfers in
-	-	-	Transfers out
-	-	-	Contributions from other governments
-	-	-	Contributions to other governments
<u>-</u>	<u>-</u>	<u>-</u>	Total Other Financing Sources (Uses)
			Extraordinary gain/(loss) on dissolution of redevelopment agency
-	-	-	
2,269,296	-	(1,395,679)	Net Change in Fund Balances
<u>72,577</u>	<u>137,578</u>	<u>1,849,832</u>	Fund Balances, Beginning of Year
<u>\$ 2,341,873</u>	<u>\$ 137,578</u>	<u>\$ 454,153</u>	Fund Balances, End of Year

City of Moreno Valley
Combining Statement of Revenues
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2012

	Capital Projects Funds		
	Towngate Capital / Administration	Warner Ranch Capital / Development	Auto Mall Capital / Administration
Revenues:			
Taxes			
Property taxes	\$ -	\$ -	\$ -
Other taxes	-	-	-
Intergovernmental	-	-	-
Charges for services	-	-	-
Use of money and property	-	-	-
Contributions	-	-	-
Miscellaneous	-	-	-
	-	-	-
Total Revenues	-	-	-
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	-	-	-
Community and cultural	-	-	-
Public works	179,916	-	63,866
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
	-	-	-
Total Expenditures	179,916	-	63,866
Excess (Deficiency) of Revenues Over (Under) Expenditures	(179,916)	-	(63,866)
Other Financing Sources (Uses):			
Transfers in	181,100	-	63,800
Transfers out	-	-	-
Contributions from other governments	-	-	-
Contributions to other governments	-	-	-
	-	-	-
Total Other Financing Sources (Uses)	181,100	-	63,800
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-
	1,184	-	(66)
Fund Balances, Beginning of Year	8,101	13,673	(3,364)
Fund Balances, End of Year	\$ 9,285	\$ 13,673	\$ (3,430)

(Continued)

Capital Projects Funds			
Parks and Community Services Capital Projects	TUMF Capital Projects	DIF Capital Projects	
\$ -	\$ -	\$ -	Revenues:
-	-	-	Taxes
-	770,749	3,530	Property taxes
-	-	-	Other taxes
-	-	-	Intergovernmental
-	-	-	Charges for services
-	-	-	Use of money and property
-	-	-	Contributions
-	1,587	620	Miscellaneous
-	772,336	4,150	Total Revenues
-	-	-	Expenditures:
-	-	-	Current:
-	-	-	General government
-	-	-	Public safety
-	-	-	Community development
-	-	-	Community and cultural
-	-	-	Public works
1,053,431	736,123	3,482,727	Capital outlay
-	-	-	Debt service:
-	-	-	Principal retirement
-	-	-	Interest and fiscal charges
1,053,431	736,123	3,482,727	Total Expenditures
(1,053,431)	36,213	(3,478,577)	Excess (Deficiency) of Revenues Over (Under) Expenditures
320,000	-	5,825,000	Other Financing Sources (Uses):
-	-	-	Transfers in
-	-	-	Transfers out
-	-	-	Contributions from other governments
-	-	-	Contributions to other governments
320,000	-	5,825,000	Total Other Financing Sources (Uses)
-	-	-	Extraordinary gain/(loss) on dissolution of redevelopment agency
(733,431)	36,213	2,346,423	Net Change in Fund Balances
5,317,481	(210,834)	4,354,259	Fund Balances, Beginning of Year
\$ 4,584,050	\$ (174,621)	\$ 6,700,682	Fund Balances, End of Year

City of Moreno Valley

Combining Statement of Revenues
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2012

	Capital Projects Funds		Debt Service Funds
	Lease Revenue Bonds 2005 Capital Projects	Community Redevelopment Agency Capital Projects	Auto Mall Special Tax Bonds
Revenues:			
Taxes			
Property taxes	\$ -	\$ 1,736,829	\$ -
Other taxes	-	-	74,137
Intergovernmental	-	-	-
Charges for services	-	-	-
Use of money and property	128	587,195	58
Contributions	160,556	-	-
Miscellaneous	854	2,329	-
Total Revenues	161,538	2,326,353	74,195
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	-	749,552	-
Community and cultural	-	-	-
Public works	-	-	-
Capital outlay	1,001,833	3,164,052	-
Debt service:			
Principal retirement	-	-	925,000
Interest and fiscal charges	-	-	73,788
Total Expenditures	1,001,833	3,913,604	998,788
Excess (Deficiency) of Revenues Over (Under) Expenditures	(840,295)	(1,587,251)	(924,593)
Other Financing Sources (Uses):			
Transfers in	-	634,592	56,000
Transfers out	(164)	-	(63,800)
Contributions from other governments	-	-	-
Contributions to other governments	-	-	(26,708)
Total Other Financing Sources (Uses)	(164)	634,592	(34,508)
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	(66,107,202)	-
Net Change in Fund Balances	(840,459)	(67,059,861)	(959,101)
Fund Balances, Beginning of Year	1,967,763	67,059,861	1,117,688
Fund Balances, End of Year	\$ 1,127,304	\$ -	\$ 158,587

(Continued)

Debt Service Funds		
Lease Revenue Bonds 2005 Debt Service	2007 Towngate Improvement Refunding	2007 Towngate Refunding
\$ -	\$ -	\$ -
-	115,946	-
-	-	-
-	-	-
358	29,693	238
-	-	-
-	-	-
358	145,639	238
2,655	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
885,000	205,000	655,000
1,758,465	152,173	359,294
2,646,120	357,173	1,014,294
(2,645,762)	(211,534)	(1,014,056)
2,397,745	159,831	678,356
-	(32,500)	(148,600)
252,517	114,614	497,201
-	-	-
2,650,262	241,945	1,026,957
-	-	-
4,500	30,411	12,901
8,790,781	806,805	2,152,369
\$ 8,795,281	\$ 837,216	\$ 2,165,270

Revenues:

Taxes
Property taxes
Other taxes
Intergovernmental
Charges for services
Use of money and property
Contributions
Miscellaneous

Total Revenues

Expenditures:

Current:
General government
Public safety
Community development
Community and cultural
Public works
Capital outlay
Debt service:
Principal retirement
Interest and fiscal charges

Total Expenditures

Excess (Deficiency) of Revenues
Over (Under) Expenditures

Other Financing Sources (Uses):

Transfers in
Transfers out
Contributions from other governments
Contributions to other governments

Total Other Financing Sources (Uses)

Extraordinary gain/(loss) on dissolution
of redevelopment agency

Net Change in Fund Balances

Fund Balances, Beginning of Year

Fund Balances, End of Year

City of Moreno Valley
Combining Statement of Revenues
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2012

	<u>Debt Service Funds</u>		
	<u>2011 Priv Placement Ref 97 Lease Rev Bonds</u>	<u>2011 Priv Placement Ref 97 COPs</u>	<u>Community Redevelopment Agency Debt Service</u>
Revenues:			
Taxes			
Property taxes	\$ -	\$ -	\$ 3,993,302
Other taxes	-	-	-
Intergovernmental	-	-	557,255
Charges for services	-	-	-
Use of money and property	-	-	1,479,969
Contributions	-	-	-
Miscellaneous	-	-	-
	<hr/>	<hr/>	<hr/>
Total Revenues	-	-	6,030,526
	<hr/>	<hr/>	<hr/>
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	-	-	465,687
Community and cultural	-	-	-
Public works	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	261,000	681,000	353,407
Interest and fiscal charges	125,032	106,318	3,675,167
	<hr/>	<hr/>	<hr/>
Total Expenditures	386,032	787,318	4,494,261
	<hr/>	<hr/>	<hr/>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(386,032)	(787,318)	1,536,265
	<hr/>	<hr/>	<hr/>
Other Financing Sources (Uses):			
Transfers in	323,532	787,318	-
Transfers out	-	-	(1,963,360)
Contributions from other governments	62,500	-	-
Contributions to other governments	-	-	-
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	386,032	787,318	(1,963,360)
	<hr/>	<hr/>	<hr/>
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	33,430,814
Net Change in Fund Balances	<hr/>	<hr/>	<hr/>
	-	-	33,003,719
Fund Balances, Beginning of Year	<hr/>	<hr/>	<hr/>
	-	-	(33,003,719)
Fund Balances, End of Year	<hr/>	<hr/>	<hr/>
	\$ -	\$ -	\$ -

City of Moreno Valley
Combining Statement of Revenues
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2012

	Permanent Funds	Total Nonmajor Governmental Funds
	NPDES Endowment	Total Nonmajor Governmental Funds
Revenues:		
Taxes		
Property taxes	\$ -	\$ 5,730,131
Other taxes	-	190,083
Intergovernmental	-	23,225,296
Charges for services	-	4,313,206
Use of money and property	-	2,345,863
Contributions	14,506	175,062
Miscellaneous	-	618,297
	14,506	36,597,938
Expenditures:		
Current:		
General government	-	960,681
Public safety	-	1,001,946
Community development	-	4,047,454
Community and cultural	-	6,744,768
Public works	-	3,171,474
Capital outlay	-	26,435,234
Debt service:		
Principal retirement	-	3,965,407
Interest and fiscal charges	-	6,250,237
	-	52,577,201
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,506	(15,979,263)
Other Financing Sources (Uses):		
Transfers in	-	20,623,517
Transfers out	-	(7,094,467)
Contributions from other governments	-	926,832
Contributions to other governments	-	(26,708)
	-	14,429,174
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	(32,676,388)
Net Change in Fund Balances	14,506	(34,226,477)
Fund Balances, Beginning of Year	-	91,126,150
Fund Balances, End of Year	\$ 14,506	\$ 56,899,673

City of Moreno Valley

Budgetary Comparison Schedule
 Article 3 Transportation
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 150,000	\$ 150,000	\$ 154,049	\$ 4,049
Use of money and property	5,000	5,000	-	(5,000)
Miscellaneous	-	-	566	566
Total Revenues	155,000	155,000	154,615	(385)
Expenditures:				
Capital outlay	150,000	225,000	154,615	70,385
Total Expenditures	150,000	225,000	154,615	70,385
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,000	(70,000)	-	70,000
Net Change in Fund Balances	5,000	(70,000)	-	70,000
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ 5,000	\$ (70,000)	\$ -	\$ 70,000

City of Moreno Valley

Budgetary Comparison Schedule
 Measure A
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 10,682,458	\$ 10,682,458	\$ 9,369,027	\$ (1,313,431)
Use of money and property	225,000	225,000	191,370	(33,630)
Miscellaneous	1,000	1,000	18,096	17,096
Total Revenues	10,908,458	10,908,458	9,578,493	(1,329,965)
Expenditures:				
Current:				
Public works	435,070	350,000	341,365	8,635
Capital outlay	19,332,348	25,596,337	11,904,743	13,691,594
Total Expenditures	19,767,418	25,946,337	12,246,108	13,700,229
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,858,960)	(15,037,879)	(2,667,615)	12,370,264
Net Change in Fund Balances	(8,858,960)	(15,037,879)	(2,667,615)	12,370,264
Fund Balance, Beginning of Year	9,756,591	9,756,591	9,756,591	-
Fund Balance, End of Year	\$ 897,631	\$ (5,281,288)	\$ 7,088,976	\$ 12,370,264

City of Moreno Valley

Budgetary Comparison Schedule
Law Enforcement
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 974,295	\$ 1,295,046	\$ 829,466	\$ (465,580)
Use of money and property	-	-	4,875	4,875
Total Revenues	974,295	1,295,046	834,341	(460,705)
Expenditures:				
Current:				
Public safety	944,495	1,367,505	832,201	535,304
Total Expenditures	944,495	1,367,505	832,201	535,304
Excess (Deficiency) of Revenues Over (Under) Expenditures	29,800	(72,459)	2,140	74,599
Net Change in Fund Balances	29,800	(72,459)	2,140	74,599
Fund Balance, Beginning of Year	(196)	(196)	(196)	-
Fund Balance, End of Year	\$ 29,604	\$ (72,655)	\$ 1,944	\$ 74,599

City of Moreno Valley

Budgetary Comparison Schedule
Other Grants
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 587,153	\$ 664,485	\$ 1,297,446	\$ 632,961
Use of money and property	-	-	(918)	(918)
Total Revenues	587,153	664,485	1,296,528	632,043
Expenditures:				
Current:				
General government	115,413	115,413	307,449	(192,036)
Public safety	526,675	526,675	142,382	384,293
Community development	24,620	101,952	138,740	(36,788)
Capital outlay	373,387	1,308,261	621,159	687,102
Total Expenditures	1,040,095	2,052,301	1,209,730	842,571
Excess (Deficiency) of Revenues Over (Under) Expenditures	(452,942)	(1,387,816)	86,798	1,474,614
Other Financing Sources (Uses):				
Transfers out	-	-	(2,309,191)	(2,309,191)
Total Other Financing Sources (Uses)	-	-	(2,309,191)	(2,309,191)
Net Change in Fund Balances	(452,942)	(1,387,816)	(2,222,393)	(834,577)
Fund Balance, Beginning of Year	2,344,486	2,344,486	2,344,486	-
Fund Balance, End of Year	\$ 1,891,544	\$ 956,670	\$ 122,093	\$ (834,577)

City of Moreno Valley

Budgetary Comparison Schedule
Public Education Government Access
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ 430,000	\$ 430,000	\$ 528,362	\$ 98,362
Total Revenues	430,000	430,000	528,362	98,362
Expenditures:				
Current:				
General government	586,014	586,014	566,141	19,873
Total Expenditures	586,014	586,014	566,141	19,873
Excess (Deficiency) of Revenues Over (Under) Expenditures	(156,014)	(156,014)	(37,779)	118,235
Other Financing Sources (Uses):				
Transfers in	-	-	2,309,191	2,309,191
Total Other Financing Sources (Uses)	-	-	2,309,191	2,309,191
Net Change in Fund Balances	(156,014)	(156,014)	2,271,412	2,427,426
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ (156,014)	\$ (156,014)	\$ 2,271,412	\$ 2,427,426

City of Moreno Valley

Budgetary Comparison Schedule
Air Quality Management
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 200,000	\$ 200,000	\$ 244,830	\$ 44,830
Use of money and property	7,000	7,000	6,144	(856)
Miscellaneous	-	-	375	375
Total Revenues	207,000	207,000	251,349	44,349
Expenditures:				
Current:				
Public works	207,193	207,193	206,759	434
Capital outlay	97,366	327,064	115,802	211,262
Total Expenditures	304,559	534,257	322,561	211,696
Excess (Deficiency) of Revenues Over (Under) Expenditures	(97,559)	(327,257)	(71,212)	256,045
Net Change in Fund Balances	(97,559)	(327,257)	(71,212)	256,045
Fund Balance, Beginning of Year	396,986	396,986	396,986	-
Fund Balance, End of Year	\$ 299,427	\$ 69,729	\$ 325,774	\$ 256,045

City of Moreno Valley

Budgetary Comparison Schedule
Community Development Block Grant
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,119,650	\$ 2,043,189	\$ 1,168,287	\$ (874,902)
Total Revenues	2,119,650	2,043,189	1,168,287	(874,902)
Expenditures:				
Current:				
Community development	1,484,646	2,332,624	1,096,637	1,235,987
Capital outlay	670,000	670,000	57,170	612,830
Total Expenditures	2,154,646	3,002,624	1,153,807	1,848,817
Excess (Deficiency) of Revenues Over (Under) Expenditures	(34,996)	(959,435)	14,480	973,915
Net Change in Fund Balances	(34,996)	(959,435)	14,480	973,915
Fund Balance, Beginning of Year	75,867	75,867	75,867	-
Fund Balance, End of Year	\$ 40,871	\$ (883,568)	\$ 90,347	\$ 973,915

City of Moreno Valley

Budgetary Comparison Schedule
 Special Districts Administration
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 824,487	\$ 824,487	\$ 792,387	\$ (32,100)
Use of money and property	5,000	5,000	(1,910)	(6,910)
Total Revenues	829,487	829,487	790,477	(39,010)
Expenditures:				
Current:				
Public works	839,634	908,423	878,049	30,374
Total Expenditures	839,634	908,423	878,049	30,374
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,147)	(78,936)	(87,572)	(8,636)
Net Change in Fund Balances	(10,147)	(78,936)	(87,572)	(8,636)
Fund Balance, Beginning of Year	703,609	703,609	703,609	-
Fund Balance, End of Year	\$ 693,462	\$ 624,673	\$ 616,037	\$ (8,636)

City of Moreno Valley

Budgetary Comparison Schedule
Storm Water Management
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 124,000	\$ 124,000	\$ 111,944	\$ (12,056)
Charges for services	633,100	708,100	506,364	(201,736)
Total Revenues	757,100	832,100	618,308	(213,792)
Expenditures:				
Current:				
Public works	1,020,900	1,095,900	960,325	135,575
Total Expenditures	1,020,900	1,095,900	960,325	135,575
Excess (Deficiency) of Revenues Over (Under) Expenditures	(263,800)	(263,800)	(342,017)	(78,217)
Other Financing Sources (Uses):				
Transfers in	-	210,200	210,200	-
Total Other Financing Sources (Uses)	-	210,200	210,200	-
Net Change in Fund Balances	(263,800)	(53,600)	(131,817)	(78,217)
Fund Balance, Beginning of Year	301,868	301,868	301,868	-
Fund Balance, End of Year	\$ 38,068	\$ 248,268	\$ 170,051	\$ (78,217)

City of Moreno Valley
Budgetary Comparison Schedule
HOME
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 413,435	\$ 413,435	\$ 167,601	\$ (245,834)
Total Revenues	413,435	413,435	167,601	(245,834)
Expenditures:				
Current:				
Community development	413,435	413,435	133,366	280,069
Capital outlay	-	-	202	(202)
Total Expenditures	413,435	413,435	133,568	279,867
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	34,033	34,033
Net Change in Fund Balances	-	-	34,033	34,033
Fund Balance, Beginning of Year	4,362,388	4,362,388	4,362,388	-
Fund Balance, End of Year	\$ 4,362,388	\$ 4,362,388	\$ 4,396,421	\$ 34,033

City of Moreno Valley

Budgetary Comparison Schedule
 Child Care Grant
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 787,338	\$ 787,338	\$ 534,329	\$ (253,009)
Charges for services	25,000	25,000	21,086	(3,914)
Total Revenues	812,338	812,338	555,415	(256,923)
Expenditures:				
Current:				
Community and cultural	812,338	812,338	555,417	256,921
Total Expenditures	812,338	812,338	555,417	256,921
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(2)	(2)
Net Change in Fund Balances	-	-	(2)	(2)
Fund Balance, Beginning of Year, as Restated	(18,325)	(18,325)	(18,325)	-
Fund Balance, End of Year	\$ (18,325)	\$ (18,325)	\$ (18,327)	\$ (2)

City of Moreno Valley

Budgetary Comparison Schedule
Used Oil Recycling
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 85,086	\$ 142,263	\$ 84,436	\$ (57,827)
Total Revenues	85,086	142,263	84,436	(57,827)
Expenditures:				
Current:				
General government	89,486	146,663	84,436	62,227
Total Expenditures	89,486	146,663	84,436	62,227
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,400)	(4,400)	-	4,400
Net Change in Fund Balances	(4,400)	(4,400)	-	4,400
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ (4,400)	\$ (4,400)	\$ -	\$ 4,400

City of Moreno Valley

Budgetary Comparison Schedule
Storm Water Maintenance
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 421,400	\$ 421,400	\$ 260,151	\$ (161,249)
Total Revenues	421,400	421,400	260,151	(161,249)
Expenditures:				
Current:				
Public works	433,790	433,790	427,739	6,051
Total Expenditures	433,790	433,790	427,739	6,051
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,390)	(12,390)	(167,588)	(155,198)
Net Change in Fund Balances	(12,390)	(12,390)	(167,588)	(155,198)
Fund Balance, Beginning of Year	68,464	68,464	68,464	-
Fund Balance, End of Year	\$ 56,074	\$ 56,074	\$ (99,124)	\$ (155,198)

City of Moreno Valley

Budgetary Comparison Schedule
 ASES Program Grants
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 6,184,600	\$ 6,184,600	\$ 5,732,853	\$ (451,747)
Use of money and property	25,000	25,000	40,956	15,956
Miscellaneous	3,000	3,000	14,187	11,187
Total Revenues	6,212,600	6,212,600	5,787,996	(424,604)
Expenditures:				
Current:				
Community and cultural	6,024,100	6,141,212	6,189,351	(48,139)
Total Expenditures	6,024,100	6,141,212	6,189,351	(48,139)
Excess (Deficiency) of Revenues Over (Under) Expenditures	188,500	71,388	(401,355)	(472,743)
Net Change in Fund Balances	188,500	71,388	(401,355)	(472,743)
Fund Balance, Beginning of Year	3,914	3,914	3,914	-
Fund Balance, End of Year	\$ 192,414	\$ 75,302	\$ (397,441)	\$ (472,743)

City of Moreno Valley

Budgetary Comparison Schedule
CFD #4M
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 41,700	\$ 41,700	\$ 33,520	\$ (8,180)
Use of money and property	1,000	1,000	1,635	635
Total Revenues	42,700	42,700	35,155	(7,545)
Expenditures:				
Current:				
Public works	42,700	42,700	19,929	22,771
Total Expenditures	42,700	42,700	19,929	22,771
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	15,226	15,226
Net Change in Fund Balances	-	-	15,226	15,226
Fund Balance, Beginning of Year	62,839	62,839	62,839	-
Fund Balance, End of Year	\$ 62,839	\$ 62,839	\$ 78,065	\$ 15,226

City of Moreno Valley

Budgetary Comparison Schedule
 Neighborhood Stabilization Grant
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,364,600	\$ 2,364,600	\$ 1,781,643	\$ (582,957)
Miscellaneous	15,000	15,000	-	(15,000)
Total Revenues	2,379,600	2,379,600	1,781,643	(597,957)
Expenditures:				
Current:				
Community development	1,614,615	1,436,470	1,232,117	204,353
Total Expenditures	1,614,615	1,436,470	1,232,117	204,353
Excess (Deficiency) of Revenues Over (Under) Expenditures	764,985	943,130	549,526	(393,604)
Net Change in Fund Balances	764,985	943,130	549,526	(393,604)
Fund Balance, Beginning of Year	(517,250)	(517,250)	(517,250)	-
Fund Balance, End of Year	\$ 247,735	\$ 425,880	\$ 32,276	\$ (393,604)

City of Moreno Valley

Budgetary Comparison Schedule
Homelessness Prevention Program
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 36,228	\$ 93,634	\$ 57,406
Total Revenues	-	36,228	93,634	57,406
Expenditures:				
Current:				
Community development	-	119,773	81,926	37,847
Total Expenditures	-	119,773	81,926	37,847
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(83,545)	11,708	95,253
Net Change in Fund Balances	-	(83,545)	11,708	95,253
Fund Balance, Beginning of Year	(11,656)	(11,656)	(11,656)	-
Fund Balance, End of Year	\$ (11,656)	\$ (95,201)	\$ 52	\$ 95,253

City of Moreno Valley

Budgetary Comparison Schedule
 CDBG Recovery Act of 2009
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 135,083	\$ 135,083	\$ 30,700	\$ (104,383)
Total Revenues	135,083	135,083	30,700	(104,383)
Expenditures:				
Current:				
Community development	135,083	26,402	30,700	(4,298)
Total Expenditures	135,083	26,402	30,700	(4,298)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	108,681	-	(108,681)
Net Change in Fund Balances	-	108,681	-	(108,681)
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ 108,681	\$ -	\$ (108,681)

City of Moreno Valley

Budgetary Comparison Schedule
 Prop 42 Replacement Funds
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 195	\$ 195
Total Revenues	<u>-</u>	<u>-</u>	<u>195</u>	<u>195</u>
Expenditures:				
Capital outlay	1,400,000	750,000	676,951	73,049
Total Expenditures	<u>1,400,000</u>	<u>750,000</u>	<u>676,951</u>	<u>73,049</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,400,000)</u>	<u>(750,000)</u>	<u>(676,756)</u>	<u>73,244</u>
Net Change in Fund Balances	<u>(1,400,000)</u>	<u>(750,000)</u>	<u>(676,756)</u>	<u>73,244</u>
Budgetary Fund Balance, Beginning of Year	<u>1,806,198</u>	<u>1,806,198</u>	<u>1,806,198</u>	<u>-</u>
Budgetary Fund Balance, End of Year	<u>\$ 406,198</u>	<u>\$ 1,056,198</u>	<u>\$ 1,129,442</u>	<u>\$ 73,244</u>

City of Moreno Valley

Budgetary Comparison Schedule
 Prop 1B
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 381	\$ 381
Total Revenues	<u>-</u>	<u>-</u>	<u>381</u>	<u>381</u>
Expenditures:				
Capital outlay	-	377,130	301,845	75,285
Total Expenditures	<u>-</u>	<u>377,130</u>	<u>301,845</u>	<u>75,285</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(377,130)</u>	<u>(301,464)</u>	<u>75,666</u>
Net Change in Fund Balances	<u>-</u>	<u>(377,130)</u>	<u>(301,464)</u>	<u>75,666</u>
Budgetary Fund Balance, Beginning of Year	<u>378,095</u>	<u>378,095</u>	<u>378,095</u>	<u>-</u>
Budgetary Fund Balance, End of Year	<u>\$ 378,095</u>	<u>\$ 965</u>	<u>\$ 76,631</u>	<u>\$ 75,666</u>

City of Moreno Valley

Budgetary Comparison Schedule
 TR16-06-1 Targeted Rubberized
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 56,000	\$ 56,000	\$ -	\$ (56,000)
Total Revenues	56,000	56,000	-	(56,000)
Expenditures:				
Current:				
Public works	-	-	93,526	(93,526)
Total Expenditures	-	-	93,526	(93,526)
Excess (Deficiency) of Revenues Over (Under) Expenditures	56,000	56,000	(93,526)	(149,526)
Net Change in Fund Balances	56,000	56,000	(93,526)	(149,526)
Budgetary Fund Balance, Beginning of Year	93,526	93,526	93,526	-
Budgetary Fund Balance, End of Year	\$ 149,526	\$ 149,526	\$ -	\$ (149,526)

City of Moreno Valley

Budgetary Comparison Schedule
Civil Penalties
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 7,936	\$ 7,936
Miscellaneous	-	-	50,745	50,745
Total Revenues	-	-	58,681	58,681
Expenditures:				
Current:				
Community development	81,244	81,244	118,729	(37,485)
Total Expenditures	81,244	81,244	118,729	(37,485)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(81,244)	(81,244)	(60,048)	21,196
Net Change in Fund Balances	(81,244)	(81,244)	(60,048)	21,196
Budgetary Fund Balance, Beginning of Year	332,194	332,194	332,194	-
Budgetary Fund Balance, End of Year	\$ 250,950	\$ 250,950	\$ 272,146	\$ 21,196

City of Moreno Valley

Budgetary Comparison Schedule
Emergency Services Agency Fines
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 6,797	\$ 6,797
Total Revenues	-	-	6,797	6,797
Expenditures:				
Current:				
Public safety	-	77,000	27,349	49,651
Total Expenditures	-	77,000	27,349	49,651
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(77,000)	(20,552)	56,448
Net Change in Fund Balances	-	(77,000)	(20,552)	56,448
Budgetary Fund Balance, Beginning of Year	254,875	254,875	254,875	-
Budgetary Fund Balance, End of Year	\$ 254,875	\$ 177,875	\$ 234,323	\$ 56,448

City of Moreno Valley

Budgetary Comparison Schedule
 Facility Construction
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Capital outlay	\$ 10,394,183	\$ 10,551,994	\$ 1,078,363	\$ 9,473,631
Total Expenditures	10,394,183	10,551,994	1,078,363	9,473,631
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,394,183)	(10,551,994)	(1,078,363)	9,473,631
Other Financing Sources (Uses):				
Transfers in	-	6,500,000	6,676,852	176,852
Transfers out	(2,400,000)	(2,400,000)	(2,400,000)	-
Total Other Financing Sources (Uses)	(2,400,000)	4,100,000	4,276,852	176,852
Net Change in Fund Balances	(12,794,183)	(6,451,994)	3,198,489	9,650,483
Fund Balance, Beginning of Year	9,584,572	9,584,572	9,584,572	-
Fund Balance, End of Year	\$ (3,209,611)	\$ 3,132,578	\$ 12,783,061	\$ 9,650,483

City of Moreno Valley

Budgetary Comparison Schedule
Public Works Capital Projects
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 30,000	\$ 3,627,000	\$ 2,959,849	\$ (667,151)
Use of money and property	900	900	-	(900)
Total Revenues	30,900	3,627,900	2,959,849	(668,051)
Expenditures				
Capital outlay	30,000	3,751,092	690,553	3,060,539
Total Expenditures	30,000	3,751,092	690,553	3,060,539
Excess (Deficiency) of Revenues Over (Under) Expenditures	900	(123,192)	2,269,296	2,392,488
Net Change in Fund Balances	900	(123,192)	2,269,296	2,392,488
Fund Balance, Beginning of Year	72,577	72,577	72,577	-
Fund Balance, End of Year	\$ 73,477	\$ (50,615)	\$ 2,341,873	\$ 2,392,488

City of Moreno Valley

Budgetary Comparison Schedule
 Fire Services Capital Projects
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Current:				
Public safety	\$ -	\$ -	\$ 14	\$ (14)
Capital outlay	1,850,000	1,856,462	1,395,665	460,797
Total Expenditures	1,850,000	1,856,462	1,395,679	460,783
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,850,000)	(1,856,462)	(1,395,679)	460,783
Net Change in Fund Balances	(1,850,000)	(1,856,462)	(1,395,679)	460,783
Fund Balance, Beginning of Year	1,849,832	1,849,832	1,849,832	-
Fund Balance, End of Year	\$ (168)	\$ (6,630)	\$ 454,153	\$ 460,783

City of Moreno Valley

Budgetary Comparison Schedule
 Towngate Capital / Administration
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Current:				
Public works	\$ 181,200	\$ 181,200	\$ 179,916	\$ 1,284
Total Expenditures	181,200	181,200	179,916	1,284
Excess (Deficiency) of Revenues Over (Under) Expenditures	(181,200)	(181,200)	(179,916)	1,284
Other Financing Sources (Uses):				
Transfers in	-	181,100	181,100	-
Total Other Financing Sources (Uses)	-	181,100	181,100	-
Net Change in Fund Balances	(181,200)	(100)	1,184	1,284
Fund Balance, Beginning of Year	8,101	8,101	8,101	-
Fund Balance, End of Year	\$ (173,099)	\$ 8,001	\$ 9,285	\$ 1,284

City of Moreno Valley

Budgetary Comparison Schedule
 Auto Mall Capital / Administration
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Current:				
Public works	\$ 63,800	\$ 63,800	\$ 63,866	\$ (66)
Total Expenditures	63,800	63,800	63,866	(66)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(63,800)	(63,800)	(63,866)	(66)
Other Financing Sources (Uses):				
Transfers in	-	63,800	63,800	-
Total Other Financing Sources (Uses)	-	63,800	63,800	-
Net Change in Fund Balances	(63,800)	-	(66)	(66)
Fund Balance, Beginning of Year	(3,364)	(3,364)	(3,364)	-
Fund Balance, End of Year	\$ (67,164)	\$ (3,364)	\$ (3,430)	\$ (66)

City of Moreno Valley

Budgetary Comparison Schedule
Parks and Community Services Capital Projects
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Capital outlay	\$ 4,088,745	\$ 4,026,467	\$ 1,053,431	\$ 2,973,036
Total Expenditures	4,088,745	4,026,467	1,053,431	2,973,036
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,088,745)	(4,026,467)	(1,053,431)	2,973,036
Other Financing Sources (Uses):				
Transfers in	-	320,000	320,000	-
Total Other Financing Sources (Uses)	-	320,000	320,000	-
Net Change in Fund Balances	(4,088,745)	(3,706,467)	(733,431)	2,973,036
Fund Balance, Beginning of Year	5,317,481	5,317,481	5,317,481	-
Fund Balance, End of Year	\$ 1,228,736	\$ 1,611,014	\$ 4,584,050	\$ 2,973,036

City of Moreno Valley

Budgetary Comparison Schedule
TUMF Capital Projects
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 4,000,000	\$ 9,110,000	\$ 770,749	\$ (8,339,251)
Miscellaneous	-	-	1,587	1,587
Total Revenues	4,000,000	9,110,000	772,336	(8,337,664)
Expenditures				
Capital outlay	1,460,833	10,170,688	736,123	9,434,565
Total Expenditures	1,460,833	10,170,688	736,123	9,434,565
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,539,167	(1,060,688)	36,213	1,096,901
Net Change in Fund Balances	2,539,167	(1,060,688)	36,213	1,096,901
Fund Balance, Beginning of Year	(210,834)	(210,834)	(210,834)	-
Fund Balance, End of Year	\$ 2,328,333	\$ (1,271,522)	\$ (174,621)	\$ 1,096,901

City of Moreno Valley

Budgetary Comparison Schedule
DIF Capital Projects
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 3,530	\$ 3,530
Miscellaneous	2,000	2,000	620	(1,380)
Total Revenues	2,000	2,000	4,150	2,150
Expenditures				
Capital outlay	8,968,714	9,769,059	3,482,727	6,286,332
Total Expenditures	8,968,714	9,769,059	3,482,727	6,286,332
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,966,714)	(9,767,059)	(3,478,577)	6,288,482
Other Financing Sources (Uses):				
Transfers in	-	5,825,000	5,825,000	-
Total Other Financing Sources (Uses)	-	5,825,000	5,825,000	-
Net Change in Fund Balances	(8,966,714)	(3,942,059)	2,346,423	6,288,482
Fund Balance, Beginning of Year	4,354,259	4,354,259	4,354,259	-
Fund Balance, End of Year	\$ (4,612,455)	\$ 412,200	\$ 6,700,682	\$ 6,288,482

City of Moreno Valley

Budgetary Comparison Schedule
 Lease Revenue Bonds 2005 Capital Projects
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 100,000	\$ 100,000	\$ 128	\$ (99,872)
Contributions	-	-	160,556	160,556
Miscellaneous	-	-	854	854
Total Revenues	100,000	100,000	161,538	61,538
Expenditures				
Capital outlay	1,098,939	1,910,185	1,001,833	908,352
Total Expenditures	1,098,939	1,910,185	1,001,833	908,352
Excess (Deficiency) of Revenues Over (Under) Expenditures	(998,939)	(1,810,185)	(840,295)	969,890
Other Financing Sources (Uses):				
Transfers out	-	-	(164)	(164)
Total Other Financing Sources (Uses)	-	-	(164)	(164)
Net Change in Fund Balances	(998,939)	(1,810,185)	(840,459)	969,726
Fund Balance, Beginning of Year	1,967,763	1,967,763	1,967,763	-
Fund Balance, End of Year	\$ 968,824	\$ 157,578	\$ 1,127,304	\$ 969,726

City of Moreno Valley

Budgetary Comparison Schedule
Community Redevelopment Agency Capital Projects
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 3,624,800	\$ 3,624,800	\$ 1,736,829	\$ (1,887,971)
Use of money and property	1,130,000	1,130,000	587,195	(542,805)
Miscellaneous	215,500	215,500	2,329	(213,171)
Total Revenues	4,970,300	4,970,300	2,326,353	(2,643,947)
Expenditures				
Current:				
Community development	2,238,094	2,238,094	749,552	1,488,542
Capital outlay	37,480,098	44,838,528	3,164,052	41,674,476
Total Expenditures	39,718,192	47,076,622	3,913,604	43,163,018
Excess (Deficiency) of Revenues Over (Under) Expenditures	(34,747,892)	(42,106,322)	(1,587,251)	40,519,071
Other Financing Sources (Uses):				
Transfers in	-	1,087,875	634,592	(453,283)
Total Other Financing Sources (Uses)	-	1,087,875	634,592	(453,283)
Extraordinary gain/(loss) on dissolution of redevelopment agency	(214,000)	(214,000)	(66,107,202)	(65,893,202)
Net Change in Fund Balances	(34,961,892)	(41,232,447)	(67,059,861)	(25,827,414)
Fund Balance, Beginning of Year	67,059,861	67,059,861	67,059,861	-
Fund Balance, End of Year	\$ 32,097,969	\$ 25,827,414	\$ -	\$ (25,827,414)

City of Moreno Valley

Budgetary Comparison Schedule
Auto Mall Special Tax Bonds
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Other taxes	\$ 81,600	\$ 81,600	\$ 74,137	\$ (7,463)
Use of money and property	200	200	58	(142)
Total Revenues	81,800	81,800	74,195	(7,605)
Expenditures:				
Debt service:				
Principal retirement	15,000	934,100	925,000	9,100
Interest and fiscal charges	98,900	64,700	73,788	(9,088)
Total Expenditures	113,900	998,800	998,788	12
Excess (Deficiency) of Revenues Over (Under) Expenditures	(32,100)	(917,000)	(924,593)	(7,593)
Other Financing Sources (Uses):				
Transfers in	-	125,292	56,000	(69,292)
Transfers out	-	(63,800)	(63,800)	-
Contributions to Successor Agency	-	-	(26,708)	(26,708)
Total Other Financing Sources (Uses)	-	61,492	(34,508)	(96,000)
Net Change in Fund Balances	(32,100)	(855,508)	(959,101)	(103,593)
Fund Balances, Beginning of Year	1,117,688	1,117,688	1,117,688	-
Fund Balances, End of Year	\$ 1,085,588	\$ 262,180	\$ 158,587	\$ (103,593)

City of Moreno Valley

Budgetary Comparison Schedule
 Lease Revenue Bonds 2005 Debt Service
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 358	\$ 358
Total Revenues	<u>-</u>	<u>-</u>	<u>358</u>	<u>358</u>
Expenditures:				
Current:				
General government	2,300	2,300	2,655	(355)
Debt service:				
Principal retirement	890,000	890,000	885,000	5,000
Interest and fiscal charges	1,758,500	1,758,500	1,758,465	35
Total Expenditures	<u>2,650,800</u>	<u>2,650,800</u>	<u>2,646,120</u>	<u>4,680</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,650,800)</u>	<u>(2,650,800)</u>	<u>(2,645,762)</u>	<u>5,038</u>
Other Financing Sources (Uses):				
Transfers in	-	3,644,896	2,397,745	(1,247,151)
Contributions from Successor Agency	-	-	252,517	252,517
Total Other Financing Sources (Uses)	<u>-</u>	<u>3,644,896</u>	<u>2,650,262</u>	<u>(994,634)</u>
Net Change in Fund Balances	<u>(2,650,800)</u>	<u>994,096</u>	<u>4,500</u>	<u>(989,596)</u>
Fund Balances, Beginning of Year	<u>8,790,781</u>	<u>8,790,781</u>	<u>8,790,781</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 6,139,981</u>	<u>\$ 9,784,877</u>	<u>\$ 8,795,281</u>	<u>\$ (989,596)</u>

City of Moreno Valley

Budgetary Comparison Schedule
2007 Towngate Improvement Refunding
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Other taxes	\$ 115,800	\$ 115,800	\$ 115,946	\$ 146
Use of money and property	100	100	29,693	29,593
Total Revenues	115,900	115,900	145,639	29,739
Expenditures:				
Debt service:				
Principal retirement	205,000	205,000	205,000	-
Interest and fiscal charges	152,200	152,200	152,173	27
Total Expenditures	357,200	357,200	357,173	27
Excess (Deficiency) of Revenues Over (Under) Expenditures	(241,300)	(241,300)	(211,534)	29,766
Other Financing Sources (Uses):				
Transfers in	-	548,445	159,831	(388,614)
Transfers out	-	(32,500)	(32,500)	-
Contributions from Successor Agency	-	-	114,614	114,614
Total Other Financing Sources (Uses)	-	515,945	241,945	(274,000)
Net Change in Fund Balances	(241,300)	274,645	30,411	(244,234)
Fund Balances, Beginning of Year	806,805	806,805	806,805	-
Fund Balances, End of Year	\$ 565,505	\$ 1,081,450	\$ 837,216	\$ (244,234)

City of Moreno Valley

Budgetary Comparison Schedule
2007 Towngate Refunding
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 300	\$ 300	\$ 238	\$ (62)
Total Revenues	300	300	238	(62)
Expenditures:				
Debt service:				
Principal retirement	655,000	655,000	655,000	-
Interest and fiscal charges	359,300	359,300	359,294	6
Total Expenditures	1,014,300	1,014,300	1,014,294	6
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,014,000)	(1,014,000)	(1,014,056)	(56)
Other Financing Sources (Uses):				
Transfers in	-	2,338,045	678,356	(1,659,689)
Transfers out	-	(148,600)	(148,600)	-
Contributions from Successor Agency	-	-	497,201	497,201
Total Other Financing Sources (Uses)	-	2,189,445	1,026,957	(1,162,488)
Net Change in Fund Balances	(1,014,000)	1,175,445	12,901	(1,162,544)
Fund Balances, Beginning of Year	2,152,369	2,152,369	2,152,369	-
Fund Balances, End of Year	\$ 1,138,369	\$ 3,327,814	\$ 2,165,270	\$ (1,162,544)

City of Moreno Valley

Budgetary Comparison Schedule
 2011 Priv Placement Ref 97 Lease Rev Bonds
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
General government	\$ 3,750	\$ 3,750	\$ -	\$ 3,750
Debt service:				
Principal retirement	215,000	215,000	261,000	(46,000)
Interest and fiscal charges	185,000	185,000	125,032	59,968
Total Expenditures	403,750	403,750	386,032	17,718
Excess (Deficiency) of Revenues Over (Under) Expenditures	(403,750)	(403,750)	(386,032)	17,718
Other Financing Sources (Uses):				
Transfers in	-	476,000	323,532	(152,468)
Contributions from Successor Agency	-	-	62,500	62,500
Total Other Financing Sources (Uses)	-	476,000	386,032	(89,968)
Net Change in Fund Balances	(403,750)	72,250	-	(72,250)
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ (403,750)	\$ 72,250	\$ -	\$ (72,250)

City of Moreno Valley

Budgetary Comparison Schedule
2011 Priv Placement Ref 97 COPs
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
General government	\$ 66,140	\$ 66,140	\$ -	\$ 66,140
Debt service:				
Principal retirement	645,000	645,000	681,000	(36,000)
Interest and fiscal charges	15,000	81,180	106,318	(25,138)
Total Expenditures	726,140	792,320	787,318	5,002
Excess (Deficiency) of Revenues Over (Under) Expenditures	(726,140)	(792,320)	(787,318)	5,002
Other Financing Sources (Uses):				
Transfers in	-	711,100	787,318	76,218
Total Other Financing Sources (Uses)	-	711,100	787,318	76,218
Net Change in Fund Balances	(726,140)	(81,220)	-	81,220
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ (726,140)	\$ (81,220)	\$ -	\$ 81,220

City of Moreno Valley

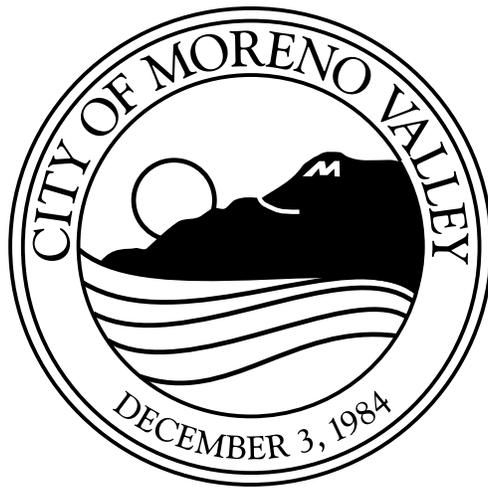
Budgetary Comparison Schedule
Community Redevelopment Agency Debt Service
Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 5,117,800	\$ 5,117,800	\$ 3,993,302	\$ (1,124,498)
Sales taxes	880,000	880,000	-	(880,000)
Intergovernmental	-	-	557,255	557,255
Use of money and property	800,000	800,000	1,479,969	679,969
Total Revenues	6,797,800	6,797,800	6,030,526	(767,274)
Expenditures:				
Current:				
General government	251,200	251,200	465,687	(214,487)
Debt service:				
Principal retirement	210,000	210,000	353,407	(143,407)
Interest and fiscal charges	3,794,200	3,794,200	3,675,167	119,033
Total Expenditures	4,255,400	4,255,400	4,494,261	(238,861)
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,542,400	2,542,400	1,536,265	(1,006,135)
Other Financing Sources (Uses):				
Transfers in	-	2,666,700	-	(2,666,700)
Transfers out	-	(6,032,475)	(1,963,360)	4,069,115
Total Other Financing Sources (Uses)	-	(3,365,775)	(1,963,360)	1,402,415
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	33,430,814	33,430,814
Net Change in Fund Balances	2,542,400	(823,375)	33,003,719	33,827,094
Fund Balances, Beginning of Year	(33,003,719)	(33,003,719)	(33,003,719)	-
Fund Balances, End of Year	\$ (30,461,319)	\$ (33,827,094)	\$ -	\$ 33,827,094

City of Moreno Valley

Budgetary Comparison Schedule
 Celebration Park Endowment
 Year Ended June 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 1,000	\$ 1,000	\$ 1,520	\$ 520
Total Revenues	1,000	1,000	1,520	520
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	1,000	1,520	520
Net Change in Fund Balances	1,000	1,000	1,520	520
Fund Balance, Beginning of Year	58,294	58,294	58,294	-
Fund Balance, End of Year	\$ 59,294	\$ 59,294	\$ 59,814	\$ 520



June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

**Internal Service
Funds**

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 **June 30, 2012** June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

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 Assets
Internal Service Funds
June 30, 2012

	General Liability Insurance	Workers' Compensation Insurance	Technology Services	Facilities Maintenance
Assets:				
Current:				
Pooled cash and investments	\$ 1,916,111	\$ 3,765,020	\$ 9,935,686	\$ 5,715,066
Receivables:				
Accounts	-	-	-	5,791
Prepaid costs	319	-	21,469	11,751
Inventories	-	-	-	-
Total Current Assets	1,916,430	3,765,020	9,957,155	5,732,608
Noncurrent:				
Capital assets - net of accumulated depreciation	-	-	1,720,205	6,823,325
Total Noncurrent Assets	-	-	1,720,205	6,823,325
Total Assets	\$ 1,916,430	\$ 3,765,020	\$ 11,677,360	\$ 12,555,933
Liabilities and Net Assets:				
Liabilities:				
Current:				
Accounts payable	\$ 46,411	\$ 2,813	\$ 136,504	\$ 91,071
Accrued liabilities	1,743	906	41,120	14,032
Compensated absences	26,414	-	279,150	49,303
Self-insurance payable	300,000	406,000	-	-
Total Current Liabilities	374,568	409,719	456,774	154,406
Noncurrent:				
Compensated absences	17,609	-	186,100	32,869
Self-insurance payable	830,000	1,360,000	-	-
Total Noncurrent Liabilities	847,609	1,360,000	186,100	32,869
Total Liabilities	1,222,177	1,769,719	642,874	187,275
Net Assets:				
Invested in capital assets, net of related debt	-	-	1,720,205	6,823,325
Unrestricted	694,253	1,995,301	9,314,281	5,545,333
Total Net Assets	694,253	1,995,301	11,034,486	12,368,658
Total Liabilities and Net Assets	\$ 1,916,430	\$ 3,765,020	\$ 11,677,360	\$ 12,555,933

Equipment Maintenance	Equipment Replacement Reserve	Totals
\$ 158,551	\$ 18,416,274	\$ 39,906,708
-	-	5,791
-	-	33,539
11,035	-	11,035
169,586	18,416,274	39,957,073
13,217	229,700	8,786,447
13,217	229,700	8,786,447
\$ 182,803	\$ 18,645,974	\$ 48,743,520
\$ 14,747	\$ -	\$ 291,546
4,526	-	62,327
7,412	-	362,279
-	-	706,000
26,685	-	1,422,152
4,941	-	241,519
-	-	2,190,000
4,941	-	2,431,519
31,626	-	3,853,671
13,217	229,700	8,786,447
137,960	18,416,274	36,103,402
151,177	18,645,974	44,889,849
\$ 182,803	\$ 18,645,974	\$ 48,743,520

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 Assets:

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 Assets:

Invested in capital assets, net of related debt
Unrestricted

Total Net Assets

Total Liabilities and Net Assets

City of Moreno Valley

Combining Statement of Revenues, Expenses
and Changes in Fund Net Assets
June 30, 2012
Year Ended June 30, 2012

	<u>General Liability Insurance</u>	<u>Workers' Compensation Insurance</u>	<u>Technology Services</u>	<u>Facilities Maintenance</u>
Operating Revenues:				
Sales and service charges	\$ 798,967	\$ 778,688	\$ 3,814,269	\$ 4,182,743
Miscellaneous	-	-	391	6,840
Total Operating Revenues	<u>798,967</u>	<u>778,688</u>	<u>3,814,660</u>	<u>4,189,583</u>
Operating Expenses:				
Cost of services	281,135	86,306	3,548,115	2,759,262
Depreciation expense	-	-	216,004	261,771
Self-insurance claims and charges	576,393	127,959	-	-
Total Operating Expenses	<u>857,528</u>	<u>214,265</u>	<u>3,764,119</u>	<u>3,021,033</u>
Operating Income (Loss)	<u>(58,561)</u>	<u>564,423</u>	<u>50,541</u>	<u>1,168,550</u>
Transfers in	-	-	1,900,000	-
Transfers out	<u>(43,950)</u>	<u>(4,500)</u>	<u>-</u>	<u>(1,141,364)</u>
Changes in Net Assets	<u>(102,511)</u>	<u>559,923</u>	<u>1,950,541</u>	<u>27,186</u>
Net Assets:				
Beginning of Year	<u>796,764</u>	<u>1,435,378</u>	<u>9,083,945</u>	<u>12,341,472</u>
End of Fiscal Year	<u>\$ 694,253</u>	<u>\$ 1,995,301</u>	<u>\$ 11,034,486</u>	<u>\$ 12,368,658</u>

Equipment Maintenance	Equipment Replacement Reserve	Totals
\$ 739,470	\$ 2,583,422	\$ 12,897,559
-	2,124	9,355
739,470	2,585,546	12,906,914
804,392	-	7,479,210
24,874	159,745	662,394
-	-	704,352
829,266	159,745	8,845,956
(89,796)	2,425,801	4,060,958
-	-	1,900,000
-	(137,160)	(1,326,974)
(89,796)	2,288,641	4,633,984
240,973	16,357,333	40,255,865
\$ 151,177	\$ 18,645,974	\$ 44,889,849

Operating Revenues:

Sales and service charges

Miscellaneous

Total Operating Revenues

Operating Expenses:

Cost of services

Depreciation expense

Self-insurance claims and charges

Total Operating Expenses

Operating Income (Loss)

Transfers in

Transfers out

Changes in Net Assets

Net Assets:

Beginning of Year

End of Fiscal Year

City of Moreno Valley

Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2012

	Governmental Activities - Internal Service Funds			
	General Liability Insurance	Workers' Compensation Insurance	Technology Services	Facilities Maintenance
Cash Flows from Operating Activities:				
Cash received from customers	\$ 800,065	\$ 778,727	\$ 3,814,363	\$ 4,177,055
Cash paid to suppliers for goods and services	(158,621)	(51,160)	(1,812,332)	(2,175,060)
Cash paid for claims	(890,393)	(344,959)	-	-
Cash paid to employees for services	(76,415)	(35,197)	(1,600,163)	(569,373)
Other operating revenues (expenses)	-	-	391	6,840
Net Cash Provided (Used) by Operating Activities	(325,364)	347,411	402,259	1,439,462
Cash Flows from Non-Capital Financing Activities:				
Cash transfers out	(43,950)	(4,500)	-	(1,141,364)
Cash transfers in	-	-	1,900,000	-
Net Cash Provided (Used) by Non-Capital Financing Activities	(43,950)	(4,500)	1,900,000	(1,141,364)
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	-	-	(1,244,341)	(2,852)
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	(1,244,341)	(2,852)
Net Increase (Decrease) in Cash and Cash Equivalents	(369,314)	342,911	1,057,918	295,246
Cash and Cash Equivalents at Beginning of Year	2,285,425	3,422,109	8,877,768	5,419,820
Cash and Cash Equivalents at End of Year	\$ 1,916,111	\$ 3,765,020	\$ 9,935,686	\$ 5,715,066
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ (58,561)	\$ 564,423	\$ 50,541	\$ 1,168,550
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:				
Depreciation	-	-	216,004	261,771
(Increase) decrease in accounts receivable	1,098	39	94	(5,688)
(Increase) decrease in prepaid costs	(319)	-	(21,469)	9,755
(Increase) decrease in inventories	-	-	-	-
Increase (decrease) in accounts payable	36,058	(437)	99,065	(5,818)
Increase (decrease) in accrued liabilities	182	386	9,956	1,595
Increase (decrease) in self-insurance payable	(314,000)	(217,000)	-	-
Increase (decrease) in compensated absences	10,178	-	48,068	9,297
Total Adjustments	(266,803)	(217,012)	351,718	270,912
Net Cash Provided (Used) by Operating Activities	\$ (325,364)	\$ 347,411	\$ 402,259	\$ 1,439,462

Non-Cash Investing, Capital, and Financing Activities:

There were no significant noncash investing, capital and noncapital financing activities for the year ended June 30, 2012.

**Governmental Activities -
Internal Service Funds**

Equipment Maintenance	Equipment Replacement Reserve	Totals
\$ 739,470	\$ 2,583,422	\$ 12,893,102
(625,383)	-	(4,822,556)
-	-	(1,235,352)
(180,593)	-	(2,461,741)
-	2,124	9,355
(66,506)	2,585,546	4,382,808
-	(137,160)	(1,326,974)
-	-	1,900,000
-	(137,160)	573,026
-	-	(1,247,193)
-	-	(1,247,193)
(66,506)	2,448,386	3,708,641
225,057	15,967,888	36,198,067
\$ 158,551	\$ 18,416,274	\$ 39,906,708
\$ (89,796)	\$ 2,425,801	\$ 4,060,958
24,874	159,745	662,394
-	-	(4,457)
-	-	(12,033)
(2,460)	-	(2,460)
(8,228)	-	120,640
893	-	13,012
-	-	(531,000)
8,211	-	75,754
23,290	159,745	321,850
\$ (66,506)	\$ 2,585,546	\$ 4,382,808

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
Other operating revenues (expenses)

Net Cash Provided (Used) by Operating Activities

Cash Flows from Non-Capital

Financing Activities:

Cash transfers out
Cash transfers in

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

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

Acquisition and construction of capital assets

**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:**

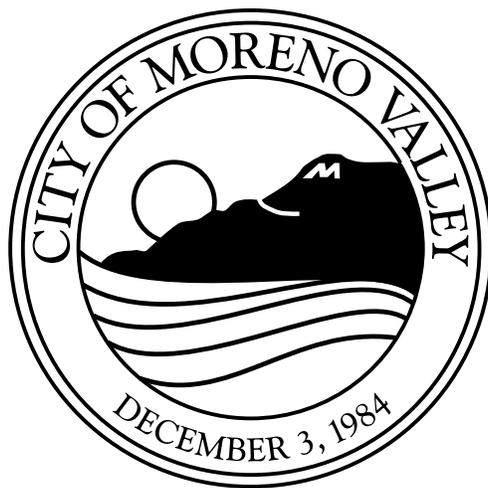
Operating income (loss)

**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**



June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 **June 30, 2012** June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

Agency Funds

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 **June 30, 2012** June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

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).

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, 2012**

	<u>Deposit Liability</u>	<u>Assessment District 87-4</u>	<u>Assessment District 98-1</u>	<u>TUMF Trust</u>	<u>Moreno Valley Foundation Donations</u>
Assets:					
Pooled cash and investments	\$ 5,315,330	\$ 105,477	\$ 2,649	\$ 1,513	\$ 221,650
Due from other governments	-	101	-	-	-
Restricted assets:					
Cash with fiscal agents	-	-	-	-	-
Total Assets	<u>\$ 5,315,330</u>	<u>\$ 105,578</u>	<u>\$ 2,649</u>	<u>\$ 1,513</u>	<u>\$ 221,650</u>
Liabilities:					
Accounts payable	\$ 560	\$ -	\$ -	\$ 1,513	\$ -
Deposits payable	5,314,770	-	-	-	-
Payable to trustee	-	105,578	2,649	-	221,650
Total Liabilities	<u>\$ 5,315,330</u>	<u>\$ 105,578</u>	<u>\$ 2,649</u>	<u>\$ 1,513</u>	<u>\$ 221,650</u>

CFD # 5 Stoneridge	Riverside County Flood Control and Water Conservation District Fund	Arts Commission	Totals	
\$ 22,500	\$ 6,420,977	\$ 3,314	\$ 12,093,410	Assets:
-	-	-	101	Pooled cash and investments
722,526	-	-	722,526	Due from other governments
\$ 745,026	\$ 6,420,977	\$ 3,314	\$ 12,816,037	Restricted assets: Cash with fiscal agents
				Total Assets
\$ -	\$ -	\$ -	\$ 2,073	Liabilities:
-	-	-	5,314,770	Accounts payable
745,026	6,420,977	3,314	7,499,194	Deposits payable
\$ 745,026	\$ 6,420,977	\$ 3,314	\$ 12,816,037	Payable to trustee
				Total Liabilities

City of Moreno Valley

Combining Statement of Changes in Assets and Liabilities
All Agency Funds
Year Ended June 30, 2012

	Balance 7/1/2011	Additions	Deductions	Balance 6/30/2012
<u>Deposit Liability</u>				
Assets:				
Pooled cash and investments	\$ 6,683,508	\$ 1,276,855	\$ 2,645,033	\$ 5,315,330
Receivables:				
Accounts	25,158	-	25,158	-
Total Assets	<u>\$ 6,708,666</u>	<u>\$ 1,276,855</u>	<u>\$ 2,670,191</u>	<u>\$ 5,315,330</u>
Liabilities:				
Accounts payable	\$ 990	\$ 1,948,094	\$ 1,948,524	\$ 560
Deposits payable	6,707,676	1,251,697	2,644,603	5,314,770
Total Liabilities	<u>\$ 6,708,666</u>	<u>\$ 3,199,791</u>	<u>\$ 4,593,127</u>	<u>\$ 5,315,330</u>
<u>Assessment District 87-4</u>				
Assets:				
Pooled cash and investments	\$ 105,232	\$ 245	\$ -	\$ 105,477
Due from other governments	60	101	60	101
Total Assets	<u>\$ 105,292</u>	<u>\$ 346</u>	<u>\$ 60</u>	<u>\$ 105,578</u>
Liabilities:				
Payable to trustee	\$ 105,292	\$ 346	\$ 60	\$ 105,578
Total Liabilities	<u>\$ 105,292</u>	<u>\$ 346</u>	<u>\$ 60</u>	<u>\$ 105,578</u>
<u>Assessment District 98-1</u>				
Assets:				
Pooled cash and investments	\$ 2,649	\$ -	\$ -	\$ 2,649
Total Assets	<u>\$ 2,649</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,649</u>
Liabilities:				
Payable to trustee	\$ 2,649	\$ -	\$ -	\$ 2,649
Total Liabilities	<u>\$ 2,649</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,649</u>
<u>TUMF Trust</u>				
Assets:				
Pooled cash and investments	\$ 17,746	\$ 402,361	\$ 418,594	\$ 1,513
Total Assets	<u>\$ 17,746</u>	<u>\$ 402,361</u>	<u>\$ 418,594</u>	<u>\$ 1,513</u>
Liabilities:				
Accounts payable	\$ 17,746	\$ 402,361	\$ 418,594	\$ 1,513
Total Liabilities	<u>\$ 17,746</u>	<u>\$ 402,361</u>	<u>\$ 418,594</u>	<u>\$ 1,513</u>
<u>MSHCP Trust</u>				
Assets:				
Pooled cash and investments	\$ 279,383	\$ 764,977	\$ 1,044,360	\$ -
Total Assets	<u>\$ 279,383</u>	<u>\$ 764,977</u>	<u>\$ 1,044,360</u>	<u>\$ -</u>
Liabilities:				
Accounts payable	\$ 279,383	\$ 764,977	\$ 1,044,360	\$ -
Total Liabilities	<u>\$ 279,383</u>	<u>\$ 764,977</u>	<u>\$ 1,044,360</u>	<u>\$ -</u>

City of Moreno Valley

**Combining Statement of Changes in Assets and Liabilities
All Agency Funds
Year Ended June 30, 2012**

	<u>Balance 7/1/2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2012</u>
<u>Moreno Valley Foundation Donations</u>				
Assets:				
Pooled cash and investments	\$ 221,650	\$ -	\$ -	\$ 221,650
Total Assets	<u>\$ 221,650</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 221,650</u>
Liabilities:				
Payable to trustee	\$ 221,650	\$ -	\$ -	\$ 221,650
Total Liabilities	<u>\$ 221,650</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 221,650</u>
<u>CFD # 5 Stoneridge</u>				
Assets:				
Pooled cash and investments	\$ -	\$ 597,747	\$ 575,247	\$ 22,500
Receivables:				
Accounts	26,875	26,500	53,375	-
Due from other governments	42,791	-	42,791	-
Restricted assets:				
Cash with fiscal agents	665,165	458,780	401,419	722,526
Total Assets	<u>\$ 734,831</u>	<u>\$ 1,083,027</u>	<u>\$ 1,072,832</u>	<u>\$ 745,026</u>
Liabilities:				
Payable to trustee	\$ 734,831	\$ 1,083,027	\$ 1,072,832	\$ 745,026
Total Liabilities	<u>\$ 734,831</u>	<u>\$ 1,083,027</u>	<u>\$ 1,072,832</u>	<u>\$ 745,026</u>
<u>Riverside County Flood Control and Water Conservation District Fund</u>				
Assets:				
Pooled cash and investments	\$ -	\$ 6,420,977	\$ -	\$ 6,420,977
Total Assets	<u>\$ -</u>	<u>\$ 6,420,977</u>	<u>\$ -</u>	<u>\$ 6,420,977</u>
Liabilities:				
Payable to trustee	\$ -	\$ 6,420,977	\$ -	\$ 6,420,977
Total Liabilities	<u>\$ -</u>	<u>\$ 6,420,977</u>	<u>\$ -</u>	<u>\$ 6,420,977</u>
<u>Arts Commission</u>				
Assets:				
Pooled cash and investments	\$ 1,625	\$ 4,895	\$ 3,206	\$ 3,314
Total Assets	<u>\$ 1,625</u>	<u>\$ 4,895</u>	<u>\$ 3,206</u>	<u>\$ 3,314</u>
Liabilities:				
Payable to trustee	\$ 1,625	\$ 4,895	\$ 3,206	\$ 3,314
Total Liabilities	<u>\$ 1,625</u>	<u>\$ 4,895</u>	<u>\$ 3,206</u>	<u>\$ 3,314</u>

City of Moreno Valley

Combining Statement of Changes in Assets and Liabilities
All Agency Funds
Year Ended June 30, 2012

	Balance 7/1/2011	Additions	Deductions	Balance 6/30/2012
<u>Totals - All Agency Funds</u>				
Assets:				
Pooled cash and investments	\$ 7,311,793	\$ 9,468,057	\$ 4,686,440	\$ 12,093,410
Receivables:				
Accounts	52,033	26,500	78,533	-
Due from other governments	42,851	101	42,851	101
Restricted assets:				
Cash with fiscal agents	665,165	458,780	401,419	722,526
Total Assets	<u>\$ 8,071,842</u>	<u>\$ 9,953,438</u>	<u>\$ 5,209,243</u>	<u>\$ 12,816,037</u>
Liabilities:				
Accounts payable	\$ 298,119	\$ 3,115,432	\$ 3,411,478	\$ 2,073
Deposits payable	6,707,676	1,251,697	2,644,603	5,314,770
Payable to trustee	1,066,047	7,509,245	1,076,098	7,499,194
Total Liabilities	<u>\$ 8,071,842</u>	<u>\$ 11,876,374</u>	<u>\$ 7,132,179</u>	<u>\$ 12,816,037</u>

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 **June 30, 2012** June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

Capital Assets

June 30, 2012 **June 30, 2012** June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

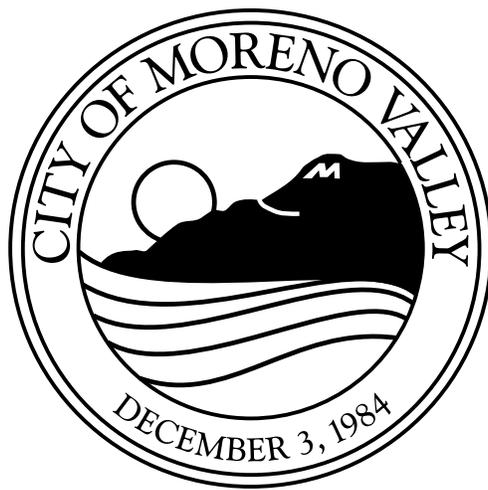
June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

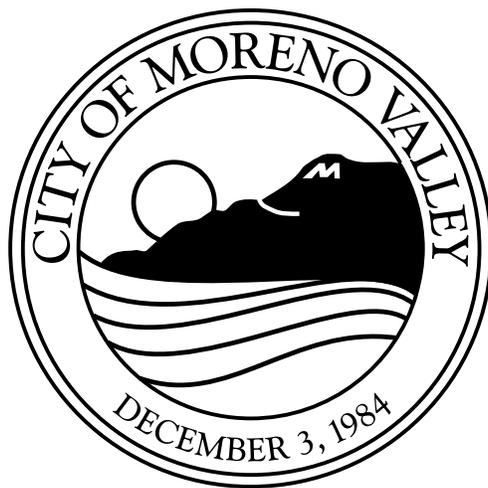
June 30, 2012 June 30, 2012 June 30, 2012



City of Moreno Valley
Schedule of General Capital Assets
By Function and Activity
June 30, 2012

Function and Activity:	Land	CIP	Buildings and Improvements	Furniture and Equipment
General government				
City manager	\$ -	\$ -	\$ -	\$ 203,255
City attorney	-	-	-	12,068
City clerk	-	-	-	313,048
Human resources	-	-	-	16,467
Finance	-	-	-	23,534
Other- unclassified	45,768,900	449,001	3,139,683	21,832
Total General Government	45,768,900	449,001	3,139,683	590,204
Public safety:				
Police	1,030,443	1,312,758	11,325,990	1,392,862
Fire	983,317	115,617	17,384,733	899,246
Animal control	590,127	-	3,040,333	93,064
Volunteer services	-	-	5,599,581	47,901
Total Public Safety	2,603,887	1,428,375	37,350,637	2,433,073
Public works	251,134,383	23,960,246	-	928,608
Community development	-	-	5,965,154	364,889
Community services district	779,584	766,536	49,649,151	1,771,172
Internal service funds	-	1,299,570	10,399,996	6,370,448
Grand Total	\$ 300,286,754	\$ 27,903,728	\$ 106,504,621	\$ 12,458,394

<u>Vehicles</u>	<u>Infrastructure</u>	<u>Total</u>	Function and Activity:
\$ 84,428	\$ -	\$ 287,683	General government
-	-	12,068	City manager
-	-	313,048	City attorney
-	-	16,467	City clerk
62,805	-	86,339	Human resources
-	-	49,379,416	Finance
			Other- unclassified
<u>147,233</u>	<u>-</u>	<u>50,095,021</u>	Total General Government
1,184,992	-	16,247,045	Public safety:
2,538,039	-	21,920,952	Police
363,002	-	4,086,526	Fire
170,667	-	5,818,149	Animal control
			Volunteer services
<u>4,256,700</u>	<u>-</u>	<u>48,072,672</u>	Total Public Safety
2,580,661	672,400,887	951,004,785	Public works
388,770	-	6,718,813	Community development
575,920	101,457	53,643,820	Community services district
2,580,421	401,116	21,051,551	Internal service funds
<u>\$ 10,529,705</u>	<u>\$ 672,903,460</u>	<u>\$ 1,130,586,662</u>	Grand Total



June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 **June 30, 2012** June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 **June 30, 2012** June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

Statistical Section

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

June 30, 2012 June 30, 2012 June 30, 2012

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.

<u>Contents</u>	<u>Page #</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	178
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's ability to generate its key revenues.	184
Debt Capacity 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.	190
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and help make comparisons over time and with other governments.	195
Operating Information 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.	198

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; schedules presenting government-wide information include information beginning in that year.

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities										
Invested in capital assets, net of related debt	\$ 447,696,730	\$ 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
Restricted for:										
Community development projects	9,974,997	6,961,781	6,404,249	10,076,376	-	41,908,201	19,960,752	36,341,964	7,079,640	37,716,605
Community and cultural	-	-	-	-	-	8,259,181	-	8,368,534	8,968,479	10,880,981
Public safety	1,838,076	2,086,222	2,649,176	1,655,374	973,667	663,854	280,107	2,103,241	644,786	626,545
Capital projects/Public Works	42,698,617	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
Debt service	10,972,696	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
Other Programs	-	-	-	-	14,863,573	3,598,110	11,731,764	2,545,781	301,868	170,051
Permanent funds-nonexpendable	-	-	-	59,359	62,537	64,692	66,436	169,287	170,162	188,335
Unrestricted	29,118,995	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
Total Governmental activities net assets	\$ 542,300,111	\$ 572,070,846	\$ 600,026,259	\$ 682,395,386	\$ 791,744,201	\$ 868,179,021	\$ 893,366,510	\$ 941,652,520	\$ 948,471,198	\$ 942,064,400
Business-type activities										
Invested in capital assets, net of related debt	\$ -	\$ 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
Restricted	-	-	-	-	1,604,444	948,207	1,767,402	1,158,200	1,702,037	2,520,912
Regulatory contingencies	-	(575,790)	(799,941)	(3,713,053)	(634,406)	(2,252,565)	(4,023,374)	(4,520,034)	(5,623,674)	(413,445)
Unrestricted	-	\$ 133,520	\$ 1,015,370	\$ 14,438,082	\$ 15,100,697	\$ 12,806,041	\$ 7,827,707	\$ 8,839,920	\$ 10,021,344	\$ 10,504,312
Total Business-type activities net assets	\$ -	\$ -	\$ -	\$ -	\$ 15,100,697	\$ 12,806,041	\$ 7,827,707	\$ 8,839,920	\$ 10,021,344	\$ 10,504,312
Primary government										
Invested in capital assets, net of related debt	\$ 447,696,730	\$ 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
Restricted for:										
Community development projects	9,974,997	6,961,781	6,404,249	10,076,376	-	41,908,201	19,960,752	36,341,964	7,079,640	37,716,605
Community and cultural	-	-	-	-	-	8,259,181	-	8,368,534	8,968,479	10,880,981
Public safety	1,838,076	2,086,222	2,649,176	1,655,374	973,667	663,854	280,107	2,103,241	644,786	626,545
Public works/capital projects	42,698,617	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
Debt service	10,972,696	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
Other Programs	-	-	-	-	14,863,573	3,598,110	11,731,764	2,545,781	301,868	170,051
Permanent funds-nonexpendable	-	-	-	59,359	62,537	64,692	66,436	169,287	170,162	188,335
Regulatory contingencies	-	-	-	-	1,604,444	948,207	1,767,402	1,158,200	1,702,037	2,520,912
Unrestricted	29,118,995	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
Total primary government net assets	\$ 542,300,111	\$ 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

Note: The City implemented the GASB 34 reporting model in Fiscal Year 2003. Information prior to the implementation of GASB 34 is not available.

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses										
Governmental activities:										
General government	\$ 11,792,961	\$ 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
Public safety	29,059,953	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
Community development	6,069,282	8,198,449	10,041,715	13,666,378	9,643,084	10,964,507	12,086,237	29,663,451	10,003,780	11,317,359
Community and cultural	7,112,868	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
Public works	11,097,843	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
Interest on long-term debt	5,243,788	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
Total Governmental activities expenses	<u>70,376,695</u>	<u>88,612,303</u>	<u>102,423,047</u>	<u>108,119,608</u>	<u>124,511,350</u>	<u>154,840,643</u>	<u>152,177,069</u>	<u>146,739,622</u>	<u>150,458,518</u>	<u>140,500,449</u>
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
Total business-type activities expenses	<u>-</u>	<u>76,106</u>	<u>1,080,589</u>	<u>3,673,509</u>	<u>8,298,955</u>	<u>12,282,161</u>	<u>14,067,086</u>	<u>13,812,966</u>	<u>14,807,788</u>	<u>16,549,224</u>
Total primary government expenses	<u>\$ 70,376,695</u>	<u>\$ 88,688,409</u>	<u>\$ 103,503,636</u>	<u>\$ 111,793,117</u>	<u>\$ 132,810,305</u>	<u>\$ 167,122,804</u>	<u>\$ 166,244,155</u>	<u>\$ 160,552,588</u>	<u>\$ 165,266,306</u>	<u>\$ 157,049,673</u>
Program revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,855,048	\$ 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
Public safety	753,098	922,986	1,158,745	2,040,725	1,212,229	4,948,923	6,559,817	4,371,535	2,787,962	2,738,303
Community development	4,162,811	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
Community and cultural	7,884,845	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
Public works	9,957,309	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
Operating contributions and grants:										
General government	5,260,233	2,315,147	2,121,229	422,310	622,513	-	92,319	66,861	940,799	1,094,413
Public safety	774,529	973,642	773,875	838,921	931,062	704,324	385,195	1,016,552	1,009,290	988,848
Community development	1,018,351	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
Community and cultural	472,825	1,216	68,396	133,325	100,777	6,911,186	5,936,040	5,174,090	6,635,271	6,284,823
Public works	909,427	626,074	887,750	2,985,031	460,787	631,830	3,901,583	6,345,620	6,353,159	15,499,751
Capital contributions and grants										
General government	-	-	-	-	-	-	-	31,307	-	5,056,545
Public safety	41,516	221,729	-	-	-	-	-	146,606	534,771	893,608
Community development	-	-	-	-	-	-	-	918,785	20,180	-
Community and cultural	-	-	-	-	-	-	239,746	-	-	-
Public works	2,257,121	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)
Total governmental activities program revenues	<u>35,347,113</u>	<u>41,260,109</u>	<u>45,079,080</u>	<u>79,730,707</u>	<u>119,621,625</u>	<u>129,664,151</u>	<u>82,806,387</u>	<u>118,546,092</u>	<u>77,781,591</u>	<u>62,423,603</u>
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
Capital contributions and grants										
Total business-type activities program revenues	<u>-</u>	<u>319,135</u>	<u>1,356,555</u>	<u>11,445,287</u>	<u>8,712,097</u>	<u>10,311,654</u>	<u>12,430,482</u>	<u>13,326,364</u>	<u>15,671,939</u>	<u>16,778,766</u>
Total primary government program revenues	<u>\$ 35,347,113</u>	<u>\$ 41,579,244</u>	<u>\$ 46,435,635</u>	<u>\$ 91,175,994</u>	<u>\$ 129,938,299</u>	<u>\$ 139,975,805</u>	<u>\$ 95,236,869</u>	<u>\$ 131,872,456</u>	<u>\$ 93,453,530</u>	<u>\$ 79,202,369</u>

(Continued)

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Net (Expense)/Revenue										
Governmental activities	\$ (35,029,582)	\$ (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)
Business-type activities	-	243,029	275,966	7,771,778	2,017,719	(1,970,507)	(1,636,604)	(486,602)	864,151	229,542
Total primary government net (expense)/revenue	\$ (35,029,582)	\$ (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)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes:										
Property taxes	\$ 10,950,053	\$ 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
Property taxes in lieu	-	-	8,644,834	12,068,070	14,150,000	16,728,600	16,791,078	13,703,197	13,055,796	13,170,964
Transient occupancy tax	358,530	455,009	519,193	582,307	586,383	593,009	497,936	535,775	692,586	747,100
Sales tax	13,547,375	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
Franchise taxes	3,253,708	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
Business license taxes	1,144,428	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
Utility users tax	9,718,667	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
Other taxes	7,359,328	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
Franchise in lieu taxes	-	-	9,699	42,788	78,573	96,816	120,969	132,548	150,456	168,267
Documentary transfer tax	599,128	1,055,205	1,391,199	1,548,205	972,995	575,003	598,084	479,208	424,931	434,554
Intergovernmental-motor vehicle in lieu, unrestricted	9,244,049	7,288,137	3,484,623	11,899,563	16,054,145	800,667	865,718	547,188	-	-
Use of property and money	3,192,284	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
Gain on sale of capital assets	-	-	-	-	-	2,575	-	-	605	-
Miscellaneous	3,287,271	14,427,133	5,435,103	1,820,976	405,679	885,602	1,787,772	1,238,641	2,784,308	469,671
Extraordinary items	-	-	-	-	-	-	-	-	-	(7,305,736)
Transfers	-	193,000	(16,857)	(1,257,370)	(75,851)	61,817	653,554	225,192	(107,841)	-
Total governmental activities	62,654,821	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
Business-type activities										
Use of property and money	-	-	-	-	-	-	-	61,428	29,540	89,183
Other	-	83,491	589,027	-	-	-	131,033	1,250,000	179,892	164,243
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
Total primary government	\$ 62,654,821	\$ 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
Change in Net Assets										
Government activities	\$ 27,625,239	\$ 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)
Business-type activities	-	133,520	881,850	9,029,148	2,093,570	(2,032,324)	(2,159,125)	599,634	1,181,424	482,968
Total primary government	\$ 27,625,239	\$ 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)

Note: The City implemented the GASB34 reporting model in Fiscal Year 2003. Information prior to the implementation of GASB 34 is not available.

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund										
Reserved	\$ 1,739,505	\$ 6,654,472	\$ 6,052,320	\$ 11,808,994	\$ 13,580,492	\$ 35,752,164	\$ 34,787,698	\$ 33,788,960	\$ -	\$ -
Unreserved	13,760,886	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
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	2,600,000	2,600,000
Assigned	-	-	-	-	-	-	-	-	1,414,860	3,613,937
Unassigned	-	-	-	-	-	-	-	-	36,634,651	29,814,811
Total General Fund	\$ 15,500,391	\$ 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
All Other Funds										
Reserved	\$ 20,129,052	\$ 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	26,948,201	37,493,168	44,049,195	47,464,569	48,534,518	50,516,963	42,222,678	30,378,947	-	-
Capital projects funds	18,703,575	(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	35,169,139
Restricted	-	-	-	-	-	-	-	-	106,735,045	54,025,316
Committed	-	-	-	-	-	-	-	-	13,321	17,332
Assigned	-	-	-	-	-	-	-	-	15,151,482	19,708,984
Unassigned	-	-	-	-	-	-	-	-	(33,954,694)	(692,943)
Total all other funds	\$ 65,780,828	\$ 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

Notes: The City implemented the GASB 34 reporting model in Fiscal Year 2003. Information prior to the implementation of GASB 34 is not available. 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)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenue	\$ 40,776,674	\$ 46,216,887	\$ 54,463,821	\$ 14,342,099	\$ 26,854,009	\$ 30,351,211	\$ 28,316,208	\$ 16,836,699	\$ 22,699,683	\$ 18,342,475
Taxes	-	-	-	14,342,099	26,854,009	30,351,211	28,316,208	16,836,699	22,699,683	-
Property tax	-	-	-	14,342,099	26,854,009	30,351,211	28,316,208	16,836,699	22,699,683	-
Property taxes in lieu	-	-	-	12,068,070	14,150,000	16,728,600	16,791,078	13,703,197	13,055,796	18,342,475
Utility taxes	-	-	-	13,811,740	15,463,291	15,186,616	15,081,286	15,358,341	15,317,439	15,170,964
Sales taxes	-	-	-	12,275,627	15,701,460	13,623,654	12,163,719	10,982,811	12,277,450	15,093,386
Other taxes	-	-	-	16,622,460	9,637,850	9,377,790	9,827,939	8,994,957	8,413,326	14,003,993
Assessments	82,842	41,683	-	-	-	-	-	-	-	8,688,866
Licenses, fees and permits	4,945,682	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
Charges for services	19,933,502	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
Intergovernmental	26,201,103	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
Use of property and money	3,187,073	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
Fines and forfeitures	942,411	929,813	1,097,508	1,205,173	1,159,350	1,293,056	1,262,712	1,176,403	833,799	653,285
Miscellaneous	1,921,073	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
Total revenues	97,990,360	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
Expenditures										
General government	12,009,132	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
Public Safety	29,024,897	32,300,542	36,806,865	43,478,949	50,276,192	56,361,973	57,866,348	58,311,716	58,152,125	54,602,358
Community development	6,235,962	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
Community and cultural	7,761,494	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
Public works	11,826,893	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
Capital outlay	12,746,605	14,647,639	19,885,754	-	-	-	-	26,269,751	23,879,656	27,709,622
Debt service	-	-	-	-	-	-	-	-	-	-
Principal retirement	3,770,781	20,472,246	2,723,847	2,896,585	3,095,000	18,538,387	4,154,660	3,690,094	11,724,021	3,965,407
Interest and fiscal charges	5,267,169	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
Bond issuance costs	-	-	-	664,638	326,385	2,413,464	-	-	-	-
Total expenditures	88,642,933	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
Excess of revenues over/ (under) expenditures	9,347,427	(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)

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Other Financing Sources (Uses)										
Issuance of debt	-	-	-	48,205,000	5,870,000	58,412,429	-	-	7,447,764	-
Transfers in	15,442,256	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
Transfers out	(14,606,672)	(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)
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	1,200,669	1,199,343	250,767	-	-	-	-	-	-	926,832
Contributions from Successor / Contributions to Successor Agency	-	-	-	-	-	-	-	-	-	(26,708)
Total other financing sources (uses)	<u>2,036,253</u>	<u>2,133,243</u>	<u>(4,049,676)</u>	<u>47,110,324</u>	<u>8,765,311</u>	<u>60,183,255</u>	<u>2,357,886</u>	<u>3,215,972</u>	<u>7,429,743</u>	<u>327,098</u>
Extraordinary Items	-	-	-	-	-	-	-	-	-	(2,566,209)
Net change in fund balances	<u>\$ 11,383,680</u>	<u>\$ (1,069,593)</u>	<u>\$ 14,155,440</u>	<u>\$ 66,256,760</u>	<u>\$ 26,560,920</u>	<u>\$ 36,250,348</u>	<u>\$ (20,364,427)</u>	<u>\$ (17,917,300)</u>	<u>\$ (21,763,428)</u>	<u>\$ (17,197,841)</u>
Debt service as a percentage of noncapital expenditures	11.91%	27.87%	8.91%	10.54%	10.56%	19.40%	10.65%	9.58%	14.35%	8.32%

Note: The city implemented the GASB 34 reporting model in Fiscal Year 2003. Information prior to the implementation of GASB 34 is not available.

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

Fiscal Year	Property Tax		Utility Users	Sales & Use	Transient Occupancy	Franchise	Motor Vehicle In-Lieu	Business		Total
	Property	In-Lieu of Vehicle License Fees (2)						License Receipt	Documentary Transfer	
2003	\$ 5,710,105	\$ -	\$ 9,718,667	\$ 8,171,861	\$ 358,530	\$ 3,253,708	\$ 9,239,894	\$ 806,462	\$ 599,128	\$ 37,858,355
2004	6,354,247	-	10,980,848	9,100,608	455,009	3,599,485	7,283,124 (1)	920,928	1,055,205	39,749,454
2005	7,230,082	8,644,834 (2)	12,527,514	11,753,794	519,193	3,791,546	3,478,877 (2)	1,059,009	1,391,200	50,396,049
2006	11,930,618	12,068,070	13,811,740	11,317,841 (3)	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	14,003,993	747,100	5,176,775	96,578	1,175,104	434,554	59,793,827

Change

2003 to 2012 65.00% (3) 100.00% (3) 60.00% (3) 71.00% (3) 108.00% (3) 59.00% (3) -99.00% (3) 46.00% (3) -27.00% (3) 58.00%

(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 Finance Department

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Utility Users Tax	\$ 9,718,667	\$ 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
Property Tax	5,710,105	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
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
Vehicle License In-Lieu Fees	9,239,894	7,283,124	3,478,877	1,275,342	943,313	800,667	865,718	547,188	887,331	96,578
Sales Tax	8,171,861	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
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
Development Services	5,478,729	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

Notes:

¹ 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 Finance 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				
	Secured Value	Unsecured Value	Total Assessed and Estimated Full Value	Taxable Assessed Value	Direct Tax Rate	Less: Exemptions	Total Assessed and Estimated Full Value	Unsecured Value	Secured Value	Unsecured Value	Total Assessed and Estimated Full Value	Less: Exemptions	Taxable Assessed Value	Direct Tax Rate	Total Direct Tax Rate
2003	\$ 6,303,862	\$ 146,028	\$ 6,449,890	\$ 6,347,424	0.00131	\$ (102,466)	\$ 6,449,890	\$ 81,997	\$ 1,205,730	\$ 1,287,727	\$ (28,489)	\$ 1,259,238	0.00483	0.00189	
2004	7,323,326	144,893	7,468,219	7,373,361	0.00124	(94,858)	7,468,219	86,290	1,382,232	1,468,522	(28,117)	1,440,405	0.00517	0.00188	
2005	9,182,553	154,604	9,337,157	9,227,398	0.00116	(109,759)	9,337,157	82,341	1,643,835	1,726,176	(34,169)	1,692,007	0.00572	0.00187	
2006	11,327,235	165,133	11,492,368	11,374,317	0.00131	(118,051)	11,492,368	85,608	2,028,330	2,113,938	(35,633)	2,078,305	0.00643	0.00210	
2007	13,419,168	198,776	13,617,944	13,470,053	0.00140	(147,891)	13,617,944	109,685	2,546,327	2,656,012	(47,345)	2,608,667	0.00672	0.00226	
2008	13,491,161	232,774	13,723,935	13,529,242	0.00143	(194,693)	13,723,935	137,206	2,788,876	2,926,082	(75,251)	2,850,831	0.00838	0.00264	
2009	13,132,444	243,521	13,375,965	13,220,992	0.00131	(154,973)	13,375,965	117,596	2,229,290	2,346,886	(72,232)	2,274,654	0.01045	0.00265	
2010	10,625,910	236,904	10,862,814	10,708,525	0.00160	(154,289)	10,862,814	154,639	2,391,494	2,546,133	(81,595)	2,464,538	0.00675	0.00256	
2011	10,516,338	238,786	10,755,124	10,527,946	0.00164	(227,178)	10,755,124	157,430	2,375,549	2,532,979	(81,830)	2,451,149	0.00575	0.00242	
2012	10,561,585	271,336	10,832,921	10,596,686	0.00220	(236,235)	10,832,921	-	-	-	-	-	-	-	

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 Finance Department
 County of Riverside Auditor-Controller

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

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
City Direct Rate:	\$ 0.00140	\$ 0.00143	\$ 0.00131	\$ 0.00160	\$ 0.00164	\$ 0.00220
Redevelopment Agency Direct Rate:	0.00672	0.00838	0.01045	0.00256	0.00575	0.00290
Total Direct Tax Rate:	0.00226	0.00264	0.00265	0.00828	0.00242	0.00233
Eastern Municipal Water Imp Dist U-13	0.00900	0.00800	0.00000	0.03000	0.03000	0.03000
Metro Water Dist East-1301999	0.00470	0.00450	0.00430	0.00430	0.00370	0.00370
Moreno Valley Unified School District	0.02271	0.03066	0.03081	0.02660	0.03357	0.04096
Riverside Community College	0.01800	0.01259	0.01254	0.01242	0.01499	0.01700
Total Tax Rate	<u>\$ 0.17761</u>	<u>\$ 0.19523</u>	<u>\$ 0.21154</u>	<u>\$ 0.22471</u>	<u>\$ 0.22157</u>	<u>\$ 0.21580</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 2011/2012			Fiscal Year 2002/2003		
	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value
Walgreen Company	\$ 134,991,407	1	1.27%	\$ -		0.00%
Ross Dress for Less, Inc.	131,980,402	2	1.25%	-		0.00%
Stonegate 552	79,406,229	3	0.75%	-		0.00%
IIT Inland Empire Logistics CE	74,940,868	4	0.71%	-		0.00%
Kaiser Foundation Hospitals	57,318,775	5	0.54%	-		0.00%
Moreno Valley Day Street Apartments	54,949,725	6	0.52%	-		0.00%
2250 Town Circle Holdings LLC	46,440,540	7	0.44%	-		0.00%
WNRA Moreno Valley	42,295,000	8	0.40%	-		0.00%
Moreno Valley Apartment One LP	37,904,833	9	0.36%	-		0.00%
Knickerbocker Properties, Inc.	36,480,000	10	0.34%	-		0.00%
Homart Newco Two, Inc.	-		0.00%	44,300,000	1	0.78%
Passco Sunnymead	-		0.00%	24,888,000	2	0.44%
TSC	-		0.00%	24,347,737	3	0.43%
May Department Stores Company	-		0.00%	17,482,499	5	0.31%
Atsugi Kokusai Kanko, Inc.	-		0.00%	15,641,437	5	0.27%
Hemlock Properties	-		0.00%	15,103,302	6	0.26%
Dayton Hudson Corporation	-		0.00%	13,325,590	7	0.23%
Apartments Highland Meadows	-		0.00%	13,265,780	9	0.23%
J C Penney Properties, Inc.	-		0.00%	13,215,405	10	0.23%
Desert Pointe Properties	-		0.00%	12,527,000	10	0.22%
	<u>\$ 696,707,779</u>		<u>6.58%</u>	<u>\$ 194,096,750</u>		<u>3.40%</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		Collections in Subsequent years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2003	\$ 22,594,477	\$ 22,876,331	101.25%	\$ -	\$ 22,876,331	101.25%
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	30,454,844	39,027,115	128.15%	53,724	39,080,839	128.32%

The City began participating in the "Teeter Plan" in FY 1993-94 which resulted in a lower amount of subsequent delinquent tax collections.

Note: Collections include supplemental tax receipts from the County that are not included in the taxes levied for the fiscal year.

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

City of Moreno Valley
Direct and Overlapping Debt

Fiscal Year 2011/12 Assessed Valuation	\$ 10,614,603,637
Redevelopment Incremental Valuation	1,937,114,140
Adjusted Assessed Valuation	<u>\$ 8,677,489,497</u>

<u>OVERLAPPING TAX AND ASSESSMENT DEBT</u>	Total Debt <u>6/30/2011</u>	% <u>Applicable(1)</u>	City's Share of <u>Debt 6/30/11</u>
Metropolitan Water District	\$ 196,545,000	0.481%	\$ 945,381
Eastern Municipal Water District I.D. No U-22	4,077,000	100.	4,077,000
Riverside Community College District	230,858,371	14.968	34,554,881
Moreno Valley Unified School District	41,983,521	92.398	38,791,934
San Jacinto Unified School District	43,964,292	0.594	261,148
Val Verde Unified School District	40,051,948	43.466	17,408,980
Moreno Valley Unified School District Community Facilities District No. 88-1	7,155,000	100.	7,155,000
Moreno Valley Unified School District Community Facilities District No. 2002-1	7,745,000	100.	7,745,000
Moreno Valley Unified School District Community Facilities District No. 2003-1&2	10,715,000	100.	10,715,000
Moreno Valley Unified School District Community Facilities District No. 2004-1	3,065,000	100.	3,065,000
Moreno Valley Unified School District Community Facilities District No. 2004-2	5,420,000	100.	5,420,000
Moreno Valley Unified School District Community Facilities District No. 2004-3	3,925,000	100.	3,925,000
Moreno Valley Unified School District Community Facilities District No. 2004-5	4,910,000	100.	4,910,000
Moreno Valley Unified School District Community Facilities District No. 2004-6	27,255,000	100.	27,255,000
Moreno Valley Unified School District Community Facilities District No. 2005-2, 3 & 5	24,310,000	100.	24,310,000
Val Verde Unified School District Community Facilities District No. 98-1	23,685,000	100.	23,685,000
Val Verde Unified School District Community Facilities District No. 2003-2	2,610,000	100.	2,610,000
Eastern Municipal Water District Community Facilities District	11,965,000	100.	11,965,000
City of Moreno Valley Community Facilities District No. 3	400,000	100.	400,000
City of Moreno Valley Community Facilities District No. 5	5,805,000	100.	5,805,000
City of Moreno Valley Community Facilities District No. 87-1	8,205,000	100.	8,205,000
City of Moreno Valley Community Facilities District No. 87-1, I.A. No. 1	3,265,000	100.	3,265,000
TOTAL GROSS OVERLAPPING TAX AND ASSESSMENT DEBT			<u>246,474,324</u>
Less: Moreno Valley Community Facilities District No. 3 & 87-1 (100% supported from tax increment revenues)			<u>8,605,000</u>
TOTAL NET OVERLAPPING TAX AND ASSESSMENT DEBT			<u>237,869,324</u>
 <u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Riverside County General Fund Obligations	655,042,180	5.982%	39,184,623
Riverside County Pension Obligations	357,540,000	5.982%	21,388,043
Riverside County Board of Education Certificates of Participation	5,055,000	5.982%	302,390
Mt. San Jacinto Community College District General Fund Obligations	11,950,000	0.019%	2,271
Moreno Valley Unified School District Certificates of Participation	19,535,000	92.398%	18,049,949
San Jacinto Unified School District Certificates of Participation	42,630,000	0.594%	253,222
Val Verde Unified School District Certificates of Participation	83,365,000	43.466%	36,235,431
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			<u>115,415,929</u>
Less: Riverside County self-supporting obligations			<u>741,523</u>
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			<u>114,674,406</u>
City Direct Debt (City of Moreno Valley General Fund Obligations)			<u>74,646,000</u>
TOTAL DIRECT & OVERLAPPING DEBT			<u>\$ 189,320,406</u>
GROSS COMBINED TOTAL DEBT			\$ 436,536,253 (2)
NET COMBINED DEBT			427,189,730

Notes:

- (1) Percentage of each overlapping agencies assessed valuation located within the boundaries of the city.
- (2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations

Ratios to FY 2011-12 Assessed Valuation:

Total Gross Overlapping Tax and Assessment Debt	2.32%
Total Net Overlapping Tax and Assessment Debt	2.24%

Ratios to Adjusted Assessed Valuation:

Combined Direct Debt (\$74646000)	0.86%
Gross Combined Total Debt	5.03%
Net Combined Total Debt	4.92%

State School Building Aid Repayable as of 6/30/12 \$ -
AB: (\$450)

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

Legal Debt Margin Calculation for Fiscal Year 2012

Assessed Value	\$10,462,566
Debt Limit (15% of assessed value)	1,569,385
Debt applicable to limit:	-
	-
Total net debt applicable to limit	\$ -

	Fiscal Year ⁽¹⁾				
	2008	2009	2010	2011	2012
Assessed Valuation (in thousands)	\$13,374,229	\$13,375,965	\$10,862,814	\$10,366,869	\$10,462,566
Conversion percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation (in thousands)	3,343,557	3,343,991	2,715,704	2,591,717	2,615,642
Debt limit percentage	15%	15%	15%	15%	15%
Debt Limit (in thousands)	501,534	501,599	407,356	388,758	392,346
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin (in thousands)	501,534	501,599	407,356	388,758	392,346
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.

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

Fiscal Year Ended June 30 ^(c)	Governmental Activities					Business-type Activities		Total Primary Government	Percentage of Personal Income	Debt per Capita ¹
	Special Tax Bonds	Certificates of Participation	Lease Revenue Bonds	RDA Tax Allocation Bonds	Notes and Other	Governmental Activities	Lease Revenue Bonds			
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	3.98%	765
2011	13,655,000	- ⁽³⁾	39,660,000 ⁽³⁾	42,475,000	12,301,668 ⁽³⁾	108,091,668	29,780,000	137,871,668	3.80%	706
2012	11,870,000	-	38,775,000	- ⁽⁴⁾	12,405,732	63,050,732	29,245,000	92,295,732	2.70%	472

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 Finance 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 Seven Fiscal Years

Fiscal Year Ended June 30, (2)	Special Tax	Certificates of	Lease Revenue	Total	Percent of	Per Capita
	Bonds	Participation	Bonds	Governmental Activities	Assessed Value (1)	
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

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	Debt Service Principal	Debt Service Interest	Coverage	Property Tax Increment	Debt Service Principal	Debt Service Interest	Coverage	Special Tax Levy	Property Tax Increment	Debt Service Principal	Debt Service Interest	Coverage
2002	\$ 1,029,290	\$ 135,550	\$ 200,000	\$ 556,150	\$ -	\$ -	1.54	-	\$ -	\$ -	-	-	\$ -	\$ -	\$ -	\$ -	-
2003	1,074,499	114,766	465,000	538,113	-	-	1.19	-	-	-	-	-	-	-	-	-	-
2004	1,067,950	145,265	515,000	507,300	-	-	1.19	-	-	-	-	-	-	-	-	-	-
2005	1,121,094	116,871	575,000	469,150	-	-	1.19	-	-	-	-	-	-	-	-	-	-
2006	1,189,465	73,700	640,000	426,625	-	-	1.18	-	-	-	-	-	-	-	-	-	-
2007	1,179,479	108,986	710,000	379,375	-	-	1.18	-	-	-	-	-	-	-	-	-	-
2008	1,088,427	190,425	785,000	327,050	198,306	-	217,261	0.91	2,072,568	-	226,176	9.16	429,990	-	-	60,994	0.00
2009	1,212,713	103,026	865,000	269,300	344,701	-	288,613	1.19	1,164,131	575,000	435,881	1.15	108,706	287,228	220,000	175,859	1.00
2010	1,173,443	185,125	950,000	205,775	362,124	15,000	288,313	1.19	373,011	600,000	409,381	0.37	78,519	303,573	190,000	168,029	1.07
2011	78,021	96,489	1,045,000	135,950	376,005	20,000	287,613	1.22	1,168,536	630,000	382,569	1.15	112,162	277,359	195,000	160,375	1.10
2012	75,878	31,192	15,000	64,688	388,022	30,000	286,613	1.23	1,170,595	655,000	359,294	1.15	110,672	275,008	205,000	152,173	1.08

Community Redevelopment Agency 2007 Tax Allocation Bonds

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

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 Finance Department
City of Moreno Valley Community Redevelopment Agency
City of Moreno Valley Special Districts

City of Moreno Valley
Demographic and Economic Statistics
Last five years

Calendar Year	Population ⁽¹⁾	Personal Income (in thousands) ⁽²⁾	Per Capita Personal Income ⁽²⁾	Unemployment Rate ^{(3), (A)}
2008	183,860	\$ 3,423,011	\$ 17,997	9.9%
2009	186,301	3,702,458	18,898	15.7%
2010	188,537	3,836,808	19,230	17.6%
2011	195,216	3,463,419	17,519	16.1%
2012	196,495	3,491,186	17,425	13.9%

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 Two Years Ago

Employer	Sector	Business Type	2012		2010	
			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%	9,300	37.31%
Moreno Valley Unified School District	Public Sector	Public Schools	3,366	10.22%	3,465	13.90%
Riverside County Regional Medical Center	Medical Facilities	County Hospital	2,600	7.90%	2,284	9.16%
Ross Dress For Less/DD's Discounts	Distribution	Retail Distribution	1,630	4.95%	1,200	4.81%
Moreno Valley Mall (excludes major tenants)	Retail	Retail Mall	1,365	4.15%	1,850	7.42%
¹ / ₆ Kaiser Permanente Community Hospital/Office	Medical Facilities	Hospital/Medical Services	944	2.87%	651	2.61%
City of Moreno Valley/Police/Fire Depts	Public Sector	Municipal Government	771	2.34%	1,128	4.52%
Walgreens Co.	Distribution	Retail Distribution	685	2.08%	650	2.61%
Val Verde Unified School District (MV only)	Public Sector	Public Schools	674	2.05%	959	3.85%
Skechers USA	Distribution	Retail Distribution	600	1.82%		

"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: The city implemented the GASB 34 reporting model in Fiscal Year 2003. Information prior to the implementation of GASB 34 is not available.

City of Moreno Valley
 Full-time and Part-time City Employees by Function
 Past Seven Years

<u>Function</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Government	143	153	150	142	150	147	125
Public Works	126	134	141	151	146	143	134
Community Development	71	74	74	72	68	59	66
Parks and Community Services	123	184 ⁽²⁾	240	238	453	101 ⁽³⁾	118
Animal Services	24	26	27	29	27	21	19
Redevelopment Agency	17	17	18	16	14	12	0
Public Safety ⁽¹⁾	329	356	383	393	415	407	407
Total	<u>833</u>	<u>944</u>	<u>1,033</u>	<u>1,041</u>	<u>1,273</u>	<u>890</u>	<u>869</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 Finance Department

City of Moreno Valley
 Capital Asset Statistics
 Last Five Fiscal Years

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Lane miles of streets	1,076	1,076	1,076	1,076	1,076
Number of street lights	11,027	11,037	11,046	11,260	11,358
Number of traffic signals	162	167	170	173	175
Fire protection:					
Number of stations	6	6	6	6	6
Police protection:					
Number of policing stations	5	5	5	5	7
Recreation and culture:					
Parks	38	39	37	37	37
Maintained acreage of parks	529.55	531.48	531.48	531.66	519.91
Parks under construction	7	6	6	1	1
Acreage of parks under construction	27.07	25.14	25.14	12.25	12.75
Multi-use athletic fields	21	21	21	21	21
Conference/Recreation centers	1	1	1	1	1
Square footage of recreation centers	42,413	42,413	42,413	42,413	42,413
Senior Centers	1	1	1	1	1
Square footage of senior centers	14,700	14,700	14,700	14,700	14,700
Equestrian centers	1	1	1	1	1
Maintained acreage of equestrian centers	45	45	45	45	45
Multi-use equestrian trails maintained	10 Miles				
Community centers	4	4	4	4	4
Square footage of community centers	38,758	38,758	38,758	38,758	38,758
Sports courts	44	44	44	44	44
Skate parks	1	1	1	1	1
Square footage of skate parks	850	850	850	850	850
Soccer Arena	0	0	0	0	1
Nine-hole golf courses	1	1	1	1	1
Play apparatus	23	24	26	26	26
Water play features	2	2	2	2	2
Utilities:					
Residential utility meters	4,702	4,802	4,904	5,003	5,028
Commercial utility meters	499	565	545	599	592

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 Five Fiscal Years

	2008	2009	2010	2011	2012
Square mileage of area	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
Volunteers	25	25	25	10	16
Non-sworn personnel	10	8	8	8	8
OEM non-sworn personnel	0	0	0	0	2
Responses to emergency calls	13,011	12,971	13,530	15,268	14,824
Inspections and Permits	4,269	3,522	2,369	3,383	2,304
Apartment Complex Inspections	0	0	0	0	849
Plan checks	1,482	664	424	358	786
Counter/Public inquires	7,932	7,249	2,734	2,452	2,671
Police protection:					
Provided through contract with the County of Riverside Sheriff's Department:					
Sworn officers	188	186	184	186	181
Classified personnel	56	55	54	55	54
City support personnel	4	3	3	3	3
Volunteers	39	56	62	77	85
Responses to Calls:					
Priority 1	429	572	519	423	363
Priority 1A	1,271	1,110	1,181	1,274	1,289
Priority 2	24,819	24,967	24,938	27,797	26,021
Priority 3	24,859	26,466	24,800	27,487	29,393
Priority 4	16,932	17,592	16,630	18,625	18,087
Priority 5	2	91	1	1	1
Priority 6	0	0	0	0	0
Priority 7	0	0	0	0	0
Priority 8	0	0	0	1	1
Priority 9	174	248	279	312	223
Cancelled	5,983	5,359	5,222	5,543	5,991
Disp/Arr Time Missing	9,437	8,540	7,638	7,944	8,125
Same Disp/Arr Time	50,516	60,510	54,645	54,379	47,638
T. R. U. Calls	32	43	32	37	54
Building and Safety:					
Building permits issued	2,413	2,058	1,645	1,700	1,889
Counter requests for service	11,249	8,922	6,611	6,105	6,563
Planning:					
Planning applications processed	1,100	894	682	644	740
Counter requests for service	6,550	4,669	3,875	3,683	3,853
Recreation and culture:					
Rounds of golf played	12,000	6,123	6,638	9,719	n/a
Facility rentals	971	893	1,026	1,005	992
Participants in recreation programs	57,139	46,075	46,561	46,040	48,473
Utilities:					
Average residential daily consumption (kilowatt hours)	18	19.8	18.5	18.5	19.7
Average commercial daily consumption (kilowatt hours)	171	254.8	284.4	296.3	371.9
New residential connections	473	123	93	99	23
New commercial connections	118	65	5	54	23
Employees:					
Members of City Council	5	5	5	5	5
Members of the Planning Commission	7	7	7	7	7
Full-time career status (FTE)	406	324	312	283	281
Part-time career status (FTE)	18	14	29	21	66

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.

