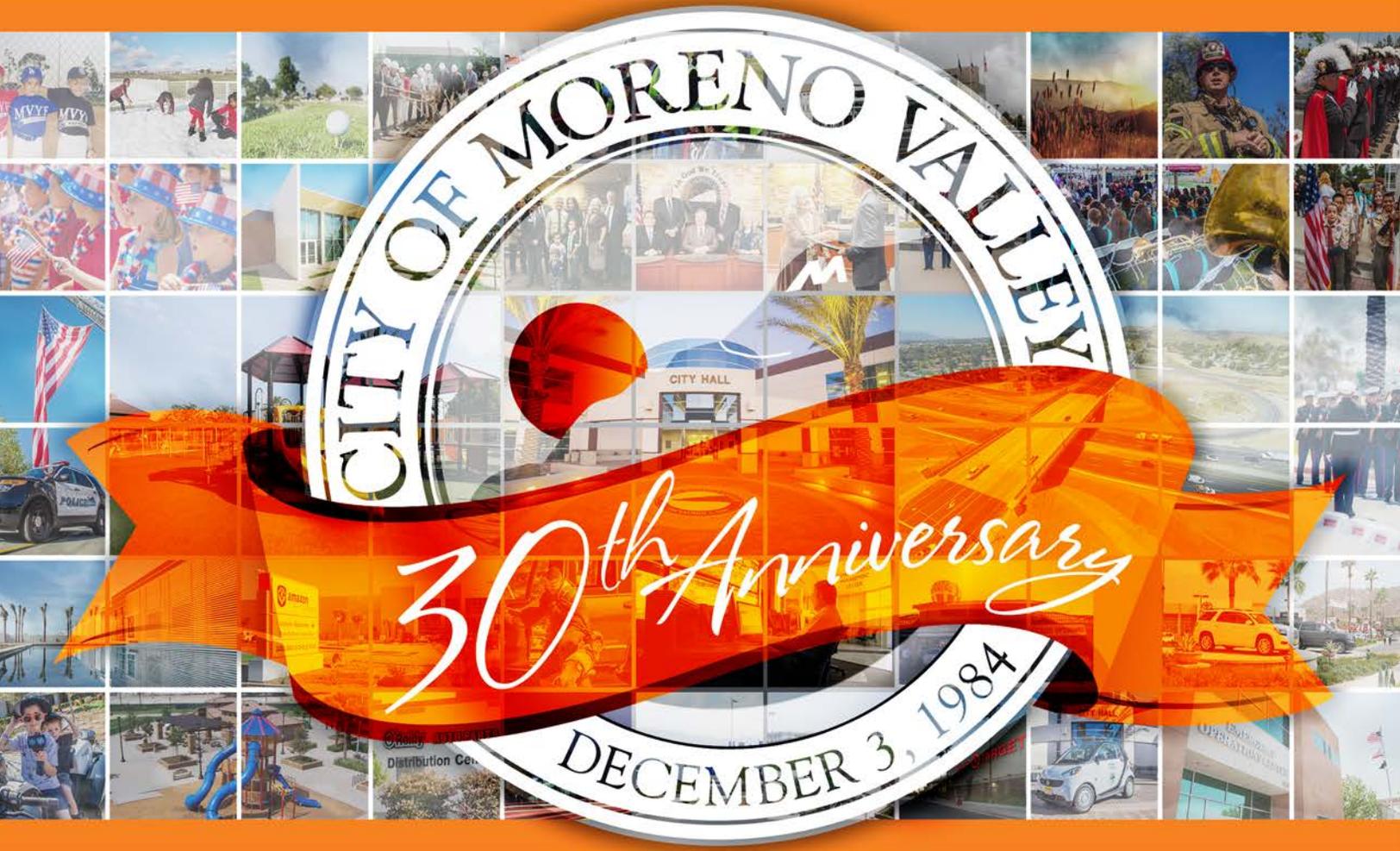


COMPREHENSIVE ANNUAL FINANCIAL REPORT



CITY OF MORENO VALLEY, CALIFORNIA
FISCAL YEAR ENDED JUNE 30, 2015

**City of Moreno Valley, California
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2015**

Table of Contents

	<u>PAGE</u>
INTRODUCTORY SECTION	
Letter of Transmittal.....	i
Municipal Officials	iv
Organizational Chart	v
GFOA Certificate of Achievement for Excellence in Financial Reporting.....	vi
 FINANCIAL SECTION	
 Report of Independent Auditors.....	 1
 Management Discussion and Analysis.....	 5
 Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position.....	17
Statement of Activities.....	18
 Governmental Fund Financial Statements	
Balance Sheet – Governmental Funds.....	22
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	25
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	28
Budgetary Comparison Statements	
General Fund.....	29
CSD Zones Special Revenue Fund.....	30
Development Impact Fees Special Revenue Fund.....	31
Housing Authority Special Revenue Fund.....	32
Neighborhood Stabilization Grant Special Revenue Fund.....	33
 Proprietary Funds	
Statement of Net Position.....	36
Statement of Revenues, Expenses and Changes in Fund Net Position.....	37
Statement of Cash Flows	38
 Fiduciary Funds	
Statement of Fiduciary Net Position.....	40
Statement of Changes in Fiduciary Net Position.....	41
 Notes to Financial Statements.....	 43
 REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Changes in the Net Pension Liability and Related Ratios.....	93
Schedule of Plan Contributions.....	94

**City of Moreno Valley, California
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2015**

Table of Contents

	<u>PAGE</u>
SUPPLEMENTAL SCHEDULES	
Nonmajor Governmental Funds	
Combining Balance Sheet – Nonmajor Governmental Funds.....	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental funds.....	116
Budgetary Comparison Schedules – Special Revenue Funds	
State Gasoline Tax	128
Article 3 Transportation.....	129
Measure A.....	130
Law Enforcement.....	131
Other Grants.....	132
Public Education Government Access.....	133
Air Quality Management.....	134
Community Development Block Grant.....	135
Special Districts Administration.....	136
Storm Water Management.....	137
HOME.....	138
Child Care Grant	139
Used Oil Recycling.....	140
Storm Water Maintenance	141
ASES Program Grants	142
CFD No. 2014-01	143
CFD No. 4-M	144
Civil Penalties	145
Emergency Services Agency Fines	146
Energy Efficiency Revolving Fund.....	147
Grants Capital Project.....	148
Budgetary Comparison Schedules – Capital Projects Funds	
Facility Construction.....	149
Public Works Capital Projects.....	150
Fire Services Capital Projects.....	151
Towngate Capital / Administration.....	152
Parks and Community Services Capital Projects.....	153
TUMF Capital Projects	154
DIF Capital Projects.....	155
Lease Revenue Bonds 2005 Capital Projects.....	156
TRIP Capital Projects	157

**City of Moreno Valley, California
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2015**

Table of Contents

	<u>PAGE</u>
Budgetary Comparison Schedules – Debt Service Funds	
Lease Revenue Bonds 2005 Debt Service.....	158
2007 Towngate Improvement Refunding.....	159
2007 Towngate Refunding.....	160
2011 Private Placement Refunding 97 Lease Revenue Bonds.....	161
2011 Private Placement Refunding 97 COPs.....	162
TRIP COP 13A Debt Fund.....	163
2013 Refunding 2005 Lease Revenue Bonds.....	164
2014 Refunding 2005 Lease Revenue Bonds.....	165
Budgetary Comparison Schedule – Permanent Funds	
Celebration Park Endowment.....	166
Equestrian Trail Endowment.....	167
Rockridge Park Endowment	168
NPDES Endowment.....	169
Internal Service	
Combining Statement of Net Position – Internal Service Funds.....	172
Combining Statement of Revenues, Expenses and Changes in.....	
Fund Net Position – Internal Service Funds.....	174
Combining Statement of Cash Flows – Internal Service Funds.....	176
Agency Funds	
Combining Balance Sheet – All Agency Funds.....	180
Combining Statement of Changes in Assets and Liabilities – All Agency Funds.....	182
STATISTICAL SECTION	
Statistical Section Table of Contents.....	185
Net Position by Component.....	186
Change in Net Position.....	187
Fund Balances - Governmental Funds.....	189
Changes in Fund Balances - Governmental Funds.....	190
Tax Revenues by Source – General Fund.....	191
Key Revenues – General Fund.....	192
Assessed Value and Estimated Actual Value of Taxable Property.....	193
Property Tax Rates.....	194
Principal Property Tax Payers.....	195
Property Tax Levies and Collections.....	196
Direct and Overlapping Debt.....	197
Legal Debt Margin.....	198
Ratios of Outstanding Debt by Type.....	199
Ratio of Bonded Debt.....	200
Pledged Revenue Coverage.....	201
Demographic and Economic Statistics.....	202
Principal Employers.....	203
Full-time and Part-time City Employees by Function.....	204
Capital Asset Statistics.....	205
Operating Indicators by Function.....	206

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FISCAL YEAR
ENDED JUNE 30, 2015

December 7, 2015

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, 2015.

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 Vasquez & Company 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, 2015. An unqualified opinion reflects the auditor's judgment that the City's financial records and statements are fairly and appropriately presented, and are in accordance with GAAP. 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 200,670, 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 and fire), animal control services, disaster preparedness, 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 approved as a two-year budget. The City Manager presents the proposed two-year budget to the City Council for review in April/May of the first budget 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 second budget year is amended as needed to update revenue and expenditures. 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 Financial section of this report. The budget-to-actual comparisons for the non-major governmental funds can be found in the Supplemental Schedules 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 ideally located at the junction of State Route 60 and Interstate 215 in the Inland Empire, which consists of Riverside and San Bernardino Counties. The City continues to be a leader in business development with an array of undeveloped land, development opportunities, entitled development projects, and available lease space at economically feasible prices.

During the last couple of years the City has experienced increased development activity in new retail, commercial and industrial construction and development. Several Fortune 500 companies such as Amazon and Proctor & Gamble have chosen Moreno Valley and positively impacted industrial growth with construction and occupancy of distribution centers. Additionally, Aldi Foods choose Moreno Valley has a part of their coast-to-coast expansion and entrance into the California market with construction and occupancy of a regional headquarters and distribution center. New construction in the residential sector continues at a slow pace as the local economy continues to recover from the most recent recession.

Long-term financial planning. In June 2014, the City Council approved an Operating Budget for fiscal year 2014/2015 that not only is balanced without the use of General Fund reserves, it also restored Friday services hours for our development community and customers. The previously adopted framework established in 2011 by the Deficit Elimination Plan to reduce the General Fund expenses to match the expected revenue stream was a critical framework that provided support to this balanced budget objective. The City also prepared a Long Range Business Plan approved in July 2012 that includes projected revenues and expenditures through June 2020 that is updated annually. This provides the City Council with expected results of operations based on their budget and other policy decisions within the scope of projected revenues and expenditures. The City annually prepares and updates the five-year capital improvement plan (CIP) which includes all capital projects and identifies the timing of each project as well as the funding source. The first year of the CIP represents the capital expenditure budget for the City.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Moreno Valley for its comprehensive annual financial report (CAFR) for the year ended June 30, 2014. This was the seventeenth consecutive year that the City has received this prestigious award. The City received the award for publishing an easily readable and efficiently organized CAFR that satisfied both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. I believe that our CAFR continues to meet the Certificate of Achievement Program's requirements and I am submitting it to the GFOA to determine its eligibility for another certificate.

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

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

Respectfully submitted,



Richard Teichert
Chief Financial Officer/City Treasurer

CITY OF MORENO VALLEY, CALIFORNIA

MUNICIPAL OFFICIALS
June 30, 2015

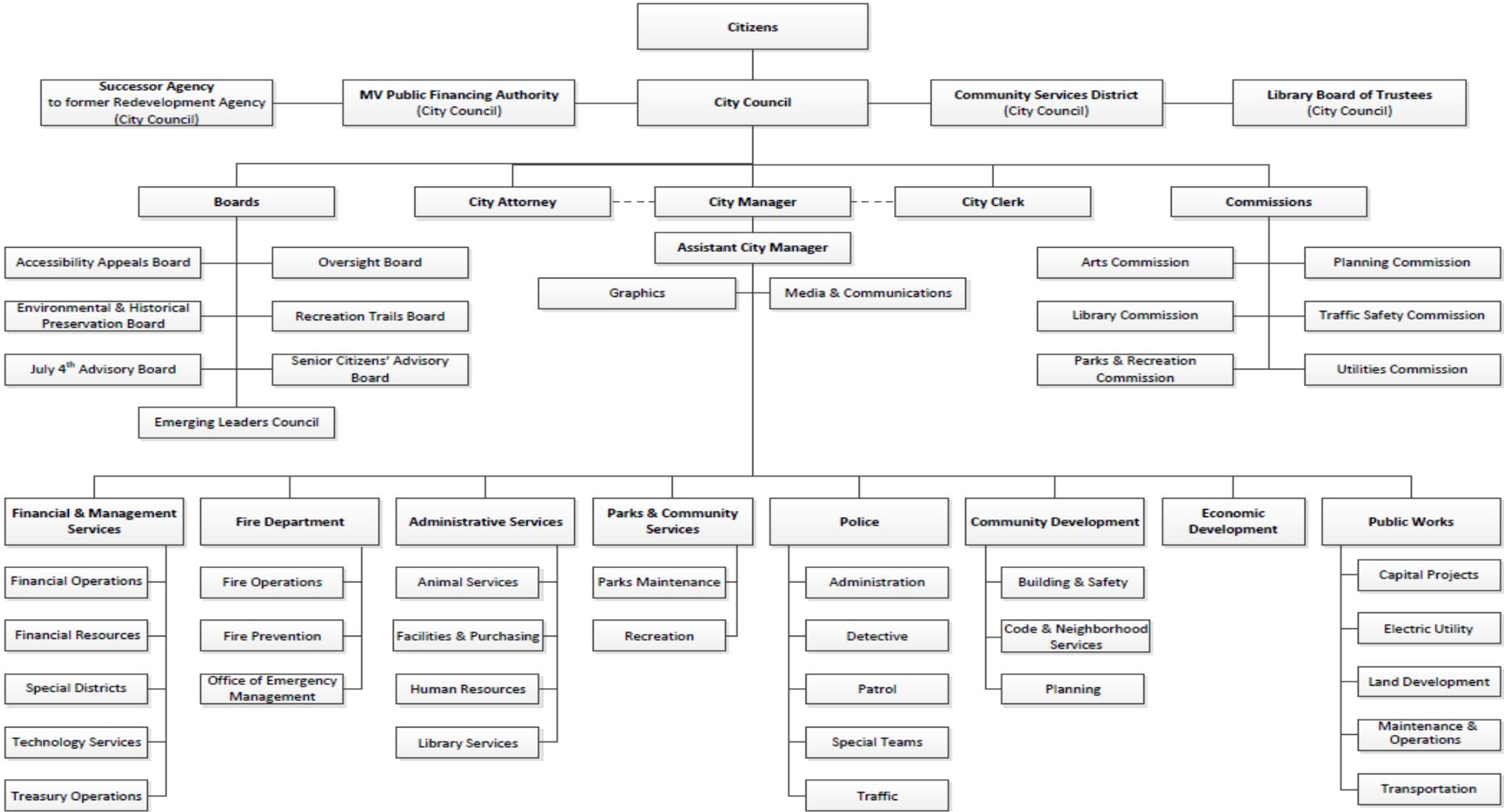
CITY COUNCIL

Jesse L. Molina, Mayor
Dr. Yxstian Gutierrez, Mayor Pro Tem
Jeffrey Giba, Councilmember
D. LaDonna Jempson, Councilmember
George Price, Councilmember

EXECUTIVE OFFICERS

Michelle Dawson, City Manager
Tom DeSantis, Assistant City Manager
Steve Quintanilla, Interim City Attorney
Jane Halstead, City Clerk
Richard Teichert, Chief Financial Officer/City Treasurer
Ahmad Ansari, P.E., Public Works Director/City Engineer
Allen Brock, Community Development Director
Mike Lee, Economic Development Director
Chris Paxton, Administrative Services Director
Abdul Ahmad, Fire Chief
Betsy Adams, Parks & Community Services Director
Joel Ontiveros, Police Chief

City of Moreno Valley Organization Chart





Government Finance Officers Association

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

Presented to

**City of Moreno Valley
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO



Financial
Section

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FISCAL YEAR
ENDED JUNE 30, 2015

INDEPENDENT AUDITORS' REPORT

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

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moreno Valley, California, (the City) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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



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, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, CSD Zones Special Revenue Fund, Development Impact Fees Special Revenue Fund, Housing Authority Special Revenue Fund and Neighborhood Stabilization Grant Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 16 and required supplementary information on pages 94 through 95 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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



Implementation of New Accounting Standards

As discussed in Note 1, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*, effective for the fiscal year ended June 30, 2015. As a result of this required implementation, the City's beginning net position was restated to retroactively report the net pension liability as of the beginning of the fiscal year. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 7, 2015 on our consideration of the City's internal control over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

Vasquez + Company LLP

**Los Angeles, California
December 7, 2015**



City of Moreno Valley, California

Management's Discussion and Analysis

The following discussion and analysis of the financial performance of the City of Moreno Valley provides an overview of the City's financial activities for the fiscal year ended June 30, 2015. Please read it in conjunction with the transmittal letter located in the introductory section, and financial statements which follow this discussion.

Financial Highlights

- An upgraded credit rating was received by Standard & Poors from A to A positive with a stable outlook. A key factor in achieving the stronger rating was due to the implementation of the City's efforts to balance the City's General Fund budget.
- The assets of the City of Moreno Valley exceeded its liabilities at June 30, 2015 by \$1.02 billion (*net position*).
- In the current year, the City adopted Governmental Accounting Standards Board (GASB) statement No. 68, Accounting and Financial Reporting for Pensions - An amendment of GASB Statement No. 27. As a result, the unfunded net pension liability is \$53.8 million.
- The total debt of the City showed a net decrease of \$8.0 million (8.0%) during the current fiscal year. The decrease was primarily a result of the refunding of the 2005 Lease Revenue Bonds resulting in an economic gain of \$4.2 million and a reduction of \$6.6 million in future debt service payments.
- The General Fund had an end of year fund balance of \$43.4 million. This was an increase of \$2.8 million and an increase of 7.0% over FY 2013-14.

Overview of Financial Statements

The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Components of the Basic Financial Statements

Government-wide Financial Statements	Provide both long-term and short-term information about the City's overall financial status
Fund Financial Statements	Focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.
Notes to the Financial Statements	Additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.



Government-wide Financial Statements. The government-wide statements report information about the city as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the City's assets and liabilities, as well as any deferred outflows or inflows. The statement of activities includes all current year revenues and expenses regardless of when cash is received or paid. These government-wide statements report the City's net position and how the City's net position has changed during the fiscal year. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial health of the City is improving or deteriorating.

The government-wide financial statements of the City are divided as follows:

- *Governmental activities* - Most of the City's basic services are included here, such as police, fire, public works, community development, parks and recreation, and general government. Taxes and state and federal grants finance most of these activities.
- *Business-type activities* - Certain services provided by the City are funded by customer fees. The business-type activities of the City include the Electric Utility.
- *Component unit* - The City includes the Moreno Valley Community Services District, Moreno Valley Public Financing Authority, and the Moreno Valley Public Facilities Financing Corporation in its basic financial statements because, although legally separate, the City is financially accountable for them.

Fund Financial Statements. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements provide more detailed information about the City's largest funds, not the City as a whole. All of the funds of the City can be divided into three categories: governmental, proprietary, and fiduciary.

Governmental funds - Governmental fund statements tell how general government services such as police, fire and public works were financed in the short-term as well as what remains for future spending. Most of the City's basic services are included in governmental funds, which focus on (1) short-term inflows and outflows of spendable resources, and (2) the remaining year-end balances available for spending. Because this information does not encompass the additional long-term focus of the government-wide statements, reconciliations that explain the relationship (or differences) between governmental funds and governmental activities follow the governmental fund statements.

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, the Community Services District Zones, the Development Impact Fees, the Housing Authority Special Revenue Funds, and the Neighborhood Stabilization Grant Fund. All of these are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the supplementary section of the report in the form of *combining statements*.

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, equipment replacement, and compensated absences.

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 fund statements provide information about the financial relationships in which the City acts solely as a trustee or agent for the benefit of others, to whom the resources belong. The City is the trustee, or *fiduciary*. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the City's government-wide financial statements because the City cannot use these resources to finance its operations.

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 financial statements.

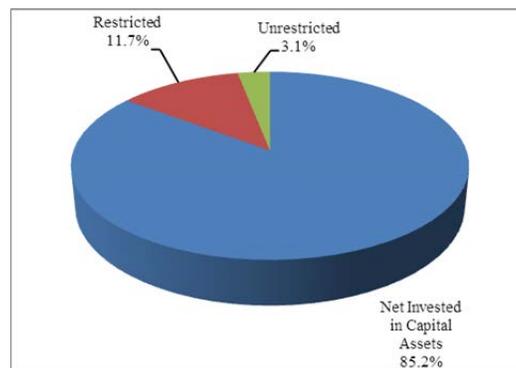
Financial Analysis of the Government-wide Statements

This section provides analysis of the government-wide financial statements including long-term and short-term information about the City's overall financial condition. The following graphs and tables address the financial results of the City as a whole for fiscal year ended June 30, 2015. Comparative data from fiscal year ended June 30, 2014 is also represented in the table.

Analysis of Net Position

Net Position represents the difference between the City's resources and its obligations. As noted earlier, net position may serve as a useful indicator of a government's financial position. The following chart and tables address the financial results of the City as a whole. The City's combined net position as of June 30, 2015 was \$1.02 billion.

City of Moreno Valley's Net Position



City of Moreno Valley's Net Position (cont.)

**City of Moreno Valley
Summary of Net Position
(\$000's)**

	Governmental		Business-type		Totals	
	2014	2015	2014	2015	2014	2015
Current and other assets	\$ 250,640	\$ 242,486	\$ 10,196	\$ 12,784	\$ 260,836	\$ 255,270
Capital Assets	894,985	907,164	35,960	38,374	930,945	945,538
Total Assets	<u>1,145,625</u>	<u>1,149,650</u>	<u>46,156</u>	<u>51,158</u>	<u>1,191,781</u>	<u>1,200,808</u>
Deferred outflow of resources	-	4,795	-	123	-	4,918
Current liabilities	29,482	21,416	5,101	3,614	34,583	25,030
Long-term liabilities	74,445	128,961	27,322	28,469	101,767	157,430
Total Liabilities	<u>103,927</u>	<u>150,377</u>	<u>32,423</u>	<u>32,083</u>	<u>136,350</u>	<u>182,460</u>
Deferred inflow of resources	-	7,581	-	195	-	7,776
Net investment in capital assets	841,260	848,136	9,569	10,903	850,829	859,039
Restricted	129,886	115,009	3,904	3,803	133,790	118,812
Unrestricted	14,301	33,343	(1,150)	4,298	13,151	37,640
Total Net Position	<u>\$ 985,447</u>	<u>\$ 996,487</u>	<u>\$ 12,323</u>	<u>\$ 19,004</u>	<u>\$ 997,770</u>	<u>\$ 1,015,491</u>

Total net position of the City of Moreno Valley increased by 2.0% from \$1.0 billion at June 30, 2014 to \$1.02 billion at June 30, 2015 and includes unrestricted fund balance of \$31.1 million. Total assets increased \$9.0 million and total liabilities increased \$46.1 million.

The following analysis of governmental and business-type activities provides more detailed information for these changes:

Governmental Activities

Total assets increased by \$4.0 million primarily due to an increase in capital assets with the completion of multiple capital asset projects, including: Civic Center Site Improvements, Delphinium Ave Sidewalk Improvements, Transportation Management Center, ITS Deployment Phase IA, and Remodel of Fire Station 48-Sunnymead Ranch. This increase was a result of \$38.8 million in capital asset additions offset by \$26.6 million in current year depreciation.

Net investment in capital assets increased \$13.4 million as a direct result of the addition of the capital assets mentioned above.

Business-type Activities

Current and other assets of business-type activities increased \$2.6 million over last year. This was primarily due to a portion of the Electric Utility's profits being retained for future infrastructure investment.

Capital assets increased \$2.4 million due to capital asset additions of \$3.3 million offset by current year depreciation of \$0.9 million. Capital asset additions include land that was acquired for a future substation as well as the completion of the 33kV substation both located in the south industrial area for the expansion of multiple distribution centers in the area. More capital asset information is located in Note 5 to the financial statements.

Net investment in capital assets increased \$1.3 million as a direct result of the addition of the capital assets mentioned above.

Unrestricted net position increased \$5.4 million during the year as the Electric Utility operation resulted in an income of \$6.7 million. This operation gain was offset by the current year investment in infrastructure of \$1.3 million as noted earlier.

Analysis of the changes to net position

Total government-wide revenues decreased \$7.8 million, a 4.0 percent decrease from the prior year, and the total expenses increased \$7.0 million, a 4.3 percent increase.

The following table represents a summary of the changes in net position of the City's governmental and business-type activities, as of June 30, 2015. Comparative data from fiscal year ended June 30, 2014 is also presented.

	Changes in Net Position					
	(\$000's)					
	Governmental		Business-type		Totals	
	2014	2015	2014	2015	2014	2015
Revenues						
Program Revenues:						
Charges for services	\$ 24,879	\$ 25,260	\$ 20,214	\$ 27,679	\$ 45,093	\$ 52,939
Operating contributions and grants	25,576	27,079	-	-	25,576	27,079
Capital contributions and grants	16,292	21,732	-	-	16,292	21,732
General Revenues:						
Property tax	14,282	15,600	-	-	14,282	15,600
Property tax in lieu	13,872	15,138	-	-	13,872	15,138
Transient occupancy tax	991	1,197	-	-	991	1,197
Sales tax	15,887	16,130	-	-	15,887	16,130
Franchise tax	5,361	5,886	-	-	5,361	5,886
Business license tax	1,582	1,887	-	-	1,582	1,887
Utility user's tax	15,595	16,138	-	-	15,595	16,138
Franchise in lieu tax	195	278	-	-	195	278
Documentary transfer tax	447	503	-	-	447	503
Other taxes	6,467	6,513	-	-	6,467	6,513
Use of money and property	4,719	3,440	35	138	4,754	3,578
Other	696	403	531	1,142	1,227	1,545
Extraordinary gain/(loss) on Dissolution of Redevelopment Agency	26,364	-	-	-	26,364	-
Transfers	(904)	-	904	-	-	-
Total Revenues	<u>172,301</u>	<u>157,184</u>	<u>21,684</u>	<u>28,959</u>	<u>193,985</u>	<u>186,143</u>
Expenses:						
General government	12,081	26,676	-	-	12,081	26,676
Public safety	53,579	56,270	-	-	53,579	56,270
Community development	7,755	9,874	-	-	7,755	9,874
Community and cultural	20,616	20,589	-	-	20,616	20,589
Public works	43,540	29,397	-	-	43,540	29,397
Interest on long-term debt	4,032	3,338	-	-	4,032	3,338
Electric	-	-	19,796	22,278	19,796	22,278
Total Expenses	<u>141,603</u>	<u>146,144</u>	<u>19,796</u>	<u>22,278</u>	<u>161,399</u>	<u>168,422</u>
Change in Net Position	30,698	11,040	1,888	6,681	32,586	17,721
Restatement of Net Position	(56,250)	-	(1,410)	-	(57,660)	-
Net Position Beginning of Year as restated	1,010,999	985,447	11,845	12,323	1,022,844	997,770
Net Position End of Year	<u>\$ 985,447</u>	<u>\$ 996,487</u>	<u>\$ 12,323</u>	<u>\$ 19,004</u>	<u>\$ 997,770</u>	<u>\$ 1,015,491</u>

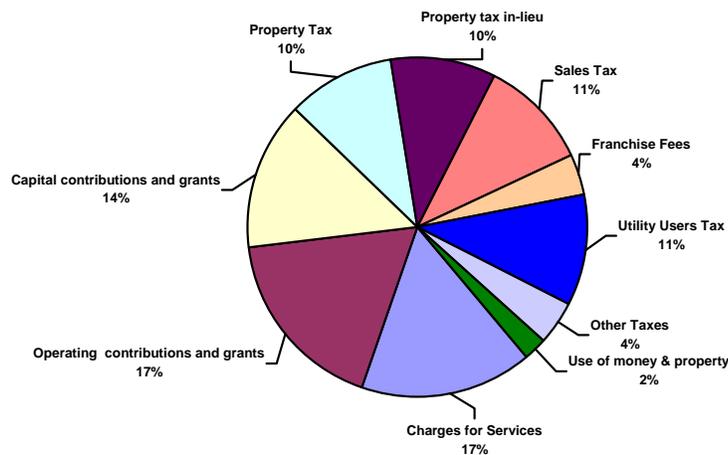
Governmental Activities

The City's governmental revenues decreased \$15.1 million, a 9.0 percent decrease from the prior year, and the total expenses increased \$4.5 million, a 3.2 percent increase. The following discusses the changes in more detail.

Revenue

Program revenues increased \$7.3 million primarily as a result of increased capital contributions and grants. General revenues increased \$3.3 million with the increases in Transient Occupancy Tax, Business License Tax, and Franchise Fees contributing the largest percentages. This increase in revenues was offset by a decrease in the Extraordinary Gain of \$26.4 million recognized in FY 2013/14 as a result of the dissolution of the Redevelopment Agency.

Revenues by Source – Governmental Activities



Expense

As indicated above, total governmental expenses increased by \$7.0 million. This increase is due to fluctuations primarily in general government (up \$13.7 million), public safety (up \$2.5 million), community development (up \$2.4 million), and public works (down \$13.8 million).

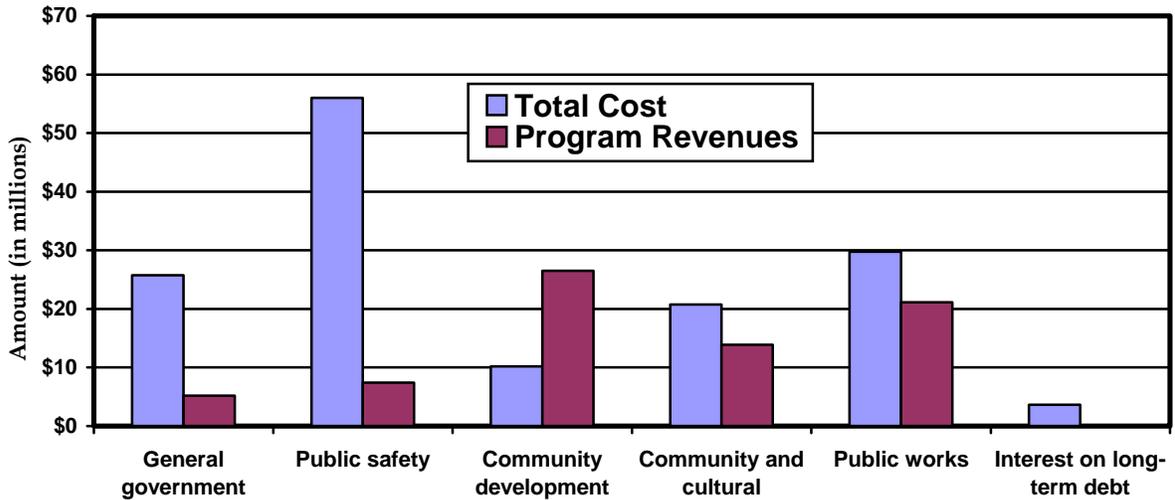
The following table presents the cost of each of the six major program categories, and identifies each program's *net cost* (total cost less revenues generated by the activities). The net cost is the amount paid for by general revenue sources that are generated by all City taxpayers. As illustrated, program revenues recovered \$74.1 million of the cost of providing these services.

**Governmental Activities - Net Cost of Services
For the year ended June 30, 2015**

	Total Cost of Services	Net Cost of Services
General government	\$ 26,675,932	\$ (21,525,090)
Public safety	56,270,003	(48,860,263)
Community development	9,873,837	16,613,679
Community and cultural	20,589,032	(6,701,499)
Public works	29,397,062	(8,261,170)
Interest on long-term debt	3,338,928	(3,338,928)
TOTAL	\$ 146,144,794	\$ (72,073,271)

The City paid for the remaining public benefit portion of these governmental activities with \$72.1 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.

**Governmental Activities - Net Cost of Services
For the year ended June 30, 2015**



Business-type Activities

The City's business-type activities include the activities of the Electric Utility. Total revenues for business-type activities increased \$7.3 million from the prior year or 34%. Total expenses increased \$2.4 million or 12.4%. The following discusses the changes in more detail.

Revenue

Charges for services increased \$7.5 million as a result of an increase in demand with the addition of Amazon, Proctor & Gamble, and Deckers distribution centers. This was offset by a reduction of \$0.9 million in transfers from prior year.

Expenses

Expenses in the Electric Utility increased \$2.5 million. This increase was primarily a direct result of purchasing additional power associated with providing services to an increased customer base.

Financial Analysis of the Fund Statements

Funds are accounting devices that the city uses to keep track of specific sources of funding and spending for particular purposes. The fund financial statements focus on individual parts of City governments, reporting City operations in more detail than the government-wide statements.

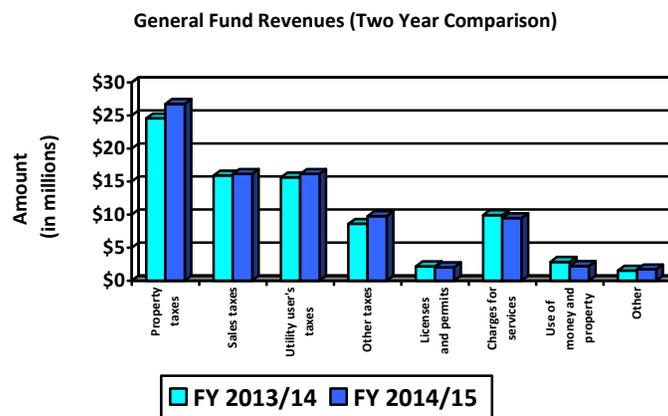
Total fund balances presented in the governmental funds balance sheet are \$159.7 million, with the General Fund representing \$43.4 million, or 26.9% of the total. The City's General Fund has unassigned fund balance of \$31.6 million.

General Fund Financial Results

The General Fund was anticipated to have a net increase to fund balance of \$1.0 million. Actual results increased fund balance by \$2.8 million over FY 2013-14. Actual results realized an unanticipated overall revenue increase of \$0.5 million along with expenditure and transfer savings of \$1.3 million.

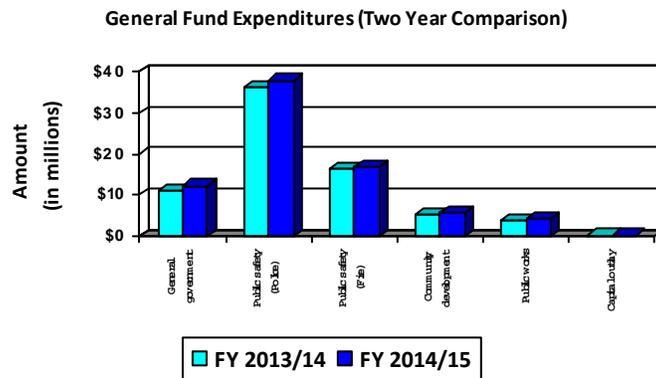
General Fund tax revenues were \$0.9 million more than anticipated and an increase in charges for services of \$0.2 million along with a \$0.7 million increase in licenses, permits and miscellaneous activity all contributed to the unanticipated revenue increase.

The following graph presents a comparison of each General Fund revenue source for the fiscal years ended June 30, 2014 and 2015.



General Fund actual expenditures were \$3.1 million less than the final budget. The major contributor to this result was in large part due to a combination of Police and Fire Services, and Non Departmental activities coming in under budget by \$1.5 million. This savings is primarily as a result of contract service savings along with the longer than anticipated delivery of specialized vehicles and equipment.

The following graph presents a comparison of each General Fund expenditure category for the fiscal years ended June 30, 2014 and 2015.



Other Major Fund Financial Results

The fund balance of the Community Service District Zones Special Revenue Fund increased by \$2.3 million over FY 2013-14. 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 \$1.1 million decrease in expenditures in community and cultural (down \$0.5 million) and public works (down \$0.5 million) as well as an overall increase in transfers from the General Fund of \$0.1 million.



The fund balance of the Development Impact Fees Special Revenue Fund decreased by \$0.9 million under FY 2013-14. 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 primarily due to the preliminary engineering of SR-60 Redlands and construction of the Citywide Pedestrian Countdown Signal Head Improvements. Each of these projects received development impact fee funding during the fiscal year.

The fund balance of the Housing Authority Fund increased \$0.1 million over FY 2013-14. This fund accounts for the housing assets as a result of the recently dissolved redevelopment agency of the City. In FY 13-14 the Successor Agency of the former redevelopment agency transferred to the Housing Authority several property notes, Hemlock Apartments and Rancho Dorado South that were approved for transfer by the Successor Agency Oversight Board and the Department of Finance.

The fund balance of the Neighborhood Stabilization Grant Fund increased by \$0.3 million over FY 2013-14. This fund accounts for the grant allocation received by the City from Housing and Urban Development to address the foreclosure crisis and implement a neighborhood stabilization program. The increased fund balance is primarily the result of an increase in program income revenue.

Capital Asset and Debt Administration

Capital Assets

At the end of 2015, the City's governmental activities had \$1.3 billion (\$907.2 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 current year capital asset additions of \$45.2 million were offset by current year depreciation expense of \$26.6 million and retirements of \$6.4 million for a net increase of \$12.2 million primarily attributed to the increase in infrastructure.

At June 30, 2015, the City's business-type activities had \$45.5 million (\$38.4 million net of depreciation) invested in capital assets, primarily utility infrastructure. The current capital asset additions of \$3.3 million were offset by current depreciation expense of \$0.9 million for a net increase of \$2.4 million. This increase was primarily the result of a land purchase and construction of the 33kV South Industrial substation.

City of Moreno Valley Capital Assets (\$000's)

	Governmental Activities		Business-type Activities		Total Primary Government		Total % Change
	2014	2015	2014	2015	2014	2015	
Land	\$ 310,197,236	\$ 310,197,236	\$ 1,237,459	\$ 1,729,408	\$ 300,286,754	\$ 300,286,754	0%
Buildings and Improvements	130,081,944	137,931,320	-	-	130,081,944	137,931,320	6%
Machinery and Equipment	17,576,368	19,751,434	-	-	17,576,368	19,751,434	12%
Vehicles	9,277,549	9,049,634	-	-	9,277,549	9,049,634	-2%
Construction in Progress	25,740,972	32,746,284	1,099,586	5,013	26,840,558	32,751,297	22%
Infrastructure	782,157,370	804,149,960	39,838,486	43,731,366	821,995,856	847,881,326	3%
	<u>1,275,031,439</u>	<u>1,313,825,868</u>	<u>42,175,531</u>	<u>45,465,787</u>	<u>1,317,206,970</u>	<u>1,359,291,655</u>	3%
Accumulated Depreciation	(380,046,084)	(406,661,888)	(6,215,426)	(7,091,350)	(386,261,510)	(413,753,238)	7%
Total Capital Assets	<u>\$ 894,985,355</u>	<u>\$ 907,163,980</u>	<u>\$ 35,960,105</u>	<u>\$ 38,374,437</u>	<u>\$ 930,945,460</u>	<u>\$ 945,538,417</u>	2%

Some of the major capital projects from the Capital Improvement Plan that were completed during the current fiscal year were:

- Civic Center Site Improvements
- Moval 33kV South Industrial substation
- ITS Deployment Phase IA
- Delphinium Ave Sidewalk Improvements
- Transportation Management Center
- Remodel Fire Station 48-Sunnymead Ranch

Some major capital projects under construction at the end of the fiscal year which are expected to be completed by the end of the next fiscal year are:

- Alessandro/Elsworth Street Improvements
- San Timoteo Foothill Storm Drain
- Sunnymead Blvd/SR60 On-Ramp
- Box Springs Communications Site
- Corporate Yard Facility – Phase 1
- Heacock Street Channel



Other major projects that are in the Design, Environmental and Right of Way Acquisition Phases are:

- Alessandro Blvd / Chagall Ct/Graham
- Cottonwood Rec Center – Phase II
- Dynamic Traveler Alert Message Boards
- MVU Electrical System Automation

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 \$70.4 million in bonds, notes, certificates of participation, leases, and compensated absences, versus \$77.3 million last year, a decrease of \$6.9 million, or 9%. This decrease was due primarily to the refunding of the 2005 Lease Revenue Bonds and the leave payouts of city staff that separated services during the fiscal year.

At June 30, 2015, the City’s business-type activities had \$27.1 million in bonds and compensated absences versus \$28.1 million last year, a decrease of \$1.0 million. The decrease was the result of the refunding of the 2005 Lease Revenue Bonds.

Outstanding Debt at Year End For the Year Ended June 30, 2015

	Governmental Activities	Business-type Activities
Special tax bonds	\$ 8,700,000	\$ -
Notes and other	3,843,500	-
Certificates of participation	20,000,000	-
Lease revenue bonds	32,486,745	26,951,931
Compensated absences	5,390,062	137,225
	\$ 70,420,307	\$ 27,089,156

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, 2015, it is important for the City's financial management to report on current issues affecting the City and their economic impact on FY 2014-15 and future years.

The economic recovery of the City of Moreno Valley has continued to demonstrate steady improvements as our tax revenues continue to experience moderate growth. Although the economic downturn has impacted Moreno Valley, with a population of 200,670, Moreno Valley is still experiencing population growth. 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.

For several years, Moreno Valley has experienced substantial non-residential growth including significant new commercial retail and industrial development. The economy has slowed commercial development in Southern California, but Moreno Valley continues to secure new business development opportunities. In FY 2014-15 several new retail and industrial developments opened adding to the sales tax base which will provide a foundation for sales tax revenue to continue to grow moderately in the near future.

Current economic activity is in the commercial sector, with a specific focus on logistics/distribution centers and medical support businesses. The City Council approved an Economic Development Action Plan during FY 2010-11 that specifically focuses on these market sectors to rebuild the City's tax revenue base and promote job creation. Following this path the City Council recently approved the largest single industrial development project in California's history, the World Logistic Center which is a world class business park specifically designed to support the requirements of large global companies and their logistics operations. The impact of these actions by City Council has had a positive influence on the unemployment rate in our City as we continue to experience a decrease in the unemployment rate. Creating employment opportunities and job growth is important to the continued development of the community and to the growth of the City's tax revenue base in the future.

In a recent credit status review by Standard & Poor's the City's credit rating was upgraded to A positive with a stable outlook. A key factor in achieving the strong rating result was the action of City Council and the City Manager to balance the City's General Fund budget. The City's ongoing commitment to fiscal responsibility and effective management is continuously demonstrated as we navigate complex fiscal challenges without the use of General Fund reserves. Our council and management team strategized, planned and delivered on a balanced budget and as revenues continue to steadily grow we look forward to strategizing and planning our continued economic recovery.

Contacting the City's Financial Management

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

City of Moreno Valley, California

Statement of Net Position
June 30, 2015

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Pooled cash and investments (note 3)	\$ 146,061,356	\$ 9,914,348	\$ 155,975,704
Receivables:			
Accounts	3,507,280	3,549,780	7,057,060
Notes and loans (note 4)	46,183,301	-	46,183,301
Notes to Successor Agency (note 4)	15,568,341	-	15,568,341
Interest	2,396,990	-	2,396,990
Internal balances	953,525	(953,525)	-
Prepaid costs	15,265	500	15,765
Due from other governments	12,154,203	-	12,154,203
Inventories	49,893	272,880	322,773
Land held for resale	3,916,126	-	3,916,126
Restricted assets:			
Cash with fiscal agents (note 3)	11,680,204	4	11,680,208
Capital assets not being depreciated (note 5)	342,943,520	1,734,421	344,677,941
Capital assets, net of depreciation (note 5)	564,220,460	36,640,016	600,860,476
Total Assets	1,149,650,464	51,158,424	1,200,808,888
Deferred Outflows of Resources			
Pension contributions	4,795,102	123,311	4,918,413
Total Deferred Outflows of Resources	4,795,102	123,311	4,918,413
Liabilities			
Accounts payable	18,734,537	2,251,493	20,986,030
Accrued liabilities	1,055,063	-	1,055,063
Accrued interest	435,977	247,430	683,407
Unearned revenue	922,581	27,538	950,119
Deposits payable	18,516	1,024,616	1,043,132
Due to other governments	249,671	63,000	312,671
Noncurrent liabilities:			
Long-term debt, due within one year (note 6)	7,121,213	730,659	7,851,872
Long-term debt, due in more than one year (note 6)	69,367,984	26,388,595	95,756,579
Net pension liability	52,471,997	1,349,370	53,821,367
Total Liabilities	150,377,539	32,082,701	182,460,240
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	7,580,582	194,942	7,775,524
Total Deferred Inflows of Resources	7,580,582	194,942	7,775,524
Net Position			
Net investment in capital assets	848,135,743	10,903,412	859,039,155
Restricted for:			
Community development projects	44,564,797	-	44,564,797
Public safety	1,000,633	-	1,000,633
Community and cultural	15,490,740	-	15,490,740
Public works	20,804,088	-	20,804,088
Capital projects	22,581,478	-	22,581,478
Debt service	9,695,909	-	9,695,909
Permanent funds - nonexpendable	332,597	-	332,597
Water quality	538,908	-	538,908
Public purpose programs	-	3,803,242	3,803,242
Unrestricted	33,342,552	4,297,438	37,639,990
Total Net Position	\$ 996,487,445	\$ 19,004,092	\$ 1,015,491,537

See notes to Financial Statements

City of Moreno Valley, California

**Statement of Activities
June 30, 2015**

	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental activities:				
General government	\$ 26,675,932	\$ 4,996,612	\$ 154,230	\$ -
Public safety	56,270,003	3,196,167	4,213,573	-
Community development	9,873,837	7,529,017	2,278,546	16,679,953
Community and cultural	20,589,032	6,292,363	7,595,170	-
Public works	29,397,062	3,245,439	12,837,819	5,052,634
Interest on long term debt	3,338,928	-	-	-
Total governmental activities	<u>146,144,794</u>	<u>25,259,598</u>	<u>27,079,338</u>	<u>21,732,587</u>
Business-type activities:				
Electric	<u>22,277,378</u>	<u>27,678,542</u>	-	-
Total business-type activities	<u>22,277,378</u>	<u>27,678,542</u>	-	-
Total primary government	<u>\$168,422,172</u>	<u>\$ 52,938,140</u>	<u>\$ 27,079,338</u>	<u>\$ 21,732,587</u>

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
- Contributed capital
- Miscellaneous

Total General Revenues

Change in Net Position

Net Position - Beginning of year, as restated

Net Position - End of year

See notes to Financial Statements

City of Moreno Valley, California

Statement of Activities
June 30, 2015

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (21,525,090)	\$ -	\$ (21,525,090)
(48,860,263)	-	(48,860,263)
16,613,679	-	16,613,679
(6,701,499)	-	(6,701,499)
(8,261,170)	-	(8,261,170)
(3,338,928)	-	(3,338,928)
(72,073,271)	-	(72,073,271)
-	5,401,164	5,401,164
-	5,401,164	5,401,164
(72,073,271.13)	5,401,164	(66,672,107)
15,600,436	-	15,600,436
15,137,754	-	15,137,754
1,197,143	-	1,197,143
16,130,340	-	16,130,340
5,885,913	-	5,885,913
1,886,558	-	1,886,558
16,138,202	-	16,138,202
6,512,910	-	6,512,910
278,186	-	278,186
502,822	-	502,822
3,440,087	137,947	3,578,034
-	1,000,000	1,000,000
403,609	141,838	545,447
83,113,960	1,279,785	84,393,745
11,040,689	6,680,949	17,721,638
985,446,756	12,323,143	997,769,899
\$ 996,487,445	\$ 19,004,092	\$1,015,491,537

See notes to Financial Statements



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.

Community Services District (CSD) Zones Special Revenue Fund

This group of funds is used to account for the revenues expended on the various Community Services District (CSD) programs. There are nine Zones within the Community Services District providing services. Zone A-Parks and Community Services provides citywide park maintenance and recreation programming. Lighting Maintenance District (LMD) 2014-01-Residential Street Lighting provides the funding for the operation and maintenance of residential subdivision street lighting. Zone C-Arterial and Intersection Lighting provides funding for the operation and maintenance of arterial and intersection lighting. Lighting Maintenance District (LMD) 2014-02, Zone D and Zone E provide funding for the maintenance of public landscaping throughout the City. Zone L-Library Services provides funding for library services to City residents. Zone M – Medians provides funding for the landscape maintenance of public medians within the City. Community Facilities District (CFD) #1 provides funding for the maintenance of new parks, trails and class 1 bikeways. Zone S – Sunnymead Boulevard Maintenance provides funding for the maintenance of certain landscape improvements along 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, animal shelter facilities, and administration fees.

Housing Authority 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.

Neighborhood Stabilization Program 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

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, all Capital Projects Funds, all Debt Service Funds and all Permanent Funds of the City.

City of Moreno Valley, California

Balance Sheet
Governmental Funds
June 30, 2015

	Special Revenue Funds			
	General	CSD Zones	Development Impact Fees	Housing Authority
Assets				
Pooled cash and investments (note 3)	\$ 39,859,440	\$ 16,028,856	\$ 14,985,019	\$ 195,795
Receivables:				
Accounts	2,679,279	105,886	-	30,603
Notes and loans (note 4)	-	-	-	34,409,309
Notes to Successor Agency (note 4)	15,568,341	-	-	-
Interest	415,701	-	-	1,510,482
Due from other governments	3,034,489	251,317	-	-
Due from other funds (note 7)	5,037,561	-	-	-
Advances to other funds (note 7)	4,196,000	-	-	-
Prepays	-	-	-	-
Land held for resale	-	-	-	3,916,126
Restricted assets:				
Cash with fiscal agents (note 3)	-	-	-	-
Total Assets	\$ 70,790,811	\$ 16,386,059	\$ 14,985,019	\$ 40,062,315
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 13,624,182	\$ 652,969	\$ -	\$ 3,251
Accrued liabilities	1,026,935	-	-	-
Unearned revenues	364,105	214,481	-	-
Deposits payable	-	18,516	-	-
Due to other governments	249,634	37	-	-
Due to other funds (note 7)	-	9,316	-	-
Advances from other funds	-	-	3,707,000	-
Total Liabilities	15,264,856	895,319	3,707,000	3,251
Deferred Inflows of Resources				
Unavailable revenues	12,150,052	-	-	1,510,482
Total Deferred Inflows of Resources	12,150,052	-	-	1,510,482
Fund Balances				
Nonspendable:				
Notes and loans	-	-	-	-
Notes to Successor Agency	4,192,275	-	-	-
Advances to other funds	4,196,000	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	-	-	38,548,582
Public safety	-	-	-	-
Community and cultural	-	15,490,740	-	-
Public works	-	-	11,278,019	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Endowments	-	-	-	-
Water quality	-	-	-	-
Committed to:				
Revolving line of credit	2,111,000	-	-	-
Maintenance of pedestrian bridge	155,281	-	-	-
Assigned to:				
Continuing appropriations	620,683	-	-	-
Temporary fluctuations in market value of investments pursuant to GASB 31	494,501	-	-	-
Unassigned	31,606,163	-	-	-
Total Fund Balances	43,375,903	15,490,740	11,278,019	38,548,582
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 70,790,811	\$ 16,386,059	\$ 14,985,019	\$ 40,062,315

See notes to Financial Statements

City of Moreno Valley, California

**Balance Sheet
Governmental Funds
June 30, 2015**

	<u>Special Revenue</u> <u>Neighborhood</u> <u>Stabilization Grant</u>		<u>Nonmajor</u> <u>Governmental</u>		<u>Total</u> <u>Governmental</u> <u>Funds</u>
\$	123,876	\$	33,056,094	\$	104,249,080
	-		691,390		3,507,158
	6,175,325		5,598,667		46,183,301
	-		-		15,568,341
	-		470,807		2,396,990
	243,629		8,624,768		12,154,203
	-		-		5,037,561
	-		464,525		4,660,525
	-		2,500		2,500
	-		-		3,916,126
	-		11,680,204		11,680,204
\$	6,542,830	\$	60,588,955	\$	209,355,989

Assets

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

Total Assets

Liabilities, Deferred Inflows of Resources and Fund Balances

Liabilities

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

Total Liabilities

Deferred Inflows of Resources

Unavailable revenues

Total Deferred Inflows of Resources

Fund Balances

Nonspendable:

Notes and loans
Notes to Successor Agency
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
Maintenance of pedestrian bridge

Assigned to:

Continuing appropriations
Temporary fluctuations in market value of investments pursuant to GASB 31

Unassigned

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources and Fund Balances

See notes to Financial Statements



City of Moreno Valley, California

**Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2015**

Fund balances - total governmental funds \$ 159,653,061

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

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

Capital Assets (excludes internal service capital assets)	1,289,793,660
Accumulated depreciation (excludes internal service accumulated depreciation)	(396,245,362)

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

2007 Towngate Special Tax Refunding Bonds	\$ (6,095,000)	
2007 Towngate Improvement Tax Refunding	(2,605,000)	
2011 Private Placement Refunding, Series 1997		
Variable Rate Certificates of Participation	(1,529,500)	
2011 Private Placement Refunding, Series 1997		
Variable Rate Certificates of Participation	(2,314,000)	
2013 Refunding of 2005 Lease Revenue Bonds	(9,831,000)	
2013 Total Road Improvement Certificates of Participation	(20,000,000)	
2014 Refunding of 2005 Lease Revenue Bonds	(22,655,745)	
Unamortized Premium/Discount	(2,258,890)	
Compensated Absences	<u>(5,184,344)</u>	(72,473,479)

Governmental funds report all OPEB contributions as expenditures, however in the statement of net position any excesses or deficiencies in contributions in relation to the Annual Required Contribution (ARC) are recorded as an asset or liability (1,593,000)

Deferred pension costs are not financial resources and therefore are not reported in the governmental funds 4,795,102

Accrued interest payable for the current portion of interest due on long-term debt has not been reported in the governmental funds (435,977)

Revenues reported as unavailable revenue in the governmental funds are recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity 20,306,666

Long-term liabilities related to pension are not due and payable in the current period and therefore are not reported in the governmental funds:

Net pension liability	(52,471,997)
Net difference between projected and actual earnings on pension plan investments	(7,580,582)

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position 52,739,353

Net Position of Governmental Activities \$ 996,487,445

City of Moreno Valley, California

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2015**

	<u>Special Revenue Funds</u>			
	<u>General</u>	<u>CSD Zones</u>	<u>Development Impact Fees</u>	<u>Housing Authority</u>
Revenues				
Taxes:				
Property taxes	\$ 11,594,459	\$ 4,005,977	\$ -	\$ -
Property taxes in lieu	15,137,754	6,361,678	-	-
Utility taxes	16,138,202	-	-	-
Sales taxes	16,130,340	-	-	-
Other taxes	9,750,622	-	-	-
Licenses and permits	2,020,230	-	-	-
Intergovernmental	414,554	-	-	-
Charges for services	9,449,482	5,953,549	3,967,009	-
Use of money and property	2,214,462	785,503	262,459	38,404
Fines and forfeitures	595,083	35,092	-	-
Contributions from Successor Agency	-	-	-	25,000
Miscellaneous	702,757	23,664	-	145
Total Revenues	84,147,945	17,165,463	4,229,468	63,549
Expenditures				
Current:				
General government	12,260,219	-	-	-
Public safety	54,639,994	-	-	-
Community development	5,719,760	-	-	15,905
Community and cultural	-	11,415,310	-	-
Public works	4,140,335	5,303,858	-	-
Capital outlay	220,210	170,481	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Current Expenditures	76,980,518	16,889,649	-	15,905
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,167,427	275,814	4,229,468	47,644
Other Financing Sources (Uses):				
Transfers in (note 7)	346,293	2,013,770	910,546	4,379
Transfers out (note 7)	(4,693,392)	-	(5,990,353)	-
Payment to refunded bond escrow agent	-	-	-	-
Refunding bonds issued	-	-	-	-
Total Other Financing Sources (Uses)	(4,347,099)	2,013,770	(5,079,807)	4,379
Net Change in Fund Balances	2,820,328	2,289,584	(850,339)	52,023
Fund Balances				
Beginning of year	40,555,575	13,201,156	12,128,358	38,496,559
End of year	\$ 43,375,903	\$ 15,490,740	\$ 11,278,019	\$ 38,548,582

See notes to Financial Statements

City of Moreno Valley, California

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2015**

<u>Special Revenue Fund</u>			
<u>Neighborhood Stabilization Grant</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>	
\$ -	\$ -	\$ 15,600,436	Revenues
-	-	15,137,754	Taxes:
-	-	16,138,202	Property taxes
-	-	16,130,340	Property taxes in lieu
-	151,232	16,263,532	Utility taxes
-	-	2,020,230	Sales taxes
2,305,262	29,785,703	32,505,519	Other taxes
-	1,680,726	21,050,766	Licenses and permits
-	104,178	3,405,008	Intergovernmental
-	-	630,175	Charges for services
-	1,464,134	1,489,134	Use of money and property
-	897,004	1,623,569	Fines and forfeitures
<u>2,305,262</u>	<u>34,082,977</u>	<u>141,994,665</u>	Contributions from Successor Agency
			Miscellaneous
			Total Revenues
			Expenditures
-	886,530	13,146,749	Current:
-	608,012	55,248,006	General government
2,213,105	1,935,018	9,883,788	Public safety
-	7,381,947	18,797,257	Community development
-	8,688,269	18,130,438	Community and cultural
-	28,505,564	28,898,279	Public works
-	2,556,230	2,556,230	Capital outlay
-	3,388,158	3,388,158	Debt service:
-	360,956	360,956	Principal retirement
<u>2,213,105</u>	<u>54,310,684</u>	<u>150,409,861</u>	Interest and fiscal charges
			Bond issuance costs
			Total Current Expenditures
92,157	(20,227,707)	(8,415,196)	Excess (Deficiency) of Revenues
			Over (Under) Expenditures
-	41,310,733	44,585,720	Other Financing Sources (Uses):
(4,379)	(33,989,170)	(44,677,294)	Transfers in (note 7)
-	(25,940,000)	(25,940,000)	Transfers out (note 7)
-	24,108,085	24,108,085	Payment to refunded bond escrow agent
<u>(4,379)</u>	<u>5,489,648</u>	<u>(1,923,489)</u>	Refunding bonds issued
			Total Other Financing Sources (Uses)
87,778	(14,738,059)	(10,338,685)	Net Change in Fund Balances
(87,778)	65,697,876	169,991,746	Fund Balances
\$ -	\$ 50,959,817	\$ 159,653,061	Beginning of year
			End of year

See notes to Financial Statements

City of Moreno Valley, California

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended June 30, 2015

Net change in fund balances - total governmental funds \$ (10,338,685)

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	39,864,616
Depreciation expense	(27,035,904)

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

Principal repayments	28,496,230
Refunded debt issued	(22,655,745)
Plus premium on debt issued	(1,452,340)
Amortization of bond premiums/discounts and prepaid insurance	861,596

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.

	75,612
--	--------

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.

	(526,567)
--	-----------

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. This is the amount by which contributions made exceeded the ARC.

	(246,000)
--	-----------

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

	2,723,057
--	-----------

Pension 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.

	993,091
--	---------

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 change in net position of the internal service funds is reported with the governmental funds.

Change in net position of governmental activities	<u>281,727</u>
	<u>\$ 11,040,689</u>

See notes to Financial Statements

City of Moreno Valley, California

**Budgetary Comparison Statement
General Fund
Year Ended June 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Property taxes	\$ 9,803,900	\$ 11,083,551	\$ 11,594,459	\$ 510,908
Property taxes in-lieu	13,890,000	14,912,136	15,137,754	225,618
Utility users' tax	16,428,000	15,912,000	16,138,202	226,202
Sales tax	16,420,000	17,638,770	16,130,340	(1,508,430)
Other taxes	8,185,000	8,266,100	9,750,622	1,484,522
Licenses and permits	1,519,200	1,519,200	2,020,230	501,030
Community development	235,000	260,000	414,554	154,554
Charges for services	8,977,274	9,285,333	9,449,482	164,149
Use of money and property	2,589,600	3,516,825	2,214,462	(1,302,363)
Fines and forfeitures	606,500	606,500	595,083	(11,417)
Miscellaneous	51,400	654,904	702,757	47,853
Total Revenues	<u>78,705,874</u>	<u>83,655,319</u>	<u>84,147,945</u>	<u>492,626</u>
Expenditures				
Current:				
General government				
City council	618,382	668,537	629,044	39,493
City manager	1,325,216	1,936,366	1,911,496	24,870
City clerk	572,181	662,185	697,673	(35,488)
City attorney	489,195	854,863	891,357	(36,494)
Financial and management services	3,020,788	3,609,999	3,020,829	589,170
Administrative services	3,618,099	3,945,011	3,808,703	136,308
Non-departmental	1,144,500	97,813	1,301,117	(1,203,304)
Public safety:				
Police	38,900,463	38,786,515	37,894,296	892,219
Fire	17,683,143	17,750,065	16,745,698	1,004,367
Community development	6,745,761	5,828,344	5,719,760	108,584
Public works	2,147,726	4,542,849	4,140,335	402,514
Capital outlay	73,200	1,432,955	220,210	1,212,745
Total Expenditures	<u>76,338,654</u>	<u>80,115,502</u>	<u>76,980,518</u>	<u>3,134,984</u>
Excess(deficiency) of revenues over (under) expenditures	<u>2,367,220</u>	<u>3,539,817</u>	<u>7,167,427</u>	<u>3,627,610</u>
Other Financing Sources (Uses)				
Transfers in	126,489	2,138,312	346,293	(1,792,019)
Transfers out	(2,402,603)	(4,654,474)	(4,693,392)	(38,918)
Total Other Financing Sources (Uses)	<u>(2,276,114)</u>	<u>(2,516,162)</u>	<u>(4,347,099)</u>	<u>(1,830,937)</u>
Net Change in Fund Balances	91,106	1,023,655	2,820,328	1,796,673
Fund Balance - Beginning of year	<u>40,555,575</u>	<u>40,555,575</u>	<u>40,555,575</u>	<u>-</u>
Fund Balance - End of year	<u>\$ 40,646,681</u>	<u>\$ 41,579,230</u>	<u>\$ 43,375,903</u>	<u>\$ 1,796,673</u>

See notes to Financial Statements

City of Moreno Valley, California

**Budgetary Comparison Statement
CSD Zones
Year Ended June 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Property taxes	\$ 3,233,300	\$ 3,884,148	\$ 4,005,977	\$ 121,829
Property taxes in-lieu	6,322,000	6,322,000	6,361,678	39,678
Charges for services	6,119,112	5,824,562	5,953,549	128,987
Use of money and property	621,351	646,351	785,503	139,152
Fines and forfeitures	50,000	50,000	35,092	(14,908)
Miscellaneous	20,100	20,100	23,664	3,564
Total Revenues	16,365,863	16,747,161	17,165,463	418,302
Expenditures				
Current:				
Community and cultural	11,825,683	12,036,011	11,415,310	620,701
Public works	6,709,144	7,084,966	5,303,858	1,781,108
Capital outlay	10,000	788,990	170,481	618,509
Total Expenditures	18,544,827	19,909,967	16,889,649	3,020,318
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,178,964)	(3,162,806)	275,814	3,438,620
Other Financing Sources (Uses)				
Transfers in	1,947,608	1,947,608	2,013,770	66,162
Transfers out	(160,000)	-	-	-
Total Other Financing Sources (Uses)	1,787,608	1,947,608	2,013,770	66,162
Net Change in Fund Balances	(391,356)	(1,215,198)	2,289,584	3,504,782
Fund Balance - Beginning of year	13,201,156	13,201,156	13,201,156	-
Fund Balance - End of year	\$ 12,809,800	\$ 11,985,958	\$ 15,490,740	\$ 3,504,782

See notes to Financial Statements

City of Moreno Valley, California

**Budgetary Comparison Statement
Development Impact Fees
Year Ended June 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 418,500	\$ 418,500	\$ 3,967,009	\$ 3,548,509
Use of money and property	211,400	222,000	262,458	40,458
Contributions from other governments	-	-	-	-
Total Revenues	<u>629,900</u>	<u>640,500</u>	<u>4,229,467</u>	<u>3,588,967</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	629,900	640,500	4,229,467	3,588,967
Other Financing Sources (Uses)				
Transfers in	-	910,391	910,546	155
Transfers out	(2,460,000)	(5,996,020)	(5,990,352)	5,668
Total Other Financing Sources (Uses)	<u>(2,460,000)</u>	<u>(5,085,629)</u>	<u>(5,079,806)</u>	<u>5,823</u>
Net Change in Fund Balances	(1,830,100)	(4,445,129)	(850,339)	3,594,790
Fund Balance - Beginning of year	12,128,358	12,128,358	12,128,358	-
Fund Balance - End of year	<u>\$ 10,298,258</u>	<u>\$ 7,683,229</u>	<u>\$ 11,278,019</u>	<u>\$ 3,594,790</u>

See notes to Financial Statements

City of Moreno Valley, California

**Budgetary Comparison Statement
Housing Authority
Year Ended June 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Use of money and property	\$ 15,000	\$ 72,000	\$ 38,404	\$ (33,596)
Contributions from Successor Agency	-	25,000	25,000	-
Miscellaneous	-	-	145	145
Total Revenues	15,000	97,000	63,549	(33,451)
Community development				
Current:				
Community development	-	125,000	15,905	109,095
Total Expenditures	-	125,000	15,905	109,095
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,000	(28,000)	47,644	75,644
Other Financing Sources (Uses)				
Transfers in	-	4,379	4,379	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	4,379	4,379	-
Net Change in Fund Balances	15,000	(23,621)	52,023	75,644
Fund Balance - Beginning of year	38,496,559	38,496,559	38,496,559	-
Fund Balance - End of year	\$ 38,511,559	\$ 38,472,938	\$ 38,548,582	\$ 75,644

See notes to Financial Statements

City of Moreno Valley, California

**Budgetary Comparison Statement
Neighborhood Stabilization Grant
Year Ended June 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ -	\$ 5,996,962	\$ 2,305,262	\$ (3,691,700)
Total Revenues:	<u>-</u>	<u>5,996,962</u>	<u>2,305,262</u>	<u>(3,691,700)</u>
Expenditures				
Current:				
Community development	-	5,700,000	2,213,105	3,486,895
Total Expenditures	<u>-</u>	<u>5,700,000</u>	<u>2,213,105</u>	<u>3,486,895</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>296,962</u>	<u>92,157</u>	<u>(204,805)</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	(4,379)	(4,379)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(4,379)</u>	<u>(4,379)</u>	<u>-</u>
Net Change in Fund Balances	-	292,583	87,778	(204,805)
Fund Balance (Deficit) - Beginning of year	(87,778)	(87,778)	(87,778)	-
Fund Balance (Deficit) - End of year	<u>\$ (87,778)</u>	<u>\$ 204,805</u>	<u>\$ -</u>	<u>\$ (204,805)</u>

See notes to Financial Statements



PROPRIETARY FUNDS

ENTERPRISE FUND:

The City's enterprise fund is the Electric Fund. This is used to account for the operations of the City's 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:

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 and payment of compensated absences.

City of Moreno Valley, California

Statement of Net Position
Proprietary Funds
June 30, 2015

	Enterprise Fund- Electric	Governmental Activities- Internal Service Funds
Assets		
Current Assets:		
Pooled cash and investments	\$ 9,914,348	\$ 41,812,276
Receivables:		
Accounts	3,549,780	122
Prepaid costs	500	12,765
Inventories	272,880	49,893
Restricted:		
Cash with fiscal agent	4	-
Total Current Assets	13,737,512	41,875,056
Noncurrent Assets:		
Capital assets (net of accumulated depreciation)	38,374,437	13,615,682
Total Noncurrent Assets	38,374,437	13,615,682
Total Assets	52,111,949	55,490,738
Deferred Outflows of Resources		
Pension contributions	123,311	-
Total Deferred Outflows of Resources	123,311	-
Total Assets and Deferred Outflows of Resources	\$ 52,235,260	\$ 55,490,738
Liabilities		
Current Liabilities:		
Accounts payable	\$ 2,251,493	\$ 328,667
Accrued interest	247,430	-
Unearned revenue	27,538	-
Deposits payable	1,024,616	-
Due to other governments	63,000	-
Compensated absences (note 6)	82,335	123,431
Self-insurance payable (note 12)	-	795,000
Bonds, notes, and loans payable	648,324	-
Total Current Liabilities	4,344,736	1,247,098
Noncurrent liabilities:		
Advances from other funds (note 7)	953,525	-
Compensated absences (note 6)	54,890	82,287
Self-insurance payable (note 12)	-	1,422,000
Bonds, notes, and loans payable (note 6)	26,333,705	-
Net pension liability	1,349,370	-
Total Noncurrent Liabilities	28,691,490	1,504,287
Total Liabilities	33,036,226	2,751,385
Deferred Inflows of Resources		
Net difference between projected and actual earnings on pension plan investments	194,942	-
Total Deferred Inflows of Resources	194,942	-
Net Position		
Net investment in capital assets	10,903,412	13,615,682
Restricted for public purpose programs	3,803,242	-
Unrestricted	4,297,438	39,123,671
Total Net Position	19,004,092	52,739,353
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 52,235,260	\$ 55,490,738

See notes to Financial Statements

City of Moreno Valley, California

**Statement of Revenues, Expenses and
Changes in Fund Net Position
Proprietary Fund
Year Ended June 30, 2015**

	Enterprise Fund- Electric	Governmental Activities- Internal Service Funds
Operating Revenues		
Sales and service charges	\$ 27,519,754	\$ 12,249,586
Contributions from Successor Agency	-	144,462
Miscellaneous	141,838	31,440
Total Operating Revenues	27,661,592	12,425,488
Operating Expenses		
Cost of services	661,618	9,212,121
Depreciation expense	875,924	1,112,450
Electricity purchased	10,877,963	-
Services and supplies	4,761,303	-
Distributive share	3,462,010	-
Self-insurance claims and charges	-	1,953,038
Total Operating Expenses	20,638,818	12,277,609
Net Operating Income (Loss)	7,022,774	147,879
Nonoperating Revenues and Expenses		
Interest revenue	137,947	-
Interest expense	(1,638,560)	-
Engineering plan check fees	158,788	-
Contributed capital	1,000,000	-
Gain on disposal of capital assets	-	42,274
Total Nonoperating Revenues (Expenses)	(341,825)	42,274
Income (Loss) Before Transfers	6,680,949	190,153
Transfers		
Transfers In (Note 7)	-	4,209,366
Transfers Out (Note 7)	-	(4,117,792)
Total Transfers	-	91,574
Change in Net Position	6,680,949	281,727
Net Position - Beginning of year, as restated	12,323,143	52,457,626
Net Position - End of year	\$ 19,004,092	\$ 52,739,353

See notes to Financial Statements

City of Moreno Valley, California

**Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2015**

	<u>Enterprise Fund- Electric</u>	<u>Governmental Activities- Internal Service Funds</u>
Cash Flows from operating Activities:		
Cash received from customers	\$ 27,271,569	\$ 12,425,488
Cash paid to suppliers for goods and services	(16,657,549)	(6,138,644)
Cash paid to employees for services	(2,362,282)	(3,614,441)
Cash paid for claims	-	(1,830,038)
Net Cash Provided (Used) by Operating Activities	<u>8,251,738</u>	<u>842,365</u>
Cash Flows from Non-Capital Financing Activities:		
Cash transfers in	-	4,209,366
Cash transfers out	-	(4,117,792)
Cash paid to utility operator	(1,481,711)	-
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(1,481,711)</u>	<u>91,574</u>
Cash Flows from Capital and Related Financing Activities:		
Proceeds from capital debt	2,832,969	-
Proceeds from sale of capital assets	-	297,230
Acquisition and construction of capital assets	(3,290,261)	(759,230)
Engineering plan check fees	158,788	-
Principal paid on capital debt	(3,618,107)	-
Interest paid on capital debt	(1,638,560)	-
Contributed capital	1,000,000	-
Repayment of loans to other governments	(31,500)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(4,586,671)</u>	<u>(462,000)</u>
Cash Flows from Investing Activities:		
Interest received	137,946	-
Net Cash Provided (Used) by Investing Activities	<u>137,946</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>2,321,302</u>	<u>471,939</u>
Cash and Cash Equivalents, Beginning of year	7,593,046	41,340,337
Cash and Cash Equivalents, End of year	<u>\$ 9,914,348</u>	<u>\$ 41,812,276</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities:		
Operating Income (Loss)	\$ 7,022,774	\$ 147,879
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	875,924	1,112,450
(Increase) decrease in accounts receivable	(609,600)	(40)
(Increase) decrease in prepaid costs	(500)	10,843
(Increase) decrease in pension asset	(123,311)	-
(Increase) decrease in inventory	(29,480)	10,153
Increase (decrease) in accounts payable	(829,804)	202
Increase (decrease) in accrued liabilities	(7,866)	-
Increase (decrease) in unearned revenue	(6,421)	-
Increase (decrease) in deposits payable	31,284	-
Increase (decrease) in self-insurance payable	-	123,000
Increase (decrease) in advance from other funds	372,868	-
Increase (decrease) in pension liability	1,544,312	-
Increase (decrease) in compensated absences	11,558	(562,122)
Total adjustments	<u>1,228,964</u>	<u>694,486</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 8,251,738</u>	<u>\$ 842,365</u>

Noncash Capital and Related Financing Activities:

There were no noncash investing, capital or noncapital financing activities for the year ended June 30, 2015.

See notes to Financial Statements

City of Moreno Valley, California

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, California

**Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2015**

	<u>Agency Funds</u>	<u>Private- Purpose Trust Fund</u> <u>Successor Agency of the Former RDA</u>
Assets:		
Cash	\$ 5,679,141	\$ 3,259,693
Cash with fiscal agents	758,476	3
Due from other governments	43	63,000
Total Assets	<u><u>\$ 6,437,660</u></u>	<u><u>3,322,696</u></u>
Liabilities (modified accrual basis):		
Accounts payable	500,101	294,058
Accrued interest	-	838,847
Deposits payable	4,485,713	-
Payable to trustee	1,451,846	-
Long-term debt, due within one year	-	1,164,043
Long-term debt, due in more than one year	-	56,155,344
Total Liabilities	<u><u>\$ 6,437,660</u></u>	<u><u>58,452,292</u></u>
Net Position:		
Held in trust for other purposes		<u>(55,129,596)</u>
Total Net Position		<u><u>\$ (55,129,596)</u></u>

See notes to Financial Statements

City of Moreno Valley, California

**Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2015**

	Private- Purpose Trust Fund
	Successor Agency of the Former RDA
	<hr/>
Additions:	
Taxes	\$ 6,189,541
Use of money and property	34,587
Total Additions	<hr/> 6,224,128 <hr/>
 Deductions:	
Administrative expenses	272,119
Contractual services	666,663
Interest expenses	2,081,158
Contributions to City	1,633,596
Total Deductions	<hr/> 4,653,536 <hr/>
 Change in net position	1,570,592
 Net Position - Beginning of year	<hr/> (56,700,191) <hr/>
 Net Position - End of year	<hr/> \$ (55,129,596) <hr/>

See notes to Financial Statements



City of Moreno Valley, California

Notes to Financial Statements Year Ended June 30, 2015

Note 1 Organization and Summary of Significant Accounting Policies

a. Description of the Reporting Entity

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

Reporting Entity

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

- The Moreno Valley Community Services District (the District) was established pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982. Its purpose is to finance the acquisition and construction of certain major public capital infrastructure and improvements within the boundaries of the Community Facilities Districts. Separate financial statements for the District are available from the City Clerk.
- Community Facilities District 2014-01 and Community Facilities District No. 87-1 and 87-1, IA#1 (Towngate) were established pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982. Their purpose is to finance the acquisition and construction of certain major public capital infrastructure and improvements within the boundaries of the Community Facilities Districts and they are governed by City Council. Separate financial statements are not available for the Community Facilities Districts.
- The Moreno Valley Public Facilities Financing Corporation (MVPFFC) and the Moreno Valley Public Financing Authority (MVPFA) are nonprofit public benefit corporations, formed for the purpose of providing public facility financing to the City. The Corporations' Boards of Directors are each composed of the five elected City Council members. Both Corporations may acquire, construct, rehabilitate, remodel, improve, install and finance or lease various facilities, land and equipment for the benefit of the City. Separate financial statements are not available for the Public Facilities Financing Corporation and the Public Financing Authority.

City of Moreno Valley, California

Notes to Financial Statements Year Ended June 30, 2015 (Continued)

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

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

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

b. Government-Wide and Fund Financial Statements

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

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

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

City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2015 (Continued)**

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

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

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

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus but utilize the accrual basis of accounting for reporting 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 as such have been recognized as revenue in the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

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

City of Moreno Valley, California

Notes to Financial Statements Year Ended June 30, 2015 (Continued)

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

The CSD Zones Special Revenue Fund accounts for restricted property taxes for the various Community Services District (CSD) programs. There are nine Zones within the Community Services District providing services. Zone A-Parks and Community Services provides citywide park maintenance and recreation programming. Lighting Maintenance District (LMD) 2014-01 – Residential Street Lighting provides the funding for the operation and maintenance of residential subdivision street lighting. Zone C-Arterial and Intersection Street Lighting provides funding for the operation and maintenance of arterial and intersection street lighting. Landscape Maintenance District (LMD) 2014-02, Zone D and Zone E provide funding for the maintenance of public landscaping throughout the City. Zone L-Library Services provides funding for library services to City residents. Zone M-Medians provides funding for the landscape maintenance of public medians within the City. Community Facilities District (CFD) #1 provides funding for the maintenance of new parks, trails and class 1 bikeways. Zone S – Sunnymead Boulevard Maintenance provides funding for the maintenance of certain landscape improvements along Sunnymead Boulevard.

The Development Impact Fees Special Revenue Fund accounts for the restricted fees collected to provide funding for capital improvements related to the impact of development on various City services. The City collects fees for the following: arterial streets, traffic signals, fire facilities, police facilities, parkland facilities, Quimby in-lieu of parks, recreation facilities, library facilities, city hall facilities, corporate yard facilities, interchange improvements, maintenance equipment, animal shelter facilities, and administrative fees. The City has elected to report this fund as a major fund.

The Housing Authority accounts for the housing assets as a result of the dissolution of the former Community Redevelopment Agency of the City.

The Neighborhood Stabilization Grant 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.

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.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

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

Additionally the government reports the following fund types:

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

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

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charge 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 applicant for goods, services or privileges provided, 2) operating grants and contributions, an 3) capital grants and contributions, including special assessments. Internally dedicate 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 non-operating 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 non-operating revenues and expenses.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

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

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

Deposits, Investments, Cash and Cash Equivalents

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

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

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables are shown net of an allowance for uncollectibles.

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

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.

City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2015 (Continued)**

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

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 Inflows of Resources

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

Unearned Revenue

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

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (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 are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

Land Held for Resale

Land purchased for the purposes of resale is recorded at cost or, if lower, the estimated net realizable value upon entering into an agreement to sell the property.

Fund Balance

In the governmental fund financial statements, fund balances are classified as follows:

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 or regulations of other governments, or (b) by law through constitutional provisions or enabling legislation.

City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2015 (Continued)**

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

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

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

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

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

Fund Balance Flow Assumptions

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

Net Position Flow Assumption

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

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

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

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Secured property taxes are payable in two installments with December 10 the last day to pay the first installment of secured property taxes without penalty, and April 10 the last day to pay the second installment of secured property taxes without penalty. Unsecured personal property taxes are due in a single installment on August 31. The County of Riverside bills and collects the property taxes and remits them to the City in installments during the year.

Property taxes received within 60 days after the City's fiscal year end are considered "measurable" and "available" and are accrued in the City's financial statements.

Implementation of New Accounting Pronouncements

During the fiscal year ended June 30, 2015, the City adopted the following new Statements of the Governmental Accounting Standards Board (GASB):

- GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statements No. 27 and 50*. This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures of pensions that are provided by local governmental employers through pension plans that are administered through trusts that meet certain conditions. For defined benefit pensions, this statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.
- GASB Statement No. 71, *Pension Transition for Contributions made subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. This statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 2 Stewardship, Compliance and Accountability

a. Budget 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 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.

City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2015 (Continued)**

Note 2 Stewardship, Compliance and Accountability (Continued)

b. Excess Expenditures Over Appropriations

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

	<u>Final Budget</u>	<u>Expenditures</u>	<u>Excess</u>
General Fund:			
City Clerk	\$ 662,185	\$ 697,673	\$ 35,488
City Attorney	854,863	891,357	36,494
Non-departmental	97,813	1,301,117	1,203,304
State Gasoline Tax Special Revenue Fund:			
Capital outlay	24,032	103,846	79,814
Civil Penalties Special Revenue Fund:			
General government	43,692	53,787	10,095
Lease Revenue Bonds 2005 Debt Service Fund:			
General government	4,200	4,613	413
Trip COP 13A Debt Fund Debt Service Fund:			
Public works	-	6,500	6,500
Equestrian Trail Endowment Permanent Fund:			
Community and cultural	-	773	773
Other Grants			
Capital outlay	-	59,781	59,781
Community Development Block Grant			
ASES Program Grant			
Community and cultural	6,762,786	6,776,548	13,762
2013 Refunding 2005 Lease Revenue Bonds			
Public works	-	2,766	2,766

City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2015 (Continued)**

Note 3 Cash and Investments

As of June 30, 2015, cash and investments were reported in the accompanying financial statements as follows

Government Activities	\$ 157,741,560
Business-Type Activities	9,914,352
Fiduciary Funds	<u>9,697,313</u>
 Total Cash and Investments	 \$ <u><u>177,353,225</u></u>

Cash and investments as of June 30, 2015, consist of the following:

Cash and Cash Equivalents	
Petty cash and cash boxes	\$ 10,770
Demand deposits	(196,022)
Investments	165,099,759
Cash and Investments with fiscal agents	<u>12,438,718</u>
 Total Cash and Investments	 \$ <u><u>177,353,225</u></u>

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

Deposits

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

City of Moreno Valley, California

Notes to Financial Statements Year Ended June 30, 2015 (Continued)

Note 3 Cash and Investments (Continued)

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.

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.

City of Moreno Valley, California

Notes to Financial Statements Year Ended June 30, 2015 (Continued)

Note 3 Cash and Investments (Continued)

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.

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, 2015, the City's investment in medium term notes consisted of investments with PepsiCo Inc., JP Morgan Chase, IBM Corp, Wells Fargo Bank, Costco Wholesale, Qualcomm Inc., Coca Cola Company, Bank of New York, Pfizer Inc., Praxair Inc., EBAY Inc., Google Inc., John Deere, Occidental Petroleum, United Technologies Corp., Chevron Corp., Intel Corp., WalMart Stores Inc., Apple Inc., U.S. Bankcorp, General Electric, Cisco Systems, Honda, Toyota, American Express and Oracle. At June 30, 2015, all MTN's were rated "A" or higher by Moody's. All securities were investment grade and legal under State and City law at their time of purchase. Federal agency securities are rated AA+. Investments in U.S. Treasury securities are not considered to have credit risk and, therefore, their credit quality is not disclosed. As of June 30, 2015, 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 (\$184,454) at June 30, 2015. 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.

City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2015 (Continued)**

Note 3 Cash and Investments (Continued)

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, 2015, the City had the following investments and original maturities:

Investment Type	6 months or	6 months to	1 to 3 years	3 to 5 years	Fair Value
Local Agency Investment Fund	\$ 28,867,329	\$ -	\$ -	\$ -	\$ 28,867,329
Money Market Fund	244,339	-	-	-	244,339
Commercial Paper	3,043,392	-	-	-	3,043,392
Medium Term Notes	1,348,107	2,978,195	30,224,507	11,727,340	46,278,149
US Treasury Notes	2,778,777	-	13,243,870	13,114,870	29,137,517
Federal Farm Credit Bank	3,202,388	-	1,660,002	-	4,862,390
Federal Home Loan Bank	-	-	10,963,683	1,928,513	12,892,196
Federal Home Loan Mortgage Corp	-	-	13,906,077	4,868,905	18,774,982
Federal National Mortgage Assn	-	773,976	10,911,429	9,314,060	20,999,465
Held By Bond Trustee:					
Money Market Funds	12,438,718	-	-	-	12,438,718
Totals	\$ 51,923,050	\$ 3,752,171	\$ 80,909,568	\$ 40,953,688	\$ 177,538,477

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 Type	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 Repurchases 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
Supranationals	5 years	30%	5%

City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2015 (Continued)**

Note 3 Cash and Investments (Continued)

As of June 30, 2015, the City is in compliance with the investment policy restriction.

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

Federal Home Loan Bank	7.3%
Federal Home Loan Mortgage Corp	10.6%
Federal National Mortgage association	11.8%

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

Note 4 Notes and Loans

a. Notes and Loans Receivable

Notes and loans receivables of \$46,183,301 consist primarily of revolving home improvement loans and are due beyond one year.

A summary of amounts owed at June 30, 2015, follows:

	Housing Authority	Neighborhood Stabilization Grant	Nonmajor Governmental Funds	Total
Cottonwood Properties	\$ 3,839,108	\$ -	\$ 2,050,000	\$ 5,889,108
Sheila Street Rehabilitation	2,651,875	-	-	2,651,875
RHDC Properties	1,833,104	-	728,469	2,561,573
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	12,500,000	-	-	12,500,000
Hemlock Family Apartments	6,300,000	-	1,628,642	7,928,642
Others	652,855	6,175,325	504,556	7,332,736
Totals	\$ <u>34,409,309</u>	\$ <u>6,175,325</u>	\$ <u>5,598,667</u>	\$ <u>46,183,301</u>

City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2015 (Continued)**

Note 4 Notes and Loans (continued)

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, 2015, the balance of \$15,568,341 consists of the following:

The Towngate Regional Mall notes (Sears Note) totaling \$12,192,275 originate from a participation agreement (as amended) whereby the Agency acquired certain parcels within the mall for subsequent transfer to major tenants. The notes bear interest at 7.25% and are payable solely from available site-generated property tax increment and up to 50% of site-generated sales tax. Furthermore, the Agency has covenanted to use reasonable best efforts to refinance these notes with Tax Allocation Bonds, provided such financing is determined to be fiscally feasible. At June 30, 2015, accrued interest amounts to \$3,376,066.

Note 5 Capital Assets

The following is a schedule of changes in governmental activities capital assets for the year ended June 30, 2015:

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015
Non-Depreciable Assets:				
Land	\$ 310,197,236	\$ -	\$ -	\$ 310,197,236
Construction in progress	25,740,972	27,606,043	(20,600,731)	32,746,284
Total Non-Depreciable Assets	335,938,208	27,606,043	(20,600,731)	342,943,520
Depreciable Assets				
Buildings and improvements	130,081,944	7,849,376	-	137,931,320
Furniture and equipment	17,576,368	5,115,898	(2,940,832)	19,751,434
Vehicles	9,277,549	1,109,763	(1,337,678)	9,049,634
Infrastructure	782,157,370	21,992,590	-	804,149,960
Total Depreciable Assets	939,093,231	36,067,627	(4,278,510)	970,882,348
Less Accumulated Depreciation:				
Buildings and improvements	(51,963,788)	(3,717,403)	-	(55,681,191)
Furniture and equipment	(12,096,555)	(1,231,113)	2,255,352	(11,072,316)
Vehicles	(8,405,343)	(346,603)	945,364	(7,806,582)
Infrastructure	(307,580,398)	(24,521,401)	-	(332,101,799)
Total Accumulated Depreciation	(380,046,084)	(29,816,520)	3,200,716	(406,661,888)
Total Depreciable Assets, Net	559,047,147	6,251,107	(1,077,794)	564,220,460
Total Net Capital Assets	\$ 894,985,355	\$ 33,857,150	\$ (21,678,525)	\$ 907,163,980

City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2015 (Continued)**

Note 5 Capital Assets (continued)

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

Governmental Activities:	
General government	\$ 1,324,507
Public safety	1,057,351
Community development	135,935
Community and cultural	1,924,752
Public works	24,261,525
Internal service funds	1,112,450
Total	\$ <u>29,816,520</u>

The following is a schedule of changes in business-type activities capital assets for the year ended June 30, 2015:

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015
Non-Depreciable Assets:				
Land	\$ 1,237,459	\$ 491,949	\$ -	\$ 1,729,408
Construction in progress	<u>1,099,586</u>	<u>1,651,822</u>	<u>(2,746,395)</u>	<u>5,013</u>
Total Non-Depreciable Assets	<u>2,337,045</u>	<u>2,143,771</u>	<u>(2,746,395)</u>	<u>1,734,421</u>
Depreciable Assets:				
Infrastructure	<u>39,838,486</u>	<u>3,892,880</u>	<u>-</u>	<u>43,731,366</u>
Total Depreciable Assets	<u>39,838,486</u>	<u>3,892,880</u>	<u>-</u>	<u>43,731,366</u>
Less Accumulated Depreciation:				
Infrastructure	<u>(6,215,426)</u>	<u>(875,924)</u>	<u>-</u>	<u>(7,091,350)</u>
Total Accumulated Depreciation	<u>(6,215,426)</u>	<u>(875,924)</u>	<u>-</u>	<u>(7,091,350)</u>
Total Depreciable Assets, Net of Accumulated Depreciation	<u>33,623,060</u>	<u>3,016,956</u>	<u>-</u>	<u>36,640,016</u>
Total Net Capital Assets	\$ <u>35,960,105</u>	\$ <u>5,160,727</u>	\$ <u>(2,746,395)</u>	\$ <u>38,374,437</u>

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

Electric Utility	\$ <u>875,924</u>
------------------	-------------------

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 6 Long Term Debt

a. Changes in Long-Term Debt - Governmental Activities

The following is a schedule of changes in governmental activities long-term debt for the year ended June 30, 2015:

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015	Due Within One Year
Towngate Community Facilities District No. 87-1:					
2007 Towngate Special Tax Refunding Bonds	\$ 6,825,000	\$ -	\$ (730,000)	\$ 6,095,000	\$ 760,000
2007 Towngate Improvement Tax Refunding	2,835,000	-	(230,000)	2,605,000	240,000
Community Facilities District No. 3:					
Auto Mall Special Tax Bonds	-			-	
Moreno Valley Public Facilities Financing					
2011 Private Replacement Refunding, Series 1997					
Variable Rate Certificates of Participation	2,261,500	-	(732,000)	1,529,500	753,500
Moreno Valley Public Facilities Financing Authority:					
Lease Revenue Bonds, 2005	25,940,000	-	(25,940,000)	-	-
2011 Private Replacement Refunding, Series 1997					
Variable Rate Certificates of Participation	2,555,000	-	(241,000)	2,314,000	252,000
2013 Refunding of 2005 Lease Revenue Bonds	10,454,230	-	(623,230)	9,831,000	1,033,000
Unamortized issue premium	936,103	-	-	936,103	-
2014 Refunding of 2005 Lease Revenue Bonds		22,655,745	-	22,655,745	53,676
Unamortized issue premium		1,452,340	-	1,452,340	-
City:					
2013 Total Road Improvement Program COP's	20,000,000	-	-	20,000,000	-
Unamortized issue discount	(129,553)	-	-	(129,553)	-
OPEB liability	1,347,000	246,000	-	1,593,000	-
Accrued self-insurance claims and judgements	2,094,000	225,000	(102,000)	2,217,000	795,000
Compensated absences:					
Governmental Funds	5,710,911	2,207,141	(2,733,708)	5,184,344	3,110,606
Internal Service Funds	767,840	261,306	(823,428)	205,718	123,431
Totals	<u>\$ 81,597,031</u>	<u>\$ 27,047,532</u>	<u>\$ (32,155,366)</u>	<u>\$ 76,489,197</u>	<u>\$ 7,121,213</u>

2007 Towngate Special Tax Refunding Bonds

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

City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2015 (Continued)**

Note 6 Long Term Debt (Continued)

The annual debt service requirements for the 2007 Towngate Special Tax Refunding Bonds payable outstanding at June 30, 2015, are as follows:

Year Ending June 30,	2007 Towngate Special Tax Refunding Bonds	
	Principal	Interest
2016	\$ 760,000	\$ 253,381
2017	790,000	218,431
2018	830,000	177,931
2019	870,000	136,106
2020	910,000	96,831
2021-2022	1,935,000	79,947
Totals	<u>\$ 6,095,000</u>	<u>\$ 962,627</u>

2007 Towngate Improvement Tax Refunding Bonds

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

The annual debt service requirements for the 2007 Towngate Improvement Tax Refunding Bonds payable outstanding at June 30, 2015, are as follows:

Year Ending June 30,	2007 Towngate Improvement Tax Refunding Bonds	
	Principal	Interest
2016	\$ 240,000	\$ 115,739
2017	250,000	105,170
2018	260,000	93,851
2019	275,000	81,676
2020	290,000	68,536
2021-2023	1,290,000	127,959
Totals	<u>\$ 2,605,000</u>	<u>\$ 592,931</u>

City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2015 (Continued)**

Note 6 Long Term Debt (continued)

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. The refinancing decreased aggregate debt service payments that were required by approximately \$65,630 and 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, 2015, are as follows:

Year Ending June 30,	2011 Private Placement Refunding, 1997 Certificates of Participation	
	Principal	Interest
2016	\$ 753,500	\$ 33,660
2017	776,000	11,330
Totals	<u>\$ 1,529,500</u>	<u>\$ 44,990</u>

2011 Private Placement Refunding, 1997 Lease Revenue Bonds

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

City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2015 (Continued)**

Note 6 Long Term Debt (continued)

The annual debt service requirements for the 2011 Private Placement Refunding, 1997 Lease Revenue Bonds payable outstanding at June 30, 2015, are as follows:

Year Ending June 30,	2011 Private Placement Refunding 1997 Lease Revenue Bonds	
	Principal	Interest
2016	\$ 252,000	\$ 87,082
2017	262,000	76,854
2018	273,000	66,207
2019	282,000	55,163
2020	291,000	43,760
2020-2024	954,000	57,989
Totals	<u>\$ 2,314,000</u>	<u>\$ 387,055</u>

2013 Refunding Lease Revenue Bonds

Refunding Lease Revenue Bonds 2013 in the original issue amount of \$11,695,000 were issued for the purpose of paying off a portion of the 2005 Lease Revenue Bonds and certain costs related to the issuance of the Bonds. Of the \$11,695,000 originally issued, the portion for the electric utility infrastructure (\$1,240,770) has been separated and is shown as long-term debt of the Electric Fund business-type activities. The bonds mature in serial fashion through November 1, 2032 and bear interest ranging from 3% to 5.00%. The bonds are not subject to optional redemption or mandatory redemption. The bonds are payable from lease payments made by the City under a project lease dated Dec 1, 2013, 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 transaction resulted in an economic gain of \$540,661 and a reduction of \$554,000 in future debt service payments.

City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2015 (Continued)**

Note 6 Long Term Debt (continued)

The annual debt service requirements for the 2013 Refunding Lease Revenue Bonds, payable outstanding at June 30, 2015, are as follows:

Year Ending June 30,	2013 Refunding Lease Revenue	
	Principal	Interest
2016	\$ 1,033,000	\$ 459,641
2017	1,085,000	411,946
2018	1,132,000	356,649
2019	1,183,000	298,898
2020	1,250,450	238,026
2021-2024	4,147,550	316,958
Totals	<u>\$ 9,831,000</u>	<u>\$ 2,082,118</u>

2013 Total Road Improvement Program COPs

On August 15, 2013, the City entered into an Installment Sale Agreement with California Communities. The 2013 Total Road Improvement Program Certificates of Participation mature in serial and term fashion through June 1, 2039 and bear interest ranging from 4.000% to 5.125%, commencing on December 1, 2013. The original amount of the issue was \$20,000,000.

The annual debt service requirements for the 2013 Total Road Improvement Program COPs payable outstanding at June 30, 2015, are as follows:

Year Ending June 30,	2013 Total Road Improvement Program COP's	
	Principal	Interest
2016	\$ -	\$ 991,313
2017	490,000	991,313
2018	515,000	966,813
2019	540,000	941,063
2020	570,000	914,063
2021-2025	3,290,000	4,132,256
2026-2030	4,100,000	3,317,150
2031-2035	5,240,000	2,179,150
2036-2039	5,255,000	690,338
Totals	<u>\$ 20,000,000</u>	<u>\$ 15,123,458</u>

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 6 Long Term Debt (continued)

2014 Refunding Lease Revenue Bonds

Refunding Lease Revenue Bonds 2014 in the original issue amount of \$25,325,000 were issued for the purpose of paying off a portion of the 2005 Lease Revenue Bonds and certain costs related to the issuance of the Bonds. Of the \$25,325,000 originally issued, the portion for the electric utility infrastructure (\$2,669,255) has been separated and is shown as long-term debt of the Electric Fund business-type activities. The bonds mature in serial fashion through November 1, 2035 and bear interest ranging from 2% to 5%. The bonds are subject to optional redemption and are subject to mandatory redemption beginning November 2035. The bonds are payable from lease payments made by the City under a project lease dated December 1, 2013, 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 refunding transaction resulted in an economic gain of \$4,180,553 and a reduction of \$6,604,104 in future debt service payments.

The annual debt service requirements for the 2014 Refunding Lease Revenue Bonds, payable outstanding at June 30, 2015, are as follows:

<u>2014 Refunding Lease Revenue Bonds</u>		
Year Ending June 30,	Principal	Interest
2016	\$ 53,676	\$ 1,009,869
2017	-	1,009,332
2018	-	1,009,332
2019	-	1,009,332
2020	-	1,009,332
2021-2024	2,652,489	4,915,492
2026-2030	7,872,480	3,437,948
2031-2035	9,858,492	1,460,166
2036	2,218,608	44,372
Totals	<u>\$22,655,745</u>	<u>\$ 14,905,175</u>

Compensated Absences

At June 30, 2015, the amount of compensated absences liability was \$5,390,062. This amount consists of \$5,184,344 for governmental funds, principally paid by the General Fund, and \$205,718 for internal service funds.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 6 Long Term Debt (continued)

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

The following is a schedule of changes in business-type activities long-term debt for the year ended June 30, 2015:

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015	Due Within One Year
Lease Revenue Bonds, 2005	\$ 3,145,000	\$ -	\$ (3,145,000)	\$ -	\$ -
Less unamortized discount	(23,885)	-	23,885	-	-
Lease Revenue Bonds, 2007	23,615,000	-	(495,000)	23,120,000	520,000
Less unamortized discount	(251,736)	-	10,944	(240,792)	-
Refunding Lease Revenue Bonds, 2013	1,240,770	-	(71,770)	1,169,000	122,000
Plus unamortized premium	113,458	-	(12,606)	100,852	-
Refunding Lease Revenue Bonds, 2014	-	2,669,255	-	2,669,255	6,324
Plus unamortized premium	-	163,714	-	163,714	-
Compensated absences	125,667	49,657	(38,099)	137,225	82,335
Totals	<u>\$ 27,964,274</u>	<u>\$ 2,882,626</u>	<u>\$ (3,727,646)</u>	<u>\$ 27,119,254</u>	<u>\$ 730,659</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, California

**Notes to Financial Statements
Year Ended June 30, 2015 (Continued)**

Note 6 Long Term Debt (continued)

The annual debt service requirements for the Lease Revenue Bonds, 2007 payable outstanding at June 30, 2015, are as follows:

Year Ending June 30,	Lease Revenue Bonds, 2007	
	Principal	Interest
2016	\$ 520,000	\$ 1,307,329
2017	550,000	1,280,893
2018	575,000	1,252,931
2019	610,000	1,221,024
2020	640,000	1,189,117
2021-2025	3,785,000	4,370,258
2026-2030	4,965,000	4,445,921
2031-2035	6,565,000	2,943,425
2036-2038	4,910,000	941,850
Totals	<u>\$ 23,120,000</u>	<u>\$ 18,952,748</u>

2013 Refunding Lease Revenue Bonds

Refunding Lease Revenue Bonds 2013 in the original issue amount of \$11,695,000 were issued for the purpose of paying off a portion of the 2005 Lease Revenue Bonds and certain costs related to the issuance of the Bonds. Of the \$11,695,000 originally issued, the portion for the electric utility infrastructure (\$1,240,770) has been separated and is shown as long-term debt for Electric Fund business-type activities. The bonds mature in serial fashion through November 1, 2032 and bear interest ranging from 3% to 5.00%. The bonds are not subject optional redemption but are subject to mandatory redemption beginning November 1, 2014. 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 refunding transaction resulted in an economic gain of \$540,667 (\$58,446 attributable to the electric fund) and a reduction of \$554,000 (\$59,887 attributable to the electric fund) in the future debt service payments.

City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2015 (Continued)**

Note 6 Long Term Debt (continued)

The annual debt service requirements for the 2013 Refunding Lease Revenue Bonds, payable outstanding at June 30, 2015, are as follows

Year Ending June 30,	2013 Refunding Lease Revenue Bonds	
	Principal	Interest
2016	\$ 122,000	\$ 55,709
2017	130,000	49,929
2018	133,000	43,226
2019	142,000	36,227
2020	154,550	28,600
2021-2024	487,450	38,666
Totals	<u>\$ 1,169,000</u>	<u>\$ 252,357</u>

2014 Refunding Lease Revenue Bonds

Refunding Lease Revenue Bonds 2014 in the original issue amount of \$25,325,000 were issued for the purpose of paying off the remaining portion of the 2005 Lease Revenue Bonds and certain costs related to the issuance of the Bonds. Of the \$25,325,000 originally issued, the portion for the electric utility infrastructure (\$2,669,255) has been separated and is shown as long-term debt for Electric Fund business-type activities. The bonds mature in serial fashion between November 2023 and November 2035 and bear interest ranging from 2% to 5%. The bonds are not subject to optional redemption but are subject to mandatory redemption beginning 2035. The bonds are payable from lease payments made by the City under a project lease dated December 1, 2013, 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, Sunnymead Park and Fire Station 99 (Morrison Park). This issue is fully insured in the event of nonpayment by the City. The transaction resulted in an economic gain of \$4,180,553 (\$440,650 attributable to the electric fund) and a reduction of \$6,604,104 (\$696,043 attributable to the electric fund) in future debt service payments.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 6 Long Term Debt (continued)

The annual debt service requirements for the 2014 Refunding Lease Revenue Bonds payable outstanding at June 30, 2015 are as follows:

Year Ending June 30,	2014 Refunding Lease Revenue Bonds	
	Principal	Interest
2016	\$ 6,324	\$ 118,981
2017	-	118,918
2018	-	118,918
2019	-	118,918
2020	-	118,918
2021-2025	312,511	579,133
2026-2030	927,520	405,058
2031-2035	1,161,508	172,034
2036-2038	261,392	5,228
Totals	\$ 2,669,255	\$ 1,756,106

Compensated Absences

At June 30, 2015, the amount of compensated absences liability totaled \$137,225. Based on the current trend of usage, \$82,335 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, 2015, was \$5,063,000.

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.

City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2015 (Continued)**

Note 6 Long Term Debt (continued)

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, 2015, was \$5,700,000.

Note 7 Interfund Receivables, Payables and Transfers

<u>Due From Other Funds</u>	<u>Due To Other Funds</u>		<u>Total</u>
	<u>CSD Zones</u>	<u>Nonmajor Governmental Funds</u>	
General Fund	\$ 9,316	\$ 5,028,245	\$ 5,037,561

a. Due To/From other Funds

The City of Moreno Valley utilizes the State of California Local Agency Investment Fund (LAIF) as a short-term investment tool. In June 2006, the General Fund LAIF account reached the LAIF threshold and as an alternative for investing, the remaining funds were loaned to the CSD Zones Fund. The amount of the loans outstanding at June 30, 2015, was \$9,316.

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

Nonmajor Governmental Funds:	
State Gasoline Tax	\$ 119,239
Article 3 Transportation	218,275
Law Enforcement	240,732
Other Grants	45,305
Community Development Grant	736,773
Child Care Grant	4,985
Stormwater Maintenance	397,354
ASES Pogram Grants	487,294
TUMF Capital Projects	2,771,049
TRIP COP 13A Debt Fund	<u>7,239</u>
Total Nonmajor Governmental Funds	\$ <u>5,028,245</u>

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

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

a. Advances To/From Other Funds

Advances to Other Funds	Advances from Other Funds		
	Development Impact Fees	Electric Enterprise Fund	Total
	General Fund	\$ 3,707,000	\$ 489,000
Nonmajor Governmental Fund	-	464,525	464,525
Total	\$ 3,707,000	\$ 953,525	\$ 4,660,525

The General Fund loaned to the Development Impact Fees Fund \$3,707,000 to cover negative cash balances resulting from construction of facilities and purchases of land for future expansion. This loan is to be fully repaid by June 30, 2016.

The General Fund and Special Districts Administration Fund has loaned \$489,000 and \$464,525 respectively to the Electric Fund for start-up costs. The loan will be repaid when revenue becomes available.

b. Interfund Transfers

Transfers Out	Transfers In						Total
	General Fund	CSD Zones	Development Impact Fees	Nonmajor Governmental Funds	Housing Authority	Internal Service Funds	
General Fund	\$ -	\$ 2,013,770	\$ -	\$ 1,136,118	\$ -	\$ 1,543,504	\$ 4,693,392
Development Impact Fees	45,250	-	-	5,945,103	-	-	5,990,353
Neighborhood Stabilization Grant	-	-	-	-	4,379	-	4,379
Nonmajor Governmental Funds	-	-	910,546	33,078,624	-	-	33,989,170
Internal Service Funds	301,043	-	-	1,150,887	-	5,204,908	6,656,838
Total	\$ 346,293	\$ 2,013,770	\$ 910,546	\$ 41,310,732	\$ 4,379	\$ 6,748,412	\$ 51,334,132

The General Fund transferred a total of \$4,693,392 to several funds to provide subsidies to cover the operating deficits.

The Development Impact Fees Fund transferred a total of \$5,945,103 to non-major governmental funds for debt service payments and to provide support for several capital projects in the fiscal year.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 8 Employee Pension Plan

a. General Information about the Pension Plans

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the City’s Miscellaneous Plan, an agent multiple-employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS), which acts as common investment and administrative agent for its participating member employers. Benefits provisions under the Plan are established by State statute and City resolution. CalPERS issues publically available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on CalPERS website.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plans’ provisions and benefits in effect at June 30, 2015, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.7% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50-55	52-62
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.0%
Required employee contribution rates	8.00%	6.25%
Required employer contribution rates	23.959%	23.959%

Employees Covered – At June 30, 2015, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous
Active employees	370
Total	370

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 8 Employee Pension Plan

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

b. Net Pension Liability

The City’s net pension liability is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of the Plans is measured as of June 30, 2014, using an annual actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>
Valuation date	June 30, 2013
Measurement date	June 30, 2014
Actuarial cost method	Entry-Age Normal Cost Method
Actuarial assumptions:	
Discount rate	7.50%
Inflation	2.75%
Payroll growth	3.00%
Projected salary increase	Varies by Entry Age and Service (1)
Investment rate of return	7.5% (2)
Mortality	Derived using CalPERS' Membership Data for all Funds

(1) Depending on age, service, and type of employment

(2) Net of pension plan investment expenses, including inflation

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

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

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability was 7.50% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time CalPERS decides to change the methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 8 Employee Pension Plan (Continued)

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (a)	Real Return Years 11+ (b)
Global Equity	47%	5.25%	5.71%
Global Fixed Income	19%	0.99%	2.43%
Inflation Sensitive	6%	0.45%	3.36%
Private Equity	12%	6.83%	6.95%
Real Estate	11%	4.50%	5.13%
Infrastructure and Forestland	3%	4.50%	5.09%
Liquidity	2%	-0.55%	-1.05%
Total	<u>100%</u>		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 8 Employee Pension Plan (Continued)

c. Changes in the Net Pension Liability

The changes in the Net Pension Liability over the measurement period are as follows:

Miscellaneous Plan:	Total Pension Liability	Governmental Activities Net Pension Liability (Asset)	Enterprise Net Pension Liability (Asset)
Balance at June 30, 2013	\$ 60,871,313	\$ 59,345,192	\$ 1,526,121
Changes in the year:			
Service cost	4,630,703	4,514,605	116,098
Interest on the total pension liability	11,785,648	11,490,167	295,481
Contribution - employer	(4,620,745)	(4,504,897)	(115,848)
Contribution - employee (paid by employer)	(1,934,518)	(1,885,782)	(48,736)
Net investment income	(16,911,034)	(16,487,288)	(423,746)
Net Changes	(7,049,946)	(6,873,195)	(176,751)
Balance at June 30, 2014	\$ 53,821,367	\$ 52,471,997	\$ 1,349,370

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City calculated using the discount rate for the Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>Miscellaneous</u>
1% Decrease	6.50%
Net pension liability	\$ 76,983,154
Current Discount Rate	7.50%
Net pension liability	\$ 53,821,367
1% Increase	8.50%
Net pension liability	\$ 34,632,323

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 8 Employee Pension Plan (Continued)

D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2015, the City recognized pension expense of \$5,346,323. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Total</u>	<u>Governmental</u>	<u>Enterprise</u>
Deferred outflows of resources - Pension contributions subsequent to measurement date	<u>\$ 4,918,413</u>	<u>\$ 4,795,102</u>	<u>\$ 123,311</u>
Deferred Inflows of Resources- Pension Actuarial - Net differences between projected and actual earnings on plan investments Net differences between projected and actual earnings on plan investments	<u>\$ (7,775,524)</u>	<u>\$ (7,580,582)</u>	<u>\$ (194,942)</u>

\$4,918,413 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30</u>	
2016	\$ (1,943,881)
2017	(1,943,881)
2018	(1,943,881)
2019	(1,943,881)
Thereafter	-

As of June 30, 2015, the City did not have outstanding amount of contributions to the pension plan required for the year ended June 30, 2015.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 9 Other Post-Employment Benefits (OPEB)

Plan Description

The City's defined benefit postemployment healthcare plan provides a portion of certain health care for retired employees. In accordance with City policy, employees hired prior to September 30, 2011, who retire directly from the City under Cal PERS (age 50 and 5 years of Cal PERS 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 (Cal PERS), which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions, as well as other requirements, are established by state statutes within the Public Employees' Retirement Law. The City selects optional benefit provisions from the benefit menu by contract with Cal PERS and adopts those benefits through local ordinance. Cal PERS issues a separate comprehensive annual financial report. Copies of the Cal PERS annual financial report may be obtained from the Cal PERS 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 5.00% of the annual covered payroll.

Annual OPEB Cost

For fiscal year 2014-2015, the City's annual OPEB cost was \$910,000. The required contribution for the fiscal year was determined as part of the June 30, 2013 actuarial valuation using the entry age normal cost method. The actuarial assumptions included:

- a) 6.00% investment rate of return (net of administrative expenses),
- 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 with 23 years remaining as of June 30, 2015.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 9 Other Post-Employment Benefits (OPEB) (continued)

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

Annual required contribution	\$	902,000
Interest on OPEB obligation		98,000
Adjustment to annual required contribution		<u>(90,000)</u>
Annual OPEB cost (expense)		910,000
Contribution made		<u>(664,000)</u>
Increase on OPEB obligation		246,000
Net OPEB obligation - beginning of year		<u>1,347,000</u>
Net OPEB obligation - end of year	\$	<u><u>1,593,000</u></u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care 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.

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.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 9 Other Post-Employment Benefits (OPEB) (continued)

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

Fiscal Year Ended	Annual OPEB Cost (AOC)	Percentage of OPEB Cost Contributed	Net OPEB Obligation
6/30/2013	\$ 1,018,000	56%	900,000
6/30/2014	1,066,000	58%	1,347,000
6/30/2015	910,000	73%	\$ 1,593,000

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
6/30/2011	\$ 11,670,000	\$ 4,428,000	\$ 7,242,000	37.9%	\$ 23,195,000	31.2%
6/30/2013	12,531,000	6,186,000	6,345,000	49.4%	21,589,000	29.4%
6/30/2015	18,148,000	7,805,000	10,343,000	43.0%	17,919,000	57.7%

Note 10 Fund Deficits

The following funds contained a deficit fund balance as of June 30, 2015:

Nonmajor Governmental Funds:

Special Revenue Funds:

State Gasoline Tax	\$ 194,890
Child Care Grant	979
Fire Services Capital Projects	15,374
Capital Fund Projects:	
TUMF Capital Projects	237,364

These deficit fund balances are the result of reimbursement monies not yet received and will be funded through future revenues.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 11 Commitments and Contingencies

a. Community Facilities District No. 87-1 Agreement

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

b. Construction Commitments

The following material construction commitments existed at June 30, 2015:

<u>Project Name</u>	<u>Contract Amount</u>	<u>Expenditures to date as of 6/30/2015</u>	<u>Remaining Commitments</u>
<u>Governmental Activities</u>			
Perris Blvd/Ironwood-Manzanita	\$ 5,306,659	\$ 3,919,962	\$ 1,386,697
Nason St./Cactus Ave to Fir Ave.	8,769,997	5,449,751	3,320,246
SR-60/Nason Overcrossin Bridge	13,101,324	11,021,266	2,080,058
Cactus Improvements Veterans to Heacock	2,161,679	1,059,000	1,102,679
Corporate Yard	3,284,287	1,142,094	2,142,193
SR-60/Theodore Interchange	2,368,838	500,758	1,868,080
<u>Electric Utility</u>			
No commitments at June 30, 2015			

c. 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.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 12 **Self-Insurance (continued)**

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 \$1,423,000 and \$671,000 for the workers' compensation claims and general liability claims, respectively, for a total of \$2,094,000. Of these amounts, the current year's adjustment is a decrease of \$14,000.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (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
Amounts of accrued claims at June 30, 2013	\$563,000	\$ 1,545,000	\$ 2,108,000
Incurring 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.	321,000	387,000	708,000
Payments on claims attributable to events of both the current fiscal year and prior fiscal years.	<u>(213,000)</u>	<u>(509,000)</u>	<u>(722,000)</u>
Amount of accrued claims at June 30, 2014	<u>671,000</u>	<u>1,423,000</u>	<u>2,094,000</u>
Incurring 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.	<u>359,000</u>	<u>436,000</u>	<u>795,000</u>
Payments on claims attributable to events of both the current fiscal year and prior fiscal years.	<u>183,000</u>	<u>489,000</u>	<u>672,000</u>
Amount of accrued claims at June 30, 2015	<u>\$847,000</u>	<u>\$ 1,370,000</u>	<u>\$ 2,217,000</u>

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

On December 29, 2011, the California Supreme Court upheld Assembly Bill X1 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Moreno Valley that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

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

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

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

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.

The Bill directed the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

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

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

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

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

a. Cash and Investments

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

Cash and investments	\$ 3,259,693
Cash and investments with fiscal agent	<u>3</u>
	<u><u>\$ 3,259,696</u></u>

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

Long-Term Debt

A description of long-term debt outstanding of the Successor Agency as of June 30, 2015, follows:

	Balance July 1, 2014	Additions	Repayments	Balance June 30, 2015	Due Within One Year
Fiduciary Activities					
City loans- principal	\$13,652,248	\$ -	\$ (1,459,972)	\$12,192,276	\$ 595,140
City loans- interest	3,346,255	681,227	(651,414)	3,376,068	167,860
Notes payable, Price Company	658,633	52,691	(545,281)	166,043	166,043
2007 TABs, Series A	41,815,000	-	(230,000)	41,585,000	235,000
Totals	<u>\$59,472,136</u>	<u>\$ 733,918</u>	<u>\$ (2,886,667)</u>	<u>\$57,319,387</u>	<u>\$ 1,164,043</u>

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.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

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

In a letter dated May 26, 2012, the California Department of Finance approved this loan as an enforceable obligation. At June 30, 2015, the outstanding principal and accrued interest balances are \$12,192,276 and \$1,916,094, respectively.

The Successor Agency owed the City a total of \$652,248 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 16, 2014, the California Department of Finance recalculated the accumulated interest to the LAIF rate. At June 30, 2015, the outstanding principal and accrued interest balances were paid in full.

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 from property tax equal to 50% of site-generated sales tax. Any remainder payable after May 2015 will be forgiven. The amount outstanding as of June 30, 2015, was \$166,043.

2007 Tax Allocation Bonds Series A

The former Redevelopment Agency 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, California

**Notes to Financial Statements
Year Ended June 30, 2015 (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, 2015, are as follows:

Year Ending June 30,	2007 Tax Allocation Bonds Series A	
	Principal	Interest
2016	\$ 235,000	\$ 2,009,121
2017	245,000	2,000,109
2018	250,000	1,990,209
2019	260,000	1,980,009
2020-2024	3,510,000	9,641,116
2025-2029	9,185,000	8,101,816
2030-2034	12,085,000	5,547,125
2030-2049	15,815,000	2,054,375
Totals	<u>\$ 41,585,000</u>	<u>\$ 33,323,880</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 X1 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$74,908,880 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$6,189,541 and the debt service obligation on the bonds was \$2,247,259.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

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

a. 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.

b. Commitments and Contingencies

Litigation

At June 30, 2015, the Successor Agency was involved as a defendant in several lawsuits arising out of the ordinary conduct of its affairs. It is the opinion of management that settlements of these lawsuits, including losses for claims that are incurred but not reported, if any, will not have a material effect on the financial position of the Successor Agency.

Borrowings from the City of Moreno Valley

In accordance with AB X1 26 which dissolves redevelopment agencies, Section 34171(d)(2) states, in relation to borrowings between the City and the Agency, that "for purposes of this part, enforceable obligation does not include any agreements, contracts, or arrangements between the city, county, or city and county that created the redevelopment agency. However, written agreements entered into (A) at the time of issuance, but in no event later than December 31, 2010, of indebtedness obligations, and (B) solely for the purpose of securing or repaying those indebtedness obligations may be deemed enforceable obligations for the purposes of this part. Notwithstanding this paragraph, loan agreements entered into between the redevelopment agency and the city, county, or city and county that created it, within two years of the date of creation of the redevelopment agency, may be deemed to be enforceable obligations". As a result of the dissolution of the former redevelopment agency, loans between the City and former development 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.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 14 Restatement of Net Position

Implementation of GASB Statement No. 68

In the current year, the City adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27*. In accordance with GASB 68 and 71, unfunded net pension liability was recorded as a restatement of the City's beginning net position as follows:

	Governmental Activities	Enterprise Activities
Net Position - Beginning of year, as previously stated	\$ 1,041,697,324	\$ 13,733,416
Adjustment to give retroactive effect to GASB Statement No. 68 implementation	(56,250,568)	(1,410,273)
Net Position - Beginning of year, as restated	\$ 985,446,756	\$ 12,323,143

Note 15 Subsequent Events

The City has evaluated events subsequent to June 30, 2015 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 7, 2015, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no other subsequent events occurred that require recognition or additional disclosure in the financial statements.



City of Moreno Valley, California

**Schedule of Changes in the Net Pension Liability and Related Ratios
Last Ten Years***

	<u>2015</u>
Total Pension Liability	
Service cost	\$ 4,630,703
Interest on total pension liability	11,785,648
Differences between expected and actual experience	—
Changes in assumptions	—
Changes in benefits	—
Benefit payments, including refunds of employee contributions	<u>(5,670,706)</u>
Net change in total pension liability	10,745,645
Total pension liability - beginning of year	<u>157,661,972</u>
Total pension liability - end of year (a)	<u>\$ 168,407,617</u>
Plan Fiduciary Net Position	
Contributions - employer	\$ 4,620,745
Contributions - employee	1,934,518
Net investment income	16,911,034
Benefit payments	<u>(5,670,706)</u>
Net change in plan fiduciary net position	17,795,591
Plan fiduciary net position - beginning of year	<u>96,790,659</u>
Plan fiduciary net position - end of year (b)	<u>\$ 114,586,250</u>
Net pension liability - end of year (a)-(b)	<u>\$ 53,821,367</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>68.04%</u>
Covered - employee payroll	<u>\$ 23,278,052</u>
Net pension liability as percentage of covered-employee payroll	<u>231.21%</u>

Notes to Schedule:

Benefit changes - The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in assumption - There were no changes in assumptions as of the measurement date, June 30, 2014.

* Fiscal year 2015 was the first year of implementation, therefore only one year is shown.

City of Moreno Valley, California

**Schedule of Plan Contributions
Last Ten Years***

	2015
Actually determined contributions	\$ 4,616,283
Contributions in relation to the actuarially determined contributions	<u>(4,620,745)</u>
Contribution deficiency / (excess)	<u>\$ (4,462)</u>
Covered-employee payroll	<u>\$23,278,052</u>
Contributions as a percentage of covered-employee payroll	<u>19.85%</u>

Notes to Schedule:

Valuation date 6/30/2013

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2013-14 were from the June 30, 2011 public agency valuations.

Actuarial cost method	Entry Age Normal
Amortization method / Period	For details, see June 30, 2011 Funding Valuation Report.
Asset valuation method	Actuarial Value of Assets. For details, see June 30, 2011 Funding Valuation Report.
Inflation	2.75%
Salary increases	Varies by Entry Age and Service
Payroll growth	3.00%
Investment rate of return	7.50%, Net of Pension Plan Investment Expense and Administrative Expenses; including inflation.
Retirement age	The probabilities of Retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

* Fiscal year 2015 was the first year of implementation, therefore only one year is shown.

Supplemental
Schedules

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FISCAL YEAR
ENDED JUNE 30, 2015





NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS:

State Gas 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.

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 Grants Fund

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

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.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (CONTINUED):

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.

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 Grant Fund

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

Storm Water Maintenance Fund

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

ASES Program Grants Fund

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

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (CONTINUED):

CFD No. 2014-01

This fund is used to account for the maintenance and administration costs for business park.

CFD No. 4-M Fund

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

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.

Energy Efficiency Revolving Fund

This fund is used to account for cost-effective energy efficiency programs and projects with the use of utility rebates and incentives.

Grant Capital Projects

This fund is used to account for capital projects financed by grants.

CAPITAL PROJECTS FUNDS:

Facility Construction Fund

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

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.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

CAPITAL PROJECTS FUNDS (CONTINUED):

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.

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.

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.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

CAPITAL PROJECTS FUNDS (CONTINUED):

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.

TRIP Capital Projects Fund

This fund is used to account for the construction of capital improvements funded by the 2013 TRIP Certificates of Participation issued in August 2013.

DEBT SERVICE FUNDS:

Lease Revenue Bonds 2005 Debt Service Fund

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

2007 Towngate Improvement Refunding Debt Service Fund

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

2007 Towngate Refunding Debt Service Fund

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

2011 Private Placement Refunding 97 Lease Revenue Bonds

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 Private Placement Refunding 97 Various COPs

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

TRIP COP 13A Debt Service Fund

This fund is used to account for the accumulation of resources and for the payment of the 2013 TRIP Certificates of Participation issued in August 2013.

2013 Refunding 2005 Lease Revenue Bonds

This fund is used to account for the accumulation of resources and for the payment of the refinancing of the 2005 Lease Revenue Bonds.

2014 Refunding 2005 Lease Revenue Bonds

This fund is used to account for the accumulation of resources and for the payment of the refinancing of the 2005 Lease Revenue Bonds.

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.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

PERMANENT FUNDS (CONTINUED):

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.

Cultural Preservation Fund

This fund is used to account for funds held and managed for the purposes of securing a museum location or renovating a building for use as a museum. The interest earned will be used for the benefit of museum facility acquisition.



City of Moreno Valley, California

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015**

	<u>Special Revenue Funds</u>			
	<u>State Gasoline Tax</u>	<u>Article 3 Transportation</u>	<u>Measure A</u>	<u>Law Enforcement</u>
Assets				
Pooled cash and investments	\$ -	\$ -	\$ 6,830,059	\$ -
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Interest	-	-	-	-
Due from other governments	-	230,775	2,174,140	240,732
Advances to other funds	-	-	-	-
Prepays	2,500	-	-	-
Restricted assets:				
Cash with fiscal agents	-	-	-	-
Total Assets	<u>\$ 2,500</u>	<u>\$ 230,775</u>	<u>\$ 9,004,199</u>	<u>\$ 240,732</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities				
Accounts payable	\$ 78,151	\$ 12,500	\$ 616,464	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	119,239	218,275	-	240,732
Total Liabilities	<u>197,390</u>	<u>230,775</u>	<u>616,464</u>	<u>240,732</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable				
Notes and loans	-	-	-	-
Advances to other funds	-	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	8,387,735	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Endowment	-	-	-	-
Water quality	-	-	-	-
Unassigned	(194,890)	-	-	-
Total Fund Balances	<u>(194,890)</u>	<u>-</u>	<u>8,387,735</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,500</u>	<u>\$ 230,775</u>	<u>\$ 9,004,199</u>	<u>\$ 240,732</u>

City of Moreno Valley, California

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015**

<u>Special Revenue Funds</u>				
<u>Other Grants</u>	<u>Public Education Government Access</u>	<u>Air Quality Management</u>	<u>Community Development Block Grant</u>	
\$ 25,225	\$ 1,463,234	\$ 85,003	\$ -	Assets
-	148,351	-	-	Pooled cash and investments
-	-	-	-	Receivables:
-	-	-	-	Accounts
121,040	-	64,600	914,988	Notes and loans
-	-	-	-	Interest
-	-	-	-	Due from other governments
-	-	-	-	Advances to other funds
-	-	-	-	Prepays
-	-	-	-	Restricted assets:
-	-	-	-	Cash with fiscal agents
\$ 146,265	\$ 1,611,585	\$ 149,603	\$ 914,988	Total Assets
				Liabilities, Deferred Inflows of Resources, and Fund Balances:
\$ 66,543	\$ 458	\$ 1,990	\$ 178,215	Liabilities
-	-	-	-	Accounts payable
34,417	-	-	-	Accrued liabilities
-	-	-	-	Unearned revenues
-	-	-	-	Due to other governments
45,305	-	-	736,773	Due to other funds
146,265	458	1,990	914,988	Total Liabilities
				Deferred Inflows of Resources:
-	-	-	-	Unavailable revenues
-	-	-	-	Total Deferred Inflows of Resources
				Fund Balances:
-	-	-	-	Nonspendable
-	-	-	-	Notes and loans
-	-	-	-	Advances to other funds
-	-	-	-	Permanent fund principal
-	1,611,127	-	-	Restricted for:
-	-	-	-	Community development projects
-	-	147,613	-	Public safety
-	-	-	-	Public works
-	-	-	-	Capital projects
-	-	-	-	Debt service
-	-	-	-	Endowment
-	-	-	-	Water quality
-	-	-	-	Unassigned
-	1,611,127	147,613	-	Total Fund Balances
\$ 146,265	\$ 1,611,585	\$ 149,603	\$ 914,988	Total Liabilities, Deferred Inflows of Resources and Fund Balances

City of Moreno Valley, California

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015**

	<u>Special Revenue Funds</u>			
	<u>Special Districts Administration</u>	<u>Storm Water Management</u>	<u>HOME</u>	<u>Child Care Grant</u>
Assets				
Pooled cash and investments	\$ 590,821	\$ 533,641	\$ 601,598	\$ -
Receivables:				
Accounts	-	27,941	-	-
Notes and loans	-	-	5,598,667	-
Interest	-	-	470,807	-
Due from other governments	-	4,473	278,325	54,762
Advances to other funds	464,525	-	-	-
Prepays	-	-	-	-
Restricted assets:				
Cash with fiscal agents	-	-	-	-
Total Assets	<u>\$ 1,055,346</u>	<u>\$ 566,055</u>	<u>\$ 6,949,397</u>	<u>\$ 54,762</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities				
Accounts payable	\$ 5,005	\$ 27,147	\$ 264,771	\$ 21,649
Accrued liabilities	-	-	-	28,128
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	4,985
Total Liabilities	<u>5,005</u>	<u>27,147</u>	<u>264,771</u>	<u>54,762</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	470,807	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>470,807</u>	<u>-</u>
Fund Balances:				
Nonspendable				
Notes and loans	-	-	5,598,667	-
Advances to other funds	464,525	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	615,152	-
Public works	585,816	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Endowment	-	-	-	-
Water quality	-	538,908	-	-
Unassigned				
Total Fund Balances	<u>1,050,341</u>	<u>538,908</u>	<u>6,213,819</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,055,346</u>	<u>\$ 566,055</u>	<u>\$ 6,949,397</u>	<u>\$ 54,762</u>

City of Moreno Valley, California

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015**

Special Revenue Funds				
Used Oil Recycling	Storm Water Maintenance	ASES Program Grants	CFD No. 2014-01	
\$ 54,845	\$ -	\$ -	\$ 38,192	Assets
-	435,895	-	-	Pooled cash and investments
-	-	-	-	Receivables:
-	-	-	-	Accounts
-	-	-	-	Notes and loans
-	-	507,990	-	Interest
-	-	-	-	Due from other governments
-	-	-	-	Advances to other funds
-	-	-	-	Prepays
-	-	-	-	Restricted assets:
-	-	-	-	Cash with fiscal agents
\$ 54,845	\$ 435,895	\$ 507,990	\$ 38,192	Total Assets
				Liabilities, Deferred Inflows of Resources, and Fund Balances:
\$ 3,320	\$ 3,137	\$ 5,066	\$ -	Liabilities
-	-	-	-	Accounts payable
51,525	-	-	-	Accrued liabilities
-	-	-	-	Unearned revenues
-	-	-	-	Due to other governments
-	397,354	487,294	-	Due to other funds
54,845	400,491	492,360	-	Total Liabilities
				Deferred Inflows of Resources:
-	-	-	-	Unavailable revenues
-	-	-	-	Total Deferred Inflows of Resources
				Fund Balances:
				Nonspendable
-	-	-	-	Notes and loans
-	-	-	-	Advances to other funds
-	-	-	-	Permanent fund principal
				Restricted for:
-	-	15,630	-	Community development projects
-	-	-	-	Public safety
-	35,404	-	38,192	Public works
-	-	-	-	Capital projects
-	-	-	-	Debt service
-	-	-	-	Endowment
-	-	-	-	Water quality
-	-	-	-	Unassigned
-	35,404	15,630	38,192	Total Fund Balances
\$ 54,845	\$ 435,895	\$ 507,990	\$ 38,192	Total Liabilities, Deferred Inflows of Resources and Fund Balances

City of Moreno Valley, California

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015**

	<u>Special Revenue Funds</u>			
	<u>CFD No. 4-M</u>	<u>Civil Penalties</u>	<u>Emergency Services Agency Fines</u>	<u>Energy Efficiency Revolving</u>
Assets				
Pooled cash and investments	\$ 82,028	\$ 197,183	\$ 323,084	\$ 101,963
Receivables:				
Accounts	-	-	63,075	-
Notes and loans	-	-	-	-
Interest	-	-	-	-
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	-
Prepays	-	-	-	-
Restricted assets:				
Cash with fiscal agents	-	-	-	-
Total Assets	<u>\$ 82,028</u>	<u>\$ 197,183</u>	<u>\$ 386,159</u>	<u>\$ 101,963</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities				
Accounts payable	\$ 7,963	\$ -	\$ 678	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	<u>7,963</u>	<u>-</u>	<u>678</u>	<u>-</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable				
Notes and loans	-	-	-	-
Advances to other funds	-	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	197,183	-	-
Public safety	-	-	385,481	-
Public works	74,065	-	-	101,963
Capital projects	-	-	-	-
Debt service	-	-	-	-
Endowment	-	-	-	-
Water quality	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>74,065</u>	<u>197,183</u>	<u>385,481</u>	<u>101,963</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 82,028</u>	<u>\$ 197,183</u>	<u>\$ 386,159</u>	<u>\$ 101,963</u>

City of Moreno Valley, California

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015**

<u>Special Revenue Funds</u>		<u>Capital Projects Funds</u>			
<u>Grants Capital Projects</u>	<u>Facility Construction</u>	<u>Public Works Capital Projects</u>	<u>Traffic Signal Mitigation</u>		
\$ 749,497	\$ 7,571,926	\$ 1,070,150	\$ 141,191		Assets
-	-	-	-		Pooled cash and investments
-	-	-	-		Receivables:
-	-	-	-		Accounts
781,534	-	26,060	-		Notes and loans
-	-	-	-		Interest
-	-	-	-		Due from other governments
-	-	-	-		Advances to other funds
-	-	-	-		Prepays
-	-	-	-		Restricted assets:
-	-	-	-		Cash with fiscal agents
\$ 1,531,031	\$ 7,571,926	\$ 1,096,210	\$ 141,191		Total Assets
					Liabilities, Deferred Inflows of Resources, and Fund Balances:
\$ 468,888	\$ 80,405	\$ 96,250	\$ -		Liabilities
-	-	-	-		Accounts payable
-	-	-	-		Accrued liabilities
-	-	-	-		Unearned revenues
-	-	-	-		Due to other governments
-	-	-	-		Due to other funds
468,888	80,405	96,250	-		Total Liabilities
					Deferred Inflows of Resources:
-	-	-	-		Unavailable revenues
-	-	-	-		Total Deferred Inflows of Resources
					Fund Balances:
					Nonspendable
-	-	-	-		Notes and loans
-	-	-	-		Advances to other funds
-	-	-	-		Permanent fund principal
					Restricted for:
-	-	-	-		Community development projects
-	-	-	-		Public safety
-	-	-	-		Public works
1,062,143	7,491,521	999,960	141,191		Capital projects
-	-	-	-		Debt service
-	-	-	-		Endowment
-	-	-	-		Water quality
-	-	-	-		Unassigned
1,062,143	7,491,521	999,960	141,191		Total Fund Balances
\$ 1,531,031	\$ 7,571,926	\$ 1,096,210	\$ 141,191		Total Liabilities, Deferred Inflows of Resources and Fund Balances

City of Moreno Valley, California

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

	Capital Projects Funds			
	Fire Services Capital Projects	Towngate Capital / Administration	Warner Ranch Capital / Development	Parks and Community Services Capital Projects
Assets				
Pooled cash and investments	\$ 140,867	\$ -	\$ 13,673	\$ 4,275,894
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Interest	-	-	-	-
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	-
Prepays	-	-	-	-
Restricted assets:				
Cash with fiscal agents	-	-	-	-
Total Assets	\$ 140,867	\$ -	\$ 13,673	\$ 4,275,894
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities				
Accounts payable	\$ 156,241	\$ -	\$ -	\$ 78,604
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	156,241	-	-	78,604
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable				
Notes and loans	-	-	-	-
Advances to other funds	-	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Capital projects	-	-	13,673	4,197,290
Debt service	-	-	-	-
Endowment	-	-	-	-
Water quality	-	-	-	-
Unassigned	(15,374)	-	-	-
Total Fund Balances	(15,374)	-	13,673	4,197,290
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 140,867	\$ -	\$ 13,673	\$ 4,275,894

City of Moreno Valley, California

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015**

<u>Capital Projects Funds</u>			
<u>TUMF Capital Projects</u>	<u>DIF Capital Projects</u>	<u>Lease Revenue Bonds 2005 Capital Projects</u>	
\$ -	\$ 1,520,872	\$ -	Assets
16,128	-	-	Pooled cash and investments
-	-	-	Receivables:
			Accounts
			Notes and loans
			Interest
3,207,625	17,304	-	Due from other governments
-	-	-	Advances to other funds
-	-	-	Prepays
-	-	-	Restricted assets:
-	-	-	Cash with fiscal agents
<u>\$ 3,223,753</u>	<u>\$ 1,538,176</u>	<u>\$ -</u>	Total Assets
			Liabilities, Deferred Inflows of Resources, and Fund Balances:
			Liabilities
\$ 690,068	\$ 46,968	\$ -	Accounts payable
-	-	-	Accrued liabilities
-	-	-	Unearned revenues
-	-	-	Due to other governments
2,771,049	-	-	Due to other funds
<u>3,461,117</u>	<u>46,968</u>	<u>-</u>	Total Liabilities
			Deferred Inflows of Resources:
-	-	-	Unavailable revenues
<u>-</u>	<u>-</u>	<u>-</u>	Total Deferred Inflows of Resources
			Fund Balances:
			Nonspendable
-	-	-	Notes and loans
-	-	-	Advances to other funds
-	-	-	Permanent fund principal
			Restricted for:
-	-	-	Community development projects
-	-	-	Public safety
-	-	-	Public works
-	1,491,208	-	Capital projects
-	-	-	Debt service
-	-	-	Endowment
-	-	-	Water quality
(237,364)	-	-	Unassigned
<u>(237,364)</u>	<u>1,491,208</u>	<u>-</u>	Total Fund Balances
<u>\$ 3,223,753</u>	<u>\$ 1,538,176</u>	<u>\$ -</u>	Total Liabilities, Deferred Inflows of Resources and Fund Balances

City of Moreno Valley, California

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

	Capital Projects	Debt Service Funds		
	Funds			
	TRIP Capital	Lease	2007	2007
	Projects	Revenue	Towngate	Towngate
		Bonds 2005	Improvement	Refunding
		Debt Service	Refunding	Refunding
Assets				
Pooled cash and investments	\$ 29,119	\$ -	\$ 86,162	\$ 178,625
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Interest	-	-	-	-
Due from other governments	-	-	420	-
Advances to other funds	-	-	-	-
Prepays	-	-	-	-
Restricted assets:				
Cash with fiscal agents	8,260,908	-	766,576	2,642,258
Total Assets	\$ 8,290,027	\$ -	\$ 853,158	\$ 2,820,883
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities				
Accounts payable	\$ 1,105,535	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	1,105,535	-	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable				
Notes and loans	-	-	-	-
Advances to other funds	-	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Capital projects	7,184,492	-	-	-
Debt service	-	-	853,158	2,820,883
Endowment	-	-	-	-
Water quality	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	7,184,492	-	853,158	2,820,883
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 8,290,027	\$ -	\$ 853,158	\$ 2,820,883

City of Moreno Valley, California

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

Debt Service Funds				
2011 Priv Placement Ref 97 Lease Rev Bonds	2011 Priv Placement Ref 97 COPs	TRIP COP 13A Debt Service	2013 Refunding 2005 Lease Revenue Bonds	
\$ -	\$ -	\$ -	\$ 31	Assets
-	-	-	-	Pooled cash and investments
-	-	-	-	Receivables:
-	-	-	-	Accounts
-	-	-	-	Notes and loans
-	-	-	-	Interest
-	-	-	-	Due from other governments
-	-	-	-	Advances to other funds
-	-	-	-	Prepays
-	-	7,239	-	Restricted assets:
-	-	-	-	Cash with fiscal agents
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,239</u>	<u>\$ 31</u>	Total Assets
				Liabilities, Deferred Inflows of Resources, and Fund Balances:
\$ -	\$ -	\$ -	\$ -	Liabilities
-	-	-	-	Accounts payable
-	-	-	-	Accrued liabilities
-	-	-	-	Unearned revenues
-	-	-	-	Due to other governments
-	-	7,239	-	Due to other funds
<u>-</u>	<u>-</u>	<u>7,239</u>	<u>-</u>	Total Liabilities
				Deferred Inflows of Resources:
-	-	-	-	Unavailable revenues
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	Total Deferred Inflows of Resources
				Fund Balances:
-	-	-	-	Nonspendable
-	-	-	-	Notes and loans
-	-	-	-	Advances to other funds
-	-	-	-	Permanent fund principal
-	-	-	-	Restricted for:
-	-	-	-	Community development projects
-	-	-	-	Public safety
-	-	-	-	Public works
-	-	-	-	Capital projects
-	-	-	31	Debt service
-	-	-	-	Endowment
-	-	-	-	Water quality
<u>-</u>	<u>-</u>	<u>-</u>	<u>31</u>	Unassigned
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,239</u>	<u>\$ 31</u>	Total Fund Balances
				Total Liabilities, Deferred Inflows of Resources and Fund Balances

City of Moreno Valley, California

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015**

	Debt Service Funds	Permanent Funds		
	2014 Refunding 2005 Lease Revenue Bonds	Celebration Park Endowment	Equestrian Trail Endowment	Rockridge Park Endowment
Assets				
Pooled cash and investments	\$ 6,018,614	\$ 62,214	\$ 11,368	\$ 107,851
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Interest	-	-	-	-
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	-
Prepays	-	-	-	-
Restricted assets:				
Cash with fiscal agents	3,223	-	-	-
Total Assets	\$ 6,021,837	\$ 62,214	\$ 11,368	\$ 107,851
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable				
Notes and loans	-	-	-	-
Advances to other funds	-	-	-	-
Permanent fund principal	-	49,050	10,000	100,000
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Capital projects	-	-	-	-
Debt service	6,021,837	-	-	-
Endowment	-	13,164	1,368	7,851
Water quality	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	6,021,837	62,214	11,368	107,851
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 6,021,837	\$ 62,214	\$ 11,368	\$ 107,851

City of Moreno Valley, California

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015**

<u>Permanent Funds</u>			
<u>NPDES Endowment</u>	<u>Cultural Preservation</u>	<u>Total Nonmajor Governmental Funds</u>	
\$ 32,457	\$ 118,707	\$ 33,056,094	Assets
-	-	691,390	Pooled cash and investments
-	-	5,598,667	Receivables:
-	-	470,807	Accounts
-	-	8,624,768	Notes and loans
-	-	464,525	Interest
-	-	2,500	Due from other governments
-	-		Advances to other funds
-	-		Prepays
-	-	11,680,204	Restricted assets:
-	-		Cash with fiscal agents
<u>\$ 32,457</u>	<u>\$ 118,707</u>	<u>\$ 60,588,955</u>	Total Assets
			Liabilities, Deferred Inflows of Resources, and Fund Balances:
\$ -	\$ -	\$ 4,016,016	Liabilities
-	-	28,128	Accounts payable
-	-	85,942	Accrued liabilities
-	-	-	Unearned revenues
-	-	-	Due to other governments
-	-	5,028,245	Due to other funds
<u>-</u>	<u>-</u>	<u>9,158,331</u>	Total Liabilities
			Deferred Inflows of Resources:
-	-	470,807	Unavailable revenues
<u>-</u>	<u>-</u>	<u>470,807</u>	Total Deferred Inflows of Resources
			Fund Balances:
-	-	5,598,667	Nonspendable
-	-	464,525	Notes and loans
14,506	114,542	288,098	Advances to other funds
			Permanent fund principal
-	-	1,823,940	Restricted for:
-	-	1,000,633	Community development projects
-	-	9,370,788	Public safety
-	-	22,581,478	Public works
-	-	9,695,909	Capital projects
-	-	44,499	Debt service
17,951	4,165	538,908	Endowment
-	-	(447,628)	Water quality
-	-		Unassigned
<u>32,457</u>	<u>118,707</u>	<u>50,959,817</u>	Total Fund Balances
<u>\$ 32,457</u>	<u>\$ 118,707</u>	<u>\$ 60,588,955</u>	Total Liabilities, Deferred Inflows of Resources and Fund Balances

City of Moreno Valley, California
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2015

Special Revenue Funds				
	State Gasoline Tax	Article 3 Transportation	Measure A	Law Enforcement
Revenues				
Taxes:				
Other taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	5,026,633	230,775	6,147,866	377,518
Charges for services	-	-	-	-
Use of money and property	5,357	-	66,080	-
Contributions from Successor Agency	-	-	-	-
Miscellaneous	34,252	-	419	-
Total Revenues	5,066,242	230,775	6,214,365	377,518
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	377,518
Community development	-	-	-	-
Community and cultural	-	-	-	-
Public works	6,089,690	-	547,808	-
Capital outlay	103,846	230,775	4,479,561	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	6,193,536	230,775	5,027,369	377,518
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,127,294)	-	1,186,996	-
Other Financing Sources (Uses)				
Transfers in	160,000	-	409,664	-
Transfers out	(198,150)	-	(2,493,566)	-
Payment to refunded bond escrow agent	-	-	-	-
Refunding bonds issued	-	-	-	-
Total other financing sources (uses)	(38,150)	-	(2,083,902)	-
Net Change in Fund Balances	(1,165,444)	-	(896,906)	-
Fund Balances				
Beginning of year	970,554	-	9,284,641	-
End of year	\$ (194,890)	\$ -	\$ 8,387,735	\$ -

City of Moreno Valley, California

**Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2015**

Special Revenue Funds			
	Public Education Government Access	Air Quality Management	Community Development Block Grant
Other Grants			
\$ -	\$ -	\$ -	\$ -
277,779	-	246,801	2,678,303
-	-	-	-
-	-	99	-
-	-	-	-
-	591,888	-	-
277,779	591,888	246,900	2,678,303
24,691	802,994	-	-
220,022	-	-	-
12,625	-	-	1,409,229
-	-	-	-
-	-	204,465	-
59,781	-	10,774	1,359,059
-	-	-	-
-	-	-	-
-	-	-	-
317,119	802,994	215,239	2,768,288
(39,340)	(211,106)	31,661	(89,985)
39,340	-	-	-
-	-	-	(45,851)
-	-	-	-
-	-	-	-
39,340	-	-	(45,851)
-	(211,106)	31,661	(135,836)
-	1,822,233	115,952	135,836
\$ -	\$ 1,611,127	\$ 147,613	\$ -

Revenues

Taxes:
 Other taxes
 Intergovernmental
 Charges for services
 Use of money and property
 Contributions from Successor Agency
 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
 Bond issuance costs

Total Expenditures

**Excess (Deficiency) of Revenues
Over (Under) Expenditures**

Other Financing Sources (Uses)

Transfers in
 Transfers out
 Payment to refunded bond escrow agent
 Refunding bonds issued

Total other financing sources (uses)

Net Change in Fund Balances

Fund Balances

Beginning of year
 End of year

City of Moreno Valley, California

**Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2015**

	Special Revenue Funds			
	Special Districts Administration	Storm Water Management	HOME	Child Care Grant
Revenues				
Taxes:				
Other taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	278,325	590,157
Charges for services	680,608	512,503	-	13,837
Use of money and property	8,543	-	1,011	-
Contributions from Successor Agency	-	-	-	-
Miscellaneous	-	-	46	632
Total Revenues	689,151	512,503	279,382	604,626
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	513,164	-
Community and cultural	-	-	-	604,626
Public works	610,586	511,919	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	610,586	511,919	513,164	604,626
Excess (Deficiency) of Revenues Over (Under) Expenditures	78,565	584	(233,782)	-
Other Financing Sources (Uses)				
Transfers in	-	223	45,851	-
Transfers out	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Refunding bonds issued	-	-	-	-
Total other financing sources (uses)	-	223	45,851	-
Net Change in Fund Balances	78,565	807	(187,931)	-
Fund Balances				
Beginning of year	971,776	538,101	6,401,750	-
End of year	\$ 1,050,341	\$ 538,908	\$ 6,213,819	\$ -

City of Moreno Valley, California

**Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2015**

Special Revenue Funds			
Used Oil Recycling	Storm Water Maintenance	ASES Program Grants	CFD No. 2014-01
\$ -	\$ -	\$ -	\$ 36,616
51,695	-	6,773,200	-
-	435,895	-	4,583
-	-	10,399	54
-	-	-	-
-	-	5,950	-
51,695	435,895	6,789,549	41,253
-	-	-	-
-	-	-	-
-	-	-	-
-	-	6,776,548	-
51,695	450,490	-	3,061
-	-	-	-
-	-	-	-
-	-	-	-
51,695	450,490	6,776,548	3,061
-	(14,595)	13,001	38,192
-	198,150	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	198,150	-	-
-	183,555	13,001	38,192
-	(148,151)	2,629	-
\$ -	\$ 35,404	\$ 15,630	\$ 38,192

Revenues

Taxes:
 Other taxes
 Intergovernmental
 Charges for services
 Use of money and property
 Contributions from Successor Agency
 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
 Bond issuance costs

Total Expenditures

**Excess (Deficiency) of Revenues
Over (Under) Expenditures**

Other Financing Sources (Uses)

Transfers in
 Transfers out
 Payment to refunded bond escrow agent
 Refunding bonds issued

Total other financing sources (uses)

Net Change in Fund Balances

Fund Balances

Beginning of year
 End of year

City of Moreno Valley, California

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2015

	Special Revenue Funds			
	CFD #4M	Civil Penalties	Emergency Services Agency Fines	Energy Efficiency Revolving
Revenues				
Taxes:				
Other taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	63,075	-
Charges for services	33,300	-	-	-
Use of money and property	1,172	(1,305)	4,642	-
Contributions from Successor Agency	-	-	-	-
Miscellaneous	-	7,007	-	41,875
Total Revenues	34,472	5,702	67,717	41,875
Expenditures				
Current:				
General government	-	53,787	-	-
Public safety	-	-	10,472	-
Community development	-	-	-	-
Community and cultural	-	-	-	-
Public works	31,502	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	31,502	53,787	10,472	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,970	(48,085)	57,245	41,875
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	(45,856)
Payment to refunded bond escrow agent	-	-	-	-
Refunding bonds issued	-	-	-	-
Total other financing sources (uses)	-	-	-	(45,856)
Net Change in Fund Balances	2,970	(48,085)	57,245	(3,981)
Fund Balances				
Beginning of year	71,095	245,268	328,236	105,944
End of year	\$ 74,065	\$ 197,183	\$ 385,481	\$ 101,963

City of Moreno Valley, California

**Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2015**

<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>			
<u>Grants Capital Projects</u>	<u>Facility Construction</u>	<u>Public Works Capital Projects</u>	<u>Traffic Signal Mitigation</u>	
\$ -	\$ -	\$ -	\$ -	Revenues
909,371	-	1,292,959	-	Taxes:
-	-	-	-	Other taxes
-	-	-	-	Intergovernmental
-	-	-	-	Charges for services
167	225	209,836	3,613	Use of money and property
909,538	225	1,502,795	3,613	Contributions from Successor Agency
				Miscellaneous
				Total Revenues
				Expenditures
				Current:
-	-	-	-	General government
-	-	-	-	Public safety
-	-	-	-	Community development
-	-	-	-	Community and cultural
-	-	-	-	Public works
1,343,155	1,452,605	2,641,613	-	Capital outlay
-	-	-	-	Debt service:
-	-	-	-	Principal retirement
-	-	-	-	Interest and fiscal charges
-	-	-	-	Bond issuance costs
1,343,155	1,452,605	2,641,613	-	Total Expenditures
(433,617)	(1,452,380)	(1,138,818)	3,613	Excess (Deficiency) of Revenues Over (Under) Expenditures
				Other Financing Sources (Uses)
1,495,760	3,658,804	-	-	Transfers in
-	(176,852)	(189,835)	-	Transfers out
-	-	-	-	Payment to refunded bond escrow agent
-	-	-	-	Refunding bonds issued
1,495,760	3,481,952	(189,835)	-	Total other financing sources (uses)
1,062,143	2,029,572	(1,328,653)	3,613	Net Change in Fund Balances
				Fund Balances
-	5,461,949	2,328,613	137,578	Beginning of year
\$ 1,062,143	\$ 7,491,521	\$ 999,960	\$ 141,191	End of year

City of Moreno Valley, California

**Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2015**

	Capital Projects Funds			
	Fire Services Capital Projects	Towngate Capital / Administration	Warner Ranch Capital / Development	Parks and Community Services Capital Projects
Revenues				
Taxes:				
Other taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	-	-	-	-
Contributions from Successor Agency	-	-	-	-
Miscellaneous	667	-	-	-
Total Revenues	667	-	-	-
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Community and cultural	-	-	-	-
Public works	-	177,787	-	-
Capital outlay	741,282	-	-	487,824
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	741,282	177,787	-	487,824
Excess (Deficiency) of Revenues Over (Under) Expenditures	(740,615)	(177,787)	-	(487,824)
Other Financing Sources (Uses)				
Transfers in	118,200	177,787	-	325,000
Transfers out	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Refunding bonds issued	-	-	-	-
Total other financing sources (uses)	118,200	177,787	-	325,000
Net Change in Fund Balances	(622,415)	-	-	(162,824)
Fund Balances				
Beginning of year	607,041	-	13,673	4,360,114
End of year	\$ (15,374)	\$ -	\$ 13,673	\$ 4,197,290

City of Moreno Valley, California

**Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2015**

<u>Capital Projects Funds</u>			
<u>TUMF Capital Projects</u>	<u>DIF Capital Projects</u>	<u>Lease Revenue Bonds 2005 Capital Projects</u>	
\$ -	\$ -	\$ -	Revenues
4,686,466	154,780	-	Taxes:
-	-	-	Other taxes
-	-	-	Intergovernmental
-	-	-	Charges for services
-	-	-	Use of money and property
-	416	-	Contributions from Successor Agency
<u>4,686,466</u>	<u>155,196</u>	<u>-</u>	Miscellaneous
			Total Revenues
			Expenditures
			Current:
-	-	-	General government
-	-	-	Public safety
-	-	-	Community development
-	-	-	Community and cultural
-	-	-	Public works
4,710,480	1,412,094	13,257	Capital outlay
-	-	-	Debt service:
-	-	-	Principal retirement
-	-	-	Interest and fiscal charges
-	-	-	Bond issuance costs
<u>4,710,480</u>	<u>1,412,094</u>	<u>13,257</u>	Total Expenditures
			Excess (Deficiency) of Revenues
<u>(24,014)</u>	<u>(1,256,898)</u>	<u>(13,257)</u>	Over (Under) Expenditures
			Other Financing Sources (Uses)
-	472,996	-	Transfers in
-	(720,711)	(180,829)	Transfers out
-	-	-	Payment to refunded bond escrow agent
-	-	-	Refunding bonds issued
<u>-</u>	<u>(247,715)</u>	<u>(180,829)</u>	Total other financing sources (uses)
<u>(24,014)</u>	<u>(1,504,613)</u>	<u>(194,086)</u>	Net Change in Fund Balances
			Fund Balances
(213,350)	2,995,821	194,086	Beginning of year
<u>\$ (237,364)</u>	<u>\$ 1,491,208</u>	<u>\$ -</u>	End of year

City of Moreno Valley, California

**Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2015**

	<u>Capital Projects Funds</u>	<u>Debt Service Funds</u>		
	<u>TRIP Capital Projects</u>	<u>Lease Revenue Bonds 2005 Debt Service</u>	<u>2007 Towngate Improvement Refunding</u>	<u>2007 Towngate Refunding</u>
Revenues				
Taxes:				
Other taxes	\$ -	\$ -	\$ 114,616	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	2,915	141	61	234
Contributions from Successor Agency	-	-	277,896	1,186,238
Miscellaneous	11	-	-	-
Total Revenues	2,926	141	392,573	1,186,472
Expenditures				
Current:				
General government	-	4,613	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Community and cultural	-	-	-	-
Public works	-	-	-	-
Capital outlay	9,459,458	-	-	-
Debt service:				
Principal retirement	-	-	230,000	730,000
Interest and fiscal charges	-	895,698	125,669	283,181
Bond issuance costs	-	-	-	-
Total Expenditures	9,459,458	900,311	355,669	1,013,181
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,456,532)	(900,170)	36,904	173,291
Other Financing Sources (Uses)				
Transfers in	-	24,500,751	-	-
Transfers out	-	(6,015,588)	(31,223)	(146,564)
Payment to refunded bond escrow agent	-	(25,940,000)	-	-
Refunding bonds issued	-	-	-	-
Total other financing sources (uses)	-	(7,454,837)	(31,223)	(146,564)
Net Change in Fund Balances	(9,456,532)	(8,355,007)	5,681	26,727
Fund Balances				
Beginning of year	16,641,024	8,355,007	847,477	2,794,156
End of year	\$ 7,184,492	\$ -	\$ 853,158	\$ 2,820,883

City of Moreno Valley, California

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2015

Debt Service Funds			
2011 Priv Placement Ref 97 Lease Rev Bonds	2011 Priv Placement Ref 97 COPs	TRIP COP 13A Debt Service	2013 Refunding 2005 Lease Revenue Bonds
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	5	-
-	-	-	-
-	-	5	-
-	-	-	-
-	-	-	-
241,000	732,000	-	623,230
96,893	55,349	991,313	489,542
-	-	-	-
337,893	787,349	997,813	1,115,538
(337,893)	(787,349)	(997,808)	(1,115,538)
337,893	787,349	997,808	1,115,569
-	-	-	-
-	-	-	-
-	-	-	-
337,893	787,349	997,808	1,115,569
-	-	-	31
-	-	-	-
\$ -	\$ -	\$ -	\$ 31

Revenues
Taxes:
Other taxes
Intergovernmental
Charges for services
Use of money and property
Contributions from Successor Agency
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
Bond issuance costs
Total Expenditures
Excess (Deficiency) of Revenues
Over (Under) Expenditures

Other Financing Sources (Uses)
Transfers in
Transfers out
Payment to refunded bond escrow agent
Refunding bonds issued
Total other financing sources (uses)
Net Change in Fund Balances

Fund Balances
Beginning of year
End of year

City of Moreno Valley, California

**Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2015**

	Debt Service Funds	Permanent Funds		
	2014 Refunding 2005 Lease Revenue Bonds	Celebration Park Endowment	Equestrian Trail Endowment	Rockridge Park Endowment
Revenues				
Taxes:				
Other taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	-	870	162	1,509
Contributions from Successor Agency	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	-	870	162	1,509
Expenditures				
Current:				
General government	445	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Community and cultural	-	-	773	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	450,513	-	-	-
Bond issuance costs	360,956	-	-	-
Total Expenditures	811,914	-	773	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(811,914)	870	(611)	1,509
Other Financing Sources (Uses)				
Transfers in	6,469,588	-	-	-
Transfers out	(23,743,922)	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Refunding bonds issued	24,108,085	-	-	-
Total other financing sources (uses)	6,833,751	-	-	-
Net Change in Fund Balances	6,021,837	870	(611)	1,509
Fund Balances				
Beginning of year	-	61,344	11,979	106,342
End of year	\$ 6,021,837	\$ 62,214	\$ 11,368	\$ 107,851

City of Moreno Valley, California

**Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2015**

<u>Permanent Funds</u>			
<u>NPDES Endowment</u>	<u>Cultural Preservation</u>	<u>Total Nonmajor Governmental Funds</u>	
\$ -	\$ -	\$ 151,232	Revenues
-	-	29,785,703	Taxes:
-	-	1,680,726	Other taxes
519	1,710	104,178	Intergovernmental
-	-	1,464,134	Charges for services
-	-	897,004	Use of money and property
<u>519</u>	<u>1,710</u>	<u>34,082,977</u>	Contributions from Successor Agency
			Miscellaneous
			Total Revenues
			Expenditures
			Current:
-	-	886,530	General government
-	-	608,012	Public safety
-	-	1,935,018	Community development
-	-	7,381,947	Community and cultural
-	-	8,688,269	Public works
-	-	28,505,564	Capital outlay
-	-	2,556,230	Debt service:
-	-	3,388,158	Principal retirement
-	-	360,956	Interest and fiscal charges
-	-	<u>54,310,684</u>	Bond issuance costs
<u>519</u>	<u>1,710</u>	<u>(20,227,707)</u>	Total Expenditures
			Excess (Deficiency) of Revenues Over (Under) Expenditures
			Other Financing Sources (Uses)
-	-	41,310,733	Transfers in
(223)	-	(33,989,170)	Transfers out
-	-	(25,940,000)	Payment to refunded bond escrow agent
-	-	24,108,085	Refunding bonds issued
<u>(223)</u>	<u>-</u>	<u>5,489,648</u>	Total other financing sources (uses)
296	1,710	(14,738,059)	Net Change in Fund Balances
			Fund Balances
32,161	116,997	65,697,876	Beginning of year
<u>\$ 32,457</u>	<u>\$ 118,707</u>	<u>\$ 50,959,817</u>	End of year

City of Moreno Valley, California

Budgetary Comparison Schedule
State Gasoline Tax
Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 5,168,574	\$ 5,418,922	\$ 5,026,633	\$ (392,289)
Use of money and property	1,000	1,000	5,357	4,357
Miscellaneous	21,500	21,500	34,252	12,752
Total Revenues	5,191,074	5,441,422	5,066,242	(375,180)
Expenditures:				
Current:				
Public works	5,412,949	6,510,922	6,089,690	421,232
Capital outlay	-	24,032	103,846	(79,814)
Total Expenditures	5,412,949	6,534,954	6,193,536	341,418
Excess (Deficiency) of Revenues Over (Under) Expenditures	(221,875)	(1,093,532)	(1,127,294)	(33,762)
Other Financing Sources (Uses):				
Transfers in	160,000	160,000	160,000	-
Transfers out	-	(198,150)	(198,150)	-
Total Other Financing Sources (Uses)	160,000	(38,150)	(38,150)	-
Net Change in Fund Balances	(61,875)	(1,131,682)	(1,165,444)	(33,762)
Fund Balance, Beginning of year	970,554	970,554	970,554	-
Fund Balance, End of year	\$ 908,679	\$ (161,128)	\$ (194,890)	\$ (33,762)

City of Moreno Valley, California

Budgetary Comparison Schedule
 Article 3 Transportation
 Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ 250,000	\$ 230,775	\$ (19,225)
Total Revenues	-	250,000	230,775	(19,225)
Expenditures:				
Capital outlay	-	250,000	230,775	19,225
Total Expenditures	-	250,000	230,775	19,225
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ -	\$ -	\$ -	\$ -

City of Moreno Valley, California

Budgetary Comparison Schedule
Measure A
Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 4,811,100	\$10,673,782	\$ 6,147,866	\$ (4,525,916)
Use of money and property	105,000	105,000	66,080	(38,920)
Miscellaneous	1,000	1,000	419	(581)
Total Revenues	4,917,100	10,779,782	6,214,365	(4,565,417)
Expenditures:				
Current:				
Public works	653,510	667,469	547,808	119,661
Capital outlay	200,000	12,713,771	4,479,561	8,234,210
Debt Service:				
Interest and fiscal charges	-	10,600	-	10,600
Total Expenditures	853,510	13,391,840	5,027,369	8,364,471
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,063,590	(2,612,058)	1,186,996	3,799,054
Other Financing Sources (Uses):				
Transfers in	125,904	535,569	409,664	(125,905)
Transfers out	-	(2,698,256)	(2,493,566)	204,690
Total Other Financing Sources (Uses)	125,904	(2,162,687)	(2,083,902)	78,785
Net Change in Fund Balances	4,189,494	(4,774,745)	(896,906)	3,877,839
Fund Balance, Beginning of year	9,284,641	9,284,641	9,284,641	-
Fund Balance, End of year	\$13,474,135	\$ 4,509,896	\$ 8,387,735	\$ 3,877,839

City of Moreno Valley, California

Budgetary Comparison Schedule
Law Enforcement
Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 81,200	\$ 436,120	\$ 377,518	\$ (58,602)
Total Revenues	81,200	436,120	377,518	(58,602)
Expenditures:				
Current:				
Public safety	81,200	436,120	377,518	58,602
Total Expenditures	81,200	436,120	377,518	58,602
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ -	\$ -	\$ -	\$ -

City of Moreno Valley, California
Budgetary Comparison Schedule
Other Grants
Year Ended June 30, 2015

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 129,000	\$ 1,408,484	\$ 277,779	\$ (1,130,705)
Total Revenues	129,000	1,408,484	277,779	(1,130,705)
Expenditures:				
Current:				
General government	-	29,632	24,691	4,941
Public safety	74,932	309,655	220,022	89,633
Community development	-	325,669	12,625	313,044
Community and cultural	-	643,775	-	643,775
Public works	55,300	55,300	-	55,300
Capital outlay	-	-	59,781	(59,781)
Total Expenditures	130,232	1,364,031	317,119	1,046,912
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,232)	44,453	(39,340)	(83,793)
Other Financing Sources (Uses):				
Transfers in	-	-	39,340	39,340
Total Other Financing Sources (Uses)	-	-	39,340	39,340
Net Change in Fund Balances	(1,232)	44,453	-	(44,453)
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ (1,232)	\$ 44,453	\$ -	\$ (44,453)

City of Moreno Valley, California
Budgetary Comparison Schedule
Public Education Government Access
Year Ended June 30, 2015

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Miscellaneous	\$ 565,000	\$ 565,000	\$ 591,888	\$ 26,888
Total Revenues	<u>565,000</u>	<u>565,000</u>	<u>591,888</u>	<u>26,888</u>
Expenditures:				
Current:				
General government	790,996	852,357	802,994	49,363
Total Expenditures	<u>790,996</u>	<u>852,357</u>	<u>802,994</u>	<u>49,363</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(225,996)</u>	<u>(287,357)</u>	<u>(211,106)</u>	<u>76,251</u>
Other Financing Sources (Uses):				
Transfers in	-	11,963	-	(11,963)
Total Other Financing Sources (Uses):	<u>-</u>	<u>11,963</u>	<u>-</u>	<u>(11,963)</u>
Net Change in Fund Balances	(225,996)	(275,394)	(211,106)	64,288
Fund Balance, Beginning of year	<u>1,822,233</u>	<u>1,822,233</u>	<u>1,822,233</u>	<u>-</u>
Fund Balance, End of year	<u><u>\$ 1,596,237</u></u>	<u><u>\$ 1,546,839</u></u>	<u><u>\$ 1,611,127</u></u>	<u><u>\$ 64,288</u></u>

City of Moreno Valley, California

Budgetary Comparison Schedule
Air Quality Management
Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 200,000	\$ 220,000	\$ 246,801	\$ 26,801
Use of money and property	7,000	7,000	99	(6,901)
Total Revenues	207,000	227,000	246,900	19,900
Expenditures:				
Current:				
Public works	222,740	248,932	204,465	44,467
Capital outlay	-	74,846	10,774	64,072
Total Expenditures	222,740	323,778	215,239	108,539
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,740)	(96,778)	31,661	128,439
Net Change in Fund Balances	(15,740)	(96,778)	31,661	128,439
Fund Balance, Beginning of year	115,952	115,952	115,952	-
Fund Balance, End of year	\$ 100,212	\$ 19,174	\$ 147,613	\$ 128,439

City of Moreno Valley, California
Budgetary Comparison Schedule
Community Development Block Grant
Year Ended June 30, 2015

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 1,843,109	\$ 4,175,488	\$ 2,678,303	\$ (1,497,185)
Use of money and property	-	-	-	-
Total Revenues	<u>1,843,109</u>	<u>4,175,488</u>	<u>2,678,303</u>	<u>(1,497,185)</u>
Expenditures:				
Current:				
Community development	1,808,387	1,659,678	1,409,229	250,449
Capital outlay	-	2,667,425	1,359,059	1,308,366
Total Expenditures	<u>1,808,387</u>	<u>4,327,103</u>	<u>2,768,288</u>	<u>1,558,815</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>34,722</u>	<u>(151,615)</u>	<u>(89,985)</u>	<u>61,630</u>
Other Financing Sources (Uses):				
Transfers out	-	(45,851)	(45,851)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(45,851)</u>	<u>(45,851)</u>	<u>-</u>
Net Change in Fund Balances	34,722	(197,466)	(135,836)	61,630
Fund Balance, Beginning of year	<u>135,836</u>	<u>135,836</u>	<u>135,836</u>	<u>-</u>
Fund Balance, End of year	<u>\$ 170,558</u>	<u>\$ (61,630)</u>	<u>\$ -</u>	<u>\$ 61,630</u>

City of Moreno Valley, California

**Budgetary Comparison
Special Districts Administration
Year Ended June 30, 2015**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 865,300	\$ 812,834	\$ 680,608	\$ (132,226)
Use of money and property	-	(31)	8,543	8,574
Total Revenues	865,300	812,803	689,151	(123,652)
Expenditures:				
Current:				
Public works	813,391	872,128	610,586	261,542
Total Expenditures	813,391	872,128	610,586	261,542
Excess (Deficiency) of Revenues Over (Under) Expenditures	51,909	(59,325)	78,565	137,890
Net Change in Fund Balances	51,909	(59,325)	78,565	137,890
Fund Balance, Beginning of year	971,776	971,776	971,776	-
Fund Balance, End of year	\$ 1,023,685	\$ 912,451	\$ 1,050,341	\$ 137,890

City of Moreno Valley, California

Budgetary Comparison Schedule
Storm Water Management
Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 748,040	\$ 714,940	\$ 512,503	\$ (202,437)
Total Revenues	748,040	714,940	512,503	(202,437)
Expenditures:				
Current:				
Public works	1,117,397	815,969	511,919	304,050
Total Expenditures	1,117,397	815,969	511,919	304,050
Excess (Deficiency) of Revenues Over (Under) Expenditures	(369,357)	(101,029)	584	101,613
Other Financing Sources (Uses):				
Transfers in	266,995	223	223	-
Total Other Financing Sources (Uses)	266,995	653	223	-
Net Change in Fund Balances	(102,362)	(100,376)	807	101,613
Fund Balance, Beginning of year	538,101	538,101	538,101	-
Fund Balance, End of year	\$ 435,739	\$ 437,725	\$ 538,908	\$ 101,183

City of Moreno Valley, California

Budgetary Comparison Schedule

HOME

Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 567,346	\$ 1,054,676	\$ 278,325	\$ (776,351)
Use of money and property	-	-	1,011	1,011
Miscellaneous	-	-	46	46
Total Revenues	567,346	1,054,676	279,382	(775,294)
Expenditures:				
Current:				
Community development	564,780	921,329	513,164	408,165
Total Expenditures	564,780	921,329	513,164	408,165
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,566	133,347	(233,782)	(367,129)
Other Financing Sources (Uses):				
Transfers in	-	45,851	45,851	-
Total Other Financing Sources (Uses)	-	45,851	45,851	-
Net Change in Fund Balances	2,566	179,198	(187,931)	(367,129)
Fund Balance, Beginning of year	6,401,750	6,401,750	6,401,750	-
Fund Balance, End of year	\$ 6,404,316	\$ 6,580,948	\$ 6,213,819	\$ (367,129)

City of Moreno Valley, California

**Budgetary Comparison Schedule
Child Care Grant
Year Ended June 30, 2015**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 581,461	\$ 627,054	\$ 590,157	\$ (36,897)
Charges for Services	25,000	25,000	13,837	(11,163)
Miscellaneous	-	-	632	632
Total Revenues	606,461	652,054	604,626	(47,428)
Expenditures:				
Current:				
Community and cultural	616,361	622,864	604,626	18,238
Total Expenditures	616,361	622,864	604,626	18,238
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,900)	29,190	-	(29,190)
Net Change in Fund Balances	(9,900)	29,190	-	(29,190)
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ (9,900)	\$ 29,190	\$ -	\$ (29,190)

City of Moreno Valley, California

**Budgetary Comparison Schedule
Used Oil recycling
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 56,630	\$ 103,220	\$ 51,695	\$ (51,525)
Total Revenues	56,630	103,220	51,695	(51,525)
Expenditures:				
Current:				
Public works	56,630	103,220	51,695	51,525
Total Expenditures	56,630	103,220	51,695	51,525
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ -	\$ -	\$ -	\$ -

City of Moreno Valley, California

Budgetary Comparison Schedule
Storm Water Maintenance
Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Charges for services	\$ 414,000	\$ 414,000	\$ 435,895	\$ 21,895
Total Revenues	414,000	414,000	435,895	21,895
Expenditures:				
Current:				
Public works	452,270	464,000	450,490	13,510
Total Expenditures	452,270	464,000	450,490	13,510
Excess (Deficiency) of Revenues Over (Under) Expenditures	(38,270)	(50,000)	(14,595)	35,405
Other Financing Sources (Uses):				
Transfers in	-	198,150	198,150	-
Total Other Financing Sources (Uses)	-	198,150	198,150	-
Net Change in Fund Balances	(38,270)	148,150	183,555	35,405
Fund Balance (Deficit), Beginning of year	(148,151)	(148,151)	(148,151)	-
Fund Balance, End of year	\$ (186,421)	\$ (1)	\$ 35,404	\$ 35,405

City of Moreno Valley, California

**Budgetary Comparison Schedule
ASES Program Grant
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$6,079,800	\$ 6,773,200	\$ 6,773,200	\$ -
Use of money and property	25,000	25,000	10,399	(14,601)
Miscellaneous	-	-	5,950	5,950
Total Revenues	6,104,800	6,798,200	6,789,549	(8,651)
Expenditures:				
Current:				
Community and cultural	6,081,434	6,762,786	6,776,548	(13,762)
Total Expenditures	6,081,434	6,762,786	6,776,548	(13,762)
Excess (Deficiency) of Revenues Over (Under) Expenditures	23,366	35,414	13,001	(22,413)
Net Change in Fund Balances	23,366	35,414	13,001	(22,413)
Fund Balance, Beginning of year	2,629	2,629	2,629	-
Fund Balance, End of year	\$ 25,995	\$ 38,043	\$ 15,630	\$ (22,413)

City of Moreno Valley, California

**Budgetary Comparison Schedule
CFD No. 2014-01
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Other taxes	\$ -	\$ 36,616	\$ 36,616	\$ -
Charges for services	-	-	4,583	4,583
Use of money and property	-	-	54	54
Total Revenues	-	36,616	41,253	4,637
Expenditures:				
Current:				
Public works	-	5,700	3,061	2,639
Total Expenditures	-	5,700	3,061	2,639
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	30,916	38,192	7,276
Net Change in Fund Balances	-	30,916	38,192	7,276
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ -	\$ 30,916	\$ 38,192	\$ 7,276

City of Moreno Valley, California
Budgetary Comparison Schedule
CFD No. 4-M
Year Ended June 30, 2015

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Revenues:				
Charges for services	\$ 41,400	\$ 41,400	\$ 33,300	\$ (8,100)
Use of money and property	81	81	1,172	1,091
Total Revenues	41,481	41,481	34,472	(7,009)
Expenditures:				
Current:				
Public works	33,300	33,978	31,502	2,476
Total Expenditures	33,300	33,978	31,502	2,476
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,181	7,503	2,970	(4,533)
Net Change in Fund Balances	8,181	7,503	2,970	(4,533)
Fund Balance, Beginning of year	71,095	71,095	71,095	-
Fund Balance, End of year	\$ 79,276	\$ 78,598	\$ 74,065	\$ (4,533)

City of Moreno Valley, California

Budgetary Comparison Schedule
Civil Penalties
Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 4,000	\$ 4,000	\$ (1,305)	\$ (5,305)
Miscellaneous	60,000	60,000	7,007	(52,993)
Total Revenues	64,000	64,000	5,702	(58,298)
Expenditures:				
Current:				
General government	39,811	43,692	53,787	(10,095)
Total Expenditures	39,811	43,692	53,787	(10,095)
Excess (Deficiency) of Revenues Over (Under) Expenditures	24,189	20,308	(48,085)	(68,393)
Net Change in Fund Balances	24,189	20,308	(48,085)	(68,393)
Fund Balance, Beginning of year	245,268	245,268	245,268	-
Fund Balance, End of year	\$ 269,457	\$ 265,576	\$ 197,183	\$ (68,393)

City of Moreno Valley, California

**Budgetary Comparison Schedule
Emergency Services Agency Fines
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 38,000	\$ 38,000	\$ 63,075	\$ 25,075
Use of money and property	4,000	4,000	4,642	642
Total Revenues	42,000	42,000	67,717	25,717
Expenditures:				
Current:				
Public safety	80,000	80,000	10,472	69,528
Total Expenditures	80,000	80,000	10,472	69,528
Excess (Deficiency) of Revenues Over (Under) Expenditures	(38,000)	(38,000)	57,245	95,245
Net Change in Fund Balances	(38,000)	(38,000)	57,245	95,245
Fund Balance, Beginning of year	328,236	328,236	328,236	-
Fund Balance, End of year	\$ 290,236	\$ 290,236	\$ 385,481	\$ 95,245

City of Moreno Valley, California

**Budgetary Comparison Schedule
Energy Efficiency Revolving
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 41,875	\$ 41,875
Total Revenues	-	-	41,875	41,875
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 -	 -	 41,875	 41,875
Other Financing Sources (Uses):				
Transfers out	-	(45,856)	(45,856)	-
Total Other Financing Sources (Uses)	-	(45,856)	(45,856)	-
 Net Change in Fund Balances	 -	 (45,856)	 (3,981)	 41,875
Fund Balance, Beginning of year	105,944	105,944	105,944	-
Fund Balance, End of year	\$ 105,944	\$ 60,088	\$ 101,963	\$ 41,875

City of Moreno Valley, California

Budgetary Comparison Schedule
Grants Capital Projects
Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ 7,887,840	\$ 909,371	\$ (6,978,469)
Miscellaneous	-	-	167	167
Total Revenues	-	7,887,840	909,538	(6,978,302)
Expenditures:				
Capital outlay	-	9,113,600	1,343,155	7,770,445
Total Expenditures	-	9,113,600	1,343,155	7,770,445
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,225,760)	(433,617)	792,143
Other Financing Sources (Uses):				
Transfers in	-	1,495,760	1,495,760	-
Total Other Financing Sources (Uses)	-	1,495,760	1,495,760	-
Net Change in Fund Balances	-	270,000	1,062,143	792,143
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ -	\$ 270,000	\$ 1,062,143	\$ 792,143

City of Moreno Valley, California

Budgetary Comparison Schedule
 Facility Construction
 Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 225	\$ 225
Total Revenues	<u>-</u>	<u>-</u>	<u>225</u>	<u>225</u>
Expenditures:				
Capital outlay	-	4,669,682	1,452,605	3,217,077
Total Expenditures	<u>-</u>	<u>4,669,682</u>	<u>1,452,605</u>	<u>3,217,077</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(4,669,682)</u>	<u>(1,452,380)</u>	<u>3,217,302</u>
Other Financing Sources (Uses):				
Transfers in	-	3,481,952	3,658,804	176,852
Transfers out	-	-	(176,852)	(176,852)
Total Other Financing Sources (Uses)	<u>-</u>	<u>3,481,952</u>	<u>3,481,952</u>	<u>-</u>
Net Change in Fund Balances	-	(1,187,730)	2,029,572	3,217,302
Fund Balance, Beginning of year	<u>5,461,949</u>	<u>5,461,949</u>	<u>5,461,949</u>	<u>-</u>
Fund Balance, End of year	<u>\$ 5,461,949</u>	<u>\$ 4,274,219</u>	<u>\$ 7,491,521</u>	<u>\$ 3,217,302</u>

City of Moreno Valley, California

Budgetary Comparison Schedule
Public Works Capital Projects
Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ 4,282,510	\$ 1,292,959	\$ (2,989,551)
Miscellaneous	-	189,835	209,836	20,001
Total Revenues	-	4,472,345	1,502,795	(2,969,550)
Expenditures:				
Capital outlay	-	8,819,204	2,641,613	6,177,591
Total Expenditures	-	8,819,204	2,641,613	6,177,591
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(4,346,859)	(1,138,818)	3,208,041
Other Financing Sources (Uses):				
Transfers out	-	(189,835)	(189,835)	-
Total Other Financing Sources (Uses)	-	(189,835)	(189,835)	-
Net Change in Fund Balances	-	(4,536,694)	(1,328,653)	3,208,041
Fund Balance, Beginning of year	2,328,613	2,328,613	2,328,613	-
Fund Balance, End of year	\$ 2,328,613	\$ (2,208,081)	\$ 999,960	\$ 3,208,041

City of Moreno Valley, California

Budgetary Comparison Schedule
Fire Services Capital Projects
Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 667	\$ 667
Total Revenues	-	-	667	667
Expenditures:				
Capital outlay	-	787,696	741,282	46,414
Total Expenditures	-	787,696	741,282	46,414
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(787,696)	(740,615)	47,081
Other Financing Sources (Uses):				
Transfers in	-	118,200	118,200	-
Total Other Financing Sources (Uses)	-	118,200	118,200	-
Net Change in Fund Balances	-	(669,496)	(622,415)	47,081
Fund Balance (Deficit), Beginning of year	607,041	607,041	607,041	-
Fund Balance (Deficit), End of year	\$ 607,041	\$ (62,455)	\$ (15,374)	\$ 47,081

City of Moreno Valley, California

**Budgetary Comparison Schedule
Towngate Capital / Administration
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Expenditures:				
Current:				
Public works	\$ 192,200	\$ 192,200	\$ 177,787	\$ 14,413
Total Expenditures	192,200	192,200	177,787	14,413
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(192,200)	(192,200)	(177,787)	14,413
Other Financing Sources (Uses):				
Transfers in	192,200	192,200	177,787	(14,413)
Total Other Financing Sources (Uses)	192,200	192,200	177,787	(14,413)
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ -	\$ -	\$ -	\$ -

City of Moreno Valley, California

Budgetary Comparison Schedule
 Parks and Community Services Capital Projects
 Year Ended June 30, 2015

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Capital Outlay	\$ -	\$ 2,306,370	\$ 487,824	\$ 1,818,546
Total Expenditures	-	2,306,370	487,824	1,818,546
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(2,306,370)	(487,824)	1,818,546
Other Financing Sources (Uses):				
Transfers in	325,000	325,000	325,000	-
Total Other Financing Sources (Uses)	325,000	325,000	325,000	-
Net Change in Fund Balances	325,000	(1,981,370)	(162,824)	1,818,546
Fund Balance, Beginning of year	4,360,114	4,360,114	4,360,114	-
Fund Balance, End of year	\$ 4,685,114	\$ 2,378,744	\$ 4,197,290	\$ 1,818,546

City of Moreno Valley, California

Budgetary Comparison Schedule
TUMF Capital Projects
Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 6,500,000	\$ 4,686,466	\$ (1,813,534)
Total Revenues	<u>-</u>	<u>6,500,000</u>	<u>4,686,466</u>	<u>(1,813,534)</u>
Expenditures:				
Capital outlay	-	6,089,701	4,710,480	1,379,221
Total Expenditures	<u>-</u>	<u>6,089,701</u>	<u>4,710,480</u>	<u>1,379,221</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>410,299</u>	<u>(24,014)</u>	<u>(434,313)</u>
Net Change in Fund Balances	-	410,299	(24,014)	(434,313)
Fund Balance (Deficit) , Beginning of year	<u>(213,350)</u>	<u>(213,350)</u>	<u>(213,350)</u>	<u>-</u>
Fund Balance (Deficit), End of year	<u>\$ (213,350)</u>	<u>\$ 196,949</u>	<u>\$ (237,364)</u>	<u>\$ (434,313)</u>

City of Moreno Valley, California

Budgetary Comparison Schedule
DIF Capital Projects
Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ 448,529	\$ 154,780	\$ (293,749)
Miscellaneous	1,000	1,000	416	(584)
Total Revenues	1,000	449,529	155,196	(294,333)
Expenditures:				
Capital outlay	-	2,957,022	1,412,094	1,544,928
Total Expenditures	-	2,957,022	1,412,094	1,544,928
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	(2,507,493)	(1,256,898)	1,250,595
Other Financing Sources (Uses):				
Transfers in	80,000	472,996	472,996	-
Transfers out	-	(720,556)	(720,711)	(155)
Total Other Financing Sources (Uses)	80,000	(247,560)	(247,715)	(155)
Net Change in Fund Balances	81,000	(2,755,053)	(1,504,613)	1,250,440
Fund Balance, Beginning of year	2,995,821	2,995,821	2,995,821	-
Fund Balance, End of year	\$ 3,076,821	\$ 240,768	\$ 1,491,208	\$ 1,250,440

City of Moreno Valley, California

**Budgetary Comparison Schedule
Lease Revenue Bonds 2005 Capital Projects
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Capital outlay	\$ -	\$ 62,772	\$ 13,257	\$ 49,515
Total Expenditures	-	62,772	13,257	49,515
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(62,772)	(13,257)	49,515
Other Financing Sources (Uses):				
Transfers out	-	-	(180,829)	(180,829)
Total Other Financing Sources (Uses)	-	-	(180,829)	(180,829)
Net Change in Fund Balances	-	(62,772)	(194,086)	(131,314)
Fund Balance, Beginning of year	194,086	194,086	194,086	-
Fund Balance, End of year	\$ 194,086	\$ 131,314	\$ -	\$ (131,314)

City of Moreno Valley, California

Budgetary Comparison Schedule
TRIP Capital Projects
Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Use of money and property	\$ -	\$ -	\$ 2,915	\$ 2,915
Miscellaneous	-	-	11	11
Total Revenues	-	-	2,926	2,926
Expenditures:				
Capital outlay	-	16,628,208	9,459,458	7,168,750
Total Expenditures	-	16,628,208	9,459,458	7,168,750
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(16,628,208)	(9,456,532)	7,171,676
Net Change in Fund Balances	-	(16,628,208)	(9,456,532)	7,171,676
Fund Balance, Beginning of year	16,641,024	16,641,024	16,641,024	-
Fund Balance, End of year	\$ 16,641,024	\$ 12,816	\$ 7,184,492	\$ 7,171,676

City of Moreno Valley, California

**Budgetary Comparison Schedule
Lease Revenue Bonds 2005 Debt Service
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 141	\$ 141
Total Revenues	<u>-</u>	<u>-</u>	<u>141</u>	<u>141</u>
Expenditures:				
Current:				
General government	4,200	4,200	4,613	(413)
Debt service:				
Interest and fiscal charges	1,626,200	896,658	895,698	960
Total Expenditures	<u>1,630,400</u>	<u>900,858</u>	<u>900,311</u>	<u>547</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,630,400)</u>	<u>(900,858)</u>	<u>(900,170)</u>	<u>688</u>
Other Financing Sources (Uses):				
Payment to refunded bond escrow agent	(1,020,000)	(26,000,000)	(25,940,000)	60,000
Transfers in	2,730,000	24,376,000	24,500,751	124,751
Transfers Out	-	(5,834,744)	(6,015,588)	(180,844)
Total Other Financing Sources (Uses)	<u>1,710,000</u>	<u>(7,458,744)</u>	<u>(7,454,837)</u>	<u>3,907</u>
Net Change in Fund Balances	79,600	(8,359,602)	(8,355,007)	4,595
Fund Balance, Beginning of year	<u>8,355,007</u>	<u>8,355,007</u>	<u>8,355,007</u>	<u>-</u>
Fund Balance, End of year	<u>\$ 8,434,607</u>	<u>\$ (4,595)</u>	<u>\$ -</u>	<u>\$ 4,595</u>

City of Moreno Valley, California
Budgetary Comparison Schedule
2007 Towngate Improvement Refunding
Year Ended June 30, 2015

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Other taxes	\$ 115,800	\$ 115,800	\$ 114,616	\$ (1,184)
Use of money and property	100	100	61	(39)
Contributions from Successor Agency	280,000	277,896	277,896	-
Total Revenues	395,900	393,796	392,573	(1,223)
Expenditures:				
Debt Service:				
Principal retirement	230,000	230,000	230,000	-
Interest and fiscal charges	125,700	125,700	125,669	31
Total Expenditures	355,700	355,700	355,669	31
Excess (Deficiency) of Revenues Over (Under) Expenditures	40,200	38,096	36,904	(1,192)
Other Financing Sources (Uses):				
Transfers out	(34,500)	(34,500)	(31,223)	3,277
Total Other Financing Sources (Uses)	(34,500)	(34,500)	(31,223)	3,277
Net Change in Fund Balances	5,700	3,596	5,681	2,085
Fund Balance, Beginning of year	847,477	847,477	847,477	-
Fund Balance, End of year	\$ 853,177	\$ 851,073	\$ 853,158	\$ 2,085

City of Moreno Valley, California

Budgetary Comparison Schedule
2007 Towngate Refunding
Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 300	\$ 300	\$ 234	\$ (66)
Contributions from Successor Agency	1,190,000	1,186,238	1,186,238	-
Total Revenues	1,190,300	1,186,538	1,186,472	(66)
Expenditures:				
Debt Service:				
Principal retirement	730,000	730,000	730,000	-
Interest and fiscal charges	283,200	283,200	283,181	19
Total Expenditures	1,013,200	1,013,200	1,013,181	19
Excess (Deficiency) of Revenues Over (Under) Expenditures	177,100	173,338	173,291	(47)
Other Financing Sources (Uses):				
Transfers out	(157,700)	(157,700)	(146,564)	11,136
Total Other Financing Sources (Uses)	(157,700)	(157,700)	(146,564)	11,136
Net Change in Fund Balances	19,400	15,638	26,727	11,089
Fund Balance, Beginning of year	2,794,156	2,794,156	2,794,156	-
Fund Balance, End of year	\$ 2,813,556	\$ 2,809,794	\$ 2,820,883	\$ 11,089

City of Moreno Valley, California

**Budgetary Comparison Schedule
2011 Private Placement Refunding 97 Lease Revenue Bonds
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Debt service:				
Principal retirement	\$ 241,000	\$ 241,000	\$ 241,000	\$ -
Interest and fiscal charges	97,000	97,000	96,893	107
Total Expenditures	338,000	338,000	337,893	107
Excess (Deficiency) of Revenues Over (Under) Expenditures	(338,000)	(338,000)	(337,893)	107
Other Financing Sources (Uses):				
Transfers in	338,000	338,000	337,893	(107)
Total Other Financing Sources (Uses)	338,000	338,000	337,893	(107)
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ -	\$ -	\$ -	\$ -

City of Moreno Valley, California

Budgetary Comparison Schedule
 2011 Private Placement Refunding 97 COPs
 Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Debt Service:				
Principal retirement	\$ 732,000	\$ 732,000	\$ 732,000	\$ -
Interest and fiscal charges	55,500	55,500	55,349	151
Total Expenditures	787,500	787,500	787,349	151
Excess (Deficiency) of Revenues Over (Under) Expenditures	(787,500)	(787,500)	(787,349)	151
Other Financing Sources (Uses):				
Transfers in	787,500	787,500	787,349	(151)
Total Other Financing Sources (Uses)	787,500	787,500	787,349	(151)
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ -	\$ -	\$ -	\$ -

City of Moreno Valley, California

Budgetary Comparison Schedule
 TRIP COP 13A Debt Service
 Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Use of money and property	\$ -	\$ -	\$ 5	\$ 5
Total Revenues	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>
Expenditures:				
Current:				
Public works	-	-	6,500	(6,500)
Debt service:				
Interest and fiscal charges	-	991,313	991,313	-
Total Expenditures	<u>-</u>	<u>991,313</u>	<u>997,813</u>	<u>(6,500)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(991,313)</u>	<u>(997,808)</u>	<u>(6,495)</u>
Other Financing Sources (Uses):				
Transfers in	-	991,313	997,808	6,495
Total Other Financing Sources (Uses)	<u>-</u>	<u>991,313</u>	<u>997,808</u>	<u>6,495</u>
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Moreno Valley, California

**Budgetary Comparison Schedule
2013 Refunding 2005 Lease Revenue Bonds
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Public works	\$ -	\$ -	\$ 2,766	\$ (2,766)
Debt Service:				
Principal retirement	-	623,230	623,230	-
Interest and fiscal charges	-	489,542	489,542	-
Total Expenditures	<u>-</u>	<u>1,112,772</u>	<u>1,115,538</u>	<u>(2,766)</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>-</u>	 <u>(1,112,772)</u>	 <u>(1,115,538)</u>	 <u>(2,766)</u>
 Other Financing Sources (Uses):				
Transfers in	-	1,117,000	1,115,569	(1,431)
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,117,000</u>	<u>1,115,569</u>	<u>(1,431)</u>
 Net Change in Fund Balances	 -	 4,228	 31	 (4,197)
Fund Balance, Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of year	<u>\$ -</u>	<u>\$ 4,228</u>	<u>\$ 31</u>	<u>\$ (4,197)</u>

City of Moreno Valley, California

**Budgetary Comparison Schedule
2014 Refunding 2005 Lease Revenue Bonds
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
General government	\$ -	\$ 2,500	\$ 445	\$ 2,055
Debt Service:				
Interest and fiscal charges	-	506,000	450,513	55,487
Bond issuance cost	-	361,000	360,956	44
Total Expenditures	-	869,500	811,914	57,586
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(869,500)	(811,914)	57,586
Other Financing Sources (Uses):				
Transfers in	-	6,288,744	6,469,588	180,844
Transfers out	-	(23,800,000)	(23,743,922)	56,078
Refunding bonds issued	-	24,200,000	24,108,085	(91,915)
Total Other Financing Sources (Uses)	-	6,688,744	6,833,751	145,007
Net Change in Fund Balances	-	5,819,244	6,021,837	202,593
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ -	\$ 5,819,244	\$ 6,021,837	\$ 202,593

City of Moreno Valley, California

Budgetary Comparison Schedule
 Celebration Park Endowment
 Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 1,000	\$ 1,000	\$ 870	\$ (130)
Total Revenues	1,000	1,000	870	(130)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	1,000	870	(130)
Net Change in Fund Balances	1,000	1,000	870	(130)
Fund Balance, Beginning of year	61,344	61,344	61,344	-
Fund Balance, End of year	\$ 62,344	\$ 62,344	\$ 62,214	\$ (130)

City of Moreno Valley, California

Budgetary Comparison Schedule
Equestrian Trail Endowment
Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 200	\$ 200	\$ 162	\$ (38)
Total Revenues	200	200	162	(38)
Expenditures:				
Current:				
Community and cultural	-	-	773	(773)
Total Expenditures	-	-	773	(773)
Excess (Deficiency) of Revenues Over (Under) Expenditures	200	200	(611)	(811)
Net Change in Fund Balances	200	200	(611)	(811)
Fund Balance, Beginning of year	11,979	11,979	11,979	-
Fund Balance, End of year	\$ 12,179	\$ 12,179	\$ 11,368	\$ (811)

City of Moreno Valley, California

Budgetary Comparison Schedule
 Rockridge Endowment
 Year Ended June 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 1,800	\$ 1,800	\$ 1,509	\$ (291)
Total Revenues	1,800	1,800	1,509	(291)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,800	1,800	1,509	(291)
Net Change in Fund Balances	1,800	1,800	1,509	(291)
Fund Balance, Beginning of year	106,342	106,342	106,342	-
Fund Balance, End of year	\$ 108,142	\$ 108,142	\$ 107,851	\$ (291)

City of Moreno Valley, California

**Budgetary Comparison Schedule
NPDES Endowment
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 519	\$ 519
Total Revenues	<u>-</u>	<u>-</u>	<u>519</u>	<u>519</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>519</u>	<u>519</u>
Other Financing Sources (Uses):				
Transfers out	-	(223)	(223)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(223)</u>	<u>(223)</u>	<u>-</u>
Net Change in Fund Balances	-	(223)	296	519
Fund Balance, Beginning of year	32,161	32,161	32,161	-
Fund Balance, End of year	<u><u>\$ 32,161</u></u>	<u><u>\$ 31,938</u></u>	<u><u>\$ 32,457</u></u>	<u><u>\$ 519</u></u>



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.

Worker's 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 Service 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.

Compensated Absences Fund

This fund is used to account for employee absences for which employees will be paid, including vacation and sick leave.

City of Moreno Valley, California

**Combining Statement of Net Position
Internal Service Funds
June 30, 2015**

	<u>General Liability Insurance</u>	<u>Workers' Compensation Insurance</u>	<u>Technology Services</u>	<u>Facilities Maintenance</u>
Assets:				
Current:				
Pooled cash and investments	\$ 1,093,816	\$ 4,044,955	\$ 8,837,958	\$ 6,092,118
Receivables:				
Accounts	-	-	-	122
Prepaid costs	-	-	10,055	2,710
Inventories	-	-	-	38,054
Total Current Assets	<u>1,093,816</u>	<u>4,044,955</u>	<u>8,848,013</u>	<u>6,133,004</u>
Noncurrent:				
Capital assets - net of accumulated depreciation	-	-	3,160,833	10,378,477
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>3,160,833</u>	<u>10,378,477</u>
Total Assets	<u>\$ 1,093,816</u>	<u>\$ 4,044,955</u>	<u>\$ 12,008,846</u>	<u>\$ 16,511,481</u>
Liabilities and Net Position:				
Liabilities:				
Current:				
Accounts payable	\$ 2,849	\$ 87	\$ 78,332	\$ 226,261
Compensated absences	4,691	2,182	-	103,159
Self-insurance payable	359,000	436,000	-	-
Total Current Liabilities	<u>366,540</u>	<u>438,269</u>	<u>78,332</u>	<u>329,420</u>
Noncurrent:				
Compensated absences	3,127	1,455	-	68,773
Self-insurance payable	488,000	934,000	-	-
Total Noncurrent Liabilities	<u>491,127</u>	<u>935,455</u>	<u>-</u>	<u>68,773</u>
Total Liabilities	<u>857,667</u>	<u>1,373,724</u>	<u>78,332</u>	<u>398,193</u>
Net Position:				
Investment in capital assets	-	-	3,160,833	10,378,477
Unrestricted	236,149	2,671,231	8,769,681	5,734,811
Total Net Position	<u>236,149</u>	<u>2,671,231</u>	<u>11,930,514</u>	<u>16,113,288</u>
Total Liabilities and Net Position	<u>\$ 1,093,816</u>	<u>\$ 4,044,955</u>	<u>\$ 12,008,846</u>	<u>\$ 16,511,481</u>

City of Moreno Valley, California

**Combining Statement of Net Position
Internal Service Funds
June 30, 2015**

<u>Equipment Maintenance</u>	<u>Equipment Replacement Reserve</u>	<u>Compensated Absences</u>	<u>Total</u>	
				ASSETS
				Current:
\$ 33,246	\$ 20,077,141	\$ 1,633,042	\$ 41,812,276	Pooled cash and investments
-	-	-	122	Receivables:
-	-	-	12,765	Accounts
11,839	-	-	49,893	Prepaid costs
<u>45,085</u>	<u>20,077,141</u>	<u>1,633,042</u>	<u>41,875,056</u>	Inventories
				Total Current Assets
76,372	-	-	13,615,682	Noncurrent:
<u>76,372</u>	<u>-</u>	<u>-</u>	<u>13,615,682</u>	Capital assets - net of accumulated depreciation
				Total Noncurrent Assets
<u>\$ 121,457</u>	<u>\$ 20,077,141</u>	<u>\$ 1,633,042</u>	<u>\$ 55,490,738</u>	Total Assets
				Liabilities and Net Position:
				Liabilities:
				Current:
\$ 21,138	\$ -	\$ -	\$ 328,667	Accounts payable
13,399	-	-	123,431	Compensated absences
-	-	-	795,000	Self-insurance payable
<u>34,537</u>	<u>-</u>	<u>-</u>	<u>1,247,098</u>	Total Current Liabilities
8,932	-	-	82,287	Noncurrent:
-	-	-	1,422,000	Compensated absences
<u>8,932</u>	<u>-</u>	<u>-</u>	<u>1,504,287</u>	Self-insurance payable
<u>43,469</u>	<u>-</u>	<u>-</u>	<u>2,751,385</u>	Total Noncurrent Liabilities
				Total Liabilities
76,372	-	-	13,615,682	Net Position:
1,616	20,077,141	1,633,042	39,123,671	Investment in capital assets
<u>77,988</u>	<u>20,077,141</u>	<u>1,633,042</u>	<u>52,739,353</u>	Unrestricted
<u>\$ 121,457</u>	<u>\$ 20,077,141</u>	<u>\$ 1,633,042</u>	<u>\$ 55,490,738</u>	Total Net Position
				Total Liabilities and Net Position

City of Moreno Valley, California

**Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Internal Service Funds
Year Ended June 30, 2015**

	<u>General Liability Insurance</u>	<u>Workers' Compensation Insurance</u>	<u>Technology Services</u>	<u>Facilities Maintenance</u>
Operating Revenues:				
Sales and service charges	\$ 788,152	\$ 785,600	\$ 3,819,300	\$ 4,337,986
Contribution from Successor Agency	-	-	-	-
Miscellaneous	-	-	14,061	14,795
Total Operating Revenues	<u>788,152</u>	<u>785,600</u>	<u>3,833,361</u>	<u>4,352,781</u>
Operating Expenses:				
Cost of services	595,207	114,634	4,245,091	3,429,107
Depreciation expense	-	-	717,996	353,447
Self-insurance claims and charges	1,458,205	494,833	-	-
Total Operating Expenses	<u>2,053,412</u>	<u>609,467</u>	<u>4,963,087</u>	<u>3,782,554</u>
Operating Income (Loss)	<u>(1,265,260)</u>	<u>176,133</u>	<u>(1,129,726)</u>	<u>570,227</u>
Nonoperating Revenues (Expenses):				
Gain (loss) on disposal of capital assets	-	-	(5,336)	47,610
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>(5,336)</u>	<u>47,610</u>
Income (Loss) Before Transfers and Contributions	(1,265,260)	176,133	(1,135,062)	617,837
Transfers in	600,000	-	1,325,464	584,360
Transfers out	<u>(43,950)</u>	<u>(604,500)</u>	<u>(488,580)</u>	<u>(816,412)</u>
Changes in net position	(709,210)	(428,367)	(298,178)	385,785
Net Position:				
Beginning of year	945,359	3,099,598	12,228,692	15,727,503
End of year	<u>\$ 236,149</u>	<u>\$ 2,671,231</u>	<u>\$ 11,930,514</u>	<u>\$ 16,113,288</u>

City of Moreno Valley, California

**Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Internal Service Funds
Year Ended June 30, 2015**

<u>Equipment Maintenance</u>	<u>Equipment Replacement Reserve</u>	<u>Compensated Absences</u>	<u>Total</u>	
\$ 558,182	\$ 1,960,366	\$ -	\$ 12,249,586	Operating Revenues:
-	-	144,462	144,462	Sales and service charges
375	2,209	-	31,440	Contribution from Successor Agency
<u>558,557</u>	<u>1,962,575</u>	<u>144,462</u>	<u>12,425,488</u>	Miscellaneous
				Total Operating Revenues
828,082	-	-	9,212,121	Operating Expenses:
3,625	37,382	-	1,112,450	Cost of services
-	-	-	1,953,038	Depreciation expense
<u>831,707</u>	<u>37,382</u>	<u>-</u>	<u>12,277,609</u>	Self-insurance claims and charges
				Total Operating Expenses
(273,150)	1,925,193	144,462	147,879	Operating Income (Loss)
-	-	-	42,274	Nonoperating Revenues (Expenses):
-	-	-	<u>42,274</u>	Gain (loss) on disposal of capital assets
				Total Nonoperating Revenues (Expenses)
(273,150)	1,925,193	144,462	190,153	Income (Loss) Before Transfers and Contributions
210,962	-	1,488,580	4,209,366	Transfers in
-	(2,164,350)	-	(4,117,792)	Transfers out
(62,188)	(239,157)	1,633,042	281,727	Changes in net position
140,176	20,316,298	-	52,457,626	Net Position:
				Beginning of year
<u>\$ 77,988</u>	<u>\$ 20,077,141</u>	<u>\$ 1,633,042</u>	<u>\$ 52,739,353</u>	End of year

City of Moreno Valley, California

**Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2015**

	<u>General Liability Insurance</u>	<u>Workers' Compensation Insurance</u>	<u>Technology Services</u>	<u>Facilities Maintenance</u>
Cash Flows from Operating Activities:				
Cash received from customers	\$ 788,152	\$ 785,600	\$ 3,833,361	\$ 4,352,781
Cash paid to suppliers for goods and services	(435,584)	(52,036)	(2,715,120)	(2,340,605)
Cash paid for claims	(1,282,205)	(547,833)	-	-
Cash paid to employees for services	(163,208)	(67,459)	(2,124,281)	(1,011,446)
Net Cash Provided (Used) by Operating Activities	<u>(1,092,845)</u>	<u>118,272</u>	<u>(1,006,040)</u>	<u>1,000,730</u>
Cash Flows from Non-Capital Financing Activities:				
Cash transfers in	600,000	-	1,325,464	584,360
Cash transfers out	(43,950)	(604,500)	(488,580)	(816,412)
Net Cash Provided (Used) by Non-capital Financing Activities	<u>556,050</u>	<u>(604,500)</u>	<u>836,884</u>	<u>(232,052)</u>
Cash Flows from Capital and Related Financing Activities:				
Proceeds from sale of capital assets	-	-	-	297,230
Acquisition and construction of capital assets	-	-	(345,275)	(344,809)
Net Cash Provided (Used) by Investing Activities	<u>-</u>	<u>-</u>	<u>(345,275)</u>	<u>(47,579)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(536,795)</u>	<u>(486,228)</u>	<u>(514,431)</u>	<u>721,099</u>
Cash and Cash Equivalents at Beginning of Year	1,630,611	4,531,183	9,352,389	5,371,019
Cash and Cash Equivalents at End of Year	<u>\$ 1,093,816</u>	<u>\$ 4,044,955</u>	<u>\$ 8,837,958</u>	<u>\$ 6,092,118</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ (1,265,260)	\$ 176,133	\$ (1,129,726)	\$ 570,227
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	-	717,996	353,447
(Increase) decrease in accounts receivable	-	-	-	(40)
(Increase) decrease in prepaid costs	-	-	10,055	788
(Increase) decrease in inventories	-	-	-	9,683
Increase (decrease) in accounts payable	(3,613)	(6,181)	(21,082)	49,445
Increase (decrease) in self-insurance payable	176,000	(53,000)	-	-
Increase (decrease) in compensated absences	28	1,320	(583,283)	17,180
Total Adjustments	<u>172,415</u>	<u>(57,861)</u>	<u>123,686</u>	<u>430,503</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (1,092,845)</u>	<u>\$ 118,272</u>	<u>\$ (1,006,040)</u>	<u>\$ 1,000,730</u>

City of Moreno Valley, California

**Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2015**

<u>Equipment Maintenance</u>	<u>Equipment Replacement Reserve</u>	<u>Compensated Absences</u>	<u>Total</u>	
\$ 558,557	\$ 1,962,575	\$ 144,462	\$ 12,425,488	Cash Flows from Operating Activities:
(595,299)	-	-	(6,138,644)	Cash received from customers
-	-	-	(1,830,038)	Cash paid to suppliers for goods and services
(248,047)	-	-	(3,614,441)	Cash paid for claims
				Cash paid to employees for services
<u>(284,789)</u>	<u>1,962,575</u>	<u>144,462</u>	<u>842,365</u>	Net Cash Provided (Used) by Operating Activities
210,962	-	1,488,580	4,209,366	Cash Flows from Non-Capital Financing Activities:
-	(2,164,350)	-	(4,117,792)	Cash transfers in
				Cash transfers out
<u>210,962</u>	<u>(2,164,350)</u>	<u>1,488,580</u>	<u>91,574</u>	Net Cash Provided (Used) by Non-capital Financing Activities
-	-	-	297,230	Cash Flows from Capital and Related Financing Activities:
(69,146)	-	-	(759,230)	Proceeds from sale of capital assets
				Acquisition and construction of capital assets
<u>(69,146)</u>	<u>-</u>	<u>-</u>	<u>(462,000)</u>	Net Cash Provided (Used) by Investing Activities
<u>(142,973)</u>	<u>(201,775)</u>	<u>1,633,042</u>	<u>471,939</u>	Net Increase (Decrease) in Cash and Cash Equivalents
176,219	20,278,916	-	41,340,337	Cash and Cash Equivalents at Beginning of Year
<u>\$ 33,246</u>	<u>\$ 20,077,141</u>	<u>\$ 1,633,042</u>	<u>\$ 41,812,276</u>	Cash and Cash Equivalents at End of Year
				Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities
\$ (273,150)	\$ 1,925,193	\$ 144,462	\$ 147,879	Operating Income (loss)
				Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:
3,625	37,382	-	1,112,450	Depreciation
-	-	-	(40)	(Increase) decrease in accounts receivable
-	-	-	10,843	(Increase) decrease in prepaid costs
470	-	-	10,153	(Increase) decrease in inventories
(18,367)	-	-	202	Increase (decrease) in accounts payable
-	-	-	123,000	Increase (decrease) in self-insurance payable
2,633	-	-	(562,122)	Increase (decrease) in compensated absences
<u>(11,639)</u>	<u>37,382</u>	<u>-</u>	<u>694,486</u>	Total Adjustments
<u>\$ (284,789)</u>	<u>\$ 1,962,575</u>	<u>\$ 144,462</u>	<u>\$ 842,365</u>	Net Cash Provided (Used) by Operating Activities

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. 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.

TUMF Trust Fund

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

MSHCP Trust Fund

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

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.

AGENCY FUNDS (CONTINUED)

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, California

**Combining Balance Sheet
All Agency Funds
June 30, 2015**

	<u>Deposit Liability</u>	<u>Assessment District 87-4</u>	<u>Assessment District 98-1</u>	<u>TUMF Trust</u>	<u>MSHCP Trust</u>
Assets:					
Pooled cash and investments	\$ 4,497,684	\$ 924	\$ -	\$ 17,746	\$ 470,384
Due from other governments	-	43	-	-	-
Restricted assets:					
Cash with fiscal agents	-	-	-	-	-
Total Assets	<u>\$ 4,497,684</u>	<u>\$ 967</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 470,384</u>
 Liabilities:					
Accounts payable	\$ 11,971	\$ -	\$ -	\$ 17,746	\$ 470,384
Deposits payable	4,485,713	-	-	-	-
Payable to trustee	-	967	-	-	-
Total Liabilities	<u>\$ 4,497,684</u>	<u>\$ 967</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 470,384</u>

City of Moreno Valley, California

**Combining Balance Sheet
All Agency Funds
June 30, 2015**

Moreno Valley Foundation Donations	CFD # 5 Stoneridge	Riverside County Flood Control and Water Conservation District Trust	Arts Commission	Totals	
\$ 221,650	\$ 22,358	\$ 447,054	\$ 1,341	\$ 5,679,141	Assets:
-	-	-	-	43	Pooled cash and investments
-	758,476	-	-	758,476	Due from other governments
<u>\$ 221,650</u>	<u>\$ 780,834</u>	<u>\$ 447,054</u>	<u>\$ 1,341</u>	<u>\$ 6,437,660</u>	Restricted assets:
					Cash with fiscal agents
					Total Assets
\$ -	\$ -	\$ -	\$ -	\$ 500,101	Liabilities:
-	-	-	-	4,485,713	Accounts payable
221,650	780,834	447,054	1,341	1,451,846	Deposits payable
<u>\$ 221,650</u>	<u>\$ 780,834</u>	<u>\$ 447,054</u>	<u>\$ 1,341</u>	<u>\$ 6,437,660</u>	Payable to trustee
					Total Liabilities

City of Moreno Valley, California

Combining Statement of Changes in Assets and Liabilities
All Agency Funds
Year Ended June 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
<u>Deposit Liability</u>				
Assets:				
Pooled cash and investments	\$ 4,023,826	\$ 1,659,254	\$ 1,185,396	\$ 4,497,684
Total Assets	<u>\$ 4,023,826</u>	<u>\$ 1,659,254</u>	<u>\$ 1,185,396</u>	<u>\$ 4,497,684</u>
Liabilities:				
Accounts payable	\$ 30,766	\$ 454,089	\$ 472,884	\$ 11,971
Deposits payable	3,993,060	1,659,254	1,166,601	4,485,713
Total Liabilities	<u>\$ 4,023,826</u>	<u>\$ 2,113,343</u>	<u>\$ 1,639,485</u>	<u>\$ 4,497,684</u>
<u>Assessment District 87-4</u>				
Assets:				
Pooled cash and investments	\$ -	\$ 924	\$ -	\$ 924
Due from other governments	-	43	-	43
Total Assets	<u>\$ -</u>	<u>\$ 967</u>	<u>\$ -</u>	<u>\$ 967</u>
Liabilities:				
Payable to trustee	\$ -	\$ 967	\$ -	\$ 967
Total Liabilities	<u>\$ -</u>	<u>\$ 967</u>	<u>\$ -</u>	<u>\$ 967</u>
<u>Assessment District 98-1</u>				
Assets:				
Pooled cash and investments	\$ 2,704	\$ -	\$ 2,704	\$ -
Total Assets	<u>\$ 2,704</u>	<u>\$ -</u>	<u>\$ 2,704</u>	<u>\$ -</u>
Liabilities:				
Accounts payable	\$ 2,704	\$ -	\$ 2,704	\$ -
Payable to trustee	-	-	-	-
Total Liabilities	<u>\$ 2,704</u>	<u>\$ -</u>	<u>\$ 2,704</u>	<u>\$ -</u>
<u>TUMF Trust</u>				
Assets:				
Pooled cash and investments	\$ 141,968	\$ 4,985,807	\$ 5,110,029	\$ 17,746
Total Assets	<u>\$ 141,968</u>	<u>\$ 4,985,807</u>	<u>\$ 5,110,029</u>	<u>\$ 17,746</u>
Liabilities:				
Accounts payable	\$ 141,968	\$ 4,985,807	\$ 5,110,029	\$ 17,746
Total Liabilities	<u>\$ 141,968</u>	<u>\$ 4,985,807</u>	<u>\$ 5,110,029</u>	<u>\$ 17,746</u>
<u>MSHCP Trust</u>				
Assets:				
Pooled cash and investments	\$ 11,628	\$ 851,146	\$ 392,390	\$ 470,384
Total Assets	<u>\$ 11,628</u>	<u>\$ 851,146</u>	<u>\$ 392,390</u>	<u>\$ 470,384</u>
Liabilities:				
Accounts payable	\$ 11,628	\$ 851,146	\$ 392,390	\$ 470,384
Total Liabilities	<u>\$ 11,628</u>	<u>\$ 851,146</u>	<u>\$ 392,390</u>	<u>\$ 470,384</u>

City of Moreno Valley, California

Combining Statement of Changes in Assets and Liabilities
All Agency Funds
Year Ended June 30, 2015

<u>Moreno Valley Foundation Donation</u>	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
Assets:				
Pooled cash and investments	\$ 221,650	\$ -	\$ -	\$ 221,650
Total Assets	\$ 221,650	\$ -	\$ -	\$ 221,650
Liabilities:				
Payable to trustee	\$ 221,650	\$ -	\$ -	\$ 221,650
Total Liabilities	\$ 221,650	\$ -	\$ -	\$ 221,650
<u>CFD # 5 Stoneridge</u>				
Assets:				
Pooled cash and investments	\$ 22,500	\$ 451,185	\$ 451,327	\$ 22,358
Restricted assets:				
Cash and investments with fiscal agents	749,309	398,531	389,364	758,476
Total Assets	\$ 771,809	\$ 849,716	\$ 840,691	\$ 780,834
Liabilities:				
Accounts payable	\$ -	\$ 3,000	\$ 3,000	\$ -
Payable to trustee	771,809	9,025	-	780,834
Total Liabilities	\$ 771,809	\$ 12,025	\$ 7,116	\$ 780,834
<u>Riverside County Flood Control and Water Conservation District</u>				
Assets:				
Pooled cash and investments	\$ 447,054	\$ -	\$ -	\$ 447,054
Total Assets	\$ 447,054	\$ -	\$ -	\$ 447,054
Liabilities:				
Payable to trustee	\$ 447,054		\$ -	\$ 447,054
Total Liabilities	\$ 447,054	\$ -	\$ -	\$ 447,054
<u>Arts Commission</u>				
Assets:				
Pooled cash and investments	\$ 2,597	\$ 1,590	\$ 2,846	\$ 1,341
Total Assets	\$ 2,597	\$ 1,590	\$ 2,846	\$ 1,341
Liabilities:				
Accounts payable	\$ 27	\$ 509	\$ 536	\$ -
Payable to trustee	2,570	-	1,229	1,341
Total Liabilities	\$ 2,597	\$ 509	\$ 1,765	\$ 1,341
<u>Totals - All Agency Funds</u>				
Assets:				
Pooled cash and investments	\$ 4,873,927	\$ 7,949,906	\$ 7,144,692	\$ 5,679,141
Due from other governments	-	43	-	43
Restricted assets:				
Cash and investments with fiscal agents	749,309	398,531	389,364	758,476
Total Assets	\$ 5,623,236	\$ 8,348,480	\$ 7,534,056	\$ 6,437,660
Liabilities:				
Accounts payable	\$ 184,362	\$ 6,291,042	\$ 5,975,303	\$ 500,101
Deposits payable	3,993,060	1,659,254	1,166,601	4,485,713
Due to other governments	4,116	-	4,116	-
Payable to trustee	1,443,083	9,992	1,229	1,451,846
Total Liabilities	\$ 5,624,621	\$ 7,960,288	\$ 7,147,249	\$ 6,437,660



Statistical
Section

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FISCAL YEAR
ENDED JUNE 30, 2015



STATISTICAL SECTION

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.	186
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's ability to generate its key revenues.	191
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.	197
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.	202
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.	204

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

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental activities										
Net investment in capital assets	\$ 523,083,597	\$ 594,870,636	\$ 622,102,140	\$704,987,685	\$ 768,345,954	\$ 784,881,452	\$ 757,856,437	\$ 812,637,341	\$ 841,259,763	\$ 848,135,743
Restricted for:										
Community development projects	10,076,376	-	41,908,201	19,960,752	36,341,964	7,079,640	37,716,605	38,269,946	47,104,275	44,564,797
Community and cultural	-	-	8,259,181	-	8,368,534	8,968,479	10,880,981	12,219,506	13,201,156	15,490,740
Public safety	1,655,374	973,667	663,854	280,107	2,103,241	644,786	626,545	328,561	328,236	1,000,633
Public works/capital projects	60,687,985	66,493,508	79,745,801	71,335,816	61,365,635	109,095,517	27,654,589	40,264,691	56,388,219	43,385,566
Debt service	12,985,998	12,538,629	7,291,425	17,373,369	15,818,072	12,867,643	11,956,354	12,413,131	11,996,640	9,695,909
Other Programs	-	14,863,573	3,598,110	11,731,764	2,545,781	301,868	170,051	311,702	538,101	538,908
Permanent funds-nonexpendable	59,359	62,537	64,692	66,436	169,287	170,162	188,335	191,646	328,823	332,597
Unrestricted	73,846,697	101,941,651	104,545,617	69,630,581	46,594,052	24,461,651	95,014,503	91,359,292	70,552,111	33,342,552
Total Governmental activities net position	<u>\$ 682,395,386</u>	<u>\$ 791,744,201</u>	<u>\$ 868,179,021</u>	<u>\$ 895,366,510</u>	<u>\$ 941,652,520</u>	<u>\$ 948,471,198</u>	<u>\$ 942,064,400</u>	<u>\$ 1,007,995,816</u>	<u>\$ 1,041,697,324</u>	<u>\$ 996,487,445</u>
Business-type activities										
Net investment in capital assets	\$ 18,151,135	\$ 14,130,659	\$ 14,110,399	\$ 10,083,679	\$ 12,201,754	\$ 13,942,981	\$ 8,396,845	\$ 9,052,878	\$ 9,569,296	10,903,412
Restricted										
Regulatory contingencies	-	1,604,444	948,207	1,767,402	1,158,200	1,702,037	2,520,912	3,444,969	3,903,663	3,803,242
Unrestricted	(3,713,053)	(634,406)	(2,252,565)	(4,023,374)	(4,520,034)	(5,623,674)	(413,445)	(652,825)	260,457	4,297,438
Total Business-type activities net position	<u>\$ 14,438,082</u>	<u>\$ 15,100,697</u>	<u>\$ 12,806,041</u>	<u>\$ 7,827,707</u>	<u>\$ 8,839,920</u>	<u>\$ 10,021,344</u>	<u>\$ 10,504,312</u>	<u>\$ 11,845,022</u>	<u>\$ 13,733,416</u>	<u>\$ 19,004,092</u>
Primary government										
Net investment in capital assets	\$ 541,234,732	\$ 609,001,295	\$ 636,212,539	\$ 715,071,364	\$ 780,547,708	\$ 798,824,433	\$ 766,253,282	\$ 821,690,219	\$ 850,829,059	\$ 859,039,155
Restricted for:										
Community development projects	10,076,376	-	41,908,201	19,960,752	36,341,964	7,079,640	37,716,605	38,269,946	47,104,275	44,564,797
Community and cultural	-	-	8,259,181	-	8,368,534	8,968,479	10,880,981	12,219,506	13,201,156	15,490,740
Public safety	1,655,374	973,667	663,854	280,107	2,103,241	644,786	626,545	328,561	328,236	1,000,633
Public works/capital projects	60,687,985	66,493,508	79,745,801	71,335,816	61,365,635	109,095,517	27,654,589	40,264,691	56,388,219	43,385,566
Debt service	12,985,998	12,538,629	7,291,425	17,373,369	15,818,072	12,867,643	11,956,354	12,413,131	11,996,640	9,695,909
Other Programs	-	14,863,573	3,598,110	11,731,764	2,545,781	301,868	170,051	311,702	538,101	538,908
Permanent funds-nonexpendable	59,359	62,537	64,692	66,436	169,287	170,162	188,335	191,646	328,823	332,597
Regulatory contingencies	-	1,604,444	948,207	1,767,402	1,158,200	1,702,037	2,520,912	3,444,969	3,903,663	3,803,242
Unrestricted	70,133,644	101,307,245	102,293,052	65,607,207	42,074,018	18,837,977	94,601,058	90,706,467	70,812,568	37,639,990
Total primary government net position	<u>\$ 696,833,468</u>	<u>\$ 806,844,898</u>	<u>\$ 880,985,062</u>	<u>\$ 903,194,217</u>	<u>\$ 950,492,440</u>	<u>\$ 958,492,542</u>	<u>\$ 952,568,712</u>	<u>\$ 1,019,840,838</u>	<u>\$ 1,055,430,740</u>	<u>\$ 1,015,491,537</u>

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Expenses										
Governmental activities:										
General government	\$ 12,817,483	\$ 10,796,963	\$ 14,416,941	\$ 14,948,628	\$ 12,093,157	\$ 13,001,340	\$ 11,326,363	\$ 11,758,206	\$ 12,081,324	\$ 26,675,932
Public safety	47,282,305	43,415,662	54,412,284	50,856,439	58,165,412	59,640,431	56,037,192	56,896,151	53,578,915	56,270,003
Community development	13,666,378	9,643,084	10,964,507	12,036,237	29,663,451	10,003,780	11,317,359	11,886,089	7,755,380	9,873,837
Community and cultural	15,999,800	21,181,096	33,717,135	27,904,884	22,700,681	25,046,848	19,245,060	18,400,148	20,615,807	20,589,032
Public works	10,273,707	30,750,411	29,247,892	36,095,949	14,990,867	34,432,579	36,159,171	39,467,695	43,540,207	29,397,062
Interest on long-term debt	8,079,935	8,724,134	12,081,884	10,334,932	9,126,054	8,333,540	6,415,304	2,552,119	4,031,673	3,338,928
Total Governmental activities expenses	108,119,608	124,511,350	154,840,643	152,177,069	146,739,622	150,458,518	140,500,449	140,960,408	141,603,306	146,144,794
Business-type activities:										
Electric	3,673,509	8,298,955	12,282,161	14,067,086	13,812,966	14,807,788	16,549,224	18,139,446	19,796,146	22,277,378
Total business-type activities expenses	3,673,509	8,298,955	12,282,161	14,067,086	13,812,966	14,807,788	16,549,224	18,139,446	19,796,146	22,277,378
Total primary government expenses	\$ 111,793,117	\$ 132,810,305	\$ 167,122,804	\$ 166,244,155	\$ 160,552,588	\$ 165,266,306	\$ 157,049,673	\$ 159,099,854	\$ 161,399,452	\$ 168,422,172
Program revenues										
Governmental activities:										
Charges for services:										
General government	\$ 2,447,730	\$ 2,994,550	\$ 1,329,861	\$ 1,144,983	\$ 3,148,712	\$ 5,008,441	\$ 7,056,028	\$ 9,505,989	\$ 5,057,964	\$ 4,996,612
Public safety	2,040,725	1,212,229	4,948,923	6,559,817	4,371,535	2,787,962	2,738,303	2,951,403	3,077,843	3,196,167
Community development	12,576,280	12,947,546	6,962,389	7,607,316	4,071,460	4,911,984	5,973,104	4,821,911	7,620,631	7,529,017
Community and cultural	10,067,509	10,963,716	12,163,575	14,982,931	11,254,752	11,237,049	11,584,756	11,343,108	6,518,337	6,292,363
Public works	20,523,959	10,612,170	19,134,172	7,840,754	2,264,619	3,364,804	1,495,407	3,109,029	2,604,218	3,245,439
Operating contributions and grants:										
General government	422,310	622,513	-	92,319	66,861	940,799	1,094,413	2,974,751	121,564	154,230
Public safety	838,921	931,062	704,324	385,195	1,016,552	1,009,290	988,848	796,155	687,498	4,213,573
Community development	3,252,611	4,023,295	2,873,752	2,541,925	8,909,018	5,769,165	4,028,880	9,928,414	4,972,354	2,278,546
Community and cultural	133,325	100,777	6,911,186	5,936,040	5,174,090	6,635,271	6,284,823	7,166,971	7,515,185	7,595,170
Public works	2,985,031	460,787	631,830	3,901,583	6,345,620	6,353,159	15,499,751	15,250,978	12,279,173	12,837,819
Capital contributions and grants										
General government	-	-	-	-	31,307	-	5,056,545	-	17,576	-
Public safety	-	-	-	-	146,606	534,771	893,608	357,393	-	-
Community development	-	-	-	-	918,785	20,180	-	-	9,729,528	16,679,953
Community and cultural	-	-	-	239,746	-	-	-	-	-	-
Public works	24,442,306	74,752,980	74,004,139	31,573,778	70,826,175	29,208,716	(270,863)	37,847,697	6,544,892	5,052,634
Total governmental activities program revenues	79,730,707	119,621,625	129,664,151	82,806,387	118,546,092	77,781,591	62,423,603	106,053,799	66,746,763	74,071,523
Business-type activities:										
Charges for services										
Electric	11,445,287	8,712,097	10,311,654	12,430,482	13,326,364	15,671,939	16,778,766	19,098,088	20,213,736	27,678,542
Capital contributions and grants										
	-	1,604,577	-	-	-	-	-	-	-	-
Total business-type activities program revenues	11,445,287	10,316,674	10,311,654	12,430,482	13,326,364	15,671,939	16,778,766	19,098,088	20,213,736	27,678,542
Total primary government program revenues	\$ 91,175,994	\$ 129,938,299	\$ 139,975,805	\$ 95,236,869	\$ 131,872,456	\$ 93,453,530	\$ 79,202,369	\$ 125,151,887	\$ 86,960,499	\$ 101,750,065

(Continued)

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net (Expense)/Revenue										
Governmental activities	\$ (28,388,901)	\$ (4,889,725)	\$ (25,176,492)	\$ (69,370,682)	\$ (28,193,530)	\$ (72,676,927)	\$ (78,076,846)	\$ (34,906,609)	\$ (74,856,543)	\$ (72,073,271)
Business-type activities	7,771,778	2,017,719	(1,970,507)	(1,636,604)	(486,602)	864,151	229,542	958,642	417,590	5,401,164
Total primary government net (expense)/revenue	\$ (20,617,123)	\$ (2,872,006)	\$ (27,146,999)	\$ (71,007,286)	\$ (28,680,132)	\$ (71,812,776)	\$ (77,847,304)	\$ (33,947,967)	\$ (74,438,953)	\$ (66,672,107)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 18,001,808	\$ 23,379,735	\$ 30,351,211	\$ 28,316,208	\$ 16,836,699	\$ 22,699,683	\$ 18,342,475	\$ 13,088,911	\$ 14,281,943	\$ 15,600,436
Property taxes in lieu	12,068,070	14,150,000	16,728,600	16,791,078	13,703,197	13,055,796	13,170,964	13,414,446	13,871,754	15,137,754
Transient occupancy tax	582,307	586,383	593,009	497,936	535,775	692,586	747,100	831,881	991,431	1,197,143
Sales tax	12,275,626	15,701,460	13,623,654	12,163,719	10,982,811	12,277,450	14,003,993	14,043,560	15,887,129	16,130,340
Franchise taxes	4,099,859	4,349,870	4,381,882	4,876,055	4,607,594	4,888,143	5,008,507	5,147,342	5,361,531	5,885,913
Business license taxes	1,240,764	1,315,039	1,111,021	1,051,702	961,303	1,053,146	1,175,104	1,305,925	1,581,918	1,886,558
Utility users tax	13,811,740	15,463,291	15,186,616	15,081,286	15,358,341	15,317,439	15,591,386	15,683,931	15,595,141	16,138,202
Other taxes	5,448,829	6,320,978	2,620,059	2,683,193	2,278,529	1,204,064	1,155,334	1,325,025	6,467,203	6,512,910
Franchise in lieu taxes	42,788	78,573	96,816	120,969	132,548	150,456	168,267	189,577	194,943	278,186
Documentary transfer tax	1,548,205	972,995	575,003	598,084	479,208	424,931	434,554	350,413	447,103	502,822
Intergovernmental-motor vehicle in lieu, unrestricted	11,899,563	16,054,145	800,667	865,718	547,188	-	-	-	-	-
Use of property and money	6,959,412	13,467,580	16,380,462	9,381,199	10,850,116	5,298,098	8,708,429	2,236,328	4,718,739	3,440,087
Gain on sale of capital assets	-	-	2,575	-	-	605	-	-	-	-
Miscellaneous	1,820,976	405,679	885,602	1,787,772	1,238,641	2,784,308	469,671	1,728,104	696,377	403,609
Extraordinary items	-	-	-	-	-	-	(7,305,736)	31,492,582	26,364,076	-
Transfers	(1,257,370)	(75,851)	61,817	653,554	225,192	(107,841)	-	-	(904,032)	-
Total governmental activities	88,542,577	112,169,877	103,398,994	94,868,473	78,737,142	79,738,864	71,670,048	100,838,025	105,555,256	83,113,960
Business-type activities										
Use of property and money	-	-	-	-	61,428	29,540	89,183	8,848	35,249	137,947
Other	-	-	-	131,033	1,250,000	179,892	164,243	373,220	531,523	1,141,838
Transfers	1,257,370	75,851	(61,817)	(653,554)	(225,192)	107,841	-	-	904,032	-
Total business-type activities	1,257,370	75,851	(61,817)	(522,521)	1,086,236	317,273	253,426	382,068	1,470,804	1,279,785
Total primary government	\$ 89,799,947	\$ 112,245,728	\$ 103,337,177	\$ 94,345,952	\$ 79,823,378	\$ 80,056,137	\$ 71,923,474	\$ 101,220,093	\$ 107,026,060	\$ 84,393,745
Change in Net Position										
Government activities	\$ 60,153,676	\$ 107,280,152	\$ 78,222,502	\$ 25,497,791	\$ 50,543,612	\$ 7,061,937	\$ (6,406,798)	\$ 65,931,416	\$ 30,698,713	\$ 11,040,689
Business-type activities	9,029,148	2,093,570	(2,032,324)	(2,159,125)	599,634	1,181,424	482,968	1,340,710	1,888,394	6,680,949
Total primary government	\$ 69,182,824	\$ 109,373,722	\$ 76,190,178	\$ 23,338,666	\$ 51,143,246	\$ 8,243,361	\$ (5,923,830)	\$ 67,272,126	\$ 32,587,107	\$ 17,721,638

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund										
Reserved	\$ 11,808,994	\$ 13,580,492	\$ 35,752,164	\$ 34,787,698	\$ 33,788,960	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	25,920,111	39,494,188	21,937,845	17,066,883	17,500,579	-	-	-	-	-
Nonspendable	-	-	-	-	-	5,716,008	5,438,306	5,497,653	9,132,415	8,388,275
Restricted	-	-	-	-	-	-	1,000,000	-	-	-
Committed	-	-	-	-	-	2,600,000	2,600,000	2,701,000	2,729,722	2,266,281
Assigned	-	-	-	-	-	1,414,860	2,613,937	646,598	1,156,993	1,115,184
Unassigned	-	-	-	-	-	36,634,651	29,814,811	25,528,774	27,536,445	31,606,163
Total General Fund	<u>\$ 37,729,105</u>	<u>\$ 53,074,680</u>	<u>\$ 57,690,009</u>	<u>\$ 51,854,581</u>	<u>\$ 51,289,539</u>	<u>\$ 46,365,519</u>	<u>\$ 41,467,054</u>	<u>\$ 34,374,025</u>	<u>\$ 40,555,575</u>	<u>\$ 43,375,903</u>
All Other Funds										
Reserved	\$ 49,040,215	\$ 49,559,718	\$ 90,143,820	\$ 86,530,127	\$ 79,688,486	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved reported in:										
Special revenue funds	47,464,569	48,534,518	50,516,963	42,222,678	30,378,947	-	-	-	-	-
Capital projects funds	27,383,018	36,453,807	29,300,262	27,359,094	27,373,151	-	-	-	-	-
Debt service funds	949,518	-	-	-	-	-	-	-	-	-
Permanent funds	59,359	-	-	66,436	169,287	-	-	-	-	-
Nonspendable	-	-	-	-	-	32,582,050	35,169,140	35,479,835	6,848,083	6,351,290
Restricted	-	-	-	-	-	106,735,045	54,025,315	68,502,016	123,037,367	110,373,496
Committed	-	-	-	-	-	13,321	17,332	17,332	-	-
Assigned	-	-	-	-	-	15,151,482	19,708,984	11,130,251	-	-
Unassigned	-	-	-	-	-	(33,954,694)	(692,943)	(1,074,556)	(449,279)	(447,628)
Total all other funds	<u>\$ 124,896,679</u>	<u>\$ 134,548,043</u>	<u>\$ 169,961,045</u>	<u>\$ 156,178,335</u>	<u>\$ 137,609,871</u>	<u>\$ 120,527,204</u>	<u>\$ 108,227,828</u>	<u>\$ 114,054,878</u>	<u>\$ 129,436,171</u>	<u>\$ 116,277,158</u>

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

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenue										
Taxes										
Property tax	\$ 14,342,099	\$ 26,854,009	\$ 30,351,211	\$ 28,316,208	\$ 16,836,699	\$ 22,699,683	\$ 18,342,475	\$ 13,088,911	\$ 14,281,943	\$ 15,600,436
Property taxes in lieu	12,068,070	14,150,000	16,728,600	16,791,078	13,703,197	13,055,796	13,170,964	13,414,446	13,871,754	15,137,754
Utility taxes	13,811,740	15,463,291	15,186,616	15,081,286	15,358,341	15,317,439	15,591,386	15,683,931	15,595,141	16,138,202
Sales taxes	12,275,627	15,701,460	13,623,654	12,163,719	10,982,811	12,277,450	14,003,993	14,043,560	15,887,129	16,130,340
Other taxes	16,622,460	9,637,850	9,377,790	9,827,939	8,994,957	8,413,326	8,688,866	9,150,163	15,044,129	16,263,532
Assessments	-	-	-	-	-	-	-	-	-	-
Licenses, fees and permits	13,041,187	13,552,983	2,650,530	1,930,905	1,354,188	1,532,514	1,523,800	1,585,312	2,164,753	2,020,230
Charges for services	18,574,210	25,046,576	24,745,073	21,876,389	20,182,147	21,497,689	25,480,671	27,718,832	20,229,634	21,050,766
Intergovernmental	33,213,048	16,703,254	31,497,898	32,642,154	39,049,424	27,591,342	28,993,998	38,624,704	28,810,219	32,505,519
Use of property and money	7,199,105	13,466,716	16,380,462	9,381,199	10,850,116	7,027,197	7,605,758	1,749,494	4,034,589	3,405,008
Fines and forfeitures	1,205,173	1,159,350	1,293,056	1,262,712	1,176,403	833,799	653,285	650,259	619,942	630,175
Contributions from successor agency	-	-	-	-	-	-	900,124	2,811,741	9,729,528	1,489,134
Miscellaneous/other	2,652,320	1,089,949	885,602	1,787,772	1,238,641	4,251,577	1,424,186	3,162,871	2,269,465	1,623,569
Total revenues	145,005,039	152,825,438	162,720,492	151,061,361	139,726,924	134,497,812	136,379,506	141,684,224	142,538,226	141,994,665
Expenditures										
General government	10,723,374	12,060,789	14,681,999	14,825,012	12,607,630	14,504,781	14,442,873	12,099,984	12,019,962	13,146,749
Public Safety	43,478,949	50,276,192	56,361,973	57,866,348	58,311,716	58,152,125	54,602,358	58,393,974	53,492,051	55,248,006
Community development	24,608,096	10,116,658	18,144,115	13,895,163	15,003,855	9,061,184	10,530,127	12,374,216	7,923,409	9,883,788
Community and cultural	14,889,677	19,286,807	32,683,219	27,331,726	21,982,074	23,006,061	17,348,779	18,021,610	19,232,689	18,797,257
Public works	21,262,923	31,391,248	34,616,617	45,328,685	13,796,314	15,018,071	15,588,709	15,673,611	18,273,006	18,130,438
Capital outlay	-	-	-	-	26,269,751	23,879,656	27,709,622	45,615,380	27,212,890	28,898,279
Debt service										
Principal retirement	2,896,585	3,095,000	18,538,387	4,154,660	3,690,094	11,724,021	3,965,407	3,017,500	13,884,500	2,556,230
Interest and fiscal charges	7,334,361	8,476,750	9,213,625	10,382,080	9,198,762	8,345,084	6,250,237	2,462,481	3,284,958	3,388,158
Bond issuance costs	664,638	326,385	2,413,464	-	-	-	-	-	895,960	360,956
Total expenditures	125,858,603	135,029,829	186,653,399	173,783,674	160,860,196	163,690,983	150,438,112	167,658,756	156,219,425	150,409,861
Excess of revenues over/ (under) expenditures	19,146,436	17,795,609	(23,932,907)	(22,722,313)	(21,133,272)	(29,193,171)	(14,058,606)	(25,974,532)	(13,681,199)	(8,415,196)
Other Financing Sources (Uses)										
Issuance of debt	48,205,000	5,870,000	58,412,429	-	-	7,447,764	-	-	-	-
Transfers in	37,201,043	33,422,242	38,016,856	27,284,397	29,322,934	18,994,235	25,245,873	16,689,425	30,993,218	44,585,720
Transfers out	(38,480,919)	(30,526,931)	(36,688,115)	(24,926,511)	(26,106,962)	(19,012,256)	(25,818,899)	(15,473,618)	(30,111,368)	(44,677,294)
Sale of capital assets	-	-	442,085	-	-	-	-	-	-	-
Premium on debt issued	570,840	-	-	-	-	-	-	-	905,166	-
Discount on debt issued	(385,640)	-	-	-	-	-	-	-	-	-
Other debts issued	-	-	-	-	-	-	-	-	20,000,000	-
Defeased bonds	-	-	-	-	-	-	-	-	-	(25,940,000)
Refunding bonds issued	-	-	-	-	-	-	-	-	10,454,230	24,108,085
Total other financing sources (uses)	47,110,324	8,765,311	60,183,255	2,357,886	3,215,972	7,429,743	(573,026)	1,215,807	32,241,246	(1,923,489)
Extraordinary Items	-	-	-	-	-	-	(2,566,209)	23,492,746	-	-
Net change in fund balances	\$ 66,256,760	\$ 26,560,920	\$ 36,250,348	\$ (20,364,427)	\$ (17,917,300)	\$ (21,763,428)	\$ (17,197,841)	\$ (1,265,979)	\$ 18,560,047	\$ (10,338,685)
Debt service as a percentage of noncapital expenditures	10.54%	10.56%	19.40%	10.65%	9.58%	14.35%	8.59%	4.39%	13.06%	5.38%

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

Fiscal Year	Property Tax In-Lieu of Vehicle License Fees		Utility Users	Sales & Use	Transient Occupancy	Franchise	Motor Vehicle In-Lieu	Business License Gross Receipt	Documentary Transfer	Total
	Property	(1)								
2006	\$ 11,930,618	\$ 12,068,070	\$ 13,811,740	\$ 11,317,841	\$ 582,307	\$ 4,142,646	\$ 1,275,342	\$ 1,240,764	\$ 1,548,205	\$ 57,917,533
2007	14,022,135	14,150,000	15,463,291	13,116,271	586,383	4,349,870	943,313	1,315,039	972,995 (2)	64,919,297
2008	14,361,253	16,728,600	15,186,616	11,694,525	593,009	4,478,698	800,667	1,111,021	575,003	65,529,392
2009	12,790,196	16,791,078	15,081,286	10,202,384	497,936	4,997,024	865,718	1,051,701	598,084	62,875,407
2010	9,917,734	13,703,197	15,358,341	9,298,296	535,775	4,757,920	547,188	961,303	479,208	55,558,962
2011	9,430,846	13,055,796	15,317,439	11,283,435	692,586	5,038,600	887,331	1,053,145	424,931	57,184,109
2012	9,397,373	13,170,964	15,591,386	14,003,992	747,100	5,176,775	96,578	1,175,104	434,554	59,793,826
2013	9,765,007	13,414,446	15,683,931	14,043,560	831,881	5,336,919	100,727	1,305,924	350,413	60,832,808
2014	10,668,782	13,871,755	15,595,141	15,887,129	991,431	5,556,474	84,056	1,581,918	447,103	64,683,789
2015	11,591,459	15,137,754	16,138,202	16,130,340	1,197,143	6,164,099	81,658	1,886,558	502,822	68,830,035

191

Change

2006 to 2015	-3.00%	(3)	25.00%	(3)	17.00%	(3)	43.00%	(3)	106.00%	49.00%	-94.00%	52.00%	-68.00%	19.00%
---------------------	---------------	-----	---------------	-----	---------------	-----	---------------	-----	----------------	---------------	----------------	---------------	----------------	---------------

(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.

(1) 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.

(1) 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 control of the state it would be considered a "shared" revenue rather than a "own-source" revenue.

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

Source: City of Moreno Valley Financial and Management Services Department

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

Fiscal Year	Utility Users Tax	Property Tax	Property Tax In-Lieu of VLF	Vehicle License In-Lieu Fees	Sales Tax	Property Tax In-Lieu of Sales Tax	Development Services
2006	\$ 13,811,740	\$ 11,930,618	\$ 12,068,070	\$ 1,275,342	\$ 8,623,390	\$ 2,694,451	\$ 12,592,569
2007	15,463,291	14,022,135	14,150,000	943,313	9,472,304	3,643,967	12,473,161
2008	15,186,616	14,361,253	16,728,600	800,667	7,942,982	3,751,543	8,706,327
2009	15,081,286	12,790,196	16,791,078	865,718	7,135,246	3,067,138	5,510,492
2010	15,358,341	9,917,734	13,703,197	547,188	6,952,123	2,346,173	2,631,820
2011	15,317,439	9,430,846	13,055,796	887,331	8,113,635	3,169,800	2,675,770
2012	15,591,386	9,397,373	13,170,964	96,578	10,848,031	3,155,962	3,928,365
2013	15,683,931	9,765,007	13,414,446	100,727	10,523,544	3,520,016	3,586,632
2014	15,595,141	10,668,782	13,871,754	84,056	11,478,971	4,408,158	5,832,468
2015	16,138,202	11,594,459	15,137,754	81,658	12,347,660	3,782,680	5,323,881

City of Moreno Valley, California
 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	Less: Exemptions	Taxable Assessed Value	Direct Tax Rate	Secured Value	Unsecured Value	Total Assessed and Estimated Full Value	Less: Exemptions	Taxable Assessed Value	Direct Tax Rate	Total Direct Tax Rate
2006	\$ 11,327,235	\$ 165,133	\$ 11,492,368	\$ (118,051)	\$ 11,374,317	0.00131	\$ 2,028,330	\$ 85,608	\$ 2,113,938	\$ (35,633)	\$ 2,078,305	0.00643	0.00210
2007	13,419,168	198,776	13,617,944	(147,891)	13,470,053	0.00140	2,546,327	109,685	2,656,012	(47,345)	2,608,667	0.00672	0.00226
2008	13,491,161	232,774	13,723,935	(194,693)	13,529,242	0.00143	2,788,876	137,206	2,926,082	(75,251)	2,850,831	0.00838	0.00264
2009	13,132,444	243,521	13,375,965	(154,973)	13,220,992	0.00131	2,229,290	117,596	2,346,886	-	2,346,886	0.01013	0.00264
2010	10,625,910	236,904	10,862,814	(154,289)	10,708,525	0.00160	2,391,494	154,639	2,546,133	(81,595)	2,464,538	0.00675	0.00256
2011	10,516,338	238,786	10,755,124	(227,178)	10,527,946	0.00164	2,375,549	157,430	2,532,979	(81,830)	2,451,149	0.00575	0.00242
2012	10,561,585	271,336	10,832,921	(236,235)	10,596,686	0.00258	-	-	-	-	-	-	0.00258
2013	10,646,415	342,094	10,988,509	(249,331)	10,739,178	0.00183	-	-	-	-	-	-	0.00183
2014	11,042,637	352,337	11,394,974	(264,161)	11,130,813	0.00185	-	-	-	-	-	-	0.00185
2015	12,102,252	366,400	12,468,652	(262,713)	12,205,939	0.00179	-	-	-	-	-	-	0.00179

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 X1 26 and AB X1 27.

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

Direct and Overlapping Governments
 Last Ten Fiscal Years
 (per \$100 of assessed value)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
City Direct Rate:	\$0.00131	\$0.00140	\$0.00143	\$0.00131	\$0.00160	\$0.00164	\$0.00258	\$0.00177	\$0.00185	\$0.00179
Redevelopment Agency Direct Rate:	0.00643	0.00672	0.00838	0.01045	0.00675	0.00575	0.00000	0.00000	0.00000	0.00000
Total Direct Tax Rate:	0.00210	0.00226	0.00264	0.00265	0.00256	0.00242	0.00258	0.00177	0.00185	0.001785
Eastern Municipal Water Imp Dist	0.02300	0.01500	0.01500	0.00700	0.03000	0.03000	0.03000	0.03000	0.03000	0.01100
Metro Water Dist Original Area	0.00520	0.00470	0.00450	0.00430	0.00430	0.00370	0.00370	0.00350	0.00350	0.00350
Moreno Valley Unified School District	0.03149	0.02271	0.03066	0.03081	0.02660	0.03357	0.04096	0.04060	0.04354	0.04071
Nuview School District	0.00000	0.00000	0.02998	0.02996	0.02790	0.02987	0.02988	0.04043	0.07389	0.07156
Perris Union High School District	0.02350	0.03222	0.02110	0.02031	0.02686	0.03126	0.03429	0.03429	0.06970	0.06303
Riverside City Community College District	0.01800	0.01800	0.01259	0.01254	0.01242	0.01499	0.01700	0.01702	0.01768	0.01791
San Jacinto Unified School District	0.02451	0.01407	0.07202	0.09600	0.09052	0.11744	0.12875	0.12800	0.12746	0.11866
Val Verde Unified District	0.00000	0.00000	0.00000	0.03189	0.04089	0.03347	0.03160	0.08383	0.07235	0.07882
Total Tax Rate	<u>\$0.13554</u>	<u>\$0.11708</u>	<u>\$0.19830</u>	<u>\$0.24722</u>	<u>\$0.22708</u>	<u>\$0.30411</u>	<u>\$0.32134</u>	<u>\$0.38121</u>	<u>\$0.44182</u>	<u>\$0.40698</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, California
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value
HF Logistics SKX T1 (Skechers)	\$ 206,076,264	1	1.69%			
Ross Dress for Less, Inc.	136,318,771	2	1.12%			
Walgreen Company	118,966,213	3	0.97%	131,988,903	1	1.43%
IIT Inland Empire Logistics Center	118,635,616	4	0.97%			
Stonegate 552	82,989,303	5	0.68%			
First Industrial LP	81,229,404	6	0.67%			
Kaiser Foundation Hospitals	80,446,780	7	0.66%			
Broadstone at Valley View	77,000,000	8	0.63%			
2250 Town Circle Holdings	73,374,738	9	0.60%			
I 215 Logistics	56,220,375	10	0.46%			
Western Pacific Housing				40,294,947	2	0.44%
Homart Newco Two, Inc.				40,000,000	3	0.43%
Divi Divi Tree Limited Partnership				28,857,700	4	0.31%
TSC				28,070,904	5	0.30%
Lasselle Place				28,020,010	6	0.30%
Moreno Valley Plaza				26,376,892	7	0.29%
Freeway Machine and Welding Shop				25,186,183	8	0.27%
Falls Apartments				19,896,069	9	0.22%
Desert Pointe Properties				19,731,070	10	0.21%
	<u>\$1,031,257,464</u>		<u>8.45%</u>	<u>\$ 388,422,678</u>		<u>4.21%</u>

Source: Hdl Coren & Cone

City of Moreno Valley, California
 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 (1)		Amount	Percent of Levy
2006	\$ 32,385,248	\$ 32,347,436	99.88%	\$ 37,812	\$ 32,385,248	100.00%
2007	39,206,275	39,141,295	99.83%	64,980	39,206,275	100.00%
2008	43,561,908	43,457,010	99.76%	104,898	43,561,908	100.00%
2009	41,285,111	41,165,168	99.71%	119,943	41,285,111	100.00%
2010	35,573,656	35,492,693	99.77%	80,963	35,573,656	100.00%
2011	33,713,334	33,658,226	99.84%	55,108	33,713,334	100.00%
2012	33,226,437	33,172,713	99.84%	53,724	33,226,437	100.00%
2013	25,630,602	25,580,901	99.81% (2)	49,701	25,630,602	100.00%
2014	26,906,254	26,862,040	99.84%	44,214	26,906,254	100.00%
2015	26,455,986	26,154,116	98.86%	-	26,154,116	98.86%

196

Notes:

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

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

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

City of Moreno Valley, California
Direct and Overlapping Debt

Fiscal Year 2014/15 Assessed Valuation

\$ 12,199,658,731

<u>OVERLAPPING TAX AND ASSESSMENT DEBT</u>	Total Debt 6/30/2015	% Applicable(1)	City's Share of Debt 6/30/2015
Metropolitan Water District	\$ 110,420,000	0.526%	\$ 580,809
Eastern Municipal Water District I.D. No U-22	2,624,000	100	2,624,000
Riverside Community College District	227,097,323	14.576	33,101,706
Mount San Jacinto Community College District	70,000,000	0.014	9,800
Moreno Valley Unified School District	136,588,521	84.244	115,067,634
San Jacinto Unified School District	42,604,103	0.424	180,641
Val Verde Unified School District	109,531,488	37.704	41,297,752
Moreno Valley Unified School District Community Facilities District No. 88-1	-	100	-
Moreno Valley Unified School District Community Facilities District No. 2002-1	7,535,000	100	7,535,000
Moreno Valley Unified School District Community Facilities District No. 2003-1&2	11,070,000	100	11,070,000
Moreno Valley Unified School District Community Facilities District No. 2004-1	2,960,000	100	2,960,000
Moreno Valley Unified School District Community Facilities District No. 2004-2	5,225,000	100	5,225,000
Moreno Valley Unified School District Community Facilities District No. 2004-3	3,820,000	100	3,820,000
Moreno Valley Unified School District Community Facilities District No. 2004-5	4,770,000	100	4,770,000
Moreno Valley Unified School District Community Facilities District No. 2004-6	26,220,000	100	26,220,000
Moreno Valley Unified School District Community Facilities District No. 2005-2, 3 & 5	23,570,000	100	23,570,000
Moreno Valley Unified School District Community Facilities District No. 2007-1	5,195,000	100	5,195,000
Val Verde Unified School District Community Facilities District No. 98-1	18,845,000	100	18,845,000
Val Verde Unified School District Community Facilities District No. 2003-2	2,910,000	100	2,910,000
Eastern Municipal Water District Community Facilities District	12,725,000	100	12,725,000
City of Moreno Valley Community Facilities District No. 5	5,670,000	100	5,670,000
City of Moreno Valley Community Facilities District No. 87-1, I.A. No. 1	2,605,000	100	2,605,000
TOTAL GROSS OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 325,982,342

DIRECT AND OVERLAPPING GENERAL FUND DEBT:

Riverside County General Fund Obligations	961,952,082	5.404%	\$ 51,983,891
Riverside County Pension Obligations	320,470,000	5.404%	17,318,199
Riverside County Board of Education Certificates of Participation	1,835,000	5.404%	99,163
Mt. San Jacinto Community College District General Fund Obligations	-	0.000%	0
Moreno Valley Unified School District Certificates of Participation	12,475,000	84.244%	10,509,439
San Jacinto Unified School District Certificates of Participation	40,270,000	0.424%	170,745
Val Verde Unified School District Certificates of Participation	71,445,000	37.704%	26,937,623
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			107,019,060
Less: Riverside County self-supporting obligations			408,813
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			106,610,247
City Direct Debt (City of Moreno Valley General Fund Obligations)			63,288,500
TOTAL DIRECT & OVERLAPPING GENERAL FUND DEBT			\$ 169,898,747

OVERLAPPING TAX INCREMENT DEBT:

79,130,000 31.234-100 \$ 57,503,093

TOTAL DIRECT DEBT

63,288,500

TOTAL GROSS OVERLAPPING DEBT

490,504,496

TOTAL NET OVERLAPPING DEBT

490,095,682

GROSS COMBINED TOTAL DEBT

553,792,995 (2)

NET COMBINED TOTAL DEBT

553,384,182

Notes:

- (1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.
- (2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations

Ratios to FY 2014-15 Assessed Valuation:

Total Gross Overlapping Tax and Assessment Debt 2.67%

Ratios to Adjusted Assessed Valuation:

Total Direct Debt (\$63,288,500) 0.52%

Gross Combined Total Debt 4.54%

Net Combined Total Debt 4.54%

Ratios to Redevelopment Incremental Valuation (\$2,319,499,377):

2.48%

Total Overlapping Tax Increment Debt

KD: (\$475)

Source: California Municipal Statistics

City of Moreno Valley, California
 Legal Debt Margin
 Last Ten Fiscal Years
 (dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2015	
Assessed Value	\$ 12,064,572
Debt Limit (15% of assessed value)	<u>1,809,686</u>
Total net debt applicable to limit	<u>-</u>

	Fiscal Year (1)									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Assessed valuation (in thousands)	\$ 9,075,495	\$ 11,220,188	\$ 13,374,229	\$ 13,375,965	\$ 10,862,814	\$ 10,366,869	\$ 10,462,566	\$ 10,590,832	\$ 12,199,659	\$ 12,064,572
Conversion percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted assessed valuation (in thousands)	2,268,874	2,805,047	3,343,557	3,343,991	2,715,704	2,591,717	2,615,642	2,647,708	3,049,915	3,016,143
Debt limit percentage	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Debt Limit (in thousands)	340,331	420,757	501,534	501,599	407,356	388,758	392,346	397,156	457,487	452,421
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin (in thousands)	340,331	420,757	501,534	501,599	407,356	388,758	392,346	397,156	457,487	452,421
Total net debt applicable to the limit as a percentage of the debt limit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

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

City of Moreno Valley, California
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities					Business-type Activities		Total Primary Government	Percentage of Personal Income	Debt per Capita
	Special Tax Bonds	Certificates of Participation	Lease Revenue Bonds	RDA Tax Allocation Bonds	Notes and Other	Total 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	3.67%	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	4.61%	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	4.48%	796
2010	15,525,000	4,875,000	44,205,000	42,605,000	6,667,850	113,877,850	30,285,000	144,162,850	4.09%	765
2011	13,655,000	- (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)	12,405,733	63,050,733	29,245,000	92,295,733	2.70%	470
2013	10,685,000	-	37,855,000	- (4)	12,340,304	60,880,304	28,685,000	89,565,304	2.62%	452
2014	9,660,000	20,000,000	36,394,230	- (4)	11,874,411	77,928,641	27,836,607	105,765,248	2.93%	531
2015	8,700,000	20,000,000	32,486,745	-	10,620,844	71,807,589	26,975,706	98,783,295	2.72%	492

Notes:

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

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

City of Moreno Valley, California
 Ratio of Bonded Debt
 Last Ten Fiscal Years

Fiscal Year Ended June 30, ⁽²⁾	Special Tax Bonds	Certificates of Participation	Lease Revenue Bonds	Total Governmental Activities	Percent of Assessed Value (1)	Per Capita
2006	\$23,345,000	\$ 7,115,000	\$ 47,530,000	\$ 77,990,000	0.86%	447
2007	21,415,000	6,590,000	46,890,000	74,895,000	0.67%	415
2008	18,925,000	6,040,000	46,160,000	71,125,000	0.53%	387
2009	17,265,000	5,470,001	45,205,000	67,940,001	0.51%	365
2010	15,525,000	4,875,000	44,205,000	64,605,000	0.59%	343
2011	13,655,000	- ⁽³⁾	39,660,000 ⁽³⁾	53,315,000	0.50%	273
2012	11,870,000	-	38,775,000	50,645,000	0.47%	258
2013	10,685,000	-	37,855,000	48,540,000	0.45%	245
2014	9,660,000	20,000,000	36,394,230	66,054,230	0.59%	332
2015	8,700,000	20,000,000	32,486,745	61,186,745	0.55%	307

200

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.

Data Source: City of Moreno Valley Financial and Management Services Department

City of Moreno Valley, California
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				Towngate Community Facilities District No. 87-1,				Towngate Community Facilities District No. 87-1, Improvement No.				
	Special Tax Levy	Property Tax Increment	Debt Service		Coverage	Special Tax Levy	Debt Service		Coverage	Property Tax Increment	Debt Service		Coverage	Special Tax Levy	Property Tax Increment	Debt Service		Coverage
			Principal	Interest			Principal	Interest			Principal	Interest				Principal	Interest	
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	1.15	\$ 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	1.16	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	1.18	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	0.15	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	74,137	29,292	925,000	64,688	0.10	384,249	30,000	286,613	1.21	1,175,145	655,000	359,294	1.16	115,946	274,445	205,000	152,173	1.09
2013	75,878	31,192	295,000	18,938	0.34	388,022	35,000	285,295	1.21	1,170,595	680,000	335,931	1.15	110,672	275,008	210,000	143,719	1.09
2014	-	-	105,000	3,938	0.00	393,684	45,000	283,633	1.20	1,174,345	700,000	310,906	1.16	117,164	275,007	220,000	135,009	1.10
2015	-	-	-	-	0.00	398,468	55,000	281,505	1.18	1,186,238	730,000	283,181	1.17	114,616	277,896	230,000	125,668	1.10

Community Redevelopment Agency 2007 Tax Allocation

Fiscal Year Ended June 30,	Property Tax Increment	Debt Service		Coverage
		Principal	Interest	
		2008	\$ 23,890,555	
2009	23,775,956	770,000	2,073,084	8.36
2010	-	-	-	
2011	-	-	-	
2012	-	-	-	
2013	-	-	-	
2014	-	-	-	

201

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

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

City of Moreno Valley, California
 Demographic and Economic Statistics
 Last eight years

<u>Calendar</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita</u>	<u>Unemployment</u>
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%
2013	198,129	3,615,062	18,246	11.8%
2014	199,258	3,612,548	18,130	11.0%
2015	200,670	3,649,385	18,186	7.0%

(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.

Data Source: California Department of Finance

City of Moreno Valley, California
 Principal Employers
 Current Year and Nine Years Ago

Employer	Sector	Business Type	2015		2006	
			Number of	Percent of Total	Number of	Percent of
March Air Reserve Base	Military/Public Sector	Military Reserve Base	8,500	9.30%	9,167	16.25%
Amazon.com, Inc	Fulfillment	Retail Distribution	7,500	8.21%		
Moreno Valley Unified School District	Public Sector	Public Schools	3,565	3.90%	3,447	6.11%
Riverside County Regional Medical Center	Medical Facilities	County Hospital	3,000	3.28%	2,400	4.25%
Ross Dress for Less / DD's Discounts	Distribution	Retail Distribution	1,921	2.10%		
Moreno Valley Mall(excludes major tenants)	Retail	Retail Mall	1,390	1.52%	1,000	1.77%
Proctor & Gamble Co.	Distribution	Retail Distribution	987	1.08%		
Harbor Freight Tools	Distribution	Retail Distribution	800	0.88%		
Kaiser Permanente Community Hospital	Medical Facilities	Hospital	772	0.84%		
iHerb, Inc.	Distribution	Natural Supplements Distribution	750	0.82%		
Val Verde Unified School District	Public Sector	Public Schools			1,402	2.48%
Thor California	Manufacturing	RV Manufacturer			691	1.22%
Walgreens Company	Distribution	Retail Distribution			600	1.06%
City of Moreno Valley	Public Sector	Municipal Government			564	1.00%
Riverside Community College /Moreno Valley Campus	Public Sector	Higher Education			515	0.91%
Riverside County DPSS	Public Sector	Social Services			430	0.76%

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

Source: City of Moreno Valley Economic Development Department
 California Department of Finance

City of Moreno Valley, California
 Full-time and Part-time City Employees by Function
 Last Ten Fiscal Years

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government	143	153	150	142	150	147	125	96	93	94
Public Works	126	134	141	151	146	143	134	122	121	119
Community Development	71	74	74	72	68	59	66	59	49	51
Parks and Community	123	184 (2)	240	238	453	101 (3)	118	112	113	127
Animal Services	24	26	27	29	27	21	19	21	22	22
Redevelopment Agency	17	17	18	16	14	12	0	0	0	0
Public Safety (1)	<u>329</u>	<u>356</u>	<u>383</u>	<u>393</u>	<u>415</u>	<u>407</u>	<u>407</u>	<u>318</u>	<u>286</u>	<u>287</u>
	<u>833</u>	<u>944</u>	<u>1,033</u>	<u>1,041</u>	<u>1,273</u>	<u>890</u>	<u>869</u>	<u>728</u>	<u>684</u>	<u>700</u>

204

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.

Source: City of Moreno Valley Financial and Management Services Department

City of Moreno Valley, California
 Capital Asset Statistics
 Last Eight Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015
Lane miles of streets	1,076	1,076	1,076	1,076	1,076	1,095	1,080	1,080
Number of street lights	11,027	11,037	11,046	11,260	11,358	11,381	11,449	11,512
Number of traffic signals	162	167	170	173	175	180	182	186
Fire protection:								
Number of stations	6	6	6	6	6	7	7	7
Police protection:								
Number of policing stations	1	1	1	1	1	1	1	1
Number of policing substations	4	4	4	4	6	6	6	2
Recreation and culture:								
Parks	38	39	37	37	37	37	37	38
Maintained acreage of parks	529.55	531.48	531.48	531.66	519.91	519.91	520	533
Parks under construction	7	6	6	1	1	1	1	-
Acreage of parks under construction	27.07	25.14	25.14	12.25	12.75	12.75	12.75	-
Multi-use athletic fields	21	21	21	21	21	21	21	24
Conference/Recreation centers	1	1	1	1	1	1	1	1
Square footage of recreation centers	42,413	42,413	42,413	42,413	42,413	42,413	42,413	42,413
Senior Centers	1	1	1	1	1	1	1	1
Square footage of senior centers	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700
Equestrian centers	1	1	1	1	1	1	1	1
Maintained acreage of equestrian centers	45	45	45	45	45	45	45	45
Multi-use equestrian trails maintained	10 Miles							
Community centers	4	4	4	4	4	4	4	4
Square footage of community centers	38,758	38,758	38,758	38,758	38,758	38,758	38,758	38,758
Sports courts	44	44	44	44	44	44	44	44
Skate parks	1	1	1	1	1	1	1	1
Square footage of skate parks	1,850	1,850	1,850	1,851	1,850	1,850	1,850	1,850
Soccer Arena	0	0	0	0	1	1	1	1
Nine-hole golf courses	1	1	1	1	1	1	1	1
Play apparatus	23	24	26	26	26	26	26	27
Water play features	2	2	2	2	2	2	2	2
Utilities:								
Residential utility meters	4,702	4,802	4,904	5,003	5,028	5,091	5,202	5,260
Commercial utility meters	499	565	545	599	592	607	639	652

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.

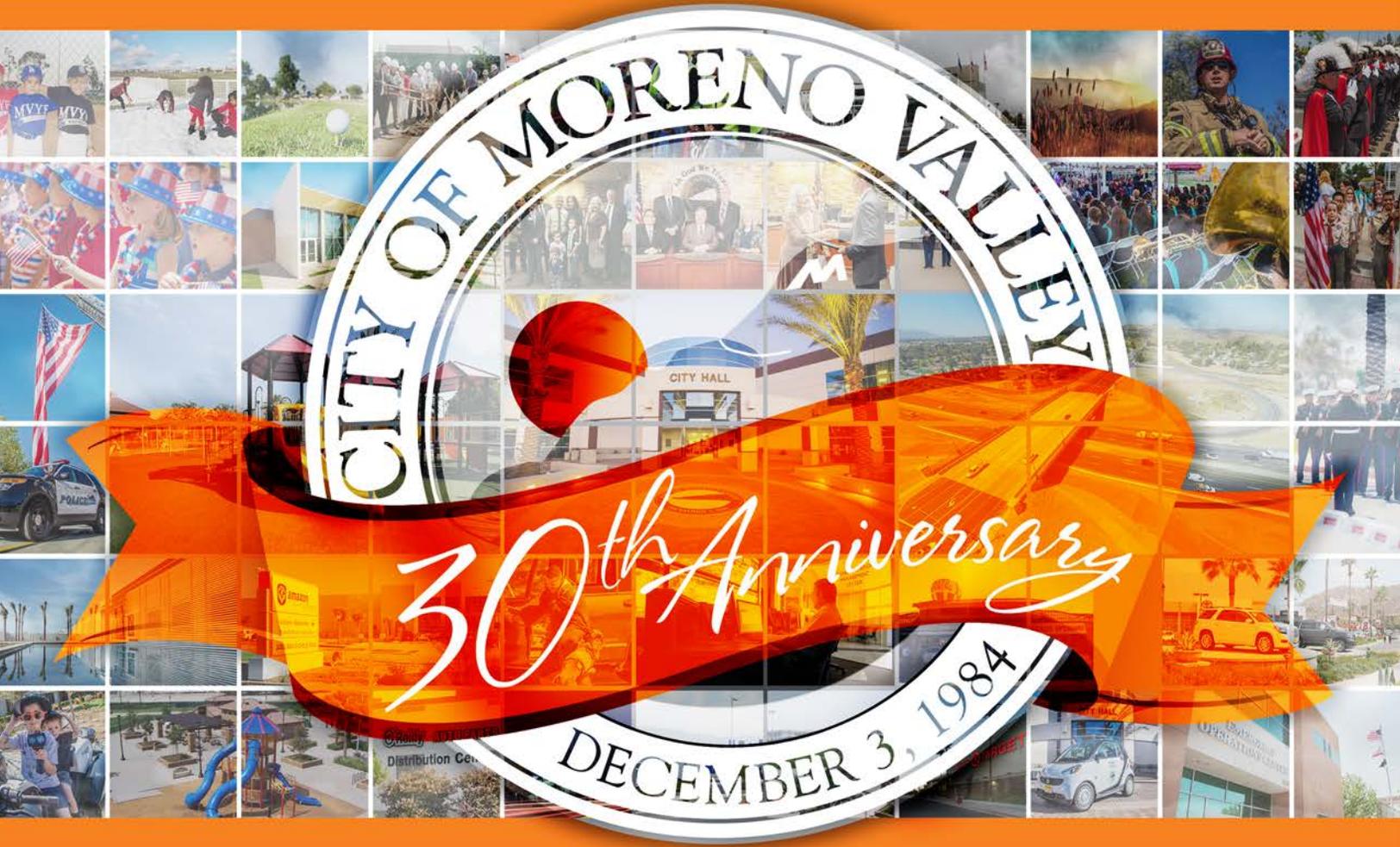
City of Moreno Valley, California
 Operating Indicators by Function
 Last Eight Fiscal Years

	Fiscal Year							
	2008	2009	2010	2011	2012	2013	2014	2015
Square mileage of area	52	52	52	52	52	52	52	52
Fire protection:								
Provided by the County of Riverside in cooperation with the State Department of Forestry and Fire:								
Sworn personnel	85	81	80	79	71	72	69	69
Volunteers	25	25	25	10	16	16	25	18
Non-sworn personnel	10	8	8	8	8	8	11	13
OEM non-sworn personnel	0	0	0	0	2	3	3	2
Responses to emergency calls	13,011	12,971	13,530	15,268	14,824	15,905	16,340	17,727
Inspections and Permits	4,269	3,522	2,369	3,383	2,304	2,400	3,251	3,445
Apartment Complex Inspections	0	0	0	0	849	872	1,476	1,777
Plan checks	1,482	664	424	358	786	1,218	1,646	1,788
Counter/Public inquires	7,932	7,249	2,734	2,452	2,671	2,431	2,966	2,683
Police protection:								
Provided through contract with the County of Riverside Sheriff's Department:								
Sworn officers	188	186	184	186	181	181	153	151
Classified personnel	56	55	54	55	54	51	49	50
City support personnel	4	3	3	3	3	3	2	2
Volunteers	39	56	62	77	85	77	69	84
Responses to Calls:								
Priority 1	429	572	519	423	363	425	402	420
Priority 1A	1,271	1,110	1,181	1,274	1,289	1,584	1,500	1,463
Priority 2	24,819	24,967	24,938	27,797	26,021	27,733	28,048	28,696
Priority 3	24,859	26,466	24,800	27,487	29,393	29,860	28,521	30,499
Priority 4	16,932	17,592	16,630	18,625	18,087	17,280	16,662	16,749
Priority 5	2	91	1	1	1	1	63	62
Priority 6	0	0	0	0	0	0	0	-
Priority 7	0	0	0	0	0	0	0	1
Priority 8	0	0	0	1	1	0	0	-
Priority 9	174	248	279	312	223	347	436	312
Cancelled	5,983	5,359	5,222	5,543	5,991	23,338	26,172	29,095
Disp/Arr Time Missing	9,437	8,540	7,638	7,944	8,125	8,941	8,191	9,384
Same Disp/Arr Time	50,516	60,510	54,645	54,379	47,638	45,096	40,425	45,041
T. R. U. Calls	32	43	32	37	54	87	76	42
Building and Safety:								
Building permits issued	2,413	2,058	1,645	1,700	1,889	1,797	2,066	2,329
Counter requests for service	11,249	8,922	6,611	6,105	6,563	6,407	7,049	7,597
Planning:								
Planning applications processed	1,100	894	682	644	740	745	752	667
Counter requests for service	6,550	4,669	3,875	3,683	3,853	3,749	3,718	3,527
Recreation and culture:								
Rounds of golf played	12,000	6,123	6,638	9,719	n/a	8,209	9,002	7,948
Facility rentals	971	893	1,026	1,005	992	997		1,087
Participants in recreation programs	57,139	46,075	46,561	46,040	48,473	41,992	47,405	43,361
Utilities:								
Average residential daily consumption (kilowatt hours)	18	19.8	18.5	18.5	19.7	20.7	19.1	20.1
Average commercial daily consumption (kilowatt hours)	171	254.8	284.4	296.3	371.9	383.0	395.3	573
New residential connections	473	123	93	99	23	63	111	58
New commercial connections	118	65	5	54	23	15	32	13
Employees:								
Members of City Council	5	5	5	5	5	5	5	5
Members of the Planning Commission	7	7	7	7	7	7	7	7
Full-time career status (FTE)	406	324	312	283	281	277	299	261
Part-time career status (FTE)	18	14	29	21	66	22	11	14

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.

Sources: City of Moreno Valley Technology Services, Fire Department, Police Department, Community & Economic Development, Parks & Community Services, Utilities, Financial-Payroll.

COMPREHENSIVE ANNUAL FINANCIAL REPORT



CITY OF MORENO VALLEY, CALIFORNIA
COMMUNITY SERVICES DISTRICT

FISCAL YEAR ENDED JUNE 30, 2015

**City of Moreno Valley, California
Community Services District**

**Financial Statements
Year Ended June 30, 2015**

TABLE OF CONTENTS

FINANCIAL SECTION

Independent Auditors' Report..... 1

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements:

Statement of Net Position..... 5

Statement of Activities..... 7

Fund Financial Statements:

Balance Sheet – Governmental Funds..... 8

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position..... 11

Statement of Revenues, Expenditures and Changes in
Fund Balances – Governmental Funds..... 12

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities..... 14

Budget Comparison Statements

Zone L Library Services..... 15

Zone A Parks and Community Services..... 16

Lighting Maintenance District (LMD) No. 2014-01..... 17

Lighting Maintenance District (LMD) No. 2014-02..... 18

Zone E Extensive Landscaping Administration..... 19

Notes to Financial Statements..... 20

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Combining Balance Sheet – Nonmajor Governmental Funds..... 34

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances – Nonmajor Governmental Funds..... 36

Budgetary Comparison Schedules

Zone C Arterial Street Lights Administration..... 38

Zone D Standard Landscaping Administration..... 39

Zone M Median..... 40

CFD No.1..... 41

Zone S Sunnymead Boulevard Maintenance..... 42

INDEPENDENT AUDITORS' REPORT

To the Directors
City of Moreno Valley, California
Community Services District

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Moreno Valley, California, Community Services District (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2015, and the respective changes in financial position and budgetary comparison for the Zone L Library Services, Zone A Parks and Community Services, Lighting Maintenance District (LMD) 2014-01, Lighting Maintenance District (LMD) 2014-02 and Zone E Extensive Landscaping Administration for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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



Implementation of New Accounting Standards

As discussed in Note 1, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*, effective for the fiscal year ended June 30, 2015. As a result of this required implementation, the District's beginning net position was restated to retroactively report the net pension liability as of the beginning of the fiscal year. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 7, 2015 on our consideration of the City's internal control over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's Internal control over financial reporting and compliance.

Vasquez + Company LLP

**Los Angeles, California
December 7, 2015**



**City of Moreno Valley, California
Community Services District**

**Statement of Net Position
June 30, 2015**

	<u>Governmental Activities</u>
Assets	
Cash and investments (note 2)	\$ 16,028,856
Receivables:	
Accounts	105,886
Due from other governments	251,317
Capital assets not being depreciated (note 3)	872,751
Capital assets, net of depreciation (note 3)	<u>22,515,220</u>
Total Assets	<u>39,774,030</u>
 Deferred Outflows of Resources	
Pension contributions	<u>813,989</u>
Total Deferred Outflows of Resources	<u>813,989</u>
 Liabilities	
Accounts payable	652,969
Unearned revenue	214,481
Deposits payable	18,516
Due to other governments	37
Due to the City of Moreno Valley	9,316
Net pension liability	<u>8,907,346</u>
Total Liabilities	<u>9,802,665</u>
 Deferred Inflows of Resources	
Net difference between projected and actual earnings on pension plan investments	<u>1,286,836</u>
Total Deferred Inflows of Resources	<u>1,286,836</u>
 Net Position	
Net investment in capital assets	23,387,971
Restricted for:	
Special zones	<u>6,110,547</u>
Total Net Position	<u><u>\$ 29,498,518</u></u>



**City of Moreno Valley, California
Community Services District**

**Statement of Activities
Year Ended June 30, 2015**

	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Governmental Activities
Functions/Programs				
Primary Government:				
Governmental activities:				
Community and cultural	\$ 14,751,880	\$ 5,953,549	\$ -	\$ (8,798,331)
Public works	5,320,586	-	-	(5,320,586)
Total Governmental Activities	\$ 20,072,466	\$ 5,953,549	\$ -	\$ (14,118,917)
General Revenues:				
Taxes				
Property taxes, levied for general purpose				4,005,977
Other taxes				6,361,678
Use of money and property				785,502
Other				58,757
Capital assets contribution from the City of Moreno Valley				8,230,992
Contributions from the City of Moreno Valley				2,013,771
Total General Revenues and Contributions				21,456,677
Change in Net Position				7,337,760
Net Position - Beginning of year, as restated				22,160,758
Net Position - End of year				\$ 29,498,518

**City of Moreno Valley, California
Community Services District**

**Governmental Funds
Balance Sheet
June 30, 2015**

	Special Revenue Funds			
	Zone L Library Services	Zone A Parks and Community Services	Lighting Maintenance District No. 2014-01	Lighting Maintenance District No. 2014-02
Assets:				
Pooled cash and investments (note 2)	\$ 530,267	\$ 4,675,732	\$ 719,398	\$ 4,132,390
Receivables:				
Accounts	-	105,102	-	784
Due from other governments	51,827	120,908	13,478	23,663
Total Assets	\$ 582,094	\$ 4,901,742	\$ 732,876	\$ 4,156,837
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 1,127	\$ 223,972	\$ 96,247	\$ 110,432
Unearned revenues	-	214,481	-	-
Deposits payable	-	18,516	-	-
Due to other governments	-	37	-	-
Due to the City of Moreno Valley	-	9,316	-	-
Total Liabilities	1,127	466,322	96,247	110,432
Fund Balances:				
Restricted for:				
Special zones	580,967	4,435,420	636,629	4,046,405
Total Fund Balances	580,967	4,435,420	636,629	4,046,405
Total Liabilities and Fund Balances	\$ 582,094	\$ 4,901,742	\$ 732,876	\$ 4,156,837

Special Revenue Funds		
Zone E		
Extensive Landscaping Administration	Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,362,792	\$ 3,608,277	\$ 16,028,856
-	-	105,886
2,313	39,128	251,317
\$ 2,365,105	\$ 3,647,405	\$ 16,386,059
\$ 9,806	\$ 211,385	\$ 652,969
-	-	214,481
-	-	18,516
-	-	37
-	-	9,316
9,806	211,385	895,319
2,355,299	3,436,020	15,490,740
2,355,299	3,436,020	15,490,740
\$ 2,365,105	\$ 3,647,405	\$ 16,386,059

Assets:

Pooled cash and investments (note 2)

Receivables:

Accounts

Due from other governments

Total Assets

Liabilities and Fund Balances:

Liabilities:

Accounts payable

Unearned revenues

Deposits payable

Due to other governments

Due to the City of Moreno Valley

Total Liabilities

Fund Balances:

Restricted for:

Special zones

Total Fund Balances

Total Liabilities and Fund Balances



**City of Moreno Valley, California
Community Services District**

**Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2015**

Fund balances of governmental funds	\$ 15,490,740
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets, net of depreciation, used in governmental activities are not financial resources and therefore, are not reported in the funds.	
Capital Assets, not being depreciated	872,751
Depreciable capital assets, net of accumulated depreciation	22,515,220
Deferred pension cost are not financial resources and therefore are not reported in the funds	813,989
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Net pension liability	(8,907,346)
Deferred inflows - net differences between projected and actual earnings on pension plan investments	(1,286,836)
Net Position of governmental activities	<u>\$ 29,498,518</u>

**City of Moreno Valley, California
Community Services District**

**Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended June 30, 2015**

	Special Revenue Funds			
	Zone L Library Services	Zone A Parks and Community Services	Lighting Maintenance District No. 2014-01	Lighting Maintenance District No. 2014-02
Revenues:				
Taxes:				
Property taxes	\$ 1,659,107	\$ 2,079,568	\$ 100,234	\$ -
Other taxes	-	4,937,988	-	-
Charges for services	34,590	1,098,605	962,532	2,043,558
Use of money and property	-	653,390	7,983	52,410
Fines and forfeitures	35,092	-	-	-
Miscellaneous	4,107	10,150	-	6,117
Total Revenues	1,732,896	8,779,701	1,070,749	2,102,085
Expenditures:				
Current:				
Community and cultural	1,761,074	8,479,225	-	-
Public works	-	-	1,458,079	1,781,801
Capital outlay	-	5,128	-	-
Total Expenditures	1,761,074	8,484,353	1,458,079	1,781,801
Excess (Deficiency) of Revenues Over (Under) Expenditures	(28,178)	295,348	(387,330)	320,284
Other Financing Sources (Uses):				
Contributions from the City of Moreno Valley	371,611	307,500	620,000	214,259
Transfers in	-	-	-	3,511,862
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	371,611	307,500	620,000	3,726,121
Net Change in Fund Balances	343,433	602,848	232,670	4,046,405
Fund Balances, Beginning of year	237,534	3,832,572	403,959	-
Fund Balances, End of year	\$ 580,967	\$ 4,435,420	\$ 636,629	\$ 4,046,405

Special Revenue Funds

Zone E Extensive Landscaping Administration	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 167,068	\$ 4,005,977
-	1,423,690	6,361,678
316,472	1,497,792	5,953,549
32,187	39,533	785,503
-	-	35,092
-	3,290	23,664
348,659	3,131,373	17,165,463
-	1,175,011	11,415,310
138,991	1,924,987	5,303,858
-	165,353	170,481
138,991	3,265,351	16,889,649
209,668	(133,978)	275,814
-	500,400	2,013,770
-	-	3,511,862
(3,511,862)	-	(3,511,862)
(3,511,862)	500,400	2,013,770
(3,302,194)	366,422	2,289,584
5,657,493	3,069,598	13,201,156
\$ 2,355,299	\$ 3,436,020	\$ 15,490,740

Revenues:

Taxes:
Property taxes
Other taxes
Charges for services
Use of money and property
Fines and forfeitures
Miscellaneous
Total Revenues

Expenditures:

Current:
Community and cultural
Public works
Capital outlay
Total Expenditures

Excess (Deficiency) of Revenues
Over (Under) Expenditures

Other Financing Sources (Uses):

Contributions from the City of Moreno Valley
Transfers in
Transfers out
Total Other Financing Sources (Uses)
Net Change in Fund Balances

Fund Balances, Beginning of year

Fund Balances, End of year

**City of Moreno Valley, California
Community Services District**

**Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the
Year Ended June 30, 2015
Statement of Activities**

Net change in fund balances - total governmental funds \$ 2,289,584

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost 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	170,481
Depreciation expense	(1,924,752)
Loss on disposal of assets	(1,357,727)
Capital assets contributions from the City of Moreno Valley	8,230,992

Pension expense reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds

(70,818)

Change in net position of governmental activities

\$ 7,337,760

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Statement
Zone L Library Services
Year Ended June 30, 2015**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 1,305,000	\$ 1,605,958	\$ 1,659,107	\$ 53,149
Charges for services	18,000	18,000	34,590	16,590
Fines and forfeitures	50,000	50,000	35,092	(14,908)
Miscellaneous	2,000	2,000	4,107	2,107
Total Revenues	1,375,000	1,675,958	1,732,896	56,938
Expenditures:				
Current:				
Community and cultural	1,828,882	1,753,611	1,761,074	(7,463)
Total Expenditures	1,828,882	1,753,611	1,761,074	(7,463)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(453,882)	(77,653)	(28,178)	49,475
Other Financing Sources (Uses):				
Contributions from the City of Moreno Valley	359,708	371,611	371,611	-
Transfers In	160,000	-	-	-
Total Other Financing Sources (Uses)	519,708	371,611	371,611	-
Net Change in Fund Balances	65,826	293,958	343,433	49,475
Fund Balance, Beginning of year	237,534	237,534	237,534	-
Fund Balance, End of year	\$ 303,360	\$ 531,492	\$ 580,967	\$ 49,475

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Statement
Zone A Parks and Community Services
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Property taxes	\$ 1,733,000	\$ 2,022,318	\$ 2,079,568	\$ 57,250
Other taxes	4,900,000	4,900,000	4,937,988	37,988
Charges for services	1,070,507	1,045,507	1,098,605	53,098
Use of money and property	591,300	616,300	653,390	37,090
Miscellaneous	18,100	18,100	10,150	(7,950)
Total Revenues	<u>8,312,907</u>	<u>8,602,225</u>	<u>8,779,701</u>	<u>177,476</u>
Expenditures:				
Current:				
Community and cultural	8,771,044	9,067,057	8,479,225	587,832
Capital outlay	10,000	355,626	5,128	350,498
Total Expenditures	<u>8,781,044</u>	<u>9,422,683</u>	<u>8,484,353</u>	<u>938,330</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(468,137)</u>	<u>(820,458)</u>	<u>295,348</u>	<u>1,115,806</u>
Other Financing Sources (Uses):				
Contributions from the City of Moreno Valley	307,500	639,762	307,500	(332,262)
Transfers out	(160,000)	-	-	-
Total Other Financing Sources (Uses)	<u>147,500</u>	<u>639,762</u>	<u>307,500</u>	<u>(332,262)</u>
Net Change in Fund Balances	<u>(320,637)</u>	<u>(180,696)</u>	<u>602,848</u>	<u>783,544</u>
Fund Balance, Beginning of year	<u>3,832,572</u>	<u>3,832,572</u>	<u>3,832,572</u>	<u>-</u>
Fund Balance, End of year	<u>\$ 3,511,935</u>	<u>\$ 3,651,876</u>	<u>\$ 4,435,420</u>	<u>\$ 783,544</u>

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Statement
Lighting Maintenance District (LMD) No. 2014-01
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Property taxes	\$ 85,300	\$ 96,884	\$ 100,234	\$ 3,350
Charges for services	1,030,400	943,600	962,532	18,932
Use of money and property	-	-	7,983	7,983
Total Revenues	1,115,700	1,040,484	1,070,749	30,265
Expenditures:				
Current:				
Public works	1,735,500	1,627,780	1,458,079	169,701
Total Expenditures	1,735,500	1,627,780	1,458,079	169,701
Excess (Deficiency) of Revenues Over (Under) Expenditures	(619,800)	(587,296)	(387,330)	199,966
Other Financing Sources (Uses):				
Contributions from the City of Moreno Valley	620,000	620,000	620,000	-
Total Other Financing Sources (Uses)	620,000	620,000	620,000	-
Net Change in Fund Balances	200	32,704	232,670	199,966
Fund Balance, Beginning of year	403,959	403,959	403,959	-
Fund Balance, End of year	\$ 404,159	\$ 436,663	\$ 636,629	\$ 199,966

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Statement
Lighting Maintenance District (LMD) No. 2014-02
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ -	\$ 2,041,232	\$ 2,043,558	\$ 2,326
Use of money and property	-	3,024	52,410	49,386
Miscellaneous	-	-	6,117	6,117
Total Revenues	-	2,044,256	2,102,085	57,829
Expenditures:				
Current:				
Public works	-	2,404,405	1,781,801	622,604
Total Expenditures	-	2,404,405	1,781,801	622,604
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	-	(360,149)	320,284	680,433
Other Financing Sources (Uses):				
Contributions from the City of Moreno Valley	-	214,259	214,259	-
Transfers in	-	3,511,862	3,511,862	-
Total Other Financing Sources (Uses)	-	3,726,121	3,726,121	-
Net Change in Fund Balances	-	3,365,972	4,046,405	680,433
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ -	\$ 3,365,972	\$ 4,046,405	\$ 680,433

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Statement
Zone E Extensive Landscaping Administration
Year Ended June 30, 2015**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 2,489,005	\$ 321,927	\$ 316,472	\$ (5,455)
Use of money and property	4,171	1,147	32,187	31,040
Total Revenues	2,493,176	323,074	348,659	25,585
Expenditures:				
Current:				
Public works	2,535,783	475,113	138,991	336,122
Total Expenditures	2,535,783	475,113	138,991	336,122
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42,607)	(152,039)	209,668	361,707
Other Financing Sources (Uses):				
Transfers Out	-	(3,511,862)	(3,511,862)	-
Total Other Financing Sources (Uses)	-	(3,511,862)	(3,511,862)	-
Net Change in Fund Balances	(42,607)	(3,663,901)	(3,302,194)	361,707
Fund Balance, Beginning of year	5,657,493	5,657,493	5,657,493	-
Fund Balance, End of year	\$ 5,614,886	\$ 1,993,592	\$ 2,355,299	\$ 361,707

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements
June 30, 2015**

Note 1 Summary of Significant Accounting Policies

a. Description of the Reporting Entity

The City of Moreno Valley, California, Community Services District (the District), was created by a City Council ordinance adopted on December 3, 1984. Its purpose is to act as a legal entity, separate and distinct from the City of Moreno Valley (the City), even though the City Council is currently serving as the District's Governing Board. The District is broadly empowered to engage in the general maintenance and administration of the City's community programs.

Governmental Accounting Standards define the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either: a) the primary government has the ability to impose its will, or b) the possibility that the component unit will provide a financial benefit to, or impose a financial burden on the primary government. Since the City Council of the City of Moreno Valley also serves as the Governing Board of the District, the City, in effect, has the ability to influence and control operations. Therefore, the City has oversight responsibility for the District. Accordingly, in applying the criteria of Governmental Accounting Standards, the financial statements of the District are included in the City's Comprehensive Annual Financial Report. The District has the same fiscal year end as the City and its financial statements can be obtained from the City Clerk.

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the component unit. For the most part, the effect of interfund activity has been removed from these statements. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported as separate columns in the fund financial statements.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2015**

Note 1 Summary of Significant Accounting Policies (Continued)

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers operating revenues to be available if they are collected within 60 days of the end of the current fiscal period, while grant revenues have an availability period of 120 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

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

The District reports the following major governmental funds:

Zone L Library Services accounts for the operations necessary to process and administer the library services program.

Zone A Parks and Community Services accounts for the administration and maintenance of the parks and community services facilities and programs.

Lighting Maintenance District (LMD) 2014-01 Residential Street Lighting provides the funding for the operation and maintenance of residential subdivision street lighting.

Lighting Maintenance District (LMD) 2014-02 provides the funding for the operation and maintenance of public landscaping throughout the City.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2015**

Note 1 Summary of Significant Accounting Policies (Continued)

Zone E Extensive Landscaping Administration accounts for the operations necessary to provide high-service level landscape maintenance in and around specific major residential developments throughout the City.

d. Budgetary Reporting

Budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for the governmental activities. Budgets presented in this report for comparison to actual amounts are presented in accordance with generally accepted accounting principles (GAAP). From the effective date of the budget, the amounts stated therein as proposed expenditures become appropriations to the various District departments.

Reported budget amounts represent the original legally adopted budget as amended. The City Council may amend the budget only by a duly adopted minute resolution during a regular meeting, providing that sufficient monies are available and that expenditures of proceeds of taxes will not be increased beyond the constitutional appropriation limit as imposed by Article XIIB of the State Constitution. Individual fund budgets are, in all cases where appropriations are required, the same as the appropriation amounts. In the case of the Governmental Fund type, unexpended budgeted amounts, except for amounts relating to capital projects, lapse at the end of the budget year. Spending control for most funds is established by the amount of expenditures budgeted for each department within the fund, but management control is exercised at budgetary line item levels within the departments. Management can transfer budgeted amounts between line items within each department provided that they do not increase or decrease total department appropriations. Expenditures may not legally exceed budgeted appropriations at the department and fund levels. For the year ended June 30, 2015, there were no funds that had expenditures in excess of appropriations adopted by the City Council.

e. Unavailable Revenue and Unearned Revenue

The District reports unavailable revenue in the fund-level statements as deferred inflows. Unavailable revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the deferred inflow for unavailable revenue is removed and revenue is recognized.

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

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2015**

Note 1 Summary of Significant Accounting Policies (Continued)

f. Fund Balance

In the fund financial statements, governmental funds report the following fund balance classifications:

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

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

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

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

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

Fund Balance Flow Assumptions

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

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2015**

Note 1 Summary of Significant Accounting Policies (Continued)

g. Net Position

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

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets. Currently, the District does not have any debt attributed to capital assets.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Net Position Flow Assumption

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

h. Capital Assets

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2015**

Note 1 Summary of Significant Accounting Policies (Continued)

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

i. Investments

The District records all investments at fair value. The current year's changes in fair value are recognized in the statement of revenues, expenditures and changes in fund balances as use of money and property. *Use of money and property* includes interest earnings, changes in fair value, rental income and any gains or losses.

j. Salary Expenditures

The District does not employ any personnel and relies on the City for administrative services. The financial statements include expenditures for salary and other benefits, which were allocated to the District by the City.

k. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Secured property taxes are levied on August 10 and are payable in two installments on November 1 and February 1. Unsecured personal property taxes are due in a single installment on July 1. The County of Riverside bills and collects the property taxes and remits them to the District in installments during the year. Property taxes received within 60 days after the District's fiscal year-end are considered "measurable" and "available" and are accrued in the District's financial statements.

l. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the related reported amounts of revenues and expenditures during the reporting period. Actual results could differ from estimates.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2015**

Note 2 Cash and Investments

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

Cash and investments pooled with the City \$16,028,856

The District's cash and investments are pooled with the City of Moreno Valley's cash and investments in order to generate optimum investment income. The District is a voluntary participant in the City's investment pool. This pool is governed by and under the regulatory oversight of the Investment Policy adopted by the City Council of the City. The District has not adopted an investment policy separate from that of the City. Each fund's share of the pooled cash account is separately accounted for, and investment income is allocated to all participating funds based on the relationship of their average daily cash balances to the total of the pooled cash and investments. Information regarding the authorized types of deposits and investments, the type of risks (i.e. credit, interest rate, custodial, etc.) and other disclosures associated with the City's pooled cash and investments is included in the City's basic financial statements, which are available at City Hall.

Note 3 Capital Assets

The following is a summary of capital assets for governmental activities:

	Balances 7/1/2014	Additions	Deletions	Balances 6/30/2015
Non-Depreciable Assets:				
Land	\$ 779,584	\$ -	\$ -	\$ 779,584
Construction in Progress	1,054,138	524,977	(1,485,948)	93,167
Total Non-Depreciable Assets	<u>1,833,722</u>	<u>524,977</u>	<u>(1,485,948)</u>	<u>872,751</u>
Depreciable Assets				
Buildings and Improvements	50,514,543	6,675,333	-	57,189,876
Furniture and Equipment	2,599,873	1,201,163	(424,268)	3,376,768
Vehicles	864,722	-	(85,942)	778,780
Infrastructure	101,457	-	(101,457)	-
Total Depreciable Assets	<u>54,080,595</u>	<u>7,876,496</u>	<u>(611,667)</u>	<u>61,345,424</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(34,754,213)	(1,749,549)	-	(36,503,762)
Furniture and Equipment	(2,041,666)	(158,550)	633,989	(1,566,227)
Vehicles	(832,522)	(13,635)	85,942	(760,215)
Infrastructure	(16,939)	(3,018)	19,957	-
Total Accumulated Depreciation	<u>(37,645,340)</u>	<u>(1,924,752)</u>	<u>739,888</u>	<u>(38,830,204)</u>
Total Depreciable Assets, Net of Accumulated Depreciation	<u>16,435,255</u>	<u>5,951,744</u>	<u>128,221</u>	<u>22,515,220</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>\$ 18,268,977</u>	<u>\$ 6,476,721</u>	<u>\$ (1,357,727)</u>	<u>\$ 23,387,971</u>

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2015**

Note 3 Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the District as follows:
Governmental Activities:

Community and cultural	<u>\$ 1,924,752</u>
------------------------	---------------------

Note 4 Commitments and Contingencies

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

Note 5 Pension Plans

A. General Information about the Pension Plans

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the City of Moreno Valley's Miscellaneous Plan, an agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS), which acts as common investment and administrative agent for its participating member employers. Benefits provisions under the Plan are established by State statute and City resolution. CalPERS issues publically available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on CalPERS website.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

**City of Moreno Valley, California
Community Services District**

Notes to Financial Statements (Continued)

June 30, 2015

Note 5 Pension Plans (Continued)

The Plans' provisions and benefits in effect at June 30, 2015, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date	2.7% @ 55	2.0% @ 62
Benefit Formula	5 years service	5 years service
Benefit Vesting Schedule	Monthly for life	Monthly for life
Benefit Payments	50-55	52-62
Retirement Age	2.0% to 2.7%	1.0% to 2.0%
Monthly Benefits, as a % of eligible compensation	8.00%	6.25%
Required Employee Contribution Rates	23.959%	23.959%
Required Employer Contribution Rates		

Employees Covered – At June 30, 2015, the following employees were covered by the benefit terms of the Plan:

	Miscellaneous
Active Employees	370

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

B. Net Pension Liability

The District's net pension liability is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability is measured as of June 30, 2014, using an annual actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability follows.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2015**

Note 5 Pension Plans (Continued)

Actuarial Assumptions – The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>
Valuation Date	June 30, 2013
Measurement Date	June 30, 2014
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.50%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	Varies by Entry Age and Service (1)
Investment Rate of Return	7.5% (2)
Mortality	Derived using CalPERS' Membership Data for all Funds

(1) Depending on age, service, and type of employment

(2) Net of pension plan investment expenses, including inflation

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability was 7.50% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is considered to be adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 percent is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2015**

Note 5 Pension Plans (Continued)

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The following table reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2015**

Note 5 Pension Plans (Continued)

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (a)	Real Return Years 11+ (b)
Global Equity	47%	5.25%	5.71%
Global Fixed Income	19%	0.99%	2.43%
Inflation Sensitive	6%	0.45%	3.36%
Private Equity	12%	6.83%	6.95%
Real Estate	11%	4.50%	5.13%
Infrastructure and Forestland	3%	4.50%	5.09%
Liquidity	2%	-0.55%	-1.05%
Total	<u>100%</u>		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

C. Changes in the Net Pension Liability

The changes in the Net Pension Liability over the measurement period are as follows:

Miscellaneous Plan:	Net Pension Liability (Asset)
Balance at June 30, 2013	\$ 10,074,100
Changes in the year:	
Service cost	766,374
Interest on the total pension liability	1,950,505
Contribution - employer	(764,726)
Contribution - employee (paid by employer)	(321,709)
Net investment income	(2,797,198)
Net Changes	<u>(1,166,754)</u>
Balance at June 30, 2014	<u>\$ 8,907,346</u>

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2015**

Note 5 Pension Plans (Continued)

D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2015, the District recognized pension expense of \$884,808. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred outflows of resources - Pension contributions subsequent to measurement date	\$ 813,989
Deferred inflows of resources - Net differences between projected and actual earnings on plan investments	\$ (1,286,836)

The amount of \$813,989 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2016	\$ (321,709)
2017	(321,709)
2018	(321,709)
2019	(321,709)
Thereafter	-

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2015**

Note 6 Restatement

In the current year, the District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*. In accordance with GASB Statement No. 68 and GASB Statement No. 71, unfunded net pension liability was recorded as a restatement of beginning net position of the District as follows:

	<u>Governmental Activities</u>
Net Position - Beginning of year, as previously stated	\$ 31,470,132
Adjustment to give retroactive effect to GASB Statement No. 68 implementation	(9,309,374)
Net Position - Beginning of year, as restated	<u>\$ 22,160,758</u>

Note 7 Subsequent Events

The District has evaluated events subsequent to June 30, 2015 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 7, 2015, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no other subsequent events occurred that require recognition or additional disclosure in the financial statements.

**City of Moreno Valley, California
Community Services District**

**Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2015**

	Special Revenue Funds		
	Zone C Arterial Street Lights Administration	Zone D Standard Landscaping Administration	Zone M Median
Assets:			
Pooled cash and investments	\$ 633,717	\$ 1,318,212	\$ 597,740
Due from other governments	9,521	10,722	1,630
Total Assets	\$ 643,238	\$ 1,328,934	\$ 599,370
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 43,257	\$ 58,339	\$ 10,659
Total Liabilities	43,257	58,339	10,659
Fund Balances:			
Restricted for:			
Special zones	599,981	1,270,595	588,711
Total Fund Balances	599,981	1,270,595	588,711
Total Liabilities and Fund Balances	\$ 643,238	\$ 1,328,934	\$ 599,370

Special Revenue Funds

CFD No. 1	Zone S Sunnymead Boulevard Maintenance	Total Nonmajor Funds	
\$ 959,212	\$ 99,396	\$ 3,608,277	Assets:
16,603	652	39,128	Pooled cash and investments
\$ 975,815	\$ 100,048	\$ 3,647,405	Due from other governments
			Total Assets
			Liabilities and Fund Balances:
\$ 97,187	\$ 1,943	\$ 211,385	Liabilities:
97,187	1,943	211,385	Accounts payable
			Total Liabilities
			Fund Balances:
878,628	98,105	3,436,020	Restricted for:
878,628	98,105	3,436,020	Special zones
			Total Fund Balances
\$ 975,815	\$ 100,048	\$ 3,647,405	Total Liabilities and Fund Balances

**City of Moreno Valley, California
Community Services District**

**Nonmajor Governmental Funds
Combining Statement of Revenues
Expenditures and Changes in Fund Balances
Year Ended June 30, 2015**

	Special Revenue Funds		
	Zone C Arterial Street Lights Administration	Zone D Standard Landscaping Administration	Zone M Median
Revenues:			
Taxes:			
Property taxes	\$ 167,068	\$ -	\$ -
Other taxes	423,826	-	-
Charges for services	69,753	1,178,633	166,136
Miscellaneous	-	3,290	-
Use of money and property	6,242	14,271	7,756
Total Revenues	666,889	1,196,194	173,892
Expenditures:			
Current:			
Community and cultural	-	-	-
Public works	817,348	870,064	192,322
Capital outlay	-	-	-
Total Expenditures	817,348	870,064	192,322
Excess (Deficiency) of Revenues Over (Under) Expenditures	(150,459)	326,130	(18,430)
Other Financing Sources (Uses):			
Contributions from the City of Moreno Valley	397,000	-	103,400
Total Other Financing Sources (Uses)	397,000	-	103,400
Net Change in Fund Balances	246,541	326,130	84,970
Fund Balances, Beginning of year	353,440	944,465	503,741
Fund Balances, End of year	\$ 599,981	\$ 1,270,595	\$ 588,711

Special Revenue Funds

CFD No. 1	Zone S Sunnymead Boulevard Maintenance	Total Nonmajor Funds
\$ -	\$ -	\$ 167,068
999,864	-	1,423,690
26,033	57,237	1,497,792
-	-	3,290
10,037	1,227	39,533
1,035,934	58,464	3,131,373
1,175,011	-	1,175,011
-	45,253	1,924,987
165,353	-	165,353
1,340,364	45,253	3,265,351
(304,430)	13,211	(133,978)
-	-	500,400
-	-	500,400
(304,430)	13,211	366,422
1,183,058	84,894	3,069,598
\$ 878,628	\$ 98,105	\$ 3,436,020

Revenues:

Taxes:
Property taxes
Other taxes
Charges for services
Miscellaneous
Use of money and property
Total Revenues

Expenditures:

Current:
Community and cultural
Public works
Capital outlay
Total Expenditures
Excess (Deficiency) of Revenues
Over (Under) Expenditures

Other Financing Sources (Uses):

Contributions from the City of Moreno Valley
Total Other Financing Sources (Uses)
Net Change in Fund Balances

Fund Balances, Beginning of year

Fund Balances, End of year

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Schedule
Zone C Arterial Street Lights Administration
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Property taxes	\$ 110,000	\$ 158,988	\$ 167,068	\$ 8,080
Other taxes	422,000	422,000	423,826	1,826
Charges for services	28,700	28,700	69,753	41,053
Use of money and property	-	-	6,242	6,242
Total Revenues	<u>560,700</u>	<u>609,688</u>	<u>666,889</u>	<u>57,201</u>
Expenditures:				
Current:				
Public works	957,400	960,571	817,348	143,223
Total Expenditures	<u>957,400</u>	<u>960,571</u>	<u>817,348</u>	<u>143,223</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(396,700)</u>	<u>(350,883)</u>	<u>(150,459)</u>	<u>200,424</u>
Other Financing Sources (Uses):				
Contributions from the City of Moreno Valley	397,000	397,000	397,000	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>397,000</u>	<u>397,000</u>	<u>397,000</u>	<u>-</u>
Net Change in Fund Balances	300	46,117	246,541	200,424
Fund Balance, Beginning of year	353,440	353,440	353,440	-
Fund Balance, End of year	<u>\$ 353,740</u>	<u>\$ 399,557</u>	<u>\$ 599,981</u>	<u>\$ 200,424</u>

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Schedule
Zone D Standard Landscaping Administration
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 1,198,100	\$ 1,173,100	\$ 1,178,633	\$ 5,533
Use of money and property	412	412	14,271	13,859
Miscellaneous	-	-	3,290	3,290
Total Revenues	<u>1,198,512</u>	<u>1,173,512</u>	<u>1,196,194</u>	<u>22,682</u>
Expenditures:				
Current:				
Public works	1,120,300	1,238,148	870,064	368,084
Total Expenditures	<u>1,120,300</u>	<u>1,238,148</u>	<u>870,064</u>	<u>368,084</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>78,212</u>	<u>(64,636)</u>	<u>326,130</u>	<u>390,766</u>
Net Change in Fund Balances	78,212	(64,636)	326,130	390,766
Fund Balance, Beginning of year	<u>944,465</u>	<u>944,465</u>	<u>944,465</u>	<u>-</u>
Fund Balance, End of year	<u>\$ 1,022,677</u>	<u>\$ 879,829</u>	<u>\$ 1,270,595</u>	<u>\$ 390,766</u>

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Schedule
Zone M Median
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 202,700	\$ 170,796	\$ 166,136	\$ (4,660)
Use of money and property	427	427	7,756	7,329
Total Revenues	<u>203,127</u>	<u>171,223</u>	<u>173,892</u>	<u>2,669</u>
Expenditures:				
Current:				
Public works	292,144	283,194	192,322	90,872
Total Expenditures	<u>292,144</u>	<u>283,194</u>	<u>192,322</u>	<u>90,872</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(89,017)</u>	<u>(111,971)</u>	<u>(18,430)</u>	<u>93,541</u>
Other Financing Sources (Uses):				
Contributions from the City of Moreno Valley	103,400	103,400	103,400	-
Total Other Financing Sources (Uses)	<u>103,400</u>	<u>103,400</u>	<u>103,400</u>	<u>-</u>
Net Change in Fund Balances	14,383	(8,571)	84,970	93,541
Fund Balance, Beginning of year	<u>503,741</u>	<u>503,741</u>	<u>503,741</u>	<u>-</u>
Fund Balance, End of year	<u>\$ 518,124</u>	<u>\$ 495,170</u>	<u>\$ 588,711</u>	<u>\$ 93,541</u>

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Schedule
CFD No. 1
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Other taxes	\$ 1,000,000	\$ 1,000,000	\$ 999,864	\$ (136)
Charges for services	25,400	25,400	26,033	633
Use of money and property	25,000	25,000	10,037	(14,963)
Total Revenues	<u>1,050,400</u>	<u>1,050,400</u>	<u>1,035,934</u>	<u>(14,466)</u>
Expenditures:				
Current:				
Community and cultural	1,225,757	1,215,343	1,175,011	40,332
Capital outlay	-	433,364	165,353	268,011
Total Expenditures	<u>1,225,757</u>	<u>1,648,707</u>	<u>1,340,364</u>	<u>308,343</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(175,357)</u>	<u>(598,307)</u>	<u>(304,430)</u>	<u>293,877</u>
Net Change in Fund Balances	(175,357)	(598,307)	(304,430)	293,877
Fund Balance, Beginning of year	<u>1,183,058</u>	<u>1,183,058</u>	<u>1,183,058</u>	<u>-</u>
Fund Balance, End of year	<u>\$ 1,007,701</u>	<u>\$ 584,751</u>	<u>\$ 878,628</u>	<u>\$ 293,877</u>

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Schedule
Zone S Sunnymead Boulevard Maintenance
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 56,300	\$ 56,300	\$ 57,237	\$ 937
Use of money and property	41	41	1,227	1,186
Total Revenues	56,341	56,341	58,464	2,123
Expenditures:				
Current:				
Public works	68,017	95,755	45,253	50,502
Total Expenditures	68,017	95,755	45,253	50,502
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,676)	(39,414)	13,211	52,625
Net Change in Fund Balances	(11,676)	(39,414)	13,211	52,625
Fund Balance, Beginning of year	84,894	84,894	84,894	-
Fund Balance, End of year	\$ 73,218	\$ 45,480	\$ 98,105	\$ 52,625