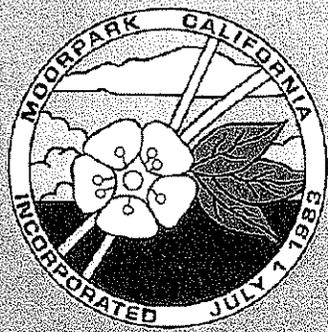
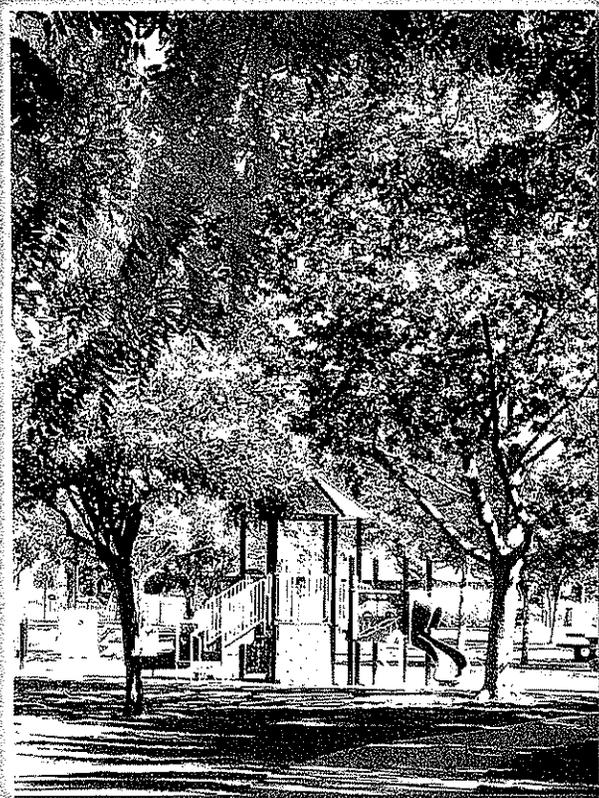
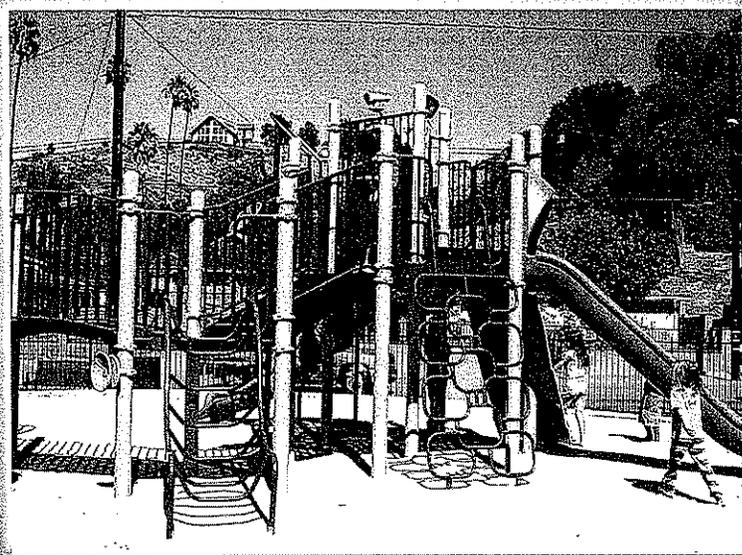


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City of MOORPARK California



Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2007

CITY OF MOORPARK, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended June 30, 2007

Prepared By:
Finance Department

**City of Moorpark
Comprehensive Annual Financial Report
Year Ended June 30, 2007**

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City of Moorpark
Comprehensive Annual Financial Report
Year Ended June 30, 2007

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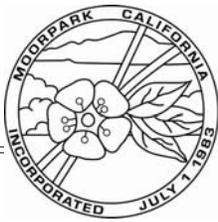
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INTRODUCTORY SECTION

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City of Moorpark

799 Moorpark Avenue, Moorpark, California 93021 (805) 517-6200 fax (805) 532-2520

December 17, 2007

Honorable Mayor, Members of the City Council and Citizens of Moorpark:

We are pleased to present this Comprehensive Annual Financial Report (CAFR) of the City of Moorpark, California for the fiscal year ended June 30, 2007. The City has continued to prepare the CAFR to comply with the financial reporting model developed by the Governmental Accounting Standards Board (GASB) Statement 34. This model improves the financial reporting by adding significant additional information not previously available in local government financial statements prior to GASB 34.

As a result of GASB 34, the Government-Wide Financial Statements are presented along with the fund-by-fund financial information. The Government-Wide Financial Statements include a Statement of Net Assets that provides the total net equity of the City including infrastructures and the Statement of Activities that shows the cost of providing government services. These statements include all assets and liabilities using the accrual basis of accounting (similar to a private-sector business) versus the modified accrual method used in the fund financial statements. A reconciliation of the balance sheet of the Governmental Funds to the Statement of Net Assets has been prepared to reflect the changes between the two reporting methods. In addition, the reporting model includes an emphasis on the City's major funds as shown in the Governmental Fund Statements. These new statements and other significant information are analyzed in the narrative section called Management's Discussion and Analysis (MD&A). The MD&A provides "financial highlights" and a brief overview of the basic financial statements. In addition, the MD&A provides the readers of the City's financial statements with financial trends, explanation for variances and economic factors for the upcoming fiscal year's budget.

Furthermore, in May 2004, the GASB issued Statement No. 44, Economic Condition Reporting. This statement requires the statistical section to be presented with detailed information, typically in ten-year trends, that assists users in utilizing the basic financial statements, notes to basic financial statements, and required supplementary information to assess the economic condition of a government. This

statement was effective starting with fiscal year 2005/06 and has resulted in changes to the statistical section. The City continues to present the statistical section with detail information to be in compliance with GASB No. 44 requirements for fiscal year 2006/07.

Responsibility for both the accuracy of this data, and the completeness and fairness of its presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the account groups and the financial position and operational results of the City's various funds and component units. All disclosures necessary to enable the reader to gain an understanding of the City's activities have been included.

THE REPORTING ENTITY AND ITS SERVICES

The financial reporting entity includes all the funds of the City of Moorpark as well as all of its component units. The City of Moorpark is the primary government. The component units are the Moorpark Redevelopment Agency (the MRA), the Moorpark Public Financing Authority and the Moorpark Industrial Development Authority.

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

The MRA was formed in 1987 with the objective of providing long-term financing of capital improvements designed to eliminate physical and economic blight in the designated project area.

The Moorpark Public Financing Authority was formed in 1993 as a joint powers authority between the City and the MRA in order to provide financial assistance to the City and the MRA by issuing debt and financing the construction of public facilities.

The Industrial Development Authority of the City of Moorpark was formed in 1985 pursuant to the California Industrial Development Financing Act (the "Act"). Its purpose is to finance the acquisition and development of certain industrial activities as permitted by the Act and to issue bonds for the purpose of enabling industrial firms to finance the cost of such activities.

PROFILE OF THE CITY OF MOORPARK

The City provides a full range of services to its residents with a total regular full-time staff of about 63 and part-time staff of approximately 49 employees. Major services such as police (contracted with Ventura County Sheriff), attorney, development engineering and inspection, building and safety plan check/inspection, transit, street sweeping and landscape maintenance are provided through contractual arrangements. In addition, fire protection is provided by the Ventura County Fire

District. The City provides services such as emergency management, redevelopment, housing, planning, code compliance, recreation programs, vector/animal control, park and facilities maintenance, street maintenance, city engineering, crossing guard and administrative management services with city employees.

HISTORY OF THE CITY OF MOORPARK

In 1887, Robert W. Poindexter was granted title to the present site of Moorpark. He named the City after the Moorpark apricot which grew throughout the valley. Poindexter plotted Moorpark city streets and planted Pepper trees in the downtown area. The City of Moorpark was incorporated in 1983 as the tenth city of Ventura County with a Council-Manager form of government. The Mayor is elected at large to serve a two-year term. The four Council Members are elected at large to serve staggered four-year terms. The size of the City was 12.36 square miles with a population of about 10,000 at incorporation and is currently 12.44 square miles with a population of about 36,150 (source: California Department of Finance). Moorpark is recognized for having the lowest number of serious crimes committed in Ventura County and is one of the safest cities of its size in the United States.

BUDGETARY CONTROL

The City of Moorpark prepares an annual budget consistent with Generally Accepted Accounting Principles (GAAP) for all governmental funds on a modified accrual basis where revenues are recognized when they become measurable and available to finance expenditures of the current period. Expenditures are recorded when the goods or services are received and the liabilities are incurred.

Department Directors are responsible, not only to accomplish his/her particular goals within each program, but also to monitor budget allocations consistent to the funding levels adopted by the City Council prior to July 1 of the budget year.

In addition, the City maintains budgetary control through the use of an encumbrance accounting system. As purchase orders are issued, corresponding amounts are encumbered for later payments to ensure that budget amounts are not over spent.

INTERNAL CONTROLS

The City's management is responsible for developing and establishing internal control structure to ensure that the assets of the government are protected from loss, theft, misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles. The internal control structure is designed to provide reasonable assurance, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should

not exceed the benefits likely to be derived; and 2) the valuation of the costs and benefits requires estimates and judgments by management.

ANNUAL AUDIT

An independent accounting firm has performed the annual audit of the City's financial statements for the fiscal year ended June 30, 2007. As part of the annual audit, reviews are made to determine the adequacy of the City's internal control structure, as well as to determine that the City has complied with certain provisions of laws and regulations. Their examination has been completed and the auditor's report on the City's financial statements is included at the beginning of the Financial Section of this report.

AWARD

The California Society of Municipal Finance Officers (CSMFO) presented the City of Moorpark with a Certificate of Award for Outstanding Financial Reporting for the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2006. The Certificate of Award is a prestigious state recognition for conformance with high standards for preparation of local government financial reports. The reports must meet requirements outlined in the CSMFO Awards Checklist, satisfying generally accepted accounting principles and applicable legal requirements.

The Certificate of Award is valid for a period of one year only. The City will continue to participate in the program by submitting the current CAFR to CSMFO to determine its eligibility for another award.

APPROPRIATION LIMIT

Article XIII B of Proposition 4, commonly referred to as the "Gann Initiative" was approved by California voters in 1979, which placed limits on the amount of proceeds of taxes that State and Local agencies can appropriate and spend each fiscal year. In addition, voters approved Proposition 111 in 1990 to further increase the accountability of local government in adopting their limits by requiring the governing body to annually adopt, by resolution, an appropriation limit for the upcoming fiscal year. The appropriation limit and the City's appropriations subject to the limit for the fiscal year 2006/07 amounted to \$19,700,584 and \$9,225,745, respectively.

CASH MANAGEMENT

The City Treasurer is responsible for investing cash temporarily idle during the year in accordance with the State Government Code and the Investment Policy adopted by the City Council. The City diversified its investment portfolio by utilizing several investment instruments. At fiscal year end June 30, 2007, approximately \$64.4 million (City & MRA combined) was invested with the State Treasurer's Local

Agency Investment Fund (LAIF); approximately \$12.5 million in the Ventura County Pool; approximately \$20.9 million in U.S. Treasury and Agency Securities; and \$1.5 million was invested in Certificate of Deposits (CDs).

The cash management system of the City of Moorpark is designed to monitor revenues and expenditures to ensure the investment of monies to the fullest extent possible. The criteria for selecting investments and the order of priority are (a) safety, (b) liquidity, and (c) yield. The underlying objective of the City's policy is to obtain the highest interest rate yields and at the same time, ensures that money is available when needed and all deposits are insured by the Federal Deposit Insurance Corporation or collateralized.

CAPITAL ASSETS

In accordance with GASB Statement No. 34, the City has reported all capital assets including infrastructures in the Government-Wide Statement of Net Assets. The City elected to use the basic approach for all infrastructures reporting, whereby depreciation expense and accumulated depreciation has been recorded. Capital assets for the fiscal year ended June 30, 2007 has a net ending balance of \$125.9 million.

LONG-TERM LIABILITIES/BONDED LIABILITIES

The City of Moorpark has no outstanding bond or other debt but does have long-term liabilities in an amount of \$616,440 at June 30, 2007 for employee compensated absences (accrued leave).

The Moorpark Redevelopment Agency (MRA) has the 1999 Tax Allocation Bonds and the 2001 Tax Allocation Bonds outstanding in an amount of \$6.9 million and \$11.6 million, respectively. In addition, the MRA issued the 2006 Tax Allocation Bonds which ended the year with a balance of \$11,695,000. The purpose of the 1999 Bonds was to advance refund the Agency's previously issued 1993 Tax Allocation Bonds. The purpose of these bonds were to finance a portion of the costs of implementing the Redevelopment Plan and fund redevelopment activities within the MRA project area.

RISK MANAGEMENT

The City is a member of the California Joint Powers Insurance Authority (CJPIA) established under the provisions of California Government Code 6500 et seq., consisting of over 100 California public entities. The CJPIA provides risk coverage for its members through the pooling of losses and purchased insurance. The coverage extends to general liability and workers' compensation administered by the Authority. In addition, the City of Moorpark also participates in the all-risk property protection offered by the Authority. Various control techniques, including safety,

ergonomic, harassment and driver awareness training have been implemented to minimize losses.

ACKNOWLEDGEMENT

We would like to express appreciation to all City staff who assisted and contributed to the preparation of this report, particularly to the members of the Finance Department. We would also like to extend our appreciation to our auditors, Team, Ramirez & Smith, Inc., Certified Public Accountants for their professional assistance. As in the past, the CAFR will be available on the City's website at www.moorpark.ca.us.

Respectfully submitted,

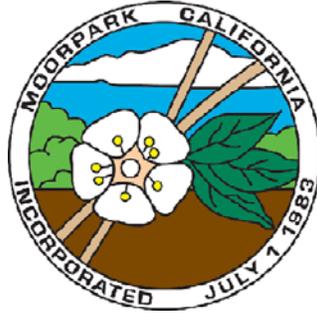


Steven Kueny
City Manager



Johnny Ea
Finance Director

City of Moorpark



Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2007

DIRECTORY OF CITY OFFICIALS

CITY COUNCIL

Patrick Hunter, Mayor

Keith F. Millhouse, Mayor Pro Tem
Janice S. Parvin, Councilmember

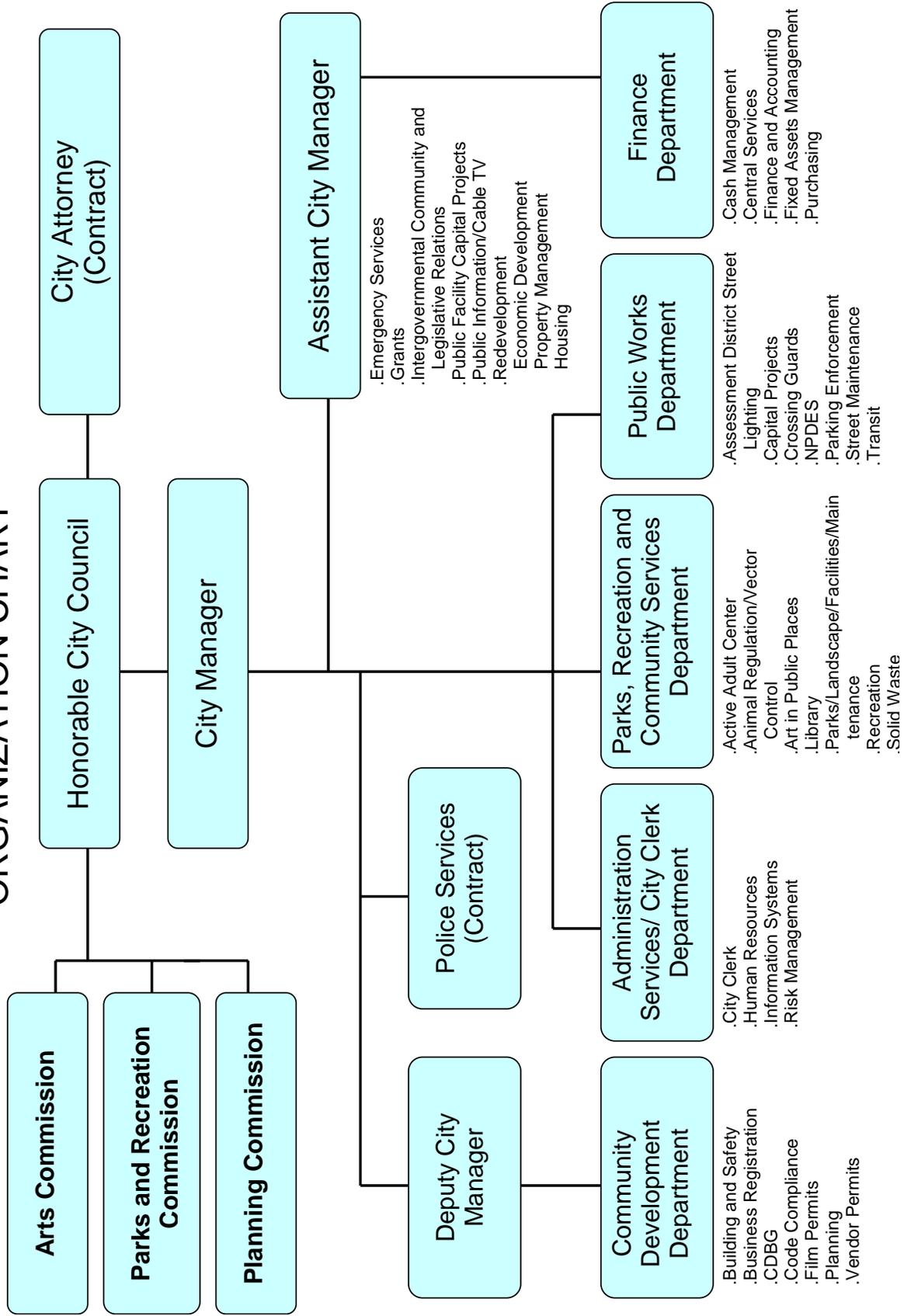
Roseann Mikos, Councilmember
Mark Van Dam, Councilmember

CITY MANAGEMENT STAFF

Steven Kueny, City Manager
Hugh Riley, Assistant City Manager
Barry Hogan, Deputy City Manager

David Bobardt, Planning Director
Johnny Ea, Finance Director
Yugal Lall, City Engineer/ Public Works Director
Mary Lindley, Parks, Recreation & Community Services Director
Deborah Traffenstedt, Administrative Services Director

CITY OF MOORPARK ORGANIZATION CHART



*California Society of
Municipal Finance Officers*
Certificate of Award

Outstanding Financial Reporting 2005-06

Presented to the

City of Moorpark

*This certificate is issued in recognition of meeting professional standards and criteria in reporting
which reflect a high level of quality in the annual financial statements
and in the underlying accounting system from which the reports were prepared.*

March 6, 2007



Jesse Takahashi
Professional and Technical Standards Committee

Dedicated to Excellence in Municipal Financial Management



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FINANCIAL SECTION

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Independent Auditors' Report

The Honorable City Council
The City of Moorpark, California

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Moorpark, California (the City), as of June 30, 2007, which collectively comprise the City of Moorpark's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Moorpark's management. Our responsibility is to express opinions on these basic financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Moorpark, California, as of June 30, 2007, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2007 on our consideration of the City of Moorpark's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 2 through 13, and the budgetary comparison information on pages 51 through 56 are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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, supplementary information section, and statistical section, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information section has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Teaman Ramirez & Smith

December 27, 2007

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CITY OF MOORPARK

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2007

As management of the City of Moorpark, California (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City (the "Primary Government") for the fiscal year ended June 30, 2007. It is encouraged that the readers consider the information presented here in conjunction with the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the 2006/07 fiscal year by \$233,008,403 (net assets). Of this amount, \$6,458,224 is not restricted by external law or administrative action for a specified purpose. The City Council's approval is required before these funds may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$39,866,285 during the current fiscal year. The Statement of Net Assets is presented on page 20.
- As of June 30, 2007, the City's governmental funds (General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds) reported combined ending fund balances of \$133,340,949, an increase of \$43,402,378, from the prior year. In addition, there was a prior year adjustment of \$6,969,020, mainly due to reclassification of properties purchased by the City's Redevelopment Agency and recorded as capital assets in prior years, which is now recorded as property held for resale (see note # 15).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$24,405,620.
- The City's total Long – Term Liabilities increased by \$11,021,245 or 56.8% during the current fiscal year. The increase is attributable to the difference between employee compensated absences addition; the fiscal year's regularly scheduled debt service payments for the 1999 and 2001 Tax Allocation Bonds; and issuance of the 2006 Tax Allocation Bonds.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

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

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

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

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

CITY OF MOORPARK

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2007

The *government-wide financial* statements include the *statement of net assets* and the *statement of activities*.

The *governmental activities* of the City include general government, public safety, public services, parks and recreation, debt service, and interest on debt. The City does not have any *business-type activities*.

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

The *statement of activities* presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements include not only the City of Moorpark as the primary government, but also a legally separate Moorpark Redevelopment Agency, the Moorpark Public Financing Authority, and the Industrial Development Authority of the City of Moorpark. Although legally separate from the City, these component units are blended with the primary government because of their governance or financial relationships to the City.

The government-wide financial statements can be found on pages 14 and 15 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds. *Governmental Funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances, provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

CITY OF MOORPARK

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2007

The City maintains 20 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Street and Traffic Safety, Park/Public Facilities, Community Development, Areas of Contribution, Endowment, Police Facilities Fee, Moorpark Highlands Improvement, Moorpark Redevelopment Agency (MRA) – Capital Projects, and Moorpark Redevelopment Agency (MRA) – Debt Service. All of which are considered to be major funds. Data from the remaining 10 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the *non-major governmental funds* section of this report.

The City adopts an annual budget for all its funds. A budgetary comparison statement is provided for all funds with an annually adopted budget to demonstrate compliance with their respective budgets. The budgetary comparison statements are located in the basic financial statements. The non-major governmental fund budgetary comparisons are located in the *non-major governmental funds* section of the report.

Fiduciary Funds. Fiduciary funds, which consist solely of trust and agency funds, are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the *government-wide financial statements* because the resources of the fund are *not* available to support the City's own programs. Fiduciary funds are custodial in nature and, therefore, the accounting used does not involve the measurement of the results of operations. The basic fiduciary fund financial statement can be found on page 28 of this report.

Notes to the Basic Financial Statements. The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 30-58 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City has continued to present its financial statements under the new reporting model required by GASB 34. A comparative analysis of the government-wide data has been included in this report.

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$233,008,403 at the close of the current fiscal year.

The City's net assets invested in capital assets, net of related debt reflects a positive \$125,900,770. As shown on Table 1, the largest portion of the City's net assets (54%) is its investment in capital assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

CITY OF MOORPARK

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2007**

An additional portion of the City's net assets (43%) represents resources that are subject to external restrictions on how they may be used. The major restrictions on net assets are funding source restrictions. The remaining balance of total net assets (3%) is unrestricted and may be used to meet the City's obligations to citizens and creditors in accordance with the finance-related legal requirements reflected in the City's fund structure. At the end of the fiscal year ended June 30, 2007, the City reported positive balances in all three categories of net assets, both for the City as a whole, as well as for its separate governmental activities.

**Table 1
Net Assets
Governmental Activities
As of June 30, 2007 and 2006**

	<u>2007</u>	<u>2006</u>
Assets:		
Current and other assets	\$ 143,073,175	\$ 90,444,349
Capital assets	125,900,770	125,196,438
Total Assets	<u>268,973,945</u>	<u>215,640,787</u>
Liabilities:		
Long-term debt outstanding	30,431,462	19,410,217
Other liabilities	5,534,080	3,088,452
Total Liabilities	<u>35,965,542</u>	<u>22,498,669</u>
Net Assets:		
Invested in capital assets, net of related debt	125,900,770	108,190,324
Restricted	100,649,409	57,986,366
Unrestricted	6,458,224	26,965,428
Total Net Assets	<u>\$ 233,008,403</u>	<u>\$ 193,142,118</u>

The City's net assets increased by \$39,866,285 during the current fiscal year.

CITY OF MOORPARK

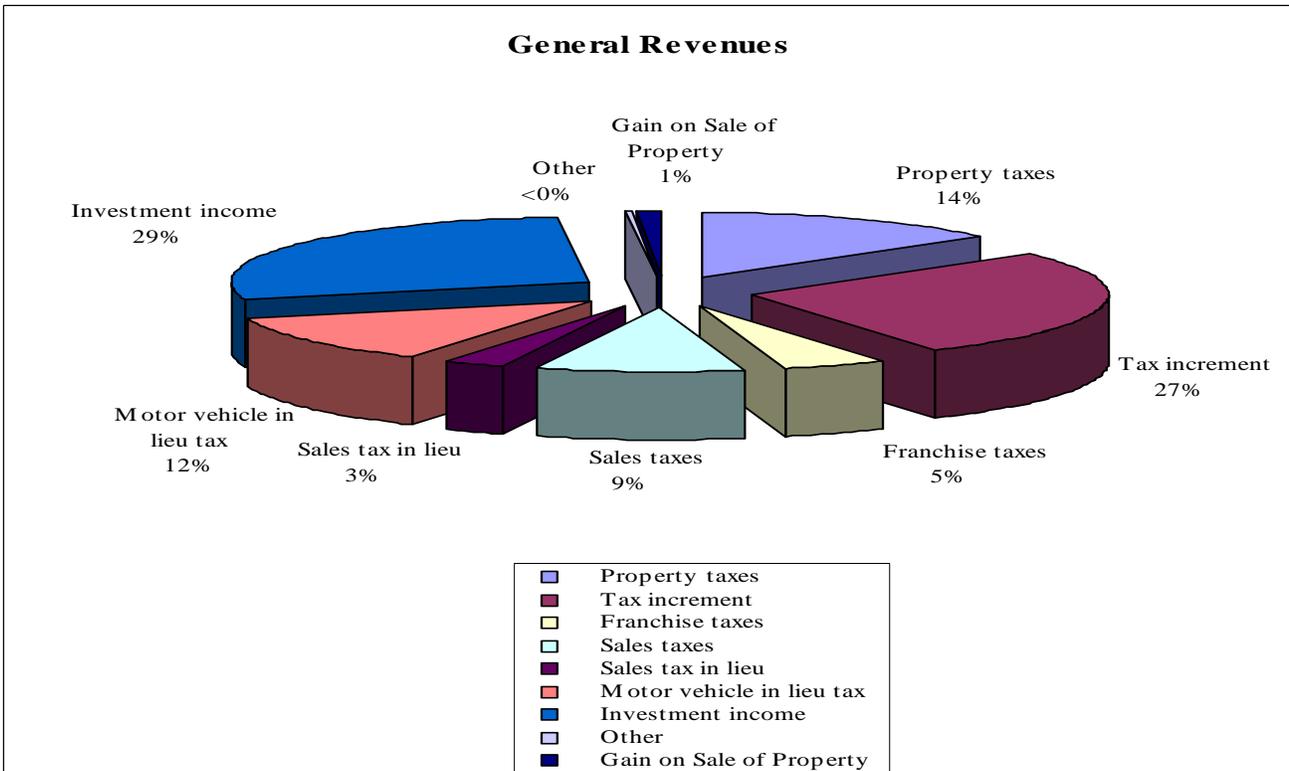
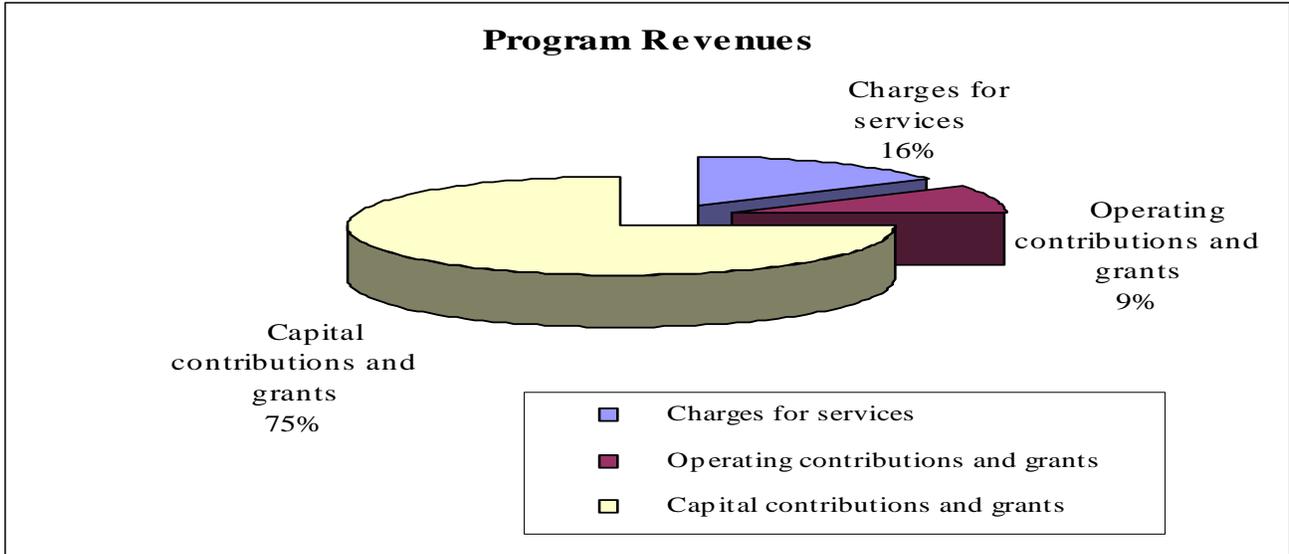
**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2007**

**Table 2
Changes in Net Assets
Governmental Activities
As of June 30, 2007 and 2006**

	<u>2007</u>	<u>2006</u>
Revenues		
Program Revenues:		
Charges for services	\$ 8,007,847	\$ 7,241,878
Operating contributions and grants	4,489,945	3,237,143
Capital contributions and grants	38,337,638	18,027,831
General Revenues:		
Property taxes	3,334,491	2,929,842
Tax increment	6,347,692	5,530,198
Franchise taxes	1,126,951	1,080,893
Sales taxes	2,192,327	2,260,786
Sales tax in lieu	704,562	608,298
Motor vehicle in lieu tax	2,860,207	2,734,470
Investment income	6,556,186	3,261,384
Other	58,841	135,276
Gain on Sale of Property	276,797	-
Total Revenues	<u>74,293,484</u>	<u>47,047,999</u>
Expenses		
General government	1,639,628	3,044,381
Public safety	6,317,283	6,230,057
Public services	21,231,766	13,106,843
Parks and recreation	4,293,823	2,771,270
Interest on long-term debt	1,332,541	1,333,370
Total Expenses	<u>34,815,041</u>	<u>26,485,921</u>
Increase in net assets	39,478,443	20,562,078
Net assets - July 1,	193,142,118	172,580,040
Prior Period Adjustment (see note 15)	387,842	-
Total Net assets - June 30	<u>\$ 233,008,403</u>	<u>\$ 193,142,118</u>

CITY OF MOORPARK

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2007**



CITY OF MOORPARK

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2007

FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

As noted earlier, the City uses fund accounting to demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable resources*. Such information is useful in assessing the City's financial requirements. In particular *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported total fund balances of \$133,340,949. This is an increase of \$50,371,398 in comparison with the prior year. This increase is mainly attributable to \$34.1 million in contributions from property owners for the Moorpark Highlands Improvement – Capital Projects Fund (CFD 2004-1) and \$11.7 million from bond proceeds for the 2006 Tax Allocation Bonds, net of related expenditures. In addition, a prior year adjustment of \$6.9 million contributed to the increase in the total fund balance (see note 15). Approximately \$91,476,833 or 68.6% of the fund balances constitutes *unreserved fund balance*, which is available to meet the City's current and future needs. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has been committed to a variety of restricted purposes.

General Fund

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the total fund balance of the General Fund was \$24,405,620 which was \$3,161,209 or 13% more than the prior year's General Fund total fund balance. As a measure of the General Fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Total fund balance represents 231 % of total General Fund expenditures and transfers out.

Key factors in this growth when compared to FY 2005-06 are as follows:

- The City's share of property taxes increased by approximately \$405,000 as a result of the rise in home values.
- Sales tax revenues also improved with an increase of approximately \$207,000, which is a reflection of the full occupancy of the Moorpark Marketplace, higher fuel prices and increased sales from various business groups.
- Interest earnings increased by approximately \$565 in response to rising rates in the market.
- Motor vehicle in lieu increased by approximately \$126,000.
- State mandated reimbursements ended the year approximately \$142,000 higher than last year as a result of catch up payments for claims made prior to FY 05/06.
- Expenditures and transfers out ended the year approximately \$2.2 million under budget as a result of prudent spending by staff and capital projects that have not yet started been completed.

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

The fund balance of the Street and Traffic Safety Fund increased by \$2,364,396 from the prior year, primarily due to the receipt of development fees for various construction projects.

CITY OF MOORPARK

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2007

Community Development Fund

The fund balance of the Community Development Fund decreased by (\$381,019) from the prior year as a result of decreased residential development activities.

Areas of Contribution Fund

The fund balance of the Areas of Contribution Fund increased by \$267,191 from the prior year, primarily due to development fees received for the Los Angeles AOC and fees for the Tierra Rejada/Spring Road AOC.

Endowment Fund

The fund balance of the Endowment Fund decreased by \$5,762,925 from the prior year, primarily due to the completion of the construction of the Corporation Yard to serve Public Works and Parks Maintenance field operations. In addition, the City Council authorized a transfer of \$5,434,834 to the Police Facilities Fee Fund to help offset a portion of prior year's costs for construction of the Moorpark Police Services Center.

Park/Public Facilities Fund (Includes ten (10) various development fee related funds)

The fund balance of the Park/Public Facilities Improvement Fund increased by \$454,005 primarily due to savings from various ongoing projects that have not yet been completed.

Police Facilities Fund

The fund balance of the Police Facilities Fund increased by \$5,510,675 from the prior year, primarily due to a transfer of \$5,434,834 from the Endowment Fund as noted above. The Police Department moved into the new facility in November of 2005. The major funding source for this new facility is a loan from the Endowment Fund, which currently has an outstanding balance of \$2,205,608. Repayments will be made when the Police Facilities Fund collect fees from future development projects.

Moorpark Highlands Improvement Fund

The Moorpark Highlands Improvement Fund is one of six accounts held by the Fiscal Agent for the Community Facilities District (CFD) No. 2004-1 (Moorpark Highlands) Special Tax Bonds 2006. The Improvement account has been recorded under a capital projects fund to reflect the proceeds that have been designated for capital improvement projects. Sources of the fund has been identified as "Contributions from Property Owners" with an initial amount of \$34,066,993 from the bond issue. The debt service portion of this bond issue has been recorded as an agency fund. Note that the City of Moorpark is not obligated in any manner for this bond issue and is only limited to acting as an agent for the assessed property owners and bondholders.

CITY OF MOORPARK

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2007

RDA Capital Projects Fund

The fund balance of the Redevelopment Agency Capital Projects Fund increased by \$17,017,487 from the previous year mainly due to the issuance of the 2006 Tax Allocation Bonds and the prior adjustments of property held from resale/development.

RDA Debt Service Fund

The fund balance of the Redevelopment Agency Debt Service Fund increased by \$2,204,818 primarily resulting from capitalized interest (bond proceeds) for the 1999 and 2001 Tax Allocation Bonds and higher property tax revenues received.

Non-Major Governmental Funds

The fund balance of all other Non-Major Governmental Funds (10 funds) increased by 87,491 or .01 % from the previous fiscal year.

General Fund Budgetary Highlights

The City adopts annual appropriated operating budgets for its governmental funds (General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Funds (except for the Moorpark Highlands Improvement Fund as these sources have been designated for specific projects in accordance with the Bonds' Official Statement) and reports the results of operation on a budget comparison basis.

In preparing its budgets, the City attempts to estimate its revenues using realistic, but conservative, methods so as to budget its expenditure appropriations and activities in a prudent manner. As a result, the City Council adopts budget adjustments during the course of the fiscal year to reflect both changed priorities and availability of additional revenues to allow for expansion of existing programs. During the course of the year, the City Council amended the originally adopted budget to re-appropriate prior year approved projects and expenditures, as well as approving many other adjustments for the current year.

The results of the General Fund for the year ended June 30, 2007, were more favorable than anticipated. Revenues were \$1.3 million over budget and expenditures and transfers out ended the year \$2.2 million under budget. The three largest savings came from General Government (\$506,783), Public Service (\$377,534) and Parks and Recreation (\$333,218).

CAPITAL ASSET AND LONG-TERM LIABILITIES

Capital Assets. The City's investment in capital assets as of June 30, 2007, amounted to \$125,900,770 (net of accumulated depreciation). This investment, detailed in Table 3, includes land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure. The total increase in the City's investment in capital assets for the current fiscal year was .01%. Buildings and improvement shows a significant increase in 2007 due to the completion of the Moorpark Public Services Facility and the addition of the Moorpark Public Library.

CITY OF MOORPARK

**MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2007**

**Table 3
Capital Assets (net of depreciation)
Governmental Activities
As of June 30, 2007 and 2006**

	2007	2006
Land	\$ 26,417,883	\$ 31,662,804
Construction in Progress	10,905,684	12,125,310
Buildings and improvements	23,819,617	16,220,793
Machinery and equipment	2,250,561	1,780,306
Infrastructure	62,507,025	63,407,225
Total	\$ 125,900,770	\$ 125,196,438

Some of the City’s major general fixed asset purchases in the current fiscal year were:

- The Internal Service Fund purchased \$76,345 in computer and software related items.
- The General Fund spent \$14,190 (net of trade in for an existing bike) for a new motorcycle for the Police Department, \$21,069 for an inscriber generator & mixer and \$10,761 for a theater system at Arroyo Vista Recreation Center.
- The Library Facilities Fund purchased computer and technology related items for \$69,162 and spent another \$58,174 on library furniture.
- The Endowment Fund spent \$25,814 in digital telecommunications connectivity system and \$97,154 for furniture for the Moorpark Public Services Facility.
- The operating fund of the Redevelopment Agency spent approximately 95,000 on sound and video equipment.
- The Equipment Replacement Fund purchased a heavy duty truck for \$47,334.

As a result of the implementation of GASB No. 34, the City has continued to account for infrastructure assets on its financial statements. The accompanying government-wide financial statements include those infrastructure assets that were either completed during the current fiscal year or considered construction in progress at current fiscal year-end.

Additional information on the City’s capital assets can be found in Note #5 on page 40 of this report.

CITY OF MOORPARK

**MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2007**

Long-term Liabilities. At the end of the current fiscal year, the City’s long-term liability outstanding is \$616,440 in employee compensated absences payable. The Redevelopment Agency’s bonded liability is comprised of \$29,815,022 of tax allocation bonds which are secured by future tax revenues. This is shown in Table 4.

**Table 4
Outstanding Long-Term Liabilities
Governmental Activities
As of June 30, 2007 and 2006**

	<u>2007</u>	<u>2006</u>
Tax allocation bonds (issued by the Redevelopment Agency)	\$ 29,815,022	\$ 18,880,000
Employee Compensated Absences Payable	616,440	530,217
Total	<u>\$ 30,431,462</u>	<u>\$ 19,410,217</u>

The City of Moorpark’s total liabilities increased by \$11,021,245 or 56.8% during the current fiscal year. The increase is attributable to the difference between long-term liabilities additions and the fiscal year’s regularly scheduled liabilities service payments.

Additional information on the City’s long-term liabilities can be found in Note #6 on pages 40 thru 43 of the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

The State’s “Triple Flip” payment plan remains in effect as the state attempts to repay the \$15.0 billion deficit reduction bonds. The impact to the City of Moorpark will be on cash flow and the subsequent reduction in interest income due to biannual (catch-up payments) rather than monthly sales tax payments. In addition, the State’s budget for Fiscal Year 2007/08 does not include funding for Proposition 42. However, the City is projected to receive approximately \$368,000 in FY 2008/09 from Proposition 42.

General purpose revenues such as property tax and sales tax are anticipated to increase by 2.0% and 4.5% respectively in fiscal year 2007/08. The sales tax increase is a reflection of the full occupancy of the Moorpark Marketplace and the continued tenant mix in fiscal year 2007/08. In addition, new tenants are expected to fill spaces in the Campus Plaza, Village at Moorpark, Warehouse Discount Center, Moorpark Grove and Mountain Meadows Plaza shopping centers, increasing the City’s sales tax revenue.

CITY OF MOORPARK

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2007

Additionally, the City took into consideration the following factors in preparing the budget for fiscal year 2007/08:

- Interest income will show an increase in response to rising interest rates.
- Sales tax growth should continue to increase with the full occupancy of the Moorpark Marketplace and generally having the same tenant mix in FY 2007/08 and occupancy of the other centers referenced above for portions of the year.
- Slight increase in PERS retirement cost from 11.728% to 11.840% effective July 1, 2007.
- Projections indicate our cost for general liability insurance will increase by 17% and worker's compensation is expected to increase by 28% for FY 07/08 when compared to fiscal year 2006/07 actual payments.

A priority of the City is to maintain a high quality of services while adopting a balanced budget. As in prior years, the 2007/08 budget as adopted by the City Council is a balanced budget and will serve as a guide in planning for the future.

REQUESTS FOR INFORMATION

This management's discussion and analysis is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions or need additional financial information, please contact the Finance Department at City Hall, 799 Moorpark Avenue, Moorpark, CA 93021, or at www.ci.moorpark.ca.us.

BASIC FINANCIAL STATEMENTS

City of Moorpark
Statement of Net Assets
June 30, 2007

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 97,360,641
Receivables:	
Taxes	125,298
Accounts	1,631,024
Interest	1,302,058
Notes and Loans	3,391,642
Property Held for Resale/Development	10,123,102
Restricted Cash and Investments	28,642,249
Debt Issuance Costs	497,161
Capital Assets:	
Non-Depreciable:	
Land	26,417,883
Construction in Progress	10,905,684
Depreciable, Net of Accumulated Depreciation:	
Buildings and Improvements	23,819,617
Machinery and Equipment	2,250,561
Infrastructure	62,507,025
Total Assets	<u>268,973,945</u>
LIABILITIES	
Accounts Payable and Accrued Liabilities	4,793,623
Interest Payable	237,731
Deferred Revenue	502,726
Noncurrent Liabilities:	
Due Within One Year	444,154
Due in More Than One Year	29,987,308
Total Liabilities	<u>35,965,542</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	125,900,770
Restricted for:	
Public Services	91,080,256
Recreation Services	5,826,936
Public Safety	643,452
Housing Set-Aside	3,098,765
Unrestricted	6,458,224
Total Net Assets	<u><u>\$ 233,008,403</u></u>

The accompanying notes are an integral part of this statement.

**City of Moorpark
Statement of Activities
Year Ended June 30, 2007**

Functions/Programs	Expenses	Program Revenues			Net Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental Activities:					
General Government	\$ 1,639,628	\$ 191,674	\$ 276,299	\$	\$ (1,171,655)
Public Safety	6,317,283	598,500	100,000		(5,618,783)
Public Services	21,231,766	6,612,769	2,383,904	38,337,638	26,102,545
Parks and Recreation	4,293,823	604,904	1,729,742		(1,959,177)
Interest on Long-Term Debt	1,332,541				(1,332,541)
Total Governmental Activities	\$ 34,815,041	\$ 8,007,847	\$ 4,489,945	\$ 38,337,638	16,020,389
General Revenues:					
Taxes:					
					3,334,491
					6,347,692
					1,126,951
					2,192,327
					704,562
					2,860,207
					6,556,186
					276,797
					58,841
					<u>23,458,054</u>
					39,478,443
					193,142,118
					387,842
					<u>\$ 233,008,403</u>

The accompanying notes are an integral part of this statement.

**City of Moorpark
Balance Sheet
Governmental Funds
June 30, 2007**

	Special Revenue				
	General	Street and Traffic Safety	Community Development	Areas of Contribution	Endowment
ASSETS					
Cash and Investments	\$ 22,828,985	\$ 17,140,838	\$ 1,008,776	\$ 11,583,585	\$ 4,614,261
Restricted Cash and Investments					
Receivables:					
Taxes	119,087				
Accounts	919,167		563		
Interest	924,495				
Notes and Loans	1,243			250,249	960,000
Due From Other Funds	382,882				2,205,608
Property Held for Resale/Development					
Total Assets	\$ 25,175,859	\$ 17,140,838	\$ 1,009,339	\$ 11,833,834	\$ 7,779,869
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable and Accrued Liabilities	\$ 642,407	\$ 86,655	\$ 597,085	\$ 202,881	\$ 7,315
Due to Other Funds					
Deferred Revenue	127,832			250,249	960,000
Total Liabilities	770,239	86,655	597,085	453,130	967,315
Fund Balances:					
Reserved for:					
Capital Projects					
Debt Service					
Property Held for Resale/Development					
Housing Set-Aside					
Unreserved, Reported In:					
General Fund	24,405,620				
Special Revenue Funds		17,054,183	412,254	11,380,704	6,812,554
Capital Projects Funds					
Debt Service Funds					
Total Fund Balances	24,405,620	17,054,183	412,254	11,380,704	6,812,554
Total Liabilities and Fund Balances	\$ 25,175,859	\$ 17,140,838	\$ 1,009,339	\$ 11,833,834	\$ 7,779,869

The accompanying notes are an integral part of this statement.

<u>Special Revenue</u>	<u>Capital Projects</u>			<u>Debt Service</u>	Non-Major	Total
<u>Parks/Public Facilities</u>	<u>Police Facilities Fee</u>	<u>Moorpark Highlands Improvement</u>	<u>Redevelopment Agency</u>	<u>Redevelopment Agency</u>	<u>Governmental Funds</u>	<u>Governmental Funds</u>
\$ 5,912,298	\$	\$ 25,448,070	\$ 18,805,272	\$ 2,602,453 3,194,179	\$ 12,864,173	\$ 97,360,641 28,642,249
					6,211	-
			1,283	33,480	676,531	125,298
			377,563			1,631,024
			1,704,786		475,364	1,302,058
						3,391,642
			7,891,391		2,231,711	2,588,490
						10,123,102
<u>\$ 5,912,298</u>	<u>\$ -</u>	<u>\$25,448,070</u>	<u>\$28,780,295</u>	<u>\$ 5,830,112</u>	<u>\$ 16,253,990</u>	<u>\$ 145,164,504</u>
\$ 85,362	\$ 168 2,205,608	\$	\$ 98,861 72,111 1,704,786	\$ 2,543,574 9,116	\$ 529,315 310,771 1,389,459	\$ 4,793,623 2,588,490 4,441,442
<u>85,362</u>	<u>2,205,776</u>	<u>-</u>	<u>1,875,758</u>	<u>2,552,690</u>	<u>2,229,545</u>	<u>11,823,555</u>
		25,448,070		3,194,179		25,448,070 3,194,179
			7,891,391		2,231,711	10,123,102
					3,098,765	3,098,765
						24,405,620
5,826,936	(2,205,776)		19,013,146		7,842,293	49,328,924
				83,243	851,676	17,659,046
						83,243
<u>5,826,936</u>	<u>(2,205,776)</u>	<u>25,448,070</u>	<u>26,904,537</u>	<u>3,277,422</u>	<u>14,024,445</u>	<u>133,340,949</u>
<u>\$ 5,912,298</u>	<u>\$ -</u>	<u>\$25,448,070</u>	<u>\$28,780,295</u>	<u>\$ 5,830,112</u>	<u>\$ 16,253,990</u>	<u>\$ 145,164,504</u>

The accompanying notes are an integral part of this statement.

City of Moorpark
Reconciliation of the Governmental Funds - Balance Sheet
to the Statement of Net Assets
June 30, 2007

Fund balances of governmental funds	\$ 133,340,949
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets of governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	125,900,770
Long-term notes and loans receivable are not current financial resources and, therefore, are deferred in the governmental funds.	3,390,399
Revenues not received soon enough after year-end to be considered available are deferred in the funds. The availability criteria does not apply to the government-wide financial statements.	548,317
Interest expenditures are recognized when due, and therefore, interest payable is not recorded in the governmental funds.	(237,731)
Long-term liabilities are not due and payable in the current period and are not reported in the funds.	
Compensated Absences	(616,440)
Tax Allocation Bonds	(30,135,000)
Unamortized Discount	319,978
Issuance costs net of accumulated amortization were recorded as expenditures in the governmental funds.	<u>497,161</u>
Net assets of governmental activities	<u><u>\$ 233,008,403</u></u>

The accompanying notes are an integral part of this statement.

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City of Moorpark
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2007

	Special Revenue				
	General	Street and Traffic Safety	Community Development	Areas of Contribution	Endowment
REVENUES					
Taxes	\$ 7,358,332	\$	\$	\$	\$
Licenses and Permits	65,630				
Fines and Forfeitures	193,949				
Use of Money and Property	1,729,467	807,394		587,139	138,748
Charges for Services	613,796				
Intergovernmental	3,141,363				
Maintenance Assessments					
Franchise Fees					
Building and Safety Fees			716,552		
Planning and Public Works Fees			1,649,002		
Development Fees		1,849,025		568,843	2,258,950
Contributions from Property Owners					
Other Revenue	338,929		6,106	338,870	
Total Revenues	13,441,466	2,656,419	2,371,660	1,494,852	2,397,698
EXPENDITURES					
Current:					
General Government	1,465,126		6,228		
Public Safety	5,584,268				
Public Services	412,512	25,650	2,709,564		
Parks and Recreation	1,277,148				
Capital Outlay	662,052	266,373	36,887	1,227,661	2,725,789
Debt Service:					
Principal					
Interest					
Bond Issuance Costs					
Total Expenditures	9,401,106	292,023	2,752,679	1,227,661	2,725,789
Excess (Deficiency) of Revenues over Expenditures	4,040,360	2,364,396	(381,019)	267,191	(328,091)
OTHER FINANCING SOURCES (USES)					
Gain on Sale of Property	1,000				
Bond Proceeds					
Discount on Bonds					
Transfer In					
Transfer Out	(1,142,090)				(5,434,834)
Total Other Financing Sources (Uses)	(1,141,090)	-	-	-	(5,434,834)
Net Change in Fund Balances	2,899,270	2,364,396	(381,019)	267,191	(5,762,925)
Fund Balances - Beginning of Year	21,244,411	14,689,787	793,273	11,113,513	12,575,479
Prior Period Adjustments	261,939				
Fund Balances, End of Year	\$ 24,405,620	\$ 17,054,183	\$ 412,254	\$ 11,380,704	\$ 6,812,554

The accompanying notes are an integral part of this statement.

<u>Special Revenue</u>	<u>Capital Projects</u>			<u>Debt Service</u>	<u>Non-Major</u>	<u>Total</u>
<u>Parks/Public</u>	<u>Police</u>	<u>Moorpark</u>	<u>Redevelopment</u>	<u>Redevelopment</u>	<u>Governmental</u>	<u>Governmental</u>
<u>Facilities</u>	<u>Facilities Fee</u>	<u>Highlands</u>	<u>Agency</u>	<u>Agency</u>	<u>Funds</u>	<u>Funds</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
				6,347,692		13,706,024
					149,630	65,630
312,026	1	1,312,503	1,123,833	316,015	757,978	343,579
					3,022,622	7,085,104
	192,729				1,729,742	613,796
					292,003	6,163,985
1,032,193					694,840	1,922,471
		34,066,993				292,003
309			1,032,562		38,568	716,552
1,344,528	192,730	35,379,496	2,156,395	6,663,707	6,685,383	1,649,002
						6,403,851
						34,066,993
						1,755,344
						1,471,354
141,901			925,806	2,869,751	499,649	6,083,917
748,622	116,889	9,931,426	571,192		2,523,570	9,608,754
					2,762,740	4,039,888
					3,190,975	19,477,866
				440,000		440,000
				1,380,633	20,352	1,400,985
				505,588		505,588
890,523	116,889	9,931,426	1,496,998	5,195,972	8,997,286	43,028,352
454,005	75,841	25,448,070	659,397	1,467,735	(2,311,903)	31,755,982
			275,797			276,797
			8,923,500	2,771,500		11,695,000
				(325,401)		(325,401)
	5,434,834		591,812	152,334	3,278,280	9,457,260
				(1,861,350)	(1,018,986)	(9,457,260)
-	5,434,834	-	9,791,109	737,083	2,259,294	11,646,396
454,005	5,510,675	25,448,070	10,450,506	2,204,818	(52,609)	43,402,378
5,372,931	(7,716,451)	-	9,887,050	1,072,604	13,936,954	82,969,551
			6,566,981		140,100	6,969,020
<u>\$ 5,826,936</u>	<u>\$ (2,205,776)</u>	<u>\$ 25,448,070</u>	<u>\$ 26,904,537</u>	<u>\$ 3,277,422</u>	<u>\$ 14,024,445</u>	<u>\$ 133,340,949</u>

The accompanying notes are an integral part of this statement.

City of Moorpark
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Year Ended June 30, 2007

Net change in fund balances-total governmental funds \$ 43,402,378

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity is reconciled as follows:

Cost of assets capitalized	10,066,299
Depreciation expense	(2,733,594)

Governmental funds report only proceeds from the sale of capital assets. The statement of activities reports a gain or loss on disposal based on the net book value at the time of disposal. Disposal activity included the following:

Costs of assets disposed	(62,599)
Accumulated depreciation on disposed assets	15,404

Long-term notes and loans receivable are reported as expenditures when made and as revenue when repaid in the governmental funds. However, there is no impact in the statement of activities when notes and loans are made or repaid. This amount represents the net change in the long-term notes and loans receivable. (1,137,031)

Revenues not received soon enough after year-end to be considered available are deferred in the funds. The availability criteria does not apply to the government-wide financial statements. 369,376

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (10,437,861)

Accrued interest for tax allocation bonds is not recorded in the governmental funds. This is the net change in accrued interest for the current period. 82,294

Compensated absence 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. (86,223)

Change in net assets of governmental activities \$ 39,478,443

City of Moorpark
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2007

ASSETS

Cash and Investments	\$ 2,563,697
Restricted for Cash and Investments	6,199,811
Accounts Receivable	<u>70,711</u>
Total Assets	<u><u>8,834,219</u></u>

LIABILITIES

Accounts Payable	68,834
Deposits	2,500,864
Due to Bondholders	<u>6,264,521</u>
Total Liabilities	<u><u>\$ 8,834,219</u></u>

The accompanying notes are an integral part of this statement.

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City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

<u>NOTE</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
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City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Moorpark (the City) conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for governmental accounting and financial reporting principles. The following is a summary of the significant policies.

A) Reporting Entity

The reporting entity “City of Moorpark” includes the accounts of the City, the Moorpark Redevelopment Agency (the RDA), the Moorpark Public Financing Authority (the PFA), and the Industrial Development Authority of the City of Moorpark (the IDA).

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

The RDA was formed in 1987 pursuant to the State of California Health and Safety Code, Section 33000 entitled “Community Redevelopment Law”. Its purpose is to finance long-term capital improvements designed to eliminate physical and economic blight in a project area.

The PFA was formed in 1993 as a joint powers authority between the City and the RDA in order to provide financial assistance to the City and the RDA by issuing debt and financing the construction of public facilities.

The IDA was formed in 1985 pursuant to the California Industrial Development Financing Act (the ACT). Its purpose is to finance the acquisition and development of certain industrial activities as permitted by the Act and to issue bonds for the purpose of enabling industrial firms to finance the cost of such activities.

The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Statement No. 14 (as amended by GASB Statement No. 39). The City of Moorpark is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit’s Board, or because the component unit will provide a financial benefit or impose a financial burden on the City.

The City has accounted for the RDA, the PFA, and IDA as “blended” component units. Despite being legally separate, they are so intertwined with the City, they are in substance, part of the City’s operations. Accordingly, the balances and transactions of the RDA are reported as separated funds in the Special Revenue, Debt Service, and Capital Projects Funds. The PFA and IDA are inactive. The following specific criteria were used in determining that the RDA, the PFA, and the IDA are “blended” component unit:

- 1) The members of the City Council also act as the governing body of the RDA, the PFA, and the IDA.
- 2) The City, the RDA, the PFA, and the IDA are financially interdependent. The City makes loans to the RDA for use on redevelopment projects. Available property tax revenues of the RDA will be used to repay the loans from the City.
- 3) The RDA, the PFA, and the IDA are managed by employees of the City.

The financial statements for the RDA may be obtained at the City’s administrative offices. The PFA and IDA do not issue separate financial statements.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B) Participation in Public Entity Joint Powers Authority

The City is a member of the California Joint Powers Insurance Authority (the Authority). The Authority is composed of over 100 California public entities and is organized under a joint powers agreement pursuant to California Government Code 6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group-purchased insurance for property and other coverage. The Authority's pool began covering claims of its members in 1978. Each member government has elected an official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

The City does not have an equity interest in the Authority: therefore, no amount has been reported in the Statement of Net Assets. However, the City does have an ongoing financial interest because the City is able to influence the operations of the Authority so that the Authority uses its resources on behalf of the City. Also, an ongoing financial responsibility exists because the Authority is dependent on continued funding from the City. The condensed financial information of the Authority has not been reproduced in this report, but is available from the Authority.

C) Accounting and Reporting Policies

The City has conformed to the pronouncements of the GASB, which are the primary authoritative statements of the accounting principles generally accepted in the United States of America applicable to state and local governments. In accordance with GASB Statements No. 20, the City applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless any such pronouncements contradict GASB pronouncements.

D) Description of Funds

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. The following are types of funds used:

Governmental Fund Types

General Fund - Used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Used to account for the proceeds of specific revenue sources that are restricted by law or administrative action for specified purposes.

Debt Service Funds - The debt service fund is used to account for property tax increment revenue and related interest income. Disbursements from this fund consist mainly of principal and interest on indebtedness.

Capital Projects Funds - Used to account for financial resources used for the construction of specific capital projects.

Fiduciary Fund Type

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

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E) Basis of Accounting and Measurement Focus

Government-Wide Financial Statements

The City's Government-Wide Financial Statements include a Statement of Net Assets and a Statement of Activities. These statements present summaries of Governmental Activities for the City.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets and infrastructure as well as long-term debt, are included in the accompanying Statement of Net Assets. The Statement of Activities presents changes in net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenditures are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenditures of a given function are offset by program revenues. Direct expenditures are those that are clearly identifiable with a specific function. The types of transactions reported as program revenues for the City are reported in three categories: 1) charges for services, 2) operating contributions and grants, and 3) capital grants and contributions. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Operating contributions and grants include revenues restricted to meeting the requirements of particular operating function and may include state shared revenues and grants. Capital contributions and grants include revenues restricted to meeting the requirements of a particular capital function and may include grants and developer fees. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the government-wide financial statements have been eliminated.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and aggregated non-major funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the net assets presented in the Government-Wide Financial Statements. The City has presented all major funds that met qualifications of GASB Statements No. 34. In addition, the City has included funds that are significant to the City as major funds.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures, and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balances. Revenues are recognized in the accounting period in which they become susceptible to accrual, that is, when they become both measurable and available to finance expenditures of the current period. "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Accrued revenues included property taxes received within 60 days after year-end taxpayer assessed taxes such as sales taxes, and earnings on investments. Grant funds earned but not received are recorded as a receivable, and grant funds received before the revenue recognition criteria have been met are reported as deferred revenues. Expenditures are recorded when the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E) Basis of Accounting and Measurement Focus - Continued

The City reports the following major governmental funds:

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

The Street and Traffic Safety Special Revenue Fund is used to account for fees used for street maintenance, right-of-way acquisition and street construction.

The Community Development Special Revenue Fund is used to account for fees used in planning, building and safety, and engineering services relating to community development.

The Areas of Contribution Special Revenue Fund is used to account for fees used for street and related improvements to specific project areas and fund infrastructure enhancements as a result of additional development.

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

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

The Police Facilities Fee Capital Projects Fund is used to account for the funds used to build the new police facility.

The Moorpark Highlands Improvement Capital Projects Fund is used to account for the receipt and expenditure of the CFD No. 2004-1 special tax bonds proceeds.

The RDA Capital Projects Fund is used to account for the funds used for the RDA's capital improvement projects.

The RDA Debt Service Fund is used to account for the accumulation of resources for, and the payment of principal and interest on the RDA's debt and other long-term obligations.

Fiduciary Fund Financial Statements

Fiduciary Fund Financial Statements include a Statement of Net Assets. The fiduciary fund is used to report assets held in a trustee or agency capacity for others and therefore are not available to support City programs. Since these assets are being held for the benefit of a third party, these funds are not incorporated into the government-wide statements.

The City's only fiduciary fund is an agency fund, which uses the accrual basis of accounting to account for amounts held for individuals, private organizations, other governments, and/or other funds. The agency fund is custodial in nature (assets equal liabilities) and therefore does not involve measurement of results of operations.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

F) Budgetary Accounting

Annual budgets are adopted on a basis consistent with GAAP for all governmental funds. All annual appropriations lapse at fiscal year-end. Throughout the year, the City Council made several supplementing budgetary adjustments to the General Fund, Special Revenue Funds, Capital Projects Funds, and the Debt Service Fund. These adjustments resulted in a net appropriation increase of \$5,488,135. This increase resulted primarily from rebudgeted projects and amounts carried over from Fiscal Year 2005-2006 as continuing appropriations.

G) Investments

The City has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Pools*, which requires governmental entities to report certain investments at fair value in the balance sheet and recognize the corresponding change in the fair value of investments in the year in which the change occurred. In accordance with GASB Statement No. 31, the City has adjusted certain investments to fair value (when material).

Investments are included within the financial statement classifications of “cash and investments” and “restricted cash and investments,” and are stated at fair value.

H) Property Held for Resale/Development

Property held for resale in the Low and Moderate Income Housing Special Revenue Fund and the Capital Projects Fund represent land and buildings purchased by the Agency. Such property is valued at the lower of cost or estimated net realizable value (as determined by a disposition and development agreement between the Agency and a developer) and has been offset by reservation of fund balance to indicate that assets constitute future capital projects and are not available spendable resources. The balance at June 30, 2007 was \$10,123,102.

I) Capital Assets

Capital assets, which include land, machinery and equipment (vehicles, computers, etc), buildings and improvements, and infrastructure assets (street systems, storm drains, sewer systems, etc.), are reported in the Governmental Activities column of the Government-wide Financial Statements. Capital assets are defined by the City as all land; buildings and improvements with an initial individual cost of more than \$10,000; vehicles, computers and equipment with an initial individual cost of more than \$5,000; and improvements and infrastructure assets with costs of more than \$100,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated or annexed capital assets are recorded at estimated market value at the date of donation or annexation.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

I) Capital Assets - Continued

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Depreciation is recorded in the Government-wide Financial Statements on a straight-line basis over the useful life of the assets as follows:

Building and Improvements	25 to 50 years
Vehicles, Computers, and equipment	3 to 20 years
Infrastructure Assets	
Roadway Network	7 to 100 years
Drain Network	20 to 100 years
Parks and Recreation Network	50 years

J) Deferred Revenue

Deferred revenue is recorded for monies collected in advance that have not been earned. In the fund financial statements revenue is also deferred when the availability criteria has not been met. As of June 30, 2007, the total unearned revenue amounted to \$502,726 and unavailable revenue amounted to \$3,938,716.

K) Long-Term Debt

In the government-wide financial statements, long-term debt and other obligations are reported as liabilities in the statement of net assets. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amounts of debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual net proceeds received, are reported as debt service expenditures.

L) Employee Compensated Absences

City employees may receive from 20 to 30 days vacation time or annual leave each year, depending upon length of service. An employee may accumulate earned vacation time up to a maximum of 760 hours or annual leave up to a maximum of 784 hours and admin leave up to a maximum of 120 hours, depending on position. Upon termination, employees are paid the full value of their unused annual leave, administrative leave, vacation time, and a portion of sick leave per management benefits and City's MOA. There is no fixed payment schedule for employee compensated absences.

M) Property Taxes

The duties of assessing and collecting property taxes are performed by the Ventura County (the County) Assessor and Tax Collector, respectively. The City receives an allocation of property taxes collected by the County with respect to property located within the City limits equal to 7.40% of the one percent State levy. The Redevelopment Agency receives incremental property taxes on property within its project area over the base-assessed valuation at the date the project area was established. Tax levies cover the period from July 1 to June 30 of each year. All tax liens are attached annually on the first day in January preceding the fiscal year for which the taxes are levied. Taxes are levied on both real and personal property, as it exists on that date.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

M) Property Taxes - Continued

Secured property taxes are levied against real property and are due and payable in two equal installments. The first installment is due on November 1 and becomes delinquent if not paid by December 10. The second installment is due on February 1 and becomes delinquent if not paid by April 10. Unsecured personal property taxes are due on July 1 each year. These taxes become delinquent if not paid by August 31.

N) Claims and Judgments

When it is probable that a claim liability has been incurred, and the amount of the loss can be reasonably estimated, the City records the estimated loss, net of any insurance coverage under its self-insurance program. At June 30, 2007, in the opinion of the City Attorney, the City had no material claims, which require loss provision in the financial statements. Small claims and judgments are recorded as expenditures when paid.

The City's self-insurance program is administered through the California Joint Powers Authority (the CJPIA). The CJPIA is a public entity risk pool, which is accounted for under the provisions of GASB Statement No. 10. Claim losses recorded in the CJPIA include both current claims and Incurred But Not Reported claims (IBNR). Deposits to the CJPIA are recorded by the City as insurance expenditures in the General Fund when paid. These deposits are subject to retrospective adjustment. Favorable claims experience results in a refund of deposits from the CJPIA and such refunds, if any, are recorded as a reduction of insurance expenditures in the year received. Adverse claims experience results in the payment of additional deposits and such deposits, if any, are recorded as insurance expenditures when paid.

O) Deferred Compensation

In October 1997, GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, was issued. This Statement establishes accounting and financial reporting standards for Internal Revenue Code (IRC) section 457 deferred compensation plans of state and local governments. Pursuant to the IRC 457 subsection (g) all amounts of compensation deferred under the plan, all property, or rights are solely the property and rights of the employee and beneficiaries of the plan. Deferred compensation funds are not subject to claims of the City's general creditors. The City has established an eligible deferred compensation plan in accordance with subsection (g) of the IRC Section 457. Under the provisions of this statement, it is no longer considered appropriate to report the Section 457 plan in the City's financial statements.

P) New Pronouncements

GASB Statement No. 45 - In June 2004, the GASB issued Statement No.45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers. The City is required to implement the new standard as of June 30, 2009. The City has not determined its effect on the financial statements.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007**

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Q) Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

R) Use of Restricted Resources

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

S) Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The reconciliation states that the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any affect on net assets. Also governmental funds report the affect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of this \$10,437,861 difference is as follows:

Issuance of Tax Allocation Bonds	\$ (11,695,000)
Costs of Issuance	505,588
Discount on Bonds	325,401
Amortization of Issuance Costs	(8,427)
Amortization of Bond Discounts	(5,423)
Principal Repayment	<u>440,000</u>
 Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	 <u>\$ (10,437,861)</u>

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

2) CASH AND INVESTMENTS

Cash and investments at June 30, 2007, consisted of the following:

City Treasury Deposits	
Demand Deposits	\$ 657,372
Cash on Hand	<u>2,750</u>
Total City Treasury Deposits	<u>660,122</u>
City Treasury Investments	
Certificates of Deposit	1,499,000
LAIF	64,397,657
Ventura County Pool	12,455,599
U.S Treasury Obligations	8,980,320
U.S. Agency Securities	<u>11,931,640</u>
Total City Treasury Investments	<u>99,264,216</u>
Cash and Investments With Fiscal Agent	
Money Markets	28,829,530
Guaranteed Investment Contracts	<u>6,012,530</u>
Total Cash and Investments With Fiscal Agent	<u>34,842,060</u>
Total Cash and Investments	<u>\$ 134,766,398</u>

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

	Statement of Net Assets Governmental Activities	Statement of Fiduciary Net Assets Agency Fund	Total
Cash and Investments	\$ 97,360,641	\$ 2,563,697	\$ 99,924,338
Restricted Cash and Investment	<u>28,642,249</u>	<u>6,199,811</u>	<u>34,842,060</u>
Total	<u>\$ 126,002,890</u>	<u>\$ 8,763,508</u>	<u>\$ 134,766,398</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 the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated on a quarterly basis to the various funds based on average daily cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

A) Authorized Investments

Investments Authorized by the California Government Code and the City's Investment Policy

The table below identifies the investment type that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

2) CASH AND INVESTMENTS - Continued

A) Authorized Investments - Continued

This table does not address investments of debt proceeds held by bond trustees that are governed by provisions of debt agreements of the City, rather than the general provisions of the California Government or the City's investment policy. As of June 30, 2007, the only debt agreements of the City pertain to the Moorpark Redevelopment Agency.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Of Portfolio*</u>	<u>Maximum Investment In One Issuer</u>
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	20%	None
Medium-Term Notes	5 years	30%	None
Money Market Mutual Funds	N/A	20%	None
Mortgage Pass-Through Securities	5 Years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
CALTRUST Investment Pool	N/A	None	None

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

The Policy, in addition to State statutes, establishes that funds on deposit in banks must be federally insured or collateralized and investments shall (1) have maximum maturity not to exceed five years and (2) be laddered and based on cash flow forecasts. The City's investments comply with the established policy.

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investment held by bond trustees.

The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk

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

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

2) CASH AND INVESTMENTS - Continued

B) Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City's investment to market interest rate fluctuation is provided by the following table that shows the distribution of the City's investments by maturity.

Investment Type		Investment Maturities (in Years)				
		Less than 1	1 to 2	2 to 3	3 to 4	>5
Local Agency Investment Fund	\$ 64,397,657	\$ 64,397,657	\$	\$	\$	\$
Ventura County Pool	12,455,599	12,455,599				
Certificates of Deposit	1,499,000	1,199,000	300,000			
U.S. Treasury Notes	8,980,320	8,980,320				
Freddie Mae	2,942,160	2,942,160				
FNM	6,995,660	6,995,660				
FHLM	1,993,820	1,993,820				
Held by Bond Trustee:						
Money Market Funds	28,829,530	28,829,530				
Guaranteed Investment Contracts	6,012,530					6,012,530
Total	\$ 134,106,276	\$127,793,746	\$ 300,000	\$	\$	\$ 6,012,530

C) Credit Risk and Concentration of Credit Risk

Deposits

At June 30, 2007, the carrying amount of the City's deposits was \$657,372. Bank balances before reconciling items were \$1,536,917 at June 30, 2007, of which \$1,536,917 were collateralized with securities held by the pledging financial institution's trust department but not in the City's name.

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor.

According to California law, the market value of pledged securities with banking institutions must equal at least 110% of the City's cash deposits. California law also allows institutions to serve City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits. The City may waive collateral requirements for cash deposits, which are fully insured up to \$100,000 by the Federal Deposit Insurance Corporation. The City, however, has not waived the collateralization requirements.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

2) **CASH AND INVESTMENTS - Continued**

C) **Credit Risk and Concentration of Credit Risk - Continued**

Investments

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code and the actual rating as of year end for each investment type.

The California Government Code places limitations on the amount that can be invested in any one issuer (as detailed above). Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total investments are as follows:

Credit Quality Distribution for Securities with Credit Exposure as a Percentage of Total Investments

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Credit Rating</u>	<u>Percentage of Investments</u>
Local Agency Investment Fund	\$ 64,397,657	Not Rated	48.02%
Ventura County Pool	12,455,599	Not Rated	9.29%
Certificates of Deposit	1,499,000	Not Rated	1.12%
U.S. Treasury Notes	8,980,320	AAA	6.69%
Freddie Mae	2,942,160	AAA	2.19%
FNM	6,995,660	AAA	5.22%
FHLM	1,993,820	AAA	1.49%
Held by Bond Trustee:			
Money Market Funds	28,829,530	Not Rated	21.50%
Guaranteed Investment Contracts	<u>6,012,530</u>	Not Rated	<u>4.48%</u>
Total	<u>\$ 134,106,276</u>		<u>100.00%</u>

Investments in any one issuer that represent 5% or more of total investments by reporting unit (primary government, governmental activities, major fund, non-major funds in the aggregate, etc) are as follows:

\$771,100 of the cash and investments (including amount held with bond trustee) reported in the Redevelopment Agency Debt Service Fund (a major fund of the City) are held in the form of a nonnegotiable unrated investment contract issued by Transamerica Occidental Life Insurance Company that matures on October 1, 2018.

\$584,674 of the cash and investments (including amount held with bond trustee) reported in the Redevelopment Agency Debt Service Fund (a major fund of the City) are held in the form of a nonnegotiable unrated investment contract issued by CDC that matures on October 1, 2031.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

2) CASH AND INVESTMENTS - Continued

D) Local Agency Investment Fund (LAIF)

The LAIF is a special fund of the California State Treasury through which local governments may pool investments. Each governmental agency may invest up to \$40,000,000 in each account in the fund. Investments in LAIF are highly liquid, as deposits can be converted to cash within twenty-four hours without loss of interest or principal. The full faith and credit of the State of California secure investment in LAIF. At June 30, 2007, accounts were maintained in the name of the City for \$40,000,000 and the Redevelopment Agency for \$24,397,656. The total cost value of investment in LAIF was \$64,397,656. The total fair value of investments in LAIF was \$64,368,356. The unrealized loss was based on a fair market value adjustment factor of .9995455022 that was calculated by the State of California Treasurer's Office. At June 30, 2007, the market value of the State of California Pooled Money Investment Account (PMIA) including accrued interest was \$66,051,251,287. The State of California Pooled Money Investment Account portfolio had securities in the form of structured notes and asset-backed securities. The PMIA has policies, goals, and objectives for the portfolio to make certain that the goals of safety, liquidity, and yield are not jeopardized. These policies are formulated by investment staff and review by both the PMIB and LAIF Advisory Board on an annual basis. LAIF's and the City's exposure to credit, market, or legal risk is not available.

E) The Ventura County Treasurer's Investment Pool

The City holds investments in the County Pool that are subject to being adjusted to "fair value". The City is required to disclose its methods and assumptions used to estimate the fair value of its holdings in the County Pool. The City relied upon information provided by the County Treasurer in estimating the City's fair value position of its holdings in the County Pool. The City had a contractual withdrawal value of \$12,455,599 at fiscal year end.

The Ventura County Treasurer's Investment Pool is a governmental investment pool managed and directed by the elected Ventura County Treasurer. The County Pool is not registered with the Securities and Exchange Commission. An oversight committee comprised of local government officials and various participants provide oversight to the management of the fund. The daily operations and responsibilities of the Pool fall under the auspices of the County Treasurer's office. The City is a voluntary participant in the investment pool.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

3) NOTES AND LOANS RECEIVABLE

Notes and loans receivable activity for the year ended June 30, 2007, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Notes Receivable:				
Asadurian	\$ 1,040,000	\$	\$ (80,000)	\$ 960,000
Mission Bell	2,737,323		(1,032,537)	1,704,786
Deferred Property Assessments	<u>250,249</u>			<u>250,249</u>
 Total Notes Receivable	 <u>4,027,572</u>		 <u>(1,112,537)</u>	 <u>2,915,035</u>
Loans Receivable:				
Employee Computer	5,060		(3,817)	1,243
Rehabilitation	47,550			31,384
First-time Homeowners Assistance	119,104		(16,166)	119,104
CalHome	<u>333,204</u>		<u>(8,328)</u>	<u>324,876</u>
 Total Loans Receivable	 <u>504,918</u>		 <u>(28,311)</u>	 <u>476,607</u>
 Total Notes and Loans Receivable	 <u>\$ 4,532,490</u>	 <u>\$</u>	 <u>\$ (1,140,848)</u>	 <u>\$ 3,391,642</u>

A) Asadurian Note

On April 7, 2003, the City entered into an agreement with Asadurian Investment Corporation whereby in return for land disposition, the City received a \$1,200,000 promissory note. The note bears simple interest at the rate equal to the average monthly interest rate announced by the Local Agency Investment Fund (LAIF). The borrower shall pay the City the amount of \$80,000 plus interest over fifteen years. The balance outstanding at June 30, 2007 was \$960,000.

B) Mission Bell Note

On August 2, 1995, the Agency entered into an agreement with Mission Bell Partners whereby in return for land disposition, the Agency received seven promissory notes totaling \$3,934,500. The notes bear simple interest from a rate of three percent to a rate of six percent per annum from August 29, 1995 until August 29, 2029. In June 2004 the Agency, per settlement agreement discharged three of the remaining six of the original seven promissory notes totaling \$500,000. In September of 2006, notes number 2 and 6 were paid off. The balance of the remaining note (note no. 7) outstanding at June 30, 2007 was \$1,704,786. Interest payments are due annually on September 2nd.

C) Deferred Property Assessment Notes

In March 1993, the City entered into agreements with three property owners of the City of Moorpark Assessment District No. 92-1 whereby in return for deferring the property owner's assessment levy, the City received three promissory notes totaling \$279,427. The notes bear simple interest equivalent to the LAIF variable rate not to exceed 7% per annum. Principal and interest are due on the date the City executes an approved final map of the property or the date of a court ordered subdivide of the property. At June 30, 2007, the principal balance outstanding was \$250,249.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

3) NOTES AND LOANS RECEIVABLE - Continued

D) Employee Computer Loans

The City operates an employee computer loan program. The City allows employees to buy computers and make payments over 3 years. The balance outstanding at June 30, 2007, was \$1,243.

E) Rehab Loans

The Redevelopment Agency of the City of Moorpark operates a rehabilitation loan program for the renovation of low-moderate income housing. The total balance outstanding at June 30, 2007, was \$31,384.

F) Villa Campesina

The City provides down payment assistance loans to buyers in Villa Campesina. The total balance outstanding at June 30, 2007 was \$119,104.

G) CalHome Mobilehome Rehabilitation Loans

The total balance of CalHome loans for repairs to mobilehomes in Villa del Arroyo at June 30, 2007 was \$324,876. These loans are subject to a conditional forgiveness provision, beginning in Year 6 of the loan, continuing through Year 10 of the loan, with 20% of the balance forgiven each of these years; \$71,727 has been received and \$2,597 has been forgiven. Funds received are deposited into a City Trust Fund to be used for eligible home ownership-related activities.

H) First Time Home Buyer Program

In order to reinforce the resale restrictions on properties purchased through the City's First Time Home Buyer Program, buyers execute Promissory Notes and Deeds of Trust are recorded to secure these Notes. The Notes become payable only in the event of a default of any provision of this program.

4) INTERFUND TRANSACTIONS

Due to/Due From

Due to/due from other funds for the year ending June 30, 2007, consisted of the following:

Due to the General Fund From:	
Redevelopment Agency Capital Projects Fund	\$ 72,111
Non-Major Special Revenue Funds	<u>310,771</u>
 Total Due to the General Fund	 <u>\$ 382,882</u>
 Due to the Endowment Special Revenue Fund From:	
The Police Facilities Special Revenue Fund	<u>\$ 2,205,608</u>

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

4) INTERFUND TRANSACTIONS - Continued

The General Fund has advanced to the Redevelopment Agency and the State and Federal Assistance Fund \$382,882 to cover current expenditures. Repayment is expected during 2007-08.

The Endowment Fund has advanced to the Police Facilities Fee Fund \$2,205,608 to fund Capital Improvements. The advance is expected to be repaid with development fees to be collected in the future.

Transfers

Interfund transfers for the year ended June 30, 2007 consisted of the following:

		TRANSFER FROM				
		General Fund	Endowment Special Revenue	RDA Debt Service	Non-Major Governmental	Total
TRANSFER TO	RDA Debt Service	\$	\$	\$	\$ 152,334	\$ 152,334
	RDA Capital Projects			591,812		591,812
	Police Facilities Special Revenue		5,434,834			5,434,834
	Non-Major Governmental Funds	1,142,090	_____	1,269,538	866,652	3,278,280
	Total	\$ 1,142,090	\$ 5,434,834	\$ 1,861,350	\$ 1,018,986	\$ 9,457,260

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations or grant matching requirements.

The Debt Service Fund transferred funds to the Low/Mod Housing Special Revenue Fund to meet the low and moderate income housing 20% tax increment set-aside requirement.

The Low/Mod Housing Special Revenue Fund transferred funds to the Debt Service Fund to pay the 20% debt service on bond issues. The Debt Service Fund transferred funds to the Capital Projects Fund to fund future capital projects.

5) CAPTIAL ASSETS AND DEPRECIATION

In accordance with GASB Statement No. 34, the City has reported all capital assets including infrastructure in the Government-Wide Statement of Net Assets. The City elected to use the basic approach as defined by GASB Statement No. 34 for all infrastructure reporting, whereby depreciation expense and accumulated depreciation have been recorded.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

5) CAPITAL ASSETS AND DEPRECIATION - Continued

The following table presents the capital assets activity for the year ended June 30, 2007.

	Beginning Balance	Adjustments*	Increases	Decreases	Ending Balance
Governmental Activities:					
Capital Assets, Not Depreciated:					
Land	\$ 31,662,804	\$ (5,674,581)	\$ 429,660	\$	\$ 26,417,883
Construction in Progress	<u>12,125,310</u>	<u></u>	<u>8,634,008</u>	<u>(9,853,634)</u>	<u>10,905,684</u>
Total Capital Assets Not Depreciated	<u>43,788,114</u>	<u>(5,674,581)</u>	<u>9,063,668</u>	<u>(9,853,634)</u>	<u>37,323,567</u>
Capital Assets Being Depreciated:					
Buildings and Improvements	19,221,519	(1,054,634)	9,189,194		27,356,079
Machinery and Equipment	3,326,318	29,646	692,206	(35,222)	4,012,948
Infrastructure					
Roadway System	86,839,230		974,865	(27,377)	87,786,718
Storm Drainage System	1,619,399				1,619,399
Parks System	<u>156,727</u>	<u></u>	<u></u>	<u></u>	<u>156,727</u>
Total Capital Assets Being Depreciated	<u>111,163,193</u>	<u>(1,024,988)</u>	<u>10,856,265</u>	<u>(62,599)</u>	<u>120,931,871</u>
Less Accumulated Depreciation:					
Buildings and Improvements	(3,000,725)	(3,547)	(532,190)		(3,536,462)
Machinery and Equipment	(1,546,013)	121,938	(353,716)	15,404	(1,762,387)
Infrastructure					
Roadway System	(25,029,700)		(1,828,359)		(26,858,059)
Storm Drainage System	(136,114)		(16,194)		(152,308)
Parks System	<u>(42,317)</u>	<u></u>	<u>(3,135)</u>	<u></u>	<u>(45,452)</u>
Total Accumulated Depreciation	<u>(29,754,869)</u>	<u>118,391</u>	<u>(2,733,594)</u>	<u>15,404</u>	<u>(32,354,668)</u>
Total Capital Assets Being Depreciated, Net	<u>81,408,324</u>	<u>(906,597)</u>	<u>8,122,671</u>	<u>(47,195)</u>	<u>88,577,203</u>
Government Activities Capital Assets, Net of Depreciation	<u>\$ 125,196,438</u>	<u>\$ (6,581,178)</u>	<u>\$ 17,186,339</u>	<u>\$ (9,900,829)</u>	<u>\$ 125,900,770</u>

*The adjustments to capital assets are due to misclassification of land and buildings in prior years. These assets should have been appropriately classified as property held for resale.

6) LONG-TERM LIABILITIES

Long-term liability activities for the year ended June 30, 2007, are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
1999 Tax Allocation Bonds	\$ 7,295,000	\$	\$ (425,000)	\$ 6,870,000	\$ 440,000
2001 Tax Allocation Bonds	11,585,000		(15,000)	11,570,000	15,000
2006 Tax Allocation Bonds		11,695,000		11,695,000	
Discount on Bonds		(325,401)	5,423	(319,978)	(10,846)
Employee Compensated Absences	<u>530,217</u>	<u>86,223</u>	<u></u>	<u>616,440</u>	<u></u>
Total	<u>\$ 19,410,217</u>	<u>\$ 11,455,822</u>	<u>\$ (434,577)</u>	<u>\$ 30,431,462</u>	<u>\$ 444,154</u>

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007**

6) LONG-TERM LIABILITIES

A) 1999 Tax Allocation Bonds

In 1999, the Redevelopment Agency issued a \$9,860,000 aggregated principal amount of Moorpark Redevelopment Project 1999 Tax Allocation Refunding Bonds (the Bonds). The purpose of the Bonds was to advance refund the Agency’s previously issued \$10,000,000 Moorpark Redevelopment Project, 1993 Tax Allocation Bonds. The purpose of the 1993 Bonds was to finance a portion of the costs of implementing the Redevelopment Plan, including low-and moderate-income housing projects. The 1999 Bonds bear interest at rates ranging from 3.05% to 4.875% per annum, payable semi-annually on April 1 and October 1 of each year, commencing on October 1, 1999, and are subject to mandatory sinking fund redemption commencing on October 1, 2009, and on each October 1 thereafter. The Bonds are payable from and secured by the tax revenues to be derived from the project area.

The bonds are secured by all property tax increment revenue, which is deposited directly with the fiscal agent and recorded in the Debt Service Fund. Cash and investments in the custody of the fiscal agent are restricted by the bond resolutions for payment of principal and interest on the Tax Allocation Bonds. In addition, the bond resolutions require retention of funds held by the fiscal agent prior to use for other than debt service.

The Redevelopment Agency is in compliance with the covenants contained in debt indenture, which require the establishment of certain specific accounts for the Tax Allocation Bonds.

Debt service payments on the 1999 Tax Allocation Refunding Bonds payable will be made from the Debt Service Fund. Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Tax Allocation Bonds		Total
	Principal	Interest	
2008	\$ 440,000	\$ 319,148	\$ 759,148
2009	460,000	300,583	760,583
2010	475,000	279,459	754,459
2011	500,000	255,694	755,694
2012	525,000	230,709	755,709
2013-2017	3,035,000	733,566	3,768,566
2018-2019	1,435,000	70,809	1,505,809
Total	\$ 6,870,000	\$ 2,189,968	\$ 9,059,968

B) 2001 Tax Allocation Bonds

In December 2001, the Redevelopment Agency of the City of Moorpark issued \$11,625,000 of Tax Allocation Parity Bonds. The proceeds of the Bonds will be used to fund redevelopment activities within the Moorpark Redevelopment Project area. Interest on the 2001 Bonds is payable semi-annually on April 1 and October 1, commencing April 1, 2002, at rates ranging from 2.85 % to 5.13% per annum. The 2001 Bonds maturing October 2031 are subject to mandatory sinking funds redemption in the amount of the principal and accrued interest. The Bonds are payable from and secured by the tax revenues to be derived from the project area.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007**

6) LONG-TERM LIABILITIES - Continued

B) 2001 Tax Allocation Bonds - Continued

The Redevelopment Agency is in compliance with the covenants contained in debt indentures, which require the establishment of certain specific accounts form the Tax Allocations Bonds.

Year Ending <u>June 30,</u>	<u>Tax Allocation Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2008	\$ 15,000	\$ 589,761	\$ 604,761
2009	15,000	589,176	604,176
2010	20,000	588,469	608,469
2011	15,000	587,743	602,743
2012	15,000	587,098	602,098
2013-2017	95,000	2,923,107	3,018,107
2018-2022	2,055,000	2,755,215	4,810,215
2023-2027	4,090,000	1,890,101	5,980,101
2028 -2032	<u>5,250,000</u>	<u>699,051</u>	<u>5,949,051</u>
Total	<u>\$ 11,570,000</u>	<u>\$ 11,209,721</u>	<u>\$ 22,779,721</u>

C) 2006 Tax Allocation Bonds

In 2006, the Redevelopment Agency issued an \$11,695,000 aggregated principal amount of Moorpark Redevelopment Project 2006 Tax Allocation Bonds (the Bonds). The purpose of the Bonds was to finance redevelopment activities related to the Agency’s Moorpark Redevelopment Project (the “Project Area”). The 2006 Bonds bear interest at rates ranging from 3.625% to 4.375% per annum, payable semi-annually on April 1 and October 1 of each year, commencing on April 1, 2007, and are subject to mandatory sinking fund redemption commencing on October 1, 2016, and on each October 1 thereafter. The Bonds are payable from and secured by the tax revenues to be derived from the project area.

The bonds are secured by all property tax increment revenue, which is recorded in the Debt Service Fund. Cash and investments in the custody of the fiscal agent are restricted by the bond resolutions for payment of principal and interest on the Tax Allocation Bonds.

The Redevelopment Agency is in compliance with the covenants contained in the debt indenture, which require the establishment of certain specific accounts for the Tax Allocation Bonds.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007**

6) LONG-TERM DEBT - Continued

Debt service payments on the 2006 Tax Allocation Bonds payable will be made from the Debt Service Fund. Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Tax Allocation Bonds		Total
	Principal	Interest	
2008	\$ -	\$ 508,163	\$ 508,163
2009	-	508,163	508,163
2010	-	508,163	508,163
2011	40,000	507,437	547,437
2012	40,000	505,987	545,987
2013-2017	205,000	2,508,641	2,713,641
2018-2022	255,000	2,464,656	2,719,656
2023-2027	320,000	2,405,431	2,725,431
2028-3032	395,000	2,329,141	2,724,141
2033-2037	7,130,000	1,530,594	8,660,594
2038-2039	3,310,000	146,344	3,456,344
Total	\$ 11,695,000	\$ 13,922,720	\$ 25,617,720

D) Employee Compensated Absences

The long-term liability at June 30, 2007 is \$616,440 for employee compensated absences. There is no current liability estimated. The General Fund is primarily expected to liquidate this liability.

7) AGREEMENTS WITH VARIOUS TAXING AGENCIES

The Moorpark Redevelopment Agency has entered into five (5) agreements for allocation and distribution of tax increment revenues:

The first agreement is with the County of Ventura, Ventura County Library District, Ventura County Fire Protection District, and Ventura County Flood Control District (collectively, the "County Taxing Entities"), which provide for the Agency to retain 100% of the County Taxing Entities share (55.82%) of annual tax increment revenues up to \$1,750,000. For annual tax increment revenue in excess of \$1,750,000, the Agency shall distribute 55.82% of such revenues to the County on behalf of the County Taxing Entities. The County Taxing Entities have agreed to defer payments in the initial years of the Redevelopment Plan, and consequently, the parties agree that the County Taxing Entities may receive payments in any single fiscal year in excess of the amount of tax revenues the County Taxing Entities would otherwise be entitled to, but for the adoption of the Redevelopment Plan. Additionally, the agreement calls for the Agency to receive a \$1,000,000 payment from the tax increment disbursed to the County pursuant to the agreement, by December 31, 2008, if and only if the Agency's annual debt statements which are filed with the County Auditor-Controller from fiscal year 1993-94 to fiscal year 2008-09 list debts in an amount equal to or in excess of the maximum tax increment available to the Agency in each of such fiscal years.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

7) AGREEMENTS WITH VARIOUS TAXING AGENCIES - Continued

The second agreement is with the City of Moorpark Vector Control, formerly known as the Moorpark Mosquito Abatement District and states that the City of Moorpark Vector Control shall receive 87.5% of its share (1.53%) of annual tax increment revenue, following a deduction from total increment revenues for amounts required to be used for housing purposes (currently 20% of total tax increment revenue). The City of Moorpark Vector Control has agreed to contribute its pro rata share of the Agency's required annual payment to the Agency.

The third agreement is with the Moorpark Unified School District (the School District), and states that the School District shall receive, after the Agency has satisfied debt service payments to bond or note holders or to the holder of any other instruments of Agency indebtedness (provided such indebtedness is not reasonably foreseeable to impair the Agency's obligation under the agreement), the School District's share (33.41%) of tax increment revenues generated by an annual two percent increase in assessed valuation, and beginning in fiscal year 1995-96, 14% of the School District's share of annual tax increment revenue. Additionally, the agreement calls for the Agency to make a one-time \$750,000 payment to the School District as a contribution to a new school district maintenance facility. This payment was made by the Agency in August of 1999.

Per the agreement between the School District and the RDA of the City of Moorpark, the distributions to the School District shall be expended for the following purposes at school sites in the incorporated boundaries of the City:

1. Telephone systems for new buildings
2. Computer hardware and educational systems
3. Land acquisition
4. Books
5. School buildings and facilities and related capital improvements and modernization projects (collectively public works); such public works may include design, inspection and administration costs, but not School District overhead or salary/benefits for regular School District employees.

The Agency may pre-approve other expenditures that are submitted in writing by the School District.

The fourth agreement is with the Ventura County Community College District (the Community College District), and states that the Community College District will receive, after the Agency has satisfied debt service payments to bond or note holders or to the holders of any other instruments of Agency indebtedness (provided such indebtedness is not reasonably foreseeable to impair the Agency's obligation under the agreement), the Community College District's share (5.81%) of tax increment revenues generated by an annual two percent increase in assessed valuation, and beginning in fiscal year 1993-94, 14% of the Community College District's share of annual tax increment revenue.

The fifth agreement is with the Ventura County Superintendent of Schools Office (the Superintendent), and states that the Superintendent shall receive its share (2.49%) of tax increment revenues generated by an annual two percent increase in assessed valuation.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007**

8) RETIREMENT PLAN

A) Plan Description

The City of Moorpark contributes to the California Public Employees Retirement System (CalPERS), a cost-sharing multiple-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and city ordinance. Copies of CalPERS' annual financial report may be obtained from their executive office: 400 P Street, Sacramento, California 95814.

B Funding Policy

Active plan members are required to contribute 7.00% of their covered salary. The City of Moorpark makes the contribution required of the City employees on their behalf. The City is also required to make an additional contribution at an actuarially determined rate. The required employer contribution rate for the fiscal year 2006/07 was 11.728%. The contribution requirements for plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

C) Annual Pension Cost

THREE YEAR TREND INFORMATION FOR PERS

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/05	\$ 279,434	100%	\$ 0
6/30/06	\$ 426,533	100%	\$ 0
6/30/07	\$ 455,376	100%	\$ 0

9) CONDUIT DEBT - REVENUE BONDS

The City of Moorpark Mobile Home Park Revenue Bonds (Villa Del Arroyo) Series 2000 A and the City of Moorpark Mobile Home Park Subordinate Revenue Bonds (Villa Del Arroyo) Series 2000 B were issued in the amounts of \$12,740,000 and \$2,635,000 respectively. Both issuances were dated May 19, 2000. The Series A bonds were issued to fund a loan to Augusta Homes, A California non-profit public benefit corporation, to finance the acquisition of the Villa Del Arroyo Mobile Home Park. The Series B bonds were issued for the same purpose but are subordinate to the Series A bonds. The total bonds outstanding at June 30, 2007, totaled \$13,890,000.

The City of Moorpark Multifamily Housing Revenue Bonds (Vintage Crest Senior Apartment Project) 2002 Series A were issued in the amount of \$16,000,000. The issuance was dated December 1, 2002. The Series A Bonds were issued to fund a loan to Vintage Crest Senior Apartment L.P., a California Limited Partnership, to finance the Vintage Crest Senior Housing Project. The bonds outstanding at June 30, 2007, totaled \$15,615,230.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

9) CONDUIT DEBT - REVENUE BONDS - Continued

Each of the bond programs described above do not constitute an indebtedness of the City, and there is neither a legal nor a moral obligation on the part of the City to make payments on such bonds from any source other than the revenues and assets edged therefore. The programs are completely administered by the Trustees without any involvement by the City. Accordingly, these programs and the bonds issued thereunder have been excluded from the accompanying basic financial statements.

10) SPECIAL ASSESSMENT BONDS

A) Mission Bell Plaza AD 92-1

On April 1, 1994, the City sponsored the issuance of special assessment bonds to finance certain capital improvements for the Mission Bell Plaza project. These bonds, totaling \$2,595,000, of which \$735,000 and \$1,475,000 mature in 2013 and 2023, respectively, were issued under the 1915 Improvements Bonds Act and are obligations against the properties in the assessment district. The special assessment, which is collected with other property related taxes as part of the secured property tax bill for properties in the assessment district, will be forwarded to an independent bank that serves as the paying agent. These bonds do not constitute an indebtedness of the City, and the City is not liable for their repayment. Accordingly, these special assessment bonds payable have been excluded from the accompanying basic financial statements. The unpaid principal balance on such bonds is \$1,630,000 at June 30, 2007.

B) Community Facilities District No. 97-1

On July 1, 1997, the City issued bonds to finance the acquisition and construction of public improvements within the City of Moorpark Community Facilities District No. 97-1. These bonds, totaling \$7,645,000, were issued pursuant to the Mello-Roos Community Facilities Act of 1982. The bonds mature on September 1, 2027 with interest payable at rates ranging from 4.4 % to 6% per annum on March 1, and September 1 of each year commencing March 1, 1998. The City is not liable under any circumstance for the repayment of the debt, but is only acting as agent for the property owners in collecting the assessments and special taxes, forwarding collections to fiscal agents to pay the bondholders and initiating foreclosure proceedings, if appropriate. Accordingly, these bonds payable have been excluded from the accompanying basic financial statements. The unpaid principal balance is \$6,630,000 at June 30, 2007.

C) Community Facilities District No. 2004-1

During the 2006-07 fiscal year, the City issued bonds to construct and acquire certain public facilities of benefit to the Community Facilities District No. 2004-1. The bonds, totaling \$38,030,000, were issued pursuant to the Mello-Roos Community Facilities Act of 1982. The bonds mature on September 1, 2038 with interest payable at rates ranging from 4.0% to 5.3% per annum, on March 1 and September 1 of each year. The City is not liable under any circumstance for the repayment of the debt, but is only acting as agent for the property owners in collecting the assessments and special taxes, forwarding collections to fiscal agents to pay the bondholders and initiating foreclosure proceedings, if appropriate. Accordingly, these bonds payable have been excluded from the accompanying basic financial statements. The unpaid principal balance is \$38,030,000 at June 30, 2007.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

11) RISK MANAGEMENT

A) Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City is a member of the California Joint Powers Insurance Authority (the Authority). The Authority is composed of over 100 California public entities and is organized under a joint powers agreement pursuant to California Government Code 6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group-purchased insurance for property and other coverages. The Authority's pool began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

B) Self Insurance Programs of the Authority

General Liability: Each member government pays a primary deposit to cover estimated losses for a fiscal year (claims year). Six months after the close of a fiscal year, outstanding claims are valued. A retrospective deposit computation is then made for each open claims year. Costs are spread to members as follows: the first \$30,000 of each occurrence is charged directly to the member; costs from \$30,001 to \$750,000 are pooled based on a member's share of costs under \$30,000; costs from \$50,001 to \$5,000,000 are pooled based on payroll. Cost of covered claims above \$5,000,000 are currently paid by reinsurance. The Protection for each member is \$50,000,000 per occurrence and \$50,000,000 annual aggregate.

Workers' Compensation: The City of Moorpark also participates in the workers compensation pool administered by the Authority. Members retain the first \$50,000 of each claim. Claims are pooled separately between public safety and non-public safety. Loss development reserves are allocated by pool and by loss layer (\$0-\$100,000 allocated by retained amount and \$100,000 to \$2,000,000 by payroll). Losses from \$50,000 to \$100,000 and the loss development reserve associated with losses up to \$100,000 are pooled based on the member's share of losses under \$50,000. Losses from \$100,000 to \$2,000,000 are pooled based on payroll. Costs in excess of \$50,000,000 are pooled among the Members based on payroll. Administrative expenses are paid from the Authority's investment earnings.

C) Purchased Insurance

The City of Moorpark participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. The City of Moorpark property is currently insured according to a schedule of covered property submitted by the City of Moorpark to the Authority. Total all-risk property insurance coverage is \$11,019,343. There is a \$5,000 per loss deductible. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

D) Earthquake and Flood Insurance

The City of Moorpark purchased earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. The City of Moorpark property currently has earthquake protection in the amount of \$8,240,521. There is a deductible of five percent of the value with a minimum deduction of \$100,000. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

**City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007**

11) RISK MANAGEMENT - Continued

E) Adequacy of Protection

During the past three fiscal (claims) years none of the above program of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

12) CLASSIFICATION OF NET ASSETS AND FUND BALANCE

In the Government-wide financial statements; net assets are classified in the following categories:

Invested in Capital Assets

This category groups all assets, including infrastructure, into one component of net assets. Accumulated depreciation on these assets reduces this category.

Restricted Net Assets

This category presents external restrictions imposed by creditors, grantors, contributions, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets

This category represents the net assets of the City that are not externally restricted for any project or other purpose.

In the Fund Financial Statements, the City has established “reserves” to segregate portions of fund balance which are not appropriable for expenditure in future periods, or which are legally set aside for a specific future use. Fund “designations” also are established to indicate tentative plans for financial resource utilization of unreserved fund balance in a future period.

The City’s governmental funds reserves and designations at June 30, 2007, are presented below, followed by explanations of the nature and purpose of each reserve and designation.

	<u>Highland Improvement Fund</u>	<u>Redevelopment Agency Capital Projects Fund</u>	<u>Redevelopment Agency Debt Service Fund</u>	<u>Non-Major Governmental Funds</u>
Reserved:				
Capital Projects	\$ 25,448,070	\$	\$	\$
Debt Service			3,194,179	
Property Held for Resale/Development		7,891,391		2,231,711
Housing Set-Aside				<u>3,098,765</u>
Total Reserved	<u>\$ 25,448,070</u>	<u>\$ 7,891,391</u>	<u>\$ 3,194,179</u>	<u>\$ 5,330,476</u>
Unreserved, Designated:				
Future Projects	<u>\$</u>	<u>\$ 9,178,622</u>	<u>\$</u>	<u>\$</u>

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

12) CLASSIFICATION OF NET ASSETS AND FUND BALANCE - Continued

Reserved for Capital Projects

These funds are reserved for project expenditures related to the issuance of the CFD No. 2004-1 bonds.

Reserved for Debt Service

These funds are reserved for restricted debt proceeds.

Reserved for Property Held for Resale/Development

These funds are reserved for property purchased by the City to be sold or otherwise used for the development of the Redevelopment Agency Project Areas.

Reserved for Housing Set-Aside

These funds are for the development of low and moderate-income housing

Unreserved, Designated for Future Projects

These funds have been designated for future capital projects.

Deficit Fund Balance

The following fund had a deficit at June 30, 2007

Police Facilities Fee Capital Projects Fund	<u>\$ (2,205,776)</u>
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The deficit will be made up through future police facilities assessment fees.

13) EXPENDITURES IN EXCESS OF APPROPRIATIONS

The following fund has expenditures in excess of the budget in the following amount for the year ended June 30, 2007:

Redevelopment Agency Debt Service Fund	<u>\$ 1,653,997</u>
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The variance in the RDA Debt Service Fund of \$1,653,997 is mainly a result of the required tax increment pass-through payments that were higher than budgeted reflecting the increase in property tax revenue received. The variance is also a result of the costs related to the issuance of the 2006 Tax Allocation Bonds.

City of Moorpark
Notes to Financial Statements
Year Ended June 30, 2007

14) COMMITMENTS AND CONTINGENCIES

A) Commitments

The City has contracts with County of Ventura for various services, most notably law enforcement. These service contracts are renegotiated annually and cancelable by the City or the County on May 31 of each year after 30 days notice has been given. These are based on an hourly rate and adjusted throughout the fiscal year.

B) Contingencies

There are certain legal actions pending against the City which management considers incident to normal operations, some of which seek substantial monetary damages. In the opinion of management, after consultation with counsel, the ultimate resolution of such actions is not expected to have a significant effect on the financial position or the results of operations of the City.

The City has received State and Federal funds for specific purposes that are subject to review by the grantor agencies. Although such audits could generate expenditure disallowance under the terms of the grants, it is believed that any disallowed amounts will not be material.

15) PRIOR PERIOD ADJUSTMENTS

A) Governmental Activities

The prior period adjustment of \$387,842 in the statement of activities consists of the following: In the prior year \$261,939 of interest receivable was not properly accrued and recorded as revenue. In the Local Transportation Transit fund revenue of \$30,000 was recorded in the prior year, however, the availability period for the revenue had passed and the revenue should have been deferred in the prior year. Accumulated depreciation in the prior years was overstated by \$118,391. Also, \$37,512 in capital assets was not recorded in prior years but should have been.

B) Fund Financial Statements

The prior period adjustment of \$6,969,020 in the statement of revenues, expenditures, and changes in fund balances for the governmental funds represents land and buildings previously recorded as capital assets in prior years of \$5,674,581 and \$1,062,500 respectively, which were removed from capital assets and added to property held for resale in the fund financial statements. Also interest receivable of \$261,939 was not properly accrued and recorded as revenue in the prior year. In the Local Transportation Transit fund, revenue of \$30,000 was recorded in the prior year; however, the availability period had passed and the revenue should have been deferred in the funds in the prior year.

REQUIRED SUPPLEMENTARY INFORMATION

City of Moorpark
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 7,105,000	\$ 7,435,000	\$ 7,358,332	\$ (76,668)
Licenses & Permits	57,000	57,000	65,630	8,630
Fines & Forfeitures	125,500	131,000	193,949	62,949
Use of Money and Property	959,000	1,089,000	1,729,467	640,467
Charges for Services	397,300	409,800	613,796	203,996
Intergovernmental	2,561,625	2,776,625	3,141,363	364,738
Other Revenue	266,500	266,500	338,929	72,429
Total Revenues	<u>11,471,925</u>	<u>12,164,925</u>	<u>13,441,466</u>	<u>1,276,541</u>
EXPENDITURES				
Current:				
General Government	1,932,745	1,971,909	1,465,126	506,783
Public Safety	5,864,381	5,872,683	5,584,268	288,415
Public Services	238,906	790,046	412,512	377,534
Parks and Recreation	1,563,916	1,610,366	1,277,148	333,218
Capital Outlay	208,011	909,849	662,052	247,797
Total Expenditures	<u>9,807,959</u>	<u>11,154,853</u>	<u>9,401,106</u>	<u>1,753,747</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,663,966</u>	<u>1,010,072</u>	<u>4,040,360</u>	<u>3,030,288</u>
OTHER FINANCING SOURCES (USES)				
Gain From Sale of Property			1,000	1,000
Transfers Out	(1,592,179)	(1,633,179)	(1,142,090)	491,089
Total Other Financing Sources (Uses)	<u>(1,592,179)</u>	<u>(1,633,179)</u>	<u>(1,141,090)</u>	<u>492,089</u>
Net Change in Fund Balance	71,787	(623,107)	2,899,270	3,522,377
Fund Balance, Beginning of Year	21,244,411	21,244,411	21,244,411	
Prior Period Adjustments			261,939	261,939
Fund Balance, End of Year	<u>\$ 21,316,198</u>	<u>\$ 20,621,304</u>	<u>\$ 24,405,620</u>	<u>\$ 3,784,316</u>

City of Moorpark
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Street and Traffic Safety Special Revenue Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 468,633	\$ 468,633	\$ 807,394	\$ 338,761
Development Fees	4,000,730	4,000,730	1,849,025	(2,151,705)
Total Revenues	<u>4,469,363</u>	<u>4,469,363</u>	<u>2,656,419</u>	<u>(1,812,944)</u>
EXPENDITURES				
Current:				
Public Services	156,730	156,730	25,650	131,080
Capital Outlay	1,265,825	1,709,970	266,373	1,443,597
Total Expenditures	<u>1,422,555</u>	<u>1,866,700</u>	<u>292,023</u>	<u>1,574,677</u>
Excess (Deficiency) of Revenues over Expenditures	3,046,808	2,602,663	2,364,396	(238,267)
Fund Balance, Beginning of Year	<u>14,689,787</u>	<u>14,689,787</u>	<u>14,689,787</u>	
Fund Balance, End of Year	<u><u>\$ 17,736,595</u></u>	<u><u>\$ 17,292,450</u></u>	<u><u>\$ 17,054,183</u></u>	<u><u>\$ (238,267)</u></u>

City of Moorpark
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Community Development Special Revenue Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Building and Safety Fees	\$ 1,330,444	\$ 830,444	\$ 716,552	\$ (113,892)
Planning and Public Works Fees	1,681,971	1,409,011	1,649,002	239,991
Other Revenue	2,000	2,000	6,106	4,106
Total Revenues	<u>3,014,415</u>	<u>2,241,455</u>	<u>2,371,660</u>	<u>130,205</u>
EXPENDITURES				
Current:				
General Government	7,500	7,500	6,228	1,272
Public Services	3,438,407	2,932,615	2,709,564	223,051
Capital Outlay	39,995	39,995	36,887	3,108
Total Expenditures	<u>3,485,902</u>	<u>2,980,110</u>	<u>2,752,679</u>	<u>227,431</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(471,487)</u>	<u>(738,655)</u>	<u>(381,019)</u>	<u>357,636</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>58,398</u>	<u>58,398</u>	<u>-</u>	<u>(58,398)</u>
Total Other Financing Sources (Uses)	<u>58,398</u>	<u>58,398</u>	<u>-</u>	<u>(58,398)</u>
Net Change in Fund Balance	(413,089)	(680,257)	(381,019)	299,238
Fund Balance, Beginning of Year	<u>793,273</u>	<u>793,273</u>	<u>793,273</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 380,184</u>	<u>\$ 113,016</u>	<u>\$ 412,254</u>	<u>\$ 299,238</u>

City of Moorpark
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Areas of Contribution Special Revenue Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 453,886	\$ 453,886	\$ 587,139	\$ 133,253
Development Fees	1,782,851	1,782,851	568,843	(1,214,008)
Other Revenue			338,870	338,870
Total Revenues	<u>2,236,737</u>	<u>2,236,737</u>	<u>1,494,852</u>	<u>(741,885)</u>
EXPENDITURES				
Capital Outlay	4,223,655	4,589,982	1,227,661	3,362,321
Total Expenditures	<u>4,223,655</u>	<u>4,589,982</u>	<u>1,227,661</u>	<u>3,362,321</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,986,918)</u>	<u>(2,353,245)</u>	<u>267,191</u>	<u>2,620,436</u>
OTHER FINANCING SOURCES (USES)				
Transfers In				-
Transfers Out				-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(1,986,918)	(2,353,245)	267,191	2,620,436
Fund Balance, Beginning of Year	<u>11,113,513</u>	<u>11,113,513</u>	<u>11,113,513</u>	
Fund Balance, End of Year	<u>\$ 9,126,595</u>	<u>\$ 8,760,268</u>	<u>\$ 11,380,704</u>	<u>\$ 2,620,436</u>

City of Moorpark
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Endowment Special Revenue Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 122,133	\$ 122,133	\$ 138,748	\$ 16,615
Development Fees	2,800,220	2,885,293	2,258,950	(626,343)
Total Revenues	<u>2,922,353</u>	<u>3,007,426</u>	<u>2,397,698</u>	<u>(609,728)</u>
EXPENDITURES				
Capital Outlay	5,547,379	3,009,176	2,725,789	283,387
Total Expenditures	<u>5,547,379</u>	<u>3,009,176</u>	<u>2,725,789</u>	<u>283,387</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(2,625,026)</u>	<u>(1,750)</u>	<u>(328,091)</u>	<u>(326,341)</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(2,018,260)</u>	<u>(7,453,094)</u>	<u>(5,434,834)</u>	<u>2,018,260</u>
Total Other Financing Sources (Uses)	<u>(2,018,260)</u>	<u>(7,453,094)</u>	<u>(5,434,834)</u>	<u>2,018,260</u>
Net Change in Fund Balance	(4,643,286)	(7,454,844)	(5,762,925)	1,691,919
Fund Balance, Beginning of Year	<u>12,575,479</u>	<u>12,575,479</u>	<u>12,575,479</u>	
Fund Balance, End of Year	<u>\$ 7,932,193</u>	<u>\$ 5,120,635</u>	<u>\$ 6,812,554</u>	<u>\$ 1,691,919</u>

City of Moorpark
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Park/Public Facilities Special Revenue Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 180,182	\$ 244,182	\$ 312,026	\$ 67,844
Development Fees	2,223,144	2,248,144	1,032,193	(1,215,951)
Other Revenue			309	309
Total Revenues	<u>2,403,326</u>	<u>2,492,326</u>	<u>1,344,528</u>	<u>(1,147,798)</u>
EXPENDITURES				
Public Services	60,000	215,824	141,901	73,923
Capital Outlay	3,598,634	4,101,555	748,622	3,352,933
Total Expenditures	<u>3,658,634</u>	<u>4,317,379</u>	<u>890,523</u>	<u>3,426,856</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,255,308)</u>	<u>(1,825,053)</u>	<u>454,005</u>	<u>2,279,058</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out				-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(1,255,308)	(1,825,053)	454,005	2,279,058
Fund Balance, Beginning of Year	<u>5,372,931</u>	<u>5,372,931</u>	<u>5,372,931</u>	
Fund Balance, End of Year	<u>\$ 4,117,623</u>	<u>\$ 3,547,878</u>	<u>\$ 5,826,936</u>	<u>\$ 2,279,058</u>

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SUPPLEMENTARY INFORMATION

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Police Facilities Fee Capital Projects Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$	\$	\$ 1	\$ 1
Maintenance Assessments	581,686	581,686	192,729	(388,957)
Total Revenues	581,686	581,686	192,730	(388,956)
EXPENDITURES				
Capital Outlay	5,000	594,748	116,889	477,859
Total Expenditures	5,000	594,748	116,889	477,859
Excess (Deficiency) of Revenues over Expenditures	576,686	(13,062)	75,841	88,903
OTHER FINANCING SOURCES (USES)				
Transfers In		5,434,834	5,434,834	-
Total Other Financing Sources (Uses)	-	5,434,834	5,434,834	-
Net Change in Fund Balance	576,686	5,421,772	5,510,675	88,903
Fund Balance, Beginning	(7,716,451)	(7,716,451)	(7,716,451)	
Fund Balance, Ending	<u>\$ (7,139,765)</u>	<u>\$ (2,294,679)</u>	<u>\$ (2,205,776)</u>	<u>\$ 88,903</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Redevelopment Agency Capital Projects Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 809,488	\$ 893,488	\$ 1,123,833	\$ 230,345
Other Revenue	82,271	1,032,537	1,032,562	25
Total Revenues	<u>891,759</u>	<u>1,926,025</u>	<u>2,156,395</u>	<u>230,370</u>
EXPENDITURES				
Current:				
Public Services	1,058,373	982,196	925,806	56,390
Capital Outlay	2,532,010	3,459,991	571,192	2,888,799
Total Expenditures	<u>3,590,383</u>	<u>4,442,187</u>	<u>1,496,998</u>	<u>2,945,189</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(2,698,624)</u>	<u>(2,516,162)</u>	<u>659,397</u>	<u>3,175,559</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,456,811	1,456,811	591,812	(864,999)
Gain From Sale of Property			275,797	275,797
Bond Proceeds		8,923,500	8,923,500	-
Total Other Financing Sources (Uses)	<u>1,456,811</u>	<u>10,380,311</u>	<u>9,791,109</u>	<u>(589,202)</u>
Net Change in Fund Balances	(1,241,813)	7,864,149	10,450,506	2,586,357
Fund Balance, Beginning of Year	9,887,050	9,887,050	9,887,050	
Prior Period Adjustments			6,566,981	6,566,981
Fund Balances, End of Year	<u>\$ 8,645,237</u>	<u>\$ 17,751,199</u>	<u>\$ 26,904,537</u>	<u>\$ 9,153,338</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Redevelopment Agency Debt Service Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 5,358,000	\$ 5,386,846	\$ 6,347,692	\$ 960,846
Use of Money and Property	309,985	309,985	316,015	6,030
Total Revenues	<u>5,667,985</u>	<u>5,696,831</u>	<u>6,663,707</u>	<u>966,876</u>
EXPENDITURES				
Current:				
Public Services	1,900,000	1,900,000	2,869,751	(969,751)
Debt Service				
Principal	440,000	440,000	440,000	-
Interest	1,201,975	1,201,975	1,380,633	(178,658)
Bond Issuance Costs			505,588	(505,588)
Total Expenditures	<u>3,541,975</u>	<u>3,541,975</u>	<u>5,195,972</u>	<u>(1,653,997)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2,126,010</u>	<u>2,154,856</u>	<u>1,467,735</u>	<u>(687,121)</u>
OTHER FINANCING SOURCES (USES)				
Bond Proceeds		1,940,511	2,771,500	830,989
Discount on Bonds			(325,401)	(325,401)
Transfers In	152,334	152,334	152,334	-
Tranfers Out	(2,528,411)	(2,528,411)	(1,861,350)	667,061
Total Other Financing Sources (Uses)	<u>(2,376,077)</u>	<u>(435,566)</u>	<u>737,083</u>	<u>1,172,649</u>
Net Change in Fund Balance	(250,067)	1,719,290	2,204,818	485,528
Fund Balance, Beginning	<u>1,072,604</u>	<u>1,072,604</u>	<u>1,072,604</u>	
Fund Balance, Ending	<u>\$ 822,537</u>	<u>\$ 2,791,894</u>	<u>\$ 3,277,422</u>	<u>\$ 485,528</u>

City of Moorpark
Non-Major Governmental Funds
June 30, 2007

SPECIAL REVENUE FUNDS

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

Affordable Housing Fund (City) - The Affordable Housing Fund is used to account for grants used for development of affordable housing units.

Assessment District Fund – The Assessment District Fund is used to account for funds received by the City for maintenance of community-wide landscaping.

State and Federal Assistance Fund – The State and Federal Assistance Fund is used to account for Federal and State grants used for the construction of street and related improvements and help fund law enforcement.

State Gas Tax Fund – The State Gas Tax Fund is used to account for fees used for street maintenance, right-of-way acquisition and street construction.

Low and Moderate Income Housing Fund (MRA) – The Low and Moderate Income Housing Fund is used to account for the receipt of 20% of the gross tax increment allocation, which is restricted for use on projects that increase or preserve the supply of low and moderate income housing in accordance with Health and Safety Code Section 33334.

Local Transportation Transit Fund –The Local Transportation Transit Fund is used to account for fees used in local transportation and street projects that help relieve traffic congestion programs and development.

Solid Waste Fund – The Solid Waste Fund is used to account for fees used on programs that promote resource conservation, recycling, composting, and proper disposal of hazardous household waste.

CAPITAL PROJECTS FUNDS

City Hall Building Fund - The City Hall Building Fund is used to account for the funds used to build the new Civic Center Complex.

Equipment Replacement Fund - The Equipment Replacement Fund is used to account for the funds used to replace city equipment and vehicles.

**City of Moorpark
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2007**

	Special Revenue			
	Traffic Safety	Affordable Housing	Assessment District	State and Federal Assistance
ASSETS				
Cash and Investments	\$ 648,630	\$ 2,722,990	\$ 2,375,834	\$ 1,848,139
Receivables:				
Taxes			6,211	
Accounts			45,100	403,756
Notes		458,980		
Property Held for Resale/Development				
Total Assets	<u>\$ 648,630</u>	<u>\$ 3,181,970</u>	<u>\$ 2,427,145</u>	<u>\$ 2,251,895</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 5,178	\$ 5,000	\$ 101,973	\$ 341,814
Due to Other Funds				302,820
Deferred Revenue		458,980	6,211	360,927
Total Liabilities	<u>5,178</u>	<u>463,980</u>	<u>108,184</u>	<u>1,005,561</u>
Fund Balances:				
Reserved For:				
Property Held for Resale/Development				
Housing Set-Aside				
Unreserved, Reported In:				
Special Revenue Funds	643,452	2,717,990	2,318,961	1,246,334
Capital Projects Funds				
Total Fund Balances	<u>643,452</u>	<u>2,717,990</u>	<u>2,318,961</u>	<u>1,246,334</u>
Total Liabilities and Fund Balances	<u>\$ 648,630</u>	<u>\$ 3,181,970</u>	<u>\$ 2,427,145</u>	<u>\$ 2,251,895</u>

Special Revenue				Capital Projects		Total
State Gas Tax	Low and Moderate Income Housing	Local Transportation Transit	Solid Waste	City Hall Building	Equipment Replacement	Nonmajor Governmental Funds
\$	\$ 3,107,811	\$ 420,144	\$ 888,906	\$ 393,773	\$ 457,946	\$ 12,864,173
						6,211
70,014	6,091	124,273	27,297			676,531
	16,384					475,364
	2,231,711					2,231,711
<u>\$ 70,014</u>	<u>\$ 5,361,997</u>	<u>\$ 544,417</u>	<u>\$ 916,203</u>	<u>\$ 393,773</u>	<u>\$ 457,946</u>	<u>\$ 16,253,990</u>
\$ 19,309	\$ 7,186	\$ 41,691	\$ 7,121	\$	\$ 43	\$ 529,315
	7,951					310,771
	16,384	546,957				1,389,459
<u>19,309</u>	<u>31,521</u>	<u>588,648</u>	<u>7,121</u>	<u>-</u>	<u>43</u>	<u>2,229,545</u>
	2,231,711					2,231,711
	3,098,765					3,098,765
50,705		(44,231)	909,082			7,842,293
				393,773	457,903	851,676
<u>50,705</u>	<u>5,330,476</u>	<u>(44,231)</u>	<u>909,082</u>	<u>393,773</u>	<u>457,903</u>	<u>14,024,445</u>
<u>\$ 70,014</u>	<u>\$ 5,361,997</u>	<u>\$ 544,417</u>	<u>\$ 916,203</u>	<u>\$ 393,773</u>	<u>\$ 457,946</u>	<u>\$ 16,253,990</u>

City of Moorpark
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Non-Major Governmental Funds
Year Ended June 30, 2007

	Special Revenue			
	Traffic Safety	Affordable Housing	Assessment District	State and Federal Assistance
REVENUES				
Fines and Forfeitures	\$ 149,630	\$	\$	\$
Use of Money and Property	30,423	118,458	121,908	181,173
Intergovernmental				1,653,471
Maintenance Assessments			1,729,742	
Franchise Fees				
Development Fees		694,840		
Other Revenue		8,328	4,408	1,680
Total Revenues	180,053	821,626	1,856,058	1,836,324
EXPENDITURES				
Current:				
Public Safety	120,909		273,068	105,672
Public Services		5,208		250,217
Parks and Recreation			2,762,740	
Capital Outlay				2,737,020
Debt Service:				
Interest				
Total Expenditures	120,909	5,208	3,035,808	3,092,909
Excess (Deficiency) of Revenues Over Expenditures	59,144	816,418	(1,179,750)	(1,256,585)
OTHER FINANCING SOURCES (USES)				
Transfers In			1,231,880	
Transfers Out				(735,862)
Total Other Financing Sources (Uses)	-	-	1,231,880	(735,862)
Net Change in Fund Balances	59,144	816,418	52,130	(1,992,447)
Fund Balances - Beginning of Year	584,308	1,901,572	2,266,831	3,238,781
Prior Period Adjustments				
Fund Balances - End of Year	<u>\$ 643,452</u>	<u>\$ 2,717,990</u>	<u>\$ 2,318,961</u>	<u>\$ 1,246,334</u>

Special Revenue				Capital Projects		Total
State Gas Tax	Low and Moderate Income Housing	Local Transportation Transit	Solid Waste	City Hall Building	Equipment Replacement	Nonmajor Governmental Funds
\$	\$	\$	\$	\$	\$	\$ 149,630
	195,966	20,664	43,520	21,510	24,356	757,978
665,487		693,095	10,569			3,022,622
			292,003			1,729,742
						292,003
						694,840
7,985	16,167					38,568
<u>673,472</u>	<u>212,133</u>	<u>713,759</u>	<u>346,092</u>	<u>21,510</u>	<u>24,356</u>	<u>6,685,383</u>
						499,649
1,191,503	333,677	522,445	220,520			2,523,570
93,960	26,945	205,545		50,050	77,455	2,762,740
	20,352					3,190,975
						20,352
<u>1,285,463</u>	<u>380,974</u>	<u>727,990</u>	<u>220,520</u>	<u>50,050</u>	<u>77,455</u>	<u>8,997,286</u>
<u>(611,991)</u>	<u>(168,841)</u>	<u>(14,231)</u>	<u>125,572</u>	<u>(28,540)</u>	<u>(53,099)</u>	<u>(2,311,903)</u>
735,862	1,269,538				41,000	3,278,280
(130,790)	(152,334)					(1,018,986)
<u>605,072</u>	<u>1,117,204</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,000</u>	<u>2,259,294</u>
(6,919)	948,363	(14,231)	125,572	(28,540)	(12,099)	(52,609)
57,624	4,212,013		783,510	422,313	470,002	13,936,954
	170,100	(30,000)				140,100
<u>\$ 50,705</u>	<u>\$ 5,330,476</u>	<u>\$ (44,231)</u>	<u>\$ 909,082</u>	<u>\$ 393,773</u>	<u>\$ 457,903</u>	<u>\$ 14,024,445</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Traffic Safety Special Revenue Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 175,000	\$ 175,000	\$ 149,630	\$ (25,370)
Use of Money and Property	23,500	23,500	30,423	6,923
Total Revenues	<u>198,500</u>	<u>198,500</u>	<u>180,053</u>	<u>(18,447)</u>
EXPENDITURES				
Current:				
Public Safety	<u>126,884</u>	<u>127,654</u>	<u>120,909</u>	<u>6,745</u>
Total Expenditures	<u>126,884</u>	<u>127,654</u>	<u>120,909</u>	<u>6,745</u>
Net Change in Fund Balance	71,616	70,846	59,144	(11,702)
Fund Balance, Beginning of Year	<u>584,308</u>	<u>584,308</u>	<u>584,308</u>	
Fund Balance, End of Year	<u><u>\$ 655,924</u></u>	<u><u>\$ 655,154</u></u>	<u><u>\$ 643,452</u></u>	<u><u>\$ (11,702)</u></u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Affordable Housing Special Revenue Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 41,702	\$ 41,702	\$ 118,458	\$ 76,756
Development Fees	1,510,762	1,510,762	694,840	(815,922)
Other Revenue	30,000	30,000	8,328	(21,672)
Total Revenues	<u>1,582,464</u>	<u>1,582,464</u>	<u>821,626</u>	<u>(760,838)</u>
EXPENDITURES				
Current:				
Public Services	116,900	122,050	5,208	116,842
Capital Outlay	200,000	200,000		200,000
Total Expenditures	<u>316,900</u>	<u>322,050</u>	<u>5,208</u>	<u>316,842</u>
Net Change in Fund Balance	1,265,564	1,260,414	816,418	(443,996)
Fund Balance, Beginning of Year	<u>1,901,572</u>	<u>1,901,572</u>	<u>1,901,572</u>	
Fund Balance, End of Year	<u>\$ 3,167,136</u>	<u>\$ 3,161,986</u>	<u>\$ 2,717,990</u>	<u>\$ (443,996)</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Assessment District Special Revenue Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 100,789	\$ 100,789	\$ 121,908	\$ 21,119
Maintenance Assessments	1,695,178	1,718,637	1,729,742	11,105
Other Revenue	4,500	4,500	4,408	(92)
Total Revenues	<u>1,800,467</u>	<u>1,823,926</u>	<u>1,856,058</u>	<u>32,132</u>
EXPENDITURES				
Current:				
Public Safety	267,317	277,317	273,068	4,249
Parks and Recreation	3,156,737	3,207,237	2,762,740	444,497
Capital Outlay	429,565	429,565	429,565	429,565
Total Expenditures	<u>3,853,619</u>	<u>3,914,119</u>	<u>3,035,808</u>	<u>878,311</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(2,053,152)</u>	<u>(2,090,193)</u>	<u>(1,179,750)</u>	<u>910,443</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>1,873,573</u>	<u>1,873,573</u>	<u>1,231,880</u>	<u>(641,693)</u>
Total Other Financing Sources (Uses)	<u>1,873,573</u>	<u>1,873,573</u>	<u>1,231,880</u>	<u>(641,693)</u>
Net Change in Fund Balance	(179,579)	(216,620)	52,130	268,750
Fund Balance, Beginning	<u>2,266,831</u>	<u>2,266,831</u>	<u>2,266,831</u>	<u> </u>
Fund Balance, Ending	<u>\$ 2,087,252</u>	<u>\$ 2,050,211</u>	<u>\$ 2,318,961</u>	<u>\$ 268,750</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - State and Federal Assistance Special Revenue Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 121,880	\$ 121,880	\$ 181,173	\$ 59,293
Intergovernmental	3,213,617	3,225,617	1,653,471	(1,572,146)
Other Revenue			1,680	1,680
	<u>3,335,497</u>	<u>3,347,497</u>	<u>1,836,324</u>	<u>(1,511,173)</u>
EXPENDITURES				
Current:				
Public Safety	103,000	108,276	105,672	2,604
Public Services	53,171	437,534	250,217	187,317
Capital Outlay	3,835,114	4,453,164	2,737,020	1,716,144
	<u>3,991,285</u>	<u>4,998,974</u>	<u>3,092,909</u>	<u>1,906,065</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(655,788)</u>	<u>(1,651,477)</u>	<u>(1,256,585)</u>	<u>394,892</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(1,153,822)</u>	<u>(1,153,822)</u>	<u>(735,862)</u>	<u>417,960</u>
Total Other Financing Sources (Uses)	<u>(1,153,822)</u>	<u>(1,153,822)</u>	<u>(735,862)</u>	<u>417,960</u>
Net Change in Fund Balance	(1,809,610)	(2,805,299)	(1,992,447)	812,852
Fund Balance, Beginning of Year	<u>3,238,781</u>	<u>3,238,781</u>	<u>3,238,781</u>	
Fund Balance, End of Year	<u>\$ 1,429,171</u>	<u>\$ 433,482</u>	<u>\$ 1,246,334</u>	<u>\$ 812,852</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - State Gas Tax Special Revenue Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 11,059	\$ 11,059	\$	\$ (11,059)
Intergovernmental	671,000	671,000	665,487	(5,513)
Other Revenue	2,400	2,400	7,985	5,585
Total Revenues	<u>684,459</u>	<u>684,459</u>	<u>673,472</u>	<u>(10,987)</u>
EXPENDITURES				
Current:				
Public Services	1,363,941	1,386,334	1,191,503	194,831
Capital Outlay	134,547	111,709	93,960	17,749
Total Expenditures	<u>1,498,488</u>	<u>1,498,043</u>	<u>1,285,463</u>	<u>212,580</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(814,029)</u>	<u>(813,584)</u>	<u>(611,991)</u>	<u>201,593</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,153,822	1,153,822	735,862	(417,960)
Transfers Out	(339,793)	(339,793)	(130,790)	209,003
Total Other Financing Sources (Uses)	<u>814,029</u>	<u>814,029</u>	<u>605,072</u>	<u>(208,957)</u>
Net Change in Fund Balance	-	445	(6,919)	(7,364)
Fund Balance, Beginning of Year	<u>57,624</u>	<u>57,624</u>	<u>57,624</u>	
Fund Balance, End of Year	<u>\$ 57,624</u>	<u>\$ 58,069</u>	<u>\$ 50,705</u>	<u>\$ (7,364)</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Low and Moderate Income Housing Special Revenue Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 143,444	\$ 143,444	\$ 195,966	\$ 52,522
Other Revenue		1,166	16,167	15,001
Total Revenues	<u>143,444</u>	<u>144,610</u>	<u>212,133</u>	<u>67,523</u>
EXPENDITURES				
Current:				
Public Services	620,582	640,682	333,677	307,005
Capital Outlay	1,733,196	2,472,030	26,945	2,445,085
Debt Service:				
Principal	16,000	16,000		16,000
Interest	22,000	22,000	20,352	1,648
Total Expenditures	<u>2,391,778</u>	<u>3,150,712</u>	<u>380,974</u>	<u>2,769,738</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(2,248,334)</u>	<u>(3,006,102)</u>	<u>(168,841)</u>	<u>2,837,261</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,071,600	1,071,600	1,269,538	197,938
Transfers Out	(152,334)	(152,334)	(152,334)	-
Total Other Financing Sources (Uses)	<u>919,266</u>	<u>919,266</u>	<u>1,117,204</u>	<u>197,938</u>
Net Change in Fund Balance	(1,329,068)	(2,086,836)	948,363	3,035,199
Fund Balance, Beginning of Year	4,212,013	4,212,013	4,212,013	
Prior Period Adjustment			170,100	170,100
Fund Balance, End of Year	<u>\$ 2,882,945</u>	<u>\$ 2,125,177</u>	<u>\$ 5,330,476</u>	<u>\$ 3,205,299</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Local Transportation Transit Special Revenue Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 8,524	\$ 8,524	\$ 20,664	\$ 12,140
Intergovernmental	1,035,424	1,035,424	693,095	(342,329)
Total Revenues	<u>1,043,948</u>	<u>1,043,948</u>	<u>713,759</u>	<u>(330,189)</u>
EXPENDITURES				
Current:				
Public Services	570,377	571,943	522,445	49,498
Capital Outlay	695,431	706,863	205,545	501,318
Total Expenditures	<u>1,265,808</u>	<u>1,278,806</u>	<u>727,990</u>	<u>550,816</u>
Net Change in Fund Balance	(221,860)	(234,858)	(14,231)	220,627
Fund Balance, Beginning of Year	-	-	-	-
Prior Period Adjustment	-	-	(30,000)	(30,000)
Fund Balance, End of Year	<u>\$ (221,860)</u>	<u>\$ (234,858)</u>	<u>\$ (44,231)</u>	<u>\$ 190,627</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Solid Waste Special Revenue Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 33,638	\$ 33,638	\$ 43,520	\$ 9,882
Intergovernmental	19,000	29,700	10,569	(19,131)
Franchise Fees	275,600	275,600	292,003	16,403
Total Revenues	<u>328,238</u>	<u>338,938</u>	<u>346,092</u>	<u>7,154</u>
EXPENDITURES				
Current:				
Public Services	295,284	409,085	220,520	188,565
Capital Outlay	100,000			
Total Expenditures	<u>395,284</u>	<u>409,085</u>	<u>220,520</u>	<u>188,565</u>
Net Change in Fund Balance	(67,046)	(70,147)	125,572	195,719
Fund Balance, Beginning of Year	<u>783,510</u>	<u>783,510</u>	<u>783,510</u>	
Fund Balance, End of Year	<u><u>\$ 716,464</u></u>	<u><u>\$ 713,363</u></u>	<u><u>\$ 909,082</u></u>	<u><u>\$ 195,719</u></u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - City Hall Building Capital Projects Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 19,123	\$ 19,123	\$ 21,510	\$ 2,387
Total Revenues	19,123	19,123	21,510	2,387
EXPENDITURES				
Capital Outlay	2,438,362	2,460,589	50,050	2,410,539
Total Expenditures	2,438,362	2,460,589	50,050	2,410,539
Excess (Deficiency) of Revenues over Expenditures	(2,419,239)	(2,441,466)	(28,540)	2,412,926
OTHER FINANCING SOURCES (USES)				
Transfer In	2,018,260	2,018,260		(2,018,260)
Total Other Financing Sources (Uses)	2,018,260	2,018,260	-	(2,018,260)
Net Change in Fund Balance	(400,979)	(423,206)	(28,540)	394,666
Fund Balance, Beginning of Year	422,213	422,313	422,313	
Fund Balance, End of Year	<u>\$ 21,234</u>	<u>\$ (893)</u>	<u>\$ 393,773</u>	<u>\$ 394,666</u>

City of Moorpark
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Equipment Replacement Capital Projects Fund
Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 17,971	\$ 17,971	\$ 24,356	\$ 6,385
Total Revenues	17,971	17,971	24,356	6,385
EXPENDITURES				
Capital Outlay	46,320	99,145	77,455	21,690
Total Expenditures	46,320	99,145	77,455	21,690
Excess (Deficiency) of Revenues over Expenditures	(28,349)	(81,174)	(53,099)	28,075
OTHER FINANCING SOURCES (USES)				
Transfer In		41,000	41,000	-
Total Other Financing Sources (Uses)	-	41,000	41,000	-
Net Change in Fund Balance	(28,349)	(40,174)	(12,099)	28,075
Fund Balance, Beginning of Year	470,002	470,002	470,002	
Fund Balance, End of Year	\$ 441,653	\$ 429,828	\$ 457,903	\$ 28,075

City of Moorpark
Statement of Changes in Net Assets
Agency Funds
Year Ended June 30, 2007

	Balance at July 1, 2006	Additions	Deletions	Balance at June 30, 2007
ASSETS				
Cash and Investments	\$ 7,508,803	\$ 3,281,425	\$ (2,026,720)	\$ 8,763,508
Accounts Receivable		81,123	(10,412)	70,711
Total Assets	\$ 7,508,803	\$ 3,362,548	\$ (2,037,132)	\$ 8,834,219
LIABILITIES				
Accounts Payable	\$ 290,510	\$	\$ (221,676)	\$ 68,834
Developer Deposits	4,299,907		(1,799,043)	2,500,864
Due to Bondholders	2,918,386	3,346,135		6,264,521
Total Liabilities	\$ 7,508,803	\$ 3,346,135	\$ (2,020,719)	\$ 8,834,219

STATISTICAL SECTION

CITY OF MOORPARK
Net Assets by Component
Last Five Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2003	2004	2005	2006	2007
Governmental activities:					
Invested in capital assets, net of related debt	\$ 85,969,804	\$ 93,941,392	\$ 99,760,671	\$ 108,190,324	125,900,770
Restricted	39,344,368	41,506,906	46,405,391	57,986,366	100,649,409
Unrestricted	<u>33,792,567</u>	<u>31,861,714</u>	<u>26,413,978</u>	<u>26,965,428</u>	<u>6,458,224</u>
Total governmental activities net assets	<u>\$ 159,106,739</u>	<u>\$ 167,310,012</u>	<u>\$ 172,580,040</u>	<u>\$ 193,142,118</u>	<u>\$ 233,008,403</u>

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

The City of Moorpark does not have any business-type activities.

CITY OF MOORPARK
Changes in Net Assets
Last Five Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2003	2004	2005	2006	2007
Expenses:					
Governmental activities:					
General government	\$ 2,116,644	\$ 2,351,860	\$ 3,030,395	\$ 3,044,381	\$ 1,639,628
Public safety	4,142,268	4,902,148	5,709,323	6,230,057	6,317,283
Public services	7,150,513	10,957,272	9,844,050	13,091,843	21,231,766
Parks and recreation	2,276,066	2,600,523	2,304,852	2,771,270	4,293,823
Interest on long-term debt	<u>1,040,854</u>	<u>1,097,421</u>	<u>978,843</u>	<u>1,333,370</u>	<u>1,332,541</u>
Total governmental activities expense	<u>16,726,345</u>	<u>21,909,224</u>	<u>21,867,463</u>	<u>26,470,921</u>	<u>34,815,041</u>
Program revenues:					
Governmental activities:					
Charges for services:					
General government	611,240	1,559,982	2,205,817	2,500,320	467,973
Public safety	1,499,721	478,971	533,154	5,926,409	698,500
Public services	9,375,386	10,838,840	9,150,233	15,999,135	8,996,673
Community development	<u>1,791,924</u>	<u>2,425,893</u>	<u>690,614</u>	<u>4,363,651</u>	<u>2,334,646</u>
Total governmental activities program revenues	<u>13,278,271</u>	<u>15,303,686</u>	<u>12,579,818</u>	<u>28,789,515</u>	<u>12,497,792</u>
Net revenues (expenses):					
governmental activities	<u>(3,448,074)</u>	<u>(6,605,538)</u>	<u>(9,287,645)</u>	<u>2,318,594</u>	<u>(22,317,249)</u>
Total net revenues (expenses)	<u>(3,448,074)</u>	<u>(6,605,538)</u>	<u>(9,287,645)</u>	<u>2,318,594</u>	<u>(22,317,249)</u>
General revenues and other changes in net assets:					
Governmental activities:					
Taxes:					
Property tax	2,413,964	2,658,230	2,655,093	2,929,842	3,334,491
Property tax, Redevelopment Agency	3,577,050	4,116,542	3,901,779	5,530,198	6,347,692
Franchise tax	1,067,669	919,290	955,829	1,080,893	1,126,951
Sales tax	1,664,626	2,176,893	2,046,368	2,260,786	2,192,327
Sales tax in lieu			537,485	608,298	704,562
Motor vehicle in lieu	2,161,324	1,570,551	2,836,154	2,734,470	2,860,207
Investment income	2,027,190	1,363,344	1,725,579	3,261,384	6,556,186
Other	21,479	177,380	1,160,805	135,276	58,841
Gain on sale of property	-	-	48,339	-	276,797
Special item (1)	<u>-</u>	<u>(900,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>12,933,302</u>	<u>12,082,230</u>	<u>15,867,431</u>	<u>18,541,147</u>	<u>23,458,054</u>
Changes in net assets					
Governmental activities	9,485,228	5,476,692	6,579,786	20,859,741	1,140,805
Total primary government	<u>\$ 9,485,228</u>	<u>\$ 5,476,692</u>	<u>\$ 6,579,786</u>	<u>\$ 20,859,741</u>	<u>\$ 1,140,805</u>

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

(1) Mission Bell note and employee computer loans

² From Statement of Activities

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

	Fiscal Year				
	2003	2004	2005	2006	2007
General fund:					
Reserved	\$ -	\$ -	\$ 5,772,444	\$ 2,943,353	\$ -
Unreserved	<u>13,456,231</u>	<u>14,756,222</u>	<u>12,527,255</u>	<u>18,301,058</u>	<u>24,405,620</u>
Total general fund	<u>\$ 13,456,231</u>	<u>\$ 14,756,222</u>	<u>\$ 18,299,699</u>	<u>\$ 21,244,411</u>	<u>\$ 24,405,620</u>
All other governmental funds:					
Reserved	\$ 4,378,065	\$ 4,099,849	\$ 13,889,036	\$ 14,124,235	\$ 41,864,116
Unreserved, reported in:					
Special revenue funds	37,832,070	39,748,684	34,364,075	45,736,017	41,486,631
Capital projects funds	11,798,382	9,847,368	4,247,031	2,186,313	16,807,370
Debt Service funds	<u>(97,935)</u>	<u>(891,297)</u>	<u>(346,716)</u>	<u>(321,425)</u>	<u>8,777,212</u>
Total all other governmental funds	<u>\$ 53,910,582</u>	<u>\$ 52,804,604</u>	<u>\$ 52,153,426</u>	<u>\$ 61,725,140</u>	<u>\$ 108,935,329</u>

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

CITY OF MOORPARK

Changes in Fund Balances of Governmental Funds

Last Five Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2003	2004	2005	2006	2007
Revenues:					
Taxes	\$ 8,490,985	\$ 9,870,955	\$ 9,139,722	\$ 12,231,076	\$ 13,706,024
Licenses and permits	51,083	63,146	54,180	72,365	65,630
Fines and forfeitures	290,054	306,871	344,019	340,341	343,579
Uses of money and property	2,027,190	1,363,006	1,924,579	3,261,384	7,085,104
Charges for services	867,731	2,001,561	2,558,974	2,665,391	338,929
Intergovernmental	4,051,263	4,298,009	5,150,992	6,302,193	6,163,985
Maintenance assessments	2,955,340	2,639,628	1,963,190	1,845,742	1,922,471
Franchise fees	232,324	257,127	1,231,763	283,162	292,003
Building and safety fees	608,879	595,138	431,959	1,110,715	716,552
Planning and public work fees	2,132,190	2,614,959	1,967,751	3,053,066	1,649,002
Development fees	4,486,128	4,097,977	2,669,976	15,568,347	6,403,851
Contributions from property owners					34,066,993
Other	256,376	281,506	2,832,962	397,574	2,030,211
Total revenues	<u>26,449,543</u>	<u>28,389,883</u>	<u>30,270,067</u>	<u>47,131,356</u>	<u>74,784,334</u>
Expenditures					
Current:					
General government	2,048,658	2,259,017	2,893,359	2,919,564	1,471,354
Public safety	4,127,670	4,882,547	5,690,820	6,211,461	6,083,917
Public services	8,765,039	8,401,453	8,098,147	11,215,406	9,608,754
Parks and recreation	2,063,428	2,381,698	2,081,723	2,544,206	4,039,888
Capital outlay	3,596,982	8,775,159	7,810,879	10,038,439	19,477,866
Debt service:					
Principal	365,000	395,000	405,000	435,910	440,000
Interest	1,044,915	1,100,996	1,158,585	1,251,354	1,400,985
Bond issuance costs	-	-	-	-	505,588
Total expenditures	<u>22,011,692</u>	<u>28,195,870</u>	<u>28,138,513</u>	<u>34,616,340</u>	<u>43,028,352</u>
Excess of revenues over expenditures	<u>4,437,851</u>	<u>194,013</u>	<u>2,131,554</u>	<u>12,515,016</u>	<u>31,755,982</u>
Other financing sources (uses):					
Gain from sale of property	-	-	48,339	1,410	276,797
Bond Proceeds					11,695,000
Discount on Bonds					(325,401)
Transfers in	3,781,938	3,588,717	2,027,315	3,352,002	9,457,260
Transfers out	<u>(3,781,938)</u>	<u>(3,588,717)</u>	<u>(2,027,315)</u>	<u>(3,352,002)</u>	<u>(9,457,260)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>48,339</u>	<u>1,410</u>	<u>11,646,396</u>
Net change in fund balances	<u>\$ 4,437,851</u>	<u>\$ 194,013</u>	<u>\$ 2,179,893</u>	<u>\$ 12,516,426</u>	<u>\$ 43,402,378</u>
Debt service as a percentage of noncapital expenditures	8.3%	8.3%	8.3%	7.4%	8.7%

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

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

Fiscal Year Ended June 30	City				Redevelopment Agency				Total Direct Tax Rate
	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	
1998	\$ 1,920,177,164	\$ 70,911,851	\$ 39,313,581	\$ 2,030,402,596	\$ 374,566,635	\$ 44,499,427	\$ 3,738,802	\$ 422,804,864	n/a
1999	2,035,487,530	85,464,519	40,240,720	2,161,192,769	375,405,789	54,721,462	3,802,511	433,929,762	1.042%
2000	2,149,505,500	84,834,286	40,687,060	2,275,026,846	397,463,516	47,384,350	3,808,526	448,656,392	1.042%
2001	2,421,104,221	92,634,149	40,786,802	2,554,525,172	434,091,609	59,042,494	3,849,357	496,983,460	1.051%
2002	2,549,782,519	94,204,773	41,025,922	2,685,013,214	456,765,976	64,634,089	3,860,792	525,260,857	1.042%
2003	2,823,727,286	120,175,258	42,238,926	2,986,141,470	514,599,965	84,435,148	3,862,434	602,897,547	1.061%
2004	3,026,137,647	155,943,246	43,185,512	3,225,266,405	542,789,850	95,244,418	3,915,879	641,950,147	1.058%
2005	3,231,418,940	172,769,806	43,305,637	3,447,494,383	532,445,978	93,810,856	3,904,910	630,161,744	1.050%
2006	3,721,591,791	168,802,350	43,313,074	3,933,707,215	660,810,677	99,693,057	3,931,766	764,435,500	1.055%
2007	4,157,360,033	165,798,359	43,364,070	4,366,522,462	743,592,913	102,795,641	3,958,627	850,347,181	1.062%

NOTE:

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only re-assessed 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.

Source: Ventura County Assessor's Office

CITY OF MOORPARK
Direct and Overlapping Property Tax Rates
(Rate per \$100 of assessed value)
Last Nine Fiscal Years

	1999	2000	2001	2002	2003	2004	2005	2006	2007
City Direct Rates:									
City basic rate	1.04156	1.04244	1.05062	1.04171	1.06072	1.05820	1.05020	1.05480	1.06163
Redevelopment agency	-	-	-	-	-	-	-	-	-
Total City Direct Rate	1.042	1.042	1.051	1.042	1.061	1.058	1.050	1.055	1.062
Overlapping Rates:									
Ventura County Flood Cont.	8.317	8.012	8.012	8.039	8.097	n/a	n/a	n/a	n/a
Metropolitan Water District	0.225	0.222	0.222	0.229	2.340	0.233	0.232	0.235	0.233
Ventura Community College	n/a	n/a	n/a	n/a	4.312	4.311	4.269	4.331	4.296
Ventura County Waterworks	100.000	100.000	100.000	n/a	n/a	n/a	n/a	n/a	n/a
Conejo Valley Unified School District	0.003	0.021	0.021	0.027	0.025	0.024	2.200	0.020	0.019
Moorpark Unified School District	n/a	n/a	n/a	92.311	91.733	91.959	92.121	92.442	92.313
City of Moorpark	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
City of Moorpark Community Facilities District No. 97-1	n/a	n/a	n/a	100.000	100.000	100.000	100.000	100.000	100.000
City of Moorpark 1915 Act Bonds	<u>100.000</u>								
Total Direct Rate	<u>109.587</u>	<u>109.297</u>	<u>109.306</u>	<u>101.648</u>	<u>107.568</u>	<u>97.585</u>	<u>99.872</u>	<u>98.083</u>	<u>97.923</u>

NOTE:

- 1) In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of the Moorpark Unified School District bonds.
- 2) The direct and overlapping bonded debt above is not the City's nor the Redevelopment Agency's obligation.

Source: California Municipal Statistics

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

Taxpayer	2007		2000	
	Taxable Assessed Value *	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
DBRE Moorpark LLC	\$ 65,660,200	16.69%	\$ -	0.00%
Waterstone Properties Moorpark LLC	63,280,359	16.09%		0.00%
Mission Bell East LLC	24,255,154	6.17%	20,208,563	9.95%
James Birkenshaw, Et. Al.	18,760,949	4.77%	12,264,597	6.04%
Calabasas BCD Inc.	18,426,875	4.68%	11,751,954	5.79%
Fred Kavli	14,809,258	3.76%	12,701,620	6.26%
Laars Inc.	14,342,375	3.65%	20,267,350	9.98%
Leonard Rose Trust	11,244,746	2.86%	9,998,062	4.92%
6100 Condor LLC	10,315,000	2.62%	-	0.00%
Shea Homes Limited Partnership	<u>10,256,107</u>	<u>2.61%</u>	<u>-</u>	0.00%
	<u>\$ 251,351,023</u>	<u>63.90%</u>	<u>\$ 87,192,146</u>	<u>42.94%</u>

* Due to varying tax rates, the assessed value does not necessarily mean the highest tax
The assessed value includes secured and unsecured.
Source: HdL 2006-2007 property data

CITY OF MOORPARK
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
1998	\$ 1,191,918	\$ 1,170,111	98.17%	\$ 21,807	\$ 1,191,918	100.00%
1999	1,374,741	1,349,054	98.81%	25,687	1,374,741	100.00%
2000	1,410,082	1,385,028	95.20%	25,054	1,410,082	100.00%
2001	1,573,688	1,506,396	95.72%	67,292	1,573,688	100.00%
2002	1,832,673	1,802,895	98.38%	29,778	1,832,673	100.00%
2003	2,036,839	2,009,255	98.65%	27,584	2,036,839	100.00%
2004	2,208,605	2,180,794	98.74%	27,811	2,208,605	100.00%
2005	2,391,927	2,359,181	98.95%	32,746	2,391,927	100.00%
2006	2,705,083	2,668,950	98.66%	36,133	2,705,083	100.00%
2007	3,316,735	2,940,209	88.65%	376,526	3,316,735	100.00%

NOTE:
The amount presented includes City property taxes only.

Source: Ventura County Auditor Controller's Office

CITY OF MOORPARK
Ratios of Outstanding Debt by Type
Last Nine Fiscal Years

Fiscal Year Ended June 30	Governmental Activities			Total Primary Government	Percentage of Personal Income ²	Debt Per Capita ²
	General Obligation Bonds	Tax Allocation Bonds ¹	Total Governmental Activities			
1999	-	\$ 9,860,000	\$ 9,860,000	\$ 9,860,000	0.98%	\$ 333
2000	-	9,540,000	9,540,000	9,540,000	0.88%	321
2001	-	15,424,000	15,424,000	15,424,000	1.28%	480
2002	-	20,465,000	20,465,000	20,465,000	0.73%	606
2003	-	20,100,000	20,100,000	20,100,000	0.67%	582
2004	-	19,705,000	19,705,000	19,705,000	0.65%	564
2005	-	19,300,000	19,300,000	19,300,000	0.64%	537
2006	-	18,880,000	18,880,000	18,880,000	0.62%	527
2007		30,135,000	30,135,000	30,135,000	0.95%	826

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ The Moorpark Redevelopment Agency issued \$9,860,000 of new tax allocation bonds in 1999, \$11,625,000 in 2001, and \$11,695,000 in 2006. The principal balance on these three bonds as of June 30, 2007 is \$6,870,000, \$11,570,000 and \$11,695,000 respectively.

² These ratios are calculated using personal income and population for the prior calendar year.

CITY OF MOORPARK
Ratio of General Bonded Debt Outstanding
Last Nine Fiscal Years

Fiscal Year Ended June 30	Outstanding General Bonded Debt			Percent of Assessed Value ¹	Per Capita
	General Obligation Bonds	Tax Allocation Bonds	Total		
1999	-	9,860,000	9,860,000	0.38%	333
2000	-	9,540,000	9,540,000	0.35%	321
2001	-	15,424,000	15,424,000	0.51%	480
2002	-	20,465,000	20,465,000	0.64%	606
2003	-	20,100,000	20,100,000	0.56%	582
2004	-	19,705,000	19,705,000	0.51%	564
2005	-	19,300,000	19,300,000	0.47%	537
2006	-	18,880,000	18,880,000	0.40%	527
2007	-	30,135,000	30,135,000	0.58%	826

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.

CITY OF MOORPARK
Direct and Overlapping Debt
June 30, 2007

City Assessed Valuation 2006-07	\$	4,367,376,624
Redevelopment Agency Incremental Valuation		585,973,938
Adjusted Assessed Valuation		\$ 3,781,402,686

	Percentage Applicable	Debt as of 6/30/2007	Estimated Share of Overlapping Debt
Direct and Overlapping Tax and Assessment Debt:			
Metropolitan Water District	0.233%	\$ 359,115,000	836,738
Ventura Community College District	4.296%	135,780,000	5,833,109
Conejo Valley Unified School District	0.019%	52,420,143	9,960
Moorpark Unified School District	92.313%	28,354,870	26,175,231
City of Moorpark Community Facilities District No. 97-1	100.000%	6,630,000	6,630,000
City of Moorpark Community Facilities District No. 2004-1	100.000%	38,030,000	38,030,000
City of Moorpark 1915 Act Bonds	100.000%	1,630,000	1,630,000
Total Direct and Overlapping Tax & Assessment Debt		621,960,013	79,145,038
Overlapping General Fund Obligation Debt:			
Ventura County General Fund Obligations	4.295%	\$ 81,265,000	3,490,332
Ventura County Pension Obligations	4.295%	12,310,000	528,715
Ventura County Superintendent of Schools COPs	4.295%	13,305,000	571,450
Moorpark Unified School District COPs	92.313%	9,485,000	8,755,888
Total Overlapping General Fund Obligation Debt		116,365,000	13,346,384
Combined Total Debt*		\$ 738,325,013	92,491,422
Total direct and overlapping debt			\$ 92,491,422

Notes:

* Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

The direct and overlapping bonded debt above is not the City's or the Redevelopment Agency's obligation.

Source: California Municipal Statistics, Inc.

CITY OF MOORPARK
 Legal Debt Margin Information
 Last Nine Fiscal Years

	Fiscal Year				Fiscal Year				
	1999	2000	2001	2002	2003	2004	2005	2006	2007
Assessed valuation	\$ 2,035,487,530	\$ 2,149,505,500	\$ 2,421,104,221	\$ 2,549,782,519	\$ 2,823,727,286	\$ 2,823,727,286	\$ 3,231,418,940	\$ 3,721,591,791	\$ 4,157,360,033
Conversion percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>						
Adjusted assessed valuation	508,871,883	537,376,375	605,276,055	637,445,630	705,931,822	705,931,822	807,854,735	930,397,948	1,039,340,008
Debt limit percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>						
Debt limit	76,330,782	80,606,456	90,791,408	95,616,844	105,889,773	105,889,773	121,178,210	139,559,692	155,901,001
Total net debt applicable to limit: General obligation bonds	<u>8,910,000</u>	<u>9,540,000</u>	<u>9,195,000</u>	<u>20,465,000</u>	<u>20,100,000</u>	<u>19,695,000</u>	<u>19,300,000</u>	<u>18,880,000</u>	<u>30,135,000</u>
Legal debt margin	<u>67,420,782</u>	<u>71,066,456</u>	<u>81,596,408</u>	<u>75,151,844</u>	<u>85,789,773</u>	<u>86,194,773</u>	<u>101,878,210</u>	<u>120,679,692</u>	<u>125,766,001</u>
Total debt applicable to the limit as a percentage of debt limit	11.7%	11.8%	10.1%	21.4%	19.0%	18.6%	15.9%	13.5%	19.3%

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

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

CITY OF MOORPARK
Pledged-Revenue Coverage
Last Seven Fiscal Years

Fiscal Year Ended June 30	Tax Allocation Bonds			
	Tax Increment	Debt Service		Coverage
		Principal	Interest	
2001	2,501,624	345,000	420,193	3.27
2002	2,606,388	355,000	408,638	3.41
2003	3,537,293	365,000	989,554	2.61
2004	4,076,183	395,000	976,140	2.97
2005	3,860,624	405,000	959,942	2.83
2006	5,487,272	420,000	944,281	4.02
2007	6,306,385	440,000	1,085,040	4.14

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

CITY OF MOORPARK
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population (1)	Personal Income (in thousands) (2)	Median Personal Income (2)	Unemployment Rate (3)
1998	29,300	\$ 951,752	\$ 32,483	6.0%
1999	29,589	1,001,588	33,850	5.3%
2000	29,727	1,088,959	36,632	5.1%
2001	32,150	1,207,136	37,547	5.2%
2002	33,760	2,811,600	83,282	6.8%
2003	34,529	2,978,092	86,249	7.2%
2004	34,933	3,054,507	87,439	6.4%
2005	35,933	3,039,105	84,577	5.4%
2006	35,836	3,050,432	85,122	4.4%
2007	36,480	3,179,341	87,153	4.7%

Sources:

- (1) State Department of Finance or Dave Bobardt
- (2) County Office of Economic Development VCEDA
- (3) State of California Employment Development Department (data shown is for the County)

CITY OF MOORPARK
Principal Employers
Current Year and Ten Years Ago

Employer	2007		1998	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Kavlico	1,200	10.20%	1,000	12.28%
Moorpark Unified School Dist.	871	7.41%	700	8.60%
Pentair Pool Products	527	4.48%	-	
Waterpik Tech. (Teledyne)	451	3.84%	300	3.68%
First Data	442	3.76%	-	
Moorpark College	315	2.68%	500	6.14%
Special Devices, Inc.	290	2.47%	-	
SMTEK International	220	1.87%	-	
Aldik	200	1.70%	-	
Axius/Auto Shade	150	1.28%	120	1.47%

"Total Employment" as used above represents the total employment of all employers located within City limits. The total number of employees in the City in 2007 were 11,760 as compared to total number of employees in the City in 1998 were 8,142.

Source: Chamber of Commerce

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

<u>Function</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General government	18	20	36	43	33	32	31	30
Public safety (crossing guards)	8	6	6	6	7	4	7	7
Public services	21	21	41	38	20	17	17	26
Parks and recreation	<u>45</u>	<u>42</u>	<u>19</u>	<u>19</u>	<u>42</u>	<u>38</u>	<u>41</u>	<u>49</u>
Total	<u>92</u>	<u>89</u>	<u>102</u>	<u>106</u>	<u>102</u>	<u>91</u>	<u>96</u>	<u>112</u>
Public safety ¹	34	34	33	30	28	31	31	42

¹ Police and fire services were provided by the County.
 Fire = 21 and police = 21

Source: City Payroll Office

CITY OF MOORPARK
 Operating Indicators
 by Function
 Last Ten Fiscal Years

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Police: (A)										
Arrests	824	874	1,258	1,414	1,235	1,296	1,520	1,388	1,653	1,890
Parking citations issued					2,579	2,582	4,285	3,706	2,890	4,160
Fire: (B)										
Number of "prime" emergency calls		979	1,013	975	1,103	1,179	1,415	1,308	1,329	2,332
Business Inspections*		417	417	417	117	117	125	125	125	123
Public works: (C)										
Street resurfacing (miles)	-	-	73.33	-	-	73.33	-	0.10	-	30.0
Parks and recreation: (D)										
Number of recreation classes	-	298	351	423	386	317	290	364	338	479
Number of facility rentals	115	203	243	250	184	258	307	491	338	180

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

Source: City of Moorpark

(A) Provided by Moorpark P.D.; parking citation data is not available for earlier years

(B) Ventura County Fire Dept.; - some data not available for earlier years

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

(D) Arroyo Vista Recreation Dept.; - recreation classes and room rentals began after the park opened

CITY OF MOORPARK
 Capital Asset Statistics
 by Function
 Last Nine Fiscal Years

	<u>Fiscal Year</u>								
	1999	2000	2001	2002	2003	2004	2005	2006	2007
Police:									
Stations	1	1	1	1	1	1	2	2	2
Fire:									
Fire stations	2	2	2	2	2	2	2	2	2
Public works:									
Streets (miles)	75	75	75	75	75	75	75	75	75
Streetlights			2,264	2,263	2,269	2,299	2,325	2,347	2497
Traffic signals	15	15	15	15	16	17	17	17	17
Parks and recreation:									
Parks	14	14	14	15	15	15	15	16	16
Community centers	2	2	2	2	2	2	2	2	2

Source: City of Moorpark