



REVISED AGENDA
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
BOARD OF LIBRARY TRUSTEES

January 5, 2016

REGULAR MEETING – 6:00 PM

City Council Study Sessions

Second Tuesday of each month – 6:00 p.m.

City Council Meetings

Special Presentations – 5:30 P.M.

First & Third Tuesday of each month – 6:00 p.m.

City Council Closed Session

Will be scheduled as needed at 4:30 p.m.

City Hall Council Chamber – 14177 Frederick Street

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, in compliance with the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Guy Pegan, ADA Coordinator, at 951.413.3120 at least 72 hours before the meeting. The 72-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Dr. Yxstian A. Gutierrez, Mayor

Jeffrey J. Giba, Mayor Pro Tem
Jesse L. Molina, Council Member

George E. Price, Council Member
D. LaDonna Jempson, Council Member

**REVISED AGENDA
CITY COUNCIL OF THE CITY OF MORENO VALLEY
January 5, 2016**

CALL TO ORDER - 5:30 PM

SPECIAL PRESENTATIONS

1. Business Spotlight
 - a) Red Velvet Café
 - b) Outback Steakhouse

**REVISED AGENDA
JOINT MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
AND THE BOARD OF LIBRARY TRUSTEES**

***THE CITY COUNCIL RECEIVES A SEPARATE STIPEND FOR CSD
MEETINGS***

**REGULAR MEETING – 6:00 PM
JANUARY 5, 2016**

CALL TO ORDER

Joint Meeting of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency, Housing Authority and the Board of Library Trustees - actions taken at the Joint Meeting are those of the Agency indicated on each Agenda item.

PLEDGE OF ALLEGIANCE

INVOCATION

Pastor David Carlson, Moreno Christian Assembly

ROLL CALL

INTRODUCTIONS

PUBLIC COMMENTS ON MATTERS ON THE AGENDA WILL BE TAKEN UP AS THE ITEM IS CALLED FOR BUSINESS, BETWEEN STAFF'S REPORT AND CITY COUNCIL DELIBERATION (SPEAKER SLIPS MAY BE TURNED IN UNTIL THE ITEM IS CALLED FOR BUSINESS.)

PUBLIC COMMENTS ON ANY SUBJECT NOT ON THE AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL

Those wishing to speak should complete and submit a BLUE speaker slip to the Sergeant-at-Arms. There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the City Council.

JOINT CONSENT CALENDARS (SECTIONS A-D)

All items listed under the Consent Calendars, Sections A, B, C, and D are considered to be routine and non-controversial, and may be enacted by one motion unless a member of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency, Housing Authority or the Board of Library Trustees

requests that an item be removed for separate action. The motion to adopt the Consent Calendars is deemed to be a separate motion by each Agency and shall be so recorded by the City Clerk. Items withdrawn for report or discussion will be heard after public hearing items.

A. CONSENT CALENDAR-CITY COUNCIL

- A.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- A.2. MINUTES - CITY COUNCIL - REGULAR MEETING - DEC 1, 2015 6:00 PM

Recommendation: Approve as submitted.

- A.3. MINUTES - CITY COUNCIL - REGULAR MEETING - DEC 15, 2015 6:00 PM

Recommendation: Approve as submitted.

- A.4. CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES (Report of: City Clerk)

Recommendation:

1. Receive and file the Reports on Reimbursable Activities for the period of December 2 – 22, 2015.

- A.5. LIST OF PERSONNEL CHANGES (Report of: Administrative Services)

Recommendation:

1. Ratify the list of personnel changes as described.

- A.6. RESOLUTION APPOINTING CITY TREASURER (Report of: City Manager)

Recommendation:

1. Adopt Resolution No. 2016-01 Appointing a City Treasurer.

- A.7. APPROVE PARTICIPATION IN THE PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM WITH THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY (CSCDA) (Report of: Financial & Management Services)

Recommendation:

1. Approve Resolution No. 2016-02. A Resolution of the City Council of the City of Moreno Valley, California, Consenting to the Establishment

of Property Assessed Clean Energy (PACE) Programs by the California Statewide Communities Development Authority (CSCDA) to Finance Renewable Energy, Energy Efficiency, Water Efficiency, Seismic Strengthening Improvements and Electric Vehicle Charging Infrastructure and Authorizing the CSCDA to Accept Applications from Property Owners, Conduct Contractual Assessment Proceedings, Levy Contractual Assessments and Authorizing Related Actions.

- A.8. ACCEPTANCE OF THE FISCAL YEAR 2015 EMERGENCY MANAGEMENT PERFORMANCE GRANT PROGRAM (EMPG) AWARD (Report of: Fire Department)

Recommendation:

1. Accept the Fiscal Year 2015 Emergency Management Performance Grant Program (EMPG) grant award of \$42,304 from the Riverside County Emergency Management Department.

- A.9. ACCEPTANCE OF THE FISCAL YEAR 2015 STATE HOMELAND SECURITY PROGRAM (SHSP) GRANT AWARD (Report of: Fire Department)

Recommendation:

1. Accept the Fiscal Year 2015 State Homeland Security Program (SHSP) award of \$31,017 from the Riverside County Emergency Management Department.

- A.10. COUNCIL DISCRETIONARY EXPENDITURE REPORTS FOR FISCAL YEAR 2015/2016 AS OF 10/31/15 (Report of: Financial & Management Services)

Recommendation:

1. Receive and file the Fiscal Year 2015/2016 Council Discretionary Expenditure Reports as of October 31, 2015.

- A.11. SUPPLEMENTAL LAW ENFORCEMENT SERVICES ACCOUNT (SLESA) EXPENDITURE PLAN FOR FY 2015-16 (Report of: Financial & Management Services)

Recommendations:

1. Approve the Supplemental Law Enforcement Services Account (SLESA) Expenditure Plan for FY 2015-16.
2. Approve an increase of \$54,361 to the SLESA Grant Fund (Fund 2410) FY 2015-16 revenue budget to reflect the total FY 2015-16 allocation of \$379,361.

3. Approve an increase of \$54,361 to the SLESA Grant Fund FY 2015-16 expenditure budget (Fund 2410) to reflect the FY 2015-16 planned expenditure of \$379,361.

- A.12. AUTHORIZE CHANGE ORDER TO INCREASE THE EXISTING PURCHASE ORDER FOR MAMCO, INC. DBA ALABBASI FOR EAST SUNNYMEAD BOULEVARD STORM DRAIN – PROJECT NO. 804 0006 70 77 (Report of: Public Works)

Recommendations:

1. Authorize a Change Order to increase the existing Purchase Order for Mamco, Inc. dba Alabbasi in the amount of up to \$69,200 to cover additional work related to conflicting utility relocations and street restoration necessary to complete the construction of the East Sunnymead Boulevard Storm Drain project.
2. Authorize the City Manager to execute the Change Order for Mamco, Inc. dba Alabbasi.

- A.13. PAYMENT REGISTER - OCTOBER 2015 (Report of: Financial & Management Services)

Recommendation:

1. Receive and file the Payment Register.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

- B.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- B.2. MINUTES - REGULAR MEETING OF DECEMBER 1, 2015 (See A.2)

Recommendation: Approve as submitted.

- B.3. MINUTES - REGULAR MEETING OF DECEMBER 15, 2015 (See A.3)

Recommendation: Approve as submitted.

- B.4. SECOND AMENDMENT TO THE LANDSCAPE MAINTENANCE AGREEMENT FOR ZONE S (Report of: Public Works)

Recommendations:

1. Approve the Second Amendment to the 2015/16 Independent Contractor Agreement for Project No. M/12-13 for Landscape Maintenance Services with LandCare Holdings, Inc. (formerly TruGreen Landcare), 1616 Marlborough Avenue, Suite S, Riverside, CA 92507 to install mulch in certain medians and parkways along Sunnymead Boulevard.
2. Approve a budget adjustment to the CSD Zone S budget as set forth in the Financial Impact section of this report.
3. Authorize the City Manager to execute the Second Amendment with LandCare, Holdings, Inc. which includes executing subsequent Amendments or Extensions to the 2015/16 Agreement, and the authority to authorize associated purchase orders in accordance with the terms of the 2015/16 Agreement, subject to the approval of the City Attorney and provided sufficient funding appropriations and program approvals have been granted by the City Council.
4. Authorize the issuance of a change order to the fiscal year 2015/16 Purchase Order with LandCare Holdings, Inc. from a not-to-exceed amount of \$344,443.75 to a not-to-exceed amount of \$352,843.75 (an increase of \$8,400.00 for Zone S Additional Work services).

C. CONSENT CALENDAR - HOUSING AUTHORITY

- C.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- C.2. MINUTES - REGULAR MEETING OF DECEMBER 1, 2015 (See A.2)

Recommendation: Approve as submitted.

- C.3. MINUTES - REGULAR MEETING OF DECEMBER 15, 2015 (See A.3)

Recommendation: Approve as submitted.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

- D.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- D.2. MINUTES - REGULAR MEETING OF DECEMBER 1, 2015 (See A.2)

Recommendation: Approve as submitted.

D.3. MINUTES - REGULAR MEETING OF DECEMBER 15, 2015 (See A.3)

Recommendation: Approve as submitted.

E. PUBLIC HEARINGS - NONE

Questions or comments from the public on a Public Hearing matter are limited to five minutes per individual and must pertain to the subject under consideration.

Those wishing to speak should complete and submit a GOLDENROD speaker slip to the Sergeant-at-Arms.

F. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION

G. REPORTS

G.1. CITY COUNCIL REPORTS ON REGIONAL ACTIVITIES

(Informational Oral Presentation - not for Council action)

March Joint Powers Commission (JPC)

Riverside County Habitat Conservation Agency (RCHCA)

Riverside County Transportation Commission (RCTC)

Riverside Transit Agency (RTA)

Western Riverside Council of Governments (WRCOG)

Western Riverside County Regional Conservation Authority (RCA)

School District/City Joint Task Force

Southern California Association of Governments (SCAG)

G.2. UTILITIES COMMISSION ANNUAL REPORT (ORAL PRESENTATION)
(Report of: City Clerk)

G.3. APPOINTMENTS TO THE ARTS COMMISSION (Report of: City Clerk)

Recommendations: That the City Council:

1. Appoint two members to the Arts Commission with terms expiring June 30, 2017.
2. If vacancies are not filled by a majority vote of the City Council, authorize the City Clerk to re-advertise the positions as vacant and

carry over the current applications for reconsideration of appointments at a future date.

G.4. EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR IN THE AGREEMENT AND THE ANNUAL REVIEW OF THE AGREEMENT (Report of: Community Development)

Recommendations: That the City Council:

1. That the City Council accept the Aquabella Development Agreement Annual Report as submitted by Highland Fairview finding that the property owner has complied in good faith with the terms, obligations and conditions of the Aquabella Development Agreement, and
2. That the City Council authorizes the Mayor to sign the Extension of Term Agreement for the Aquabella Development Agreement to approve a five year extension of the Development Agreement extending the term to January 12, 2021, as provided for in Section 2.3.2 of the Development Agreement adopted by Ordinance No. 704.

G.5. 2016 CITY COUNCIL COMMITTEE PARTICIPATION APPOINTMENTS (Report of: City Clerk) **Item revised**

Recommendations: That the City Council:

1. Appoint Mayor Pro Tem Jeffrey J. Giba to serve as the City of Moreno Valley's representative on the March Joint Powers Commission (MJPC).
2. Appoint **Mayor Dr. Yxstian A. Gutierrez** ~~Council Member George E. Price~~ to serve as the City of Moreno Valley's representative on the March Joint Powers Commission (MJPC).
3. Appoint **Council Member Jesse L. Molina** ~~Mayor Dr. Yxstian A. Gutierrez~~ to serve as the City of Moreno Valley's alternate representative on the March Joint Powers Commission (MJPC).
4. Appoint Council Member George E. Price to serve as the City of Moreno Valley's representative on the Riverside County Habitat Conservation Agency (RCHCA).
5. Appoint Council Member D. LaDonna Jempson to serve as the City of Moreno Valley's alternate representative on the Riverside County Habitat Conservation Agency (RCHCA).
6. Appoint Mayor Dr. Yxstian A. Gutierrez to serve as the City of Moreno Valley's representative on the Riverside County Transportation

Commission (RCTC).

7. Appoint Council Member Jesse L. Molina to serve as the City of Moreno Valley's alternate representative on the Riverside County Transportation Commission (RCTC).
 8. Appoint Council Member Jesse L. Molina to serve as the City of Moreno Valley's representative on the Riverside Transit Agency (RTA).
 9. Appoint Council Member D. LaDonna Jempson to serve as the City of Moreno Valley's alternate representative on the Riverside Transit Agency (RTA).
 10. Appoint Mayor Pro Tem Jeffrey J. Giba to serve as the City of Moreno Valley's representative on the Western Riverside Council of Governments (WRCOG).
 11. Appoint Council Member Jesse L. Molina to serve as the City of Moreno Valley's alternate representative on the Western Riverside Council of Governments (WRCOG).
 12. Appoint Council Member D. LaDonna Jempson to serve as the City of Moreno Valley's representative on the Western Riverside County Regional Conservation Authority (RCA).
 13. Appoint Council Member George E. Price serve as the City of Moreno Valley's alternate representative on the Western Riverside County Regional Conservation Authority (RCA).
 14. Approve the appointments to the remaining various committees and regional bodies, as noted on the 2016 Council Committee Participation – Mayor's Recommendations list.
- G.6. FISCAL YEAR 2015/16 FIRST QUARTER BUDGET REVIEW AND APPROVAL OF THE REVISED BUDGET (CONTINUED ITEMS) (Report of: Financial & Management Services)

Recommendations: That the City Council:

1. Approve the new position of Animal Rescue Coordinator; reclassification of two existing positions to Assistant City Attorney and Paralegal, and the associated job classifications.
2. Approve the Position Control Roster. Specific position changes are discussed within this staff report and listed on the Position Control Roster.

3. Approve and ratify purchase orders totaling \$180,325 with Moss Bros. Auto Group for the purchase of six replacement vehicles.

G.7. UTILITY USERS TAX DISCUSSION (Report of: Financial & Management Services)

Recommendations: That the City Council:

1. Review and discuss the Utility Users Tax.
2. Take whatever action the City Council deems appropriate.

G.8. TRANSMITTAL OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2015 AND REVIEW OF THE FISCAL YEAR 2014/15 YEAR-END RESULTS (Report of: City Manager)

Recommendations: That the City Council:

1. Receive and file the Comprehensive Annual Financial Report for the fiscal year that ended June 30, 2015.
2. Receive and file the Fiscal Year 2014-15 Year-End Budget Review.

G.9. CITY MANAGER'S REPORT

(Informational Oral Presentation - not for Council action)

G.10. CITY ATTORNEY'S REPORT

(Informational Oral Presentation - not for Council action)

H. LEGISLATIVE ACTIONS

H.1. ORDINANCES - 1ST READING AND INTRODUCTION - NONE

H.2. ORDINANCES - 2ND READING AND ADOPTION - NONE

H.3. ORDINANCES - URGENCY ORDINANCES - NONE

H.4. RESOLUTIONS - NONE

CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL, COMMUNITY SERVICES DISTRICT, CITY AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OR HOUSING AUTHORITY

PUBLIC INSPECTION

The contents of the agenda packet are available for public inspection on the City's website at www.moval.org and in the City Clerk's office at 14177 Frederick Street

during normal business hours.

Any written information related to an open session agenda item that is known by the City to have been distributed to all or a majority of the City Council less than 72 hours prior to this meeting will be made available for public inspection on the City's website at www.moval.org and in the City Clerk's office at 14177 Frederick Street during normal business hours.

ADJOURNMENT

CERTIFICATION

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, certify that 72 hours prior to this Regular Meeting, the City Council Agenda was posted on the City's website at: www.moval.org and in the following three public places pursuant to City of Moreno Valley Resolution No. 2007-40:

City Hall, City of Moreno Valley
14177 Frederick Street

Moreno Valley Library
25480 Alessandro Boulevard

Moreno Valley Senior/Community Center
25075 Fir Avenue

Jane Halstead, CMC,
City Clerk

Date Posted:

MINUTES
CITY COUNCIL REGULAR MEETING OF THE CITY OF MORENO VALLEY
December 1, 2015

CALL TO ORDER - 5:30 PM

SPECIAL PRESENTATIONS

1. Business Spotlight
 - a) Hoggs Gourmet Grill
 - b) Bright Angels at Heart

**MINUTES
JOINT MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
BOARD OF LIBRARY TRUSTEES**

**REGULAR MEETING – 6:00 PM
December 1, 2015**

CALL TO ORDER

The Joint Meeting of the City Council of the City of Moreno Valley, Moreno Valley Community Services District, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, Moreno Valley Housing Authority and the Board of Library Trustees was called to order at 6:01 p.m. by Mayor Molina in the Council Chamber located at 14177 Frederick Street

Mayor Molina announced the City Council receives a separate stipend for CSD Meetings.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Frank Wright.

INVOCATION

The invocation was given by Pastor Lupe Gonzalez, Templo de Milagros International

ROLL CALL

Council:	Jesse L. Molina	Mayor
	Dr. Yxstian A. Gutierrez	Mayor Pro Tem
	Jeffrey J. Giba	Council Member
	D. LaDonna Jempson	Council Member
	George E. Price	Council Member

INTRODUCTIONS

Staff:	Michelle Dawson	City Manager
	Paul Early	Deputy City Attorney
	Jane Halstead	City Clerk
	Richard Teichert	Chief Financial Officer
	Thomas M. DeSantis	Assistant City Manager
	Ahmad Ansari	Public Works Director/City Engineer
	Joel Ontiveros	Police Chief

Minutes Acceptance: Minutes of Dec 1, 2015 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)

Abdul Ahmad
 Chris Paxton
 Betsy Adams
 Mike Lee
 Allen Brock

Fire Chief
 Administrative Services Director
 Parks & Community Services Director
 Economic Development Director
 Community Development Director

PUBLIC COMMENTS ON MATTERS ON THE AGENDA WERE TAKEN UP AS THE ITEM WAS CALLED FOR BUSINESS, BETWEEN STAFF'S REPORT AND CITY COUNCIL DELIBERATION.

PUBLIC COMMENTS ON ANY SUBJECT NOT ON THE AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL

Mayor Molina announced that there would be 40 minutes of public comments not on the agenda. The remaining public comments will be heard prior to City Council Reports and Closing Comments. In the event that the agenda item for such public comments has not been called by 9:00 p.m., it shall be called as the next item of business following the conclusion of any item being heard at 9:00 p.m.

The following individuals gave public comment:

Evan Morgan

1. Referendum

Robert Harris

1. Mayor and Mayor Pro Tem

Vivian Moreno

1. Public Officers and City Staff

Rafael Brugueras

1. Signature Gathers
2. Highland Fairview turkey give away

Santiago Hernandez

1. Thanked Highland Fairview for turkeys and refreshments

Frank Wright

1. Encouraged public not sign anything

Tom Jerele, Sr.

1. Jobs
2. Business Spotlight
3. Thanked Mayor Molina for his service

Darline Bailey

1. Thanked City Council approval of World Logistic Center
2. Thanked Highland Fairview for turkey give away

Donovan Saadiq

- 1. Edgemont
- 2. Historical Route 395
- 3. Adrienne Mitchell Park

Milly Bailey

- 1. Thanked City Council appearance at turkey give away
- 2. No shelter for the homeless

Chris Baca

- 1. Make the right decision
- 2. Elected to uphold constitution

Louise Palomarez

- 1. Unions
- 2. Outsiders

Joann Steffan

- 1. Outsiders doing business in Moreno Valley
- 2. Unions

Sandra Murphy

- 1. Thanked the City Council for their votes for the World Logistic Center

Victoria Baca

- 1 Thanked Mayor Molina for his service
- 2 Mayor Molina as the first elected Mayor

Robert Perez

- 1. Homelessness
- 2. Lawsuits
- 3. Freeways in need of expansion

JOINT CONSENT CALENDARS (SECTIONS A-D)

Mayor Molina opened the agenda items for the Consent Calendars for public comments, which were received from Christopher Baca (A.4), Millie Bailey and Joann Steffan.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	George E. Price, Council Member
SECONDER:	D. LaDonna Jempson, Council Member
AYES:	Molina, Gutierrez, Giba, Jempson, Price

A. CONSENT CALENDAR-CITY COUNCIL

- A.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- A.2. AUTHORIZE THE PIGGYBACK USE OF THE COUNTY OF RIVERSIDE CONTRACT WITH THE SOCO GROUP FOR FUEL (Report of: Administrative Services)

Recommendations:

1. Approve the use (piggyback) of the County of Riverside Agreement with The SoCo Group, Inc. through June 30, 2017, for purposes of the negotiated fuel price only; all other terms remain per the City's agreement with the company.
2. Approve the annual fuel agreement with The SoCo Group, Inc., by execution of a City Agreement through June 30, 2017, in the not to exceed amount of \$450,000 in FY 2015/16.
3. Authorize the Purchasing & Facilities Manager to issue a FY 2015/16 purchase order to The SoCo Group in the total amount of \$450,000.
4. Authorize the City Manager or designee to execute any amendments, purchase orders and/or change orders to The Soco Group necessary for operational fuel needs through June 30, 2017.

- A.3. PURSUANT TO LANDOWNER PETITION, ANNEX ASSESSOR'S PARCEL NUMBER 479-040-006 (PA14-0061 - EAST SIDE OF PERRIS BLVD. AND NORTH OF FIR AVE.) INTO COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES) — AS AMENDMENT NO. 6 (Report of: Public Works)

Recommendation:

1. Acting as the legislative body of Community Facilities District No. 2014-01 (Maintenance Services) approve and adopt Resolution No. 2015-77, A Resolution of the City Council of the City of Moreno Valley, California, Ordering the Annexation of Territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and Approving the Amended Map for Said District.

- A.4. APPROVAL OF THE CALIFORNIA OFFICE OF TRAFFIC SAFETY GRANT (Report of: Police Department)

Recommendations:

1. Authorize the Police Department to receive and utilize the FY2015/2016 California Office of Traffic Safety (OTS) Selective Traffic Enforcement Program (STEP) grant, in the amount of \$160,892, for the period beginning October 1, 2015, and ending September 30, 2016.
2. Receive and file the summary of the benefits the city of Moreno Valley realized from the FY2014/2015 OTS Selective Traffic Enforcement Program and Sobriety Checkpoint grant.

A.5. LIST OF PERSONNEL CHANGES (Report of: Administrative Services)

Recommendation:

1. Ratify the list of personnel changes as described.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

- B.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

C. CONSENT CALENDAR - HOUSING AUTHORITY

- C.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

- D.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

E. PUBLIC HEARINGS

Questions or comments from the public on a Public Hearing matter are limited to five minutes per individual and must pertain to the subject under consideration.

- E.1. A PUBLIC HEARING FOR AN APPEAL OF THE PLANNING COMMISSION'S OCTOBER 24, 2013, APPROVAL OF PA13-0002, TENTATIVE PARCEL MAP 36522, TO COMBINE 5 LOTS INTO ONE 9.5

ACRE PARCEL AND P12-051 A MASTER SITE PLAN AND AMENDED CONDITIONAL USE PERMIT FOR THE FUTURE PHASED BUILDOUT OF THE ST. CHRISTOPHER CHURCH FACILITY LOCATED ON THE SOUTHEAST CORNER OF PERRIS BOULEVARD AT COTTONWOOD AVENUE. THE APPELLANT IS ROY BLECKERT (CONTINUED FROM NOVEMBER 10, 2015 & DECEMBER 1, 2015) (Report of: Community Development)

Mayor Molina opened the agenda item for public testimony, which was received from Rafael Brugueras.

Recommendations: That the City Council:

1. **APPROVE** Resolution 2015-82. A Resolution of the City Council of the City of Moreno Valley, California, Denying the Appeal and Sustaining the Decision of the Planning Commission to Adopt a Negative Declaration per the California Environmental Quality (CEQA) and Approve Tentative Parcel Map 36522 (PA13-0002) Combining Five Lots into one 9.51 Acre for Assessor’s Parcel Numbers 479-200-037 & 038, 479-200-003, & 033 & 034.
2. **APPROVE** Resolution 2015-83. A Resolution of the City Council of the City of Moreno Valley, California denying the appeal and sustaining the decision of the Planning Commission to adopt a Negative Declaration per the California Environmental Quality Act (CEQA) and Approve P12-051 Master Site Plan Amended Conditional Use Permit for Assessor’s Parcel Numbers 479-200-037 & 038, 479-200-003, & 033 & 034.

RESULT:	CONTINUED [3 TO 0]	Next: 12/15/2015 6:00 PM
MOVER:	George E. Price, Council Member	
SECONDER:	D. LaDonna Jempson, Council Member	
AYES:	Dr. Yxstian A. Gutierrez, D. LaDonna Jempson, George E. Price	
RECUSED:	Jesse L. Molina, Jeffrey J. Giba	

E.2. PUBLIC HEARING TO ANNEX TENTATIVE TRACT 31592 (LOCATED ON THE EAST SIDE OF PERRIS BLVD. NORTH OF MANZANITA AVE.) TO COMMUNITY FACILITIES DISTRICT NO. 1 (PARK MAINTENANCE) (Report of: Public Works)

Mayor Molina opened the agenda item for public testimony, there being none, public testimony was closed.

Recommendations: That the CSD:

1. Conduct the Public Hearing on the proposed annexation of territory (Tentative Tract No. 31592) to City of Moreno Valley Community Facilities District No. 1 (Park Maintenance).

Minutes Acceptance: Minutes of Dec 1, 2015 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)

- 2. Acting as the legislative body of Community Facilities District No. 1 (Park Maintenance) approve and adopt Resolution No. CSD 2015-34, a Resolution of the Board of Directors of the Moreno Valley Community Services District of the City of Moreno Valley, California, Ordering the Annexation of Territory (Tentative Tract No. 31592) to its Community Facilities District No. 1.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jeffrey J. Giba, Council Member
SECONDER:	George E. Price, Council Member
AYES:	Molina, Gutierrez, Giba, Jempson, Price

F. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION - NONE

G. REPORTS

G.1. CITY COUNCIL REPORTS ON REGIONAL ACTIVITIES

(Informational Oral Presentation - not for Council action)

March Joint Powers Commission (JPC)

Mayor Pro Tem Dr. Gutierrez reported there was no report.

Riverside County Habitat Conservation Agency (RCHCA)

Council Member Price reported there was no report.

Riverside County Transportation Commission (RCTC)

Mayor Molina reported there was no report.

Riverside Transit Agency (RTA)

Mayor Molina reported that there was no report.

Western Riverside Council of Governments (WRCOG)

Council Member Giba reported that WRCOG employee, Ruthanne Taylor-Berger retired. She will be very much missed. She is the one that developed and put together TUMF program.

Western Riverside County Regional Conservation Authority (RCA)

Council Member Jempson report there was no report.

School District/City Joint Task Force

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Mayor Pro Tem Dr. Gutierrez reported there was no report.

Southern California Association of Governments (SCAG)

Council Member Giba invited the public to attend and speak at the SCAG meeting in Los Angeles on Thursday.

Council Member Giba reported the Executive Director of SCAG, Hasan Ikhata had reported that the Joint Senate House Conference Committee released it's conference report; a new surface transportation authorization bill. The Fixing of America's transportation (FAST) conference report. This report is extremely important milestone, because it signifies that the House and Senate negotiators have reached an agreement. The FAST HR22 is being reported out of the Joint House and Senate Conference committee with 10.5 billion dollars for certain funding for freight authorization over the 5 year term of the bill.

Council Member Giba also added that SCAG spearheaded an effort with MPO's and transportation commissions around the state to remove a proposed change to the distribution of congestion mitigation and air quality improvement program funding that would have significantly reduced local flexibility to program these funds that would have compromised the ability of local jurisdictions to implement projects consistent with adopted sustainable community strategies.

G.2. CITY COUNCIL REORGANIZATION – SELECTION OF MAYOR AND MAYOR PRO TEM (Report of: City Clerk)

Mayor Molina spoke stating that it had been an honor to serve the City as Mayor but it was time to pass the torch. The City has moved forward and wants the best for the City.

Mayor Molina opened the agenda item for public comments, which were received from Chris Baca, Victoria Baca, David Lara-Tellez, Vivian Moreno, Rafael Brugueras, Robert Harris, Tom Jerele, Sr., Tom Hines, Irma Flores, Louise Palomarez, and Evan Morgan.

Recommendations: That the City Council:

1. Conduct the reorganization of the City Council by selecting two Council Members to serve one-year terms respectively as Mayor and Mayor Pro Tem.

The City Clerk opened the nominations for Mayor.

Mayor Molina nominated Mayor Pro Tem Dr. Gutierrez.

There were no further nominations, thereby closed by the City Clerk.

Motion to appoint Mayor Pro Tem Dr. Gutierrez as Mayor.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jesse L. Molina, Mayor
AYES:	Molina, Gutierrez, Giba, Jempson, Price

The City Clerk opened the nominations for Mayor Pro Tem.

Mayor Molina nominated Council Member Giba for Mayor Pro Tem.

There being no further nominations, they were closed by the City Clerk.

Motion to appoint Council Member Giba as Mayor Pro Tem.

RESULT:	APPROVED [3 TO 2]
MOVER:	Jesse L. Molina, Mayor
AYES:	Jesse L. Molina, Dr. Yxstian A. Gutierrez, Jeffrey J. Giba
NAYS:	D. LaDonna Jempson, George E. Price

G.3. RECOMMENDED APPROPRIATIONS FOR EL NIÑO PREPAREDNESS ACTIVITIES (Report of: Fire Department)

Mayor Molina opened the agenda item for public comments, which were received from Rafael Brugueras and Tom Jerele, Sr.

Recommendations: That the City Council:

1. Ratify and appropriate \$35,045 for additional department expenditures outside of the previously approved appropriation; and
2. Appropriate \$35,000 for additional El Niño preparedness efforts including:
 - a. Public Outreach - \$8,000
 - b. Sandbags - \$20,000
 - c. Additional Equipment - \$7,000

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Dr. Yxstian A. Gutierrez, Mayor Pro Tem
SECONDER:	D. LaDonna Jempson, Council Member
AYES:	Molina, Gutierrez, Giba, Jempson, Price

G.4. FISCAL YEAR 2015/16 FIRST QUARTER BUDGET REVIEW AND APPROVAL OF THE REVISED BUDGET (Report of: Financial & Management Services)

Mayor Molina opened the agenda item for public comments, which were received from Evan Morgan, Vivian Moreno, Donovan Saadiq, David Lara-Tellez, Milly B., Robert Harris, Louise Palomarez, and Roy Bleckert.

Recommendations: That the City Council:

1. Receive and file the Fiscal Year 2015/16 First Quarter Budget Review.
2. Adopt Resolution No. 2015-78. A resolution of the City Council of the City of Moreno Valley, California, adopting the revised operating budgets for fiscal years 2015/16 and 2016/17.
3. Approve the new position of Animal Rescue Coordinator; reclassification of two existing positions to Assistant City Attorney and Paralegal, and the associated job classifications.
4. Approve the Position Control Roster. Specific position changes are discussed within this staff report and listed on the Position Control Roster. (Attachment 8)
5. Approve and ratify purchase orders totaling \$180,325 with Moss Bros. Auto Group for the purchase of six replacement vehicles.
6. Approve Procurement Policy #318, Section V.A.7 delegating approval of purchase orders exceeding \$100,000 to the City Manager for purchases of preowned vehicles approved in the Approved Annual Budget.
7. Approve the addition of a Tier 4 cafeteria benefit level of \$18,000 annually for department heads hired on or after November 1, 2015.

Motion by Council Member Price, seconded by Council Member Giba

Motion to Approve Staff's Recommendation Nos. 1, 2, 4, and 7 and that Recommendation Nos. 3, 5, and 6 be taken back to the subcommittees.

Substitution Motion to Approve Staff's Recommendations No. 3, 4, 5, & 6.

Moved by Mayor Molina, failed due to a lack of a second.

Motion to Approve Staff's Recommendation Nos. 1, 2, 4 and 7 and that Staff's Recommendation Nos. 3, 5 and 6 will be taken back to the subcommittees.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jeffrey J. Giba, Council Member
SECONDER:	Dr. Yxstian A. Gutierrez, Mayor Pro Tem
AYES:	Molina, Gutierrez, Giba, Jempson, Price

Break

G.5. APPROVE A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, TO AMEND THE ELECTRIC RATES FOR

MORENO VALLEY UTILITY (MVU) (Report of: Financial & Management Services)

Mayor Molina opened the agenda item for public comments, there being none public comments were closed.

Recommendation:

1. Approve Resolution No. 2015-79. A Resolution of the City Council of the City of Moreno Valley, California, to Amend the Electric Rates for Moreno Valley Utility (MVU) and adding the Family Electric Rate Assistance Program for low income families.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	George E. Price, Council Member
SECONDER:	D. LaDonna Jempson, Council Member
AYES:	Molina, Gutierrez, Giba, Jempson, Price

G.6. CITY MANAGER'S REPORT

(Informational Oral Presentation - not for Council action)

No report.

G.7. CITY ATTORNEY'S REPORT

(Informational Oral Presentation - not for Council action)

Paul Early, Deputy City Attorney reported that County of Riverside and Riverside Commission Transportation Commission had filed their request for dismissal with regard to the World Logistic Center litigation.

H. LEGISLATIVE ACTIONS

H.1. ORDINANCES - 1ST READING AND INTRODUCTION - NONE

H.2. ORDINANCES - 2ND READING AND ADOPTION

H.2.1. ORDINANCE NO. 908. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY REVISING TITLE 11 (PEACE, MORALS AND SAFETY) OF THE MORENO VALLEY MUNICIPAL CODE BY REPEALING CHAPTER 11.06 IN ITS ENTIRETY, AND ADDING CHAPTERS 11.95 AND 11.96 IN RESPONSE TO NEW STATE LAWS (RECEIVED FIRST READING AND INTRODUCTION ON NOVEMBER 24, 2015) (Report of City Attorney) (Report of: City Attorney)

Mayor Molina opened the agenda item for public comments; there being none, public comments were closed.

Recommendations: That the City Council:

- 1. Adopt Ordinance No. 908. An Ordinance An Ordinance Of The City Council Of The City Of Moreno Valley Revising Title 11 (Peace, Morals And Safety) Of The Moreno Valley Municipal Code By Repealing Chapter 11.06 In Its Entirety, And Adding Chapters 11.95 And 11.96 In Response To New State Law

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jeffrey J. Giba, Council Member
SECONDER:	George E. Price, Council Member
AYES:	Molina, Gutierrez, Giba, Jempson, Price

H.3. ORDINANCES - URGENCY ORDINANCES - NONE

H.4. RESOLUTIONS - NONE

CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL, COMMUNITY SERVICES DISTRICT, CITY AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OR HOUSING AUTHORITY

Council Member Giba

Thanked everyone for the support he received on being selected Mayor Pro Tem and was humbled by it. He will continue to work hard as he has always has done. Commented that the efforts of City staff and the bond company the city was able to get a lower interest rate on and would reduce the debt services of the utilities. Especially thanking Chief Financial Officer Rick Teichert and Utilities Division Manager Jeannette Olko.

Council Member Jempson

Addressed comments that were made regarding the warming centers for homeless. Stated that warming centers are a concern in Moreno Valley. The Senior Center is the City's warming center during day time. Homelessness is part of our community. If there is anything that can be done, she would appreciate it.

Thanked the City Manager as there would be five department heads that will walk and evaluate what needs to be cleaned up. We want to clean up this area, it's about enforcement with the landlords and property owners, is anxious to get that moving; she will be reporting back.

Thanked the animal shelter for the drive-along, very enlightening and educational; safety concerns with animals; lots of compassion from animal control officer as she witnessed an incident with an abandoned animal; the position Rescue Coordinator may not be the resolution for the shelter but the Rescue Coordinator could be the point of contact. Giving away animals is wonderful, but there's so much more than that.

Thanked the Salvation Army, Lieutenant Cane and his Board; thanked Catholic Charities, Hole in the Wall and the volunteers who assisted with the Thanksgiving Day

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meal

Along with the Wind Symphony there will be lighting of the "M " at 6:00 p.m. financially sponsored by Interim Attorney Steve Quintanilla, the Rotary Club providing the insurance needs; and a little get together at Towngate Memorial Park; make it a holiday event.

Environmental and Historical Board supports ideas of community members; supports dedication of highway 395 signs, Historical Board agreed to have an ad hoc committee; Keith Mullins and Gerard Mercado on the ad hoc committee;

Happy holidays to everyone.

Council Member Price

Reminded the public the dangers with Christmas trees and lights; requested Fire Chief, Abdul Ahmad discuss holiday safety.

Fire Chief, Abdul Ahmad gave a few fire preventative tips at the request of Council Member Price.

- Home heating systems and chimneys be properly maintained on an annual basis
- live Christmas trees should be properly irrigated and disposed of at the conclusion of the holiday
- holiday lights and decorations; ensuring power strips and multi outlets are not overloaded
- ensure carbon dioxide monitors and smoke detectors have batteries
- have an escape plan for family members in the event of a fire
- encouraged the public to visit the safety message on the City's web page under the Fire Department for more information

Council Member Price also reminded the public that when ordering on-line that someone is home to receive merchandise or put in a safe place.

He also reported that he had the privilege of working the Salvation Army Thanksgiving Day dinner serving an estimated 300/400 people; the Salvation Army also delivered to homebound individuals; thanked the Salvation Army and volunteers that assisted; he also went by Sunnymead Elementary Catholic Charities and they served about 200 people. There is a lot of need in the community and appreciated all their efforts.

Addressed Vivian Moreno's comments, that other Council Members are not working as hard as others, she is just assuming; represents District 3 and when meeting constituents the option to meet outside of city hall is available. He works as hard as any other Council Member; 80 percent of constituents prefer to meet outside of City Hall; would be happy to share his calendar.

Reminded the public that the Wind Symphony will be holding a free concert on Thursday at 7:00 p.m. and it is a terrific Christmas concert.

Getting calls on the golf course, it has been closed since July, there is a potential buyer. He has met with him and staff and has asked questions. We are going to have another meeting, if he wanted to move forward with purchasing the golf course; estimates to bring the golf course back would be at a cost of a million dollars.

Thanked staff for all their efforts. He appreciates all the time they take and getting back to him with answers.

Mayor Pro Tem Gutierrez

Thanked staff for their support. You do a lot of hard work for the City Council and that the public doesn't see that; but he does see it; you do not deserve the comments that were made. He hoped that the public would see the good things. The El Nino is a lot of hard work that the public doesn't see.

Thanked Mayor Molina for his service. He is the type that gets out and helps in the community.

He will lead the charge for strategic planning with this Council. Hopes the Council can build a consensus. It's going to be a great year and is very excited. Prearranged vacation schedule is Dec. 20 - January 3; thereby requesting the Swearing-in ceremony be held on December 17. Council was in agreement that the swearing-in ceremony would be held on December 17.

Mayor Molina

Thanked everyone. Those that care are trying to make a difference.

Thanked staff for doing a good job. Thanked the people of Moreno Valley. The City is moving forward, hope the best for our City. He will still be available and will be doing his best.

Good night Moreno Valley.

ADJOURNMENT

There being no further business to conduct the Regular Meeting was adjourned at 10:00 p.m.

Submitted by:

Jane Halstead, City Clerk, CMC
 Secretary, Moreno Valley Community Services District
 Secretary, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley
 Secretary, Moreno Valley Housing Authority
 Secretary, Board of Library Trustees

Approved by:

Jesse L. Molina, Mayor
President, Moreno Valley Community Services District
Chairperson, City as Successor Agency for the Community Redevelopment Agency of
the City of Moreno Valley
Chairperson, Moreno Valley Housing Authority
Chairperson, Board of Library Trustees

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MINUTES
CITY COUNCIL REGULAR MEETING OF THE CITY OF MORENO VALLEY
December 15, 2015

CALL TO ORDER - 5:30 PM

SPECIAL PRESENTATIONS

1. The 1805 : Recognition of Vista Verde Middle School Students Project Based Learning (PBL) – World Logistics Center -The students were recognized at the December 10, 2015 Planning Commission meeting.
2. Recognition of Waste Management America Recycle's Day - Calendar Art Contest Winners
3. Moreno Valley Police Department - Officer of the 3rd Quarter - Officer Jeff Reese

**MINUTES
JOINT MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
BOARD OF LIBRARY TRUSTEES**

**REGULAR MEETING – 6:00 PM
December 15, 2015**

CALL TO ORDER

The Joint Meeting of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency, Housing Authority and the Board of Library Trustees was called to order at 6:05 p.m. by Mayor Molina in the Council Chamber located at 14177 Frederick Street.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Frank Wright.

INVOCATION

The Invocation was given by President Paul Smith, The Church of Jesus Christ of Latter-day Saints.

ROLL CALL

Council:	Jesse L. Molina	Mayor
	Dr. Yxstian A. Gutierrez	Mayor Pro Tem
	Jeffrey J. Giba	Council Member
	D. LaDonna Jempson	Council Member
	George E. Price	Council Member

INTRODUCTIONS

Staff:	Michelle Dawson	City Manager
	Robert Lee	Deputy City Attorney
	Jane Halstead	City Clerk
	Richard Teichert	Chief Financial Officer
	Thomas M. DeSantis	Assistant City Manager
	Ahmad Ansari	Public Works Director/City Engineer
	Joel Ontiveros	Police Chief
	Abdul Ahmad	Fire Chief
	Chris Paxton	Administrative Services Director
	Betsy Adams	Parks & Community Services Director

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Mike Lee
Allen Brock

Economic Development Director
Community Development Director

PUBLIC COMMENTS ON MATTERS ON THE AGENDA WILL BE TAKEN UP AS THE ITEM IS CALLED FOR BUSINESS, BETWEEN STAFF'S REPORT AND CITY COUNCIL DELIBERATION (SPEAKER SLIPS MAY BE TURNED IN UNTIL THE ITEM IS CALLED FOR BUSINESS.)

PUBLIC COMMENTS ON ANY SUBJECT NOT ON THE AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL

The following individuals gave public comment:

George Hague

1. Referendum fixed locations for signing
2. Warehousing

Robert Williams

1. Information regarding speakers' relatives

Pam Detterieh

1. Animal abuse

Ms. Smith

1. Animal abuse

Rafael Brugueras

1. Referendum
2. World Logistic Center lawsuit

Scott Heveran

1. Honest government
2. Ethics committee
3. Loves city
4. Terrorists

Kathleen Dale

1. Referendum
2. Basic right to vote

Daryl C. Terrell

1. San Bernardino victim
2. Discourse
3. Unite; let's work together

Donovan Saadiq

1. Box Springs Water District
2. Dracea street improvements

3. City ledger
4. Animal shelter issues
5. Blight
6. Does not support World Logistic Center
7. Truck parking problems

Chris Baca

1. Applicants for Arts Commission, encouraged appointment
2. Thanked Mayor-elect Gutierrez regarding warehouse issues
3. Coachella voting on minimum wages
4. Supports World Logistic Center

Evan Morgan

1. Referendum

Louise Palomarez

1. Referendum
2. Outsiders
3. Lawsuits

Tom Jerele Sr.

1. Outside interests

Debra Craig

1. World logistic Center
2. Press Enterprise

Tom Thornsley

1. Signature withdrawals
2. Assaults, insults and harassing
3. Referendum
4. Those making City looking bad

Frank Wright

1. Referendum and situation
2. Group leader against World Logistic Center

Gabriel Colengelo

1. Referendum
2. Encouraged accurate information be given

JOINT CONSENT CALENDARS (SECTIONS A-D)

Consent Calendar was approved with the exception of item A.8 which was removed from the agenda and items A.2., B.,2, C.2, D.2 and A.10 which were removed for separate action.

Mayor Molina opened the agenda items for the Consent Calendars for public

comments, which were received from Chris Baca.

RESULT:	APPROVED [4 TO 0]
MOVER:	Jeffrey J. Giba, Council Member
SECONDER:	George E. Price, Council Member
AYES:	Dr. Yxstian A. Gutierrez, Jeffrey J. Giba, D. LaDonna Jempson, George E. Price
ABSTAIN:	Jesse L. Molina

A. CONSENT CALENDAR-CITY COUNCIL

- A.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- A.2. This item has been moved to F.

- A.3. CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES (Report of: City Clerk)

Recommendation:

1. Receive and file the Reports on Reimbursable Activities for the period of November 4 - December 1, 2015.

- A.4. PAYMENT REGISTER - SEPTEMBER 2015 (CONTINUED FROM NOVEMBER 24, 2015) (Report of: Financial & Management Services)

Recommendation:

1. Receive and file the Payment Register.

- A.5. EMPLOYMENT RESOURCE CENTER MEMORANDUM OF UNDERSTANDING (Report of: Economic Development)

Recommendations:

1. Approve the Memorandum of Understanding (MOU) between the City of Moreno Valley and the County of Riverside Workforce Development Division.
2. Authorize staff to execute the MOU as to form and all necessary documents with the County.

- A.6. LIST OF PERSONNEL CHANGES (Report of: Administrative Services)

Recommendation:

1. Ratify the list of personnel changes as described.

- A.7. TELECOMMUNICATIONS LICENSE AGREEMENT WITH LOS ANGELES SMSA LIMITED PARTNERSHIP, d/b/a VERIZON WIRELESS, BY AIRTOUCH CELLULAR FOR CELL TOWER AT MORRISON PARK (Report of: Parks & Community Services)

Recommendation:

1. Authorize the Mayor to execute a Telecommunications License Agreement with Los Angeles SMSA Limited Partnership, d/b/a Verizon Wireless, by Airtouch Cellular, on the property known as Morrison Park.

- A.8. 2015-124 : APPROVAL OF THE FISCAL YEAR 2015/2016 CSA 152 BUDGET - Withdrawn (Report of: Public Works)

Recommendations:

1. Approve the County Service Area (CSA) 152 Budget for Fiscal Year (FY) 2015/2016 in the amount \$649,851.
2. Authorize the levy of County Service Area 152 Assessment at \$8.15 per Benefit Assessment Unit (BAU) for FY 2015/2016.
3. Authorize a budget adjustment to reflect the proposed County Service Area 152 assessments.

- A.9. AUTHORIZATION TO AWARD CONSTRUCTION CONTRACT TO ALL AMERICAN ASPHALT FOR THE CYCLE 2 CITYWIDE PAVEMENT RESURFACING, PROJECT NO. 801 0003 70 77 (Report of: Public Works)

Recommendations:

1. Award the construction contract to All American Asphalt, P.O. Box 2229, Corona, CA 92878, the lowest responsible bidder for the Cycle 2 Citywide Pavement Resurfacing Project.
2. Authorize the City Manager to execute a contract with All American Asphalt.
3. Authorize the issuance of a Purchase Order to All American Asphalt in the amount of \$2,135,980.00 (\$1,941,800 bid amount plus 10% contingency) when the contract has been signed by all parties.

4. Authorize the Public Works Director/City Engineer to execute any subsequent related minor change orders to the contract with All American Asphalt up to, but not exceeding, the 10% contingency amount of \$194,180.00, subject to the approval of the City Attorney.
5. Authorize the re-appropriation of \$391,464 of Measure A funds (Fund 2001) from the Citywide Annual Pavement Resurfacing project to the Reche Vista Drive Realignment from Perris Boulevard/Heacock Street Intersection to the North City Limits project.
6. Authorize the re-appropriation of \$427,364 of Capital Projects Reimbursement funds (Fund 3008) from the Citywide Annual Pavement Resurfacing project to the Reche Vista Drive Realignment from Perris Boulevard/Heacock Street Intersection to the North City Limits project.
7. Authorize the re-appropriation of \$1,418,828 of Total Road Improvement Program (TRIP) funds (Fund 3411) to the Citywide Annual Pavement Resurfacing project: \$500,000 from the Nason Street Widening from Cactus Avenue to Fir Avenue project and \$918,828 from the Reche Vista Drive Realignment from Perris Boulevard/Heacock Street Intersection to the North City Limits project.

A.10. This item has been moved to F.

A.11. EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT WITH STONECREEK COMPANY FOR FUTURE GROUND LEASE OF CITY-OWNED PROPERTY ON CACTUS AVENUE AND DAY STREET (Report of: Economic Development)

Recommendations:

1. Approve an Exclusive Right to Negotiate agreement with StoneCreek Company regarding the proposed development of City-owned property at Cactus Avenue and Day Street
2. Authorize the City Manager or designee to execute the Exclusive Right to Negotiate agreement with StoneCreek Company.
3. Authorize the City Manager or designee to negotiate a Ground Lease during the Exclusive Right to Negotiate period for the development of City-owned property at Cactus Avenue and Day Street.

A.12. AWARD OF CONTRACTS TO TOWING COMPANIES TO PARTICIPATE IN THE CITY-WIDE ROTATIONAL TOW SERVICE PROGRAM (Report of: Community Development)

Recommendations:

1. Approve the proposals of the following tow operators/companies (in alphabetical order) to participate in the City's Rotational Tow Service (RTS) Program beginning January 1, 2016, and ending December 31, 2020:

Exclusive Recovery, Inc. dba Exclusive Towing
 14451 Commerce Center Way
 Owner: Gerald Kohutek

Doyle Tucker dba Moreno Valley Tow
 17007 Kitching Avenue
 Owner: Glenn Tucker

Pepe's Towing, Inc.
 14351 Veterans Way
 Owner: Manual Acosta

Valleywide Towing, LLC
 24850 Rivard Road
 Managers: Randall A. Wilson, Randall S. Wilson, Robert I. Coleman

INRI International dba Yucaipa Towing
 21921 Alessandro Boulevard
 President: Rini Montano, General Manager: George Acosta

2. Authorize the City Manager to execute the appropriate agreements upon approval by the City Attorney.

A.13. MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF MORENO VALLEY AND MORENO VALLEY UNIFIED SCHOOL DISTRICT FOR EMERGENCY OPERATIONS (Report of: Fire Department)

Recommendation:

1. Approve the Memorandum of Understanding (MOU) between the City of Moreno Valley (City) and the Moreno Valley Unified School District (MVUSD) in preparation of the anticipated El Niño season 2015-2016.

A.14. PA05-0034 (PARCEL MAP 33361) - REDUCE IRREVOCABLE LETTER OF CREDIT AS FAITHFUL PERFORMANCE SECURITY AND ADOPT THE RESOLUTION AUTHORIZING ACCEPTANCE OF THE PUBLIC IMPROVEMENTS AS COMPLETE AND ACCEPTING THOSE PORTIONS OF OLIVER STREET ASSOCIATED WITH THIS PROJECT INTO THE CITY'S MAINTAINED STREET SYSTEM DEVELOPER - INLAND LAND GROUP, LLC (Report of: Public Works)

Recommendations:

1. Adopt Resolution No. 2015-80. A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the Acceptance of the Public Improvements as Complete within Project PA05-0034 (Parcel Map 33361) and Acceptance of those Portions of Oliver Street Associated with this Project into the City's Maintained Street System.
 2. Authorize the City Engineer to execute a 90% reduction to the Irrevocable Letter of Credit as Faithful Performance security, exonerate the Irrevocable Letter of Credit as Material and Labor security in 90 days if there are no stop notices or liens on file with the City Clerk, and exonerate the final 10% of the Irrevocable Letter of Credit as Faithful Performance security in one year when all clearances are received.
- A.15. PA09-0022 (PARCEL MAP 36207) - ALDI DISTRIBUTION CENTER - REDUCE FAITHFUL PERFORMANCE BOND AND ADOPT THE RESOLUTION AUTHORIZING ACCEPTANCE OF THE PUBLIC IMPROVEMENTS AS COMPLETE AND ACCEPTING THOSE PORTIONS OF EUCALYPTUS AVENUE, REDLANDS BOULEVARD AND ALDI PLACE ASSOCIATED WITH THIS PROJECT INTO THE CITY'S MAINTAINED STREET SYSTEM, DEVELOPER - AI CALIFORNIA, LLC (Report of: Public Works)

Recommendations:

1. Adopt Resolution No. 2015-81. A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the Acceptance of the Public Improvements as Complete within Project PA09-0022 (Parcel Map 36207) and Acceptance of those Portions of Eucalyptus Avenue, Redlands Boulevard and Aldi Place Associated with this Project into the City's Maintained Street System.
2. Authorize the City Engineer to execute a 90% reduction to the Faithful Performance Bond, exonerate the Material and Labor Bond in 90 days if there are no stop notices or liens on file with the City Clerk, and exonerate the final 10% of the Faithful Performance Bond in one year when all clearances are received.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

- B.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

B.2. This item has been moved to F.

C. CONSENT CALENDAR - HOUSING AUTHORITY

C.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

C.2. This item has been moved to F.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

D.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

D.2. This item has been moved to F.

E. PUBLIC HEARINGS

Questions or comments from the public on a Public Hearing matter are limited to five minutes per individual and must pertain to the subject under consideration. Those wishing to speak should complete and submit a GOLDENROD speaker slip to the Bailiff.

E.1. A PUBLIC HEARING FOR AN APPEAL OF THE PLANNING COMMISSION'S OCTOBER 24, 2013, APPROVAL OF PA13-0002, TENTATIVE PARCEL MAP 36522, TO COMBINE 5 LOTS INTO ONE 9.5 ACRE PARCEL AND P12-051 A MASTER SITE PLAN AND AMENDED CONDITIONAL USE PERMIT FOR THE FUTURE PHASED BUILDOUT OF THE ST. CHRISTOPHER CHURCH FACILITY LOCATED ON THE SOUTHEAST CORNER OF PERRIS BOULEVARD AT COTTONWOOD AVENUE. THE APPELLANT IS ROY BLECKERT (CONTINUED FROM NOVEMBER 10, 2015 & DECEMBER 1, 2015) (Report of: Community Development)

Mayor Molina opened the public testimony portion of the public hearing. Public testimony was received from: Angelique Bull (supports), Thomas (supports), Linus E. Santiago (supports), Max M. Arzu (supports), Alma Ruiz (supports), Patricia Box (supports), Robert Spiellener (supports), Anton Nyo (supports), Rocky Mendoza (supports), George Marquez (supports), Martin Mendoza (supports), Carlos Mondragon (supports), Yvonne Robles (supports), Eugene Renna (supports), Luz Mocete (supports), Tom Jerele Sr.(supports), Louise Palomarez (supports) and Arnel Macobin (supports).

Recommendations: That the City Council:

1. **APPROVE** Resolution 2015-82. A Resolution of the City Council of the City of Moreno Valley, California, Denying the Appeal and Sustaining the Decision of the Planning Commission to Adopt a Negative Declaration per the California Environmental Quality (CEQA) and Approve Tentative Parcel Map 36522 (PA13-0002) Combining Five Lots into one 9.51 Acre for Assessor's Parcel Numbers 479-200-037 & 038, 479-200-003, & 033 & 034.

2. **APPROVE** Resolution 2015-83. A Resolution of the City Council of the City of Moreno Valley, California denying the appeal and sustaining the decision of the Planning Commission to adopt a Negative Declaration per the California Environmental Quality Act (CEQA) and Approve P12-051 Master Site Plan Amended Conditional Use Permit for Assessor's Parcel Numbers 479-200-037 & 038, 479-200-003, & 033 & 034.

A Break was taken prior to hearing public comment.

Approve Staff's Recommendation No. 1 with the condition that the outbuilding be removed.

RESULT:	APPROVED [4 TO 0]
MOVER:	Dr. Yxstian A. Gutierrez, Mayor Pro Tem
SECONDER:	George E. Price, Council Member
AYES:	Jesse L. Molina, Dr. Yxstian A. Gutierrez, D. LaDonna Jempson, George E. Price
RECUSED:	Jeffrey J. Giba

Approve Staff's Recommendation No. 2. with the condition that the outbuilding be removed.

RESULT:	APPROVED [4 TO 0]
MOVER:	George E. Price, Council Member
SECONDER:	D. LaDonna Jempson, Council Member
AYES:	Jesse L. Molina, Dr. Yxstian A. Gutierrez, D. LaDonna Jempson, George E. Price
RECUSED:	Jeffrey J. Giba

Motion to go past 11:00 p.m.

Minutes Acceptance: Minutes of Dec 15, 2015 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)

RESULT:	APPROVED [4 TO 1]
MOVER:	D. LaDonna Jempson, Council Member
SECONDER:	Jeffrey J. Giba, Council Member
AYES:	Jesse L. Molina, Jeffrey J. Giba, D. LaDonna Jempson, George E. Price
NAYS:	Dr. Yxstian A. Gutierrez

E.2. PA14-0038 GENERAL PLAN AMENDMENT TO ADD AN ENERGY EFFICIENCY SECTION TO CHAPTER 7 OF THE CONSERVATION ELEMENT (Report of: Community Development)

Mayor Molina opened the agenda item for public testimony; there being none, public testimony was closed.

Recommendations: That the City Council:

1. CERTIFY that the proposed General Plan Amendment is exempt from the provisions of the California Environmental Quality Act (CEQA) Guidelines, per Section 15061 (b)(3).
2. **APPROVE** Resolution No. 2015-84. A Resolution of the City Council of the City of Moreno Valley, California, Approving PA14-0038 (Energy Efficiency General Plan Amendment), which is Intended to Assist with the City's Compliance with Assembly Bill 32 and Senate Bill 375, both State Initiatives Aimed at Reducing Greenhouse Gas Emissions in California.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	George E. Price, Council Member
SECONDER:	Jeffrey J. Giba, Council Member
AYES:	Molina, Gutierrez, Giba, Jempson, Price

F. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION

F.1. City Council - Regular Meeting - Nov 24, 2015 6:00 PM

Recommendation: Approve as amended item A.2, B.2, C.2 and D.2.

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	George E. Price, Council Member
SECONDER:	Jeffrey J. Giba, Council Member
AYES:	Molina, Gutierrez, Giba, Jempson, Price

Council Member Jempson stated the minutes needed to reflect the correct name of the Salvation Army Lieutenant David Cain.

F.2. RECEIVE THE ANNUAL REPORT ON DEVELOPMENT IMPACT FEES FOR FISCAL YEAR 2014-15 (Report of: Financial & Management Services)

Recommendations:

1. Receive and file the Annual Report on Development Impact Fees in compliance with California Government Code 66006.
2. Approve the finding that staff has demonstrated a continuing need to hold unexpended Development Impact Fees.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jeffrey J. Giba, Council Member
SECONDER:	George E. Price, Council Member
AYES:	Molina, Gutierrez, Giba, Jempson, Price

G. REPORTS

G.1. CITY COUNCIL REPORTS ON REGIONAL ACTIVITIES

(Informational Oral Presentation - not for Council action)

March Joint Powers Commission (JPC)

Council Member Giba reported there was no report.

Riverside County Habitat Conservation Agency (RCHCA)

Council Member Price reported there have been no meetings of the RCHCA Board since September. The November 19th meeting was rescheduled to Friday, December 18th

Riverside County Transportation Commission (RCTC)

Council Member Giba reported at the November 12th meeting, the Commission approved a preliminary funding plan to build tolled express lanes on Interstate 15 between Cajalco Road and State Route 60. All proposed improvements will be built within Caltrans right of way, mostly within the existing I-15 median. The express lanes will provide many travel choices including carpooling, van pooling, express bus, and single occupant travel. The cost of the project is estimated at approximately \$462 million and will be paid for by toll and sales tax revenue bonds, Transportation Infrastructure Finance and Innovation Act (TIFIA) loan proceeds, federal, and local funding sources. The project is expected to open mid-2020.

At the December 9th meeting, staff provided a construction update on the SR-91 High Occupancy Vehicle (HOV) project. This project started in March 2012 and entails four complete bridge replacements, widening of four existing bridges, and construction of six miles of HOV lanes, from Adams Street to the 60/91/215

interchange. Representing an investment of \$248 million dollars, it is the last project remaining from the 1989 Measure A Program. The project will be substantially complete in February 2016.

Riverside Transit Agency (RTA)

Council Member Giba reported at the November 19th meeting the Board approved an agreement amendment with Mount San Jacinto Community College District (MSJC) to extend the highly successful Go-Pass program for an additional 5 years. The Go-Pass program allows students that attend any of the four MSJC campuses to ride the bus for free simply by swiping their student ID card.

Additionally, the Board received and approved the Single Audit Report for Fiscal Year 2014/2015. In the report, RTA received clean opinions that accounting and financial reporting were consistent with Generally Accepted Accounting Principles (GAAP), Internal Control over Financial Reporting and Compliance follow good and sound protection against fraud and data manipulation, and Compliance and Internal Control follows required and prudent processes in expending and accounting for Federal funds.

Mayor Molina added that the Moreno Valley College Go-Pass was still in effect.

Western Riverside Council of Governments (WRCOG)

Council Member Giba reported the following:

TUMF (Transportation Uniform Mitigation Fee)

- WRCOG staff has held five public workshops to discuss the technical steps and data inputs contained in the Nexus Study and which are being used to generate the updated TUMF Fee Schedule. An additional workshop will be held on January 27, 2016, in Riverside.
- WRCOG released a Request for Proposal to secure a consultant to perform an analysis of fees and exactions charged by other agencies in and around the WRCOG subregion. The scope of the study will include research on the economic benefits that come from infrastructure improvements in the subregion. The study will also evaluate how adjustments in fees compare to fluctuations in the project costs (including project development, labor, interest rates, land, and materials costs). The draft study results are expected to be released in spring 2016.

HERO Program

- Seven more communities were accepted into the California HERO Program this month. The Program now includes 285 cities and counties.
- The Executive Committee has been evaluating the interest of other PACE providers who want to operate in the subregion. In considering this, the interest has been for member jurisdictions to first commit to the HERO Program, and

second the Executive Committee adopted a number of Consumer Protection Policies for jurisdictions to use when considering whether to allow other PACE providers to operate in the subregion. The policies cover what to consider with underwriting guidelines, underwriting processes, disclosures, subordination, maximum financing amount, tax benefits, and ongoing program examination.

Riverside County Habitat Conservation Agency (RCHCA) transition to WRCOG

- The Executive Committee approved a Management Services Agreement between WRCOG and the RCHCA to transfer administration and management activities from RCHCA to WRCOG. The RCHCA is a Joint Powers Agency responsible for oversight of land, facilities and habitat reserves for Stephens Kangaroo Rat. The transition is expected to result in cost savings and enhanced administrative efficiencies.

Other Activities

- WRCOG completed its 2nd Annual Holiday L.E.D. Light Exchange in the Cities of Calimesa, Eastvale, Hemet, Perris, and Temecula. In this partnership with Southern California Edison, WRCOG distributed over 500 strands of efficient L.E.D. holiday lights, and collected nearly 600 strands of inefficient light strands.
- WRCOG received the 2015 “Public Partner of the Year” Award from the Inland Empire Economic Partnership.
- Riverside County Water Task Force received the Polaris Award from the Public Relations Society of America for the “Highest standards of public relations performance for governments.”
- Via the “Race to Submit” program for high schools, through the 2018- 2019 school year, the Riverside County Education Collaborative is working to increase the percentage of completed Free Applications for Federal Student Aid (FAFSA). This program encourages college bound/interested high school students to learn about the financial aid available to them, and to apply for FAFSA funds. More information can be found at <http://www.rcoe.us/racetosubmit/>.

October 2015 Revised Quarterly Economic Report

If you are interested to know how the Inland Empire 52 cities, including Moreno Valley, rank compared to each other in various economic areas, the annual Inland Empire City Profile is a good source to answer this question. The last Quarterly Report ending October 2015 is now posted on the WRCOG website for viewing. You can find the link to the October 2015 Revised Quarterly Economic Report on the WRCOG Home Page.

Western Riverside County Regional Conservation Authority (RCA)

Council Member Price reported that the RCA Board meeting met on December 7, 2015.

The RCA Board reviewed and accepted a grant for \$ 82,800 from the State of California Department of Fish and Wildlife which will be used to study issues pertaining to the relocation of burrowing owls. The project will provide data needed to improve management decisions made by local and statewide habitat reserve managers.

The Director of Administrative Services reported that during the third quarter of 2015, the agency acquired two properties for habitat purposes totaling 32.9 acres. One of the properties was funded with approximately 2.5 million dollars in federal and state funds. The second property was funded through MSHCP Mitigation Fees.

The RCA Board also approved the agency’s Statement of Investment Policy. The action on the policy document was continued from the prior meeting of the RCA Board to address the Board’s input.

School District/City Joint Task Force

Mayor Pro Tem Dr. Gutierrez reported no meeting was held.

Southern California Association of Governments (SCAG)

Council Member Giba reported that the last meeting held was to approve the Regional Transportation Plan draft proposals. The 60 day review started December 4, 2015. He encouraged the public to get their comments in.

G.2. TRAFFIC SAFETY COMMISSION ANNUAL REPORT (ORAL PRESENTATION) (Report of: City Clerk)

Traffic Safety Chairman Mike Riff gave the oral report.

G.3. OPTIONS FOR APPOINTMENT OF CITY TREASURER (Report of: City Manager)

Recommendations: That the City Council:

- 1. Discuss options for the appointment of the City Treasurer position.
- 2. Take whatever action it deems appropriate.

RESULT:	CONTINUED [UNANIMOUS]
MOVER:	George E. Price, Council Member
SECONDER:	D. LaDonna Jempson, Council Member
AYES:	Molina, Gutierrez, Giba, Jempson, Price

G.4. SIGNATURE AUTHORITY OF CITY MANAGER (Report of: City Manager)

Recommendations: That the City Council:

- 1. Review the signature authority previously delegated to the City Manager by the City Council.
- 2. Take whatever action the City Council deems appropriate.

Minutes Acceptance: Minutes of Dec 15, 2015 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)

RESULT:	CONTINUED [UNANIMOUS]
MOVER:	George E. Price, Council Member
SECONDER:	Jeffrey J. Giba, Council Member
AYES:	Molina, Gutierrez, Giba, Jempson, Price

G.5. AUTHORIZATION TO RELEASE RFP FOR FEASIBILITY STUDY ON POTENTIAL FUTURE ANNEXATION (Report of: City Attorney)

Mayor Molina opened the agenda item for public comments, which were received from Louise Palomarez and Tom Jerele Sr.

Recommendations: That the City Council:

1. That the City Council direct staff to dispatch the Request for Proposals to qualified annexation consultants for the preparation of a Feasibility Study regarding the proposed annexation of unincorporated territory generally situated between the City's northern boundaries and the San Bernardino County line and San Timoteo Canyon Road, the City's eastern boundary and State Route 60 and the City's western boundary and Riverside city limits.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jeffrey J. Giba, Council Member
SECONDER:	Jesse L. Molina, Mayor
AYES:	Molina, Gutierrez, Giba, Jempson, Price

G.6. CITY MANAGER'S REPORT

(Informational Oral Presentation - not for Council action)

City Manager Michelle Dawson thanked the three retiring executive team members, Betsy Adams, Parks and Community Services Director, Chris Paxton, Administrative Services Director and Rick Teichert, Chief Financial Officer.

G.7. CITY ATTORNEY'S REPORT

(Informational Oral Presentation - not for Council action)

No report given.

H. LEGISLATIVE ACTIONS

H.1. ORDINANCES - 1ST READING AND INTRODUCTION - NONE

H.2. ORDINANCES - 2ND READING AND ADOPTION - NONE

H.3. ORDINANCES - URGENCY ORDINANCES - NONE

H.4. RESOLUTIONS - NONE

CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL, COMMUNITY SERVICES DISTRICT, CITY AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OR HOUSING AUTHORITY

Council Member Giba

Snow day was a great day for the community. Thanked and complimented Betsy Adams, Parks, Community Services Director and her team.
 Stated that the community is not falling apart and it is doing great.
 ADA compliance is a difficult thing, but when you come to get your sand bags bring several people, not necessarily the responsibility of the City.
 Merry Christmas to everyone.

Council Member Jempson

Appreciates Parks and Recreation; Time for Tots Winter celebration was attended by Council Member Price and Council Member Jempson.
 In regards to the route 395, the Moreno Valley Historical Society is working with the ad hoc committee. A meeting will be held on December 21st at the American Legion at 6:00 p.m.
 Wished everyone a Merry Christmas.

Council Member Price

Good news, thanked Mike Lee on a meeting with potential buyers for the golf course; Several of us attended the Metro Link ceremony; very impressive;
 Sunday attended Freedom House church; the parishioners had a celebration; adopted Edgemont; gave away gifts for the school; commended Pastor Emilio Cervantez; for the work he is doing in the community. He was honored at the Hispanic Chamber event.
 Congratulations to the staff members that are retiring; going to miss them and hope that they will enjoy their retirement; thank you for all the service to the community
 Wished everyone Merry Christmas and a Happy New Year.

Mayor Molina

Metrolink Perris Line; it is going to be a game changer when it stops here on Cactus
 Attended the Santa Claus breakfast
 Also attended the Blue Light at the sheriff's; 62 officers that have been killed in the line of duty were honored

ADJOURNMENT

There being no further business to conduct the Regular Meeting was adjourned at 11:49 p.m.

Submitted by:

Jane Halstead, City Clerk, CMC
Secretary, Moreno Valley Community Services District
Secretary, City as Successor Agency for the Community Redevelopment Agency of the
City of Moreno Valley
Secretary, Moreno Valley Housing Authority
Secretary, Board of Library Trustees

Approved by:

Jesse L. Molina, Mayor
President, Moreno Valley Community Services District
Chairperson, City as Successor Agency for the Community Redevelopment Agency of
the City of Moreno Valley
Chairperson, Moreno Valley Housing Authority
Chairperson, Board of Library Trustees



Report to City Council

TO: Mayor and City Council

FROM: Jane Halstead, City Clerk

AGENDA DATE: January 5, 2016

TITLE: CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES

RECOMMENDED ACTION

Recommendation:

1. Receive and file the Reports on Reimbursable Activities for the period of December 2 – 22, 2015.

<i>Reports on Reimbursable Activities</i>			
December 2 – 22, 2015			
Council Member	Date	Meeting	Cost
Jeffrey J. Giba	12/11/15	Moreno Valley Hispanic Chamber of Commerce Annual Installation Dinner & Awards Ceremony	\$50.00
	12/15/15	City Employees Retirement	\$10.00
Dr. Yxstian A. Gutierrez	12/11/15	Moreno Valley Hispanic Chamber of Commerce Annual Installation Dinner & Awards Ceremony	\$50.00
D. LaDonna Jempson	12/15/15	City Employees Retirement	\$10.00
	12/16/15	Moreno Valley Chamber of Commerce Wake-Up Moreno Valley	\$15.00
Jesse L. Molina	12/11/15	Moreno Valley Hispanic Chamber of Commerce Annual Installation Dinner & Awards Ceremony	\$50.00
	12/15/15	City Employees Retirement	\$10.00

George E. Price	12/11/15	Moreno Valley Hispanic Chamber of Commerce Annual Installation Dinner & Awards Ceremony	\$50.00
	12/15/15	City Employees Retirement	\$10.00
	12/16/15	Moreno Valley Chamber of Commerce Wake-Up Moreno Valley	\$15.00

NOTIFICATION

Publication of Agenda

PREPARATION OF STAFF REPORT

Prepared By:
Gina Gonzalez
Executive Assistant to Mayor/City Council

Department Head Approval:
Jane Halstead, CMC
City Clerk

CITY COUNCIL GOALS

None

ATTACHMENTS

None

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>
City Attorney Approval	<u>✓ Approved</u>
City Manager Approval	<u>✓ Approved</u>



Report to City Council

TO: Mayor and City Council

FROM: Chris Paxton, Administrative Services Director

AGENDA DATE: January 5, 2016

TITLE: LIST OF PERSONNEL CHANGES

RECOMMENDED ACTION

Recommendation:

1. Ratify the list of personnel changes as described.

DISCUSSION

The attached list of personnel changes scheduled since the last City Council meeting are presented for City Council ratification.

FISCAL IMPACT

All position changes are consistent with appropriations previously approved by the City Council.

PREPARATION OF STAFF REPORT

Prepared By:
Chris Paxton
Administrative Services Director

Department Head Approval:
Chris Paxton
Administrative Services Director

CITY COUNCIL GOALS

None

ATTACHMENTS

1. List of Personnel Changes

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/22/15 4:05 PM
City Attorney Approval	<u>✓ Approved</u>	12/22/15 2:30 PM
City Manager Approval	<u>✓ Approved</u>	12/22/15 5:11 PM

City of Moreno Valley Personnel Changes

New Hires

Kevin Rafferty
Park Ranger, Parks & Community Services

Thomas Arce
Building Inspector II, Community Development

Terrie Stevens
Administrative Services Director, Administrative Services

Promotions

Evelyn Bell
From: Administrative Assistant, Community Development
To: Executive Assistant I, City Attorney's Office

Marshall Eyerman
From: Financial Resources Division Manager
To: CFO/City Treasurer

Alfred Fierro
From: Maintenance Worker II, Public Works
To: Lead Maintenance Worker, Public Works

Virginia Zaragoza
From: Senior Office Assistant
To: Administrative Assistant

Transfers

Sharon Sharp
From: Senior Management Analyst, Public Works
To: Management Analyst, Financial & Management Services

Separations

Richard Teichert
CFO/City Treasurer



Report to City Council

TO: Mayor and City Council

FROM: Michelle Dawson, City Manager

AGENDA DATE: January 5, 2016

TITLE: RESOLUTION APPOINTING CITY TREASURER

RECOMMENDED ACTION

Recommendation:

1. Adopt Resolution No. 2016-01 Appointing a City Treasurer.

SUMMARY

California Government Code Section 34856 provides that when the office of the City Treasurer is made appointive, the appointment shall be made by the City Council. The retirement of the City's Chief Financial Officer/City Treasurer necessitates that a new Treasurer be appointed.

DISCUSSION

Since incorporation of the City, the Chief Financial Officer (or Finance Director) also held the title and responsibility of City Treasurer. The City Manager has appointed Marshall Eyerman to the position of Chief Financial Officer, an appointment which is on the consent calendar for ratification. Therefore it is appropriate at this time for the City Council to adopt the proposed resolution appointing him as City Treasurer.

While the proposed resolution will fill the position of Treasurer and ensure that those responsibilities and duties continue to be accomplished, the recommended action in no way prohibits or impedes City Council discussion of options for the position of Treasurer. At their September 22, 2015 meeting, the City Council reviewed the position of Treasurer and discussed possible options for the position. At that meeting the item was tabled for further discussion. The item was subsequently included on the agenda for the December 15, 2015 for further discussion but was continued without being heard. The options for the City Treasurer position are scheduled to be on the City Council's January 19, 2016 agenda for discussion and any action the Council might

deem appropriate.

ALTERNATIVES

1. Adopt the proposed resolution appointing Marshall Eyerman as City Treasurer effective January 5, 2016. *Staff recommends this alternative to ensure that the duties and responsibilities of the Treasurer position continue to be achieved.*
2. Do not adopt the proposed resolution and provide staff with further direction.

FISCAL IMPACT

None.

NOTIFICATION

Publication of the agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Michelle Dawson
City Manager

CITY COUNCIL GOALS

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

Positive Environment. Create a positive environment for the development of Moreno Valley's future.

ATTACHMENTS

1. Treasurer Resolution

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/22/15 12:35 PM
City Attorney Approval	<u>✓ Approved</u>	12/22/15 1:23 PM
City Manager Approval	<u>✓ Approved</u>	12/22/15 1:42 PM

RESOLUTION NO. 2016-01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPOINTING MARSHALL EYERMAN AS TREASURER OF THE CITY OF MORENO VALLEY

WHEREAS, California Government Code Section 34856 provides that when the office of the City Treasurer is made appointive, the appointment shall be made by the City Council; and

WHEREAS, pursuant to Moreno Valley Municipal Code (“MVMC”) Section 2.15.010, the City Treasurer holds such office at the pleasure of the City Council; and

WHEREAS, pursuant to Government Code Section 41007 the Treasurer shall receive such compensation as may be provided by the City Council; and

WHEREAS, MVMC Section 2.15.030 further provides that the function of the City Treasurer shall be to perform such duties as are prescribed by California Government Code Sections 41000 through 41007, and by any other provisions of law applicable to the deposit, investment and safekeeping of public funds of the City; and

WHEREAS, the duties of the Treasurer under the Government Code include: (a) receiving and safely keep all money coming into her/his hands as Treasurer; (b) complying with all laws governing the deposit and securing of public funds and the handling of trust funds in the Treasurer’s possession; (c) paying out money only on warrants signed by legally designated persons; (d) regularly, at least once each month, submitting to the City Clerk a written report and accounting of all receipts, disbursements, and fund balances and filing a copy with the City Council; (e) performing such duties relative to the collection of City taxes and license fees as are prescribed by ordinance; and (f) appointing deputies for whose acts she/he and her/his bondsmen are responsible.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals

That the recitals set forth hereinabove are true and correct.

Section 2. Appointment of City Treasurer

That the City Council hereby appoints Marshall Eyerman to serve as City Treasurer, on at will-basis, commencing January 5, 2016, until such time a new City Treasurer is appointed by City Council or the City Treasurer resigns.

1
Resolution No. 2016-01
Date Adopted: January 5, 2016

Attachment: Treasurer Resolution [Revision 1] (1851 : RESOLUTION APPOINTING CITY TREASURER)

Section 3. Duties.

That the Treasurer shall perform those duties as may be set forth in the Moreno Valley Municipal Code and any applicable local, state or federal laws, rules, regulations and policies, including but not limited to, California Government Code Sections 41000 through 41007, in a competent, professional and satisfactory manner in accordance with the standards and customary, reasonable and prudent practices prevalent in the profession or position for such services.

Section 4. Bonding.

That an official bond for the Treasurer be filed in an amount deemed sufficient by the City Manager, Chief Financial Officer and Risk Manager with the consent of the City Attorney.

Section 5. Severability.

That should any provision, section, paragraph, sentence or word of this Resolution be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this Resolution as hereby adopted shall remain in full force and effect.

Section 6. Repeal of Conflicting Provisions.

That all the provisions heretofore adopted by the City Council that are in conflict with the provisions of this Resolution are hereby repealed.

Section 7. Effective Date.

That this Resolution shall take effect upon its adoption.

Section 8. Certification.

That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

APPROVED AND ADOPTED this 5th day of January, 2016.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Attachment: Treasurer Resolution [Revision 1] (1851 : RESOLUTION APPOINTING CITY TREASURER)

3
Resolution No. 2016-01
Date Adopted: January 5, 2016

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2016-01 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 5th day of January, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

City Clerk

(SEAL)

Attachment: Treasurer Resolution [Revision 1] (1851 : RESOLUTION APPOINTING CITY TREASURER)

4
Resolution No. 2016-01
Date Adopted: January 5, 2016



Report to City Council

TO: Mayor and City Council

FROM: Marshall Eyerman, Interim Chief Financial Officer

AGENDA DATE: January 5, 2016

TITLE: APPROVE PARTICIPATION IN THE PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM WITH THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY (CSCDA)

RECOMMENDED ACTION

Recommendation:

1. Approve Resolution No. 2016-02. A Resolution of the City Council of the City of Moreno Valley, California, Consenting to the Establishment of Property Assessed Clean Energy (PACE) Programs by the California Statewide Communities Development Authority (CSCDA) to Finance Renewable Energy, Energy Efficiency, Water Efficiency, Seismic Strengthening Improvements and Electric Vehicle Charging Infrastructure and Authorizing the CSCDA to Accept Applications from Property Owners, Conduct Contractual Assessment Proceedings, Levy Contractual Assessments and Authorizing Related Actions.

SUMMARY

Staff recommends that the City Council approve Resolution No. 2016-xx establishing the Property Assessed Clean Energy (PACE) program for Moreno Valley residents and businesses. The CSCDA PACE program, administered by CaliforniaFIRST, provides a financing mechanism through which residential and commercial property owners can install energy and water efficiency improvements, permanently-fixed renewable energy such as solar panels, and electric vehicle charging systems on their property. This program is similar to the Home Energy Renovation Opportunity (HERO) program currently offered to Moreno Valley residents through the Western Riverside Council of Governments (WRCOG).

This action was reviewed by the Economic Development Subcommittee on November 12, 2015 with a recommendation to Council for approval.

DISCUSSION

The City Council approved Resolution No. 2009-117 on December 8, 2009, that authorized participation in the HERO program administered locally by WRCOG. Through this Resolution, City residents and businesses are able to finance energy efficiency and renewable energy improvements installed on their property via contractual/voluntary property assessments based on home equity versus credit worthiness (scores). A recent WRCOG staff report indicated that as of November 2015, the HERO program in Moreno Valley approved over 3,300 applications totaling approximately \$104 million in funding.

The CSCDA program, administered by CaliforniaFIRST, is similar to the HERO program in that they also finance energy efficiency and renewable energy improvements installed on private property via property assessments based on the value of home equity. Moreno Valley's participation in the CaliforniaFIRST Program will provide residents and businesses a choice in financing these types of improvements. The interest rates for the CaliforniaFirst program vary from 6.75% to 8.39% based on a term of 5 to 25 years and are comparable to the rates offered by the HERO program. These PACE programs serve as one method for qualifying residents and businesses seeking ways to improve energy efficiency and create future energy savings.

CONSUMER PROTECTIONS

CSCDA (12/3/2015) and WRCOG (12/7/2015) recently adopted a comprehensive consumer protection document (PACE Consumer Protection Policies) which establishes industry best practices that PACE program providers must adhere to if they wish to offer PACE services for the program. Examples of these best practices include standards for underwriting, disclosures, subordination, maximum financing amounts, and communication of tax benefits.

The consumer protection policies of the Program cover the following areas: (i) Risk, (ii) Disclosures and Documentation, (iii) Financing Terms, (iv) Operations, (v) Post-Funding Support, (vi) Data Security, (vii) Privacy, (viii) Marketing and Communications, (ix) Protected Classes, (x) Contractors, (xi) Eligible Products, (xii) Pricing, (xiii) Reporting, (xiv) Closing & Funding and (xv) Examination.

These Policies provide homeowners with a greater level of consumer protection than any other form of financing. They also guide the Program's implementation, enabling the transformation of its potential into cost saving benefits for homeowners.

ALTERNATIVES

1. Approve proposed resolution authorizing participation in the Property Assessed Clean Energy (PACE) program through the California Statewide Communities Development Authority (CSCDA). *Participation in this program will provide residents and businesses within Moreno Valley a choice in financing options for*

energy efficiency and renewable energy installations. Staff recommends this alternative.

- 2. Do not approve proposed resolution authorizing participation in the Property Assessed Clean Energy (PACE) program through the California Statewide Communities Development Authority (CSCDA). *This will not provide residents and businesses a choice in financing options for energy efficiency and renewable energy installations.* Staff does not recommend this alternative.

FISCAL IMPACT

There is no cost to the City for participation in the PACE program through CSCDA.

NOTIFICATION

Publication of the Agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Michael McLellan
Electric Utility Program Coordinator

Department Head Approval:
Marshall Eyerman
Interim Chief Financial Officer

Concurred By:
Jeannette Olko
Electric Utility Division Manager

Concurred By:
Mike Lee
Economic Development Director

CITY COUNCIL GOALS

Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

ATTACHMENTS

- 1. Resolution No. 2016-02

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/21/15 10:37 AM
City Attorney Approval	<u>✓ Approved</u>	12/23/15 4:05 PM
City Manager Approval	<u>✓ Approved</u>	12/23/15 4:08 PM

RESOLUTION NO. 2016-02

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, CONSENTING TO THE ESTABLISHMENT OF PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAMS BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY (CSCDA) TO FINANCE RENEWABLE ENERGY, ENERGY EFFICIENCY, WATER EFFICIENCY, SEISMIC STRENGTHENING IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND AUTHORIZING THE CSCDA TO ACCEPT APPLICATIONS FROM PROPERTY OWNERS, CONDUCT CONTRACTUAL ASSESSMENT PROCEEDINGS, LEVY CONTRACTUAL ASSESSMENTS AND AUTHORIZING RELATED ACTIONS

WHEREAS, the California Statewide Communities Development Authority (CSCDA or the "Authority") is a joint exercise of powers authority, the members of which include numerous cities and counties in the State of California, including the City of Moreno Valley; and

WHEREAS, the Authority is implementing Property Assessed Clean Energy (PACE) programs, which it has designated CSCDA Open PACE, consisting of CSCDA Open PACE programs each administered by a separate program administrator (collectively with any successors, assigns, replacements or additions, the "Programs"), to allow the financing or refinancing of renewable energy, energy efficiency, water efficiency and seismic strengthening improvements, electric vehicle charging infrastructure and such other improvements, infrastructure or other work as may be authorized by law from time to time (collectively, the "Improvements") through the levy of contractual assessments pursuant to Chapter 29 of Division 7 of the Streets & Highways Code ("Chapter 29") within counties and cities throughout the State of California that consent to the inclusion of properties within their respective territories in the Programs and the issuance of bonds from time to time; and

WHEREAS, the program administrator currently active in administering Programs is Renewable Funding LLC, and the Authority will notify the City in advance of any additions or changes; and

WHEREAS, Chapter 29 provides that assessments may be levied under its provisions only with the free and willing consent of the owner or owners of each lot or parcel on which an assessment is levied at the time the assessment is levied; and

WHEREAS, the City desires to allow the owners of property ("Participating Property Owners") within its territory to participate in the Programs and to allow the Authority to conduct assessment proceedings under Chapter 29 within its territory and to issue bonds to finance or refinance Improvements; and

WHEREAS, the territory within which assessments may be levied for the Programs shall include all of the territory within the City's official boundaries; and

WHEREAS, the Authority will conduct all assessment proceedings under Chapter 29 for the Programs and issue any bonds issued in connection with the Programs; and

WHEREAS, the City will not be responsible for the conduct of any assessment proceedings; the levy of assessments; any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of any bonds issued in connection with the Programs;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moreno Valley as follows:

Section 1. This City Council hereby finds and declares that properties in the territory of the City will benefit from the availability of the Programs within the territory of the City of Moreno Valley and, pursuant thereto, the conduct of special assessment proceedings by the Authority pursuant to Chapter 29 and the issuance of bonds to finance or refinance Improvements.

Section 2. In connection with the Programs, the City hereby consents to the conduct of special assessment proceedings by the Authority pursuant to Chapter 29 on any property within the territory of the City and the issuance of bonds to finance or refinance Improvements; provided, that

- (1) The Participating Property Owners, who shall be the legal owners of such property, execute a contract pursuant to Chapter 29 and comply with other applicable provisions of California law in order to accomplish the valid levy of assessments; and
- (2) The City will not be responsible for the conduct of any assessment proceedings; the levy of assessments; any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of any bonds issued in connection with the Programs.

Section 3. The appropriate officials and staff of the City are hereby authorized and directed to make applications for the Programs available to all property owners who wish to finance or refinance Improvements; provided, that the Authority shall be responsible for providing such applications and related materials at its own expense.

Section 4. The appropriate officials and staff of the City are hereby authorized and directed to execute and deliver such certificates, requisitions, agreements and related documents as are reasonably required by the Authority to implement the Programs.

Section 5. The City Council hereby finds that adoption of this Resolution is not a “project” under the California Environmental Quality Act, because the Resolution does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment, as contemplated by Title 14, California Code of Regulations, Section 15378(b)(4).

Section 6. This Resolution shall take effect immediately upon its adoption. The City Clerk is hereby authorized and directed to transmit a certified copy of this resolution to the Secretary of the Authority at: Secretary of the Board, California Statewide Communities Development Authority, 1400 K Street, Sacramento, CA 95814.

APPROVED AND ADOPTED this 5th day of January, 2016.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

Interim City Attorney

Attachment: Resolution No. 2016-02 [Revision 1] (1823 : APPROVAL OF RESOLUTION NO. 2016-XX CSCDA PACE PROGRAM FOR

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2016-02 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 5th day of January, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

Attachment: Resolution No. 2016-02 [Revision 1] (1823 : APPROVAL OF RESOLUTION NO. 2016-XX CSCDA PACE PROGRAM FOR



Report to City Council

TO: Mayor and City Council

FROM: Abdul Ahmad, Fire Chief

AGENDA DATE: January 5, 2016

TITLE: ACCEPTANCE OF THE FISCAL YEAR 2015 EMERGENCY MANAGEMENT PERFORMANCE GRANT PROGRAM (EMPG) AWARD

RECOMMENDED ACTION

Recommendation:

1. Accept the Fiscal Year 2015 Emergency Management Performance Grant Program (EMPG) grant award of \$42,304 from the Riverside County Emergency Management Department.

SUMMARY

This report recommends acceptance of the Fiscal Year 2015 EMPG award in the amount of \$42,304. Funds will be utilized to support Emergency Management related activities.

DISCUSSION

The purpose of the EMPG is to sustain and improve comprehensive emergency management programs at the state, tribal and local levels from all man-made and natural disasters through the prevention, mitigation, response, and recovery of all hazard events. An all hazards approach to emergency response, including the development of a comprehensive program of planning, training, and exercises, means that there can be an effective and consistent response to disasters and emergencies regardless of the cause. Additionally, it involves building long-term strategic partnerships within the emergency management community.

This grant is authorized by the *Robert T. Stafford Disaster Relief and Emergency Assistance Act* (42 U.S.C. 5121 et seq.) and provides a system of emergency preparedness for the protection of life and property in the United States from hazards.

The EMPG grant program provides reimbursement of up to 50 percent of allowable costs, with the City providing the other 50 percent match. The City's match requirement is typically met each year when City Council adopts the budget and allocates funding for the Office of Emergency Management Program Manager.

The Riverside County Emergency Management Department (EMD), on behalf of all jurisdictions in Riverside County, applies for this grant on an annual basis. Riverside County EMD then distributes the grant funding to eligible agencies throughout the Operational Area. This year, the Fire Department has submitted to utilize the grant funding for the salary and benefits associated with the Office of Emergency Program Specialist from December 2015 through April 2016.

Additionally, grant funds will be utilized to renew the City's Emergency Alert and Warning Notification System, commonly referred to as "Alert MoVal". This system will provide timely notification to the public on actions they can take to aid themselves and their family, greatly enhancing the safety of the residents in Moreno Valley and potentially reducing the number of injuries, deaths, and loss of property due to a disaster or catastrophic event.

ALTERNATIVES

1. Accept the Fiscal Year 2015 EMPG award. *This alternative will allow the City to receive Emergency Management Grant money which will allow the Office of Emergency Management to better prepare City staff to operate efficiently during a disaster.*
2. Do not accept the Fiscal Year 2015 EMPG award. *This alternative will prohibit the City from receiving Emergency Management Grant money which will inhibit the City's ability to operate efficiently during a disaster.*

FISCAL IMPACT

The funding for this grant has been allocated by City Council through the budget adoption process as this is an annual, recurring grant. The revenue and expenditures for this grant have been allocated in 2503-40-47-74105. The City's 50 percent match requirement has also been allocated by City Council in 1010-40-47-30310 for the salaries and benefits associated with the Office of Emergency Management Program Manager.

NOTIFICATION

N/A

PREPARATION OF STAFF REPORT

Prepared By:
Alia A. Rodriguez
Emergency Management Program Manager

Department Head Approval:
Abdul R. Ahmad
Fire Chief

CITY COUNCIL GOALS

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

Positive Environment. Create a positive environment for the development of Moreno Valley's future.

Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

ATTACHMENTS

None

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/21/15 10:35 AM
City Attorney Approval	<u>✓ Approved</u>	12/17/15 8:37 AM
City Manager Approval	<u>✓ Approved</u>	12/22/15 12:25 PM



Report to City Council

TO: Mayor and City Council

FROM: Abdul Ahmad, Fire Chief

AGENDA DATE: January 5, 2016

TITLE: ACCEPTANCE OF THE FISCAL YEAR 2015 STATE HOMELAND SECURITY PROGRAM (SHSP) GRANT AWARD

RECOMMENDED ACTION

Recommendation:

1. Accept the Fiscal Year 2015 State Homeland Security Program (SHSP) award of \$31,017 from the Riverside County Emergency Management Department.

SUMMARY

This report recommends acceptance of the Fiscal Year 2015 State Homeland Security Program (SHSP) in the amount of \$31,017. Funds will be utilized to support Community Emergency Response Team (CERT) training, equipment, and exercises.

DISCUSSION

The Fiscal Year 2015 SHSP plays an important role in the implementation of the National Preparedness System by supporting the building, sustainment, and delivery of core capabilities essential to achieving the National Preparedness Goal of a secure and resilient Nation. Delivering core capabilities requires the combined effort of the whole community, rather than the exclusive effort of any single organization or level of government. The Fiscal Year 2015 SHSP's allowable costs support these efforts and, for the City of Moreno Valley, this grant is limited to expenditures related to Community Emergency Response Team (CERT) training, equipment, and exercises.

The Riverside County Emergency Management Department (EMD) on behalf of all jurisdictions in Riverside County, applies for this federal grant on an annual basis. Riverside County EMD then distributes the grant funding to eligible agencies throughout the Operational Area. This year, the Fire Department has submitted to utilize the grant

funding for the Office of Emergency Management Program Specialist salary and benefits for Fiscal Year 2015/2016 and Fiscal Year 2016/2017. This position will directly assist in teaching CERT classes to the community.

ALTERNATIVES

1. Accept the State Homeland Security Program (SHSP) grant award. *This alternative will allow the City to receive Fiscal Year 2015 Homeland Security Grant funding which will allow the Office of Emergency Management to better prepare the citizens of Moreno Valley for a natural or man-made disaster.*
2. Do not accept the State Homeland Security Program (SHSP) grant award. *This alternative will prohibit the City from receiving Fiscal Year 2015 Homeland Security Grant funding which will hinder the ability of the citizens of Moreno Valley to be prepared to survive a natural or man-made disaster.*

FISCAL IMPACT

The funding for this grant has been allocated by City Council through the budget adoption process as this is an annual, recurring grant. The revenue and expenditures for this grant have been allocated in 2503-40-47-74106.

NOTIFICATION

N/A

PREPARATION OF STAFF REPORT

Prepared By:
Alia A. Rodriguez
Emergency Management Program Manager

Department Head Approval:
Abdul R. Ahmad
Fire Chief

CITY COUNCIL GOALS

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ATTACHMENTS

None

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/21/15 10:33 AM
City Attorney Approval	<u>✓ Approved</u>	12/17/15 8:36 AM
City Manager Approval	<u>✓ Approved</u>	12/22/15 12:25 PM



Report to City Council

TO: Mayor and City Council

FROM: Marshall Eyerman, Interim Chief Financial Officer

AGENDA DATE: January 5, 2016

TITLE: COUNCIL DISCRETIONARY EXPENDITURE REPORTS FOR FISCAL YEAR 2015/2016 AS OF 10/31/15

RECOMMENDED ACTION

Recommendation:

1. Receive and file the Fiscal Year 2015/2016 Council Discretionary Expenditure Reports as of October 31, 2015.

SUMMARY

This staff report is prepared at the request of City Council to provide transparency with respect to the expenditure of City funds from the City Council Discretionary Expenditure accounts. This report is for each council member's year to date expenditures for the Fiscal Year 2015/2016, as of October 31, 2015. Each Council District receives an annual budget allocation of \$3,000. In addition, the Mayor receives an additional \$3,000 annually. The reports include each transaction with a clear description of the expenditure.

These new reports have been posted to the City's website. The reports are also included routinely in the City Council agenda as an additional means of distributing the report to the Council and public.

The expenditure reports for the Mayor Differential and five independent council districts list, in date order, the transactions allocated to the discretionary expenditure accounts. These reports are unaudited as of the date of this transmittal. Since the reports are reconciled to the City's general ledger, they will be considered audited and final with the completion of the independent audit for FY 2015/16 when completed by Vasquez & Company.

These reports will continue to be provided on a monthly basis. Once available, they are

posted to the City’s website and included on the next scheduled City Council agenda. The reports will follow the same cycle, and will appear with, the monthly payment register on City Council agendas in the future.

PREPARATION OF STAFF REPORT

Prepared By:
Dena Heald
Financial Operations Division Manager

Department Head Approval:
Marshall Eyerman
Interim Chief Financial Officer

CITY COUNCIL GOALS

None

ATTACHMENTS

- 1. District Spending FY 15.16 (as of 10-31-15)

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	11/30/15 8:33 AM
City Attorney Approval	<u>✓ Approved</u>	11/30/15 10:14 AM
City Manager Approval	<u>✓ Approved</u>	12/01/15 11:21 AM



MAYOR DIFFERENTIAL

Fiscal Year 2015/2016 Council Discretionary Expenditures
Account: 1010-10-01-10010-620130
As of October 31, 2015

Date	Amount	Description
9/11/2015	\$ 7.99	Mayor's Meet & Greet 9/11/15 - Refreshments (Petty Cash)
	\$ 7.99	TOTAL Council Discretionary Expenditures for FY 15/16
	\$ 3,000.00	FY 15/16 Budget Amount
	\$ 2,992.01	FY 15/16 Budget Amount Remaining

Source: Unaudited financial data from the City's accounting records.
Updated as of: 11/19/15

Attachment: District Spending FY 15.16 (as of 10-31-15) (1798 : COUNCIL DISCRETIONARY EXPENDITURE REPORTS FOR FISCAL YEAR



COUNCIL DISTRICT 1
 Fiscal Year 2015/2016 Council Discretionary Expenditures
 Account: 1010-10-01-10010-620111
 As of October 31, 2015

Date	Amount	Description
9/2/2015	\$ 35.00	State of the City Address 8/27/15
9/3/2015	\$ 15.00	Wake-up Moreno Valley Meeting 8/26/15
10/21/2015	\$ 10.00	Ride MoVal 2015 10/25/15
	<hr/>	
	\$ 60.00	TOTAL Council Discretionary Expenditures for FY 15/16
	\$ 3,000.00	FY 15/16 Budget Amount
	\$ 2,940.00	FY 15/16 Budget Amount Remaining

Source: Unaudited financial data from the City's accounting records.
 Updated as of: 11/19/15



COUNCIL DISTRICT 2

Fiscal Year 2015/2016 Council Discretionary Expenditures

Account: 1010-10-01-10010-620112

As of October 31, 2015

Date	Amount	Description
9/2/2015	\$ 35.00	State of the City Address 8/27/15
9/3/2015	\$ 15.00	Wake-up Moreno Valley Meeting 8/26/15
9/8/2015	\$ 13.50	LCC 2015 Mayor & Council Forum 6/24/15-6/26/15 - Parking (Petty Cash)
9/10/2015	\$ 177.50	LCC 2015 Mayor & Council Forum 6/24/15-6/26/15 - Travel Per Diem
9/10/2015	\$ 45.38	LCC 2015 Mayor & Council Forum 6/24/15-6/26/15 - Vehicle Rental
9/10/2015	\$ 8.00	LCC 2015 Mayor & Council Forum 6/24/15-6/26/15 - Parking
9/10/2015	\$ 9.50	LCC 2015 Mayor & Council Forum 6/24/15-6/26/15 - Fuel for Rental Vehicle
9/20/2015	\$ 30.00	2015 Advancing Choice Expo 10/9/15
10/1/2015	\$ 45.00	MASH Bash 10/3/15 (Petty Cash)
10/2/2015	\$ 125.00	BIA RC Installation & Awards Celebration 10/16/15
10/13/2015	\$ 125.00	Inland Empire Navy Birthday & Ball 240 Years 10/17/15
10/20/2015	\$ 125.00	Riverside County Education Summit 10/28/15
	\$ 753.88	TOTAL Council Discretionary Expenditures for FY 15/16
	\$ 3,000.00	FY 15/16 Budget Amount
	\$ 2,246.12	FY 15/16 Budget Amount Remaining

Source: Unaudited financial data from the City's accounting records.

Updated as of: 11/19/15



COUNCIL DISTRICT 3
 Fiscal Year 2015/2016 Council Discretionary Expenditures
 Account: 1010-10-01-10010-620113
 As of October 31, 2015

Date	Amount	Description
7/28/2015	\$ 15.00	Wake-up Moreno Valley Meeting 7/22/15
9/2/2015	\$ 35.00	State of the City Address 8/27/15
9/3/2015	\$ 15.00	Wake-up Moreno Valley Meeting 8/26/15
	<hr/>	
	\$ 65.00	TOTAL Council Discretionary Expenditures for FY 15/16
	\$ 3,000.00	FY 15/16 Budget Amount
	\$ 2,935.00	FY 15/16 Budget Amount Remaining

Source: Unaudited financial data from the City's accounting records.
 Updated as of: 11/19/15



COUNCIL DISTRICT 4

Fiscal Year 2015/2016 Council Discretionary Expenditures

Account: 1010-10-01-10010-620114

As of October 31, 2015

Date	Amount	Description
7/28/2015	\$ 15.00	Wake-up Moreno Valley Meeting 7/22/15
9/2/2015	\$ 35.00	State of the City Address 8/27/15
9/8/2015	\$ 13.50	LCC 2015 Mayor & Council Forum 6/24/15-6/26/15 - Parking (Petty Cash)
9/10/2015	\$ 45.38	LCC 2015 Mayor & Council Forum 6/24/15-6/26/15 - Vehicle Rental
9/10/2015	\$ 8.00	LCC 2015 Mayor & Council Forum 6/24/15-6/26/15 - Parking
9/10/2015	\$ 9.49	LCC 2015 Mayor & Council Forum 6/24/15-6/26/15 - Fuel for Rental Vehicle
	\$ 126.37	TOTAL Council Discretionary Expenditures for FY 15/16
	\$ 3,000.00	FY 15/16 Budget Amount
	\$ 2,873.63	FY 15/16 Budget Amount Remaining

Source: Unaudited financial data from the City's accounting records.

Updated as of: 11/19/15



COUNCIL DISTRICT 5
 Fiscal Year 2015/2016 Council Discretionary Expenditures
 Account: 1010-10-01-10010-620115
 As of October 31, 2015

Date	Amount	Description
9/2/2015	\$ 35.00	State of the City Address 8/27/15
9/28/2015	\$ 15.00	Wake-up Moreno Valley Meeting 9/23/15
10/8/2015	\$ 140.40	ADA Handicap Toilet Rental Edgemont Cleanup 10/9/15
	<hr/>	
	\$ 190.40	TOTAL Council Discretionary Expenditures for FY 15/16
	\$ 3,000.00	FY 15/16 Budget Amount
	\$ 2,809.60	FY 15/16 Budget Amount Remaining

Source: Unaudited financial data from the City's accounting records.
 Updated as of: 11/19/15



Report to City Council

TO: Mayor and City Council

FROM: Marshall Eyerman, Interim Chief Financial Officer

AGENDA DATE: January 5, 2016

TITLE: SUPPLEMENTAL LAW ENFORCEMENT SERVICES ACCOUNT (SLESA) EXPENDITURE PLAN FOR FY 2015-16

RECOMMENDED ACTION

Recommendations:

1. Approve the Supplemental Law Enforcement Services Account (SLESA) Expenditure Plan for FY 2015-16.
2. Approve an increase of \$54,361 to the SLESA Grant Fund (Fund 2410) FY 2015-16 revenue budget to reflect the total FY 2015-16 allocation of \$379,361.
3. Approve an increase of \$54,361 to the SLESA Grant Fund FY 2015-16 expenditure budget (Fund 2410) to reflect the FY 2015-16 planned expenditure of \$379,361.

SUMMARY

The California Government Code requires City Council's appropriation of Supplemental Law Enforcement Services Account (SLESA) funding for frontline municipal police services to receive the grant funds. Staff recommends the City Council approve the FY 2015-16 allocation of \$379,361 and the attached Supplemental Law Enforcement Services Account Expenditure Plan detailing how the grant funds will be spent. This allocation is \$54,361 greater than the amount programmed in the current budget. The budgeted amount was an early estimate of the allocation based on historical trends. The budgetary adjustments being requested will increase the current FY 2015-16 appropriations for both SLESA revenues and expenditures by \$54,361.

DISCUSSION

The City of Moreno Valley uses the SLESA grant to fully fund one (1) sworn police officer assigned to the Career Criminal Apprehension Team (C-CAT) and fund 20.3% of a second sworn C-CAT police officer. The city General Fund will fund the remaining 79.7% of the second C-CAT position in its Special Enforcement Team (SET) budget.

Staff is requesting that the City Council approve the expenditure plan and adjust the FY 2015-16 SLESA budget based on recent notice of detailed calculations from Riverside County Sheriff's Department.

ALTERNATIVES

1. Approve the attached Supplemental Law Enforcement Services Account (SLESA) Expenditure Plan for FY 2015-16 and related budgetary adjustments.
2. Do not approve the attached Supplemental Law Enforcement Services Account (SLESA) Expenditure Plan for FY 2015-16 and related budgetary adjustments. ***This alternative would jeopardize SLESA funding and impact law enforcement services.***

Staff recommends Alternative 1.

FISCAL IMPACT

The recommended adjustments will increase the SLESA budgeted revenues and expenditures by \$54,361 as identified in the following table.

SLESA Grant Fund (Fund 2410)	FY 2015-16 Adopted Budget	FY 2015-16 Adjusted Budget	Change Increase (Decrease)
Grant Revenue (486000)	\$325,000	\$379,361	\$54,361
Expenditures (620320)	\$325,000	\$379,361	\$54,361

NOTIFICATION

Publication of the Agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Dena Heald
Financial Operations Division Manager

Department Head Approval:
Marshall Eyerman
Interim Chief Financial Officer

Concurred By:
Joel Ontiveros
Chief of Police

CITY COUNCIL GOALS

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

ATTACHMENTS

- 1. SLESA FY 15-16 Expenditure Plan

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/21/15 10:23 AM
City Attorney Approval	<u>✓ Approved</u>	12/17/15 8:40 AM
City Manager Approval	<u>✓ Approved</u>	12/22/15 12:25 PM

Supplemental Law Enforcement Standardized Forms

Expenditure Plan

FY 2015-2016

City Name: City of Moreno Valley

Beginning Fund Balance	-
Prior Yr Allocation	65,693.92
Received in Current Year	313,667.00
Current Year Allocation	379,360.92

EXPENDITURE PLANNED

Salaries and Benefits	379,360.92
Services and Supplies	
Equipment	
Administrative Overhead	
Total Expenditure Planned	379,360.92

Date approved by the City Council: _____

The City Manager hereby certifies that the Supplemental Law Enforcement Services Plan was submitted to the City Council and approved as listed.

City Manager Signature

Date

Please provide the name of a contact person if there are any questions:

Name

Date



Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: January 5, 2016

TITLE: AUTHORIZE CHANGE ORDER TO INCREASE THE EXISTING PURCHASE ORDER FOR MAMCO, INC. DBA ALABBASI FOR EAST SUNNYMEAD BOULEVARD STORM DRAIN – PROJECT NO. 804 0006 70 77

RECOMMENDED ACTION

Recommendations:

1. Authorize a Change Order to increase the existing Purchase Order for Mamco, Inc. dba Alabbasi in the amount of up to \$69,200 to cover additional work related to conflicting utility relocations and street restoration necessary to complete the construction of the East Sunnymead Boulevard Storm Drain project.
2. Authorize the City Manager to execute the Change Order for Mamco, Inc. dba Alabbasi.

SUMMARY

This report recommends the authorization to execute a Change Order to increase the existing Purchase Order for Mamco, Inc. dba Alabbasi in the amount of up to \$69,200 to cover the additional work necessary to complete the construction of the East Sunnymead Boulevard Storm Drain project. The Change Order is needed to cover the costs of unanticipated additional work and construction delays related to the relocation of conflicting utilities encountered during installation of the storm drain pipes. The Change Order is also to cover for the cost of unforeseeable extra amount of asphalt and Portland concrete materials used for street pavement and driveway approach restoration related to pipe trenching. Although the Contractor's purchase order is to be increased up to \$69,200, the original project budget of \$1,237,824 as originally approved by City Council does not need any supplemental funds due to savings in other facets of the project.

DISCUSSION

On May 12, 2015, the City Council awarded a contract to Mamco, Inc. dba Alabbasi and authorized the issuance of a Purchase Order in the total amount of \$977,680 (bid amount of \$888,800 plus 10% contingency of \$88,800) to this Contractor for the construction of underground storm drain systems in Sunnymead Boulevard, between Indian Street and SR-60/Perris Boulevard Eastbound Off-Ramp, and various related street improvements to accommodate these storm drain systems. These storm drain systems are to mitigate flooding that frequently occurs along this segment of Sunnymead Boulevard. This project includes the relocation of conflicting Eastern Municipal Water District (EMWD) water facilities by Mamco, Inc. dba Alabbasi through a reimbursement agreement between the City and EMWD. The Contractor completed the construction of this project at the end of November 2015.

During the trenching operations for the installation of storm drain pipes, the Contractor encountered an existing traffic signal conduit and two of Verizon's communication conduits that were found to be in conflict with the proposed storm drain pipes. These conduits were not shown on available record maps and therefore were not included in the original contract documents for relocation. The Contractor was requested to relocate the traffic signal conduit and re-wire all affected signal conductors as an additional work to the contract. Verizon was immediately contacted and requested to relocate its conduits. However, it took Verizon some time to design their conduit relocation plan, secure a work order, and send its contractor out to relocate the conduits. As a result, additional stand-by cost has incurred by the Contractor due to delays caused by these utility relocations. In addition, at some locations on Sunnymead Boulevard, the existing asphalt concrete pavement sections were found to be thicker than those sections shown on record maps and potholing data. As a result, additional asphalt concrete materials were used for trench/pavement restoration in order to match existing pavement thickness. Furthermore, there was an increase in the quantity of driveway approach area at one location where the driveway was removed and replaced for Verizon facility relocation, and additional quantity of crushed aggregate was also used as base materials for this driveway for conforming to the City standards.

The cost associated with the traffic signal conduit relocation and wiring is at \$35,200. The cost associated with construction delays due to Verizon facilities relocation is at \$52,100 which may be recoverable since it is part of the Contractor's claim that is under negotiation between the City, Contractor, and Verizon. The cost associated with additional asphalt concrete pavement materials is at \$51,800. The cost associated with additional Portland concrete driveway approach area and crushed aggregate base is at \$18,900. The total anticipated cost increase over the Contractor's original bid amount is at \$158,000 of which \$88,800 is covered by the Purchase Order leaving an outstanding balance of \$69,200.

Although the Contractor's Purchase Order is to be increased by \$69,200, the project budget of \$1,237,824 as originally approved by the City Council in May 2015 does not need any supplemental funds due to savings from other aspects of the project such as surveying/geotechnical services and project management. Staff is currently in

discussions to verify and negotiate these costs with the Contractor and will continue to do so until the close-out phase of the project.

ALTERNATIVES

1. Authorize the recommended actions as presented in this staff report. *This alternative will allow payment to the Contractor and provide for the timely close out of East Sunnymead Boulevard Storm Drain Project which could mitigate the frequent flooding along Sunnymead Boulevard between Indian Street and the Perris Boulevard off-ramp.*

2. Do not authorize the recommended actions as presented in this staff report. *This alternative will result in delaying payment to the Contractor and delaying the close out of the construction of the East Sunnymead Boulevard Storm Drain.*

FISCAL IMPACT

This project is funded by CDBG funds (Fund 2512) and Measure A funds (Fund 2001), as well as reimbursement funds in the amount of \$88,000 from EMWD. The project is included in the Fiscal Year 2015/2016 CIP. Due to savings in various work items such as surveying/geotechnical services and management, the increase of \$69,200 to the Contractor’s Purchase Order does not affect the overall project budget. The project construction was completed on time and within budget. There is no impact to the General Fund.

AVAILABLE BUDGET FOR DESIGN AND CONSTRUCTION

CDBG Fund	
(Account No. 2512-70-77-80004, Project No. 804 0006 70 77)	\$879,824
Citywide Annual Pavement Resurfacing, Measure A	
(Account No. 2001-70-77-80001, Project No. 801 0003 70 77)	\$270,000
EMWD Reimbursement	
(Account No. 3002-70-77-80004, Project No. 804 0006 70 77)	<u>\$ 88,000</u>
Total	\$1,237,824

ESTIMATED PROJECT-RELATED COSTS:

Design and Project Management	\$116,500
Construction (Bid Amount plus 10% contingency)	\$978,000
Additional Construction Cost for this Change Order.....	\$ 69,200
Construction Surveying and Geotechnical Services.....	\$ 52,300
Construction Management and Inspection*	<u>\$ 21,000</u>
Total	\$1,237,000

**Includes City project administration, project management, printing, and other miscellaneous costs. City staff will provide the inspection for this project.*

PROJECT SCHEDULE:

Construction Completed.....November 2015

NOTIFICATION

The City provided information and outreach during the design phase of the project. An open house meeting to provide project information was conducted on November 6, 2014 at City Hall Council Chamber.

Prior to construction starting, all utilities, adjacent property owners, and business owners in the area as well as law enforcement, fire department and other emergency services responders will be notified of the construction.

Pre-construction project information meeting was held on June 8, 2015 at City Hall Council Chamber for the benefit of all the businesses within the affected portions of Sunnymead Boulevard.

PREPARATION OF STAFF REPORT

Prepared By:
Quang Nguyen, P.E.
Senior Engineer

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Prem Kumar, P.E.
Deputy Public Works Director/Assistant City Engineer

Concurred By:
Rick Teichert
Chief Financial Officer/City Treasurer

CITY COUNCIL GOALS

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

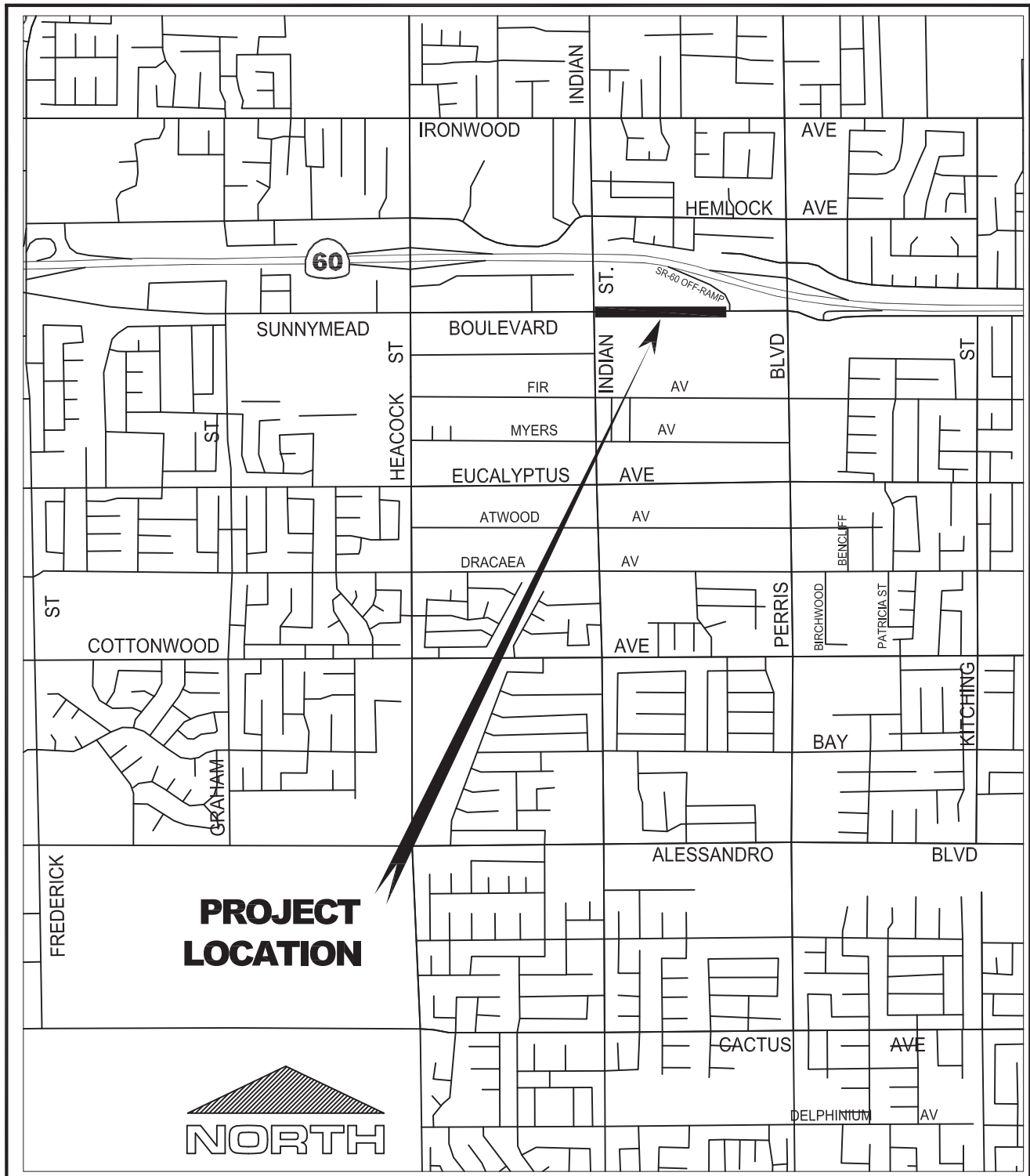
Positive Environment. Create a positive environment for the development of Moreno Valley's future.

ATTACHMENTS

- 1. Location Map

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/15/15 1:14 PM
City Attorney Approval	<u>✓ Approved</u>	12/14/15 3:09 PM
City Manager Approval	<u>✓ Approved</u>	12/16/15 5:10 PM



**PROJECT
LOCATION**



LOCATION MAP

Public Works Department
Capital Projects Division

EAST SUNNYMEAD BLVD. STORM DRAIN
Indian St. to SR-60/Perris Bl. Off-Ramp
PROJECT NO. 804 0006 70 77

Attachment: Location Map (1720 : AUTHORIZE CHANGE ORDER TO INCREASE THE EXISTING PURCHASE ORDER FOR MAMCO, INC. DBA



Report to City Council

TO: Mayor and City Council

FROM: Marshall Eyerman, Interim Chief Financial Officer

AGENDA DATE: January 5, 2016

TITLE: PAYMENT REGISTER - OCTOBER 2015

RECOMMENDED ACTION

Recommendation:

1. Receive and file the Payment Register.

SUMMARY

The Payment Register is an important report providing transparency of financial transactions and payments for City activity for review by the City Council and the residents and businesses in Moreno Valley. The report is posted to the City's website as soon as it is available. The report is included in the City Council agenda as an additional means of distributing the report.

The payment register lists in alphabetical order all checks and wires in the amount of \$25,000 or greater, followed by a listing in alphabetical order of all checks and wires less than \$25,000. The payment register also includes the fiscal year-to-date (FYTD) amount paid to each vendor.

PREPARATION OF STAFF REPORT

Prepared By:
Dena Heald
Financial Operations Division Manager

Department Head Approval:
Marshall Eyerman
Interim Chief Financial Officer

CITY COUNCIL GOALS

None

ATTACHMENTS

1. October 2015 Payment Register

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	11/30/15 8:32 AM
City Attorney Approval	<u>✓ Approved</u>	11/30/15 10:17 AM
City Manager Approval	<u>✓ Approved</u>	11/30/15 5:31 PM



City of Moreno Valley
Payment Register
For Period 10/1/2015 through 10/31/2015

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
ATHALYE CONSULTING ENGINEERING SERVICES	15969	10/05/2015	MV-Nason-16	CONSULTING - NASON CACTUS/FIR	\$30,078.26
Remit to: LAKE FOREST, CA					<u>FYTD:</u> \$55,125.20
BIO-TOX LABORATORIES	226572	10/26/2015	30873	BLOOD TOXICOLOGY ANALYSIS	\$25,960.36
		10/26/2015	30733	BLOOD TOXICOLOGY ANALYSIS	
		10/26/2015	30724	BLOOD TOXICOLOGY ANALYSIS	
		10/26/2015	31150	BLOOD TOXICOLOGY ANALYSIS	
		10/26/2015	31011	BLOOD TOXICOLOGY ANALYSIS	
		10/26/2015	30872	BLOOD TOXICOLOGY ANALYSIS	
		10/26/2015	31151	BLOOD TOXICOLOGY ANALYSIS	
		10/26/2015	30732	BLOOD TOXICOLOGY ANALYSIS	
		10/26/2015	31012	BLOOD TOXICOLOGY ANALYSIS	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$25,960.36
COUNTY OF RIVERSIDE SHERIFF	16106	10/26/2015	SH0000026879	CONTRACT LAW ENFORCEMENT BILLING #1 (7/1-7/22/15)	\$1,982,103.95
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$10,545,362.22
EASTERN MUNICIPAL WATER DISTRICT	226398	10/05/2015	SEP-15 10/5/15	WATER CHARGES	\$25,700.78
	226505	10/19/2015	SEP-15 10/19/15	WATER CHARGES	\$67,449.55
	226577	10/26/2015	OCT-15 10/26/15	WATER CHARGES	\$30,320.06
		10/26/2015	SEP-15 10/26/15	WATER CHARGES	
Remit to: PERRIS, CA					<u>FYTD:</u> \$739,147.33

Attachment: October 2015 Payment Register (1693 : PAYMENT REGISTER - OCTOBER 2015)



City of Moreno Valley
Payment Register
For Period 10/1/2015 through 10/31/2015

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
EMPLOYMENT DEVELOPMENT DEPARTMENT	15960	10/02/2015	2016-00000131	CA TAX - STATE TAX WITHHOLDING*	\$33,031.56
	16046	10/16/2015	2016-00000151	CA TAX - STATE TAX WITHHOLDING	\$32,269.85
	16190	10/30/2015	2016-00000169	CA TAX - STATE TAX WITHHOLDING*	\$30,550.20
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$317,774.39

Attachment: October 2015 Payment Register (1693 : PAYMENT REGISTER - OCTOBER 2015)



City of Moreno Valley
Payment Register
 For Period 10/1/2015 through 10/31/2015

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
ENCO UTILITY SERVICES MORENO VALLEY LLC	16064	10/19/2015	0402-MF-01767A	SOLAR METER INSTALLATION	\$433,005.93
		10/19/2015	0402-MF-01768A	SOLAR METER INSTALLATION	
		10/19/2015	0402-MF-01769A	SOLAR METER INSTALLATION	
		10/19/2015	40-316B-02	WORK AUTHORIZATION 40-316B	
		10/19/2015	0402-MF-01757A	SOLAR METER INSTALLATION	
		10/19/2015	0402-MF-01758A	SOLAR METER INSTALLATION	
		10/19/2015	40-311B-10	WORK AUTHORIZATION 40-311B	
		10/19/2015	0402-MF-01765A	SOLAR METER INSTALLATION	
		10/19/2015	0405-1-200	DISTRIBUTION CHARGES 7/27-8/24/15	
		10/19/2015	0402-MF-01764A	SOLAR METER INSTALLATION	
		10/19/2015	40-316A-02	WORK AUTHORIZATION 40-316A	
		10/19/2015	0402-MF-01753A	SOLAR METER INSTALLATION	
		10/19/2015	0402-MF-01771A	SOLAR METER INSTALLATION	
		10/19/2015	0402-MF-01772A	SOLAR METER INSTALLATION	
		10/19/2015	0402-MF-01773A	SOLAR METER INSTALLATION	
		10/19/2015	0402-MF-01770A	SOLAR METER INSTALLATION	
		10/19/2015	0405-MTS1-SP121	ELECTRIC METER FEES	
		10/19/2015	0402-MF-01756A	SOLAR METER INSTALLATION	
		10/19/2015	0402-MF-01759A	SOLAR METER INSTALLATION	
		10/19/2015	40-309B-04	WORK AUTHORIZATION 40-309B	
		10/19/2015	0402-MF-01763A	SOLAR METER INSTALLATION	
		10/19/2015	40-318A-01	WORK AUTHORIZATION 40-318A	
		10/19/2015	40-320-02	WORK AUTHORIZATION 40-320	
		10/19/2015	0402-MF-01755A	SOLAR METER INSTALLATION	
		10/19/2015	0402-MF-01766A	SOLAR METER INSTALLATION	
		10/19/2015	0402-MF-01760A	SOLAR METER INSTALLATION	
		10/19/2015	0402-MF-01761A	SOLAR METER INSTALLATION	



City of Moreno Valley
Payment Register
 For Period 10/1/2015 through 10/31/2015

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
ENCO UTILITY SERVICES MORENO VALLEY LLC		10/19/2015	0402-MF-01762A	SOLAR METER INSTALLATION	
		10/19/2015	40-308B-08	WORK AUTHORIZATION 40-308B	
		10/19/2015	0402-MF-01754A	SOLAR METER INSTALLATION	
Remit to: ANAHEIM, CA					<u>FYTD:</u> \$1,544,163.33
EXELON GENERATION COMPANY, LLC	16016	10/12/2015	MVEU-00020A	ENERGY PURCHASE	\$886,999.20
Remit to: BALTIMORE, MD					<u>FYTD:</u> \$3,590,954.56
GRIFFITH COMPANY	226580	10/26/2015	13	CONSTRUCTION - PERRIS WIDENING	\$576,315.46
		10/26/2015	7-Cactus	CONTRACTOR - CACTUS AVE IMP	
Remit to: BREA, CA					<u>FYTD:</u> \$2,736,364.17
HILLCREST CONTRACTING, INC	16069	10/19/2015	PB 23542	CONSTRUCTION - NASON IMP	\$232,867.61
Remit to: CORONA, CA					<u>FYTD:</u> \$1,416,507.28
INDUSTRIAL DEVELOPMENTS INTERNATIONAL, INC. (IDI)	226490	10/12/2015	RCT#0354627	ELECTRICAL INFRASTRUCTURE REIMBURSEMENT	\$152,950.00
Remit to: FOOTHILL RANCH, CA					<u>FYTD:</u> \$152,950.00
INTERNAL REVENUE SERVICE CENTER	15962	10/02/2015	2016-00000133	FED TAX - FEDERAL TAX WITHHOLDING*	\$129,261.33
	16052	10/16/2015	2016-00000159	9993 - TAX ADJUSTMENT - FEDERAL*	\$125,630.09
	16191	10/30/2015	2016-00000170	FED TAX - FEDERAL TAX WITHHOLDING*	\$119,697.16
Remit to: OGDEN, UT					<u>FYTD:</u> \$1,221,624.67

Attachment: October 2015 Payment Register (1693 : PAYMENT REGISTER - OCTOBER 2015)



**City of Moreno Valley
Payment Register
For Period 10/1/2015 through 10/31/2015**

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
KEYSTONE BUILDERS, INC	15982	10/05/2015	8	CONSTRUCTION - CORP YARD	\$249,477.97
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$614,772.46
LANDCARE USA, LLC	16113	10/26/2015	8004046	LANDSCAPE MOWING-CFD #1-SEP 2015	\$40,141.60
		10/26/2015	8004045	LANDSCAPE MAINT.-ZONE S-SEP 2015	
		10/26/2015	8004044	LANDSCAPE MOWING-ZONE A PARKS-SEP 2015	
		10/26/2015	8004039	LANDSCAPE MAINT.-ZONE M-SEP 2015	
		10/26/2015	8004040	LANDSCAPE MAINT.-ZONES E-7, SD LMD ZN 01, 01A & 08-SEP 2015	
		10/26/2015	8004042	LANDSCAPE MAINT.-SD LMD ZN 04-SEP 2015	
		10/26/2015	8012088	IRRIGATION REPAIRS-SD LMD ZN 04-SEP 2015	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$169,823.51
LETNER ROOFING COMPANY	226406	10/05/2015	43231	CRC & PSB ROOFING RESTORATION/REPAIRS PROJECT-PP#1	\$171,016.56
Remit to: ORANGE, CA					<u>FYTD:</u> \$171,016.56
LIBRARY SYSTEMS & SERVICES, LLC	16072	10/19/2015	15333	LIBRARY CONTRACTUAL SERVICES & MATERIALS-OCT15	\$122,000.91
		10/19/2015	15334	LIBRARY I.T. SERVICES-OCT15	
Remit to: GERMANTOWN, MD					<u>FYTD:</u> \$488,003.64
MAINTAINER CUSTOM BODIES, INC	226583	10/26/2015	IV01040MCB	PARAMEDIC SQUAD UNIT-(1) DODGE 5500 CREW CAB/M278 CHASSIS	\$288,999.84
		10/26/2015	IV01030MCB	PARAMEDIC SQUAD UNIT-(1) DODGE 5500 CREW CAB/M247 CHASSIS	
Remit to: ROCK RAPIDS, IA					<u>FYTD:</u> \$288,999.84

Attachment: October 2015 Payment Register (1693 : PAYMENT REGISTER - OCTOBER 2015)



City of Moreno Valley
Payment Register
For Period 10/1/2015 through 10/31/2015

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
MAMCO, INC	226407	10/05/2015	2-ES	CONSTRUCTION - E SUNNYMD SD	\$73,871.22
	226584	10/26/2015	3-ES	CONSTRUCTION - E SUNNYMD SD	\$211,383.31
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$381,621.12

Attachment: October 2015 Payment Register (1693 : PAYMENT REGISTER - OCTOBER 2015)



City of Moreno Valley
Payment Register
 For Period 10/1/2015 through 10/31/2015

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
MARIPOSA HORTICULTURAL ENTERPRISES, INC.	16115	10/26/2015	70340	LANDSCAPE MAINT.-UTILITY FIELD OFFICE-SEP15	\$62,522.08
		10/26/2015	70346	WEED ABATEMENT-ANIMAL SHELTER PARKING LOT-SEP15	
		10/26/2015	70342	LANDSCAPE MAINT.-VETERAN'S MEMORIAL-SEP15	
		10/26/2015	70343	LANDSCAPE MAINT.-ANNEX 1-SEP15	
		10/26/2015	70338	LANDSCAPE MAINT.-PUBLIC SAFETY BLDG.-SEP15	
		10/26/2015	70344	LANDSCAPE MAINT.-FIRE STATIONS 2, 6, 48, 58, 65, 91 & 99- SEP15	
		10/26/2015	70270	LANDSCAPE MAINT.-SD LMD ZN 02-SEP 2015	
		10/26/2015	70330	LANDSCAPE MAINT.-SOUTH AQUEDUCT B-SEP15	
		10/26/2015	70337	LANDSCAPE MAINT.-LIBRARY-SEP15	
		10/26/2015	70271	LANDSCAPE EXTRA WORK-SEP15-SD LMD ZN 02/INSTALL DRIP IRRIGATION	
		10/26/2015	70334	LANDSCAPE MAINT.-CITY YARD-SEP15	
		10/26/2015	70272	LANDSCAPE EXTRA WORK-SEP15-SD LMD ZN 02/REPAIR MAIN LINE BREAK	
		10/26/2015	70325	LANDSCAPE MAINT.-AQUEDUCT BIKEWAY- DELPHINIUM/PERHAM TO JFK-SEP15	
		10/26/2015	70324	LANDSCAPE MAINT.-AQUEDUCT BIKEWAY/BAY AVE. TO GRAHAM- SEP15	
		10/26/2015	70322	LANDSCAPE MAINT.-TOWNGATE COMM. CTR.-SEP15	
		10/26/2015	70341	LANDSCAPE MAINT.-CITY HALL-SEP15	
		10/26/2015	70329	LANDSCAPE MAINT.-SOUTH AQUEDUCT A-SEP15	
		10/26/2015	70313	LANDSCAPE MAINT.-ZONE D-SEP 2015	
		10/26/2015	70326	LANDSCAPE MAINT.-AQUEDUCT BIKEWAY/VANDENBERG TO FAY- SEP15	
		10/26/2015	70328	LANDSCAPE MAINT.-PAN AM SECTION AQUEDUCT-SEP15	
		10/26/2015	70323	LANDSCAPE MAINT.-TOWNGATE AQUEDUCT BIKEWAY-SEP15	
		10/26/2015	70335	LANDSCAPE MAINT.-CRC-SEP15	

Attachment: October 2015 Payment Register (1693 : PAYMENT REGISTER - OCTOBER 2015)



**City of Moreno Valley
Payment Register
For Period 10/1/2015 through 10/31/2015**

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
MARIPOSA HORTICULTURAL ENTERPRISES, INC.		10/26/2015	70327	LANDSCAPE MAINT.-NORTH AQUEDUCT-SEP15	
		10/26/2015	70336	LANDSCAPE MAINT.-ELECTRIC SUBSTATION-SEP15	
		10/26/2015	70331	LANDSCAPE MAINT.-SCE & OLD LAKE DRIVE-SEP15	
		10/26/2015	70339	LANDSCAPE MAINT.-SENIOR CENTER-SEP15	
		10/26/2015	70345	LANDSCAPE EXTRA WORK-SEP15-PLANTING AT LIBRARY	
		10/26/2015	70333	LANDSCAPE MAINT.-ASES ADMIN. BLDG.-SEP15	
		10/26/2015	70332	LANDSCAPE MAINT.-ANIMAL SHELTER-SEP15	
Remit to: IRWINDALE, CA					FYTD: \$229,032.54
MORENO VALLEY UTILITY	226412	10/05/2015	7013411-01/SEP15	ELECTRICITY-UTILITY FIELD OFFICE	\$108,704.86
		10/05/2015	OCT-15 10/5/15	ELECTRICITY CHARGES	
Remit to: HEMET, CA					FYTD: \$416,387.88
NATIONWIDE RETIREMENT SOLUTIONS CP	15966	10/02/2015	2016-00000137	8010 - DEF COMP 457 - NATIONWIDE*	\$26,171.51
	16051	10/16/2015	2016-00000157	8010 - DEF COMP 457 - NATIONWIDE*	\$26,171.51
Remit to: COLUMBUS, OH					FYTD: \$231,374.28
NOBLE AMERICAS ENERGY SOLUTIONS	15987	10/05/2015	152570004828578a	ELECTRICITY POWER PURCHASE FOR MVU-ADDL.PYMT.ON SHORT PAID INV.	\$42,381.33
	16120	10/26/2015	152860004912957	ELECTRICITY POWER PURCHASE FOR MVU	\$296,662.50
Remit to: PASADENA, CA					FYTD: \$653,531.94

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City of Moreno Valley
Payment Register
 For Period 10/1/2015 through 10/31/2015

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
PARSONS TRANSPORTATION GROUP, INC.	16077	10/19/2015	1506B794	CONSULTANT - SR-60 MORENO BEACH DESIGN SUPPORT	\$39,841.40
		10/19/2015	1507B334	CONSULTANT INVOICE - DESIGN SUPPORT	
Remit to: IRVINE, CA					FYTD: \$39,841.40
PERS HEALTH INSURANCE	16045	10/09/2015	W151001	EMPLOYEE HEALTH INSURANCE	\$185,274.27
Remit to: SACRAMENTO, CA					FYTD: \$731,508.62
PERS RETIREMENT	16137	10/09/2015	P150925	PERS RETIREMENT DEPOSIT - CLASSIC	\$228,025.16
	16199	10/23/2015	P151009	PERS RETIREMENT DEPOSIT - CLASSIC	\$229,038.26
Remit to: SACRAMENTO, CA					FYTD: \$2,343,913.20
PROACTIVE ENGINEERING CONSULTANTS, INC.	16123	10/26/2015	2663	CONSULTING SERVICES - NASON IMP	\$55,049.55
		10/26/2015	2662	CONSULTING SERVICES - NASON IMP	
Remit to: CORONA, CA					FYTD: \$57,429.55
ROBERT K. VOGEL FAMILY TRUST	226491	10/12/2015	RCT#0354627	ELECTRICAL INFRASTRUCTURE REIMBURSEMENT	\$270,200.00
Remit to: WALNUT, CA					FYTD: \$270,200.00
ROBERTSON'S READY MIX LTD	226461	10/12/2015	8/16/13-SEP 2014	SALES TAX REIMB. PER AGREEMENT-COMMENCEMENT THRU 3RD QTR 2014	\$261,133.00
Remit to: CORONA, CA					FYTD: \$261,133.00

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CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
SOUTHERN CALIFORNIA EDISON 1	226463	10/12/2015	721-3449/SEP-15	IFA CHARGES-SUBSTATION	\$28,484.35
		10/12/2015	AUG-15 10/12/15	ELECTRICITY CHARGES	
		10/12/2015	587-9520/SEP-15	ELECTRICITY-FERC CHARGES	
		10/12/2015	SEP-15 10/12/15	ELECTRICITY CHARGES	
	226521	10/19/2015	SEP-15 10/19/15	ELECTRICITY CHARGES	\$153,820.61
		10/19/2015	707-6081/SEP-15	ELECTRICITY CHARGES	
	226598	10/26/2015	OCT-15 10/26/15	ELECTRICITY CHARGES	\$29,831.52
		10/26/2015	SEP-15 10/26/15	ELECTRICITY CHARGES	
Remit to: ROSEMEAD, CA					FYTD: \$1,124,448.76
STANDARD INSURANCE CO	16087	10/19/2015	151001a	LIFE & DISABILITY INSURANCE	\$28,054.23
Remit to: PORTLAND, OR					FYTD: \$112,812.78
TENASKA ENERGY, INC	16036	10/12/2015	1342-SEP-15-01	RESOURCE ADEQUACY-MV UTILITY-SEPT15	\$99,520.00
Remit to: OMAHA, NE					FYTD: \$316,940.00
THE ADVANTAGE GROUP/ FLEX ADVANTAGE	15999	10/05/2015	2016-00000127	4511 - FSA - MED CARE REIMB 2016	\$43,566.99
		10/05/2015	201510	OCTOBER 2015 RETIREE MEDICAL BENEFIT BILLING	
Remit to: TEMECULA, CA					FYTD: \$197,820.56
THINK TOGETHER, INC	16038	10/12/2015	111-15/16-3	ASES PROGRAM MANAGEMENT SERVICES	\$492,539.36
Remit to: SANTA ANA, CA					FYTD: \$1,477,618.08
U.S. BANK/CALCARDS	16002	10/05/2015	09-28-15	SEPT. 2015 CALCARD ACTIVITY	\$194,746.42
Remit to: ST. LOUIS, MO					FYTD: \$1,002,840.71



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WELLS FARGO CORPORATE TRUST	16098	10/15/2015	W151003	2013 REF OF 05 LRB DEBT SVC	\$1,424,194.26
	16099	10/15/2015	W151004	2007 TAXABLE LRB DEBT SVC	\$653,661.63
	16100	10/15/2015	W151002	2014 REF OF 05 LRB DEBT SVC	\$621,502.48
Remit to: MINNEAPOLIS, MN					<u>FYTD:</u> \$3,942,975.25
WILLDAN ENGINEERING	16042	10/12/2015	002-15808	PLAN CHECK & INSPECTION SVCS FOR BLDG. & SAFETY	\$54,853.07
Remit to: ANAHEIM, CA					<u>FYTD:</u> \$251,314.83
TOTAL AMOUNTS OF \$25,000 OR GREATER					\$11,727,033.1

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ACCESS SECURITY CONTROLS INT., INC.	226389	10/05/2015	15-2073	SECURITY MONITORING FOR ERC-JUL-SEPT 2015	\$75.00
	226566	10/26/2015	15-2647	SECURITY MONITORING FOR ERC-OCT-DEC 2015	\$75.00
Remit to: TEMECULA, CA					FYTD: \$150.00
ADLERHORST INTERNATIONAL INC.	16101	10/26/2015	53664	SUPPLIES FOR K-9 IVAN	\$532.26
		10/26/2015	53644	MONTHLY TRAINING FOR 3 K-9-OCT15	
Remit to: RIVERSIDE, CA					FYTD: \$2,766.78
ADVANCED ELECTRIC	226390	10/05/2015	11368	ELECTRICAL WORKS-CITY YARD POLE LIGHT/LIFT	\$2,329.00
		10/05/2015	11366	ELECTRICAL WORKS-FS#48 HIGH BAY LENSES	
		10/05/2015	11365	ELECTRICAL WORKS-EDD NEW XEROX MACHINE	
	226493	10/19/2015	11364	ELECTRICAL SERVICES-BETHUNE PARK	\$2,602.08
		10/19/2015	11357	ELECTRICAL SERVICES-SKATE PARK	
		10/19/2015	11378	ELECTRICAL SERVICES-SUNNYMEAD PARK	
	226567	10/26/2015	11358	ELECTRICAL SERVICE-EOC FIRE SYSTEM	\$1,349.04
		10/26/2015	11397	ELECTRICAL SERVICE-CH/CDD DIRECTOR'S OFFICE	
		10/26/2015	11367	ELECTRICAL SERVICE-PSB EXTERIOR LIGHT	
		10/26/2015	11359	ELECTRICAL SERVICE-CITY HALL DOOR SWITCH	
		10/26/2015	11398	ELECTRICAL SERVICE-CITY HALL SWITCH REPLACEMENT	
		10/26/2015	11363	ELECTRICAL SERVICE-CITY HALL EMERGENCY LIGHT REPAIRS	
	Remit to: RIVERSIDE, CA				
AECOM TECHNICAL SERVICES INC	16053	10/19/2015	37632965	CONSULTING - PERRIS WIDENING	\$2,104.00
Remit to: ONTARIO, CA					FYTD: \$2,104.00

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AEROTEK, INC.	15968	10/05/2015	OP05796539	TEMPORARY STAFF SERVICES-CODE 7/6-7/10/15	\$4,892.88
		10/05/2015	OP05839119	TEMPORARY STAFF SERVICES-CODE 7/27-7/31/15	
		10/05/2015	OP05852015	TEMPORARY STAFF SERVICES-CODE 8/3-8/7/15	
		10/05/2015	OP05825669	TEMPORARY STAFF SERVICES-CODE 7/20-7/24/15	
		10/05/2015	OP05811893	TEMPORARY STAFF SERVICES-CODE 7/13-7/17/15	
		10/05/2015	OP05865079	TEMPORARY STAFF SERVICES-CODE 8/10-8/14/15	
		10/05/2015	OP05878214	TEMPORARY STAFF SERVICES-CODE 8/17-8/21/15	
	16009	10/12/2015	OP05892020	TEMPORARY STAFF SERVICES-CODE 8/24-2/28/15	\$2,664.00
		10/12/2015	OP05918632	TEMPORARY STAFF SERVICES-CODE 9/8-9/11/15	
		10/12/2015	OP05932035	TEMPORARY STAFF SERVICES-CODE 9/14-9/18/15	
Remit to: CHICAGO, IL					FYTD: \$9,519.36
AGUILUZ, ALBERTO	226619	10/26/2015	7002801-05	SOLAR INCENTIVE REBATE	\$3,898.24
Remit to: MORENO VALLEY, CA					FYTD: \$3,898.24
ALEXIS	226620	10/26/2015	BL#30063-YR2015	REFUND OF OVERPAYMENT FOR BL#30063	\$62.00
Remit to: CHINO, CA					FYTD: \$62.00
ALFONSO CAMPA	226614	10/26/2015	11/4-11/5/15	TRAVEL PER DIEM-OFFICER INVOLVED SHOOTINGS TRAINING COURSE	\$106.50
Remit to: MORENO VALLEY, CA					FYTD: \$106.50
ALLIANT INSURANCE SERVICES	226447	10/12/2015	7/1-9/30/15	SPECIAL EVENT INSURANCE	\$4,604.00
Remit to: NEWPORT BEACH, CA					FYTD: \$11,132.30

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ALVARADO, LILIANA	226429	10/05/2015	REIMB.-9/30/15	REIMBURSEMENT FOR SNACK BASKET ITEMS-EMPLOYEE GIVING CAMPAIGN	\$122.93
	226494	10/19/2015	SUMMER 2015	TUITION REIMBURSEMENT	\$663.33
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$786.26
ALVAREZ, MANUAL	226432	10/05/2015	MVU 7009701-06	SOLAR INCENTIVE REBATE	\$5,421.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$5,421.00
AMERICAN PUBLIC POWER ASSOCIATION	226495	10/19/2015	270488	APPA E-RELIABILITY TRACKER	\$99.00
Remit to: BOSTON, MA					<u>FYTD:</u> \$99.00
AMS.NET, INC	226568	10/26/2015	142859-RET	RELEASE OF RETENTION FOR INV#142859	\$74.25
Remit to: LIVERMORE, CA					<u>FYTD:</u> \$21,997.89
ANIMAL EMERGENCY CLINIC, INC.	16054	10/19/2015	146AP	AFTER HOURS EMERGENCY VET SVCS-MV ANIMAL SHELTER	\$70.00
Remit to: GRAND TERRACE, CA					<u>FYTD:</u> \$530.00
ANIMAL HEALTH AND SANITARY SUPPLY	226391	10/05/2015	35471	MISC. KENNEL SUPPLIES	\$2,320.70
	226496	10/19/2015	35635	MISC. KENNEL SUPPLIES	\$718.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$3,038.70
ARRIAGA-J, LISSETTE	16010	10/12/2015	SUMMER 2015	TUITION REIMBURSEMENT	\$1,820.00
Remit to: RANCHO CUCAMONGA, CA					<u>FYTD:</u> \$1,820.00
ASTORGA, DANNY	226448	10/12/2015	SUMMER 2015	TUITION REIMBURSEMENT	\$566.20
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$995.15

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AT&T MOBILITY	226569	10/26/2015	872455379X100615	CELLULAR PHONE SVC-PD MCC	\$97.94
Remit to: CAROL STREAM, IL					<u>FYTD:</u> \$484.34
AT&T/MCI	226497	10/19/2015	7059926	LANDLINE PHONE SVC-GANG TASK FORCE	\$8.25
Remit to: CAROL STREAM, IL					<u>FYTD:</u> \$176.01
AUTOMATIC STOREFRONT SVC/E-Z AUTOMATED SYS.	226449	10/12/2015	0028946	DOOR CLOSER & ARM REPAIR (PARTS & LABOR)-FS#58	\$2,964.73
		10/12/2015	0028949	DOOR CLOSER REPAIR (PARTS & LABOR)-ANNEX BLDG/STE #7	
		10/12/2015	0028934	SLIDING GLASS DOOR REPAIR (PARTS & LABOR)-CRC LOBBY	
	226570	10/26/2015	0028947	PSB FRONT LOBBY DOOR REPAIR	\$877.84
Remit to: CHINO, CA					<u>FYTD:</u> \$5,266.23
BANSAL, JAGAN N	226543	10/19/2015	FP15-1064	REFUND-FIRE INSPECTION FEES CHARGED IN ERROR	\$270.00
Remit to: WALNUT, CA					<u>FYTD:</u> \$270.00
BARRON, ERIC	226433	10/05/2015	R15-090327	AS REFUND-OVERPMT ON LICENSE RENEWAL	\$21.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$21.00
BECERRA, MARIA	226621	10/26/2015	1292885	COTTONWOOD RENTAL REFUND DEPOSIT	\$200.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$200.00
BENITO, SAL	226571	10/26/2015	200	MIDNIGHT MADNESS SOFTBALL TOURNAMENT WINNER	\$375.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$375.00
BMW MOTORCYCLES OF RIVERSIDE	16055	10/19/2015	6011735	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	\$1,717.57
		10/19/2015	6011693	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$93,652.13

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BOX SPRINGS MUTUAL WATER COMPANY	226392	10/05/2015	721-1 9/28/15	WATER USAGE-ZONE 01 TOWNGATE	\$113.24
	226450	10/12/2015	1086-1 9/29/15	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	\$272.00
		10/12/2015	1087-1 9/29/15	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/12/2015	189-13 9/29/15	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/12/2015	1084-1 9/29/15	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/12/2015	1085-1 9/29/15	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/12/2015	1088-1 9/29/15	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/12/2015	80-4 9/28/15	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/12/2015	45-4 9/28/15	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/12/2015	195-5 9/29/15	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
	10/12/2015	204-9 9/28/15	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY		
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$1,586.84
BRAUN BLAISING MCLAUGHLIN	226393	10/05/2015	15723	LEGAL SERVICES-MVU-AUG15	\$1,879.14
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$5,298.38
BRINKER INTERNATIONAL	226474	10/12/2015	OVERPAYMENT	OVERPAYMENT FOR PENALTIES	\$8.60
Remit to: DALLAS, TX					<u>FYTD:</u> \$8.60

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BRYAN'S DOG BOARDING & TRAINING	15970	10/05/2015	SEP-2015	INSTRUCTOR SERVICES-DOG TRAINING CLASS	\$380.00
Remit to: PERRIS, CA					<u>FYTD:</u> \$380.00
BUNKER, JANA	226475	10/12/2015	R15-089087	AS REFUND- SN DEP	\$75.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$75.00
CALGO VEBA CITY OF MORENO VALLEY	15971	10/05/2015	2016-00000120	4020 - EXEC VEBA	\$12,535.00
	16056	10/19/2015	2016-00000138	4020 - EXEC VEBA*	\$1,960.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$58,672.97
CALIFORNIA BUILDING STANDARDS COMMISSION	226573	10/26/2015	3RD QTR 2015	SB1473 FEES COLLECTED FOR 7/1-9/30/15	\$841.50
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$2,115.90
CALIFORNIA FACILITY SPECIALTIES	226394	10/05/2015	1541	INSTALL BASKETBALL MOTOR AT CRC	\$3,000.00
Remit to: WATERFORD, CT					<u>FYTD:</u> \$3,000.00
CALIFORNIA MUNICIPAL UTILITIES ASSOC.	226574	10/26/2015	2102	FY15/16 ANNUAL MEMBERSHIP DUES	\$7,909.00
		10/26/2015	12/7/2015 SUMMIT	REGISTRATION-CMUA MANAGER'S SUMMIT-SAN DIEGO, CA	
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$8,659.00
CALIFORNIA WATERSHED ENGINEERING CORP.	16057	10/19/2015	15717	PLAN CHECK SVCS-PWQMP	\$1,666.66
Remit to: FULLERTON, CA					<u>FYTD:</u> \$5,001.66

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CARROLL, TIMOTHY	226471	10/12/2015	9/10-9/11/15	TRAVEL PER DIEM & MILEAGE-NATOA CONFERENCE/SAN DIEGO	\$211.77
Remit to: LA HABRA, CA					<u>FYTD:</u> \$1,773.87
CASTILLO, ELOISA	226434	10/05/2015	R15-090406	AS REFUND-OVERPMT ON LIC RENEWAL	\$19.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$19.00
CASTRO, VERONICA	226544	10/19/2015	1290077	REFUND CLASS CANCELED	\$22.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$22.00
CHAIRA, SERGIO	226545	10/19/2015	1289552	REFUND NOT HAPPY WITH THE CLASS	\$112.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$112.00
CHANCY, CHIZURU	226395	10/05/2015	SEP-2015	INSTRUCTOR SERVICES-HAWAIIAN/TAHITIAN DANCE/COMPETITION CLASSES	\$121.80
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$298.80
CHANDLER ASSET MANAGEMENT, INC	16011	10/12/2015	18439	INVESTMENT MANAGEMENT SVCS-SEPT15	\$4,130.00
Remit to: SAN DIEGO, CA					<u>FYTD:</u> \$16,471.00
CHARLES ABBOTT ASSOCIATES, INC	16058	10/19/2015	54956	CONSULTING SVCS-NPDES/SWMP-AUG15	\$8,598.00
	16102	10/26/2015	55095	CONSULTING SVCS-NPDES/SWMP-SEPT15	\$11,221.50
Remit to: MISSION VIEJO, CA					<u>FYTD:</u> \$49,084.50
CHJ INCORPORATED	15972	10/05/2015	87465	CONSULTING - NASON CACTUS/FIR	\$405.00
Remit to: COLTON, CA					<u>FYTD:</u> \$11,763.25

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CINTAS CORPORATION	15973	10/05/2015	150523572	UNIFORM RENTAL SVC.-PURCHASING DIV. STAFF	\$23.79
		10/05/2015	150531095	UNIFORM RENTAL SVC.-PURCHASING DIV. STAFF	
		10/05/2015	150490143	UNIFORM RENTAL SVC.-PURCHASING DIV. STAFF	
		10/05/2015	150542298	UNIFORM RENTAL SVC.-PURCHASING DIV. STAFF	
		10/05/2015	150527340	UNIFORM RENTAL SVC.-PURCHASING DIV. STAFF	
		10/05/2015	150538552	UNIFORM RENTAL SVC.-PURCHASING DIV. STAFF	
		10/05/2015	150534827	UNIFORM RENTAL SVC.-PURCHASING DIV. STAFF	
	16012	10/12/2015	150553558	UNIFORM RENTAL SVC.-SIGNS & STRIPING STAFF	\$285.66
		10/12/2015	150534835	UNIFORM RENTAL SVC.-STORM DRAIN MAINT. STAFF	
		10/12/2015	150553557	UNIFORM RENTAL SVC.-TRAFFIC SIGNAL MAINT. STAFF	
		10/12/2015	150546045	UNIFORM RENTAL SVC.-TRAFFIC SIGNAL MAINT. STAFF	
		10/12/2015	150534836	UNIFORM RENTAL SVC.-STREET MAINT. STAFF	
		10/12/2015	150534834	UNIFORM RENTAL SVC.-ST. SWEEPING STAFF	
		10/12/2015	150534832	UNIFORM RENTAL SVC.-TREE MAINT. STAFF	
		10/12/2015	150534831	UNIFORM RENTAL SVC.-EQUIPMENT MAINT. STAFF	
		10/12/2015	150534830	UNIFORM RENTAL SVC.-GRAFFITI RMVL. STAFF	
		10/12/2015	150546046	UNIFORM RENTAL SVC.-SIGNS & STRIPING STAFF	
	16059	10/19/2015	150546057	UNIFORM RENTAL SVC.-GOLF COURSE STAFF	\$78.65
		10/19/2015	150546043	UNIFORM RENTAL SVC.-PARKS MAINT. STAFF	
		10/19/2015	150546050	UNIFORM RENTAL SVC.-CFD #1 STAFF	

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CINTAS CORPORATION	16103	10/26/2015	150546044	UNIFORM RENTAL SVC.-PURCHASING DIV. STAFF	\$266.39
		10/26/2015	150557311	UNIFORM RENTAL SVC.-CFD #1 STAFF	
		10/26/2015	150561095	UNIFORM RENTAL SVC.-FACILITIES STAFF	
		10/26/2015	150557318	UNIFORM RENTAL SVC.-GOLF COURSE STAFF	
		10/26/2015	150557317	UNIFORM RENTAL SVC.-FACILITIES STAFF	
		10/26/2015	150553562	UNIFORM RENTAL SVC.-CFD #1 STAFF	
		10/26/2015	150557304	UNIFORM RENTAL SVC.-PARKS MAINT. STAFF	
		10/26/2015	150553568	UNIFORM RENTAL SVC.-FACILITIES STAFF	
		10/26/2015	150553556	UNIFORM RENTAL SVC.-PURCHASING DIV. STAFF	
		10/26/2015	150553555	UNIFORM RENTAL SVC.-PARKS MAINT. STAFF	
		10/26/2015	150549783	UNIFORM RENTAL SVC.-FACILITIES STAFF	
		10/26/2015	150546056	UNIFORM RENTAL SVC.-FACILITIES STAFF	
		10/26/2015	150553569	UNIFORM RENTAL SVC.-GOLF COURSE STAFF	
Remit to: ONTARIO, CA					<u>FYTD:</u> \$5,999.43
COLLABORATIVE LEARNING SOLUTIONS	226623	10/26/2015	1294070	CRC RENTAL REFUND BALANCE MINUS CANCELLATION FEE	\$1,462.00
Remit to: TEMECULA, CA					<u>FYTD:</u> \$1,462.00
COLONIAL SUPPLEMENTAL INSURANCE	226430	10/05/2015	7133069-1001325	SUPPLEMENTAL INSURANCE	\$6,062.79
Remit to: COLUMBIA, SC					<u>FYTD:</u> \$24,586.71
COMMUNITY HEALTH CHARITIES	226396	10/05/2015	2016-00000121	8725 - CH CHARITY	\$37.00
	226498	10/19/2015	2016-00000139	8725 - CH CHARITY	\$37.00
Remit to: BALTIMORE, MD					<u>FYTD:</u> \$296.00

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COMMUNITY WORKS DESIGN GROUP	16104	10/26/2015	11486	LANDSCAPE/IRRIGATION DESIGN-BEAUTIFICATION PLAN-AUG15	\$11,891.40
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$11,891.40
COMPETITIVE STRIDE	16105	10/26/2015	3424	SPORTS AWARD SUPPLIES-BASKETBALL/PEWEE/JR	\$982.80
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$3,592.08
CONCRETE ALLIANCE, INC	226624	10/26/2015	BL#27660-YR2015	REFUND OF OVERPAYMENT FOR BL#27660	\$70.50
Remit to: POMONA, CA					<u>FYTD:</u> \$70.50
CONTRERAS, JOSE	226499	10/19/2015	101515	SPORTS OFFICIATING SERVICES-SOFTBALL	\$63.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$357.00
CONTRERAS, YOLANDA	226546	10/19/2015	1287938	REFUND SCHEDULING CONFLICT	\$41.91
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$41.91
COOPER, BRIAN E.	226547	10/19/2015	MVU 7008365-05	SOLAR INCENTIVE REBATE	\$3,764.47
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$3,764.47
COSTCO	226397	10/05/2015	22190	MISC. SUPPLIES-CAREER DEV'T. SESSION	\$60.88
	226500	10/19/2015	22182	SNACK SUPPLIES-COTTONWOOD GOLF COURSE	\$3,054.35
		10/19/2015	22207	SNACK SUPPLIES-SKATE PARK	
		10/19/2015	22257	MISC. SUPPLIES FOR EOC	
		10/19/2015	22206	SNACK SUPPLIES-A CHILD'S PLACE	
	226575	10/26/2015	22270	SNACK SUPPLIES-COTTONWOOD GOLF COURSE	\$196.48
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$14,451.81
COUNSELING TEAM, THE	226501	10/19/2015	29676	EMPLOYEE SUPPORT SERVICES-SEPT15	\$1,250.00
Remit to: SAN BERNARDINO, CA					<u>FYTD:</u> \$5,000.00

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COUNTRY SQUIRE ESTATES	226451	10/12/2015	SEPT 2015	UUT REFUND FOR SEPT 2015	\$49.51
Remit to: ONTARIO, CA					<u>FYTD:</u> \$192.81
COUNTY OF RIVERSIDE 1	226539	10/19/2015	PU0000003519	STATION JANITORIAL SUPPLIES	\$1,492.96
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$5,864.77
CRIME SCENE STERI-CLEAN, LLC	16060	10/19/2015	34853	BIO HAZARD REMOVAL SERVICE	\$750.00
Remit to: RANCHO CUCAMONGA, CA					<u>FYTD:</u> \$3,000.00
CULPEPPER, PEARLENE	226476	10/12/2015	R15-089010	AS REFUND-SN DEP	\$75.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$75.00
D&D SERVICES DBA D&D DISPOSAL, INC.	226503	10/19/2015	88502	DECEASED ANIMAL REMOVAL SVCS-FEB15	\$1,490.00
		10/19/2015	83995	DECEASED ANIMAL REMOVAL SVCS-SEPT15	
Remit to: VALENCIA, CA					<u>FYTD:</u> \$3,725.00
DATA TICKET, INC.	15974	10/05/2015	64786	ADMIN CITATION PROCESSING-A/S-AUG15	\$952.44
	16061	10/19/2015	64802	ADMIN CITATION PROCESSING-PARK RANGERS-AUG15	\$306.50
		10/19/2015	64789	ADMIN CITATION PROCESSING-PD-AUG15	
	16107	10/26/2015	64100TPC	THIRD PARTY COLLECTIONS-CODE-JUL15	\$2,667.66
		10/26/2015	64787	ADMIN CITATION PROCESSING-B&S-AUG15	
		10/26/2015	64100	ADMIN CITATION PROCESSING-CODE-JUL15	
		10/26/2015	64099	ADMIN CITATION PROCESSING-B&S-JUL15	
		10/26/2015	63858	ADMIN CITATION PROCESSING-CODE (RED)-JUL15	
		10/26/2015	64787TPC	THIRD PARTY COLLECTIONS-B&S-AUG15	
Remit to: NEWPORT BEACH, CA					<u>FYTD:</u> \$80,234.56

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DAVALOS, LETICIA	226548	10/19/2015	1289990	REFUND STUDENT DROPPED PROGRAM	\$39.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$39.00
DEBINAIRE COMPANY	226576	10/26/2015	730766	BOILER MAINTENANCE-CRC	\$425.00
		10/26/2015	730769	BOILER MAINTENANCE-ANIMAL SHELTER	
		10/26/2015	730719	BOILER MAINTENANCE-PSB	
Remit to: CORONA, CA					<u>FYTD:</u> \$865.24
DELTA DENTAL OF CALIFORNIA	15975	10/05/2015	BE001324217	EMPLOYEE DENTAL INSURANCE-PPO	\$11,075.27
Remit to: SAN FRANCISCO, CA					<u>FYTD:</u> \$41,869.12
DELTACARE USA	15976	10/05/2015	BE001325282	EMPLOYEE DENTAL INSURANCE-HMO	\$4,867.82
Remit to: DALLAS, TX					<u>FYTD:</u> \$19,658.38
DENNIS GRUBB & ASSOCIATES, LLC	16062	10/19/2015	1372	PLAN REVIEW SERVICES 9/1-9/30/15	\$5,640.00
Remit to: MIRA LOMA, CA					<u>FYTD:</u> \$43,355.00
DENNIS, TALVIN	226435	10/05/2015	MVU 7011132-02	SOLAR INCENTIVE REBATE	\$4,733.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$4,733.00
DEPARTMENT OF CONSERVATION	226452	10/12/2015	3RD QTR 2015	SMI FEES REPORT FOR QTR ENDING 9/30/15	\$295.85
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$4,599.62
DIVISION OF THE STATE ARCHITECT	226453	10/12/2015	3RD QTR 2015	STATE PORTION-DISABILITY ACCESS & EDUCATION FEE REPORT	\$152.40
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$439.50

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DMS FACILITY SERVICES	15977	10/05/2015	L38856	SPECIAL CLEANING FOR SEP 5 EVENT RENTAL-SENIOR CTR.	\$200.00
		10/05/2015	L38808	SPECIAL CLEANING FOR AUG 15 EVENT RENTAL-SENIOR CTR.	
Remit to: MONROVIA, CA					FYTD: \$89,888.73
DRAPER, BRETT	226504	10/19/2015	100115	SPORTS OFFICIATING SERVICES-SOFTBALL	\$84.00
		10/19/2015	100815	SPORTS OFFICIATING SERVICES-SOFTBALL	
Remit to: MORENO VALLEY, CA					FYTD: \$294.00
DRAYTON, TAMI JANOHNE	16108	10/26/2015	SEP-2015	INSTRUCTOR SERVICES-LINE DANCING CLASS	\$36.00
Remit to: MORENO VALLEY, CA					FYTD: \$36.00
E.R. BLOCK PLUMBING & HEATING, INC.	16063	10/19/2015	118917	REPLACED BACKFLOW DEVICE-ZONE D	\$4,727.30
		10/19/2015	118849	REPLACED BACKFLOW DEVICE-SD LMD ZN 03	
		10/19/2015	118846	BACKFLOW DEVICE TESTS-VARIOUS LOCATIONS	
		10/19/2015	118847	REPLACED BACKFLOW DEVICE-ZONE D	
		10/19/2015	118850	REPLACED BACKFLOW DEVICE-ZONE D	
		10/19/2015	119004	BACKFLOW DEVICE TESTS-VARIOUS LOCATIONS	
		10/19/2015	118848	REPLACED BACKFLOW DEVICE-ZONE D	
Remit to: RIVERSIDE, CA					FYTD: \$10,593.30
EASTERN MUNICIPAL WATER DISTRICT	226454	10/12/2015	SEP-15 10/12/15	WATER CHARGES	\$2,512.60
Remit to: PERRIS, CA					FYTD: \$739,147.33
ECONOLITE CONTROL PRODUCTS, INC	226455	10/12/2015	123481	TAXES FOR EQUIPMT - RECHE VISTA	\$150.28
Remit to: ANAHEIM, CA					FYTD: \$2,028.78

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EDGELANE MOBILE HOME PARK	16013	10/12/2015	SEPT 2015	UUT REFUND FOR SEPT 2015	\$1.83
Remit to: LOS ANGELES, CA					FYTD: \$7.67
EDGEMONT COMMUNITY SERVICES DISTRICT	226578	10/26/2015	16-01	FY15/16 SEWER USER FEES/APN 291-250-005-4	\$105.00
Remit to: RIVERSIDE, CA					FYTD: \$105.00
EMERGENT BATTERY TECHNOLOGIES, INC.	15978	10/05/2015	27047	REPLACEMENT BATTERIES FOR BATTERY BACKUP SYSTEMS	\$4,968.00
Remit to: ANAHEIM, CA					FYTD: \$8,942.40
ENCO UTILITY SERVICES MORENO VALLEY LLC	15979	10/05/2015	0402-MF-01751A	SOLAR METER INSTALLATION	\$7,821.00
		10/05/2015	0402-MF-01746A	SOLAR METER INSTALLATION	
		10/05/2015	0402-MF-01750A	SOLAR METER INSTALLATION	
		10/05/2015	0402-MF-01752A	SOLAR METER INSTALLATION	
		10/05/2015	0402-MF-01742A	SOLAR METER INSTALLATION	
		10/05/2015	0402-MF-01748A	SOLAR METER INSTALLATION	
		10/05/2015	0402-MF-01747A	SOLAR METER INSTALLATION	
		10/05/2015	0402-MF-01749A	SOLAR METER INSTALLATION	
		10/05/2015	0402-MF-01744A	SOLAR METER INSTALLATION	
		10/05/2015	0402-MF-01745A	SOLAR METER INSTALLATION	
		10/05/2015	0402-MF-01743A	SOLAR METER INSTALLATION	
16014	10/12/2015	C15-05	CONSULTANT INVOICE - 801 0027 70 77	\$12,870.24	
Remit to: ANAHEIM, CA					FYTD: \$1,544,163.33
ENNIS PAINT	16015	10/12/2015	295163	TRAFFIC PAINT & MATERIALS	\$24,741.62
		10/12/2015	188799	TRAFFIC PAINT & MATERIALS	
Remit to: DALLAS, TX					FYTD: \$38,414.86

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ESGIL CORPORATION	16109	10/26/2015	08154362	PLAN CHECK SERVICES 8/1-8/31/15	\$886.06
Remit to: SAN DIEGO, CA					<u>FYTD:</u> \$5,195.42
EVANS ENGRAVING & AWARDS	16065	10/19/2015	10715-5	PLAQUE FOR SENIOR ADVISORY BOARD MEMBER-DOROTHY GRZESKOWIAK	\$32.40
Remit to: BANNING, CA					<u>FYTD:</u> \$333.72
EXCLUSIVE TOWING	226399	10/05/2015	RCT NO.0412523	REFUND-DRIVER'S ID CARDS OVERPAYMENT-TOWING PROGRAM	\$42.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$42.00
FAIN, ELIZABETH	226549	10/19/2015	R15-089929	AS REFUND LICENSE REFUND	\$19.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$19.00
FAST SIGNS	226506	10/19/2015	70-35550	MAGNETIC CITY STICKERS FOR RENTED VEHICLES NEEDED FOR EL NINO	\$259.20
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$4,712.73
FELDER, RENOIR	226436	10/05/2015	R15-088852	AS REFUND-SPAY/NEUTER DEPOSIT	\$75.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$75.00
FIRST AMERICAN CORE LOGIC, INC.	16066	10/19/2015	81575376	REAL QUEST WEB SVCS-AUG15 (IMAGING)	\$600.00
		10/19/2015	81616202	REAL QUEST WEB SVCS-SEPT15 (IMAGING)	
Remit to: IRVINE, CA					<u>FYTD:</u> \$1,240.00
FIRST AMERICAN DATA TREE, LLC	226507	10/19/2015	20027760915	ONLINE SOFTWARE SUBSCRIPTION-SEPT15	\$99.00
Remit to: PASADENA, CA					<u>FYTD:</u> \$247.00

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FIRST INDUSTRIAL REALTY TRUST	15980	10/05/2015	2575040	PROPERTY LEASE RENT-OCT15	\$515.00
Remit to: PASADENA, CA					FYTD: \$2,085.75
FITNESS 19	226508	10/19/2015	2016-00000140	8730 - GYM MEMBERSHIP*	\$84.00
Remit to: MORENO VALLEY, CA					FYTD: \$356.00
FRANCHISE TAX BOARD	226400	10/05/2015	2016-00000122	1015 - GARNISHMENT - CREDITOR %	\$272.50
	226509	10/19/2015	2016-00000141	1015 - GARNISHMENT - CREDITOR %*	\$272.50
Remit to: SACRAMENTO, CA					FYTD: \$3,511.40
FRANKLIN, L. C.	16017	10/12/2015	9/1-9/30/15	MILEAGE REIMBURSEMENT	\$323.15
Remit to: PERRIS, CA					FYTD: \$522.68
FUEL PROS, INC	226401	10/05/2015	21495	REPLACED GENERATOR PIPING-CITY HALL/EOC/PSB	\$565.00
	226579	10/26/2015	21406	FUEL TANK REPAIRS-FS#65	\$1,075.84
		10/26/2015	21545	FUEL TANK REPAIRS-FS#65	
Remit to: CHINO, CA					FYTD: \$1,640.84
FUNKHOUSER, DEANNA	226550	10/19/2015	MVU 7008662-02	SOLAR INCENTIVE REBATE	\$5,278.00
Remit to: MORENO VALLEY, CA					FYTD: \$5,278.00
G/M BUSINESS INTERIORS, INC.	226402	10/05/2015	0215162-IN	PEDESTALS FOR FIRE PREVENTION OFFICE	\$660.44
Remit to: RIVERSIDE, CA					FYTD: \$17,758.58
GALLS INC., INLAND UNIFORM	16067	10/19/2015	BC0194038	UNIFORMS FOR POP UNIT	\$72.79
Remit to: PASADENA, CA					FYTD: \$2,041.61
GARCIA, JUAN	226551	10/19/2015	MVU 7010464-05	SOLAR INCENTIVE REBATE	\$2,597.00
Remit to: MORENO VALLEY, CA					FYTD: \$2,597.00

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GENESIS SPORTS	16018	10/12/2015	SEP-2015	INSTRUCTOR SERVICES-GENESIS HOOPS BASKETBALL CLINIC	\$204.60
Remit to: RIVERSIDE, CA					FYTD: \$1,241.40
GEVEDON, NATALIE	226477	10/12/2015	R15-087829	AS REFUND- RAB DEP	\$20.00
Remit to: MORENO VALLEY, CA					FYTD: \$20.00
GILDNER, JEFFERY	226478	10/12/2015	R15-089663	AS REFUND-SN DEPOSIT	\$75.00
Remit to: MORENO VALLEY, CA					FYTD: \$75.00
GONZALEZ, ROXANA	226552	10/19/2015	R15-090223	AS REFUND- S/N DEP	\$75.00
Remit to: CATHEDRAL CITY, CA					FYTD: \$75.00
GONZALEZ, VERONICA	226437	10/05/2015	1286959 1286960	TOWNGATE RENTAL REFUND DEPOSIT	\$200.00
Remit to: MORENO VALLEY, CA					FYTD: \$200.00
GOZDECKI, DAN	16068	10/19/2015	OCT-2015 YOUTH	INSTRUCTOR SERVICES-KUNG FU CLASS	\$513.00
		10/19/2015	OCT-2015 ADULT	INSTRUCTOR SERVICES-KUNG FU CLASS	
Remit to: MORENO VALLEY, CA					FYTD: \$1,458.00
GUERRERO, LESLIE	226479	10/12/2015	1289106	TOWNGATE RENTAL REFUND DEPOSIT	\$200.00
Remit to: MORENO VALLEY, CA					FYTD: \$200.00
GUILLERMO, JAUREGUI JR.	226625	10/26/2015	7008175-08	SOLAR INCENTIVE REBATE	\$4,978.58
Remit to: MORENO VALLEY, CA					FYTD: \$4,978.58
GUTIERREZ, YXSTIAN	226540	10/19/2015	REIMB. 9/30-10/2	REIMBURSEMENT OF VEHICLE EXPENSES FOR LCC ANNUAL CONF./SAN JOSE	\$299.77
Remit to: MORENO VALLEY, CA					FYTD: \$495.77

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HABITAT RESTORATION SCIENCES, INC	226565	10/19/2015	6544	DETENTION BASIN MAINTENANCE SVCS-AUG15	\$1,874.00
Remit to: CARLSBAD, CA					FYTD: \$1,874.00
HART, JOSHUA	226480	10/12/2015	R15-088855	AS REFUND- SN DEPOSIT	\$75.00
Remit to: MORENO VALLEY, CA					FYTD: \$75.00
HILLTOP GEOTECHNICAL, INC.	16019	10/12/2015	15085	CONSULTANT - CACTUS WDNG	\$6,860.00
Remit to: SAN BERNARDINO, CA					FYTD: \$28,737.00
HOLMES, BRIAN	226615	10/26/2015	11/4-11/5/15	TRAVEL PER DIEM-OFFICER INVOLVED SHOOTINGS TRAINING COURSE	\$106.50
Remit to: MORENO VALLEY, CA					FYTD: \$284.00
HOLZER, JOHN	226438	10/05/2015	R15-090207	AS REFUND-DUPLICATE PMT OF LIC RENEWAL	\$34.00
Remit to: MORENO VALLEY, CA					FYTD: \$34.00
HONDA YAMAHA OF REDLANDS	16070	10/19/2015	63101	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	\$200.61
		10/19/2015	62903	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	
	16110	10/26/2015	63680	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	\$693.96
Remit to: REDLANDS, CA					FYTD: \$10,470.71
ICMA RETIREMENT CORP	15961	10/02/2015	2016-00000132	8030 - DEF COMP 457 - ICMA	\$8,573.84
	16047	10/16/2015	2016-00000152	8030 - DEF COMP 457 - ICMA	\$8,573.84
Remit to: BALTIMORE, MD					FYTD: \$65,690.72
IES COMMERCIAL, INC	16111	10/26/2015	119072	VEHICLE GATE REPAIRS-PSB	\$380.00
Remit to: TEMPE, AZ					FYTD: \$4,038.24

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IL SORRENTO MOBILE PARK	226403	10/05/2015	JUN-JULY 2015	UUT REFUND FOR JUN-JULY 2015	\$259.16
		10/05/2015	AUG-SEPT 2015	UUT REFUND FOR AUG-SEPT 2015	
		10/05/2015	APR-MAY 2015	UUT REFUND FOR APR-MAY 2015	
Remit to: MORENO VALLEY, CA					FYTD: \$419.97
INLAND OVERHEAD DOOR COMPANY	226581	10/26/2015	39148	PSB GATE#6 MOTOR REPLACEMENT	\$999.15
Remit to: COLTON, CA					FYTD: \$8,009.75
INSIDE PLANTS, INC.	16071	10/19/2015	57058	PLANT MAINTENANCE AT CRC-OCT15	\$343.00
Remit to: CORONA, CA					FYTD: \$1,372.00
INSTITUTE FOR BRAIN POTENTIAL	226553	10/19/2015	1290644	MISCELLANEOUS SERVICES	\$500.00
Remit to: LOS BANOS, CA					FYTD: \$500.00
INTERNAL REVENUE SERVICE CENTER	15967	10/02/2015	F151001	4TH QTR 2015 TAX DEPOSIT	\$2,000.00
Remit to: OGDEN, UT					FYTD: \$1,221,624.67
IRON MOUNTAIN, INC	16020	10/12/2015	LXN0571	OFF-SITE STORAGE OF CITY RECORDS-OCT15	\$1,649.64
Remit to: PASADENA, CA					FYTD: \$6,952.00
JDH CONTRACTING	16021	10/12/2015	100815-01	RESTROOM ROOF REPLACEMENT-EL POTRERO PARK	\$13,985.00
Remit to: RIVERSIDE, CA					FYTD: \$34,202.00
JOE A. GONSALVES & SON	15981	10/05/2015	25571	LOBBYIST SERVICES-OCT15	\$3,000.00
Remit to: SACRAMENTO, CA					FYTD: \$12,045.00

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KENASTON FLOORING	226404	10/05/2015	14032	NEW FLOORING AT TOWNGATE COMMUNITY CENTER	\$3,532.00
Remit to: SAN BERNARDINO, CA					<u>FYTD:</u> \$35,957.00
KEYSER MARSTON ASSOCIATES, INC.	16112	10/26/2015	0028832	DISPOSITION CONSULTING-RHDC AGREEMENT 22889 & 22899 ALLIES PLC	\$16,484.38
		10/26/2015	0028844	DISPOSITION CONSULTING-RHDC AGREEMENT 22889 & 22899 ALLIES PLC	
Remit to: SAN FRANCISCO, CA					<u>FYTD:</u> \$19,479.38
KOA CORPORATION	226456	10/12/2015	JB54042x1	CONSULTANT - RECHE VISTA	\$1,371.90
Remit to: MONTEREY PARK, CA					<u>FYTD:</u> \$103,668.41
KOSMONT COMPANIES	226582	10/26/2015	0013	REAL ESTATE CONSULTANT SVCS-AUG 2015	\$3,445.00
		10/26/2015	0012	REAL ESTATE CONSULTANT SVCS-JUL 2015	
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$42,144.11
LATITUDE GEOGRAPHICS	226510	10/19/2015	INV0001637	GEOCORTEX-TECHNICAL SUPPORT HOURS	\$57.50
Remit to: VICTORIA, BC					<u>FYTD:</u> \$12,597.50
LEAGUE OF CALIFORNIA CITIES-RIV CNTY DIV 1	226405	10/05/2015	10-2-15 MTG.	ANNUAL CONF. BREAKFAST MEETING-MAYOR JESSE L. MOLINA	\$25.00
Remit to: MIRA LOMA, CA					<u>FYTD:</u> \$235.00
LEE, JERI	15983	10/05/2015	SEP-2015	INSTRUCTOR SERVICES-ZUMBA KIDS CLASS	\$108.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$180.00
LEE, JESSICA	226439	10/05/2015	R15-090200	AS REFUND-OVERPMT ON LIC RENEWAL	\$19.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$19.00

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LEE-MCDUFFIE, PRECIOUS	16114	10/26/2015	OCT-2015	INSTRUCTOR SERVICES-ACTING FOR KIDS CLASS	\$278.40
Remit to: MORENO VALLEY, CA					FYTD: \$603.20
LEOS, ROSIE	226481	10/12/2015	1289511	COTTONWOOD RENTAL REFUND DEPOSIT	\$200.00
Remit to: MORENO VALLEY, CA					FYTD: \$200.00
LEXISNEXIS PRACTICE MGMT.	16022	10/12/2015	1508078417	LEGAL RESEARCH TOOLS-AUG15	\$1,180.00
Remit to: CARY, NC					FYTD: \$4,720.00
LOCKLEY, NELLISA	226554	10/19/2015	1289010	REFUND FOR SPECIAL EVENT PERMIT 28651	\$98.00
Remit to: TUSTIN, CA					FYTD: \$98.00
LOPEZ, ANITA	226555	10/19/2015	1287951	REFUND CLASS CANCELED	\$32.00
Remit to: MORENO VALLEY, CA					FYTD: \$32.00
LUNDBERG, GEORGINA	226626	10/26/2015	1294099 1294098	REFUND CHILDREN UNABLE TO ATTEND PROGRAMS	\$179.00
Remit to: MORENO VALLEY, CA					FYTD: \$179.00
LYONS SECURITY SERVICE, INC	16023	10/12/2015	22269	SECURITY GUARD SVCS-CITY HALL-SEPT15	\$3,730.89
		10/12/2015	22274	SECURITY GUARD SVCS-MVU-SEPT15	
		10/12/2015	22275	SECURITY GUARD SVCS-COTTONWOOD G/C SPECIAL EVENTS-SEPT15	
		10/12/2015	22272	SECURITY GUARD SVCS-TOWNGATE-SEPT15	
		10/12/2015	22271	SECURITY GUARD SVCS-LIBRARY-SEPT15	
		10/19/2015	22225	SECURITY GUARD SVCS-SENIOR CTR-AUG15	
Remit to: ANAHEIM, CA					FYTD: \$34,643.85

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MAHAFFEY, MATTHEW	226472	10/12/2015	10/18-10/23/15	TRAVEL PER DIEM-EMERG. MANAGEMENT TRAINING-CSTI EARTHQUAKE CLASS	\$363.00
Remit to: UPLAND, CA					FYTD: \$363.00
MANDELL MUNICIPAL COUNSELING	226408	10/05/2015	AUG 2015	LEGAL SERVICES-CSD TRANSITIONS PROJECT	\$600.00
	226585	10/26/2015	SEPT 2015	LEGAL SERVICES-CSD TRANSITIONS PROJECT	\$1,575.00
Remit to: LOS ANGELES, CA					FYTD: \$3,200.00
MARCH JOINT POWERS AUTHORITY	226409	10/05/2015	36379	GAS CHARGES-BLDG. 938-AUG15	\$3.39
		10/05/2015	36376	GAS CHARGES-MFPCC BLDG. 823-AUG15	
Remit to: RIVERSIDE, CA					FYTD: \$38,680.68
MCCAIN TRAFFIC SUPPLY	226586	10/26/2015	INV0197708	TRAFFIC SIGNAL SUPPLIES	\$1,414.82
Remit to: VISTA, CA					FYTD: \$23,932.76
MCCOLLUM, CHEKESHA	226627	10/26/2015	7012486-04	SOLAR INCENTIVE REBATE	\$6,616.00
Remit to: MORENO VALLEY, CA					FYTD: \$6,616.00
MCKENNA, LANAYA	226556	10/19/2015	R15-089749	AS REFUND S/N DEP	\$75.00
Remit to: PERRIS, CA					FYTD: \$75.00
MEEKS, DANIEL	16074	10/19/2015	101515	SPORTS OFFICIATING SERVICES-SOFTBALL	\$84.00
		10/19/2015	092415	SPORTS OFFICIATING SERVICES-SOFTBALL	
Remit to: PERRIS, CA					FYTD: \$882.00
MENGISTU, YESHIALEM	16024	10/12/2015	9/1-9/30/15	MILEAGE REIMBURSEMENT	\$225.98
Remit to: MORENO VALLEY, CA					FYTD: \$386.98

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MERCHANTS LANDSCAPE SERVICES INC	15984	10/05/2015	46357	IRRIGATION REPAIRS-SD LMD ZN 03A, 05 & 06-AUG15	\$19,987.86
		10/05/2015	45537	INSTALLATION OF COVER MULCH TO BARE AREAS IN ZONE E-8	
		10/05/2015	45696	INSTALLATION OF MULCH TO BARE AREAS-GRAND VISTA PLANTERS-ZN E-3	
		10/05/2015	46384	LANDSCAPE MAINT.-SD LMD ZN 03 & 03A-AUG 2015	
	16116	10/26/2015	46538	IRRIGATION REPAIRS-SD LMD ZN 05-SEP 2015	\$24,407.60
		10/26/2015	46392	LANDSCAPE MAINT.-SD LMD ZN 03 & 03A-SEP 2015	
		10/26/2015	46391	LANDSCAPE MAINT.-ZONES E-8, SD LMD ZN 05, 06 & 07-SEP 2015	
		10/26/2015	46539	IRRIGATION REPAIRS-SD LMD ZN 03 & 03A-SEP 2015	
Remit to: MONTEREY PARK, CA					FYTD: \$114,541.64
MGT OF AMERICA, INC.	15985	10/05/2015	27275	CONSULTING SERVICES-STATE MANDATED COST CLAIM FILING (SB 90)	\$6,000.00
Remit to: TALLAHASSEE, FL					FYTD: \$6,000.00
MICHAEL BAKER INTERNATIONAL, INC	16117	10/26/2015	920078	CONSULTANT PLAN CHECK SVCS-PA13-0037	\$1,404.00
Remit to: LOS ANGELES, CA					FYTD: \$3,869.23
MIYAGISHIMA, ANNETTE	226482	10/12/2015	R15-089791	AS REFUND-SN DEPOSIT	\$75.00
Remit to: MORENO VALLEY, CA					FYTD: \$75.00
MOLINA, JESSE L.	226541	10/19/2015	REIMB. 9/30-10/2	REIMBURSEMENT OF MILEAGE & PARKING FOR LCC ANNUAL CONF./SAN JOSE	\$450.33
Remit to: MORENO VALLEY, CA					FYTD: \$590.33
MONROE, ZOEY	226557	10/19/2015	R15-089283	AS REFUND S/N DEP	\$75.00
Remit to: MORENO VALLEY, CA					FYTD: \$75.00

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MONTGOMERY PLUMBING INC	226410	10/05/2015	091615	PLUMBING SERVICE-LIBRARY	\$447.50
		10/05/2015	091515	PLUMBING SERVICE-CRC	
	226587	10/26/2015	093015	PLUMBING SERVICE/CLEARED (3) DRAINS BLOCKAGE-ANIMAL SHELTER	\$557.50
		10/26/2015	082515	PLUMBING SERVICE/CLEARED BLOCKAGE-ERC	
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$12,730.50
MONTGOMERY, BRIDGETTE	226542	10/19/2015	10/20-10/23/15	TRAVEL PER DIEM & MILEAGE-CALPELRA ANNUAL TRAINING CONFERENCE	\$225.00
Remit to: YUCAIPA, CA					<u>FYTD:</u> \$554.54
MORENO VALLEY BLACK CHAMBER OF COMMERCE	226511	10/19/2015	14100-685	ANNUAL MEMBERSHIP DUES	\$500.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$650.00
MORENO VALLEY BUSINESS JOURNAL/INLAND EMPIRE BUSIN	16118	10/26/2015	0000010	INLAND EMPIRE BUSINESS REVIEW 1/2 PAGE AD	\$628.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$628.00
MORENO VALLEY CHAMBER OF COMMERCE	226411	10/05/2015	RCT NO. 0412697	STATE OF THE CITY ADDRESS-PD IN ERROR TO CITY BY BRIXTON-ALTO	\$180.00
	226457	10/12/2015	4883	LEADERSHIP MORENO VALLEY CLASS FEE FOR ADRIA REINERTSON	\$600.00
	226588	10/26/2015	4884	WAKE-UP MEETING ATTENDANCE-9/23/15	\$45.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$1,225.00

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MORENO VALLEY CITY EMPLOYEES ASSOC.	15963	10/02/2015	2016-00000134	8710 - MVCEA EMPLOYEE DUES	\$1,234.00
	16048	10/16/2015	2016-00000154	8710 - MVCEA EMPLOYEE DUES	\$1,234.00
	16192	10/30/2015	2016-00000171	8710 - MVCEA EMPLOYEE DUES	\$1,229.00
Remit to: MORENO VALLEY, CA					FYTD: \$11,133.00
MORENO VALLEY HISPANIC CHAMBER OF COMMER	226589	10/26/2015	10/20/2015	ANNUAL MEMBERSHIP TO MVHCC	\$80.00
Remit to: MORENO VALLEY, CA					FYTD: \$80.00
MORENO VALLEY MANAGEMENT ASSOCIATION	15986	10/05/2015	2016-00000123	8705 - MVMA EMPLOYEE DUES	\$750.00
	16075	10/19/2015	2016-00000142	8705 - MVMA EMPLOYEE DUES	\$750.00
Remit to: MORENO VALLEY, CA					FYTD: \$5,530.00
MORENO VALLEY MASTER CHORALE	16119	10/26/2015	FY15/16	FUNDS TO SUPPORT COMMUNITY REC PRGM/ASSIST LOCAL PERFORMING ARTS	\$5,000.00
Remit to: MORENO VALLEY, CA					FYTD: \$5,000.00
MORENO VALLEY UNIFIED SCHOOL DISTRICT	226590	10/26/2015	REFUND-UUT CHGS.	REFUND OF UTILITY USER TAX CHARGED AT THREE MVUSD FACILITIES	\$7,350.93
Remit to: MORENO VALLEY, CA					FYTD: \$15,940.93
MUSICSTAR	226413	10/05/2015	SEP-2015	INSTRUCTOR SERVICES-GUITAR & PIANO FOR KIDS CLASSES	\$378.00
Remit to: RIVERSIDE, CA					FYTD: \$5,269.80

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NATIONWIDE RETIREMENT SOLUTIONS CP	15964	10/02/2015	2016-00000135	8020 - DEF COMP PST - NATIONWIDE	\$2,232.51
	16050	10/16/2015	2016-00000156	8020 - DEF COMP PST - NATIONWIDE	\$2,233.41
	16193	10/30/2015	2016-00000172	8020 - DEF COMP PST - NATIONWIDE	\$2,256.97
	16195	10/30/2015	2016-00000174	8210 - 401(A) 3% DM - NATIONWIDE*	\$1,091.96
Remit to: COLUMBUS, OH					<u>FYTD:</u> \$231,374.28
NBS GOVERNMENT FINANCE GROUP	16025	10/12/2015	91500299	2015 COMPREHENSIVE USER FEE STUDY SVCS	\$310.00
Remit to: TEMECULA, CA					<u>FYTD:</u> \$310.00
NELSON PAVING	226591	10/26/2015	1114071	PARKING LOT REPAIRS AT SUNNYMEAD PARK	\$10,723.00
Remit to: PERRIS, CA					<u>FYTD:</u> \$32,372.00
NEW HORIZON MOBILE HOME PARK	16026	10/12/2015	SEPT 2015	UUT REFUND FOR SEPT 2015	\$4.79
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$23.93
NEW IMAGE COMMERCIAL FLOORING	226592	10/26/2015	14192	CITY HALL/CDD OFFICE CARPETING	\$716.75
Remit to: SAN BERNARDINO, CA					<u>FYTD:</u> \$6,136.64
NUNEZ, OLIVIA	226440	10/05/2015	MVU 7009969-02	SOLAR INCENTIVE REBATE	\$3,769.61
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$3,769.61
NUNO, PEDRO	226441	10/05/2015	MVU 7013162-02	SOLAR INCENTIVE REBATE	\$4,500.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$4,500.00

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ORROCK, POPKA, FORTINO & BRISLIN	16121	10/26/2015	90-037M STMT 27	LEGAL SERVICES-CLAIM MV1310 (O. RODRIGUEZ)	\$7,452.00
		10/26/2015	90-042M STMT 5	LEGAL SERVICES-CLAIM MV1506 (L. SPARKS)	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$10,056.00
PACIFIC ALARM SERVICE, INC	15988	10/05/2015	R 115222	BURGLAR ALARM SYSTEM RENT/SVC/MONITORING-MVU SUBSTATION-OCT15	\$244.00
Remit to: BEAUMONT, CA					<u>FYTD:</u> \$976.00
PACIFIC TELEMAGEMENT SERVICES	16076	10/19/2015	784229	PAY PHONE SERVICES-NOV15	\$313.20
Remit to: SAN RAMON, CA					<u>FYTD:</u> \$1,597.32
PACIFIC UTILITY INSTALLATION, INC	15989	10/05/2015	13545	EMERGENCY SUPPLY FOR MVU TRANSFORMER	\$970.00
Remit to: ANAHEIM, CA					<u>FYTD:</u> \$970.00
PAINTING BY ZEB BODE	15990	10/05/2015	092515	INSTALL SHUTTERS AND PAINTING AT TOWNGATE (60% OF CONTRACT)	\$4,605.00
Remit to: NORCO, CA					<u>FYTD:</u> \$11,473.00
PALOMARES, ELVA	226558	10/19/2015	1290585	COTTONWOOD RENTAL REFUND DEPOSIT MINUS BALANCE DUE	\$175.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$175.00
PATENT TRADEMARK BUREAU	226492	10/12/2015	10367	CITY LOGO PATENT RENEWAL	\$925.00
Remit to: PHILADELPHIA, PA					<u>FYTD:</u> \$925.00
PAUL SHIH AND SUNG SHIH	226458	10/12/2015	MV1612	FULL/FINAL SETTLEMENT	\$675.88
Remit to: PALM DESERT, CA					<u>FYTD:</u> \$675.88

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PEDLEY SQUARE VETERINARY CLINIC	16078	10/19/2015	SEPT-2015	VETERINARY SERVICES FOR MV ANIMAL SHELTER	\$8,510.11
Remit to: RIVERSIDE, CA					FYTD: \$57,356.49
PERCEPTIVE ENTERPRISES, INC.	16027	10/12/2015	MVL-20	DBE SERVICES - CAPITAL PROJECTS	\$1,200.00
Remit to: LOS ANGELES, CA					FYTD: \$2,407.50
PERS LONG TERM CARE PROGRAM	226414	10/05/2015	2016-00000124	4720 - PERS LONG TERM CARE	\$460.33
	226512	10/19/2015	2016-00000143	4720 - PERS LONG TERM CARE	\$460.33
Remit to: PASADENA, CA					FYTD: \$3,682.64
PERS RETIREMENT	16138	10/09/2015	P150925P	PERS RETIREMENT DEPOSIT - PEPRA	\$19,498.42
	16139	10/09/2015	P150911b	PERS RETIREMENT - PEPRA FINAL	\$11,433.02
	16198	10/23/2015	P150925b	PERS RETIREMENT - PEPRA FINAL	\$10,939.81
	16200	10/23/2015	P151009P	PERS RETIREMENT DEPOSIT - PEPRA	\$19,916.36
Remit to: SACRAMENTO, CA					FYTD: \$2,343,913.20
PETTY CASH - FINANCE	226616	10/26/2015	SEPT 2015	PETTY CASH FUND REPLENISHMENT	\$714.54
Remit to: MORENO VALLEY, CA					FYTD: \$2,949.70
PIONEER CREDIT RECOVERY, INC	226415	10/05/2015	2016-00000125	1015 - GARNISHMENT - CREDITOR %	\$226.21
	226513	10/19/2015	2016-00000144	1015 - GARNISHMENT - CREDITOR %	\$226.38
Remit to: ARCADE, NY					FYTD: \$1,841.58
PIP PRINTING	16122	10/26/2015	56143	STAGE BANNERS-STATE OF THE CITY ADDRESS	\$311.04
		10/26/2015	56290	LAMINATE FINANCIAL COVERS	
Remit to: MORENO VALLEY, CA					FYTD: \$1,966.25

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PRICE, ROSE	226483	10/12/2015	R15-090312	AS REFUND- ADOPTION RETURN	\$65.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$65.00
PROFESSIONAL COMMUNICATIONS NETWORK PCN	226459	10/12/2015	151000391	LIVE ANSWERING SERVICE FOR ROTATIONAL TOW VEHICLES PROGRAM	\$521.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$2,088.00
PSOMAS	226514	10/19/2015	110423	ASSESSMENT ENGINEERING SERVICES TO AUDIT COUNTY SVC AREA 152	\$22,000.00
	226593	10/26/2015	111526	CONSULTANT - E SUNNYMD SD	\$5,453.00
		10/26/2015	111524	CONSULTANT - CORP YARD	
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$39,663.00
RADAR SHOP, THE	226515	10/19/2015	7644	RECERTIFICATION OF 15 LIDAR LASER UNITS	\$1,335.00
Remit to: WICHITA, KS					<u>FYTD:</u> \$1,335.00
RANCUDO, ROSEMARIE	226443	10/05/2015	MVU 7013076-02	SOLAR INCENTIVE REBATE	\$3,917.72
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$3,917.72

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READY REFRESH BY NESTLE	16028	10/12/2015	05I0029115177	WATER PURIF. UNITS RENTAL-ANIMAL SHELTER	\$539.80			
		10/12/2015	05I0029647948	WATER PURIF. UNIT RENTAL-FIRE STATION #48				
		10/12/2015	05I0029647914	WATER PURIF. UNIT RENTAL-FIRE STATION #6				
		10/12/2015	05I0028990919	WATER PURIF. UNITS RENTAL-CITY HALL				
		10/12/2015	05I0029648052	WATER PURIF. UNIT RENTAL-FIRE STATION #65				
		10/12/2015	05I0029647997	WATER PURIF. UNIT RENTAL-FIRE STATION #58				
		10/12/2015	05I0032414377	WATER PURIF. UNIT RENTAL-PUBLIC SAFETY BLDG.				
		10/12/2015	05I0032389744	WATER PURIF. UNIT RENTAL-FIRE STATION #99				
		10/12/2015	05I0029647971	WATER PURIF. UNIT RENTAL-FIRE STATION #2				
		10/12/2015	05I0029648037	WATER PURIF. UNIT RENTAL-FIRE STATION #91				
		10/12/2015	05I0029115144	WATER PURIF. UNIT RENTAL-LIBRARY				
		10/12/2015	05I0029115359	WATER PURIF. UNIT RENTAL-CRC				
		10/12/2015	05I0029115201	WATER PURIF. UNIT RENTAL-SENIOR CENTER				
		10/12/2015	05I0029115110	WATER PURIF. UNITS RENTAL-CITY YARD & TRANSP. TRAILER				
		16124	16124	10/26/2015		05J0029647971	WATER PURIF. UNIT RENTAL-FIRE STATION #2	\$404.85
				10/26/2015		05J0032414377	WATER PURIF. UNIT RENTAL-PUBLIC SAFETY BLDG.	
				10/26/2015		05J0029648052	WATER PURIF. UNIT RENTAL-FIRE STATION #65	
10/26/2015	05J0028990919			WATER PURIF. UNITS RENTAL-CITY HALL				
10/26/2015	05J0029115144			WATER PURIF. UNIT RENTAL-LIBRARY				
10/26/2015	05J0029648037			WATER PURIF. UNIT RENTAL-FIRE STATION #91				
10/26/2015	05J0032389744			WATER PURIF. UNIT RENTAL-FIRE STATION #99				
10/26/2015	05J0029647914			WATER PURIF. UNIT RENTAL-FIRE STATION #6				
10/26/2015	05J0029647997			WATER PURIF. UNIT RENTAL-FIRE STATION #58				
10/26/2015	05J0029115110			WATER PURIF. UNITS RENTAL-CITY YARD & TRANSP. TRAILER				

Remit to: LOUISVILLE, KY

FYTD: \$2,860.94

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
REFRIGERATION CONTROL CO., INC.	226594	10/26/2015	7292-2909	ICE MACHINE FILTRATION SYSTEM-PSB	\$619.00
Remit to: CORONA, CA					<u>FYTD:</u> \$619.00
REPUBLIC MASTER CHEFS TEXTILE RENTAL SERVICE	15991	10/05/2015	11674637	LINENS RENTAL-CRC BALL ROOM	\$117.82
		10/05/2015	S489698	LINENS RENTAL-CRC SPECIAL EVENTS	
	16079	10/19/2015	11679749	LINENS RENTAL FOR CRC BALLROOM	\$44.00
		10/19/2015	11684839	LINENS RENTAL FOR CRC BALLROOM	
	16125	10/26/2015	S494670	LINENS RENTAL FOR CRC SPECIAL EVENTS	\$73.50
		10/26/2015	11690896	LINENS RENTAL FOR CRC BALLROOM	
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$643.74
RICK ENGINEERING COMPANY	16029	10/12/2015	44803	CONSULTING SERVICES - CYCLE 4	\$4,870.00
		10/12/2015	44849	CONSULTANT - RECHE VISTA	
		10/12/2015	44802	CONSULTING SERVICES - CYCLE 3	
	16126	10/26/2015	44850	CONSULTING - PERRIS WIDENING	\$13,725.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$40,265.00
RIGEL PRODUCTS & SERVICE	15992	10/05/2015	3261	REPAIR SERVICES-PIONJAR TOOLS	\$1,070.61
Remit to: CRESTLINE, CA					<u>FYTD:</u> \$1,070.61
RIGHTWAY SITE SERVICES, INC.	226516	10/19/2015	91949	PORTABLE RESTROOM RENTAL-PSB CAR WASH AREA-OCT15	\$455.60
		10/19/2015	84689	PORTABLE RESTROOM RENTAL-PSB CAR WASH AREA-AUG15	
		10/19/2015	80975	PORTABLE RESTROOM RENTAL-PSB CAR WASH AREA-JUL15	
		10/19/2015	88289	PORTABLE RESTROOM RENTAL-PSB CAR WASH AREA-SEPT15	
Remit to: LAKE ELSINORE, CA					<u>FYTD:</u> \$2,822.40

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RIVERSIDE COUNTY HABITAT CONSERVATION	226460	10/12/2015	3RD QTR 2015	STEPHEN'S KANGAROO RAT MITIGATION FEES FOR QTR ENDING 9/30/15	\$320.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$570.00
RIVERSIDE COUNTY INFORMATION TECHNOLOGY (RCIT)	226517	10/19/2015	9990170000-1507	VPN CONNECTION FOR CODE ENFORCEMENT STAFF-JUL15	\$88.02
		10/19/2015	9990023000-1507	SYSTEM ADMINISTRATOR EXPERT TIME	
		10/19/2015	9990170000-1508	VPN CONNECTION FOR CODE ENFORCEMENT STAFF-AUG15	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$2,959.50
RIVERSIDE COUNTY OFFICE OF EDUCATION	226595	10/26/2015	10/28/15 EVENT	REGIS-13TH ANNUAL RIV. CTY EDUCATION SUMMIT	\$125.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$125.00
RIVERSIDE COUNTY SHERIFF CIVIL DIVISION-WEST	226416	10/05/2015	2016-00000126	1015 - GARNISHMENT - CREDITOR %	\$1,217.58
	226518	10/19/2015	2016-00000145	1015 - GARNISHMENT - CREDITOR %*	\$928.79
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$5,105.13
RIVERSIDE SYSTEM DESIGNS, INC.	226559	10/19/2015	FP15-1206	REFUND-FIRE PLAN CHECK FEES OVERPAYMENT	\$150.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$150.00
RMA GROUP	226596	10/26/2015	49922	CONSULTANT - CORP YARD	\$1,450.00
Remit to: RANCHO CUCAMONGA, CA					<u>FYTD:</u> \$23,964.00
ROBINSON, JACK	226417	10/05/2015	SEP-2015	INSTRUCTOR SERVICES-BEGINNING JR. & ADVANCED JR. TENNIS CLASSES	\$144.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$144.00

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ROBINSON-SCOTT, FELICIA	226560	10/19/2015	MVU 7009078-05	SOLAR INCENTIVE REBATE	\$4,339.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$4,339.00
RODRIGUEZ, RICARDO	226617	10/26/2015	11/4-11/6/15	TRAVEL PER DIEM-SO. CAL FRAUD INVESTIGATORS' ASSOC. CONFERENCE	\$177.50
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$177.50
ROJAS, ISA G.	226431	10/05/2015	7/29-8/25/15	MILEAGE REIMBURSEMENT	\$121.90
Remit to: BREA, CA					<u>FYTD:</u> \$121.90
ROSEEN, ROBERT	226473	10/12/2015	9/9-9/11/15	TRAVEL PER DIEM, MILEAGE & PARKING-NATOA CONFERENCE/SAN DIEGO	\$408.77
Remit to: MENIFEE, CA					<u>FYTD:</u> \$408.77
SAFEWAY SIGN CO.	15993	10/05/2015	3315	TRAFFIC SIGNS & HARDWARE	\$7,244.86
Remit to: ADELANTO, CA					<u>FYTD:</u> \$7,244.86
SALDANA, MARIA	226484	10/12/2015	R15-087437	AS REFUND-RAB DEP	\$20.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$20.00
SALTER, RANDALL	226485	10/12/2015	R15-087622	AS REFUND-RAB DEP	\$20.00
Remit to: VALLEY VILLAGE, CA					<u>FYTD:</u> \$20.00
SAN BERNARDINO & RIVERSIDE CO FIRE EQUIP	16127	10/26/2015	80532	SPRINKLER RELOCATION-CITY HALL/.CDD OFFICE	\$1,425.00
		10/26/2015	80502	1-YEAR SPRINKLER RECERTIFICATION-SENIOR CTR	
		10/26/2015	80503	5-YEAR SPRINKLER CERTIFICATION & REPORT-ANNEX #1	
Remit to: SAN BERNARDINO, CA					<u>FYTD:</u> \$2,309.24



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SCHIEFELBEIN, LORI C.	226462	10/12/2015	JUN-SEPT 2015	CONSULTANT SVCS-PREPARATION OF NEW RFP FOR ROTATIONAL TOW PROGRAM	1,691.25
		10/12/2015	SEPT 2015	CONSULTANT SVCS-ROTATIONAL TOW SVC PROGRAM	
Remit to: BULLHEAD CITY, AZ					FYTD: \$3,808.75
SCOTT FAZEKAS & ASSOCIATES, INC	226418	10/05/2015	18315	PLAN CHECK SERVICES-B&S-JUL 2015	2,035.00
		226597	10/26/2015	18384	PLAN CHECK SERVICES-B&S-AUG 2015
Remit to: IRVINE, CA					FYTD: \$51,955.80
SECURITY LOCK & KEY	15994	10/05/2015	27328	LOCK REPAIR SERVICE-CYLINDER COMBINATION CHANGE FOR CRC-YOC ROOM	67.50
		10/19/2015	27398	LOCK REPAIRS-SHADOW MTN. PARK	365.00
		10/26/2015	27447	LOCK REPAIRS-SKATE PARK	219.34
		10/26/2015	27427	LOCK REPAIRS-TOWNGATE PARK	
Remit to: YUCAIPA, CA					FYTD: \$2,489.00
SERTA MATTRESS	226519	10/19/2015	02941131-001	BEDDING-FIRE STATION #48 REMODEL	1,056.72
Remit to: LOS ANGELES, CA					FYTD: \$3,017.40
SIGNS BY TOMORROW	226520	10/19/2015	16486	PUBLIC HEARING SIGN POSTINGS FOR CC & PC MEETINGS	554.60
		10/19/2015	16315	PUBLIC HEARING SIGN POSTINGS FOR CC & PC MEETINGS	
		10/19/2015	16480	PUBLIC HEARING SIGN POSTINGS FOR CC & PC MEETINGS	
		10/19/2015	16485	PUBLIC HEARING SIGN POSTINGS FOR CC & PC MEETINGS	
Remit to: MURRIETA, CA					FYTD: \$4,149.26
SINGER & COFFIN, APC	16081	10/19/2015	4516	CONSULTANT - MORENO BEACH (801 0038 70 77)	630.00
Remit to: IRVINE, CA					FYTD: \$1,378.50

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SKECHERS	226486	10/12/2015	MVU 701366901	SOLAR REBATE INCENTIVE	\$4,092.06
Remit to: MANHATTAN BEACH, CA					FYTD: \$4,092.06
SKONBERG, RIX	16082	10/19/2015	SUMMER 2015	TUITION REIMBURSEMENT	\$530.00
Remit to: LA VERNE, CA					FYTD: \$1,180.00
SKY PUBLISHING	16083	10/19/2015	15_6_97	FULL PAGE ADVERTISEMENT-RECYCLING PROGRAM	\$2,350.00
		10/19/2015	15_6_95	1/2 PAGE MAGAZINE AD-BOTTLES & CANS RECYCLING	
Remit to: MORENO VALLEY, CA					FYTD: \$21,896.00
SKY TRAILS MOBILE VILLAGE	16030	10/12/2015	SEPT 2015	UUT REFUND FOR SEPT 2015	\$45.61
Remit to: LOS ANGELES, CA					FYTD: \$218.65
SMART UTILITY SYSTEMS	16031	10/12/2015	6048	SMART CUSTOMER MOBILE/WORKFORCE 1ST YEAR LICENSING FEE	\$11,800.00
Remit to: IRVINE, CA					FYTD: \$11,800.00
SOCAL OFFICE TECHNOLOGIES, INC.	16084	10/19/2015	IN118109	COPY MACHINE BILLABLE CHARGE FOR EXCESS COLOR COPIES 4/1-6/30/15	\$15,271.52
		10/19/2015	IN118108	QUARTERLY CHARGE FOR COPY MACHINES LEASE-7/1/15 TO 9/30/15	
Remit to: CYPRESS, CA					FYTD: \$15,355.63

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SOCO GROUP, INC	16032	10/12/2015	0213099-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	\$19,704.22
		10/12/2015	0216643-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		10/12/2015	0210497-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		10/12/2015	0214390-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		10/12/2015	0212129-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		10/12/2015	0215913-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		10/12/2015	0208212-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		10/12/2015	0209306-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
Remit to: PERRIS, CA					<u>FYTD:</u> \$98,721.58
SOLIVA, RUEL	226444	10/05/2015	MVU 7009030-05	SOLAR INCENTIVE REBATE	\$4,004.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$4,004.00
SOROPTIMIST INTERNATIONAL DISTRICT 2	226628	10/26/2015	1294645	TOWNGATE RENTAL REFUND DEPOSIT	\$200.00
Remit to: LA QUINTA, CA					<u>FYTD:</u> \$200.00
SOSA, HUGO	15995	10/05/2015	SEP-2015	INSTRUCTOR SERVICES-TRADITIONAL KARATEDO CLASS	\$240.00
Remit to: RANCHO CUCAMONGA, CA					<u>FYTD:</u> \$960.00
SOUTHERN CALIFORNIA EDISON 1	226419	10/05/2015	SEP-15 10/5/15	ELECTRICITY CHARGES	\$6,656.43
		10/05/2015	AUG-15 10/5/15	ELECTRICITY CHARGES	
	226420	10/05/2015	7500593075	WDAT CHARGES-MVU/IRIS AVE-AUG15	\$14,904.89
		10/05/2015	7500594579	RELIABILITY SERVICE-DLAP_SEES_HV	
		10/05/2015	7500593077	WDAT CHARGES-MVU/GLOBE ST-AUG15	
Remit to: ROSEMEAD, CA					<u>FYTD:</u> \$1,124,448.76

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SOUTHERN CALIFORNIA FRAUD INVESTIGATORS ASSOC.	226561	10/19/2015	REG 11/4-11/6/15	REGISTRATION FEES-2015 3 DAY CONF. FOR J. VASQUEZ & R. RODRIGUEZ	\$650.00
Remit to: SAN MARINO, CA					FYTD: \$650.00
SOUTHERN CALIFORNIA GAS CO.	226522	10/19/2015	SEP-2015	GAS CHARGES	\$3,645.35
Remit to: MONTEREY PARK, CA					FYTD: \$26,211.84
SOUTHERN PET SUPPLIES	15996	10/05/2015	9507	PET SUPPLIES-ASSORTED COLLARS, LEADS & HARNESSSES	\$507.75
Remit to: SAN DIEGO, CA					FYTD: \$1,811.50
SPARKLETTS	15997	10/05/2015	7364551 092315	BOTTLED WATER/SVC.-SUNNYMEAD ELEMENTARY "A CHILD'S PLACE"	\$63.40
	16033	10/12/2015	8742831 091315	BOTTLED WATER SVC./COOLER RENTAL-EMP. RESOURCE CTR.	\$79.36
	16085	10/19/2015	7364596 100215	BOTTLED WATER/SVC.-CREEKSIDE ELEMENTARY "A CHILD'S PLACE"	\$57.50
		10/19/2015	7363683 100215	BOTTLED WATER/SVC.-ARMADA ELEMENTARY "A CHILD'S PLACE"	
	16129	10/26/2015	10050036 100215	BOTTLED WATER SVC./COOLER RENTAL-EOC/ERF	\$14.00
		10/26/2015	7387294 100715	BOTTLED WATER SVC./COOLER RENTAL-COTTONWOOD GOLF COURSE STAFF	
Remit to: DALLAS, TX					FYTD: \$704.56
SPECIALIZED BUSINESS SYSTEMS, INC	16034	10/12/2015	34664	ANNUAL SERVICE AGREEMENT (7/25/15- 7/24/16)	\$1,607.55
Remit to: LOS ANGELES, CA					FYTD: \$1,607.55
SPRINT	16086	10/19/2015	417544340-106	CELLULAR PHONE SVC-PD GTF UNIT	\$90.08
		10/19/2015	634235346-061	CELLULAR PHONE SVC-PD SET UNIT	
	226599	10/26/2015	LCI-239636	CELLULAR TECH EXTRACTION & LOCATOR SVC	\$30.00
Remit to: CAROL STREAM, IL					FYTD: \$346.75

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STANDARD INSURANCE CO	226421	10/05/2015	151001	SUPPLEMENTAL INSURANCE	\$1,276.06
Remit to: PORTLAND, OR					<u>FYTD:</u> \$112,812.78

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STANLEY CONVERGENT SECURITY SOLUTNS, INC	15998	10/05/2015	12602172	SECURITY EQUIPMENT SERVICE CALL-INSPECT/ADJUST EQUIP.- SENIOR CTR	\$630.00
		10/05/2015	12622960	SECURITY EQUIPMENT SERVICE CALL-TRACE SHORT IN SYSTEM- SENIOR CTR	
	16035	10/12/2015	12677499	ALARM SYSTEM MONITORING SERVICES-FIRE ST. #99/SEP15	\$3,432.75
		10/12/2015	12675911	ALARM SYSTEM MONITORING SERVICES-ANIMAL SHELTER/SEP- NOV15	
		10/12/2015	12660325	ALARM SYSTEM MONITORING SERVICES-EOC/SEP15	
		10/12/2015	12654875	ALARM SYSTEM MONITORING SERVICES-MARCH ASES BLDG 823/SEP-NOV15	
		10/12/2015	12756181	ALARM SYSTEM MONITORING SERVICES-FIRE ST. #99/OCT15	
		10/12/2015	12678320	ALARM SYSTEM MONITORING SERVICES-SENIOR CENTER/SEP- NOV15	
		10/12/2015	12752927	ALARM SYSTEM MONITORING SERVICES-EOC/OCT15	
		10/12/2015	12757595	ALARM SYSTEM MONITORING SERVICES-ANNEX 1 BURGLAR ALARM/OCT-DEC15	
		10/12/2015	12777599	ALARM SYSTEM MONITORING SERVICES-PUBLIC SAFETY BLDG./OCT-DEC15	
		10/12/2015	12773529	ALARM SYSTEM MONITORING SERVICES-CRC/OCT-DEC15	
		10/12/2015	12678780	ALARM SYSTEM MONITORING SERVICES-CITY YARD & TRANS. TRAILER	
		10/12/2015	12682691	ALARM SYSTEM MONITORING SERVICES-FIRE ST. #58/SEP-NOV15	
		10/12/2015	12758041	ALARM SYSTEM MONITORING SERVICES-MARCH FIELD PARK COMM. CTR.	
		10/12/2015	12763544	ALARM SYSTEM MONITORING SERVICES-TOWNGATE COMM. CTR./OCT-DEC15	
	16088	10/19/2015	12749530	SECURITY SYSTEM MONITORING-SUNNYMEAD & BETHUNE PARKS SNACK BARS	\$186.17

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STANLEY CONVERGENT SECURITY SOLUTIONS, INC	16130	10/26/2015	12832549	ALARM SYSTEM MONITORING SERVICES-GANG TASK FORCE OFFICE	\$1,949.97
		10/26/2015	12853348	ALARM SYSTEM MONITORING SERVICES-CITY HALL/NOV15-JAN16	
		10/26/2015	12858239	ALARM SYSTEM MONITORING SERVICES-ANNEX 1 FIRE ALARM/NOV15-JAN16	
		10/26/2015	12564290	ALARM SYSTEM MONITORING SERVICES-RED MAPLE/AUG-OCT15	
		10/26/2015	12841897	ALARM SYSTEM MONITORING SERVICES-EOC/NOV15	
		10/26/2015	12843634	ALARM SYSTEM MONITORING SERVICES-FIRE ST. #99/NOV15	
		10/26/2015	12846239	ALARM SYSTEM MONITORING SERVICES-LIBRARY/NOV15-JAN16	
		10/26/2015	12855783	ALARM SYSTEM MONITORING SERVICES-COTTONWOOD GOLF CTR/NOV15-JAN16	
Remit to: PALATINE, IL					<u>FYTD:</u> \$18,388.93
STATE BOARD OF EQUALIZATION	226523	10/19/2015	3RD QTR 2015	ACCT#31-000177 ELECTRICAL ENERGY SURCHARGE RETURN/JUL-SEPT 2015	\$14,911.98
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$22,051.46
STATE BOARD OF EQUALIZATION 1	16140	10/28/2015	3RD QTR 2015	SALES & USE TAX REPORT FOR 7/1-9/30/15	\$2,056.00
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$10,553.32
STATE DISBURSEMENT UNIT	15965	10/02/2015	2016-00000136	1005 - GARNISHMENT - CHILD SUPPORT*	\$3,059.20
	16049	10/16/2015	2016-00000155	1005 - GARNISHMENT - CHILD SUPPORT*	\$2,983.04
	16194	10/30/2015	2016-00000173	1005 - GARNISHMENT - CHILD SUPPORT*	\$2,983.04
Remit to: WEST SACRAMENTO, CA					<u>FYTD:</u> \$27,583.40

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STATE OF CALIFORNIA DEPT. OF JUSTICE	226464	10/12/2015	112461 (HR)	FINGERPRINTING SERVICES-HR/EMPLOYMENT/VOLUNTEERS RELATED	\$719.00
	226465	10/12/2015	118055 (HR)	FINGERPRINTING SERVICES-HR/EMPLOYMENT/VOLUNTEERS RELATED	\$719.00
		10/12/2015	118055 (OEM)	FINGERPRINTING SERVICES-ERF VOLUNTEERS RELATED	
	226524	10/19/2015	122889	BLOOD ALCOHOL ANALYSIS SERVICES FOR PD-MAY15 RE-BILL	\$840.00
		10/19/2015	122834	BLOOD ALCOHOL ANALYSIS SERVICES FOR PD-JUL15	
	226600	10/26/2015	112461 (BL)	FINGERPRINTING SERVICES-BUSINESS LICENSE RELATED	\$384.00
		10/26/2015	112461 (PCS)	FINGERPRINTING SERVICES-PARKS CONTRACT CLASS RELATED	
	226601	10/26/2015	118055 (BL)	FINGERPRINTING SERVICES-BUSINESS LICENSE RELATED	\$32.00
Remit to: SACRAMENTO, CA					FYTD: \$7,982.00
STRADLING, YOCCA, CARLSON & RAUTH	16089	10/19/2015	300901-0000	LEGAL SERVICES-SUCCESSOR AGENCY	\$500.00
Remit to: NEWPORT BEACH, CA					FYTD: \$16,229.23
SUNNYMEAD ACE HARDWARE	226466	10/12/2015	63255	MISC. SUPPLIES FOR FIRE STATION #6	\$44.77
	226525	10/19/2015	63094	MISC. SUPPLIES FOR PD	\$73.22
		10/19/2015	63507	MISC. SUPPLIES FOR PD	
		10/19/2015	63418	MISC. SUPPLIES FOR FIRE STATION #48	
		10/19/2015	63383	MISC. SUPPLIES FOR PD	
	226602	10/26/2015	63485	MISC. SUPPLIES FOR PD	\$8.40
		10/26/2015	63486	CREDIT FOR RETURNED ITEMS	
		10/26/2015	63474	MISC. SUPPLIES FOR PD	
		10/26/2015	63494	CREDIT FOR RETURNED ITEMS	
Remit to: MORENO VALLEY, CA					FYTD: \$556.29

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
SUNNYMEAD ANIMAL HOSPITAL	226526	10/19/2015	286038	VETERINARY SERVICES FOR PATROL K-9 OZZI	\$147.87
		10/19/2015	281322	VETERINARY SERVICES FOR PATROL K-9 OZZI	
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$167.74
SUNNYMEAD VETERINARY CLINIC	226527	10/19/2015	302488	AFTER HOURS EMERGENCY VET SVCS-MV ANIMAL SHELTER	\$1,945.00
		10/19/2015	305843	AFTER HOURS EMERGENCY VET SVCS-MV ANIMAL SHELTER	
		10/19/2015	303331	VETERINARY SVCS FOR S/N GRANT-MV ANIMAL SHELTER	
		10/19/2015	305840	VETERINARY SVCS FOR S/N GRANT-MV ANIMAL SHELTER	
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$11,645.00
THE ADVANTAGE GROUP/ FLEX ADVANTAGE	16037	10/12/2015	89078	FLEX & COBRA ADMIN FEES-SEPT15	\$1,310.25
	16090	10/19/2015	2016-00000146	4511 - FSA - MED CARE REIMB 2015*	\$4,293.25
Remit to: TEMECULA, CA					<u>FYTD:</u> \$197,820.56
THE SAUCE CREATIVE SERVICES	226422	10/05/2015	1946	BANNER-MOVAL HALLOWEEN WINDOW CLINGS	\$197.00
Remit to: MONROVIA, CA					<u>FYTD:</u> \$197.00
THERMAL-COOL INC.	226604	10/26/2015	w/o 7689	CARRIER XP OPEN CONTROLLER/TROUBLESHOOTING/PROGRAMMING-EOC	\$3,085.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$74,083.93
THOMPSON COBURN LLP	16000	10/05/2015	3124398	LEGAL SERVICES FOR MVU RE: NERC COMPLIANCE-AUG15	\$47.23
Remit to: WASHINGTON, DC					<u>FYTD:</u> \$9,702.72

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THOMSON REUTERS-WEST PUBLISHING CORP.	226467	10/12/2015	831992180	LEGAL LIBRARY PUBLICATION UPDATES	\$2,019.66
		10/12/2015	832175506	LEGAL LIBRARY PUBLICATION UPDATES	
		10/12/2015	832360138	LEGAL LIBRARY PUBLICATION UPDATES	
	226605	10/26/2015	832671845	AUTO TRACK SERVICES FOR PD INVESTIGATIONS-SEPT15	\$753.98
Remit to: CAROL STREAM, IL					FYTD: \$5,035.58
TIME WARNER CABLE	226528	10/19/2015	INV-90058684	RECYCLING COMMERCIALS 8/31-9/27/15 (DIGITAL)	\$1,190.00
		10/19/2015	INV-90059886	RECYCLING COMMERCIALS 8/31-9/27/15 MONDAY NIGHT FOOTBALL PACKAGE	
Remit to: PASADENA, CA					FYTD: \$1,320.00
TING, CHIEHCHIH	226487	10/12/2015	R15-090378	AS REFUND-SN DEP	\$75.00
Remit to: IRVINE, CA					FYTD: \$75.00
T-MOBILE USA	226603	10/26/2015	9246219079	INFO SEARCH, LOCATE & RETRIEVAL SVCS DUE TO SEARCH WARRANT	\$100.00
Remit to: SEATTLE, WA					FYTD: \$100.00
TONY'S MOBIL	226445	10/05/2015	BL#06673-YR2015	REFUND OF OVERPAYMENT FOR BL#06673	\$135.93
Remit to: MORENO VALLEY, CA					FYTD: \$135.93
TORRES, EVA	226562	10/19/2015	R15-090821	AS REFUND RABIES DEP	\$20.00
Remit to: PERRIS, CA					FYTD: \$20.00
TRICHE, TARA	16091	10/19/2015	OCT-2015	INSTRUCTOR SERVICES-DANCE CLASSES	\$2,353.20
Remit to: MORENO VALLEY, CA					FYTD: \$8,291.40

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TRINITY DIVERSIFIED, INC.	226423	10/05/2015	7377	STRIPING AND STENCIL SUPPLIES	\$174.00
	226468	10/12/2015	7379	STRIPING AND STENCIL SUPPLIES	\$364.14
Remit to: LONG BEACH, CA					FYTD: \$538.14
TUKES, JOSHUA	16001	10/05/2015	SEP-2015	INSTRUCTOR SERVICES-WATERCOLOR TECHNIQUE CLASS	\$120.00
Remit to: MORENO VALLEY, CA					FYTD: \$432.00
TURF STAR, INC.	226529	10/19/2015	2290899-00	EQUIPMENT MAINT. & REPAIRS-COTTONWOOD GOLF CTR	\$676.52
		10/19/2015	093013	CREDIT FOR UNAPPLIED CASH	
Remit to: SAN FRANCISCO, CA					FYTD: \$2,490.24
ULTRASERV AUTOMATED SERVICES, LLC	226469	10/12/2015	3590:027706	COFFEE SVC. SUPPLIES-CITY YARD	\$711.66
		10/12/2015	3590:026952	COFFEE SVC. SUPPLIES-CITY HALL/PUBLIC WORKS LOCATION	
		10/12/2015	3590:027704	COFFEE SVC. SUPPLIES-CITY HALL/BREAKROOM LOCATION	
		10/12/2015	3590:027909	COFFEE SVC. SUPPLIES-CITY HALL/PUBLIC WORKS LOCATION	
		10/12/2015	3590:027911	COFFEE SVC. SUPPLIES-CITY HALL/BREAKROOM LOCATION	
		10/12/2015	3590:027907	COFFEE SVC. SUPPLIES-ANIMAL SHELTER	
		10/12/2015	3590:028348	COFFEE SVC. SUPPLIES-ANNEX #1	
	226606	10/26/2015	3590:029006	COFFEE SVC. SUPPLIES-CITY HALL/PUBLIC WORKS LOCATION	\$687.20
		10/26/2015	3590:029008	COFFEE SVC. SUPPLIES-ANNEX #1	
		10/26/2015	3590:028352	COFFEE SVC. SUPPLIES-CITY YARD	
		10/26/2015	3590:028354	COFFEE SVC. SUPPLIES-CITY HALL/PUBLIC WORKS LOCATION	
Remit to: COSTA MESA, CA					FYTD: \$14,152.21

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UNDERGROUND SERVICE ALERT	16092	10/19/2015	920150457 (c)	DIGALERT TICKETS SUBSCRIPTION SERVICE-SEPT15	\$295.50
		10/19/2015	920150457 (d)	DIGALERT TICKETS SUBSCRIPTION SERVICE-SEPT15	
		10/19/2015	920150457 (a)	DIGALERT TICKETS SUBSCRIPTION SERVICE-SEPT15	
		10/19/2015	920150457 (b)	DIGALERT TICKETS SUBSCRIPTION SERVICE-SEPT15	
Remit to: CORONA, CA					FYTD: \$1,696.50
UNITED POWER GENERATION, INC.	226424	10/05/2015	4078	PARTS & LABOR FOR FIRE STATION #99 GENERATOR MAINT./REPAIR	\$897.39
		10/05/2015	4076	PARTS & LABOR FOR FIRE STATION #65 GENERATOR MAINT./REPAIR	
		10/05/2015	4077	PARTS & LABOR FOR ANIMAL SHELTER GENERATOR MAINT./REPAIR	
	226607	10/26/2015	4087	GENERATOR REPAIRS AT CITY YARD	\$238.88
Remit to: RIVERSIDE, CA					FYTD: \$5,556.27
UNITED ROTARY BRUSH CORP	16003	10/05/2015	286868	STREET SWEEPER BROOM KITS/RECONDITIONING	\$881.23
		10/05/2015	286911	STREET SWEEPER BROOM KITS/RECONDITIONING	
	16093	10/19/2015	286988	STREET SWEEPER BROOM KITS/RECONDITIONING	\$2,617.44
		10/19/2015	287085	STREET SWEEPER BROOM KITS/RECONDITIONING	
	16131	10/26/2015	287310	STREET SWEEPER BROOM KITS/RECONDITIONING	\$1,054.81
Remit to: KANSAS CITY, MO					FYTD: \$17,748.99
UNITED SITE SERVICES OF CA, INC.	16004	10/05/2015	114-3293141	FENCE RENTAL AT ANIMAL SHELTER	\$106.65
Remit to: PHOENIX, AZ					FYTD: \$6,422.76
UNITED STATES TREASURY - 4	226425	10/05/2015	2016-00000128	1001 - GARNISHMENT - IRS TAX LEVY	\$660.88
	226530	10/19/2015	2016-00000147	1001 - GARNISHMENT - IRS TAX LEVY	\$200.00
Remit to: FRESNO, CA					FYTD: \$3,504.01

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UNITED WAY OF INLAND VALLEYS	16005	10/05/2015	2016-00000129	8720 - UNITED WAY	\$22.50
	16094	10/19/2015	2016-00000148	8720 - UNITED WAY	\$22.50
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$180.00
URRUTIA, DIALENA	16132	10/26/2015	OCT-2015	INSTRUCTOR SERVICES-INTERNATIONAL LATIN DANCE CLASSES	\$150.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$390.00

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VACATE TERMITE & PEST ELIMINATION COMPANY	16095	10/19/2015	59831	RODENT CONTROL SERVICES-CONFERENCE & REC. CTR.	\$997.50
		10/19/2015	59830	RODENT CONTROL SERVICES-SHADOW MTN. PARK	
		10/19/2015	60040	PEST CONTROL SERVICE-CELEBRATION PARK (RESTROOM)	
		10/19/2015	59827	RODENT CONTROL SERVICES-EDISON EASEMENT PARK	
		10/19/2015	59672	RODENT CONTROL SERVICES-COTTONWOOD GOLF CENTER	
		10/19/2015	59697	RODENT CONTROL SERVICES-ELECTRICAL SUBSTATION	
		10/19/2015	59828	RODENT CONTROL SERVICES-EL POTRERO PARK	
		10/19/2015	60044	PEST CONTROL SERVICE-SUNNYMEAD PARK	
		10/19/2015	59673	RODENT CONTROL SERVICES-MORRISON PARK	
		10/19/2015	59671	RODENT CONTROL SERVICES-CELEBRATION PARK	
		10/19/2015	59669	RODENT CONTROL SERVICES-SUNNYMEAD PARK	
		10/19/2015	60043	PEST CONTROL SERVICE-MARCH FIELD/SKATE PARK	
		10/19/2015	60042	PEST CONTROL SERVICE-MORRISON PARK (SNACK BAR)	

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VACATE TERMITE & PEST ELIMINATION COMPANY	16133	10/26/2015	60355	RODENT CONTROL SERVICES-SUNNYMEAD PARK	\$2,632.50
		10/26/2015	61008	RODENT CONTROL SERVICES-CONFERENCE & REC. CTR.	
		10/26/2015	61005	RODENT CONTROL SERVICES-EL POTRERO PARK	
		10/26/2015	60384	RODENT CONTROL SERVICES-ELECTRICAL SUBSTATION	
		10/26/2015	60658	PEST CONTROL SERVICE-MORRISON PARK (SNACK BAR)	
		10/26/2015	60358	RODENT CONTROL SERVICES-COTTONWOOD GOLF CENTER	
		10/26/2015	61007	RODENT CONTROL SERVICES-SHADOW MTN. PARK	
		10/26/2015	60356	RODENT CONTROL SERVICES-MARCH FIELD/SKATE PARK	
		10/26/2015	60657	PEST CONTROL SERVICE-CELEBRATION PARK (RESTROOM)	
		10/26/2015	60352	SPECIAL TREATMENT FOR ANTS-CITY HALL BREAKROOM	
		10/26/2015	60351	SPECIAL TREATMENT FOR INTERIOR OF FIRE STATION #2	
		10/26/2015	60350	SPECIAL TREATMENT FOR ANTS-CONFERENCE & REC. CTR.	
		10/26/2015	60349	TREATMENT FOR BEES AND HIVE REMOVAL-PUBLIC SAFETY BLDG.	
		10/26/2015	58885	PEST CONTROL SERVICE-UTILITY FIELD OFFICE	
		10/26/2015	60353	SPECIAL TREATMENT/SET RODENT TRAPS-ANNEX 1	
		10/26/2015	60357	RODENT CONTROL SERVICES-CELEBRATION PARK	
		10/26/2015	61014	POND TREATMENT AT COTTONWOOD GOLF COURSE	
		10/26/2015	61004	RODENT CONTROL SERVICES-EDISON EASEMENT PARK	
		10/26/2015	60660	PEST CONTROL SERVICE-SUNNYMEAD PARK	
		10/26/2015	60359	RODENT CONTROL SERVICES-MORRISON PARK	
		10/26/2015	60659	PEST CONTROL SERVICE-MARCH FIELD/SKATE PARK	
		10/26/2015	61006	RODENT CONTROL SERVICES-EQUESTRIAN CENTER	

Remit to: MORENO VALLEY, CA

FYTD: \$11,067.50

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VAL VERDE UNIFIED SCHOOL DISTRICT	226531	10/19/2015	J1382	TEAM APPAREL FOR SPORTS PROGRAMS-PEE WEE & JR. BASKETBALL	\$2,737.00
	226608	10/26/2015	I2454	SOCCER UNIFORMS FOR MAYOR'S CUP	\$888.50
Remit to: PERRIS, CA					FYTD: \$7,017.50
VALENCIA, BLANCA	226563	10/19/2015	R15-090925	AS REFUND LIC REFUND	\$53.00
Remit to: MORENO VALLEY, CA					FYTD: \$53.00
VALLEY WIDE TOWING, LLC	226532	10/19/2015	00000965	TOWING & STORAGE CHARGES FOR MVPD EVIDENCE HOLD	\$800.00
		10/19/2015	00000873	TOWING & STORAGE CHARGES FOR MVPD EVIDENCE HOLD	
		10/19/2015	00000869	TOWING & STORAGE CHARGES FOR MVPD EVIDENCE HOLD	
		10/19/2015	00000805	TOWING & STORAGE CHARGES FOR MVPD EVIDENCE HOLD	
Remit to: MORENO VALLEY, CA					FYTD: \$800.00
VARIABLE SPEEDS SOLUTIONS INC	16006	10/05/2015	12983	PUMP REPAIRS-MORRISON (E-14)	\$1,930.00
Remit to: HUNTINGTON BEACH, CA					FYTD: \$5,410.00
VASQUEZ, JESS	226618	10/26/2015	11/4-11/6/15	TRAVEL PER DIEM-SO. CAL FRAUD INVESTIGATORS' ASSOC. CONFERENCE	\$177.50
Remit to: MORENO VALLEY, CA					FYTD: \$177.50
VEHICLE REGISTRATION COLLECTIONS	226426	10/05/2015	2016-00000130	1015 - GARNISHMENT - CREDITOR %	\$64.46
	226533	10/19/2015	2016-00000149	1015 - GARNISHMENT - CREDITOR %	\$77.94
Remit to: RANCHO CORDOVA, CA					FYTD: \$263.05
VERIZON	226534	10/19/2015	EQN6913105-15271	BACKBONE COMMUNICATION SERVICE 9/28-10/27/15	\$1,958.23
Remit to: TRENTON, NJ					FYTD: \$5,987.58

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VERIZON CALIFORNIA	226535	10/19/2015	951 UH2-7052-OCT	PHONE CHARGES-ERC	\$666.96
	226609	10/26/2015	1258220327-OCT15	FIOS SERVICES FOR FIRE STATION 99	\$121.91
Remit to: DALLAS, TX					FYTD: \$5,019.99
VERIZON WIRELESS	226610	10/26/2015	9753786773	CELLULAR SERVICE FOR PD TRAFFIC TICKET WRITERS	\$165.75
Remit to: DALLAS, TX					FYTD: \$656.55
VICTOR MEDICAL CO	226427	10/05/2015	3835631	ANIMAL MEDICAL SUPPLIES/VACCINES	\$2,217.24
Remit to: LAKE FOREST, CA					FYTD: \$3,754.89
VISION SERVICE PLAN	16039	10/12/2015	151001	EMPLOYEE VISION INSURANCE	\$4,006.13
Remit to: SAN FRANCISCO, CA					FYTD: \$15,888.78
VOYA INSURANCE AND ANNUITY COMPANY	226536	10/19/2015	2016-00000150	8792 - VOYA (FORMERLY ING) - EMPLOYEE *	\$325.00
Remit to: DES MOINES, IA					FYTD: \$1,300.00
VOYAGER FLEET SYSTEM, INC.	16040	10/12/2015	869211615539	CNG FUEL PURCHASES	\$3,156.85
		10/12/2015	869336602539	FUEL CARD PURCHASES	
Remit to: HOUSTON, TX					FYTD: \$16,338.16

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VULCAN MATERIALS CO, INC.	16007	10/05/2015	70899083	ASPHALTIC MATERIALS	\$3,026.53
		10/05/2015	70873364	ASPHALTIC MATERIALS	
		10/05/2015	70864193	ASPHALTIC MATERIALS	
		10/05/2015	70862002	ASPHALTIC MATERIALS	
		10/05/2015	89253	ASPHALTIC MATERIALS-FINANCE CHARGE INVOICE	
		10/05/2015	92566	ASPHALTIC MATERIALS-FINANCE CHARGE INVOICE	
		10/05/2015	98699	ASPHALTIC MATERIALS-FINANCE CHARGE INVOICE	
		10/05/2015	70869162	ASPHALTIC MATERIALS	
		10/05/2015	70879066	ASPHALTIC MATERIALS	
		10/05/2015	86361	ASPHALTIC MATERIALS-FINANCE CHARGE INVOICE	
		10/05/2015	70869161	ASPHALTIC MATERIALS	
		10/05/2015	70871325	ASPHALTIC MATERIALS	
		10/05/2015	80691	ASPHALTIC MATERIALS-FINANCE CHARGE INVOICE	
		10/05/2015	70862001	ASPHALTIC MATERIALS	
		10/05/2015	70881323	ASPHALTIC MATERIALS	
		10/05/2015	70901079	ASPHALTIC MATERIALS	
		10/05/2015	70866179	ASPHALTIC MATERIALS	
		10/05/2015	70879067	ASPHALTIC MATERIALS	
	16041	10/12/2015	70906272	ASPHALTIC MATERIALS	\$2,239.87
		10/12/2015	70916232	ASPHALTIC MATERIALS	
		10/12/2015	70913873	ASPHALTIC MATERIALS	
		10/12/2015	70913872	ASPHALTIC MATERIALS	
		10/12/2015	70910786	ASPHALTIC MATERIALS	
		10/12/2015	70906273	ASPHALTIC MATERIALS	
		10/12/2015	70903229	ASPHALTIC MATERIALS	
		10/12/2015	70908615	ASPHALTIC MATERIALS	

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VULCAN MATERIALS CO, INC.	16096	10/19/2015	70832313	ASPHALTIC MATERIALS	\$1,709.16
		10/19/2015	70921260	ASPHALTIC MATERIALS	
		10/19/2015	70923466	ASPHALTIC MATERIALS	
		10/19/2015	95334	ASPHALTIC MATERIALS-FINANCE CHARGE INVOICE	
		10/19/2015	70883629	ASPHALTIC MATERIALS	
		10/19/2015	101768	ASPHALTIC MATERIALS-FINANCE CHARGE INVOICE	
		10/19/2015	70832312	ASPHALTIC MATERIALS	
		10/19/2015	70921259	ASPHALTIC MATERIALS	
		10/19/2015	70921259	ASPHALTIC MATERIALS	
	16134	10/26/2015	70896391	ASPHALTIC MATERIALS	\$3,221.41
		10/26/2015	70889601	ASPHALTIC MATERIALS	
		10/26/2015	70886755	ASPHALTIC MATERIALS	
		10/26/2015	70926100	ASPHALTIC MATERIALS	
		10/26/2015	70929149	ASPHALTIC MATERIALS	
		10/26/2015	70929148	ASPHALTIC MATERIALS	
		10/26/2015	70886754	ASPHALTIC MATERIALS	
		10/26/2015	70892376	ASPHALTIC MATERIALS	
		10/26/2015	70892377	ASPHALTIC MATERIALS	
		10/26/2015	70894376	ASPHALTIC MATERIALS	
10/26/2015	70931207	ASPHALTIC MATERIALS			
Remit to: LOS ANGELES, CA					FYTD: \$19,114.10
WASTE MANAGEMENT, INC.	226428	10/05/2015	4517243-2371-7	ROLL-OFF BIN RENTAL/DELIVERY/SET UP FEE-OEM	\$1,123.44
		10/05/2015	4535013-2371-2	ROLL-OFF BIN REMOVAL-OEM	
Remit to: LOS ANGELES, CA					FYTD: \$1,612.23
WEST, MARILYN	226488	10/12/2015	R15-088853	AS REFUND-SN DEPOSIT	\$75.00
Remit to: CABAZON, CA					FYTD: \$75.00

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WESTERN MUNICIPAL WATER DISTRICT	226611	10/26/2015	23821-018257/SP5	WATER CHARGES-MFPCC LANDSCAPE	\$2,719.70
		10/26/2015	23821-018258/SP5	WATER CHARGES-MFPCC BLDG. 938	
		10/26/2015	23866-018292/SP5	WATER CHARGES-SKATE PARK	
		10/26/2015	24753-018620/SP5	WATER CHARGES-MARB BALLFIELDS	
Remit to: ARTESIA, CA					FYTD: \$13,639.28
WESTERN PACIFIC SIGNAL, LLC	226612	10/26/2015	21174	TRAFFIC CONTROL DEVICE (FLASHING BEACON)	\$3,609.40
Remit to: SAN LEANDRO, CA					FYTD: \$9,040.76
WILLDAN FINANCIAL SERVICES	16008	10/05/2015	010-28359	PREPARATION OF TWO BOUNDARY MAPS-CFD CONVERSION	\$2,900.00
		10/05/2015	010-28697	ARBITRAGE REBATE SERVICES-2013 REFUNDING	
		10/05/2015	010-28685	NOTICE OF OCCURENCE-SUBSTITUTION OF PROPERTY SECURING BONDS	
	16135	10/26/2015	010-29234	2015 DIF STUDY SERVICES-SEPT15	\$4,318.00
Remit to: TEMECULA, CA					FYTD: \$50,479.00
WILLIAMS, DJ	226564	10/19/2015	1291489	REFUND FOR COACHES CREDIT	\$35.00
Remit to: MURRIETA, CA					FYTD: \$35.00
WILLIAMS, JOAN	226489	10/12/2015	R15-089881	AS REFUND-SN DEPOSIT	\$75.00
Remit to: MORENO VALLEY, CA					FYTD: \$75.00
WILLIS, ROBERT H	226537	10/19/2015	100815	SPORTS OFFICIATING SERVICES-SOFTBALL	\$252.00
		10/19/2015	092015	SPORTS OFFICIATING SERVICES-SOFTBALL	
		10/19/2015	092715	SPORTS OFFICIATING SERVICES-SOFTBALL	
		10/19/2015	100115	SPORTS OFFICIATING SERVICES-SOFTBALL	
		10/19/2015	092415	SPORTS OFFICIATING SERVICES-SOFTBALL	
Remit to: PERRIS, CA					FYTD: \$1,155.00

Attachment: October 2015 Payment Register (1693 : PAYMENT REGISTER - OCTOBER 2015)



City of Moreno Valley
Payment Register
For Period 10/1/2015 through 10/31/2015

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
WINSTON , AMANDI	226446	10/05/2015	R15-086465	AS REFUND-SPAY/NEUTER DEPOSIT	\$75.00
Remit to: MORENO VALLEY, CA					FYTD: \$75.00
WRCOG WESTERN RIVERSIDE CO. OF GOVTS.	226538	10/19/2015	6904	FY15/16 CLEAN CITIES COALITION DUES	\$15,000.00
	226613	10/26/2015	6916	FY15/16 SOLID WASTE COOPERATION DUES	\$8,840.51
Remit to: RIVERSIDE, CA					FYTD: \$448,905.02
WRCRCA	226470	10/12/2015	SEPT-2015 MSHCP	MSHCP FEES COLLECTED FOR SEPT. 2015-RESIDENTIAL	\$1,952.00
Remit to: RIVERSIDE, CA					FYTD: \$478,045.42
XEROX CAPITAL SERVICES, LLC	16043	10/12/2015	081571718	COPIER LEASE FOR PARKS DEPT.-SEPT15	\$1,830.85
		10/12/2015	081656764	COPIER LEASE/BILLABLE PRINTS FOR PARKS DEPT.-SEPT15	
	16136	10/26/2015	081571717	COPIER LEASE FOR GRAPHICS DEPT.-OCT15	\$1,222.30
		10/26/2015	081571716	COPIER LEASE/BILLABLE PRINTS FOR GRAPHICS DEPT.-SEPT15	
Remit to: PASADENA, CA					FYTD: \$11,202.68

TOTAL CHECKS UNDER \$25,000 **\$835,169.84**

GRAND TOTAL **\$12,562,202.95**

Attachment: October 2015 Payment Register (1693 : PAYMENT REGISTER - OCTOBER 2015)



Report to City Council

TO: Mayor and City Council Acting in its Capacity as President and Members of the Board of Directors of the Moreno Valley Community Services District (CSD)

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: January 5, 2016

TITLE: SECOND AMENDMENT TO THE LANDSCAPE MAINTENANCE AGREEMENT FOR ZONE S

RECOMMENDED ACTION

Recommendations:

1. Approve the Second Amendment to the 2015/16 Independent Contractor Agreement for Project No. M/12-13 for Landscape Maintenance Services with LandCare Holdings, Inc. (formerly TruGreen Landcare), 1616 Marlborough Avenue, Suite S, Riverside, CA 92507 to install mulch in certain medians and parkways along Sunnymead Boulevard.
2. Approve a budget adjustment to the CSD Zone S budget as set forth in the Financial Impact section of this report.
3. Authorize the City Manager to execute the Second Amendment with LandCare, Holdings, Inc. which includes executing subsequent Amendments or Extensions to the 2015/16 Agreement, and the authority to authorize associated purchase orders in accordance with the terms of the 2015/16 Agreement, subject to the approval of the City Attorney and provided sufficient funding appropriations and program approvals have been granted by the City Council.
4. Authorize the issuance of a change order to the fiscal year 2015/16 Purchase Order with LandCare Holdings, Inc. from a not-to-exceed amount of \$344,443.75 to a not-to-exceed amount of \$352,843.75 (an increase of \$8,400.00 for Zone S Additional Work services).

SUMMARY

This report recommends approval of a Second Amendment to the Independent Contractor Agreement (“Second Amendment”) with LandCare Holdings, Inc. (“Contractor”) to provide additional work services and a budget adjustment for the amendment.

The proposed Second Amendment increases the additional work services to allow for the installation of mulch in Community Services District (CSD) Zone S. Zone S includes certain parkways and medians located on Sunnymead Boulevard, between Frederick Street and Perris Boulevard. Installation of mulch within the landscape areas will aid in preserving the existing plant material, minimize weed growth, maintain moisture and enhance the landscaping. CSD Zone S fund balances are available to support the Additional Work services.

DISCUSSION

The CSD has a number of Zones, each of which provides a specific set of services within a defined area of the City. Zone S was established to provide landscape maintenance to certain parkways and medians along Sunnymead Boulevard, between Frederick Street and Perris Boulevard. Zone M provides landscape maintenance of certain landscaped median areas citywide. Property owners pay a parcel charge to fund the cost of the landscape services. The parcel charge is collected as part of the annual property tax bill. Revenue collected from the parcel charge is restricted and can only be used for landscape maintenance services in the service area for which they are collected.

Maintenance of the landscape areas is performed via contract services by professionally licensed and insured contractors that perform landscape maintenance services. The scope of work for the landscape maintenance services is categorized into either “Base Work” or “Additional Work”. Base Work is the regular, routine landscape maintenance service. The cost for this service is a set monthly amount. Additional Work is for work that is above and beyond routine maintenance. It may include additional labor and material costs for irrigation repairs, plant material replacement and other landscape related services. The total cost of these services varies each year based upon the needs of the area and its available funding.

After a competitive proposal process in June of 2012, the CSD and Contractor entered into an Independent Contractor Agreement and subsequently amended it for landscape maintenance in Zone S and Zone M. The terms and provisions of the Agreement, including the cost for the Base Work and predetermined unit costs for Additional Work, were extended through fiscal year (“FY”) 2015/16 (“2015/16 Agreement”). In October of 2015, a First Amendment to the 2015/16 Agreement was approved to increase the Additional Work for a turf removal and replacement project in designated Zone M medians.

Attached is a proposed Second Amendment to the Agreement which increases Additional Work in Zone S. An increase in the Additional Work services will allow the

placement of mulch in certain parkway and median planters within Zone S. Approximately 240 yards of mulch is proposed to be installed at an additional cost of \$8,400. The cost to install the mulch is consistent with the predetermined unit costs in the Agreement. Mulch is an essential material used in landscape areas to improve the aesthetic appearance, reduce weed growth and retain moisture.

ALTERNATIVES

- 1. Approve and authorize the recommended actions.** *By selecting this alternative, mulch will be installed in certain medians and parkways within Zone S.*
- 2. Do not approve or authorize the recommended actions.** *By selecting this alternative, mulch will not be installed in certain medians and parkways within Zone S and may cause further deterioration of the plant material.*

FISCAL IMPACT

CSD Zone S is funded through a property owner approved parcel charge, which is collected on the property tax bills. Parcel charges are levied on those properties that receive benefit from the public landscaping. There are 131 parcels included within this Zone. Revenue from the Zone S parcel charge can only be used for the landscape maintenance services associated with those landscape areas included within Zone S.

The proposed Second Amendment includes an \$8,400 increase in compensation for additional work services. This project was not anticipated as part of the FY 2015/16 budget and requires a budget adjustment. Funds are available in the Zone S fund balance to support the budget adjustment as proposed below. There is no impact to the general fund for this item.

Fund	GL Account No.	Type (Rev/Exp)	FY 15/16 Budget	*Proposed Adjustment(s)	FY 15/16 Amended Budget
Zone S	5114-70-79-25720-620910	Exp.	\$22,500.00	\$8,400.00	\$30,900.00

*From available fund balance.

A summary of the Agreement and its amendments is included below.

Summary - Second Amendment to 2015/16 Agreement		
<i>Agreement</i>		
Base Amount	\$66,749.70	
Additional Work Amount	<u>\$12,200.00</u>	
Total Agreement		\$78,949.70
<i>First Amendment</i>		
Base Work	\$2,299.05	
Additional Work Turf Replacement Project	<u>\$263,195.00</u>	
Total First Amendment		\$265,494.05
Total Agreement & First Amendment		\$344,443.75

<i>Second Amendment</i>		
Additional Work Zone S Mulch	\$8,400.00	
Total Second Amendment		\$8,400.00
Total Agreement as Amended		<u>\$352,843.75</u>
<i>Breakdown of Base Work and Additional Work</i>		
<i>Base Work</i>		
Agreement	\$66,749.71	
First Amendment	<u>\$2,299.05</u>	
Total Base Work		\$69,048.75
<i>Additional Work</i>		
Agreement	\$12,200.00	
First Amendment	\$263,195.00	
Second Amendment	<u>\$8,400.00</u>	
Total Additional Work		\$283,795.00
Total Agreement as Amended		<u>\$352,843.75</u>

NOTIFICATION

N/A

PREPARATION OF STAFF REPORT

Prepared By:
Sharon Sharp
Senior Management Analyst

Department Head Approval:
Ahmad Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Candace E. Cassel
Special Districts Division Manager

CITY COUNCIL GOALS

Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

ATTACHMENTS

- 1. Attachment 1

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/15/15 1:27 PM
City Attorney Approval	<u>✓ Approved</u>	12/14/15 3:12 PM

City Manager Approval

✓ Approved

12/16/15 6:00 PM

**SECOND AMENDMENT TO THE
2015/16 INDEPENDENT CONTRACTOR AGREEMENT
RFP NO. M/12-13
PROJECT NO. M/12-13
MORENO VALLEY COMMUNITY SERVICES DISTRICT
ZONE M (MEDIANS)
MAINTENANCE OF MEDIAN-MONUMENT-PARKWAY
LANDSCAPING AND IRRIGATION**

The Second Amendment to the Agreement is by and between the MORENO VALLEY COMMUNITY SERVICES DISTRICT, a municipal corporation, hereinafter referred to as "District," and LandCare Holdings, Inc., hereinafter referred to as "Contractor." This Second Amendment is made and entered into and effective on the date the City Manager signs this Amendment.

RECITALS:

Whereas, the District and Contractor entered into an Agreement entitled "INDEPENDENT CONTRACTOR AGREEMENT RFP NO. M/12-13 PROJECT NO. M/12-13 MORENO VALLEY COMMUNITY SERVICES DISTRICT ZONE M (MEDIANS) MAINTENANCE OF MEDIAN-MONUMENT-PARKWAY LANDSCAPING AND IRRIGATION," dated August 13, 2012 for maintenance of the District's medians and irrigation systems in Zone M (Medians) hereinafter referred to as "Original Agreement".

Whereas, a First Amendment to the Original Agreement was approved on October 3, 2012 to add 49,575 sq. ft. of landscaped area (Zone S) to be maintained on a routine basis ("Base Work") and increase compensation for Base Work by \$10,975.92 (an increase from \$59,460.00 to \$70,435.92) for fiscal year (FY) 2012/13.

Whereas, a Second Amendment to the Original Agreement was approved on June 24, 2012 to 1) add 41,250 sq. ft. of landscape area (Map ID. 20) for routine maintenance in Zone M and increase Base Work compensation by \$1,522.12 for two months of service in FY 2012/13 (an increase from \$70,435.92 to \$71,958.04) and 2) increase irrigation repair services for

Second Amendment to the 2015/16 Independent Contractor Agreement
RFP NO. M/12-13 PROJECT NO. M/12-13
MORENO VALLEY COMMUNITY SERVICES DISTRICT ZONE M (MEDIANS)
MAINTENANCE OF MEDIAN-MONUMENT-PARKWAY LANDSCAPING AND IRRIGATION

unanticipated work ("Additional Work") to include an increase in compensation for Additional Work by \$5,800.00 (\$4,600.00 for Zone M and \$1,200.00 for Zone S) for FY 2012/13.

Whereas, a First Extension Agreement was approved on July 9, 2013 to 1) extend all the terms and provisions of the Original Agreement as amended June 30, 2016, which increased the Base Work compensation for 12 months of Base Work for Map ID. 20 by \$9,132.72 (an increase from \$70,435.92 to \$79,568.64) and 2) increase additional work services for irrigation repairs and increase Additional Work compensation by \$6,000.00 (an increase from \$5,800.00 to \$11,800.00) for FY 2013/14.

Whereas, a Third Amendment to the Original Agreement was approved on September 17, 2013 to 1) increase the landscaped area to be maintained on a routine basis by an additional 3,457 sq. ft. (Zone M - Map ID. 10) and increase compensation for Base Work by \$701.58 (an increase from \$68,592.72 to \$69,294.30) for FY 2013/14.

Whereas, landscape maintenance services provided during the First Extension of the Original Agreement as amended, were sufficiently performed.

Whereas, the Second Extension Agreement was approved on June 16, 2014 to 1) extend the term of the Original Agreement as amended through June 30, 2015, 2) amend the agreement to increase the landscaped area to be maintained on a routine basis by an additional 9,678 sq. ft. (Zone M - Map ID. 21) and increase compensation for Base Work by \$2,142.80 (an increase from \$69,294.30 to \$71,437.10) and 3) increase the amount of additional work services for irrigation repairs and increase Additional Work compensation by \$1,900.00 (an increase from \$11,800.00 to \$13,700.00) for FY 2014/15.

Whereas, a Fourth Amendment to the Original Agreement was approved on March 19, 2015 to 1) reduce the sq. ft. of the landscaped areas maintained on a routine basis to match actual sq. ft. for 5 months of service and decrease compensation by \$6,461.74 for Base Work (a

Second Amendment to the 2015/16 Independent Contractor Agreement
 RFP NO. M/12-13 PROJECT NO. M/12-13
 MORENO VALLEY COMMUNITY SERVICES DISTRICT ZONE M (MEDIANS)
 MAINTENANCE OF MEDIAN-MONUMENT-PARKWAY LANDSCAPING AND IRRIGATION

decrease from \$82,413.01 to \$75,951.27) and 2) increase additional work services to renovate a portion of the Alessandro Boulevard median (Zone M – Map ID. 3) and increase compensation for Additional Work by \$8,140.00 (an increase from \$13,700.00 to \$21,840.00) for FY 2014/15.

Whereas, the Original Agreement as amended expired on June 30, 2015 and the District and Contractor entered into the 2015/16 Independent Contractor Agreement (“2015/16 Agreement”), dated August 13, 2015 to 1) extend all of the terms and provisions of the Original Agreement as amended through June 30, 2016 and decrease the landscape area to be maintained on a routine basis by 73,926 (square footage audit) and decrease compensation for Base Work by \$9,905.43 and 2) increase the landscaped area to be maintained on a routine basis by an additional 5,450 sq. ft. (Zone M - Map ID. 22) for seven months and increase compensation for Base Work by \$703.87, and 4) decrease additional work services and decrease compensation for Additional Work by \$1,500.00 (a decrease from \$13,700.00 to \$12,200.00) for FY 2015/16.

Whereas, a First Amendment to the 2015/16 Agreement was approved on October 13, 2013 to 1) replace turf and existing plant materials with drought tolerant plant materials in designated Zone M medians and increase compensation for an Additional Work by \$263,195.00 (an increase from \$12,200.00 to \$275,395.00) and 2) increase the landscaped area to be maintained on a routine basis by an additional 17,470 sq. ft. (Zone M – Map ID 23) and increase compensation for Base Work by \$2,299.05 for eight months of service (an increase from \$66,749.71 to \$69,048.75) for FY 2015/16.

Whereas, it is desirable to enter into a Second Amendment to the 2015/16 Agreement to 1) install mulch in the medians and parkways in Zone S, per the August 12, 2015 proposal

Second Amendment to the 2015/16 Independent Contractor Agreement
 RFP NO. M/12-13 PROJECT NO. M/12-13
 MORENO VALLEY COMMUNITY SERVICES DISTRICT ZONE M (MEDIANS)
 MAINTENANCE OF MEDIAN-MONUMENT-PARKWAY LANDSCAPING AND IRRIGATION

attached hereto as Exhibit B, and increase the compensation for Additional Work by \$8,400.00 (from \$275,395.00 to \$283,795.00) for FY 2015/16.

SECTION 1. SECOND AMENDMENT TO THE AGREEMENT:

The 2015/16 Agreement is hereby amended as follows:

- 1.1 Increase the additional work services as more fully described in Exhibit B.
- 1.2 Increase compensation for Additional Work by \$8,400 (an increase from \$276,615.00 to \$285,015.00), as detailed in Exhibit A.
- 1.3 The total "Not-to-Exceed" amount for this 2015/16 Agreement is \$352,843.75 (\$69,048.75 for Base Work plus \$283,795.00 for Additional Work).

SECTION 2. AGREEMENT

2.1 Except as otherwise specifically provided in this Second Amendment, all other terms and conditions of the New Agreement shall remain in full force and effect.

SIGNATURE PAGE TO FOLLOW

Second Amendment to the 2015/16 Independent Contractor Agreement
RFP NO. M/12-13 PROJECT NO. M/12-13
MORENO VALLEY COMMUNITY SERVICES DISTRICT ZONE M (MEDIANS)
MAINTENANCE OF MEDIAN-MONUMENT-PARKWAY LANDSCAPING AND IRRIGATION

IN WITNESS HEREOF, the parties have each caused their authorized representative to execute this First Amendment to the Agreement.

Moreno Valley Community Services District

Contractor: LandCare Holdings, Inc.

By: _____
City Manager, Acting in the capacity of
District Manager to the Moreno
Valley Community Services District

By: _____

Title: _____
(President or Vice President)

Date: _____

Date: _____

INTERNAL USE ONLY

APPROVED AS TO FORM:

City Attorney

Date

By: _____

Title: _____
(Corporate Secretary)

Date: _____

RECOMMENDED FOR APPROVAL:

Department Head

Date

Attachment: Attachment 1 (1804 : SECOND AMENDMENT TO THE LANDSCAPE MAINTENANCE AGREEMENT FOR ZONE S)

Zone M Locations

Map ID	Site	Service Level	Type	Sq. Footage	2015/16 Cost Per Month	2015/16 Cost Per Year
1	Alessandro Blvd. & Old Hwy 215 Monuments	1	Planter	11,793	\$ 217.58	\$ 2,610.97
2	Alessandro Blvd. & Old Hwy 215 to Frederick Street	1	Planter	48,139	888.16	10,657.97
3	Alessandro Blvd. & Frederick Street to Heacock	1	Planter	49,077	905.47	10,865.65
4	Alessandro Blvd. & Heacock Street to Perris	1	Planter	4,827	89.06	1,068.70
5	Alessandro Blvd. Flaming Arrow Drive to Kitching Street	1	Planter	10,536	194.39	2,332.67
6	Perris Blvd. South of Alessandro Blvd.	1	Planter	556	10.26	123.10
7	Perris Blvd. South of John F. Kennedy Dr.	1	Planter	5,432	100.22	1,202.64
8	Perris Blvd. North of Iris Ave.	1	Planter	1,780	32.84	394.09
9	Perris Blvd., North of Krameria Ave.	1	Planter	3,048	56.24	674.83
*10	Perris Blvd. at San Michele Road	1	Planter	8,020	147.97	1,775.63
11	Perris Blvd., North of Globe Ave.	1	Planter	2,619	48.32	579.85
12	Perris Blvd., South of Globe Ave.	1	Planter	4,338	80.04	960.43
13	Perris Blvd., North of Eucalyptus Ave.	1	Planter	1,446	26.68	320.14
14	Perris Blvd., South of Iris Ave.	1	Planter	4,562	84.17	1,010.03
15	South side of Elder Ave., from Greenville Ave. to Brewster Dr.	1	Planter	7,533	138.98	1,667.81
16	Cactus Ave. west of Elsworth St.	1	Planter	2,268	41.84	502.14
17	Cactus Ave., between Frederick St. & Heacock St.	1	Planter	28,837	532.04	6,384.51
18	Moreno Beach Dr. North of Cactus Ave.	1	Planter	5,628	103.84	1,246.04
19	Old Hwy 215 South of Alessandro Blvd.	1	Planter	3,905	72.05	864.57
20	Eucalyptus Ave.	1	Planter	36,129	666.58	7,998.96
21	Cactus w/o Frederick Street	1	Planter	8,262	152.43	1,829.21
23	Alessandro Blvd. Indian Ave. to Perris Blvd. ²	1	Non-Irrigated Planter	17,470	287.38	2,299.05
Zone M Base Work Totals (July 2015 thru November 2015)					4,876.54	\$ 57,368.98
22	Iris Ave. & Indian St. ¹	1	Planter	5,450	100.55	703.87
Zone M Base Work Totals (December 2015 thru June 2016)					\$ 4,977.09	\$ 58,072.85

Zone S Location

Map ID	Site	Type	Sq. Footage	2015/16 Cost Per Month	2015/16 Cost Per Year
N/A	Sunnymead Boulevard	1	Planter	49,575 \$ 914.66	\$ 10,975.91
Zone S Base Work Totals				\$ 914.66	\$ 10,975.91

Total Zone M & S Base Work Amount (December 2015 thru June 2016) \$ 5,891.75 \$ 69,048.77

Additional Work		2015/16 Cost Per Year
Zone M		\$ 10,600.00
Zone S		1,600.00
Zone M & S Unanticipated Additional Work Total		\$ 12,200.00
Zone M Turf Refurbishment Additional Work Total		\$ 263,195.00
Zone S Mulch Installation		\$ 8,400.00
Amended Additional Work Subtotal		\$ 271,595.00
Unanticipated and Amended Additional Work Total		\$ 283,795.00
Zone M & S Base and Additional Work Total		\$ 352,843.75

Notes: ¹Iris Ave. & Indian St. median - 7 months of service in 2015/16 (This amount will be adjusted based on date of actual acceptance)

²Alessandro Blvd. from Indian St. to Perris Blvd. - 8 months of service in 2015/16

Attachment: Attachment 1 (1804 : SECOND AMENDMENT TO THE LANDSCAPE MAINTENANCE AGREEMENT FOR ZONE S)

LandCare

PROPOSAL

Inland Empire - 6169
 5871 Republic St.
 Riverside, CA 92507

Fax: 951-686-1436
 Office: 951-688-6880

Proposal Submitted To: City of Moreno Valley	Contact: Danny Cover	Date: November 24, 2015
Street: 14177 Frederick Street	Property: Zone-S- Sunnymead Blvd.	Phone: 951-413-3485
City/State/Zip: Moreno Valley, CA 92552-0805	Description: Mulch Installation	Job Number: 252

Project Summary:

LandCare hereby submits specifications and estimates for the following work:

~ Bid is to install 240 yards of Medium Grind mulch on Zone S along Sunnymead bld. From Fredrick to Perris Blvd.

** Cost based on contract unit pricing.

Submitted By: Conrado Sigala

We propose hereby to furnish materials and labor – complete in accordance with above specifications, for the sum of: \$ 8,400.00	
Payment to be made as follows:	In Full Upon Completion
All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, flood and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance. Permits, bonds, or special use fees excluded unless specifically stated in the scope description above.	
NOTE: This proposal may be withdrawn if not accepted within 30 days.	

ACCEPTANCE OF PROPOSAL

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be made as outlined above.

Signature: _____ Date: _____

Exhibit B

Attachment: Attachment 1 (1804 : SECOND AMENDMENT TO THE LANDSCAPE MAINTENANCE AGREEMENT FOR ZONE S)



Report to City Council

TO: Mayor and City Council

FROM: Jane Halstead, City Clerk

AGENDA DATE: January 5, 2016

TITLE: APPOINTMENTS TO THE ARTS COMMISSION

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Appoint two members to the Arts Commission with terms expiring June 30, 2017.
2. If vacancies are not filled by a majority vote of the City Council, authorize the City Clerk to re-advertise the positions as vacant and carry over the current applications for reconsideration of appointments at a future date.

SUMMARY

Applications were accepted by the City Clerk's Office to fill vacancies for the Arts Commission. Appropriate time frames with respect to posting notices of vacancies were followed.

As provided in the City's Municipal Code, the appointees will serve without compensation for designated terms.

DISCUSSION

The Arts Commission has two vacant positions with terms expiring June 30, 2017. The City Clerk's Office received four applications for these positions. The applications were submitted by Leonardo Gonzalez, Marisa Gonzalez, Natalie Mann, and Dumitru Sandru.

The Arts Commission considers matters pertaining, but not limited, to the planning for the arts in the City; facilitating interaction among artists; promoting arts activities and education; and researching possible sources of funding, in addition to public funds for potential City public art projects.

ALTERNATIVES

Choosing to fill the vacant positions on the above-mentioned Commission will result in increased participation of Moreno Valley residents. This option is consistent with the City Council goal of creating a positive environment for the development of Moreno Valley’s future. Therefore, staff recommends that the City Council make the recommended appointments.

FISCAL IMPACT

N/A

NOTIFICATION

1. Posting of Notice of Openings
2. Publication of the agenda
3. Report and agenda emailed to applicants

PREPARATION OF STAFF REPORT

Prepared By:
Ewa Lopez
Deputy City Clerk, CMC

Department Head Approval:
Jane Halstead
City Clerk, CMC

CITY COUNCIL GOALS

Positive Environment. Create a positive environment for the development of Moreno Valley's future.

ATTACHMENTS

None

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/21/15 10:38 AM
City Attorney Approval	<u>✓ Approved</u>	12/21/15 10:46 AM
City Manager Approval	<u>✓ Approved</u>	12/22/15 1:41 PM



Report to City Council

TO: Mayor and City Council

FROM: Allen Brock, Community Development Director

AGENDA DATE: January 5, 2016

TITLE: EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR IN THE AGREEMENT AND THE ANNUAL REVIEW OF THE AGREEMENT

RECOMMENDED ACTION

Recommendations: That the City Council:

1. That the City Council accept the Aquabella Development Agreement Annual Report as submitted by Highland Fairview finding that the property owner has complied in good faith with the terms, obligations and conditions of the Aquabella Development Agreement, and
2. That the City Council authorizes the Mayor to sign the Extension of Term Agreement for the Aquabella Development Agreement to approve a five year extension of the Development Agreement extending the term to January 12, 2021, as provided for in Section 2.3.2 of the Development Agreement adopted by Ordinance No. 704.

SUMMARY

On December 4, 2015, Highland Fairview, as required pursuant to California Government Code Section 65865.1, and Section 15.1 of the Aquabella Development Agreement ("Agreement") (Attachment 1), submitted an Annual Report of the Agreement demonstrating the property owner's good faith compliance with the terms, obligations and conditions of the Agreement. In addition, on November 30, 2015, Highland Fairview submitted a written request for the City to approve a five year extension to the Term of the Agreement. Provisions for such an extension are provided for in Section 2.3.2 of the Agreement dated December 13, 2005. Upon thorough review and consideration of the documents submitted by Highland Fairview, it is recommended that the City Council: (1) accept the Annual Report and determine that the Developer

has complied in good faith with the terms of the Agreement, and (2) approve the five-year term extension of the Agreement to January 12, 2021, as requested by the Developer.

BACKGROUND

A Development Agreement is a negotiated instrument that allows a developer or property owner to insulate project approvals for a fixed period of time, which is commonly referred to as “vested rights.” In exchange for such long term vested rights, the City can insist upon certain negotiated exactions the City could not otherwise unilaterally impose as a condition of approval due to lack of a nexus.

On December 13, 2005, the City Council approved an amendment to Specific Plan No. 218 (formerly known as the Moreno Valley Field Station Specific Plan), creating the Aquabella Specific Plan, and approving the Aquabella Development Agreement (an Agreement by and between the City of Moreno Valley and Moreno Valley Properties, LP). The effective Date of the Agreement is January 12, 2006. The Agreement was subsequently recorded on February 16, 2006.

As specifically set forth in Section 2.3 of the Agreement, the “Normal Term” (Section 2.3.1) was approved for ten years unless the Agreement is earlier terminated, modified or extended. Currently, the Agreement is set to terminate on January 12, 2016. Section 2.3.2 of the Agreement sets forth the provision for three extensions of term, with each extension of term not to exceed a maximum of five years. Any extension of the Term of the Agreement shall be upon the same terms and conditions contained in the Agreement and any modifications thereto.

The Agreement has been modified once previously. The First Amendment to the Agreement, which became effective July 28, 2011, modified Section 1.2.3 of the Agreement in two principal ways: (1) the land area covered by the Agreement was reduced from 685 acres to 671.8 acres of the overall 760-acre Aquabella Specific Plan area; and (2) the maximum number of allowed dwelling units was reduced from 2,922 to 2,702.

If the requested five-year extension of Term is approved, all of the same terms and conditions as will remain unchanged.

DISCUSSION

Annual Review

The Agreement provides that the Developer shall submit to the City an annual report and supporting documentation demonstrating good-faith compliance with the terms of the Agreement. City staff is required to review the annual report and supporting documentation and make a recommendation to the City Council as to whether the developer is in good faith compliance with the terms of the Agreement.

The Developer submitted a letter (Annual Report) to the City (Attachment 1) dated December 4, 2015, which identifies the obligations of the Agreement, the general status of the project and the developer's statements of good-faith compliance.

This performance-based Agreement includes certain triggers requiring improvements or other provisions. For example, prior to construction of the 585th dwelling unit, the Agreement provides for the completion of the entry statement, clubhouse facility and certain street and intersection improvements. At this time, the project development activity has not reached the criteria necessary to require the Developer to perform any of the obligations of the Agreement.

Tentative Tract Map No. 34950, a finance map for the AquaBella Specific Plan, was approved by the Planning Commission on August 23, 2007.

At present, approximately one half of the project site has been mass graded, and the erosion control and site stabilization features are in place. The grading operation has ceased as of December 2007 and the Developer has surrendered the mass grading permit.

Extension of Term

The Developer purports in its request for a five-year extension (Attachment 3) that "while there are some indications of improving economic conditions that should have a positive effect on the housing market, there was not yet enough strength in the market during the last several years to support the project."

Per the Agreement, the original term (Normal Term) is for a period of ten (10) years, which commenced on January 12, 2006. The Agreement, however, provides for three (3) extensions of no more than five (5) years each.

Section 2.3.4.4 states the Developer must complete to the reasonable satisfaction of the City Engineer, and offer for dedication that portion of the public infrastructure set forth in the Circulation Phasing Improvement Program (Exhibit "B" of Attachment 2) required for each requested extension. Specifically, section 2.3.4.4.1 states, prior to the granting of the first extension, all Phase 1 infrastructure improvements shall be completed. The infrastructure improvements include street and signal improvements in the vicinity of the project. To date all of the Phase 1 infrastructure improvements have been completed except two, Nason Street at Fir and Lasselle Street at Delphinium for widening and a traffic signal respectively. The completed improvements were funded by a grant obtained by the City. The remaining two improvements are not warranted due to the lack of physical development. It is recommended that the extension not be withheld as these remaining improvements still remain an obligation of the Agreement.

ALTERNATIVES

1. That the City Council accept the Aquabella Development Agreement Annual Report as submitted by Highland Fairview finding that the property owner has

complied in good faith with the terms, obligations and conditions of the Aquabella Development Agreement, and (Staff recommendation)

2. That the City Council authorizes the Mayor to sign the Extension of Term (Attachment 4) Agreement for the Aquabella Development Agreement to approve a five year extension of the Development Agreement extending the term to January 12, 2021, as provided for in Section 2.3.2 of the Development Agreement adopted by Ordinance No. 704. (Staff recommendation)
3. Reject the Annual Report based on evidence to support a preliminary finding that the Developer has not complied in good faith with the terms and conditions of the Agreement and direct staff to take the appropriate action to notify the Developer of the City's available remedies.
4. Reject the request for an Extension of Term of the Aquabella Development Agreement.
5. Modify the request for an Extension of Term of the Aquabella Development Agreement for a period of less than five (5) years.

FISCAL IMPACT

No fiscal impact.

NOTIFICATION

Posting of the Agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Julia Descoteaux
Associate Planner

Department Head Approval:
Allen Brock
Community Development Director

Concurred By:
Richard J. Sandzimier
Planning Official

CITY COUNCIL GOALS

None

ATTACHMENTS

1. Annual Report from HF
2. Final DA - AquaBella
3. Ext Request 11-30-15 HF
4. Extension of Term Agreement

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/21/15 11:48 AM
City Attorney Approval	<u>✓ Approved</u>	12/23/15 12:45 PM
City Manager Approval	<u>✓ Approved</u>	12/23/15 3:18 PM

**HIGHLAND FAIRVIEW**

14225 Corporate Way
Moreno Valley, CA 92553
Tel: 951.867.5300

December 4, 2015

Mr. Rick Sandzimier, Planning Official
City of Moreno Valley
14177 Frederick Street
Moreno Valley, California 92552

SUBJECT: Aquabella Development Agreement – 2015 Annual Report

Dear Mr. Sandzimier,

The following is a summary update of the Aquabella project.

The effect of the economic slump which is now in its eighth year continues to have a direct and significant impact on our local economies and particularly on the senior residential market in Moreno Valley. While there are some indications of improving economic conditions that should have positive impact on the housing market, there was not yet enough strength in the market during the last several years to support upscale projects such as Aquabella. The closure of the Moreno Valley Ranch Golf Course this year is another indication that the market is still in need of improvement. Highland Fairview is closely monitoring the housing market, watching for positive improvements that will enable development of the Aquabella project to resume.

Further to your request, the following is a section-by-section review of the Development Agreement including notes documenting Highland Fairview's good-faith compliance with the terms of the Agreement.

Section 1 Definitions

This section contains no performance requirements.

Section 2 General Provisions

No actions occurred affecting any of the General Provisions of the Agreement.

Section 3 Project Development Requirements

No actions occurred affecting any of the Project Development Requirements. No development occurred on the Subject Property and all of the applicable Rules and Regulations remained intact.

Section 4 Reservation of Authority

Inasmuch as no development occurred on the Subject Property, changes in processing fees, impact fees (DIF, TUMF), procedural regulations, Uniform Code amendments, state or federal law, or moratoria that may have occurred did not affect the Subject Property.

Section 5 Public Financing

No actions occurred on the Subject Property that related to this Section of the Agreement.

Section 6 Obligations and Contributions by Master Developer

6.2 No actions occurred affecting any of the Project Development Requirements.

6.3 Moreno Valley Electric Utility and/or City Capital Project – No actions occurred affecting the Moreno Valley Electric Utility.

6.4 Covenants, Conditions and Restrictions (CC&Rs) – No activity has occurred on the Subject Property that has required the preparation of CC&R documents.

6.5 Operation and Maintenance of Common Areas by Master Developer – No common area facilities serving the Aquabella community have been constructed and therefore no operation or maintenance of such facilities is necessary.

6.6 Master Homeowners' Association (Master HOA) – There was no home building activity and therefore there was no need for Master HOA to be formed.

6.7 Main Clubhouse, Recreational Facilities, Recreational Programs, Private Parks, and Trail System – Residential development has not commenced on the Subject Property, therefore none of the provisions of this Section regarding construction of common facilities have been necessary.

6.8 State Route 60/Nason Street Interchange – Residential development has not commenced on the Subject Property, therefore no improvements were necessary.

6.9 Entry Statement – Residential development has not commenced on the Subject Property, therefore no improvements were necessary.

6.10 Perimeter Walls and Landscaping - Residential development has not commenced on the Subject Property, therefore no improvements were necessary.

6.11 Age Related Project – The Aquabella project remains an age-restricted community.

6.12 Master Design Guidelines – The Master Design Guidelines referenced in this Section are incorporated in the Aquabella Specific Plan, adopted on December 13, 2005 (Ordinance 703).

Section 7 Obligations of the City

The Master Developer does not affect the City's compliance with its obligations under this Section.

Section 8 Fees, Fee Credits and Reimbursement

Since residential development on the Subject Property has not commenced, the provisions of this Section regarding processing fees, expedited development services, DIF fees, DIF exemptions or DIF Credit for Parks have yet to be implemented.

Section 9 Assignment

Nothing has occurred regarding the Master Developer or the Master Developer's Principals to trigger any of the terms of this Section.

Section 10 Delays in Performance

Nothing has occurred regarding the Project that affected the terms of this Section.

Section 11 Default

Nothing has occurred regarding the Project that affected the terms of this Section.

Section 12 Termination

Nothing has occurred regarding the Project that affected the terms of this Section.

Section 13 Relationship of Parties

All of the terms of this Section remain in effect.

Section 14 Amendment of Agreement

All of the terms of this Section remain in effect.

Section 15 Periodic Review of Compliance with Agreement

All of the terms of this Section remain in effect. This letter is submitted in satisfaction of the annual review requirement.

Section 16 Notice

Nothing has occurred regarding the Project that affected the terms of this Section.

Section 17 Indemnity

Nothing has occurred regarding the Project that affected the terms of this Section.

Section 18 Mortgagee Protections

Nothing has occurred regarding the Project that affected the terms of this Section.

Section 19 Interpretation and Enforcement of Agreement

Nothing has occurred regarding the Project that affected the terms of this Section.

Highland Fairview has been in compliance with the Development Agreement to date. We hope that during the coming year economic conditions will improve in Moreno Valley and that development can commence in Aquabella.

Please contact me if you have any questions about this information.

Sincerely,



Wayne Peterson
Vice President of Community Planning

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

City of Moreno Valley
Attn: City Clerk
P.O. Box 88005
Moreno Valley, California 92552-0805

(SPAC

DOC # 2006-0118138

02/16/2006 08:00A Fee:NC

Page 1 of 55

Recorded in Official Records

County of Riverside

Larry W. Ward

Assessor, County Clerk & Recorder



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AQUABELLA DEVELOPMENT AGREEMENT
DEVELOPMENT AGREEMENT BY AND BETWEEN
THE CITY OF MORENO VALLEY
AND
MORENO VALLEY PROPERTIES, LP,
RELATIVE TO THE DEVELOPMENT KNOWN AS
SPECIFIC PLAN NUMBER 218 AND AMENDMENTS THERETO

January 12, 2006

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CITY CLERK
MORENO VALLEY
RECEIVED

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED

THIS DEVELOPMENT AGREEMENT (“Agreement”) is made and entered into this 12th day of January, 2006 (the “Effective Date”), by and between (i) the CITY OF MORENO VALLEY, a municipal corporation organized and existing under the laws of the State of California (the “City”), and (ii) MORENO VALLEY PROPERTIES, LP, a Delaware limited partnership (the “Master Developer”), pursuant to the authority of Sections 65864 through 65869.5 of the California Government Code. City and Master Developer may be referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

A. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted Section 65864 et seq. of the California Government Code, which authorizes the City to enter into a development agreement with any person or entity having a legal or equitable interest in real property, providing for the development of such property and establishing certain reciprocal rights and obligations related to such development.

B. To implement the above-described state laws, the City adopted Section 9.02.110 of the Moreno Valley Municipal Code, establishing procedures and requirements for considering and approving development agreements.

C. The Master Developer has a legal and equitable interest in certain real property situated in the City, and therefore satisfies the statutory requirements to enter into this Agreement. This real property comprises approximately six hundred eighty-five (685) acres (the “Property”), more particularly described in Exhibit “A” attached hereto.

D. The Master Developer includes certain key Principals and personnel who are sophisticated and experienced real estate developers with substantial experience in the development and management of high quality residential neighborhoods.

E. The City, on September 20, 1988, adopted Resolution No. 88-75 approving the Moreno Valley General Plan (the “General Plan”).

F. The City, on February 23, 1999, introduced Ordinance No. 548 approving Specific Plan 218, and adopted Resolution No. 99-13, approving a General Plan Amendment (GPA 1) and certifying the Final Environmental Impact Report, including findings and a statement of overriding considerations relating to the Specific Plan and findings of consistency with the General Plan, and approved mitigation measures for the Specific Plan (together, the “EIR”). On March 9, 1999, the City adopted Ordinance No. 548, approving Specific Plan 218 and related conditions of approval (the “Specific Plan”).

G. The City, on May 27, 2003, approved the Supplemental EIR adopted by Resolution No. 2003-38 supporting the aforementioned entitlements for the Property.

H. The City, on November 22, 2005, adopted Ordinance No. 703, amending Specific Plan 218 and related conditions of approval ("SPA"); Resolution No. 2004-11, approving General Plan Amendment No. PA04-0070 (the "GPA 2"); and Resolutions No. 2004-11 and 2004-12, and Ordinance No. 703 approving an addendum to the certified EIR and Supplemental EIR (the "Addendum").

I. The Master Developer intends to make application to the City for one or more subdivision maps (the "Map" or the "Maps").

J. The Specific Plan, the SPA, the GPA 1, the GPA 2, the EIR, the Supplemental EIR, and the Addendum to the EIR as heretofore approved, and the Maps which collectively comprise the "Project Approvals," are incorporated herein by this reference. The Master Developer desires to develop the Property in accordance with the Project Approvals and this Agreement. Such development of the Property, as contemplated by the Project Approvals and subject to any refinements agreed upon by the Parties, is referred to herein as the "Project."

K. The implementation of this Agreement will provide the City with significant public benefits in the form of facilities, programs and revenues as set forth in Section 6 of this Agreement. Consequently, entering into this Agreement is acknowledged to be to the mutual benefit of the Parties.

L. The City Council, on November 22, 2005, made all findings and determinations relating to this Agreement which are required by Municipal Code Section 9.02.110, and by its introduction of Ordinance No. 704, and approved this Agreement by its adoption Of Ordinance No. 704 on December 13, 2005. In doing so, the City Council determined that this Agreement is consistent with the General Plan.

M. The City Council finds that execution of this Agreement and the performance of and compliance with the terms and conditions set forth herein by the Parties: (i) is in the best interests of the City; (ii) will promote the public convenience, general welfare and good land use practices in the City; (iii) will provide benefits to the City; (iv) will provide an upscale, high-quality active adult community; (v) will encourage the development of the Project by providing a reasonable level of certainty to the Master Developer; and (vi) will provide for orderly growth and development in a manner consistent with the General Plan and other plans and regulations of the City.

NOW, THEREFORE, in consideration of the above Recitals, all of which are expressly incorporated into this Agreement, and the mutual promises and obligations of the Parties set forth herein, the Parties agree as follows:

AGREEMENT

SECTION 1. DEFINITIONS

The following terms when used in this Agreement shall be defined as follows:

1.1 "Agreement" means this Development Agreement.

1.2 "Amended Specific Plan" means Specific Plan 218 as amended by the Specific Plan Amendment (SPA).

1.3 "Assignee Developer" means a developer to whom any of the rights, duties or obligations of this Agreement have been assigned in conformity with all assignment provisions contained herein.

1.4 "Builder" means a merchant homebuilder who has or may acquire portions of the Property consistent with this Agreement for purposes of constructing residential housing units, but to whom no direct Assignment, in whole or in part, of this Agreement has been made.

1.5 "Circulation Phasing Improvement Program" means the City approved plan for the phasing of public traffic circulation improvements for the Project addressed in Section 6.2, below and attached hereto and incorporated herein as Exhibit "B".

1.6 "City" means the City of Moreno Valley, a municipal corporation organized and existing pursuant to the laws of the State of California.

1.7 "City Council" means the City Council of the City of Moreno Valley.

1.8 "Covenants, Conditions and Restrictions" or "CC&Rs" shall mean the restrictions governing the use of real property. CC&Rs include, but are not limited to written rules, limitations and restrictions on use of real property mutually agreed to by all owners of real property in a common interest development as provided for in California Civil Code Section 1351 *et seq.* CC&Rs are enforceable by the homeowners association or by individual owners who can bring lawsuits against violators and are recorded, permanent and "run with the land" so future owners are bound to the same rules. A copy of the CC&Rs shall be recorded with the Riverside County Recorder and be provided to any prospective purchaser.

1.9 "Development" means the improvement of the Property for the purposes of completing the structures, improvements and facilities comprising the Project including, but not limited to: grading; the construction of infrastructure and public facilities related to the Project whether located within or outside the

Property; the construction of residential dwelling units, buildings and structures; and the installation of landscaping. "Development" does not include the maintenance, repair, reconstruction or redevelopment of any building, structure, improvement or facility after the construction and completion thereof.

1.10 "Development Approvals" means all permits and other entitlements for use subject to approval or issuance by City in connection with development of the Property including, but not limited to:

- 1.10.1.1 The City's General Plan and amendments thereto;
- 1.10.1.2 Specific Plans and Amendments;
- 1.10.1.3 Planning Area Development Implementation Plans;
- 1.10.1.4 Tentative and final subdivision and parcel maps;
- 1.10.1.5 Conditional use permits, variances, site plot plans;
- 1.10.1.6 Zoning amendments;

1.11 "Development Impact Fees" or "DIF" means all City adopted fees and monetary Exactions that are designed to pay for new or expanded public facilities needed to serve, or to mitigate the adverse effects of, a given development project and that are imposed by the City by ordinance or resolution of general application or as a condition of approval of discretionary or ministerial permits for, or in connection with, the implementation of that development project. The term "Development Impact Fees" (the "DIF") does not include processing fees and charges as described in this Agreement.

1.12 "Effective Date" means the effective date of the ordinance approving this Agreement.

1.13 "Exaction" means any requirement of City in connection with or pursuant to any Land Use Regulation or Development Approval for the dedication of land, the construction of improvements or public facilities, or the payment of money in order to provide public benefit or lessen, offset, mitigate or compensate for the impacts of development on the environment or other public interests. The term "Exaction" shall not include City administrative, permit processing or other City-wide imposed fees to cover the estimated or actual costs to City of processing applications for Development Approvals, Subsequent Development Approvals, or costs associated with preparation or implementation of this Development Agreement or for monitoring compliance with any Development Approvals which may be granted or issued pursuant to this Agreement.

1.14 “Existing Project Approvals” means all Project Approvals approved or issued prior to the Effective Date and all other Approvals which are a matter of public record on the Effective Date.

1.15 “Existing Land Use Regulations” means all Land Use Regulations in effect on the Effective Date and all other Development Regulations which are a matter of public record on the Effective Date.

1.16 “Homeowners’ Association” (HOA) shall mean a master association of homeowners, and any associations of homeowners subsidiary to the master association, in the Project area organized and existing pursuant to the laws of the State of California for the purposes stated in the association’s articles of incorporation and/or bylaws to provide, operate and maintain common or community facilities for the enjoyment of the Project’s residents to include at a minimum streets, curbs, gutters, sidewalks, street lighting, signage, drainage and flood control facilities, any other private supporting infrastructure, landscaping, walls, lakes, the Main Clubhouse and its amenities, and other recreational facilities throughout the Project, including, but not limited to, community buildings and amenities, private parks, trails, and greenbelts.

1.17 “Land Use Regulations” means all ordinances, resolutions, codes, rules, regulations and official policies of City governing the development and use of land, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, the maximum height and size of proposed buildings, the provisions for reservation or dedication of land for public purposes, and the design, improvement and construction standards and specifications applicable to the development of the Property. By way of example and not limitation, “Land Use Regulations” does not include any City ordinance, resolution, code, rule, regulation or official policy, governing:

1.17.1 The conduct of businesses, professions, and occupations;

1.17.2 Taxes, fees (including, without limitation, Processing Fees and Development Impact Fees) and assessments;

1.17.3 The control and abatement of nuisances;

1.17.4 The granting of encroachment permits and the conveyance of rights and interests which provide for the use of or the entry upon public property;

1.17.5 The exercise of the power of eminent domain.

1.18 “Master Design Guidelines” means the overall vision of the thematic and qualitative characteristics for the Project, as mutually agreed upon by the Master Developer and City and memorialized in the SPA and elsewhere in the Project Approvals. Subsequent Development Approvals shall be consistent with the Master Design Guidelines.

1.19 "Master Developer" means MORENO VALLEY PROPERTIES, LP, any City approved Assignee or successor in interest to MORENO VALLEY PROPERTIES, LP, and/or any City approved Assignee or successor in interest to the obligations of the Master Developer set forth in Section 6 of this Agreement.

1.20 "Mortgagee" means a beneficiary or any other security-device lender under a mortgage, deed of trust, sale-and-lease-back, pledges of ownership interests in Master Developer, collateral assignments, or other forms of conveyance required for any reasonable method of financing requiring a security arrangement with respect to the Property, Master Developer, or both, and as well as such entities' successors and assigns.

1.21 "Planning Area Development Implementation Plan" ("PADIP") means a development plan for the implementation of defined areas within the SPA. The PADIP will include: a detailed architectural and landscaping theme consistent with the Master Design Guidelines; infrastructure and common area improvements to support a self-sustaining development; and the requirements established through the Project Approvals and Development Approvals.

1.22 "Processing Fees" means City Council adopted fees and charges for processing applications for City actions or approvals.

1.23 "Project" means the development of the Property contemplated by the SPA and implemented through PADIPs as defined herein which may be further defined, enhanced or modified pursuant to the provisions of this Agreement. This Agreement pertains to six hundred eighty-five (685) acres of the seven hundred sixty (760) acres comprising the Specific Plan area. The 685 acres will be developed as a gated age-restricted community with common amenities to be maintained by one or more Homeowner's Association(s). The Project contemplates a maximum of two thousand nine hundred twenty-two (2922) dwelling units and other uses as defined in the Project Approvals, with the exception of two hundred twenty (220) dwelling units (specifically identified in the SPA) that may or may not be age-restricted.

1.24 "Project Approvals" means The Specific Plan, the SPA, the GPA 1, the GPA 2, the EIR, the Supplemental EIR, the Addendum EIR and all Subsequent Development Approvals including without limitation their respective conditions of approval.

1.25 "Property" means the real property described on Exhibit "A" to this Agreement and made a part herein by this reference.

1.26 "Subsequent Development Approvals" means all Development Approvals obtained subsequent to the Effective Date in connection with development of the Property.

1.27 “Subsequent Land Use Regulations” means any Land Use Regulations adopted and effective after the Effective Date of this Agreement.

SECTION 2. GENERAL PROVISIONS

2.1 Duration of Project Approvals. The Project Approvals shall remain valid and in effect for the entire term of this Agreement, and the City shall take no action to rescind, revise or otherwise modify the Project Approvals, except with the prior written consent or upon the request of the Master Developer (provided that such request shall not obligate the City to rescind, revise or otherwise modify the Project Approvals or this Agreement). Other than for modifications of this Development Agreement, the City’s General Plan as applied to the Project, the GPA and GPA2, the Specific Plan and the SPA, individual Builders or property owners may apply for modification of the Project Approvals applicable to their own land without consent or approval of other parties holding interests in the Project, provided that any such modification does not materially affect other land or obligations of any party under this Agreement or the Project Approvals. Individual Builders or property owners may apply for modification of the Development Agreement, the General Plan and the Specific Plan only with the consent of the Master Developer and all approved Assignees of the Master Developer. Nothing in this Agreement shall be interpreted to supersede or conflict with any applicable State or Federal law, rule or regulation pertaining to any specific Project Approval.

2.2 Duration of Permits. Permits issued for the Project shall not have any time added to their duration or validity by this Agreement than what is already provided for in the applicable law governing such permit.

2.3 Term of Agreement.

2.3.1 Normal Term. The Term of this Agreement shall commence on the Effective Date of the ordinance approving this Agreement (the “Effective Date”), and shall extend for a period of ten (10) years thereafter, unless this Agreement is earlier terminated, modified or extended in accordance with the provisions of this Agreement.

2.3.2 Extension. The ten-year Term of this Agreement may be extended three times. Each extension shall be separately considered by the City according to the provisions in this Agreement. Each extension shall be for a maximum of five (5) years. An extension of the Term of this Agreement shall be upon the same terms and conditions contained in this Agreement and any modifications thereto.

2.3.3 Extension Application. Master Developer shall submit its application for an extension of this Agreement no later than six (6) months prior to its expiration. City may, at its sole discretion, accept a late application for an extension of this Agreement, but under no circumstances shall the City be

obligated by law or in equity to accept or consider an application for extension of this Agreement after the date of expiration of its then current Term.

2.3.4 Extension Granted. Each of the five (5) year extensions of the Term of this Agreement provided for in Subsection 2.3.2 above shall be granted upon determination by the City of the following:

2.3.4.1 All obligations of the Master Developer under Section 6 of this Agreement have been or are being completed in conformance with the standards and timing required by this Agreement, the Circulation Phasing Improvement Program, (Exhibit "B" to this Agreement which is incorporated herein by this reference), and the Project Approvals.

2.3.4.2 The architecture, construction and amenities of the portions of the Project that have been completed meet the standards set forth in Section 6.12 of this Agreement, the related Project Approvals and the Master Design Guidelines.

2.3.4.3 For purposes of determining consistency with the Master Design Guidelines, approval of discrete portions of the Project in the normal course of development by the appropriate entity (e.g. Planning Commission) and certification of passing the City final inspection shall satisfy this requirement.

2.3.4.4 The Master Developer has completed to the reasonable satisfaction of the City Engineer, and offered for dedication, that portion of the public infrastructure set forth in the Circulation Phasing Improvement Program (Exhibit "B") required for each extension as follows:

2.3.4.4.1 Prior to the granting of the first extension, all improvements listed as Phase 1.

2.3.4.4.2 Prior to the granting of the second extension, all improvements listed as Phase 2.

2.3.4.4.3 Prior to the granting of the third extension, all improvements listed as Phase 3.

2.3.4.5 The Master Developer has not abandoned the Project. If the Master Developer has abandoned the Project as set forth herein, this Agreement shall be deemed automatically terminated and of no further force and effect. The Master Developer shall be deemed to have abandoned the Project if any of the following occur at any time:

2.3.4.5.1 The Master Developer is dissolved or has filed a voluntary petition for dissolution in bankruptcy or been adjudicated bankrupt in an involuntary dissolution proceeding. Provided however, that if a voluntary petition for dissolution is filed and the affected Mortgagee notifies the City in writing within thirty-five (35) days of service of notice of the petition to the

Mortgagee as shown in the bankruptcy court's records that the Mortgagee intends to pursue possession of the Property and assumption of this Agreement and thereafter diligently pursues such rights, the Master Developer shall not be deemed to have abandoned the Project.

2.3.4.5.2 The Master Developer notifies the City in writing that it no longer intends to pursue development of the Project.

2.3.4.5.3 The Master Developer has not submitted public improvement agreements, construction plans and required security for public improvements, all in form and substance reasonably acceptable to the City using its normal review processes, for all public improvements required hereinabove for each extension at least two years prior to the expiration of the then current Term of this Agreement.

2.3.4.5.4 Abandonment of the Project shall be a material breach of this Agreement.

2.3.4.6 There are no outstanding material breaches of this Agreement, or material defaults under the Project Approvals, public improvement agreements or bonds issued in connection with the Property or Project which are not being diligently cured within any time permitted for such cure under the applicable document. Approval of any extension may be withheld under this provision until such cure is completed within the allotted cure period. The City's ability to grant an extension of the term of this Agreement shall not terminate during the pendency of such cure period so long as the Master Developer, or its City approved Assignee, is taking reasonable steps to effect such cure to the reasonable satisfaction of the City Manager.

2.3.4.7 For purposes of considering an extension of the term of this Agreement, the estoppel and waiver provisions of Section 15 (Subsections 15.6 and 15.7) shall apply.

2.3.5 Maximum Term. If the granting of an extension of the term of this Agreement occurs after the expiration of the Term of this Agreement, or any prior extension thereof, the extension of five (5) years shall be reduced by the total number of days that have elapsed after the original date of expiration of Term. Except as otherwise specifically allowed herein, this Agreement, shall not be effective for more than twenty-five (25) years from its Effective Date.

2.3.6 Termination Upon Completion.

2.3.6.1 If not already terminated by reason of any other provision hereof, this Agreement shall automatically terminate upon: (i) total build-out of the Project pursuant to the Project Approvals and any amendments thereto; (ii) the issuance of all occupancy permits for structures requiring such permits, or final building inspections for improvements on the Property; and (iii) acceptance by the City of all dedications of public rights-of-way and public

improvements (to the extent the City elects to accept dedication of public rights-of-way and public improvements).

2.3.6.2 Similarly, where all such conditions have been satisfied with respect to any Planning Area designated in the Specific Plan, provided that all fees have been paid or credited and provided that the Master Developer obligations required by that time have been completed as set forth in Section 6 of this Agreement and the Project Approvals, then the Master Developer may make a written request, and the City Manager shall review and act upon the written request, to terminate this Agreement as to the affected Planning Area. The City Manager shall act upon said request within thirty (30) days of receipt. If the request is not granted, the City Manager shall specify in writing all reasons for denying the request.

2.3.6.3 For purposes of Termination Upon Completion hereunder, "total build-out" shall mean the completion of all construction in the Project, or in any Planning Area of the Project, of all buildings, structures, infrastructure, improvements, landscaping and associated amenities contemplated, required or permitted by the Specific Plan, all other infrastructure required by this Agreement or the Project Approvals, and performance by the Master Developer and the City of all of their respective obligations hereunder.

2.3.6.4 This Agreement shall automatically terminate as to any individual dwelling unit upon close of escrow for a sale to an end user of that dwelling unit and issuance of a certificate of occupancy or final City inspection for that unit.

2.4 Binding Effect of Agreement.

2.4.1 Covenant. This Agreement shall bind, and inure to the benefit of, the respective Parties and their successors in interest, including their heirs, representatives, assigns, partners and investors. All of the provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land as to the Property. However, there shall be no third party beneficiaries of this Agreement, except that this Agreement shall be enforceable by the City on behalf of any of its subsidiary or affiliated public agencies or special districts, including without limitation, its Community Redevelopment Agency, Community Services Districts, or Community Facilities Districts.

2.4.2 No Property Interest. Nothing herein shall be construed as a dedication or transfer of any right or interest in, or as creating a lien with respect to, title to the Property.

SECTION 3. PROJECT DEVELOPMENT REQUIREMENTS

3.1 Property Ownership. Master Developer represents and covenants that it is the owner of the fee simple title to the Property.

3.2 Development. Master Developer shall develop the Project in accordance with the Project Approvals and this Agreement. During the term of this Agreement, the permitted uses within the Project, the density and intensity of use, maximum height and size of buildings, other zoning standards, the requirements for reservation or dedication of land for public purposes, the mitigation requirements and all other terms and conditions of development of the Project shall be those set forth in the Project Approvals. Except as specifically provided for in the Project Approvals and/or this Agreement, the Project shall be developed and maintained as an age-restricted active adult community as more fully set forth in Section 6.8.

3.3 Rules and Regulations. Pursuant to Government Code Section 65866, and except as otherwise provided in this Agreement, the regulations, rules and official policies of the City governing (i) permitted uses within the Project, (ii) density and intensity of use, (iii) design, improvement and construction standards and specifications, and (iv) all other terms and conditions of development of the Project shall be those regulations, rules and official policies which are in effect on the effective date of the ordinance approving this Agreement, except as set forth under the Reservations of Authority below, (the "Applicable Regulations").

3.4 Building Permits. The Master Developer shall have the right to obtain building permits consistent with the Project Approvals, Land Use Regulations and Subsequent Land Use Regulations as set forth in this Agreement for the entire life of this Agreement and any extensions thereof.

3.5 Timing of Development. The parties acknowledge that Master Developer cannot at this time predict when or the rate at which phases of the Property will be developed. Such decisions depend upon numerous factors which are not within the control of Master Developer, such as market orientation and demand, interest rates, absorption, completion and other similar factors. Because the California Supreme Court held in *Pardee Construction Co. v. City of Camarillo* (1984) 37 Cal. 3d 465, that the failure of the parties therein to provide for the timing of development resulted in a later adopted initiative restricting the timing of development to prevail over such parties' agreement, it is the parties' intent to cure that deficiency by acknowledging and providing that Master Developer shall have the right to develop the Property in such order and at such rate and at such time as Master Developer deems appropriate within the exercise of its subjective business judgment, subject only to any timing or phasing requirements set forth in the Project Approvals. Master Developer expects to accomplish street and traffic signal improvements in conformity with the *Circulation Phasing Improvement Program* (Exhibit "B").

SECTION 4. RESERVATION OF AUTHORITY

4.1 Subsequent Land Use Regulations and Processing Requirements. Notwithstanding any other provision of this Agreement, the following Subsequent

Land Use Regulations shall apply to the development of the Property:

4.1.1 City Council amended or adopted Processing Fees and charges applicable to all developments imposed by City to cover the estimated actual costs to City of processing applications for development approvals or for monitoring compliance with any development approvals granted or issued.

4.1.2 City Council amended or adopted DIF, except as otherwise provided for in this Agreement.

4.1.3 Fees adopted by the City Council to implement regional mitigation programs (e.g. Transportation Uniform Mitigation Fee (TUMF), Western Riverside County Multiple Species Habitat Conservation Plan, etc.).

4.1.4 Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure.

4.1.5 Regulations governing construction standards and specifications including, without limitation, the Uniform Building, Plumbing, Mechanical, Electrical, and Fire Codes as adopted, or amended and adopted, by the City.

4.1.6 Regulations which may be in conflict with the Project Approvals but which are reasonably necessary to protect the public health and safety. To the extent possible, any such regulations shall be applied and construed so as to provide Master Developer with the rights and assurances provided under this Agreement.

4.1.7 Regulations imposed by State or Federal Law.

4.2 Moratoria. Regulations imposed by the City, whether adopted by City Council action, initiative or otherwise, imposing a development moratorium or limiting the rate or timing of development of the Property shall be deemed to conflict with this Agreement and shall therefore not be applicable to the Development of the Property. Development moratoria imposed by other government agencies or otherwise outside the City's reasonable control, or due to the lack of availability of water or other necessary facilities or services shall not create liability or default under this Agreement.

4.3 Modification or Suspension by State or Federal Law. In the event that State or Federal laws or regulations, enacted after the Effective Date, prevent or preclude compliance with one or more of the provisions of this Agreement or render the City subject to liability, fine, penalty, charge, cost or restrictions on its authority or powers in order to comply with this Agreement, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations, provided,

however, that this Agreement shall remain in full force and effect to the extent such laws or regulations do not render such remaining provisions impractical to enforce.

SECTION 5. PUBLIC FINANCING

5.1 The Master Developer is not obligated to request public financing. However, if Master Developer does request the initiation of proceedings to form a community facilities district, benefit assessment district, community services district or other similar public financing mechanism (hereinafter individually, alternatively and/or collectively referred to as "Public Financing District"), Master Developer agrees that it will make application first and solely to the City, and the City agrees to accept and consider such application according to the City's ordinances, resolutions, standards and practices generally applied to Public Financing District applications throughout the City including, without limitation, the City's Special Districts Financing Policy. If the City declines to provide such public financing, then the Master Developer may elect to initiate proceedings for public financing through any other public agency.

5.2 Consistent with Section 5.1 above, the City agrees to consider the initiation of proceedings for the establishment of one or more Public Financing Districts upon receipt of a completed written application by Master Developer. The Master Developer agrees to cast its votes in favor of, and/or to refrain from protesting the formation of, any such Public Financing District which the Master Developer has requested the City to initiate and to pay City's costs and expenses, and an issuer's fee to be established by City, in connection with each issuer. The Master Developer agrees and acknowledges that it will only support and participate in Public Financing Districts undertaken by the City (or one of City's subsidiary or affiliated entities), unless and until the City declines to provide such public financing.

5.3 If a Community Facilities District is formed at the request of the Master Developer, the proceeds from such financing shall be used as follows:

5.3.1 As first priority: public streets and traffic signals, City electric utility or other City capital project referred to in Section 6.3 below, and Riverside County Transportation Uniform Mitigation Fees (TUMF) paid by the Project to the extent they are allowed by Western Regional Council of Governments (WRCOG) and any other agency having jurisdiction thereof to be dedicated to State Route 60/Nason Street interchange improvements (including any improvements on Nason Street associated with or required as part of such interchange improvements);

5.3.2 As second priority: water and sewer infrastructure construction; and

5.3.3 As last priority: City DIF, but only to the extent such DIF is not subject to credit or reimbursement. The priority among City DIF shall be subject to City approval.

SECTION 6. OBLIGATIONS OF AND CONTRIBUTIONS BY MASTER DEVELOPER

6.1 Acknowledgement. The Master Developer acknowledges that it receives a substantial benefit by entering into this Agreement. The approval and execution of this Agreement by the City will provide the Master Developer with substantial vested rights and assurances that it would otherwise not receive as part of the development process, including without limitation, protection from City-imposed moratoria, and protection from changes in the Land Use Regulations and the Project Approvals that the City could otherwise have imposed in the exercise of its legitimate regulatory powers as a government agency. Under State law related to Development Agreements, by providing the protections of a development agreement, the City is entitled to receive from the Master Developer consideration in the form of benefits to the public that otherwise would or could not be imposed as conditions of approval for the Project. Therefore, as consideration for this Agreement, in addition to the other terms and conditions of this Agreement, the Master Developer shall provide to City the public benefits set forth herein.

6.2 Construction of Public Street and Traffic Signal Improvements – Circulation Phasing Improvement Program. Master Developer agrees to build all required public street and traffic signal improvements in accordance with the Circulation Phasing Improvement Program (Exhibit “B”). The parties acknowledge, and a traffic phasing study has confirmed, that the improvements listed on Exhibit “B” exceed the overall mitigation obligations of the Project for traffic, and agree that the accelerated timing of such improvements are a benefit to the public and a material inducement to the City to enter into this Agreement.

6.3 Moreno Valley Electric Utility and/or City Capital Project. Master Developer agrees to pay two million dollars (\$2,000,000) to the City. The first one million dollars (\$1,000,000) is to be used for the benefit of the Moreno Valley Electric Utility at the sole discretion of the City. Said payment is in addition to any other obligation the Master Developer may incur as a condition of approval, or otherwise, for the Project, or any portion thereof, concerning the Moreno Valley Electric Utility. Payment of this first one million dollars (\$1,000,000) shall be made within thirty (30) days of the Effective Date of this Agreement; provided, however, that said payment shall be placed in escrow in an interest bearing account, with interest payable to City, and City agrees not to withdraw the money until one hundred twenty (120) days after the Effective Date of this Agreement, or the conclusion of any legal proceedings challenging the validity of this Agreement or Project Approvals, whichever occurs later. Should any legal proceedings challenging the validity of this Agreement or the Project Approvals result in the invalidation of this Agreement or the Project Approvals and the decision of the

Master Developer to not proceed with the Project, all sums within the escrow account shall be returned by the escrow company to Master Developer within ten (10) calendar days of any court ruling invalidating this Agreement. The second one million dollar (\$1,000,000) payment shall be for a Moreno Valley Electric Utility and/or other City Capital Project that is eligible for inclusion in, or reimbursement from, a Community Facilities District as provided for in Section 5 of this Agreement. This second payment of one million dollars (\$1,000,000) to City shall occur at the time of recordation of the first (1st) residential subdivision map.

6.4 Covenants, Conditions and Restrictions (CC&Rs).

6.4.1 The Master Developer shall prepare CC&Rs for all Property within the Project to be recorded in the Riverside County Recorder's Office and made to run with the land.

6.4.2 Prior to recordation, the Master Developer shall submit the proposed CC&Rs to the City for review, approval and consent to record. The Master Developer shall not record any CC&Rs unless and until it has received City's consent thereto in writing. The City shall have the right to review, approve and consent to the recording of any amendments to the CC&Rs and Master Developer shall not record any amendments to the CC&Rs prior to obtaining the City's consent thereto in writing. The City shall not unreasonably withhold such consent and shall act upon any request for its consent within thirty (30) days of its receipt of the request and all information reasonably needed to make such a determination. It is understood that the City's interest in the CC&Rs is to protect the public interest, including, without limitation, assuring that common areas and facilities are properly maintained for protection of surrounding properties, protection of City facilities from impacts purportedly mitigated by private amenities (including those recreational amenities for which DIF credits have been provided), and protection from City liability or cost for water quality or other environmental impacts of the Project. Therefore, the reasonableness of the City's review and consent or denial of consent to any amendments shall be construed in light of the public interest, but review of any City decision hereunder shall be given the normal deference given to public agencies in determining the public interest.

6.4.3 The City shall be a named third party beneficiary pursuant to California Civil Code Section 1559 of all recorded CC&Rs, and any amendments thereto, with a separate and independent right, but not the obligation, to enforce the CC&Rs. This right of enforcement is in addition to all other legal and equitable remedies available to the City.

6.5 Operation and Maintenance of Common Areas by Master Developer.

6.5.1 The Master Developer acknowledges that the maintenance and operation of the common area facilities are a matter of public interest to the City in that improper or inadequate maintenance and operation will cause an impact on surrounding public facilities and surrounding home and property owners. Master Developer shall operate and maintain all common area facilities including, but not limited to, the Main Clubhouse facilities and the lake system, during the course of construction of the Project and until such time as a Master Homeowner's Association (Master HOA) for the Project shall be formed and the operation and maintenance obligations for such facilities are legally conveyed to and accepted by the Master HOA (hereinafter referred to as the "Transfer Date").

6.5.2 The Master Developer shall maintain a dedicated funding source in an amount reasonably acceptable to the City Manager for the operation and maintenance of all common area facilities during the course of construction of the Project and until the Transfer Date.

6.5.3 The Master Developer shall not be relieved of its obligations for the operation and maintenance of the Project's common area facilities until a Master HOA has been formed and the operation and maintenance responsibilities for the applicable common area facilities have been legally conveyed to and accepted by the Master HOA. Upon the Transfer Date, the Master HOA shall have the obligations described below.

6.6 Master Homeowners' Association (Master HOA).

6.6.1 The Master Developer shall form and capitalize a Master HOA for the Project. The Master HOA shall, at a minimum, have the responsibility and legal obligation to operate and maintain all common area facilities in the Project or on the Property which have been legally conveyed to and accepted by the Master HOA.

6.6.2 Until the Transfer Date, the Master Developer shall remain legally liable and responsible for the operation and maintenance of all common area facilities in the Project or on the Property. The Master Developer shall not transfer any common facilities to the Master HOA unless and until a budget approved by the California Department of Real Estate (DRE) provides for either the levy of assessments which will be adequate to fund all of the costs of operation, maintenance, repair and reserves for the common area facilities, or financial assurances deemed adequate by the DRE are posted in accordance with the regulations of the DRE. In connection with the governance of the Master HOA, the Master Developer shall, unless otherwise prevented from doing so by a court order or judgment, exercise its rights provided under Title 10 of the California Code of Regulations to appoint a majority of the Board for so long as permitted under the Master CC&Rs. As members of the Board, the Master Developer shall comply with the requirements established under the Common

Interest Development Act for preparation of budgets, the establishment of reserves and collection of assessments.

6.6.3 The CC&Rs shall require the Master HOA, upon request by the City, to provide all documentation reasonably requested by the City regarding the budgets and financial condition of the Master HOA. The City may utilize expert consultants to analyze and opine on the submitted documentation as necessary in the City's sole discretion to determine whether the Master HOA is adequately financed. The Master HOA shall bear all costs for any and all expert consultants utilized by the City in making this determination. The City shall make such determination according to accepted principles for HOA capitalization, operation and maintenance of the types and kinds of common area facilities for the Project, including any necessary reserves.

6.6.4 The CC&Rs shall include a provision which states that, if the City determines that the Master HOA has failed to maintain the common area facilities in accordance with the requirements of this Agreement and the Project Approvals, and as necessary to protect the public health, safety and general welfare, the City shall have the right, but not the obligation, to notify the Master HOA in writing of such maintenance deficiency. If within thirty (30) days after the Master HOA receives the notice from the City, the Master HOA fails to (i) correct such maintenance deficiency, or (ii) if such maintenance deficiency is of a type that cannot reasonably be corrected within thirty (30) days, fails to commence such maintenance correction and diligently pursue such correction to completion, the City may, but is not obligated to, enter onto the Property to perform all corrective maintenance at the expense of the Master HOA. All costs incurred by the City in connection with performing corrective maintenance as provided herein shall be paid for as common expenses out of the Master HOA maintenance funds as provided in the Master HOA Documentation, and if requested by the City to do so, the Master HOA shall levy a supplemental annual assessment against all Property owners or Properties in the Project area as an emergency assessment.

6.7 Main Clubhouse, Recreational Facilities, Recreational Programs, Private Parks, and Trail System.

6.7.1 Master Developer is developing the Project as an age-restricted, active adult Project. Master Developer represents it will build a Main Clubhouse of at least thirty-five thousand (35,000) square feet during phase one of the Project with a total construction cost of not less than twenty million dollars (\$20,000,000.00), including the cost of furniture, fixtures and equipment, but not including the value of the real property. Master Developer represents that Main Clubhouse amenities will include a swimming pool, tennis courts, and a spa/Jacuzzi. Master Developer also represents that active programming for Project residents will be provided in conjunction with the Main Clubhouse facilities. Based upon the needs and desires of the residents, such programming may include a staff activities director, exercise programs (e.g., yoga, aerobics,

pilates, etc.), aquatic exercise programs, tennis league and instruction, diet and nutrition programs, walking club, dance program/club, writing program/club, book club, education programs (e.g., computer classes, poetry, literature, etc.), games programs, arts and crafts programs, garden club, organized trips/excursions, and speaker series (current events, topics of the day, etc.). Master Developer also represents it will provide other recreational facilities and amenities throughout the Project, including, but not limited to, private parks, trails, greenbelts, and lakes suitable for limited boating and fishing. The standards for these other recreational facilities and amenities, including timing, acreage, number, types and quality of amenities and facilities, etc. shall be fully set forth in the SPA and shall be subject to the City's discretionary approval and shall be fully conditioned and implemented through the PADIPs. The Developer's right to the credits set forth in this Agreement for park land and facilities shall be subject to the Master Developer's providing all such recreational facilities and amenities in accordance with the standards and requirements of the SPA.

6.7.2 The Project's Master HOA documentation and CC&Rs shall make adequate provision for reasonable maintenance of the facilities and provision of appropriate programming and activities.

6.7.3 Master Developer agrees that it will commence construction of the Main Clubhouse prior to issuance of the one hundredth (100th) building permit issued anywhere in the Project, and complete construction prior to the issuance of the five hundred eighty-fifth (585th) building permit issued anywhere in the Project area. Master Developer agrees that the construction cost of the Main Clubhouse and its amenities shall be at least twenty million dollars (\$20,000,000), inclusive of furniture, fixtures and equipment, but exclusive of the value of the underlying real property.

6.7.4 Master Developer agrees to provide the recreational facilities, amenities and programming stated hereinabove to residents of the Project according to the Project Approvals and this Agreement. Master Developer agrees to comply with the Project Approvals pertaining to the other recreational facilities and amenities throughout the Project, including, but not limited to, private parks, trails, greenbelts, and lakes suitable for limited boating and fishing.

6.7.5 Master Developer agrees to provide legal and equitable assurance in the form of Master HOA documentation, CC&Rs, bonds, letters of credit, or other legally enforceable instruments to guarantee that the herein described facilities, amenities and programs will be constructed and perpetually maintained in a manner that meets or exceeds the City's standards for its own parks and facilities, and that recreational programs and amenities will be perpetually provided.

6.7.6 Master Developer agrees to, and shall ensure through Master HOA documentation that the Master HOA shall provide eight (8) days

annually, not more than two (2) of which shall be weekend days, for the Term of this Agreement, and any extension thereof, for non-exclusive use of the Main Clubhouse by the City, which dates are to be agreed upon in writing by the Parties each year. Master Developer or the Master HOA shall respond to the City's request for scheduled days within 30 days of receipt. The City's rights to such days of usage shall not be waived by failure to use or request any or all such days. All costs of such events other than use of the facility (e.g., insurance liability coverage, set-up and clean-up, food, food preparation and service, etc.) shall be born by City. In the event that this provision is found to be in conflict with any regulation of such private facilities by the California Department of Real Estate, or its inclusion would result in conditions or application of regulations that would significantly and unduly burden the Project, the parties shall meet and confer and agree to a different consideration to the City reasonably acceptable to the City and which provides similar public benefits.

6.8 State Route 60/Nason Street Interchange. Master Developer agrees to use its best efforts to obtain the consent of the Western Riverside Council of Governments, the Riverside County Transportation Commission, the California State Department of Transportation and any other local, regional, state or federal agency having jurisdiction or authority to dedicate and use the Transportation Uniform Mitigation Fees to be paid by the Master Developer for the Project for the improvement and reconstruction of the State Route 60 interchange at Nason Street in the City.

6.9 Entry Statement. Master Developer agrees to construct and provide legal and equitable assurance in the form of agreements, bonds, letters of credit, or other legally enforceable instruments for the construction and perpetual maintenance of a distinctive and quality entry statement reasonably acceptable to City, which may include arches or other structures, walls, landscaping, decorative pavement, street design and streetscape elements, water features and/or other design elements. Such entry statement shall be located at the Project's main entry on Nason Street. The SPA shall require and provide standards and design for the entry statement. Construction of the entry statement shall commence prior to the issuance of the one hundredth (100th) and be completed prior to the issuance of the five hundred eighty-fifth (585th) building permit issued anywhere in the Project area. Further, the Master HOA documentation and CC&Rs for the Project shall provide for and financially assure perpetual maintenance of the entry statement.

6.10 Perimeter Walls and Landscaping. Master Developer agrees to construct perimeter walls and landscaping consistent with the SPA and Project Approvals and provide legal and equitable assurance in the form of agreements, bonds, letters of credit, HOA documentation, CC&Rs, or other legally enforceable instruments reasonably acceptable to City for the construction and perpetual maintenance of such perimeter walls and landscaping by the five hundred eighty-fifth (585th) building permit issued anywhere in the Project area. It is acknowledged that such walls will be constructed with various phases and maps

and that security for each section of perimeter wall will be provided as appropriate with PADIPs, maps and/or other subsequent approvals.

6.11 Age Restricted Project. The Project is designed and conditioned to be an age restricted community requiring ownership and occupancy by adults aged 55 and over pursuant to State and Federal law. This age restriction is a material inducement for the City to enter into this Agreement. The parties acknowledge that, absent such age restriction, certain environmental and public facility impacts of the Project would far exceed those shown in the studies upon which the Project Approvals are predicated. A removal of, or failure to effectively enforce, the age restrictions would result in significant impacts to the surrounding community including, but not limited to, traffic, noise, air quality, excessive usage of public buildings, facilities and parks, and school overcrowding. Therefore, the Master Developer shall cause to be recorded Covenants, Conditions and Restrictions (“CC&Rs”) applying such age restriction to the entire Property, with the exception of the Planning Area designated as apartment units located outside the private, gated community. Should the City and Master Developer determine that the apartments should also be age restricted, or that apartments are an inappropriate use for that Planning Area, nothing herein shall preclude application of the age restriction to that Planning Area as well. The age restriction in the CC&Rs shall be for a period of not less than fifty (50) years. The CC&Rs shall provide the City with a separate and independent right of enforcement as to each Property in the Project and shall run with the land. The age restriction in the CC&Rs shall be in form and substance reasonably acceptable to the City Manager and City Attorney, as well as the DRE.

6.12 Master Design Guidelines. The Master Developer has represented to the City its intent to build an upscale Project with quality of architecture, construction and amenities substantially higher than those normally built in the City or required by City rules and standards. This representation is a major consideration for the City’s willingness to enter into this Agreement. An upscale development will provide public benefit to the community by attracting business owners and executives who are seeking an active adult lifestyle and who may relocate their businesses and attendant jobs to the City. Further, an upscale project environment could raise property values and enhance the image and aesthetics of the City. The Parties therefore agree that the Project will be subject to a set of guidelines (the “Master Design Guidelines”) that will assure the targeted quality while providing reasonable flexibility to the Developer to address market conditions related to architectural style. The Master Design Guidelines shall be subject to the approval of the City and shall be incorporated into the SPA. Once so approved and incorporated, they shall be incorporated by this reference into this Agreement. This Agreement will be interpreted to be consistent with these twin goals of upscale quality and reasonable flexibility.

6.13 Nexus/Reasonable Relationship Challenges. The Master Developer consents to and waives any rights it may have as of the Effective Date of this Agreement to challenge the legal validity of the conditions, requirements,

exactions, policies or programs required by the Existing Land Use Regulations, the Project Approvals, the DIF, or the Processing Fees including, without limitation, any claim that they constitute an abuse of the police power, violate substantive due process, deny equal protection of the laws, effect a taking of property without payment of just compensation, or impose an unlawful tax. Nothing in this Agreement shall be construed as a waiver of Master Developer's right to challenge future conditions, requirements, exactions, policies, or programs required by Subsequent Land Use Regulations, Subsequent Development Approvals, or subsequently adopted DIF or Processing Fees that are different than those in effect as of the Effective Date of this Agreement. The Master Developer consents to and waives any rights it may now or in the future have to challenge the legal validity of this Agreement or any of its provisions on any grounds whatsoever.

6.14 Cooperation By Master Developer. Master Developer will, in a timely manner, provide City with all documents, applications, plans, and other information necessary for the City to carry out its obligations under this Agreement, and cause Master Developer's planners, engineers, and all other consultants to submit in a timely manner all required materials and documents therefore.

6.15 Other Governmental Permits. Master Developer shall apply in a timely manner for such other permits and approvals from other governmental or quasi-governmental agencies having jurisdiction over the Property as may be required for the development of, or provision of services to, the Project.

6.16 Reimbursement For City's Efforts On Behalf Of Master Developer. To the extent that City, on behalf of the Master Developer, attempts to enter into binding agreements with other entities in order to assure the availability of certain permits and approvals or services necessary for development of the Project as described in this Agreement, Master Developer shall reimburse City for all costs, expenses and fully burdened staff time incurred in connection with seeking and entering into any such agreement. Any fees, assessments or other amounts payable by City pursuant to any such agreement described herein shall be borne by Master Developer except where Master Developer has notified City in writing, prior to City committing to enter into such agreement, that it does not desire for City to execute such agreement.

6.17 Defense, Indemnity, and Reimbursement For Multi-Agency Agreements. Master Developer shall defend, indemnify and reimburse City for any costs and expenses incurred by City in enforcing, executing, carrying out or defending any multi-agency agreement entered into on Master Developer's behalf.

6.18 Prevailing Wage. The Master Developer acknowledges that provisions of this Agreement, including without limitation, allowance of fee credits or caps, provision of public financing, and any other benefit to the Master

Developer, may cause the Project or portions thereof to become subject to prevailing wage and/or public contract bidding requirements under existing or future state or federal law and/or court decisions. The Master Developer acknowledges that the City has made no representations as to the applicability or non-applicability of such requirements to the Project. The Master Developer hereby assumes any and all responsibility for such determinations and any all risk and responsibility related thereto. Master Developer hereby expressly indemnifies, defends and holds City harmless from any cost, claim or liability related to prevailing wage or public bidding requirements for any public work related to the Project that the Master Developer, Assignee Developer or Builder is conditioned and/or agrees to provide.

6.19 Material Breach. Failure on the part of the Master Developer to comply with any provision of this Section shall constitute a material breach of this Agreement. However, this provision is intended to reflect a specific intent with regard to provisions that might otherwise be later interpreted not to be material and to clarify that they are material inducements to the City entering into this Development Agreement. It shall not be construed to limit what otherwise would be deemed a material breach of this agreement.

SECTION 7 OBLIGATIONS OF CITY

7.1 Processing. Upon satisfactory completion by Master Developer of all required preliminary actions and payments of appropriate processing fees, City shall promptly commence and diligently proceed to complete all required steps necessary for the implementation of this Agreement and the development of the Project by the Master Developer in accordance with the City's ordinances, policies, procedures, protocol, and applicable state and federal law, including, but not limited to, the following:

7.1.1 The holding of all required public hearings; and

7.1.2 The processing of all Development Approvals and related matters as necessary for the completion of the development of the Project. In this regard, Master Developer will, in a timely manner, provide City with all documents, applications, plans, and other information necessary for City to carry out its obligations under this Agreement and as required by existing ordinances, policies, procedures, protocol, and applicable state and federal law and shall cause Master Developer's planners, engineers, and all other consultants to submit in a timely manner all required materials and documents as therefore required.

7.2 Regional Traffic Improvements. The City agrees to cooperate with and support Master Developer in its efforts to obtain the consent of the Western Riverside Council of Governments, the Riverside County Transportation Commission, the California State Department of Transportation and any other local, regional, state or federal agency having authority to dedicate and use the

Transportation Uniform Mitigation Fees to be paid by the Master Developer for the Project for the improvement and reconstruction of the State Route 60 interchange at Nason Street in the City.

7.3 Improvement Security. Subdivision improvement security posted by the Master Developer, Assignee Developer or Builder pursuant to the requirements of the Subdivision Map Act shall be released by the City in accordance with Government Code section 66499.7. The City agrees to provide for partial release of security pursuant to the provisions of subdivision (a) of section 66499.7.

SECTION 8 FEES, FEE CREDITS AND REIMBURSEMENT

8.1 General Principles. The Parties recognize that fees which may be imposed by the City upon the Project fall within two categories: (i) fees for processing applications for City actions or approvals ("Processing Fees"); and (ii) fees or other monetary Exactions which are established or contemplated under City ordinances or resolutions in effect as of the Effective Date of this Agreement and which are intended to defray the costs of public facilities or other amenities related to development projects, including but not limited to parks, streets, libraries, traffic controls and other public facilities ("DIF").

8.2 Processing Fees. The Master Developer, Assignee Developer or Builder shall pay Processing Fees for the Project based upon the fees generally applicable to all development in the City at the time of the application for any City action or approval subject to the following adjustments:

8.2.1 Expedited Development Services. The City acknowledges Master Developer's intention to expedite the development of the Project. City agrees to cooperate with Master Developer in developing specific timeframes for City review and processing of particular submittals by Master Developer. When Master Developer desires to receive a higher level of service than is ordinarily available through existing budgeted staffing and consulting resources, City agrees to expeditiously negotiate and enter into specific written agreements with Master Developer that provide for Project-dedicated development services working under the direction of the City, including, but not limited to: Project management, transportation planning, land use planning, land development, Project inspections and legal services. It is agreed that the Master Developer shall be responsible for the full cost of the higher service levels, with the specific details to be addressed in each such written agreement.

8.3 Development Impact Fees (DIF). Except as specifically set forth in this Agreement, the Master Developer, Assignee Developer or Builder shall pay DIF for the Project based upon the fees applicable in accordance with the City's then current ordinances, resolutions and policies in effect at the time such fees are due, including the application of fee credits and reimbursements, in the same manner as applied to projects in the City not subject to a development

agreement. It is understood that the sole benefit conferred by this Agreement regarding DIF are credits and exemptions against otherwise payable fees as set forth in this Agreement, and that under no circumstances will any payments of monies be due from the City to any party on account of any DIF credit hereunder.

8.3.1 DIF Exemption – Circulation Improvements. A comprehensive Traffic Study and Phasing Study evaluated the improvements necessary to fully mitigate the Project's impacts on offsite circulation. The Circulation Phasing Improvement Program (Exhibit "B"), defines a comprehensive package of improvements which exceeds those minimum mitigation obligations, both in scope and timing. Additionally, the City has confirmed that the improvements identified in Exhibit "B" exceed the traffic-related DIF for which the Project otherwise would be liable. Accordingly, the Project is exempted from the arterial street fees, traffic signal fees, City interchange fees, and any other future DIF enacted by the City for City circulation improvements. Failure to comply with the following shall constitute a material breach of this Agreement:

8.3.1.1 Prior to the issuance of the first residential building permit for any phase identified in the Circulation Phasing Improvement Program (Exhibit "B"), and/or the Project Approvals, the Master Developer shall:

8.3.1.1.1 Execute and deliver public improvement agreements in form and content reasonably acceptable to the City for construction of all such improvements for that phase; and

8.3.1.1.2 Furnish bonds, letters of credit and/or other legally enforceable security in form, content, amounts, and with sureties reasonably acceptable to the City securing all labor, materials, and Master Developer's performance of all obligations for construction of such improvements for that phase; and

8.3.1.1.3 All such public improvement agreements and security shall remain in full force and effect until the completion and acceptance of offer of dedication of such improvements to the City.

8.3.1.2 All such improvements are actually constructed, completed, and accepted for dedication to the City in accordance with the applicable public improvement agreements, the Project Approvals, and this Agreement.

8.3.2 DIF Credit – Parks. The Master Developer, Assignee Developer or Builder shall not receive any Park DIF credit for the Planning Areas or portions thereof in the Project or on the Property that are not age restricted and/or not included in the private, gated community and shall pay one hundred percent (100%) of the Park DIF when due. Contingent upon the Master Developer complying with Section 6.7 of this Agreement, the Master Developer

will become eligible to receive a DIF credit of not more than eighty-seven and one-half percent (87.5%) of the otherwise payable park land (Quimby) and park improvements DIF, and a credit of one hundred percent (100%) for community center DIF for the age restricted portion only of the Project on a per unit, pro rata basis. Said credits shall be contingent upon the Master Developer constructing and completing all clubhouse and park facilities and providing all amenities identified in Section 6.7 of this Agreement and as conditioned in the Project Approvals. Said credits for Park DIF shall be the Master Developer's sole entitlement under this Section. The Master Developer will become eligible for the Park DIF credit upon satisfaction to the City Manager that Master Developer has constructed and completed the identified clubhouse and park facilities and is providing the identified amenities for the Planning Area or portion thereof conditioned for those facilities and amenities. The portion of park land, park improvement, and community/recreation center DIF subject to credit under this Agreement for a Planning Area or portion thereof shall be deferred for collection by the City until the completion of that Planning Area, Tract or other portion thereof, but only if bonds, letters of credit or other security for the full amount of the fee subject to the credit is delivered to the City in form and substance and from a surety reasonably acceptable to the City. The Park DIF amount not subject to such credit is payable by the Master Developer, City approved Assignee Developer or Builder, as appropriate, when due. This Park DIF credit is contingent upon the Master Developer completing all clubhouse and park and recreation facilities and amenities no later than the end of construction of the Planning Area or portion thereof conditioned for that improvement. If the clubhouse and park and recreation facilities and/or amenities for the conditioned Planning Area or portion thereof are not constructed and completed prior to the end of construction of the Planning Area or portion thereof conditioned for said improvement, the Master Developer shall not be entitled to any Park DIF credit for that Planning Area or portion thereof and shall pay the full amount of Park DIF for that Planning Area or portion thereof within thirty (30) days of the final inspection of the last unit in that Planning Area or portion thereof. If Master Developer fails to pay such Park DIF when due, City shall have the right, but not the obligation, to draw upon the security posted for such fees to assure payment to the City of one hundred percent (100%) of the Park DIF for the conditioned Planning Area or portion thereof.

SECTION 9 ASSIGNMENT

9.1 Acknowledgement. Master Developer and Master Developer's Principals have demonstrated, and the City finds, that Master Developer and Master Developer's Principals possess the experience, reputation, and financial resources to develop and maintain the Property in the manner contemplated by this Agreement. It is because of such qualifications, which assure the development of the Property to a high quality standard that the City is entering into this Agreement. Accordingly, restrictions on the right of the Master Developer and Master Developer's Principals to assign the rights and privileges

contained in this Agreement are necessary in order to assure the achievement of the objectives of the City and this Agreement.

9.2 Master Developer's Principals. Master Developer is a partnership owned directly or indirectly by Julius Trump and Eddie Trump and members of their families (or trusts therefore), Iddo Benzeevi and members of his family (or trusts therefore), and a trust, the beneficiaries of which may include members of the families of Julius Trump and Eddie Trump and/or charitable institutions (collectively, the "Partners"). Notwithstanding Section 9.7, a change in the ownership of the Master Developer which does not result in the Partners no longer having control of the Master Developer shall not constitute an assignment. Though not an assignment under this Agreement, should any of the Partners become no longer associated with the Master Developer, Master Developer agrees to provide City with notice thereof within thirty (30) calendar days of such event.

9.3 No Assignment Without City Consent. Except as otherwise specifically provided for in this Section, Master Developer shall not assign any rights, obligations or duties under this Agreement without prior written consent from the City. Such consent shall not be unreasonably withheld by the City and shall be made in accordance with the provisions of this Section 9.

9.4 Non-assignment Sales or Leases to Builders. Notwithstanding any other provision in this Section, a sale or lease of a portion of the Property (whether or not a "bulk" sale of lots) to Builders without an assignment of any of the rights or obligations of this Agreement shall not constitute an assignment or other conveyance sufficient to trigger this Section 9. Any such sale or lease shall be exempt from oversight or approval procedures by City. Further, any such sale or lease shall in no way lessen or compromise the rights and obligations of the Parties to this Agreement.

9.5 Restriction on Assignment. No assignment of any right, duty or obligation under this Agreement shall be made unless it is in conjunction with a sale, hypothecation or other transfer of a legal or equitable interest in the Property, or a portion thereof, including, but not limited to, any foreclosure of a mortgage or deed of trust or of a deed in lieu of foreclosure. However, except as specifically permitted in this Section, any assignment of this Agreement, or any portion of the rights, duties or obligations thereof, by Master Developer, voluntary or involuntary, without both the prior written consent of the City and an unconditional assumption of the rights, duties and obligations under this Agreement by the Assignee in form and content reasonably acceptable to the City Attorney, shall constitute a material breach of this Agreement and the Master Developer shall remain legally liable to the City for all such rights, duties and obligations. For purposes of this Section, contracting by the Master Developer or City Approved Assignee Developer for the construction of all or part of the Master Developer's obligations under Subsections 6.2, 6.7, 6.9, and/or 6.10 shall not constitute an assignment and the Master Developer or City approved Assignee

Developer shall remain responsible, and legally liable to the City under this Agreement, for the satisfactory and timely completion of said obligations.

9.6 Restriction on Assignment Not an Unreasonable Restraint on Alienation. Master Developer agrees that the restriction on its right to assign any of its rights, obligations or duties under this Agreement is not repugnant or unreasonable in that such a restriction is a material inducement to the City to enter into this Agreement because the restriction guarantees for the City that Master Developer will provide those public benefits identified in Section 6 of this Agreement and reserves for the City the power to prevent the assignment of any of the rights, obligations or duties under this Agreement.

9.7 Assignment. The management control and responsibility of Master Developer and the expertise, competence, reputation and financial strength of Master Developer are integral components of the consideration for City entering into this Agreement. In order to preserve such consideration for City and for City to receive full value, the Parties agree that the occurrence of any of the following events constitute, for the purposes of this Agreement, an assignment:

9.7.1 A change in the composition of ownership interests in or control of the Master Developer.

9.7.1.1 For purposes of this section, however, “change in the composition of ownership interests in or control of” shall not include uncontrolled changes in ownership based upon the death or disability of one or more of the ultimate owners (e.g., transfer to heirs or conservatorship).

9.7.2 A change in the composition of ownership interests in or control of the Property, including a sale of all or a portion of the Property (other than portions of the Property sold to an Assignee Developer or Builder).

9.7.3 Any express assignment or transfer of any of Master Developer’s rights, duties, or obligations under this Agreement.

9.8 City Council Approval. Upon written request of the Master Developer for approval of an assignment, the matter shall be referred to the City Council. The City Council, or City Manager or designee on their behalf, may request further documentation from the Master Developer, and Master Developer shall provide such documentation, as the City Council reasonably deems necessary to make its decision. The City agrees, to the extent permissible by law, to maintain the confidentiality of any such documentation if requested by the Master Developer. The City Council shall have sixty (60) calendar days from the date of receipt of such request to approve or deny the requested assignment. Failure of the City Council to act within that sixty (60) calendar-day period shall automatically be deemed an approval of the request; provided however, that *there remains any obligation of the Master Developer under Section 6 of this Agreement and/or the Project Approvals that was required to be completed under*

the terms of this Agreement or the Project Approvals as of the date of the request, but has not been completed as of the date of the request, the request shall be deemed denied.

9.9 Conditions and Standards. The conditions and standards upon which consent to assign will be given are as follows:

9.9.1 Such Assignee possesses the experience, reputation and financial resources to cause the Property to be developed and maintained in the manner consistent with the Project Approvals and this Agreement;

9.9.2 Such Assignee enters into a written assumption agreement, in form and content reasonably acceptable to the City Attorney, expressly assuming and agreeing to be bound by the provisions of this Agreement; and

9.9.3 Such assignment will not impair the ability of City to achieve the objectives of the Project Approvals and this Agreement.

9.10 City Manager Approved Assignee Developers. Notwithstanding any other provision of this Agreement, the City Manager shall have the authority to, and shall approve an assignment of all or part of the Master Developer's rights, benefits, covenants or obligations under this Agreement to an Assignee Developer, or its parent(s) if the proposed Assignee Developer is a subsidiary, upon the following terms:

9.10.1 The proposed Assignee Developer has developed to completion at least three (3) master planned residential communities within the immediately preceding ten (10) year period, at least one (1) of which is located within the Southwestern United States; and

9.10.2 The proposed Assignee Developer has a current group net worth of at least \$200,000,000 (two hundred million dollars); and

9.10.3 The proposed Assignee Developer has not committed a breach of any development agreement to which the proposed Assignee Developer is a party for any project resulting in termination of such development agreement; and

9.10.4 The proposed Assignee Developer is not currently declared by a legislative body to be in default of any active development agreement to which the proposed Assignee Developer is a party; and

9.10.5 The proposed Assignee Developer provides the City Manager with adequate documentation to make the findings in this Section 9.10 at the time of the request for assignment; and

9.10.6 The City Manager shall thereafter have thirty (30) calendar days to make a determination on the request for assignment. If the City Manager fails to make a determination within said thirty (30) calendar days, then the

assignment shall be deemed approved.

9.11 Financing Exemption. Mortgages, deeds of trust, sales and lease-backs, pledges of ownership interests in Master Developer, collateral assignments, or other forms of conveyance required for any reasonable method of financing requiring a security arrangement with respect to the Property are permitted without the consent of the City, provided the City receives prior notice of such financing (including the name and address of the lender and the person or entities acquiring any such secured interest) and Master Developer retains the legal and equitable interest in the Property and remains fully responsible hereunder. The words "mortgage" and "deed of trust," as used herein, include all other modes of financing real estate acquisition, construction and land development commonly used by reputable land developers. City recognizes that initial (though not exclusive) financing for the Project has already been secured by the Master Developer and presently encumbers the Property and that this financing is included in this exemption.

9.12 Notice of Assignment. Upon receiving approval of an assignment, Master Developer shall provide City with written notice of such assignment and as part of such notice the Assignee must execute and deliver to City a written assumption agreement in form and content reasonably acceptable to the City Attorney in which the name and address of the Assignee is set forth and the Assignee expressly and unconditionally assumes all obligations of the assigned provisions of this Agreement.

9.13 Unapproved Assignments. If City reasonably makes the determination not to consent to the assignment of the rights, obligations and duties contained in this Agreement, and Master Developer assigns this Agreement to a third party, in whole or in part, Master Developer shall remain legally liable and responsible for all of the duties and obligations of this Agreement not previously assigned with City approval, in addition to all other rights and remedies the City may have on account of such breach.

9.14 Approved Assignments. If City consents to the assignment, Master Developer shall remain liable and responsible for all of the rights, obligations and duties of this Agreement until City receives from the Assignee an executed written assumption agreement in form and content reasonably acceptable to the City Attorney. Upon receipt of an acceptable executed assumption agreement from the Assignee, the Master Developer shall be relieved of its rights, obligations and duties under this Agreement to the extent that such rights, obligations and duties have been specifically transferred to and accepted by the Assignee. As to those rights, obligations and duties not specifically accepted in writing by the Assignee, the Master Developer shall remain legally liable therefore to the City.

9.15 Notice of Sale of Property. Master Developer shall give written notice to the City, within ten (10) calendar-days after close of escrow, of any sale

or transfer of any portion of the Property, specifying the name or names of the Purchaser, the Purchaser's mailing address, the amount and location of the land sold or transferred, and the name and address of a single person or entity to whom any notice relating to this Agreement shall be given.

9.16 Termination of Agreement with respect to Individual Lots or Parcels Sold. The provisions of this Section shall not apply to a sale, or lease for a period longer than one year, of individual parcels or lots which have been individually sold or leased to an ultimate end user in accordance with a recorded final tract or parcel map. Notwithstanding any other provision of this Agreement, this Agreement shall terminate with respect to any such lot or parcel without the execution or recordation of any further document upon satisfaction of the following conditions:

9.16.1 The lot or parcel has been finally subdivided and individually (not in "bulk") sold or leased for a period longer than one year to an ultimate end user; and

9.16.2 A certificate of occupancy or approval of final building inspection by the Building and Safety Division has been issued for a structure on the lot or parcel.

9.17 Material Breach. Failure on the part of the Master Developer to comply with any provision of this Section shall constitute a material breach of this Agreement. However, this provision is intended to reflect a specific intent with regard to provisions that might otherwise be later interpreted not to be material and to clarify that they are material inducements to the City entering into this Development Agreement. It shall not be construed to limit what otherwise would be deemed a material breach of this agreement.

SECTION 10 DELAYS IN PERFORMANCE

10.1 Permitted Delays. In addition to any other provisions of this Agreement with respect to delay, Master Developer and City shall be excused for performance of their obligations hereunder during any period of delay actually caused by natural disaster, acts of war, civil unrest, riots, strikes, picketing, or other labor disputes, shortage of materials or supplies, or damage to or prevention of work in process by reason of fire, floods, earthquake, or other casualties, litigation, acts or neglect of the other party, or restrictions imposed or mandated by governmental entities. Likewise, any delay caused by court action or proceeding brought by any third party to challenge this Agreement, or any other permit or approval required from City or any other governmental entity for development or construction of all or any portion of the Project, whether or not Master Developer is a party to or real party in interest in such action or proceeding, shall constitute a Permitted Delay under this Section. However, it is expressly understood that the provision of the third five year extension of the Term of this Agreement is the sole remedy regarding extension of the Term for

any cause whatsoever. Therefore, while the delays defined in this Section 10.1 may excuse or toll breaches of obligations during the Term of this Agreement and its extensions, in no event shall the Term of this Agreement extend beyond 25 years regardless of any such delays.

10.2 Effect of Permitted Delays. If written notice of such delay is given to either Party within thirty (30) days of the commencement of such delay, an extension of time for performance of affected obligations for such cause shall be granted in writing for the period of the enforced delay. However, any such delay shall not be deemed to extend the Term of this Agreement or any extension thereof beyond the expiration date of this Agreement.

SECTION 11 DEFAULT

11.1 Enforcement. Unless amended or canceled as herein provided, this Agreement is enforceable by any Party to it notwithstanding a change in the applicable General or Specific Plan or amendments thereto, zoning, subdivision, building regulations or other Land Use Regulations adopted by the City which otherwise would alter or amend the rules, regulations, or policies governing permitted uses of the Property, density, design, improvement, and construction standards and specifications applicable to the Project Approvals.

11.2 Event of Default. Subject to any extensions of time by mutual consent in writing, and subject to the provisions of the Section regarding Permitted Delays, the failure or unreasonable delay by either Party to perform any material term or provision of this Agreement for a period of thirty (30) calendar days after the dispatch of a written notice of default from the other Party shall constitute a default under this Agreement. If the nature of the alleged default is such that it cannot reasonably be cured within such thirty (30) calendar day period, the commencement of the cure within such time period and the diligent prosecution to completion of the cure shall be deemed a cure within such period.

11.3 Material Breach Existing at Time of Assignment or Transfer. Any material breach of the provisions of this Agreement by the Master Developer existing at the time of a proposed assignment shall be grounds for the City to not to approve such assignment. All obligations under this Agreement shall remain the obligations of the Master Developer unless and until such assignment is approved by the City according to the provisions of this Agreement, and the Assignee expressly accepts such obligation in form and content reasonably acceptable to the City Attorney.

11.4 Notice of Default. The Party claiming default shall provide written notice to the other Party specifying the Event of Default and the steps the other Party must take to cure the default in accordance with the terms and conditions of this Agreement.

11.5 Cure Period. During the time periods herein specified for cure of an Event of Default, the Party charged therewith shall not be considered to be in default for purposes of termination of this Agreement, institution of legal proceedings with respect thereto, or issuance of any building permit with respect to the Project.

11.6 General Default Remedies. After notice and expiration of the thirty (30) calendar day period without cure, the non-defaulting Party shall have such rights and remedies against the defaulting Party as it may have at law or in equity, including, but not limited to, the right to terminate this Agreement pursuant to Government Code Section 65868 or seek mandamus, specific performance, injunctive or declaratory relief.

11.7 Specific Default Remedies. In the Event of Default by Master Developer, in addition to the General Default Remedies, City shall be entitled to retain fees, grants, dedications or improvements to public property which it may have received prior to Master Developer's default without recourse.

11.8 Remedies Cumulative. Any rights or remedies available to non-defaulting Party under this Agreement and any other rights or remedies that such Party may have at law or in equity upon a default by the other Party under this Agreement shall be distinct, separate and cumulative rights and remedies available to such non-defaulting Party and none of such rights or remedies, whether or not exercised by the non-defaulting Party, shall be deemed to exclude any other rights or remedies available to the non-defaulting Party. The non-defaulting Party may, in its discretion, exercise any and all of its rights and remedies, at once or in succession, at such time or times as the non-defaulting Party considers appropriate.

11.9 Legal Action. Either Party may, in addition to any other rights or remedies, institute legal action to cure, correct or remedy a default, enforce any covenant or agreement herein, enjoin any threatened or attempted violation hereof, or enforce by specific performance the obligations and rights of the Parties hereto.

11.10 No Monetary Damages Relief Against City. The parties acknowledge that City would not have entered into this Agreement had it been exposed to monetary damage claims from Master Developer for any breach thereof. As such, the parties agree that in no event shall Master Developer be entitled to recover monetary damages against City for breach of this Agreement but shall only be entitled to specific performance as determined by the court.

11.11 Master Developer Default. The City shall have no obligation to issue any grading, building or other development permit nor accept any permit application for any activity on the Property after Master Developer is determined by City to be in default of the provisions and conditions of this Agreement, and until such default thereafter is cured by the Master Developer or is waived by

City. Provided that the delegation or transfer of obligations under this Agreement has been approved by the City, the default of the Master Developer or an approved Assignee of such obligations shall not be a default by the other parties having separate obligations under this Agreement. In such event, the City shall not be entitled to terminate or modify this Agreement with respect to the non-defaulting Party or the portions of the Property owned by the non-defaulting Party. Nothing in this provision shall limit the City's ability to enforce any condition of approval or other obligation of any of the Project Approvals, public improvement agreements, or bonds for the Project or any part thereof, including withholding of permits for any part of the Project for which any such obligations remain unfulfilled regardless of the party holding the obligation.

11.12 Waiver. All waivers must be in writing, signed by the waiving party, to be effective or binding upon the waiving Party, and no waiver shall be implied from any omission by a Party to take any action with respect to such Event of Default. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party shall not constitute waiver of such Party's right to demand strict compliance by such other Party in the future.

11.13 Scope of Waiver. No express written waiver of any Event of Default shall affect any other Event of Default, or cover any other period of time than that specified in such express waiver.

11.14 Attorney's Fees. Should legal action be brought by either Party for breach of this Agreement or to enforce any provision herein, the prevailing party shall be entitled to reasonable attorneys fees (including attorneys' fees for in-house City Attorney services), court costs and such other costs as may be fixed by the court. Reasonable attorneys' fees of the City Attorney's Office or other in-house counsel shall be based on comparable fees of private attorneys practicing in Riverside County.

SECTION 12 TERMINATION

12.1 Effect of Termination. Upon termination of this Agreement, the rights, duties and obligations of the Parties hereunder shall, subject to the following provision, cease as of the date of such termination.

12.2 Termination by City. If City terminates this Agreement because of Master Developer's default, then City shall retain any and all benefits, including money or land received by City hereunder.

SECTION 13 RELATIONSHIP OF PARTIES

13.1 Project as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the development of the Project Site is a separately undertaken private development.

13.2 Independent Contractors. The parties agree that the Project is a private development and that neither party is acting as the agent of the other in any respect hereunder.

13.3 No Joint Venture or Partnership. City and Master Developer hereby renounce the existence of any form of joint venture or partnership between them, and agree that nothing contained herein or in any document executed in connection herewith shall be construed as making City and Master Developer joint ventures or partners.

13.4 No Third Party Beneficiaries. The only Parties to this Agreement are Master Developer and City. There are no third party beneficiaries and this Agreement is not intended, and shall not be construed, to benefit, or be enforceable by any other person whatsoever except for City approved Assignee Developers of all or a portion of this Agreement. However, this Agreement shall be enforceable by the City on behalf of any of its affiliated agencies, including, without limitation, its Community Redevelopment Agency, Community Services District and Community Facilities Districts.

13.5 Ambiguities or Uncertainties. The parties hereto have mutually negotiated the terms and conditions of this Development Agreement and this has resulted in a product of the joint drafting efforts of both Parties. Neither Party is solely or independently responsible for the preparation or form of this Agreement. Therefore, any ambiguities or uncertainties are not to be construed against or in favor of either Party.

SECTION 14 AMENDMENT OF AGREEMENT

14.1 Amendment or Cancellation of Agreement. This Agreement may be amended or modified in whole or in part only by written consent of all Parties in the manner provided for in Government Code Section 65868.

14.2 Clarification. The Parties acknowledge that refinement and further development of the Project may require Subsequent Development Approvals and may demonstrate that changes are appropriate and mutually desirable in the Existing Project Approvals. In the event Master Developer finds that a change in the Existing Project Approvals is necessary or appropriate, Master Developer shall apply for a Subsequent Development Approval to effectuate such change and City shall process and act on such application in accordance with the Existing Land Use Regulations, except as otherwise provided by this Agreement including the Reservations of Authority. Unless otherwise required by law, as determined in City's reasonable discretion, a change to the Existing Project Approvals shall be deemed "minor" and not require an amendment to this Agreement provided such change does not:

14.2.1 Alter the permitted uses, including the age-restriction, of the Property as a whole; or

14.2.2 Increase the density or intensity of use of the Property as a whole; or

14.2.3 Delete a requirement for the reservation or dedication of land for public purposes within the Property as a whole; or

14.2.4 Constitute a project requiring a subsequent or supplemental environmental impact report pursuant to Section 21166 of the Public Resources Code.

14.3 Implementation Agreement. The foregoing notwithstanding, the Parties acknowledge that implementation of this Agreement will require close cooperation between them, and that, in the course of such implementation, it may be necessary to supplement this Agreement to address details of the Parties' performance and to otherwise effectuate the purposes of this Agreement and the intent of the Parties with respect thereto. If and when, from time to time, the Parties find it necessary or appropriate to clarify the application or implementation of this Agreement without amending any of its material terms, the Parties may do so by means of an implementing agreement which, after execution, shall be attached hereto as an addendum and become a part hereof. Any such implementing agreement may be executed by the City Manager on behalf of the City.

SECTION 15 PERIODIC REVIEW OF COMPLIANCE WITH AGREEMENT

15.1 Annual Review. This Agreement shall be subject to annual review, pursuant to California Government Code Section 65865.1. Within thirty (30) days following each anniversary of the date of recording of this Agreement, the Master Developer shall submit to the Planning Official of the City written documentation demonstrating good-faith compliance with the terms of this Agreement ("Annual Report"). Inaction by the City on any such annual review shall not constitute a waiver on the part of the City to take any action or enforce any rights under this Agreement and shall not be a defense to the Master Developer for failing to perform any of its obligations under this Agreement.

15.2 Contents of Report. The Annual Report and any supporting documents shall describe (i) any permits or other Project Approvals which have been issued or for which application has been made and (ii) any development or construction activity which has commenced or has been completed since the Effective Date hereof or since the preceding annual review. The City shall review all the information contained in such report in determining the Master Developer's good faith compliance with this Agreement.

15.3 Procedure. The following procedure shall be followed in conducting an Annual Review:

15.3.1 During either an annual review or a special review, Master Developer shall be required to demonstrate good faith compliance with the terms of the Agreement. The burden of proof on this issue shall be on Master Developer.

15.3.2 During either an annual review or special review, City shall not be prohibited from raising repeated non-compliance with the Master Design Guidelines, Project Approvals or this Agreement as evidence of a pattern of non-compliance.

15.3.3 Upon completion of an annual review, the City Manager shall submit a report to the City Council setting forth the evidence concerning good faith compliance by Master Developer with the terms of this Agreement and his or her recommended finding on that issue.

15.3.4 If the City Council finds on the basis of substantial evidence that Master Developer has complied in good faith with the terms and conditions of this Agreement, the review shall be concluded.

15.3.5 If the City Council makes a preliminary finding that Master Developer has not complied in good faith with the terms and conditions of this Agreement, the City Council may terminate this Agreement as provided in this Section and Section 11. Notice of default as provided under Section 11 of this Agreement shall be given to Master Developer prior to or concurrent with proceedings under this Section and/or Section 11. Should the City fail to issue a notice pursuant to Section 11 of this Agreement within sixty (60) days of the filing of an annual report by Master Developer, Master Developer may demand in writing a response from City. Should City fail to respond to Master Developer's written demand within fifteen (15) days of such demand, Master Developer shall be deemed to be in good faith compliance with the terms of this Agreement.

15.4 Proceedings Upon Termination. If, upon a finding under this Section, City determines to proceed with termination of this Agreement, City shall give written notice to Master Developer of its intention so to do. The notice shall be given at least ten (10) calendar days prior to the scheduled hearing and shall contain:

15.4.1 The time and place of the hearing; and

15.4.2 A statement as to whether or not City proposes to terminate the Agreement; and

15.4.3 Such other information as is reasonably necessary to inform Master Developer of the nature of the proceeding.

15.5 Hearing on Termination. At the time and place set for the hearing on termination, Master Developer shall be given an opportunity to be heard. Master Developer shall be required to demonstrate good faith compliance with

the terms and conditions of this Agreement. If the City Council finds, based upon substantial evidence, that Master Developer has not complied in good faith with the terms or conditions of this Agreement, the City Council may terminate this Agreement to protect the interests of the City. The decision of the City Council shall be final, subject only to judicial review pursuant to applicable provisions of the California Code of Civil Procedure.

15.6 Estoppel. If City determines that Master Developer is in compliance with the terms and provisions of this Agreement in its annual review of a timely filed Annual Report, City shall not be entitled to revisit any such year as grounds for default under this Agreement. As to any year that Master Developer does not timely file an Annual Report, City may request at any time, and Master Developer shall provide such Annual Report within thirty (30) calendar days of such request. However, as to any year that Master Developer fails to file a timely Annual Report, City shall not be estopped from asserting any events of non-compliance for any such year as grounds for default under this Agreement.

15.7 Waiver. The City does not waive any claim of defect in performance by the Master Developer if, at the time of an annual review, the City does not propose immediately to exercise its remedies hereunder.

SECTION 16 NOTICE

16.1 Form of Notice. All notices between the City and either the Master Developer or any Assignee, given pursuant to the provisions of this Agreement, shall be in writing and shall be given by personal delivery or certified mail. Notice by personal delivery shall be deemed effective upon the delivery of such notice to the Party for whom it is intended at the address set forth below (or, in the case of an Assignee, at the address specified by such Assignee in a written notice to the City). Notice by mail shall be deemed effective two (2) business days after depositing such notice, addressed as set forth below, properly sealed, postage prepaid, certified, return receipt requested, with the United States Postal Service, regardless of when the notice is actually received. The addresses to be used for purposes of Notice shall be:

To City: City of Moreno Valley
Attn: City Manager & Community Development Director
14177 Frederick Street
P.O. Box 88005
Moreno Valley, CA 92552
Facsimile: (951) 413-3210 and (951) 413-3469

With a copy to: City Attorney
City of Moreno Valley
14177 Frederick Street
P.O. Box 88005

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED

Moreno Valley, CA 92552
Facsimile: (951) 413-3034

To Master Developer: Highland Fairview Properties, LLC
24525 Alessandro Boulevard
Moreno Valley, CA 92552
Facsimile: (951) 242-9165
Attn: Iddo Benzeevi

With copies to: The Trump Group
4000 Island Boulevard
Williams Island, FL 33160
Facsimile: (305) 466-3570
Attn: Jules Trump

Mark Hirsch
The Trump Group
200 W. 57th Street
New York, NY 10019
Facsimile: (646) 871-8796

TG Services, Inc.
Attn: Jim Lieb, Executive Vice President
4 Stage Coach Run
East Brunswick, NJ 08816
Facsimile: (732) 390-3319

16.2 Change of Address. Any Party (and any Assignee) may change the address to which notices are to be sent (and/or the person to whose attention notices are to be directed) at any time by giving written notice of such change in the manner provided above.

SECTION 17 INDEMNITY

17.1 Indemnity. Master Developer shall indemnify, defend and hold City, its officers, agents, affiliated agencies and employees and independent contractors free and harmless from any claims or liability based or asserted upon any act or omission of Master Developer, its officers, agents, employees, subcontractors and independent contractors for property damage, bodily injury, or death (Master Developer's employees included) or any other element or damage of any kind or nature, relating to or in any way connected with or arising from the activities provided in this Agreement. Master Developer shall defend, at its expense, including payment of attorneys' fees, City, its officers, agents, employees and independent contractors in any legal action based upon such alleged acts or omissions. City may, in its discretion, participate in the defense of any such legal action, and may choose its own legal counsel, the costs of which

shall be subject to this indemnification by Master Developer

17.2 Defense of Agreement & Project Approvals. Master Developer shall defend, indemnify and hold the City, its officers, agents, affiliated agencies and employees harmless from any claims or liability based upon or arising from the approval, adoption and/or implementation of this Agreement, the Project Approvals, and/or any other approval, permit or other action undertaken by the City in approving or carrying out any part of the Project, including without limitation, actions based on the California Environmental Quality Act or other state statute or any provision of the California or United States Constitution.

17.3 Environmental Indemnity. Master Developer shall defend, indemnify and hold City, its officers, agents, affiliated agencies, employees, and independent contractors free and harmless from any claims or liability based upon or arising from the presence of any Hazardous Substance on any of the Property located in the Project. As used herein, "Hazardous Substance" shall mean any "hazardous substances," "toxic substance," "hazardous waste," or "hazardous material" as defined in one or more Environmental Laws, whether now in existence or hereinafter enacted; provided, however, that "Hazardous Substance" shall (i) include petroleum and petroleum products (other than naturally occurring crude oil and gas) and (ii) include radioactive substances which are not naturally occurring, and (iii) include any friable or non-friable asbestos or asbestos-containing material contained in or affixed to a structure existing on the Property or otherwise located in, on or about the Property as of the date of this Agreement. As used herein, "Environmental Laws" shall mean any and all federal, state, municipal and local laws, statutes, ordinances, rules, and regulations which are in effect as of the date of this Agreement, or any and all federal, or state laws, statutes, rules and regulations which may hereafter be enacted and which apply to the Property or any part thereof, pertaining to the use, generation, storage, disposal, release, treatment or removal of any Hazardous Substances, including without limitation, the Comprehensive Environmental Response Compensation Liability Act of 1980, 42 U.S.C. Sections 9601, et seq., the Resource Conservation and Recovery Act of 1976, 42 U.S.C. Sections 6901, et seq., ("RCRA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Clean Water Act, 33 U.S.C. Section 1251, et seq., and California Health and Safety Code Section 25100, et seq. Master Developer acquired the Property pursuant to a Real Property Purchase and Sales Agreement entered into with the Regents of the University of California ("Prior Property Owner") as the Seller dated as of January 6, 2004 ("the Purchase Agreement"). To the extent that Master Developer is or may be entitled to defense or indemnification from Prior Property Owner in connection with the presence of any such Hazardous Substances on the Property as provided in the Purchase Agreement, Master Developer shall assert any such defenses or indemnification rights on behalf of City, its officers, agents, employees, and independent contractors at City's option. If Master Developer chooses not to assert any such defenses or indemnification rights on behalf of City, Master Developer shall assign such rights to City. However, Master

Developer's obligation to defend, indemnify and hold harmless City and its officers, employees, agents or independent contractors from any claims or liability in connection with or arising from the presence of any Hazardous Substance on the Property or any portion thereof shall not be in any way limited or eliminated by the terms of the Purchase Agreement, and Master Developer's obligation hereunder shall survive the termination of this Development Agreement, no matter how caused. Notwithstanding anything herein to the contrary, Master Developer shall have no obligation to indemnify the City as herein provided with respect to any Hazardous Substances which are proven by Master Developer to have been first brought onto the Property subsequent to the sale by the Master Developer of the Property, or the affected portions thereof.

SECTION 18 MORTGAGEE PROTECTIONS

18.1 Right to Encumber. The Parties agree that nothing in this Agreement shall prevent or limit the Master Developer, an Assignee Developer, or a Builder, in its sole discretion, from encumbering the Property, or any portion thereof, including without limitation any private improvements thereon, by any mortgage or other security device to a Mortgagee as defined in Section 1.20 of this Agreement. The City acknowledges that the Mortgagee providing such financing may request certain modifications to this Agreement and the City agrees, upon request from time to time, to meet with the Master Developer, Assignee Developer, and/or such representatives of a Mortgagee to negotiate in good faith regarding such request for modification.

18.2 Mortgage Protection. This Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof, including the lien of any mortgagee. Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any Mortgagee made in good faith and for value and any acquisition or acceptance of title or any right or interest in or with respect to the Property, or any portion thereof, by a Mortgagee shall be subject to all of the terms and conditions contained in this Agreement.

18.3 Mortgagee Not Obligated. No Mortgagee of the Master Developer or Assignee Developer shall in any way be obligated by any provisions of this Agreement, nor shall any covenant or any other provision of this Agreement be construed or interpreted to obligate such Mortgagee. However, any provision or covenant of this Agreement to be performed by the Master Developer or Assignee Developer as a condition precedent to the performance of a provision or covenant of this Agreement by the City shall continue to be a condition precedent to City's performance under this Agreement.

18.4 Notice of Default to Mortgagee. If City receives written notice from a Mortgagee of the Master Developer, Assignee Developer or Builder requesting a copy of any notice of default given to Master Developer or Assignee Developer under this Agreement and specifying the address for service thereof, then City shall deliver to such Mortgagee, concurrently with service thereon to Master

Developer or Assignee Developer, any notice given to Master Developer or Assignee Developer with respect to any claim by City that Master Developer or Assignee Developer has not complied in good faith with the terms of this Agreement or has committed an event of default. City shall only be obligated to serve such notice on any Mortgagee actually giving notice as provided for herein, and only at the address actually given by the Mortgagee in said notice. Mortgagees shall be required to provide City with a notice of change of address in the same manner as the original request for service of notice.

18.5 Mortgagee Rights and Obligations. Notwithstanding any default by the Master Developer or Assignee Developer, this Agreement shall not be terminated and any Mortgagee to whom notice has been given may assume all of the rights, benefits and obligations of the Master Developer or Assignee Developer in this Agreement as to the Property, or portion thereof, upon which the Mortgagee has a security interest if:

18.5.1 The Mortgagee notifies the City in writing within sixty (60) calendar days of the date the City gives notice of default to the Mortgagee of its intent to cure the default;

18.5.2 The Mortgagee thereafter commences to effectuate a cure of the default relative to the proportionate share of the master Developer's or Assignee Developer's obligation this Agreement allocable to that part of the Property in which the Mortgagee has an interest and diligently pursues completion of the cure within sixty (60) calendar days if the Mortgagee elects to cure without acquiring and obtaining possession of the Property, or any portion thereof; and

18.5.3 If the cure requires the Mortgagee to obtain title or possession of the Property, or any portion thereof, the Mortgagee shall:

18.5.3.1 Notify the City in writing within sixty (60) calendar days of the date the City gives notice of default to the Mortgagee of its intent to cure the default relative to the proportionate share of Master Developer's or Assignee Developer's obligation under this Agreement allocable to that part of the Property in which the Mortgagee has an interest;

18.5.3.2 Commence foreclosure proceedings within sixty (60) calendar days of the date of the Mortgagee's written notice to City of intent to cure;

18.5.3.3 Diligently pursue foreclosure proceedings to conclusion and obtain title and/or possession of the Property, or portion thereof, on which the cure is to be effectuated; and

18.5.3.4 Diligently pursue to effectuate and complete a cure in a timely manner.

18.5.4 Subject to the foregoing and there being no notice of default given by the City, any Mortgagee of the Master Developer or Assignee Developer who records a notice of default as to its mortgage or other security instrument, City shall consent to the assignment of all of Master Developer's or Assignee Developer's rights, benefits, covenants and obligations under this Agreement to said Mortgagee. As to any purchaser of the Property, or any portion thereof, at a foreclosure or trustee sale, and there being no default of the Master Developer or Assignee Developer under this Agreement, City shall consent to the assignment of all of Master Developer's or Assignee Developer's rights, benefits, covenants and obligations under this Agreement to said purchaser. If there is any event of default of this Agreement as to the Property, or portion thereof, acquired by the purchaser at a foreclosure or trustee sale, the purchaser shall be required to cure the event of default according to the provisions of this Section 18.5 prior to the City consenting to such assignment. Master Developer shall remain liable, however, for any obligations under the Amended Agreement unless Master Developer is released by City or the applicable portion of the Property is transferred with the consent of the City in accordance with Section 9 of this Agreement, provided that such Mortgagee or other purchaser assumes Master Developer's obligations under this Agreement.

18.5.5 If the Mortgagee or foreclosure-sale purchaser complies with the provisions of this Section 18.5, the City shall approve an Assignment of this Agreement to the Mortgagee or foreclosure-sale purchaser as it affects the Property, or portion thereof, upon which the Mortgagee or foreclosure-sale purchaser has obtained title and/or possession if the Mortgagee so requests.

18.5.6 Notwithstanding the foregoing, as to the Property or portion thereof to which the Mortgagee has acquired title, if the Mortgagee elects to develop the Property, or any portion thereof, in accordance with the Project Approvals, the Mortgagee shall be required to assume and perform the obligations and other affirmative covenants of the Master Developer or Assignee Developer under this Agreement.

18.6 Master Developer Remains Liable. Unless expressly released by the City in writing, the Master Developer or Assignee Developer shall remain legally and contractually liable to the City for all of the Master Developer's or Assignee Developer's, respectively, covenants and obligations under this Agreement as to the Property, or portion thereof, that is acquired by a Mortgagee or subsequent approved purchaser at a foreclosure or trustee sale. Upon an approved Assignment of this Agreement to a Mortgagee or subsequent purchaser at a foreclosure or trustee sale, City shall release in writing the Master Developer or Assignee Developer from its covenants and obligations under this Agreement that are expressly assigned to or assumed by the Mortgagee or subsequent approved purchaser at a foreclosure or trustee sale as to the Property, or portion thereof, that is acquired.

18.7 Bankruptcy. Notwithstanding the foregoing provisions of this Section 18, if any Mortgagee of The Master Developer or Assignee Developer is prohibited from commencing or prosecuting foreclosure or other appropriate proceedings in the nature thereof by any process or injunction issued by any court or by reason of any action by any court having jurisdiction of any bankruptcy or insolvency proceeding involving Master Developer or Assignee Developer, the times specified in Section 18.5 for commencing or prosecuting foreclosure or other proceedings shall be extended for the period of the prohibition, provided that such Mortgagee is proceeding expeditiously to terminate such prohibition and in no event for a period longer than one (1) year.

18.8 No Automatic Assignment to Mortgagee. Notwithstanding the foregoing provisions of this Section 18, no Mortgagee of the Master Developer or Assignee Developer shall become a party to this Agreement, or obtain any rights, privileges or obligations of this Agreement, except as provided for in this Section 18.

18.9 Assignment to Mortgagee. A Mortgagee or foreclosure-sale purchaser of the Master Developer or Assignee Developer who complies with the requirements of Section 18.5 shall be approved as an assignee of all the rights, benefits and obligations of this Agreement as it pertains to the Property, or portion thereof, that the Mortgagee or foreclosure-sale purchaser acquires.

18.10 Amendment. There shall be no amendment to or modification of this Agreement except as provided for in Section 14 of this Agreement governing amendments.

SECTION 19 INTERPRETATION AND ENFORCEMENT OF AGREEMENT

19.1 Complete Agreement. This Agreement represents the complete understanding between the Parties, and supersedes all prior agreements, discussions and negotiations relating to the subject matter hereof. No amendment, modification or cancellation of this Agreement shall be valid unless in writing and executed by the Parties.

19.2 Severability. If any terms, provisions, covenants or conditions of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Agreement. Notwithstanding the foregoing, the provisions for development of the Property as set forth in this Agreement, including without limitation the payment of the fees and provision of improvements set forth therein, are essential elements of this Agreement and City and Master Developer would not have entered into this Agreement but for such provisions and if determined to be invalid, void or unenforceable, this entire Agreement shall be null and void and of no force and effect whatsoever.

19.3 Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed by interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

19.4 Applicable Law. This Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of California and any applicable laws of the United States of America.

19.5 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

19.6 Jurisdiction and Venue. Any action at law or in equity arising under this Agreement or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Riverside, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court.

19.7 Authority of Signatories. All the Parties represent and warrant that the persons signing this Agreement on their behalves have full authority to bind the respective Parties.

19.8 Waiver and Delays. Failure by either Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, or failure by either Party to exercise its rights upon a default by the other Party, shall not constitute a waiver of any right to demand strict performance by such other Party in the future.

19.9 Third Party Actions. Nonperformance by either Party shall not be excused because of a failure of a third person, except as specifically provided herein.

19.10 Estoppel Certificates. Any Party may, at any time and from time to time, deliver written notice to another Party requesting certification in writing that, to the knowledge of the certifying Party: (i) this Agreement is in full force and effect and a binding obligation of the Parties; (ii) this Agreement has not been amended, or, if so amended, identifying the amendments; and (iii) the requesting Party is not in default in the performance of its obligations under this Agreement, or, if in default, describing the nature and extent of any such default. A Party receiving a request hereunder shall execute and return a certificate within thirty (30) days following the receipt thereof. The City Manager of the City shall have the authority to execute any such certificate requested by the Master Developer

in form reasonably acceptable to the City Manager. The City acknowledges that a certificate hereunder may be relied upon by transferees and mortgagees.

19.11 Exhibits. All exhibits referred to in, and attached to, this Agreement are incorporated herein by such reference.

19.12 Adoption of Agreement. Adoption of this Agreement by the City shall be by ordinance.

19.13 Recording of Agreement. Within ten (10) days following the adoption by the City of the ordinance approving this Agreement, or any subsequent amendment hereof, the City Clerk shall submit for recordation a fully executed copy hereof with the County Recorder of Riverside County, State of California.

19.14 Further Assurances. The Parties each agree to do such other and further acts and things, and to execute and deliver such instruments and documents (not creating any obligations additional to those otherwise imposed by the Agreement) as either may reasonably request from time to time in furtherance of the purposes of this Agreement.

[BALANCE OF PAGE INTENTIONALLY LEFT BLANK. SIGNATURES APPEAR ON FOLLOWING PAGE.]

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED

IN WITNESS WHEREOF, the Parties have executed this Agreement, to be effective as of the date set forth in the first paragraph hereof.

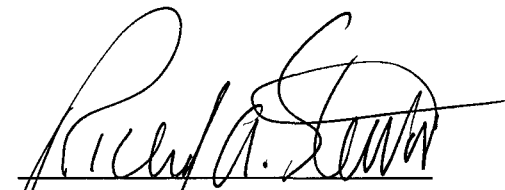
“MASTER DEVELOPER”

“CITY”

MORENO VALLEY PROPERTIES, LLC,
a California limited liability company

CITY OF MORENO VALLEY,
a municipal corporation

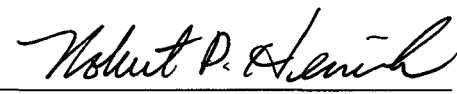
By: 
Iddo Benzeevi, President

By: 
Richard A. Stewart, Mayor

ATTEST:


City Clerk


APPROVED AS TO FORM:


City Attorney

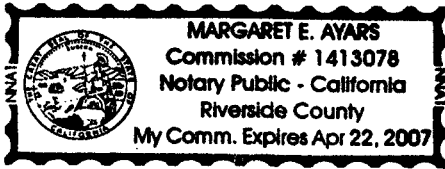
Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of Riverside } ss.

On 2/7/06, before me, Margaret E. Ayars,
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appeared Yddo Benzeedi
Name(s) of Signer(s)

- personally known to me
- proved to me on the basis of satisfactory evidence



to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Margaret E. Ayars
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Aquabella Development Agreement

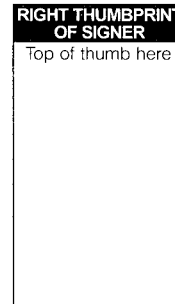
Document Date: January 12, 2006 Number of Pages: 54

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

- Signer's Name: _____
- Individual
 - Corporate Officer — Title(s): _____
 - Partner — Limited General
 - Attorney in Fact
 - Trustee
 - Guardian or Conservator
 - Other: _____

Signer Is Representing: _____



DESCRIPTION

Page 1
Order No. 42015016

ALL OF BLOCKS 129, 138, 139, 148, 149, 152 AND 153 AS SHOWN BY MAP NO. 1 BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAP, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO LOTS 2 TO 7 INCLUSIVE OF BLOCK 150, LOTS 2 TO 8, INCLUSIVE IN BLOCK 151, LOTS 1, 2, 7 AND 8 IN BLOCK 157 AND LOTS 3, 4 AND 5 IN BLOCK 158, AS SHOWN BY MAP NO. 1 OF BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY.

TOGETHER WITH THOSE PORTIONS OF THE STREETS AND AVENUES VACATED BY RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, A CERTIFIED COPY OF WHICH WAS RECORDED AUGUST 11, 1966 AS INSTRUMENT NO. 81996, OFFICIAL RECORDS, WHICH WOULD PASS WITH A CONVEYANCE OF SAID LAND.

EXCEPTING FROM BLOCK 138 THOSE PORTIONS DESCRIBED IN THE DEED TO THE COUNTY OF RIVERSIDE RECORDED AUGUST 31, 1992 AS INSTRUMENT NO. 324866.

ALSO EXCEPTING FROM BLOCKS 148 AND 153 THOSE PORTIONS DESCRIBED IN THE DEED TO THE MORENO VALLEY UNIFIED SCHOOL DISTRICT RECORDED JULY 19, 1994 AS INSTRUMENT NO. 286514.

ALSO EXCEPTING AND RESERVING WITHOUT RIGHT OF SURFACE ENTRY, AS A MINERAL INTEREST AND NOT AS A ROYALTY INTEREST, ALL OIL, GAS, OTHER MINERALS AND HYDROCARBON SUBSTANCES, AND ACCOMPANYING FLUIDS, INCLUDING BUT NOT BY WAY OF LIMITATION, ALL GEOTHERMAL RESOURCES IN, UNDER, OR PRODUCED AND SAVED FROM THE REAL PROPERTY GRANTED HEREIN, TOGETHER WITH ANY OF THE FOREGOING THAT MAY BE ALLOCATED THERETO PURSUANT TO ANY POOLING OR UNITIZATION AGREEMENT OR RATABLE TAKINGS PROGRAM TO WHICH GRANTOR MAY SUBSCRIBE, AND TOGETHER WITH THE SOLE AND EXCLUSIVE RIGHT TO PROSPECT FOR, DRILL FOR, PRODUCE, AND REMOVE SUCH OIL, GAS, OTHER MINERALS AND HYDROCARBON SUBSTANCES, AND GEOTHERMAL RESOURCES, FROM SAID REAL PROPERTY BELOW THE DEPTH OF FIVE HUNDRED (500') FROM THE SURFACE OF SAID REAL PROPERTY, INCLUDING THE RIGHT TO SLANT DRILL FROM ADJACENT PROPERTY, THE RIGHT TO UTILIZE SUBSURFACE STORAGE FOR NATURAL SUBSTANCES, AND THE RIGHT TO MAINTAIN SUBSURFACE PRESSURES, AS RESERVED IN THE DEED RECORDED JANUARY 7, 2004 AS INSTRUMENT NO. 010169, OFFICIAL RECORDS.

EXHIBIT "A"

EXHIBIT “B” – (6 Pages)

AquaBella – Circulation Phasing Improvement Program

Phasing Summary

Phase	Type	Quantity	Units	Construction	Occupancy
1	Active Adult (+55) Housing			July 06 – Jan 08	Jan 07 – Feb 08
	Detached	351	DU		
	Attached	234	DU		
	Active Adult (+55) Housing			July 07 – July 08	Jan 08 – Aug 08
2	Detached	289	DU		
		Attached	193	DU	
3		Active Adult (+55) Housing			Feb 08 – Mar 08
	Detached	301	DU		
	Attached	201	DU		
	4	Active Adult (+55) Housing			Sept 08 – Feb 10
Detached		460	DU		
	Attached	306	DU		
	5	Active Adult (+55) Housing			Aug 09 – Aug 10
Detached		220	DU		
	Attached	147	DU		
	6	Apartment Complex	220	DU	Aug 09 – Aug 10
Hotel		300	Room	Mar 11 – Apr 12	

Phasing Improvement Details

Location	Direction	Improvement	Phase	Footnotes
Nason St from Iris to Delphinium	NB / SB	Widen to half-width (1 lane per direction)	Phase 1	
Nason Street at Iris Avenue	I	Install traffic signal	Phase 1	
Nason Street at Iris Avenue	SB	Construct dual right-turn lane	Phase 1	
Nason Street at Iris Avenue	EB	Construct one ADDITIONAL left turn lane	Phase 1	
Nason Street at Iris Avenue	WB	Construct one left turn lane	Phase 1	
Nason Street at Iris Avenue	WB	Construct one right turn lane	Phase 1	
Nason Street at Dracaea Avenue	I	Install traffic signal	Phase 1	
Lasselle Street at Margaret Avenue	I	Install traffic signal	Phase 1	
Nason Street at Fir Avenue	I	Install traffic signal	Phase 1	
Nason Street at Fir Avenue	NB	Widen westside/eastside Nason to ultimate width (ROW)	Phase 1	

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED

Location	Direction	Improvement	Phase	Footnotes
Nason Street at Fir Avenue	SB	Widen westside/eastside Nason to ultimate width (ROW) including dual left-turn lane	Phase 1	
Nason Street at Fir Avenue	EB	Construct one left turn lane.	Phase 1	
Nason Street at Fir Avenue	WB	Construct one left turn lane	Phase 1	
Lasselle Street at Delphinium Avenue	I	Install traffic signal	Phase 1	

Location	Direction	Improvement	Phase	Footnotes
Nason Street at Eucalyptus Avenue	I	Modify Traffic Signal	Phase 2	
Nason Street at Eucalyptus Avenue	NB	Widen westside/eastside Nason to ultimate width (ROW)	Phase 2	
Nason Street at Eucalyptus Avenue	SB	Widen westside/eastside Nason to ultimate width (ROW)	Phase 2	
Nason Street at Eucalyptus Avenue	EB	Re-stripe lane configuration	Phase 2	
Nason Street at Eucalyptus Avenue	EB	Construct one through lane	Phase 2	
Nason Street at Eucalyptus Avenue	WB	Construct one left turn lane	Phase 2	
Delphinium Avenue		Traffic Calming on Delphinium	Phase 2	
Lasselle Street at John F Kennedy Drive	EB	Construct one additional left turn lane (Including traffic signal modification to implement Split-Phase Signal Timing)	Phase 2	
Lasselle Street at John F Kennedy Drive	EB	Re-stripe lane configuration	Phase 2	
Lasselle Street at Gentian Avenue		Re-striping lane configuration / Signal Modification	Phase 2	
Clubhouse Drive at Cactus Avenue	I	Install traffic signal	Phase 2	
Clubhouse Drive at Cactus Avenue	NB	Construct one left turn lane	Phase 2	
Clubhouse Drive at Cactus Avenue	NB	Construct one shared through-right turn lane.	Phase 2	

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Location	Direction	Improvement	Phase	Footnotes
Clubhouse Drive at Cactus Avenue	SB	Construct one left turn lane	Phase 2	
Clubhouse Drive at Cactus Avenue	SB	Construct one shared through-right turn lane.	Phase 2	
Clubhouse Drive at Cactus Avenue	EB	Construct one left turn lane	Phase 2	
Clubhouse Drive at Cactus Avenue	WB	Construct one left turn lane	Phase 2	
Cactus Ave from Lasselle to Nason	EB / WB	Widen to half-width (1 lane per direction)	Phase 2	

Location	Direction	Improvement	Phase	Footnotes
Nason St from Cottonwood to Dracaea	NB	Construct 1 NB lane	Phase 3	
Nason Street at Cottonwood Avenue	I	Modify traffic signal	Phase 3	
Nason Street at Delphinium Avenue	I	Modify traffic signal	Phase 3	
Nason Street at Cactus Avenue	I	Modify traffic signal	Phase 3	
Nason St from Delphinium to Cactus	SB	Construct 1 SB lane	Phase 3	
Nason St from Brodiaea to Alessandro	SB	Construct 1 SB lane	Phase 3	
Nason St from Alessandro to Cottonwood	NB / SB	Construct 1 lane per direction	Phase 3	
Cactus Ave from Nason to Oliver	WB	Construct 1 WB lane	Phase 3	

Location	Direction	Improvement	Phase	Footnotes
Nason Street at Clubhouse Drive	I	Install traffic signal	Phase 4	

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Location	Direction	Improvement	Phase	Footnotes
Nason Street at Clubhouse Drive	NB	Construct one left turn lane	Phase 4	
Nason Street at Clubhouse Drive	SB	Construct one left turn lane	Phase 4	
Nason St from Iris to Delphinium	NB / SB	Complete the remaining half-width (add 1 lane per direction)	Phase 4	
Cactus Ave from Lasselle to Nason	EB / WB	Complete the remaining half-width (add 1 lane per direction)	Phase 4	
Oliver St, project frontage	NB / SB	Widen to ultimate width	Phase 4	700' Project frontage only btw J.F.K and Iris

Location	Direction	Improvement	Phase	Footnotes
Morrison St from Brodiaea to Cactus	NB / SB	Construct half-ultimate plus 12 feet	Phase 5	
Morrison Street at Brodiaea Avenue	I	Install traffic signal	Phase 5	
Morrison Street at Cactus Avenue	I	Install traffic signal	Phase 5	
Oliver Street at Cactus Avenue	I	Modify Traffic Signal	Phase 5	
Oliver Street at Cactus Avenue	SB	Widen Oliver to ultimate width (ROW) w/ signing & striping	Phase 5	
Oliver Street at Iris Avenue	I	Modify traffic signal	Phase 5	
Oliver Street at Iris Avenue	SB	Construct one right turn lane	Phase 5	
Iris Ave from Lasselle to Camino Flores		Modification of Iris Median (\$70 per LF)	Phase 5	
Iris Avenue		Coordination of traffic signals on Iris (\$3500 per intersection)	Phase 5	
Lasselle Street		Coordination of traffic signals on Lasselle (\$3500 per intersection)	Phase 5	
Lasselle Street at Cactus Avenue	I	Modify Traffic Signal	Phase 5	Or concurrent with City Project
Lasselle Street at Cactus Avenue	NB	Construct one FREE right-turn lane	Phase 5	Or concurrent with City Project
Lasselle Street at Cactus Avenue	EB	Re-stripe lane configuration	Phase 5	Or concurrent with City Project
Lasselle Street at Cactus Avenue	WB	Construct one additional left turn lane	Phase 5	Or concurrent with City Project

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED

Location	Direction	Improvement	Phase	Footnotes
Lasselle Street at Brodiaea Avenue	I	Install traffic signal	Phase 6	
Brodiaea Ave from Lasselle to Morrison	EB / WB	Construct half ultimate plus 12 feet (include power poles)	Phase 6	
Cactus Avenue at Apartment Access	I	Construct raised median to restrict left-turn in/out movements from apartment access	Phase 6	
Lasselle Street at Apartment Access	I	Construct raised median to restrict left-turn out movement from apartment access	Phase 6	
Nason Street at Bay Avenue	I	Install traffic signal	Phase 6	
Nason Street at Bay Avenue	NB	Widen westside/eastside Nason to ultimate width (ROW)	Phase 6	
Nason Street at Bay Avenue	SB	Widen westside/eastside Nason to ultimate width (ROW)	Phase 6	
Nason Street at Brodiaea Avenue	I	Install traffic signal	Phase 6	
Moreno Beach Drive at Cactus Avenue	I	Modify traffic signal	Phase 6	
Moreno Beach Drive at Cactus Avenue	NB	Construct one shared through-right turn lane.	Phase 6	
Moreno Beach Drive at Cactus Avenue	SB	Construct one shared through-right turn lane.	Phase 6	
Moreno Beach Drive at Cactus Avenue	EB	Construct one shared through-right turn lane.	Phase 6	
Moreno Beach Drive at Cactus Avenue	WB	Re-stripe shared left-through turn lane	Phase 6	
Moreno Beach Drive at Cactus Avenue	WB	Construct one through lane	Phase 6	
Moreno Beach Drive at Cactus Avenue	WB	Construct one shared through-right turn lane.	Phase 6	
Moreno Beach Drive at John F. Kennedy Drive	I	Modify traffic signal	Phase 6	
Moreno Beach Drive at John F. Kennedy Drive	WB	Widening & re-striping & signing for additional left-turn lane	Phase 6	
Cactus Avenue		Coordination of traffic signals on Cactus (\$3500 per intersection)	Phase 6	

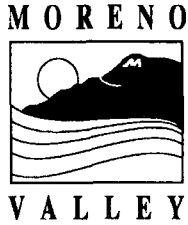
Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED

Location	Direction	Improvement	Phase	Footnotes		
Nason St at SR-60 WB Ramps / Elder Ave	I	Participate in interchange improvements through payment of TUMF program fees	All			
Nason St at SR-60 EB Ramps	I	Participate in interchange improvements through payment of TUMF program fees	All			

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END OF EXHIBIT "B"

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED



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APPROVALS	
CITY ATTORNEY	
FINANCE DIRECTOR	
CITY MANAGER	

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Report to City Council

TO: Mayor and City Council

FROM: Linda B. Guillis, Community Development Director

AGENDA DATE: November 22, 2005

TITLE: A public hearing for:
General Plan Amendment (PA04-0070) to amend the Circulation and Bikeway Plans to alter the alignment of Nason Street at Iris Avenue; replace JFK Drive between Lasselle and Oliver Streets, and Morrison Street south of Cactus Avenue with alternative street improvements, and provide a Class III bikeway on Cactus Avenue and on Oliver Street;
Specific Plan Amendment (P04-082) to amend Specific Plan No. 218, the AquaBella Specific Plan (formerly known as the Moreno Valley Field Station Specific Plan), to provide for a gated active-adult community;
Tentative Parcel Map 33532 (PA04-0069) to subdivide 685 acres generally between Brodiaea and Iris Avenue, and between Lasselle and Oliver Streets, into 4 lots for financial purposes;
Development Agreement (PA04-0005) an agreement between the City of Moreno Valley and Moreno Valley Properties, LP regarding Specific Plan No. 218, as amended.

RECOMMENDED ACTION

The Staff concurs with the Planning Commission recommendation. The Planning Commission recommends the City Council:

1. **Accept** an Addendum Environmental Impact Report (EIR) for PA04-0070 (General Plan Amendment), P04-082 (Specific Plan Amendment), PA04-0069 (Tentative Parcel Map 33532), and PA04-0005 (Development Agreement). The projects, individually and cumulatively, will not result in a significant effect on the environment;
2. **Approve** Resolution No. 2005- 111 approving PA04-0070, thereby modifying General Plan Circulation Plan and Bikeway Plan Maps as described in the Resolution, and the

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED

E2

revised Circulation and Bikeway Plan Maps as attached to the Resolution as Exhibits 5A and 5B;

3. **Introduce** Ordinance No. 703 approving Specific Plan Amendment (P04-082) as attached to the ordinance as Exhibit 6A;
4. **Approve** Resolution No. 2005-112 approving Tentative Parcel Map No. 33532 (PA04-0069), based on the findings in the Resolution, and the conditions of approval as attached to the resolution as Exhibit 7A; and
5. **Introduce** Ordinance No. 704 approving Development Agreement (PA04-0005), based on the findings in the Ordinance.

ADVISORY COMMITTEE RECOMMENDATION

On July 28, 2004, the Recreational Trails Board reviewed the General Plan Amendment application with regard to relocating a bikeway from John F. Kennedy Drive (JFK Drive) to Cactus Avenue, due to the proposal by the applicant to eliminate JFK Drive between Lasselle and Oliver Streets. The Board raised concerns with regard to the elimination of JFK Drive and recommended that the City Council not eliminate JFK Drive and maintain a Class II bikeway on both sides of JFK Drive. This revision is not recommended by the staff or the Planning Commission. The minutes to that meeting are Attachment 2 of this report.

On October 20, 2005, the Planning Commission conducted a public hearing and recommended that the City Council approve the project applications. The minutes to that meeting are Exhibit 3.b to this report. At the Planning Commission meeting it was disclosed that the applicant and staff were working on revisions to technical language within the Development Agreement and questions regarding certain standard conditions of approval for the Tentative Parcel Map. The Planning Commission acknowledged that staff would be continuing to work with the applicant on these matters as they proceeded to the City Council.

SUMMARY

In April 2004, Highland Fairview Properties (HFP) submitted an application for a General Plan Amendment, Specific Plan Amendment, Tentative Parcel Map, and Development Agreement. The primary premise of the Specific Plan Amendment is related to the applicant's proposal to change the previously approved Moreno Valley Field Station Specific Plan from a non-age qualified community to a primarily gated active-adult community (55 or better). The original Specific Pan was anticipated to have a population of approximately 10,665 (3.65 persons per household); with a change to an active-adult population it is anticipated that the population will be approximately 5,666 (2,702 units at 1.8 persons per household and 220 units at 3.65 persons per household). As a result in the changes in population, HFP is proposing to amend the General Plan and Specific Plan. The most significant changes proposed are:

- Change 2,702 dwelling units to a gated active-adult (55 or better) development, while retaining 220 multi-family units outside of the gated community with no age restriction;
- Provide circulation improvements as an alternative to the construction of John F. Kennedy Drive between Lasselle and Oliver Streets, and Morrison Street south of Cactus Avenue;
- Replace an 148-acre golf course and 51 acres of park land with private recreational amenities, including a 40-acre lake system, a 35,000 square foot club house, 14-acres of pocket parks, and pedestrian pathways; and,
- Eliminate the proposed elementary and middle schools sites.

This project involves the following four applications and each of the applications are discussed separately within this report:

1. PA04-0070 – General Plan Amendment (Circulation and Bikeway Plans)
2. P04-082 – Specific Plan Amendment (Amending Specific Plan No. 218)
3. PA04-0069 – Tentative Parcel Map 33532
4. PA04-005 – Development Agreement

BACKGROUND

The 760-acre project site is generally located between Brodiaea and Iris Avenues, and Lasselle and Oliver Streets, and is predominately surrounded by existing and approved residential and medical uses (Riverside County Hospital on the north and Moreno Valley Community Hospital on the southeast). The Moreno Valley Field Station Specific Plan (SP 218) was originally submitted by the University of California Riverside (UCR) which had used the site for experimental agriculture since 1962. With increased urbanization of the surrounding area, UCR determined to cease agricultural use of the property and developed a Specific Plan to allow for disposition of property for development. The 760-acre Specific Plan was originally approved by the City in 1999. The plan provided for 2,922 dwelling units of varying densities, and included a 148-acre golf course, 51 acres of park land, 25 acres of commercial land, and 4 schools (2 elementary, 1 middle, and 1 high school).

Of the 760-acres, 50 acres is owned by the Moreno Valley Unified School District (MVUSD) and is fully-improved with a high school (Vista del Lago); 25 acres is vacant and owned by the County of Riverside, and the remaining 685 acres is vacant and was purchased by Moreno Valley Properties, an affiliate of Highland Fairview Properties (HFP), in January, 2004.

DISCUSSION

GENERAL PLAN AMENDMENT (PA04-0070)

The General Plan Amendment includes three changes to the City's Circulation Plan and one change to the Bikeway Plan. The changes are as follows:

1. Nason Street alignment – The current Nason Street alignment provides for Nason Street to curve westward south of Delphinium Avenue to align with the intersection of Grande Vista Drive and Iris Avenue. HFP proposes to maintain the westward curve of Nason Street, however proposes to move Nason Street's intersection with Iris Avenue approximately 800 feet to the east to intersect with Hillrose Lane. An exhibit of the circulation changes follows the discussion in the next section regarding John F. Kennedy Drive and Morrison Street

The re-alignment of Nason will not change the level of service provided on Nason Street or Iris Avenue, however the change in alignment will require that the intersection be reconfigured. A traffic study has been prepared to analyze this change and define the configuration of the intersection.

Additionally, Tract 30316 just north of Iris Avenue would have abutted Nason Street, and Via Lavonda would have connected directly to Nason Street. Via Lavonda is a required secondary access for the Tract 30316. Under separate agreement, once Nason Street is constructed, Via Lavonda will be extended to connect with Nason Street, thereby preserving the required secondary access to the tract.

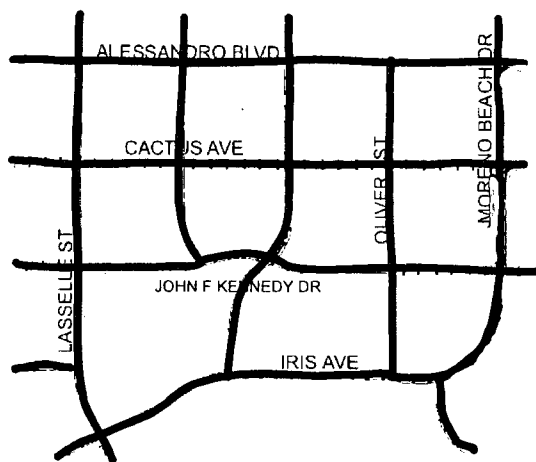
2. John F. Kennedy Drive and Morrison Street – Within the project boundaries, John F. Kennedy (JFK) Drive is designated as a Minor Arterial (88 foot right-of-way) between Lasselle and Nason Streets, and a Major Arterial (100 foot right-of-way) between Nason and Oliver Streets. Only a small portion of JFK Drive exists within the project boundary; extending approximately 500 feet east of Lasselle providing access to the high school. Morrison Street is designated a Minor Arterial (88 foot right-of-way) south of Cactus Avenue and does not presently exist.

Due to the reduction in the project population for the area related to the proposed active adult population and to provide an integral gated community, the applicant is proposing to eliminate the future extensions of JFK Drive from its terminus at the high school to Oliver Street, and Morrison Street south of Cactus Avenue. A traffic study has been prepared to evaluate the project circulation changes, which included a significant reduction in vehicular trips from 44,486 to 13,954. The reduction in trips is due primarily to the reduction in population for the project, but also the elimination of the schools, public parks, and golf course uses that would have also generated vehicular trips.

Attached to the project's Addendum Environmental Impact Report (Attachment 4) is the AquaBella Circulation Study Executive Summary (Exhibit 4.a) which includes the conclusions of the traffic analysis accepted by the City's Transportation Engineering Division. The resulting improvements from the traffic study are itemized in the Circulation Phasing Improvement Program (Exhibit 4.b) and mitigate the project impacts in accordance with the California Environmental

Quality Act and Subdivision Map Act requirements. Further, it should be noted that the improvements identified in the Circulation Phasing Improvement Program are less than what was required with the original Moreno Valley Field Station Specific Plan. The Program provides for new through-lane and turn-lane enhancements adjacent and in the vicinity of the project site, to mitigate the project impacts, inclusive of the elimination of JFK Drive and Morrison Street within the project boundaries.

Moreno Valley Unified School District (MVUSD) has a high school at Lasselle Street and JFK Drive, and an elementary and middle school at Oliver Street and JFK Drive, and has expressed support for the elimination of JFK Drive between Lasselle and Oliver Streets as it will avoid high volumes of vehicles passing by the schools.



General Circulation



Circulation without JFK Drive and Morrison Street

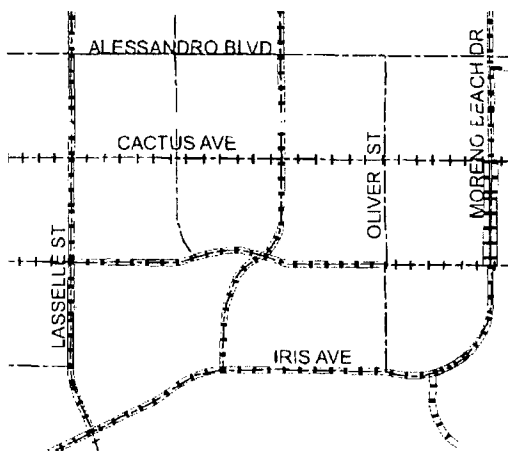
3. Relocation of a Bikeway – Within the project boundaries, a Class II bikeway is currently required on JFK Drive. Approval of the project would result in the elimination of JFK Drive and the bikeway alignment. At present the City’s Bikeway Plan provides for a bikeway on Cactus Avenue that commences at the City’s westerly limits and terminates at Lasselle Street. In the proposed General Plan revision, a Class III bikeway is proposed to be continued from Lasselle Street eastward to Redlands Boulevard. It is recommended that the Class II bikeway originally located on the JFK Drive alignment be replaced with a Class III bikeway on Cactus Avenue consistent with the General Plan revision proposal. A Class II bikeway is a striped 6 foot lane adjacent to the curb within the street. A Class III bikeway is signed as a bikeway without a striped lane.

In addition, the bikeway on the JFK Drive alignment would have provided more direct access to the middle and elementary schools at JFK Drive and Oliver Streets. In order to facilitate bikeway access to the schools, it is further recommended that a Class III bikeway be provided on Oliver Street from Cactus

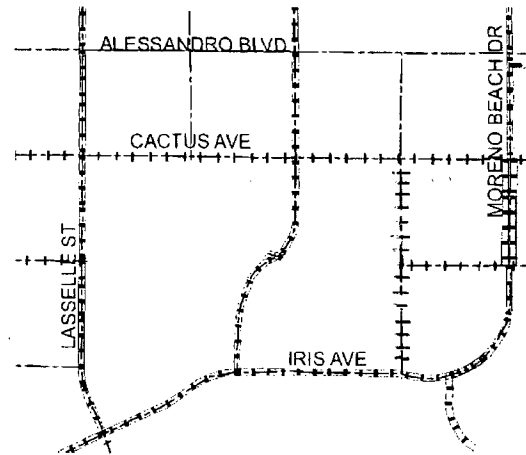
Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED

to Iris Avenues, thereby providing access to the school sites from both the north and south. A diagram of the bikeway changes follows this section.

On July 28, 2004, the relocation of the Class II bikeway along JFK Drive to an alignment along Cactus Avenue was presented to the Recreational Trails Board. At that meeting, the Board expressed their concern with the possibility of the elimination of JFK Drive between Lasselle and Oliver, and ultimately made the recommendation that JFK Drive should not be eliminated and that a Class II bikeway be maintained on the JFK alignment. Staff recommends a Class III bikeway on Cactus Avenue, east of Lasselle Street, and a Class III bikeway on Oliver Street between Cactus and Iris Avenues.



Current Bikeway Plan



Proposed Bikeway Plan

- Legend
- Class II
 - Class III

SPECIFIC PLAN AMENDMENT (P04-082)

The attached Specific Plan text (Exhibit 6A) is a complete replacement of the original Moreno Valley Field Station Specific Plan text. The revised Specific Plan provides for three land uses: residential (2,922 dwelling units on 685 acres), commercial (25 acres – owned by the County of Riverside), and a high school site (50 acres – owned by the Moreno Valley Unified School District). The original Specific Plan similarly provided for 2,922 dwelling units, approximately 24 acres of commercial land, and school sites; as a result the basic land uses of the Specific Plan are unchanged with the amendment.

The primary change in the Specific Plan is the proposal that the majority of the project become an active-adult community. Federal standards define an age-restricted community of age "55 and better". The proposed change in the orientation of the residential population provides for a projected reduction in build-out population of the

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project from 10,665 residents to 5,666 residents. As result of the significant reduction in the project population, HFP re-evaluated the infrastructure and amenities associated with the project to better relate to the targeted population.

The land uses for the proposed Specific Plan amendment are as follows:

School –MVUSD has constructed a high school (Vista del Lago) on approximately 50 acres of land on the southeast corner of Lasselle Street and JFK Drive consistent with the original Specific Plan. Within the Specific Plan text, this site will default to the P (Public) standards of the City's Municipal Code.

Commercial – The original Specific Plan provided for approximately 24 acres of commercial land distributed along Nason Street. Within the revised Specific Plan 25 acres for commercial development will be provided. The development will exclusively occur on the 25 acre parcel owned by the County of Riverside on the southwest corner of Nason Street and Cactus Avenue. Consistent with the original Specific Plan, the commercial development standards will default to the City's Municipal Code provisions for the CC (Community Commercial) designation.

Residential – The remaining 685 acres is divided into 10 residential Planning Areas, all of the Planning Areas will be within an active-adult community, with the exception of Planning Area 2, which will be reserved for multi-family development. Due to the proximity of the hospital and medical facilities on Cactus and Iris, there is a desire to provide some housing that is not age-restricted to support the housing needs in the immediate employment area. As a result, an 11 acre site on Lasselle Street between Brodiaea and Cactus Avenues is being provided without age restrictions and will have a density of 20 units per acre. This site will accommodate 220 dwelling units.

The remaining 2,702 dwelling units are dispersed throughout the remaining 674 acres, within 9 Planning Areas of a gated community. Within each Planning Area there will be a variety of single and multi-family units with densities within the Planning Areas ranging from 4.0 up to 15 units per acre. However, the average density for the overall project within the gated community will be approximately 4 units per acre. Within the original Specific Plan approximately 40% of the 2,922 dwelling units were multi-family units. The Specific Plan amendment maintains 40% of the units as multi-family units to ensure continued consistency with the City's adopted Housing Element.

The primary Clubhouse and amenities will be located in Planning Area 5, which also has an option for residential units or a hotel use within that Planning Area. Any non-residential uses shall develop in accordance with the standards of the City's Municipal Code for that use type, while residential uses shall comply with the standards provided within the Specific Plan text.

The original Specific Plan provided for single-family lots as small as 3,000 square feet. The amended Specific Plan text provides for the smallest lots to be ~~4,200~~ square feet.

4,000

Additional design and implementation details are discussed below under Implementation.

Infrastructure and Amenities

The *land uses* of the Specific Plan are consistent with the original land use intent. The primary changes are related to infrastructure and amenities, as follows:

- Elimination of John F. Kennedy Drive between Lasselle and Oliver Streets;
- Elimination of Morrison Street south of Cactus Avenue;
- Replacement of a 148-acre golf course with an approximate 40-acre lake system;
- Replacement of 51 acres of park land with 14 acres of private recreational amenities (excluding lakes, pedestrian trail systems, club house structures); and,
- Elimination of elementary and middle schools.

Circulation

The elimination of JFK Drive is addressed above in the General Plan Amendment discussion. However, the circulation design of the project provides for significant features in the layout of the project. The primary project entrance is from a street, presently labeled "Clubhouse Drive", which intersects with both Nason Street and Cactus Avenue. These intersections will serve as the primary access points into the gated community. Additional vehicular access points will be necessary secondary emergency access and will be defined at the time the plans for individual Planning Areas.

Recreation/Open Space

The original Specific Plan provided for an 18-hole, 148-acre golf course. HFP has determined not to proceed with a golf course and has replaced the course with a 40-acre lake system. The lake system will serve multiple purposes. The lake is an aesthetic amenity for the project, especially for the homes that will front on the lake and residents that use walking paths adjacent to the lakes.

The lakes will also serve an environmental purpose, using technology which is new to Moreno Valley. The project water quality and storm water management needs will be addressed through the lake feature. They are designed to receive the water runoff which would normally go into the storm drain system. The run-off waters will go through a series of bio-filtration processes before the water enters the lake system allow for the water to be cleaned by natural processes. The lakes are designed to mimic the function of a natural lake and will allow for the waters that have passed through bio-filtration processes to enter the lake and through more natural processes will further dilute pollutants before waters enter any regional flood channels. Historically, storm water run-off has been piped into storm drain/flood channels and transported to downstream locations like Lake Elsinore resulting in potential pollution problems downstream; this

lake system is designed to minimize any potential downstream impacts. Additionally, the lakes are being designed to have the capacity to handle the storm waters of a 100-year storm.

In addition to the change from a golf course to a lake system, the original Specific Plan provided for 51 acres of park land, which was consistent with the standards of the time to provide 5 acres per 1,000 population. The current City standard has changed from 5 acres to 3 acres per 1,000 population. Based on current standards and the reduced population of an active-adult community, approximately 14 acres of park land is required to serve the project population. The park requirement will be met through provisions for pocket parks to be provided throughout the gated community. Though the project will provide amenities to its residents the project will not provide park facilities to the public.

Schools

The change to an active-adult community will significantly reduce the Moreno Valley Unified School District's (MVUSD) needs in the immediate area and MVUSD has determined that the four school sites identified in the original Specific Plan are no longer necessary. As a result, the only school within the project boundary will be the existing high school facility (Vista del Lago) on the southeast corner of Lasselle Street and JFK Drive.

Implementation

One of the core principals of any Specific Plan is understanding how the plan will be implemented over time. HFP has discussed with the City a desire to specify project details in conjunction with future map or development applications, such as perimeter wall/landscaping designs, entry statements, location and design of pocket parks, etc. It is not necessary to address all the project details up-front, however, in such instances the Specific Plan should provide clarity as to what details need to be provided, when they will be provided, how they will be evaluated, and who will implement them. Therefore, staff created a process that gives the applicant the ability to provide project details closer to the time of development while at the same time providing certainty to the City that there is a mechanism to address those details.

This Specific Plan requires Planning Area Development Implementation Plans (PADIP) to address the implementation of development within the Planning Areas of the Specific Plan. A PADIP is similar to a Planning Unit Development and it is intended that at such time that a development application (i.e., tentative tract map, plot plan) is submitted a comprehensive package for the affected Planning Area will be required. The PADIP will include planning area details regarding the allocation of residential units (single-family and multi-family), development plans and design guidelines addressing the architecture and character of the project, tentative map(s), and infrastructure improvement plans.

Another unique aspect of the Specific Plan provides for the development of the Master Design Guidelines. The Specific Plan contains a basic package of design guidelines

which will be expanded over time. The Specific Plan identifies a Southern Mediterranean theme and character for the overall project, however, it does not provide the specific details of various improvements. As a result, the Master Design Guidelines will be refined through subsequent approvals. For example, HFP is discussing utilizing alternative street light standards with a greater design character than the City's conventional streetlight standard. Staff is evaluating the proposed street lights for consistency with City objectives to provide adequate lighting and protection of the night sky, and once approved by staff, the light standard will be incorporated into the Master Design Guidelines for all subsequent development in the project to utilize. Another example, is that the first PADIP considered by the Planning Commission for the implementation of a Planning Area will include perimeter walls and landscaping detail at the gated entry, which is not presently in the design guidelines. Once the Commission reviews and approves a PADIP that contains a master plan design detail, perimeter wall design and landscaping, that portion of the PADIP approval will be incorporated into the Master Design Guidelines. Evolution of the Master Design Guidelines using the PADIP process provides the desired up-front flexibility for the applicant and the ultimate long-term certainty for the City.

TENTATIVE PARCEL MAP 33532 (PA04-0069)

Project

The proposed tentative parcel map covers the 685-acre residential portion of the Specific Plan. The map creates a large lot subdivision to allow for mass grading of the project site and implementation of backbone infrastructure. The City has allowed a similar approach in TownGate, Moreno Valley Ranch and many of the City's larger master planned developments. Subsequent maps or development applications will be required in accordance with the PADIP provisions of the Specific Plan prior to further development of the property.

Site

The project site is generally flat with drainage areas and channels, and is vacant with the exception of a house and various maintenance structures and wells that were associated with the former UCR agricultural use of the land.

Surrounding Area

North of the project area is a combination of vacant land, the Riverside County Regional Medical and other ancillary medical facilities, and new single-family residential development. On the south, east, and west are single-family homes, and southeast of the project the Moreno Valley Community Hospital.

Access

The tentative map provides 4 large lots, ranging from 72 acres to 281 acres. Cactus Avenue and Nason Street provide the only public streets within the project boundary. Perimeter public streets include Lasselle, Morrison, Oliver, Iris, and Delphinium. The submittal of future tentative maps or development applications for any given Planning Area, those submittals will further define the access within each Planning Area. The future access will be evaluated in conjunction with the project traffic study and public safety needs.

DEVELOPMENT AGREEMENT (PA04-0005)

A Development Agreement is a negotiated agreement that typically allows a developer or property owner to protect their project approvals (Specific Plan standards and land use) for a fixed period of years. In exchange for long term vested rights, the City can request services, monies or improvements for such protections. Attached is a draft of the Development Agreement (Exhibit 8.a).

The Development Agreement has been thoroughly negotiated and there is complete agreement with both parties of interest. Staff recommends approval in whole. The deal points of the Development Agreement are interrelated to the provisions and implementation of the Specific Plan and the Addendum Environmental Impact Report, therefore, modifications to the results of the General Plan Amendment, Specific Plan Amendment, Tentative Parcel Map, and Addendum Environmental Impact Report may impact the deal points provided within the Development Agreement. The following highlights the major Development Agreement deal points:

Vested Entitlements

The Development Agreement will be an agreement between the property owner, Moreno Valley Properties and the City of Moreno Valley. The Development Agreement proposes an initial 10-year term with opportunities for three 5-year extensions. During the life of the Development Agreement, the provisions of the Specific Plan and any subsequent entitlements would be protected. This means that the property owner receives protection from the City amending the Specific Plan without their consent, provides protection from local development moratorium, and extends the life of subsequent project approvals to coincide with the term of the Development Agreement. For example, if a tentative tract map is approved, but not recorded within the initially approved time frame, under the protection provided by the Development Agreement, the map will not be required to be extended by formal action; the Development Agreement will provide that the tentative map is extended until recorded or until the term of the Development Agreement has terminated. The developer's ability to achieve the entitlement certainty provided by the Development Agreement is typically the major reason a Development Agreement is desired by the developer. By entering into a Development Agreement, the City loses some of its flexibility to modify land use or entitlements to adjust to changing conditions.

Development Impact Fee Exemptions and Credits

Transportation

Several of the primary Development Agreement deal points relate to traffic and park improvements, and impact fees. As negotiated and incorporated in the Addendum EIR, the project will provide traffic improvements that meet the requirements of the California Environmental Quality Act (CEQA) and the Subdivision Map Act. Additionally, the negotiations between the parties has resulted in a Circulation Phasing Improvement Program (Exhibit 4.b) that provides for the construction of traffic improvements in six project phases, and schedules a weighting of improvements in the earlier phases. For example, the first phase provides that upon completion of the 585th dwelling unit Nason Street will have been constructed from Delphinium Avenue to Iris Avenue. In exchange for the implementation of identified traffic improvements, the Development Agreement provides that the applicant will receive a 100% exemption from the City's Arterial Street, Traffic Signal, and Interchange Improvement Development Impact Fees.

Transportation Uniform Mitigation Fees (TUMF)

Additionally, the City and Moreno Valley Properties agree to work cooperatively to explore tri-party agreements with Western Riverside Council of Governments (WRCOG) to earmark the TUMF paid by the project for future improvement of the Nason Street Interchange of State Route 60.

Parks and Recreation

Current City policy provides for no fee reductions associated with amenities for private park improvements. The Development Agreement negotiations include fee credits for park and recreational amenities. The reduced population within the gated, active-adult portion of the Specific Plan requires the development of approximately 14 acres to address the project's recreational needs. As negotiated, the project will provide 14 acres of pocket parks that will include a variety of amenities, including barbeques, shade structures, tot lots, basketball half-courts, horseshoe pits, and tennis courts. These amenities will be for the exclusive use of project residents. It is anticipated that the addition of these amenities within the project will mitigate the majority of the projects' park needs. Based on this conclusion, the Development Agreement provides an 87.5% credit on the Park Land and Park Facilities Development Impact Fees. However, there will be impact on the City's recreation facilities which will be mitigated by the payment of the balance of the fee. There will be no park credits for the 220 multi-family units that are not within the gated active-adult community.

In addition to the park and recreation facilities, the project is required to provide a Clubhouse facility of at least 35,000 square feet and at a minimum value of \$20 million. Staff is recommending a 100% fee credit for the Recreation Center Development Impact Fee. There will be no credits for the 220 multi-family units that are not within the gated active-adult community.

Assignment

The above items, street improvements and recreation/park amenities are obligations of the Master Developer pursuant to the Terms of the Development Agreement. Through the Assignment provisions in the Development Agreement, the Master Developer is allowed to assign any or all of these obligations to an Assignee Developer who meets the conditions and standards set forth in Section 9 of the Development Agreement. The City has the right to review and approve such assignments. However, the City will not review sales or leases of the Project Area that do not include an assignment of the Master Developer's covenants or obligations under the Development Agreement.

Exaction

The project will receive its electricity through Moreno Valley Electrical Utility. As negotiated in the Development Agreement, Moreno Valley Properties has agreed to provide a \$2 million exaction. The first \$1 million shall be used for the benefit of the Moreno Valley Electrical Utility. The second \$1 million will be used for the benefit of the Moreno Valley Electrical Utility or other City capital project.

Community Facility District

Current City policy provides that impact fees will not be paid from a Community Facility District (CFD). The negotiated Development Agreement provides that the Transportation Uniform Mitigation Fees (TUMF) can be paid from the project's Community Facility District. This will permit the TUMF to be paid in a lump sum and will allow for the parties to work with WRCOG to earmark the monies towards implementation of the Nason Interchange.

Furthermore, the Development Agreement provides that the street improvements, TUMF obligations, and water and sewer improvements are the priority improvements for the Development Agreement. However, if these obligations are met and there are remaining debt capacity in the CFD, the developer can include the project's Development Impact Fees (DIF) in the CFD financially, provided that the City's policy of not exceeding a maximum tax of 2% is met.

ALTERNATIVES

1. Support the Planning Commission's recommendation.
2. Deny the project applications.

STAFF RECOMMENDATION

Staff recommends that the City Council support the Planning Commission's recommendation, and;


- 1) **ACCEPT** the Addendum Environmental Impact Report for PA04-0070 (General Plan Amendment), P04-082 (Specific Plan Amendment), PA04-0069 (Tentative Tract Map 33532), and PA04-0005 (Development Agreement), in that no new significant environmental effects or substantial increase in the severity of previously identified significant effects were determined;
- 2) **APPROVE** PA04-0070 (General Plan Amendment);
- 3) **APPROVE** P04-082 (Specific Plan Amendment);
- 4) **APPROVE** PA04-0069 (Tentative Tract Map 33532); and,
- 5) **APPROVE** PA04-0005 (Development Agreement).

NOTIFICATION

Public notice was sent to all property owners of record within 300' of the project, inclusive of interested parties that requested to be notified. The public hearing notice for this project was also posted on the project site and published in the local newspaper.

ATTACHMENTS/EXHIBITS

1. Public Hearing Notice
2. Recreational Trails Board Minutes, July 28, 2004
3. Planning Commission Staff Report, October 20, 2005
 - 3.a. Planning Commission Resolution, October 20, 2005
 - 3.b. Planning Commission Minutes, October 20, 2005
4. Addendum Environmental Impact Report
 - 4a. AquaBella Circulation Study Executive Summary
 - 4b. AquaBella Circulation Phasing Improvement Program
5. City Council Resolution No. 2005-111 for PA04-0070 (General Plan Amendment)
 - 5a. General Plan Amendment (PA04-0070) – Circulation Plan Map
 - 5b. General Plan Amendment (PA04-0070) – Bikeway Plan Map
6. City Council Ordinance No. 703 for P04-082 (Specific Plan Amendment)
 - 6a. AquaBella Specific Plan (P04-082)
7. City Council Resolution No. 2005-112 for PA04-0069 (Tentative Parcel Map 33532)
 - 7a. Conditions of Approval
 - 7b. Tentative Parcel Map 33532
8. City Council Ordinance No. 704 for PA04-0005 (Development Agreement)
 - 8.a. AquaBella Development Agreement


Prepared By

Linda B. Guillis
Department Head Approval

Concurred By

Council Action	
Approved as requested: 11 / 22 / 05	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED

AMENDMENT NO. 1

DOC # 2011-034727

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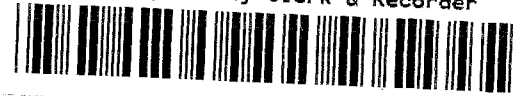
Page 1 of 11

Recorded in Official Records

County of Riverside

Larry W. Ward

Assessor, County Clerk & Recorder



RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

City of Moreno Valley
Attn: City Clerk
P.O. Box 88005
Moreno Valley, California 92552-0805

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**ACKNOWLEDGMENT OF TERMINATION OF DEVELOPMENT AGREEMENT
WITH RESPECT TO SPECIFIED PROPERTY BY AND BETWEEN THE CITY OF
MORENO VALLEY AND MORENO VALLEY PROPERTIES, LP, RELATIVE TO THE
DEVELOPMENT KNOWN AS SPECIFIC PLAN NUMBER 218 AND AMENDMENTS
THERETO DATED JANUARY 12, 2006**

June 28, 2011

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR

**ACKNOWLEDGEMENT OF TERMINATION OF DEVELOPMENT AGREEMENT
WITH RESPECT TO SPECIFIED PROPERTY KNOWN AS PLANNING AREA TWO IN
THE AQUABELLA SPECIFIC PLAN**

RECITALS

A. On June 28, 2011, the City of Moreno Valley ("City") and Moreno Valley Properties, LP ("Master Developer") executed a First Amendment to that Certain Development Agreement By and Between the City of Moreno Valley and Moreno Valley Properties, LP relative to the development known as Specific Plan Number 218 and Amendments Thereto dated January 12, 2006. The development is commonly referred to as "Aquabella."

B. The Amendment had the effect of removing approximately 13.2 gross acres representing less than two percent (2%) of the Project area from the coverage of the Agreement as described in the Amendment (defined as the "Removed Property"). The Removed Property is located at the northeast corner of Cactus Avenue and Lasselle Street in the City as set forth in the depiction set forth as Exhibit "A-2b" attached hereto. In the Aquabella Specific Plan, the Removed Property is described as Planning Area 2. A legal description of the Removed Property is set forth as Exhibit "A-2" attached hereto.

C. Pursuant to Section 3 of the Amendment, the Parties are required to execute and record this Acknowledgment of Termination within 30 calendar days following execution and recordation of the Amendment.

NOW, THEREFORE, in consideration of the above Recitals, and the Recitals set forth in the Amendment, all which are expressly incorporated into this Acknowledgment of Termination, the Parties agree as follows:

ACKNOWLEDGMENT OF TERMINATION

1. Termination of Agreement With Respect to the Removed Property. The Parties hereby acknowledge that the Development Agreement entered into by and between the City of Moreno Valley and Moreno Valley Properties, LP, Relative to the Development Known as Specific Plan Number 218 and Amendments Thereto dated January 12, 2006 is hereby terminated with respect to the Removed Property described in Exhibit "A-2." Following the execution of the Amendment, the Agreement applies to that land legally described in Exhibit "A-1" and depicted in Exhibit "A-1b."

2. Construction of Public Street and Traffic Signal Improvements -- Circulation and Phasing Improvement Program. Notwithstanding the termination of the Agreement with respect to the Removed Property, it is hereby acknowledged and agreed while the timing of the phasing has been changed by market forces, to the extent the Project proceeds, Master Developer agrees to construct all required public street and traffic signal improvements in accordance with the Circulation Program set forth in the Agreement as amended by the Amendment. When a future development plan for the Removed Property is submitted for the anticipated 220-unit rental or for sale condominium project, the City retains the legal right to analyze any specific traffic impacts of any proposed development for the Removed Property and the City may condition the

Removed Property to construct any improvements set forth in the Circulation Program and/or to construct or pay fair share amounts towards any other additional and necessary improvements identified in a separate traffic study prepared to analyze any impacts of any proposed development of the Removed Property. The Removed Property can be processed independently from the rest of the Project and vice-versa.

“MASTER DEVELOPER”

MORENO VALLEY PROPERTIES, LLC,
a California limited liability company

By: *Iddo Benzevi*
Iddo Benzevi, President

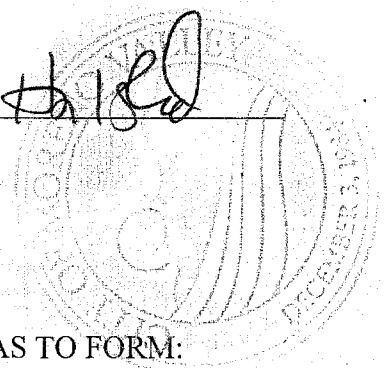
“CITY”

CITY OF MORENO VALLEY,
a municipal corporation

By: *Richard A. Stewart*
Richard A. Stewart, Mayor

ATTEST:

Jane H. [Signature]
City Clerk



APPROVED AS TO FORM:

Suzanne Bryant
Deputy City Attorney

Exhibit "A-2b"

Depiction of the Removed Property

1032/027722-0008
1143494.08 a08/02/11

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR

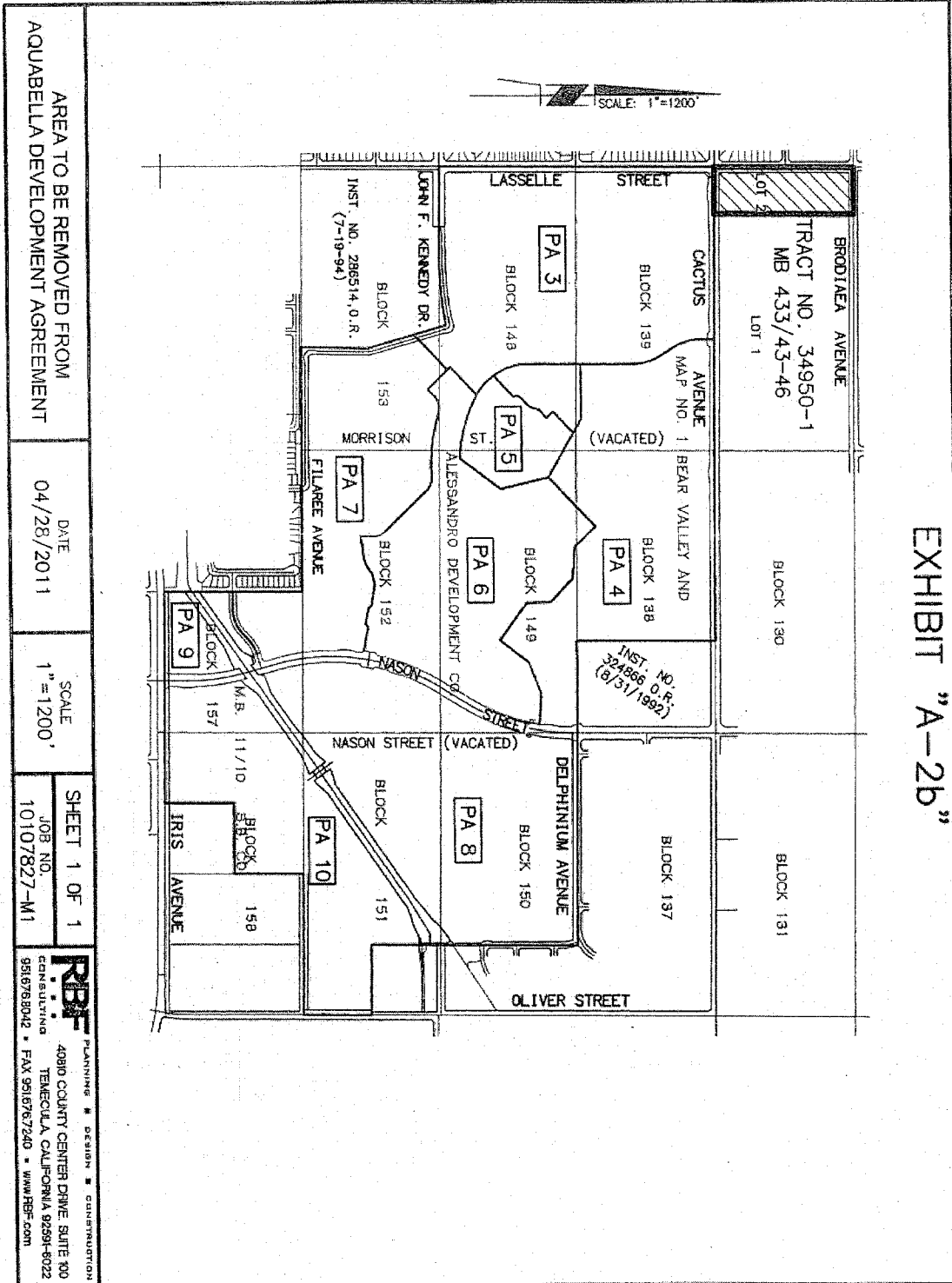


Exhibit "A-2"

Legal Description of the Removed Property

1032/027722-0008
1143494.08 a08/02/11

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR

RBF CONSULTING
40810 County Center Drive, Suite 100
Temecula, CA 92591

April 28, 2011
JN 10-107827-M1

EXHIBIT "A-2"


AREA TO BE REMOVED FROM AQUABELLA DEVELOPMENT AGREEMENT

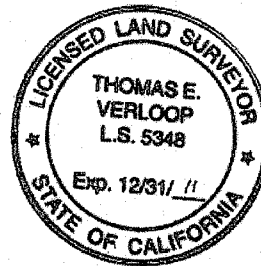
That certain parcel of land situated in the City of Moreno Valley, County of Riverside, State of California, being Lot 2 of Tract No. 34950-1 as shown on the map recorded in Book 433, Pages 43 through 46, inclusive of Maps in the Office of the County Recorder of said Riverside County, California.

SUBJECT to all covenants, rights, rights-of-way and easements of record.

EXHIBIT "A-2b" attached hereto and by this reference made a part hereof.

This description was prepared by me or under my direction.

 04/28/2011
Thomas E. Verloop, PLS 5348 Date
My license expires 12/31/11



Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR

Exhibit "A-1"

Legal Description of Property Covered by the Agreement

1032/027722-0008
1143494.08 a08/02/11

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR

RBF CONSULTING
40810 County Center Drive, Suite 100
Temecula, CA 92591

April 28, 2011
JN 10107827-M2

EXHIBIT "A-1"

MODIFIED AREA - AQUABELLA DEVELOPMENT AGREEMENT

Those certain parcels of land situated in the City of Moreno Valley, County of Riverside, State of California, being all of Blocks 138, 139, 148, 149, 152 and 153 of Map No. 1 of the Bear Valley and Alessandro Development Company filed in Book 11, Page 10 of Maps in the Office of the County Recorder of the County of San Bernardino, State of California (located within Sections 15, 16, 21 and 22, Township 3 South, Range 3 West, San Bernardino Meridian).

ALSO Lot 2 through 7, inclusive, of Block 150; Lots 2 through 8, inclusive of Block 151; Lots 1, 2, 7 and 8 of Block 157; and Lots 3, 4 and 5 of Block 158; as shown on said Map No. 1 of the Bear Valley and Alessandro Development Company.

ALSO Lot 1 of Tract No. 34950-1 as shown on the map recorded in Book 433, Pages 43 through 46, inclusive of Maps in the Office of the County Recorder of said Riverside County, California

TOGETHER with those portions of the Streets and Avenues vacated by Resolution of the Board of Supervisors of the County of Riverside, a Certified Copy of which was recorded on August 11, 1966 as Instrument No. 81996, of Official Records of said Riverside County, which would pass with a conveyance of said land.

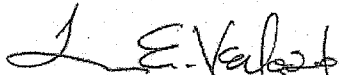
EXCEPTING from Block 138 those portions described in the deed to the County of Riverside, recorded August 31, 1992 as Instrument No. 324866 of Official Records of said Riverside County.

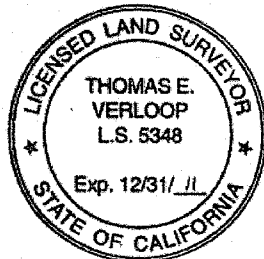
ALSO EXCEPTING from Block 148 and Block 153 those portions described in the deed to the Moreno Valley Unified School District recorded July 19, 1994 as Instrument No. 286514 of Official Records of said Riverside County.

SUBJECT to all covenants, rights, rights-of-way and easements of record.

EXHIBIT "A-1b" attached hereto and by this reference made a part hereof.

This description was prepared by me or under my direction.

 04/28/2011
Thomas E. Verloop, PLS 5348 Date
My license expires 12/31/11



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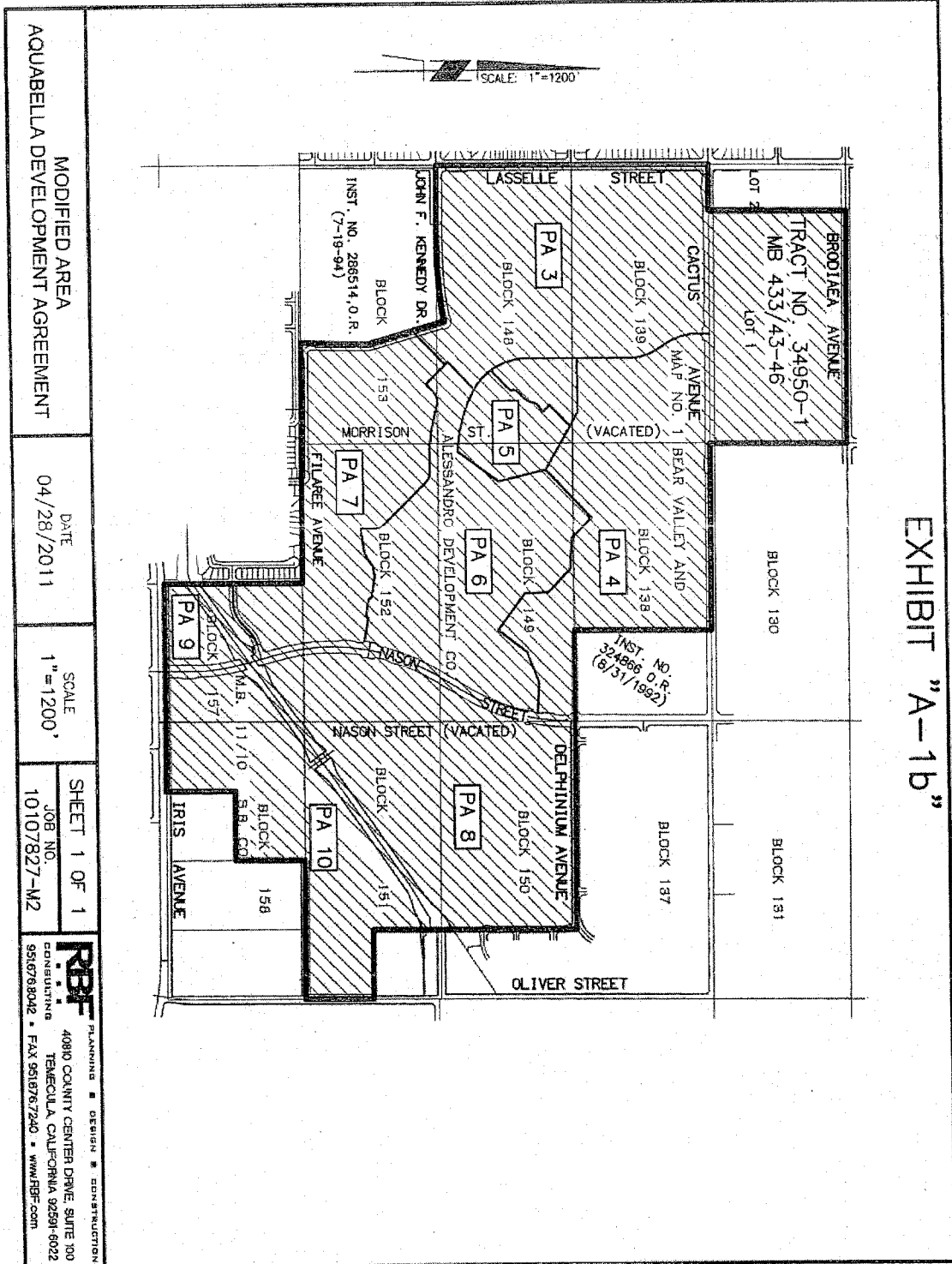
Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR

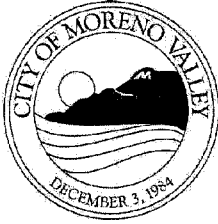
Exhibit "A-1b"

Depiction of the Property Covered by the Agreement

1032/027722-0008
1143494:08 a08/02/11

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR





APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>JMB</i>
CITY MANAGER	<i>MS</i>

Report to City Council

TO: Mayor and City Council

FROM: Barry Foster, Community & Economic Development Director

AGENDA DATE: June 14, 2011

TITLE: First Amendment - Aquabella Development Agreement (P11-029)

RECOMMENDED ACTION

Staff recommends that the City Council conduct a public hearing and subsequently introduce Ordinance No. 825, for adoption of the First Amendment to the Aquabella Development Agreement (P11-029).

ADVISORY BOARD/COMMISSION RECOMMENDATION

On May 12, 2011, the Planning Commission recommended approval of the Amendment by a vote of 6-0-1 (absent). After substantial discussion regarding the proposal and questions of the applicant and staff, the Commission determined that the Amendment would not materially affect the existing contractual rights and responsibilities of the applicant or City.

BACKGROUND

Highland Fairview submitted a Development Agreement Amendment application on March 28, 2011, to remove Planning Area 2 from the Aquabella Development Agreement. The Agreement, approved on January 12, 2006, currently covers 685 acres of the Aquabella Specific Plan. This proposal would be the First Amendment to the Agreement.

DISCUSSION

Planning Area 2 is a 13.2-acre site at the northeast corner of Cactus Avenue and Lasselle Street (the "Site"). The Aquabella Specific Plan permits the development of up to 220 non-senior multi-family units on the Site. If approved, the Site would no longer be covered by the Agreement and not be subject to its requirements nor benefit from its provisions. Any impacts related to the development of the Site would be conditioned as part of a future application submitted to the City. The site would continue to be a part of the Specific Plan. The site would continue to be a part of the Specific Plan. Exhibit A of the Amendment provides a legal description and plat map for both the Site and the remainder area covered by the Agreement.

All existing requirements of the Agreement remain in effect for remainder area. The Phasing Plan (Exhibit B) of the Amendment has been revised to ensure coverage of all requirements in the remaining five phases of the Aquabella project (the Site was Phase 6).

The proposal would be exempt from the California Environmental Quality Act as the Amendment would not result in substantial changes to the Agreement necessitating additional environmental review. No additional land disturbance would be permitted for the site by approval of the proposal.

As a legislative decision, the proposal requires final review and action by the City Council.

ALTERNATIVES

1. Approve the proposed Amendment as recommended by the Planning Commission.
2. Approve the proposed Amendment with modifications to address City Council concerns.
3. Refer the proposed Amendment back to the Planning Commission with direction for further review and recommendation.
4. Deny the proposed Amendment.

FISCAL IMPACT

Not applicable.

NOTIFICATION

Public notice was sent to all property owners of record within 300' of the project. The public hearing notice for this project was also posted on the project site and published in the local newspaper on May 25, 2011.

ATTACHMENTS/EXHIBITS

- 1. Proposed Ordinance.
- 2. Proposed Amendment with Attachments.
- 3. Planning Commission Minutes.
- 4. Public Hearing Notice.

Prepared By:
John C. Terrell AICP
Planning Official

Department Head Approval:
Barry Foster
Community & Economic Development Director

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR

AMENDMENT NO. 1

DOC # 2011-0347272

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Page 1 of 22

Recorded in Official Records

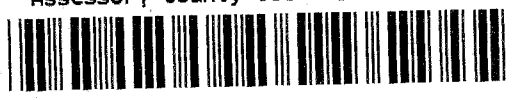
County of Riverside

Larry W. Ward

Assessor, County Clerk & Recorder

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

City of Moreno Valley
Attn: City Clerk
P.O. Box 88005
Moreno Valley, California 92552-0805



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**FIRST AMENDMENT TO THAT CERTAIN DEVELOPMENT
AGREEMENT BY AND BETWEEN THE CITY OF MORENO VALLEY
AND MORENO VALLEY PROPERTIES, LP, RELATIVE TO THE
DEVELOPMENT KNOWN AS SPECIFIC PLAN NUMBER 218 AND
AMENDMENTS THERETO DATED JANUARY 12, 2006**

June 28, 2011

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR IN

THIS FIRST AMENDMENT TO THAT CERTAIN DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF MORENO VALLEY AND MORENO VALLEY PROPERTIES, LP, RELATIVE TO THE DEVELOPMENT KNOWN AS SPECIFIC PLAN NUMBER 218 AND AMENDMENTS THERETO DATED JANUARY 12, 2006 ("Amendment") is made and entered into this ___th day of June 2011 (the "Effective Date"), by and between (i) the CITY OF MORENO VALLEY, a municipal corporation organized and existing under the laws of the State of California (the "City"), and (ii) MORENO VALLEY PROPERTIES, LP, a Delaware limited partnership (the "Master Developer"), pursuant to the authority of Sections 65864 through 65869.5 of the California Government Code. City and Master Developer may be referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

A. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the legislature of the State of California adopted Section 65864 *et seq.* of the California Government Code, which authorizes a city to enter into a development agreement with any person or entity having a legal or equitable interest in real property, providing for the development of such property and establishing certain reciprocal rights and obligations related to such development. To implement the above-described State laws, the City adopted Section 9.02.110 of the Moreno Valley Municipal Code, establishing procedures and requirements for considering and approving development agreements. Both Government Code Section 65864 *et seq.* and Section 9.02.100 of the Moreno Valley Municipal Code authorize the amendment and modification of such development agreements from time to time at the mutual discretion of the parties.

B. On January 12, 2006, the Parties executed that certain Development Agreement By and Between the City of Moreno Valley and Moreno Valley Properties, LP, Relative to the Development Known as Specific Plan Number 218 and Amendments Thereto dated January 12, 2006 ("Agreement"). The Agreement pertains to a development project known as "Aquabella."

C. In the absence of this Amendment, the Agreement applies to real property comprised of approximately six hundred eighty-five (685) acres which is previously described in the property description attached to the Agreement as Exhibit "A."

D. Pursuant to this Amendment, Master Developer and the City desire to remove approximately 13.2 gross acres, representing less than two percent (2%) of the Project area from the coverage of the Agreement ("Removed Property"). The Removed Property was always planned to be developed independently from the Aquabella active adult community as a non-age restricted development. The Removed Property is located at the northeast corner of Cactus Avenue and Lasselle Street in the City as set forth in the Depiction attached hereto as Exhibit "A-2b." A legal description of the Removed Property is set forth in Exhibit "A-2."

E. The Agreement and the Project governed by the Agreement envisioned the development of approximately 2,702 age-restricted units in a gated community with common amenities to be maintained by one or more Homeowners' Association ("Age-Restricted Project").

The Project, as originally approved, also included the development of the Removed Property in what was defined, in the Aquabella Specific Plan, as Planning Area 2. The Removed Property and Planning Area 2 were envisioned to be developed with approximately 220 attached rental units or for sale condominiums that were not age-restricted and were therefore not to be part of the Age-Restricted Project.

F. The State of California and the City have been faced with a severe economic crisis, which has negatively impacted the pace and timing of residential development. In light of these economic conditions, the sequencing of phasing originally contemplated may have to be rescheduled so it is responsive to present market conditions. It is possible that development of the Removed Property as 220 attached, non-age restricted rental units or for sale condominiums may occur at an earlier time period than development of the remaining Age-Restricted Project.

G. Excising the Removed Property from the coverage of the Agreement would increase the likelihood that non-age-restricted rental units or for sale condominiums could be developed more quickly than what would occur if the Removed Property were not excised from the Agreement.

H. On February 23, 1999, the City adopted Resolution No. 99-13, certifying a Final Environmental Impact Report, including findings and a statement of overriding considerations and imposing mitigation measures for the Project ("FEIR"). On May 27, 2003, the City adopted Resolution No. 2003-38 certifying a Supplemental EIR for the Project ("SEIR"). Thereafter, on November 22, 2005, the City adopted Resolution No. 2004-12 approving an Addendum to the FEIR and SEIR for the Project. The record of proceedings for all of the aforementioned City actions are expressly incorporated herein by reference as if set forth in full.

I. On August 23, 2008, the City approved Tentative Tract Map No. 34950 for financing purposes. On April 15, 2011 Tract No. 34950-1 was recorded creating a separate legal parcel for the removed property.

J. On June 14, 2011, the City made all of the findings and determinations relating to this Amendment which are required by Municipal Code section 9.02.110 and introduced Ordinance No. 825 for first reading. Thereafter, Ordinance No. 825 was approved on June 28, 2011 thereby approving this Amendment.

K. The City finds the approval of this Amendment will not result in substantial changes to the Project within the meaning of the California Environmental Quality Act ("CEQA") (Pub. Res. Code sections 21000 *et seq.*) and its implementing Guidelines including, but not limited to, Guideline 15162. The Removed Property will continue to be governed by Specific Plan 218 and the City's General Plan, and the Removed Property will continue to be permitted to be developed with approximately 220 non-age-restricted, rental residential dwelling units or for sale condominiums. No change in land use designations is permitted or contemplated by this Amendment. Further, this Amendment ensures the infrastructure improvements identified in the attached revised Circulation Phasing Improvement Program set forth in the Agreement as Exhibit "B" ("Circulation Program") will be constructed by re-affirming: (i) the Master Developer's obligation to construct the improvements set forth in the Circulation Program and (ii) the City's legal right to impose reasonable off-site and fair share improvement requirements on the

Removed Property when a specific development proposal for the Removed Property is filed with and processed by the City. Once the Amendment is approved, the Removed Property can be processed independently from the rest of the Project and vice-versa. Therefore, pursuant to CEQA Guideline section 15162, the City finds that executing this Amendment does not result in any substantial changes to the original Project.

L. The City Council finds that execution of this Amendment as set forth herein by the Parties: (i) is in the best interest of the City; (ii) will promote the public convenience, general welfare and good land use practices in the City; (iii) will provide benefits to the City; (iv) will provide an active adult community; (v) will encourage the development of the project while providing a reasonable level of certainty to the private developer; (vi) will encourage the development of rental or for sale residential dwelling units within the City; and (vii) will provide for orderly growth and development in a manner consistent with the General Plan and other plans and regulations of the City.

NOW, THEREFORE, in consideration of the above recitals, all which are expressly incorporated into this Amendment, and the mutual promises and obligations of the Parties set forth herein, the Parties agree to this Amendment as follows:

AMENDMENT TO AGREEMENT

1. Section 1 of the Agreement is hereby amended as follows with new Section 1.23 set forth below, replacing Section 1.23 in the Agreement:

1.23 "Project" means the development of the Property contemplated by the SPA and implemented through PADIPs as defined herein which may be further defined, enhanced or modified pursuant to the provisions of this Agreement. This Agreement pertains to ~~six hundred eighty five (685)~~ approximately six hundred seventy one point eight (671.8) acres of the seven hundred sixty (760) acres comprising the Specific Plan area. The ~~685~~ approximate 671.8 acres will be developed as a gated age-restricted community with common amenities to be maintained by one of more Homeowner's Association(s). The Project contemplates a maximum of two thousand seven hundred and two (2702) ~~two thousand nine hundred twenty two (2922)~~ dwelling units and other uses as defined in the Project Approvals. ~~, with the exception of two hundred (220) dwelling units (specifically identified in the SPA) that may or may not be age-restricted.~~

2. Section 1 of the Agreement is hereby amended as follows with new Section 1.25 set forth below, along with new Exhibit "A-1" and Exhibit "A-1b" replacing the Section 1.25 set forth in the Agreement:

1.25 "Property" means the real property described on Exhibit "A-1" to this Amendment and depicted on Exhibit "A-1b" of this Amendment and made a part herein by reference.

3. Section 6 of the Agreement is hereby amended as follows with new Section 6 set forth below, replacing the Section 6 set forth in the Agreement:

6.2 Construction of Public Street and Traffic Signal Improvements – Circulation and Phasing Improvement Program. While the timing of the phasing has been changed by market forces, to the extent the Project proceeds, Master Developer agrees to construct all required public street and traffic signal improvements in accordance with the Circulation Program set forth in the Agreement. When the development of the Removed Property for the anticipated 220-unit rental or for sale condominium project is proposed, the City retains the legal right to analyze any specific traffic or other environmental impacts of any proposed development for the Removed Property and the City may condition the Removed Property to construct any improvements set forth in the Circulation Program and/or to construct or pay fair share amounts towards any other additional and necessary improvements identified in a separate traffic study prepared to analyze any impacts of any proposed development of the Removed Property. Pursuant to State law, City retains the right to impose mitigation on the Removed Property to the extent future environmental analysis discloses previously undisclosed impacts.

4. Section 12 of the Agreement is hereby amended as follows with the insertion of new section 12.3:

12.3 Termination of Agreement With Respect to the Removed Property. The Agreement is terminated with respect to the Removed Property. The Parties shall execute and record the Acknowledgement of Termination set forth as Exhibit “C” within thirty (30) calendar days following the execution and recordation of this Amendment.

5. All other provisions of the Agreement not amended by this Amendment shall remain in force and in effect with respect to the Property (and not the Removed Property) and unaltered by this Amendment.

“MASTER DEVELOPER”

“CITY”

MORENO VALLEY PROPERTIES, LLC,

CITY OF MORENO VALLEY,

a California limited liability company

a municipal corporation

By: Iddo Benzevi

By: Richard A. Stewart

Iddo Benzevi, President

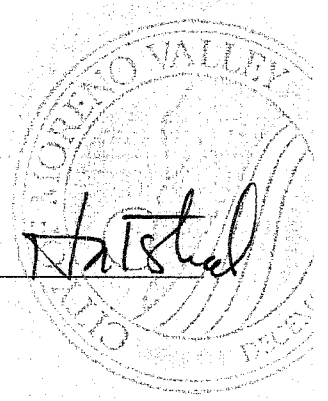
Richard A. Stewart, Mayor

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR IN

ATTEST:

Jane Hatalstel

City Clerk



APPROVED AS TO FORM:

Suzanne Bryant

Deputy City Attorney

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR IN

Exhibit "A-2b"

Depiction of Removed Property

1032/027722-0008
1143494.08 a08/02/11

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR

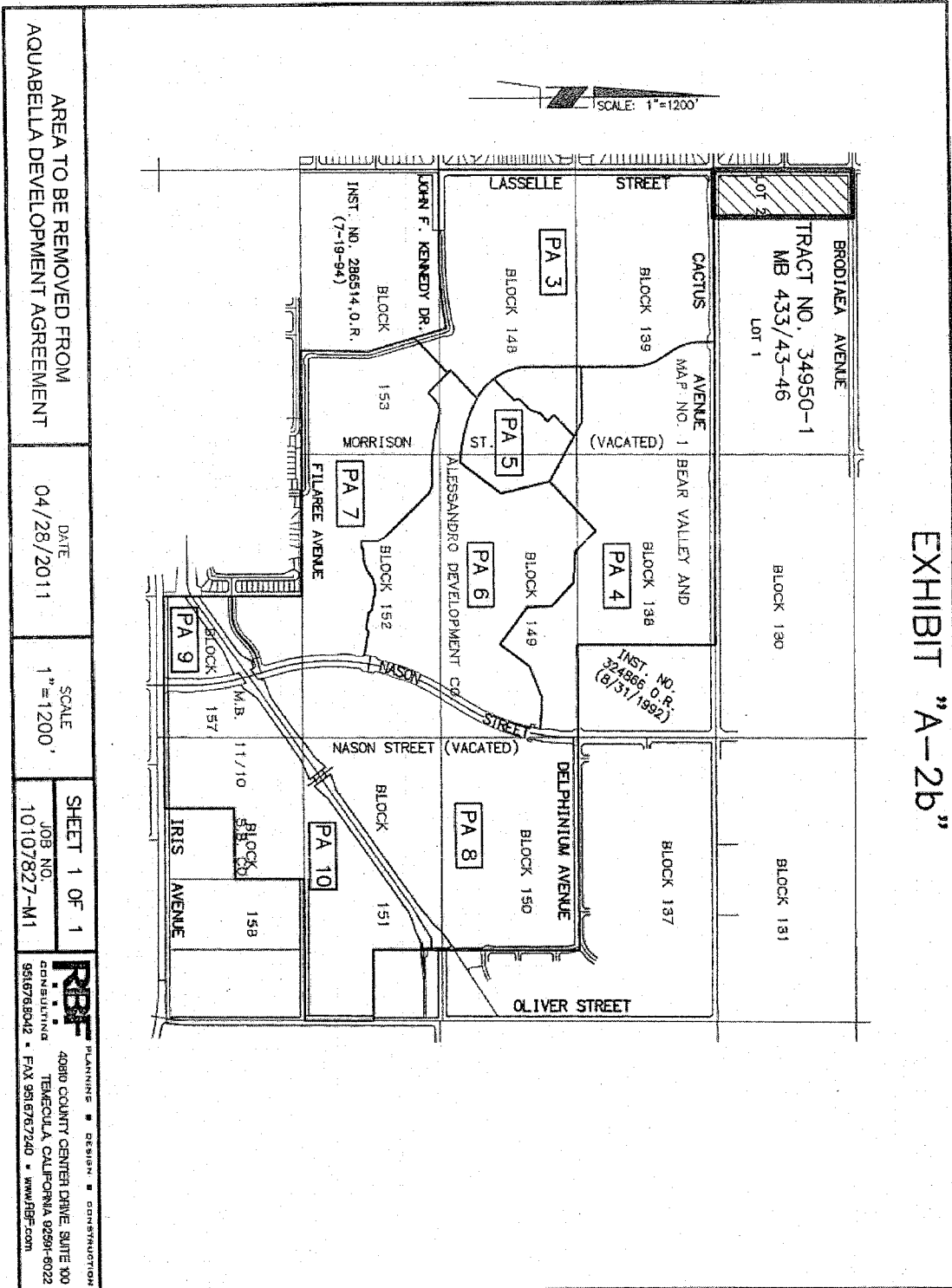


Exhibit "A-2"

**Legal Description of the Area to be Removed from the
Aquabella Development Agreement**

1032/027722-0008
1143494.08 a08/02/11

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR

Exhibit "A-1"

Legal Description of Property Covered by the Agreement

RBF CONSULTING
40810 County Center Drive, Suite 100
Temecula, CA 92591

April 28, 2011
JN 10107827-M2

EXHIBIT "A-1"

MODIFIED AREA - AQUABELLA DEVELOPMENT AGREEMENT

Those certain parcels of land situated in the City of Moreno Valley, County of Riverside, State of California, being all of Blocks 138, 139, 148, 149, 152 and 153 of Map No. 1 of the Bear Valley and Alessandro Development Company filed in Book 11, Page 10 of Maps in the Office of the County Recorder of the County of San Bernardino, State of California (located within Sections 15, 16, 21 and 22, Township 3 South, Range 3 West, San Bernardino Meridian).

ALSO Lot 2 through 7, inclusive, of Block 150; Lots 2 through 8, inclusive of Block 151; Lots 1, 2, 7 and 8 of Block 157; and Lots 3, 4 and 5 of Block 158; as shown on said Map No. 1 of the Bear Valley and Alessandro Development Company.

ALSO Lot 1 of Tract No. 34950-1 as shown on the map recorded in Book 433, Pages 43 through 46, inclusive of Maps in the Office of the County Recorder of said Riverside County, California

TOGETHER with those portions of the Streets and Avenues vacated by Resolution of the Board of Supervisors of the County of Riverside, a Certified Copy of which was recorded on August 11, 1966 as Instrument No. 81996, of Official Records of said Riverside County, which would pass with a conveyance of said land.

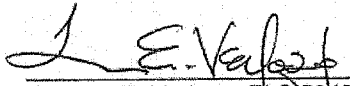
EXCEPTING from Block 138 those portions described in the deed to the County of Riverside, recorded August 31, 1992 as Instrument No. 324866 of Official Records of said Riverside County.

ALSO EXCEPTING from Block 148 and Block 153 those portions described in the deed to the Moreno Valley Unified School District recorded July 19, 1994 as Instrument No. 286514 of Official Records of said Riverside County.

SUBJECT to all covenants, rights, rights-of-way and easements of record.

EXHIBIT "A-1b" attached hereto and by this reference made a part hereof.

This description was prepared by me or under my direction.

 04/28/2011
Thomas E. Verloop, PLS 5348 Date
My license expires 12/31/11

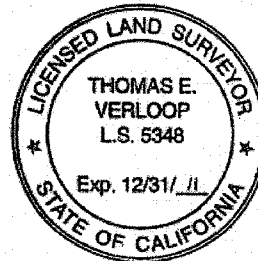


Exhibit "A-1b"

Depiction of the Property Covered by the Agreement

1032/027722-0008
1143494.08 a08/02/11

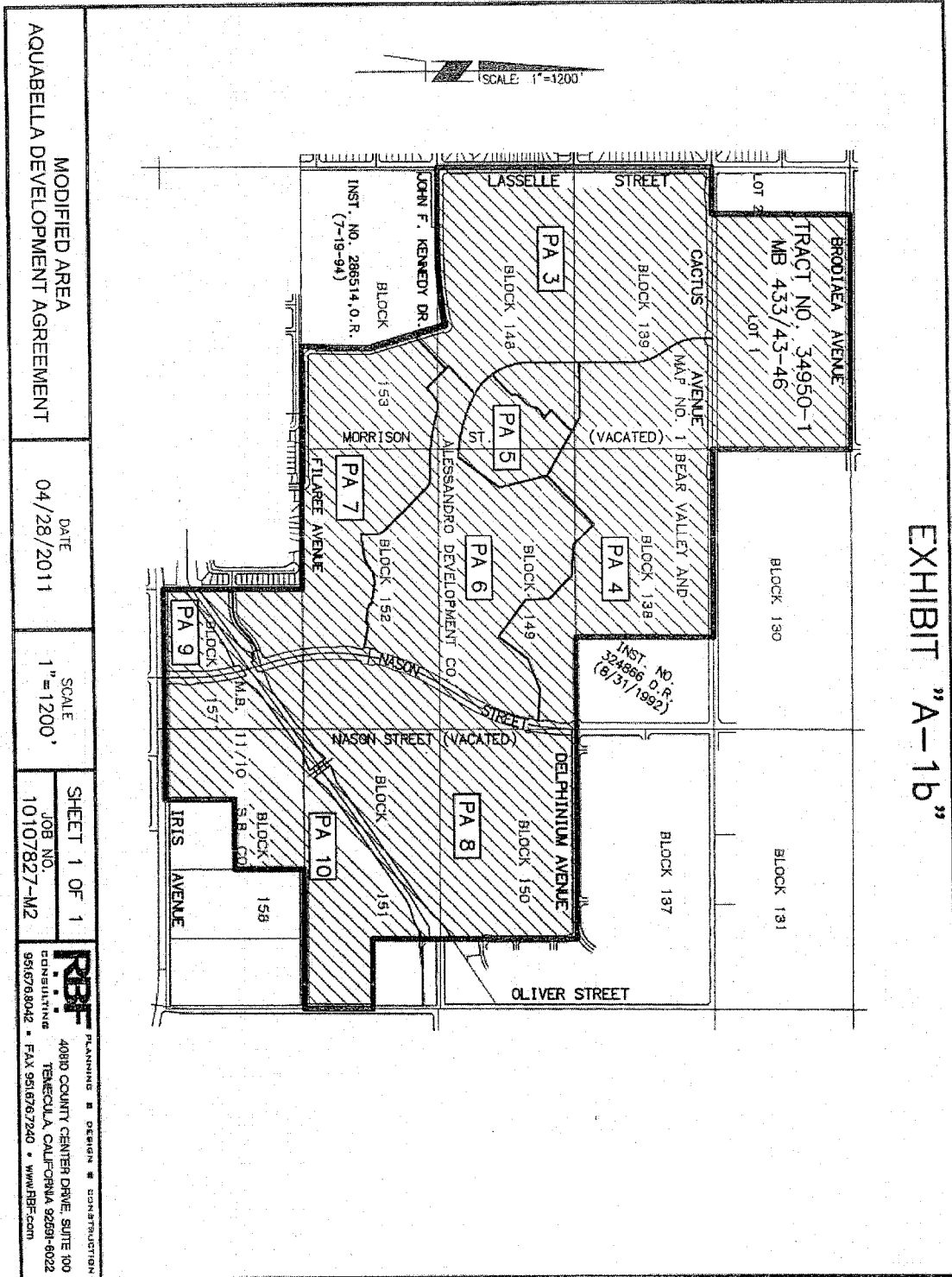


EXHIBIT "B" – (6 Pages)

AquaBella – Circulation Phasing Improvement Program

Phasing Summary

Phase	Type	Quantity	Units	Construction	Occupancy
1	Active Adult (+55) Housing				
	Detached	351	DU	July 06 – Jan 08	Jan 07 – Feb 08
Attached	234	DU			
2	Active Adult (+55) Housing				
	Detached	289	DU	July 07 – July 08	Jan 08 – Aug 08
Attached	193	DU			
3	Active Adult (+55) Housing				
	Detached	301	DU	Feb 08 – Mar 08	Aug 08 – Apr 09
Attached	201	DU			
4	Active Adult (+55) Housing				
	Detached	460	DU	Sept 08 – Feb 10	Mar 09 – Mar 10
Attached	306	DU			
5	Active Adult (+55) Housing				
	Detached	220	DU	Aug 09 – Aug 10	Feb 10 – Oct 10
Attached	147	DU			
5	Hotel	300	Room	Mar 11 – Apr 12	-----

Phasing Improvement Details

Location	Direction	Improvement	Phase	Footnotes
Nason St from Iris to Delphinium	NB / SB	Widen to half-width (1 lane per direction)	Phase 1	
Nason Street at Iris Avenue	I	Install traffic signal	Phase 1	
Nason Street at Iris Avenue	SB	Construct dual right-turn lane	Phase 1	
Nason Street at Iris Avenue	EB	Construct one ADDITIONAL left turn lane	Phase 1	
Nason Street at Iris Avenue	WB	Construct one left turn lane	Phase 1	
Nason Street at Iris Avenue	WB	Construct one right turn lane	Phase 1	
Nason Street at Dracaea Avenue	I	Install traffic signal	Phase 1	
Lasselle Street at Margaret Avenue	I	Install traffic signal	Phase 1	
Nason Street at Fir Avenue	I	Install traffic signal	Phase 1	

Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR

Location	Direction	Improvement	Phase	Footnotes
Nason Street at Fir Avenue	NB	Widen westside/eastside Nason to ultimate width (ROW)	Phase 1	
Nason Street at Fir Avenue	SB	Widen westside/eastside Nason to ultimate width (ROW) including dual left-turn lane	Phase 1	
Nason Street at Fir Avenue	EB	Construct one left turn lane.	Phase 1	
Nason Street at Fir Avenue	WB	Construct one left turn lane	Phase 1	
Lasselle Street at Delphinium Avenue	I	Install traffic signal	Phase 1	

Location	Direction	Improvement	Phase	Footnotes
Nason Street at Eucalyptus Avenue	I	Modify Traffic Signal	Phase 2	
Nason Street at Eucalyptus Avenue	NB	Widen westside/eastside Nason to ultimate width (ROW)	Phase 2	
Nason Street at Eucalyptus Avenue	SB	Widen westside/eastside Nason to ultimate width (ROW)	Phase 2	
Nason Street at Eucalyptus Avenue	EB	Re-stripe lane configuration	Phase 2	
Nason Street at Eucalyptus Avenue	EB	Construct one through lane	Phase 2	
Nason Street at Eucalyptus Avenue	WB	Construct one left turn lane	Phase 2	
Delphinium Avenue		Traffic Calming on Delphinium	Phase 2	
Lasselle Street at John F Kennedy Drive	EB	Construct one additional left turn lane (Including traffic signal modification to implement Split-Phase Signal Timing)	Phase 2	
Lasselle Street at John F Kennedy Drive	EB	Re-stripe lane configuration	Phase 2	
Lasselle Street at Gentian Avenue		Re-striping lane configuration / Signal Modification	Phase 2	
Clubhouse Drive at Cactus Avenue	I	Install traffic signal	Phase 2	
Clubhouse Drive at Cactus Avenue	NB	Construct one left turn lane	Phase 2	

Location	Direction	Improvement	Phase	Footnotes
Clubhouse Drive at Cactus Avenue	NB	Construct one shared through-right turn lane.	Phase 2	
Clubhouse Drive at Cactus Avenue	SB	Construct one left turn lane	Phase 2	
Clubhouse Drive at Cactus Avenue	SB	Construct one shared through-right turn lane.	Phase 2	
Clubhouse Drive at Cactus Avenue	EB	Construct one left turn lane	Phase 2	
Clubhouse Drive at Cactus Avenue	WB	Construct one left turn lane	Phase 2	
Cactus Ave from Lasselle to Nason	EB / WB	Widen to half-width (1 lane per direction)	Phase 2	

Location	Direction	Improvement	Phase	Footnotes
Nason St from Cottonwood to Dracaea	NB	Construct 1 NB lane	Phase 3	
Nason Street at Cottonwood Avenue	I	Modify traffic signal	Phase 3	
Nason Street at Delphinium Avenue	I	Modify traffic signal	Phase 3	
Nason Street at Cactus Avenue	I	Modify traffic signal	Phase 3	
Nason St from Delphinium to Cactus	SB	Construct 1 SB lane	Phase 3	
Nason St from Brodiaea to Alessandro	SB	Construct 1 SB lane	Phase 3	
Nason St from Alessandro to Cottonwood	NB / SB	Construct 1 lane per direction	Phase 3	
Cactus Ave from Nason to Oliver	WB	Construct 1 WB lane	Phase 3	

Location	Direction	Improvement	Phase	Footnotes
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Attachment: Final DA - AquaBella (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS PROVIDED FOR

Location	Direction	Improvement	Phase	Footnotes
Nason Street at Clubhouse Drive	I	Install traffic signal	Phase 4	
Nason Street at Clubhouse Drive	NB	Construct one left turn lane	Phase 4	
Nason Street at Clubhouse Drive	SB	Construct one left turn lane	Phase 4	
Nason St from Iris to Delphinium	NB / SB	Complete the remaining half-width (add 1 lane per direction)	Phase 4	
Cactus Ave from Lasselle to Nason	EB / WB	Complete the remaining half-width (add 1 lane per direction)	Phase 4	
Oliver St, project frontage	NB / SB	Widen to ultimate width	Phase 4	700' Project frontage only btw J.F.K and Iris

Location	Direction	Improvement	Phase	Footnotes
Morrison St from Brodiaea to Cactus	NB / SB	Construct half-ultimate plus 12 feet	Phase 5	
Morrison Street at Brodiaea Avenue	I	Install traffic signal	Phase 5	
Morrison Street at Cactus Avenue	I	Install traffic signal	Phase 5	
Oliver Street at Cactus Avenue	I	Modify Traffic Signal	Phase 5	
Oliver Street at Cactus Avenue	SB	Widen Oliver to ultimate width (ROW) w/ signing & striping	Phase 5	
Oliver Street at Iris Avenue	I	Modify traffic signal	Phase 5	
Oliver Street at Iris Avenue	SB	Construct one right turn lane	Phase 5	
Iris Ave from Lasselle to Camino Flores		Modification of Iris Median (\$70 per LF)	Phase 5	
Iris Avenue		Coordination of traffic signals on Iris (\$3500 per intersection)	Phase 5	
Lasselle Street		Coordination of traffic signals on Lasselle (\$3500 per intersection)	Phase 5	
Lasselle Street at Cactus Avenue	I	Modify Traffic Signal	Phase 5	Or concurrent with City Project
Lasselle Street at Cactus Avenue	NB	Construct one FREE right-turn lane	Phase 5	Or concurrent with City Project
Lasselle Street at Cactus Avenue	EB	Re-stripe lane configuration	Phase 5	Or concurrent with City Project
Lasselle Street at Cactus Avenue	WB	Construct one additional left turn lane	Phase 5	Or concurrent with City Project

Location	Direction	Improvement	Phase	Footnotes
Lasselle Street at Brodiaea Avenue	I	Install traffic signal	Phase 5	
Brodiaea Ave from Lasselle to Morrison	EB / WB	Construct half ultimate plus 12 feet (include power poles)	Phase 5	
Cactus Avenue at Apartment Access	I	Construct raised median to restrict left-turn in/out movements from apartment access	Phase 5	
Lasselle Street at Apartment Access	I	Construct raised median to restrict left-turn out movement from apartment access	Phase 5	
Nason Street at Bay Avenue	I	Install traffic signal	Phase 5	
Nason Street at Bay Avenue	NB	Widen westside/eastside Nason to ultimate width (ROW)	Phase 5	
Nason Street at Bay Avenue	SB	Widen westside/eastside Nason to ultimate width (ROW)	Phase 5	
Nason Street at Brodiaea Avenue	I	Install traffic signal	Phase 5	
Moreno Beach Drive at Cactus Avenue	I	Modify traffic signal	Phase 5	
Moreno Beach Drive at Cactus Avenue	NB	Construct one shared through-right turn lane.	Phase 5	
Moreno Beach Drive at Cactus Avenue	SB	Construct one shared through-right turn lane.	Phase 5	
Moreno Beach Drive at Cactus Avenue	EB	Construct one shared through-right turn lane.	Phase 5	
Moreno Beach Drive at Cactus Avenue	WB	Re-stripe shared left-through turn lane	Phase 5	
Moreno Beach Drive at Cactus Avenue	WB	Construct one through lane	Phase 5	
Moreno Beach Drive at Cactus Avenue	WB	Construct one shared through-right turn lane.	Phase 5	
Moreno Beach Drive at John F. Kennedy Drive	I	Modify traffic signal	Phase 5	
Moreno Beach Drive at John F. Kennedy Drive	WB	Widening & re-striping & signing for additional left-turn lane	Phase 5	
Cactus Avenue		Coordination of traffic signals on Cactus (\$3500 per intersection)	Phase 5	

Location	Direction	Improvement	Phase	Footnotes		
Nason St at SR-60 WB Ramps / Elder Ave	I	Participate in interchange improvements through payment of TUMF program fees	All			
Nason St at SR-60 EB Ramps	I	Participate in interchange improvements through payment of TUMF program fees	All			

[BALANCE OF PAGE INTENTIONALLY LEFT BLANK.]

END OF EXHIBIT "B"

Exhibit "C"

Acknowledgement of Termination

**HIGHLAND FAIRVIEW**

14225 Corporate Way
Moreno Valley, CA 92553
Tel: 951.867.5300

November 30, 2015

Mr. Richard Sandzimier
Planning Official
City of Moreno Valley
14177 Frederick Street
Moreno Valley, California 92553

SUBJECT: Aquabella Development Agreement

Dear Mr. Sandzimier,

Pursuant to the provisions of the Aquabella Development Agreement, Highland Fairview hereby requests that the Agreement be extended for an additional five years.

Residential market conditions are not yet suitable for upscale senior housing as proposed for the Aquabella community. We will continue to monitor market conditions to watch for improvements that will enable the development of the Aquabella community to resume.

If you have any questions, please contact me at your convenience.

Sincerely,

Iddo Benzeevi
President and CEO

**FIRST EXTENSION OF TIME TO THAT CERTAIN DEVELOPMENT AGREEMENT BY
AND BETWEEN THE CITY OF MORENO VALLEY AND MORENO VALLEY
PROPERTIES, LP, RELATIVE TO THE DEVELOPMENT KNOWN AS SPECIFIC
PLAN 218 AND EXTENSIONS THERETO DATED JANUARY 12, 2006**

January 5, 2016

THIS FIRST EXTENSION OF TIME TO THAT CERTAIN DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF MORENO VALLEY AND MORENO VALLEY PROPERTIES, LP, RELATIVE TO THE DEVELOPMENT KNOWN AS SPECIFIC PLAN 218 (AQUABELLA) is made and entered into this 5th day of January 2016, by and between (i) the CITY OF MORENO VALLEY, a municipal corporation organized and existing under the laws of the State of California (the City), and (ii) MORENO VALLEY PROPERTIES LP, a Delaware limited partnership (the “Master Developer”), pursuant to the authority of Sections 65864 through 65869.5 of the California Government Code. City and Master Developer may be referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

A. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the legislature of the State of California adopted Section 65864 et seq. of the California Government Code, which authorizes a city to enter into a development agreement with any person or entity having a legal or equitable interest in real property, providing for the development of such property and establishing certain reciprocal rights and obligations related to such development. To implement the above-described State laws, the City adopted Section 9.02.110 of the Moreno Valley Municipal Code, establishing procedures and requirements for considering and approving development agreements. The terms of the Agreement in Section 2.3 provide for the extension of time.

B. Section 2.3.2 of the Agreement dated January 12, 2006, states the ten-year Normal Term of this Agreement may be extended three times. Each extension shall be separately considered by the City according to the provisions in this Agreement. Each extension shall be for a maximum of five (5) years. An extension of the Term of this Agreement shall be upon the same terms and conditions contained in this Agreement and any modifications thereto.

C. The Extension of Time action is considered ministerial and is Exempt from the California Environmental Quality Act (CEQA) in Section 15061 (b) (3) as there is no possibility that this action could have a significant effect on the environment and all mitigation as set forth in the Environmental Impact Report (EIR) remain in effect.

D. All other provisions of the Agreement shall remain in force and in effect with respect to the Property and unaltered by this Extension of Term.

IN WITNESS WHEREOF, the Parties have executed this Agreement, to be effective as of the date set forth in the first paragraph hereof.

“MASTER DEVELOPER

“CITY”

MORENO VALLEY PROPERTIES, LLC.

CITY OF MORENO VALLEY

A California limited liability company

a municipal corporation

By: _____

By: _____

Iddo Benzeevi, President

_____, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM

City Attorney

Attachment: Extension of Term Agreement (1842 : EXTENSION OF THE AQUABELLA DEVELOPMENT AGREEMENT FOR FIVE YEARS AS



Report to City Council

TO: Mayor and City Council

FROM: Jane Halstead, City Clerk

AGENDA DATE: January 5, 2016

TITLE: 2016 CITY COUNCIL COMMITTEE PARTICIPATION APPOINTMENTS

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Appoint Mayor Pro Tem Jeffrey J. Giba to serve as the City of Moreno Valley's representative on the March Joint Powers Commission (MJPC).
2. Appoint **Mayor Dr. Yxstian A. Gutierrez** ~~Council Member George E. Price~~ to serve as the City of Moreno Valley's representative on the March Joint Powers Commission (MJPC).
3. Appoint **Council Member Jesse L. Molina** ~~Mayor Dr. Yxstian A. Gutierrez~~ to serve as the City of Moreno Valley's alternate representative on the March Joint Powers Commission (MJPC).
4. Appoint Council Member George E. Price to serve as the City of Moreno Valley's representative on the Riverside County Habitat Conservation Agency (RCHCA).
5. Appoint Council Member D. LaDonna Jempson to serve as the City of Moreno Valley's alternate representative on the Riverside County Habitat Conservation Agency (RCHCA).
6. Appoint Mayor Dr. Yxstian A. Gutierrez to serve as the City of Moreno Valley's representative on the Riverside County Transportation Commission (RCTC).
7. Appoint Council Member Jesse L. Molina to serve as the City of Moreno Valley's alternate representative on the Riverside County Transportation Commission (RCTC).

8. Appoint Council Member Jesse L. Molina to serve as the City of Moreno Valley's representative on the Riverside Transit Agency (RTA).
9. Appoint Council Member D. LaDonna Jempson to serve as the City of Moreno Valley's alternate representative on the Riverside Transit Agency (RTA).
10. Appoint Mayor Pro Tem Jeffrey J. Giba to serve as the City of Moreno Valley's representative on the Western Riverside Council of Governments (WRCOG).
11. Appoint Council Member Jesse L. Molina to serve as the City of Moreno Valley's alternate representative on the Western Riverside Council of Governments (WRCOG).
12. Appoint Council Member D. LaDonna Jempson to serve as the City of Moreno Valley's representative on the Western Riverside County Regional Conservation Authority (RCA).
13. Appoint Council Member George E. Price serve as the City of Moreno Valley's alternate representative on the Western Riverside County Regional Conservation Authority (RCA).
14. Approve the appointments to the remaining various committees and regional bodies, as noted on the 2016 Council Committee Participation – Mayor's Recommendations list.

SUMMARY

Mayor Dr. Gutierrez compiled the 2016 Council Committee Participation list following a review of the council members' preference and council members' availability.

It was determined it would be appropriate for the City Council to make a separate motion for each agency that pays a stipend.

NOTIFICATION

Publication of the Agenda

PREPARATION OF STAFF REPORT

Prepared By:
Gina Gonzalez
Executive Assistant to the Mayor/City Council

Department Head Approval:
Jane Halstead
City Clerk

CITY COUNCIL GOALS

None

ATTACHMENTS

- 1. 2016 Meeting Schedule
- 2. 2016 Council Committee Participation - Mayor's Recommendations List

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/21/15 2:58 PM
City Attorney Approval	<u>✓ Approved</u>	12/21/15 3:03 PM
City Manager Approval	<u>✓ Approved</u>	12/22/15 1:32 PM

2016 MEETING SCHEDULE						
Appointing Authority	Committee	Meeting Time	Meeting Schedule	Meeting Location	Meeting Address	Stipend
CITY ADVISORY BOARDS/COMMISSIONS						
Mayor	Arts Commission	6:30 p.m.	4th Wed. of each month	Conference and Rec Center	14075 Frederick Street Moreno Valley	N/A
Mayor	Environmental and Historical Preservation Board	7:00 p.m.	2nd Mon. of each odd numbered month	Council Chamber	14177 Frederick Street Moreno Valley	N/A
Mayor	Emerging Leaders	6:00 p.m.	4th Mon. of each month	Council Chamber	14177 Frederick Street Moreno Valley	N/A
Mayor	Library Commission	7:00 p.m.	3rd Thurs. of each month	Library	25048 Alessandro Blvd. Moreno Valley	N/A
Mayor	Parks and Recreation Commission	6:00 p.m.	2nd Thurs. of each odd-numbered month	Conference and Rec Center	14075 Frederick Street Moreno Valley	N/A
Mayor	Recreational Trails Board	5:00 p.m.	4th Wed. of each odd numbered month	Conference and Rec Center	14075 Frederick Street Moreno Valley	N/A
Mayor	Senior Citizens' Board	3:00 p.m.	3rd Mon. of each month	Senior Community Center	25075 Fir Avenue Moreno Valley	N/A
Mayor	Traffic Safety Commission	6:00 p.m.	1st Wed. of each month	Council Chamber	14177 Frederick Street Moreno Valley	N/A
Mayor	Utilities Commission	6:00 p.m.	3rd Fri. of each month	Council Chamber	14177 Frederick Street Moreno Valley	N/A
COUNCIL SUBCOMMITTEES						
Mayor	Economic Development Subcommittee	3:30 p.m.	2nd Thurs. of each month	Training Room	14177 Frederick Street	N/A
Mayor	Finance Subcommittee	9:00 a.m.	Monday - 3 weeks prior to City Council Meeting	Training Room	14177 Frederick Street	N/A
Mayor	Public Safety Subcommittee	3:30 p.m.	3rd Wed. of each month	Training Room	14177 Frederick Street	N/A
INTER-AGENCIES						
Mayor	<i>League of California Cities (LCC) Riverside County Division</i>	6:00 p.m. meeti 5:30 reception	2nd Mon. of odd numbered month	Varies	Varies	N/A
Mayor	<i>Riverside County Habitat Conservation Agency (RCHCA)</i>	10:00 a.m.	3rd Thurs. Feb, May, June, Sept, Nov	County Admin Center	4080 Lemon St., 1st Floor Board Chamber, Riverside	\$100 per meeting
Mayor	<i>Western Riverside County Regional Conservation Authority (RCA)</i>	12:30 p.m.	1st Mon. of each month	County Admin Center	4080 Lemon St., 1st Floor Board Chamber, Riverside	\$100 per meeting Mileage @ IRS rate
Mayor	<i>School Districts/City Joint Task Force</i>	3:30 p.m.	About every six weeks dates tbd	Conference and Rec Center	14075 Frederick Street Moreno Valley	N/A
Mayor	<i>March Joint Powers Commission (MJPC)</i>	8:30 a.m. 8:30 a.m.	3rd Wed. of each month 1st Wed. of each month Study Session	JPA Conference Center JPA Conference Center	23533 Meyer Drive, Riverside 23533 Meyer Drive, Riverside	\$100 per meeting \$100 per meeting
Mayor	<i>Riverside Transit Agency (RTA)</i>	2:00 p.m.	4th Thurs. of each month	County Admin Center	4080 Lemon St., 1st Floor Board Chamber, Riverside	\$150 per day \$600 cap per month
RTA	RTA Operations Committee	1:00 p.m.	1st Wed. of each month	RTA Office	1825 3rd Street, Riverside	\$150 per day \$600 cap per month
RTA	RTA Transportation NOW (T-NOW)	11:30 a.m.	3rd Thurs. of each month	MV-Council Chamber Perris-Council Chamber	14177 Frederick Street 101 N. D Street	\$150 per day \$600 cap per month

Attachment: 2016 Meeting Schedule (1831 : 2016 CITY COUNCIL COMMITTEE PARTICIPATION

2016 MEETING SCHEDULE						
Appointing Authority	Committee	Meeting Time	Meeting Schedule	Meeting Location	Meeting Address	Stipend
INTER-AGENCIES (cont.)						
Mayor	<i>Riverside County Transportation Commission (RCTC)</i>	9:30 a.m.	2nd Wed. of each month	County Admin Center	4080 Lemon St., 1st Floor Board Chambers, Riverside	\$100 per day, 4 days a month max
RCTC	Mid County Parkway		as needed basis	County Admin Center	4080 Lemon St., 3rd Floor Riverside	\$100 per day, 4 days a month max
RCTC	RCTC Programs and Projects	1:30 p.m.	4th Mon. of each month	County Admin Center	4080 Lemon St., 1st Floor, Board Chambers, Riverside	\$100 per day, 4 days a month max
RCTC	San Jacinto Branch Line		as needed basis	County Admin Center	4080 Lemon St., 3rd Floor Riverside	\$100 per day, 4 days a month max
RCTC	State Route 91 Corridor Improvement Project Property		as needed basis	County Admin Center	4080 Lemon St., 3rd Floor Riverside	\$100 per day, 4 days a month max
Mayor	<i>Western Riverside Council of Governments Executive Committee (WRCOG)</i>	2:00 p.m.	1st Mon. of each month	County Admin Center	4080 Lemon Street, 1st Floor Board Chambers, Riverside	\$150 per meeting
WRCOG	Administration & Finance Subcommittee	12:00 p.m.	2nd Wed. of each month	County Admin Center	4080 Lemon St., 4th Floor, Conf. Room A, Riverside	\$150 per meeting
WRCOG	SCAG Regional Council	12:15 p.m.	1st Mon. of each month	SCAG Offices	818 West 7th St., L.A.	\$120 per meeting

**MAYOR'S RECOMMENDATION
2016 COUNCIL COMMITTEE PARTICIPATION**

CITY COUNCIL ADVISORY COMMISSIONS/ BOARDS:	Primary	Alternate
Arts Commission	Jempson	Gutierrez
Emerging Leaders Council	Gutierrez	Molina
Environmental and Historical Preservation Board	Jempson	Price
Library Commission	Gutierrez	Molina
Parks & Recreation Commission	Price	Jempson
Recreational Trails Board	Giba	Price
Senior Citizens' Board	Molina	Giba
Traffic Safety Commission	Jempson	Price
Utilities Commission	Giba	Price

CITY COUNCIL SUBCOMMITTEES:		
Economic Development Subcommittee <i>Appoint 2 Primary</i>	Giba Gutierrez	Molina
Finance Subcommittee <i>Appoint 2 Primary</i>	Giba Gutierrez	Price
Public Safety Subcommittee <i>Appoint 2 Primary</i>	Price Jempson	Giba

INTER-AGENCY:		
March Joint Powers Commission (JPC) <i>Appoint 2 Primary</i>	Giba/Gutierrez	Molina
School Districts/City Joint Task Force <i>Appoint 2 Primary</i>	Giba Jempson	Gutierrez
Riverside County Habitat Conservation Agency (RCHCA)	Price	Jempson
Riverside County Transportation Commission (RCTC)	Gutierrez	Molina
Riverside Transit Agency (RTA)	Molina	Jempson
Western Riverside Council of Governments (WRCOG)	Giba	Molina
Western Riverside County Regional Conservation Authority (RCA)	Jempson	Price



Report to City Council

TO: Mayor and City Council

FROM: Marshall Eyerman, Interim Chief Financial Officer

AGENDA DATE: January 5, 2016

TITLE: FISCAL YEAR 2015/16 FIRST QUARTER BUDGET REVIEW AND APPROVAL OF THE REVISED BUDGET (CONTINUED ITEMS)

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Approve the new position of Animal Rescue Coordinator; reclassification of two existing positions to Assistant City Attorney and Paralegal, and the associated job classifications.
2. Approve the Position Control Roster. Specific position changes are discussed within this staff report and listed on the Position Control Roster.
3. Approve and ratify purchase orders totaling \$180,325 with Moss Bros. Auto Group for the purchase of six replacement vehicles.

SUMMARY

On December 1, 2015, the First Quarter Budget Review was presented to City Council. At the request of City Council, the ratification of vehicle purchases, the position control roster and new job classifications were taken back to the Finance Sub-Committee and Public Safety Sub-Committee for additional discussion.

This report requests the approval of certain FY 2015/16 revenue and expenditure appropriations and requests position control adjustments in the way of reclassifications to two existing positions and one new job classification.

These items were presented to the Finance Subcommittee on November 23rd and December 14th for review and discussion. The Animal Rescue Coordinator position was

also presented at the Public Safety Sub-Committee for discussion on December 16th. The Sub-Committees have reconsidered the recommended actions and recommend the actions for approval by City Council.

DISCUSSION

On December 1, 2015, the City Council was provided with the FY 2015/16 First Quarter Review for the first three months of FY 2015/16, July through September. Certain items related to the position control roster and vehicle purchases were continued for further discussions by the appropriate Sub-Committees before being brought back to the City Council. The Sub-Committees recommend the actions for approval by City Council.

Position Control Actions

The Position Control Roster as amended by the City Council serves as an important internal control tool for the City Council to establish authorized positions for the City while enabling staff to manage within the authorized and funded approved positions. Position Control addresses career authorized positions and does not include temporary positions. As a result of operational changes, some positions are being requested to be adjusted based on current and projected demands for those positions.

As a follow up to the September 15, 2015 Study Session on the Animal Control Division, the Administrative Services Department is requesting an Animal Rescue Coordinator position. The position will enhance the Animal Services Division's ability to promote a greater number of positive outcomes for homeless pets thereby further reducing the shelter's euthanasia rate. This position will be dedicated to work closely with 501(c)3 non-profit animal rescue organizations and individuals both locally and nationally to facilitate the adoption of homeless pets. The total cost of the new position is approximately \$58,000 annually. This includes both salary and benefits [Class C11: salary range \$34,505.95 - \$48,582.14]

The proposed job classification for Animal Rescue Coordinator initially presented to the City Council in December erroneously included a requirement to "perform euthanasia as needed." That has been removed from the corrected job description (attached).

The Legal Secretary position in the City Attorney's Office is classified to provide administrative support functions to the City Attorney's Office. Over time, and with changes to the City Attorney's Office structure, this position has been relied on to perform more analytical and paralegal functions. Current operational needs in the City Attorney's Office include the continued need to have a position classified to perform Paralegal functions, including research, legal drafting, case management and analysis. The reclassification of the position from Legal Secretary to Paralegal allows the office to meet operational needs without paying for additional attorney time. Administrative support functions will continue to be provided by the office's Executive Assistant position. [Grade C20: salary range \$53,529.84 - \$75,366.93]

Similarly, changes in the office structure over the past few years have resulted in the necessity to have an attorney classification capable of supervising and evaluating the City Attorney Department’s staff, planning and managing the City Attorney’s Department budget, developing, managing, monitoring and reviewing the City Attorney’s Departments goals and policies, coordinating with outside legal counsel, paying and processing the City Attorney’s Departments invoices. The reclassification of the current Deputy City Attorney III position to Assistant City Attorney will allow for these increased responsibilities not covered by the Deputy City Attorney III classification and continue to provide support directly to the City Attorney. [Grade C37: salary range \$141,296.27 - \$198,935.98]

The costs for the reclassification of positions in the City Attorney’s Office shall be offset with a reduction to contractual services.

The following table provides a summary of all position changes:

<u>Department / Position Title</u>		<u>FY 2015/16 Adj.</u>	<u>Budget Impacts</u>
<u>Administrative Services</u>			
Animal Rescue Coordinator	FT	1	\$58,000
<u>City Attorney</u>			
Assistant City Attorney	FT	1	**
Deputy City Attorney III	FT	(1)	
Paralegal	FT	1	**
Legal Secretary	FT	(1)	

** Additional cost shall be absorbed within the current budget.

Vehicle Purchases

The City Council discussed the City’s vehicle replacement policy and practice during the FY 2015/16 two-year budget review. As discussed in the budget process, staff outlined a pilot program for “Good Quality” pre-owned vehicles to maximize value for taxpayer dollars. This program will allow the City to capture the value of initial depreciation over the first 1-2 years, while acquiring low-mileage units with the remaining factory warranty, verified history with Carfax and safety inspection. To maximize maintenance efficiencies, staff examined vehicle options that would allow the City to standardize a vehicle brand for each type: sedan, small truck, and medium/heavy duty truck. Due to reliability, consumer reviews, cost effectiveness and availability of two Certified Dodge Master Mechanics on staff, the Dodge brand was selected to replace aging units in the City’s vehicle fleet. Based on the City Council’s review, staff is proposing a modification to the procurement policy to effectuate this concept.

Following budget approval, staff moved forward to make the initial vehicle purchases under this program. To retain sales tax dollars within our City, staff contacted the local Dodge dealer and negotiated a pricing structure of \$500 over invoice. Additional costs for safety inspection, Carfax history, delivery, DMV, detailing and extra keys were also negotiated on a flat-rate basis.

Six units have been purchased totaling \$180,000. The total cost for low mileage pre-owned units provides the City with an overall savings of just over 30% (equating to nearly \$80,000 on the initial six-vehicle purchase).

Based upon the savings garnered from the initial six-vehicle purchase, staff believes that the Council’s approval of this program in the adopted budget has already generated significant value for the City of Moreno Valley. Based on City Council direction, staff will continue to examine the potential of various alternative purchasing options and will continue to move forward with all appropriate fiscal controls and full disclosures. The used vehicle pilot program will be further examined along with other fleet purchasing options with the Finance Sub-Committee before any future purchases may occur.

ALTERNATIVES

1. Recommend approval of the proposed position control roster, job classifications, budget adjustments related to the position changes and ratification of the prior vehicle purchases. The approval of these items will allow the City to modify budgets and operations as necessary. *Staff recommends this alternative.*

2. Do not recommend approval of the proposed position control roster, job classifications, budget adjustments related to the position changes and ratification of the prior vehicle purchases. *Staff does not recommend this alternative.*

FISCAL IMPACT

The City’s Operating Budgets provide the funding and expenditure plan for all funds. As such, they serve as the City’s financial plan for the fiscal year. The fiscal impacts for the proposed budget amendments are as follows:

Description	Fund	GL Account No.	Type (Rev/Exp)	FY 2015/16 Proposed Adjustment	FY 2016/17 Proposed Adjustment
Animal Control	Gen. Fund	1010-18-38-18210-611110	Exp	\$38,043	\$39,945
Animal Control	Gen. Fund	1010-18-38-18210-612120	Exp	19,782	20,771
City Attorney	Gen. Fund	1010-14-10-14010-620230	Exp	(20,000)	(21,000)
City Attorney	Gen. Fund	1010-14-10-14010-611110	Exp	20,000	21,000

COMMITTEES

The proposed positions and budget amendments were presented to the Finance Sub-Committee on November 23 and December 14 for discussion and direction. The

proposed Animal Control position and budget amendment was presented to the Public Safety Sub-Committee on December 16 for discussion and direction. The Sub-Committees have reconsidered the recommended actions and recommend the actions for approval by City Council.

NOTIFICATION

Publication of the agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Marshall Eyerman
Financial Resources Division Manager

Department Head Approval:
Marshall Eyerman
Interim Chief Financial Officer

CITY COUNCIL GOALS

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

ATTACHMENTS

- 1. Position Control Roster
- 2. Animal Rescue Coordinator
- 3. Asst City Attorney
- 4. Paralegal

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/23/15 10:33 AM
City Attorney Approval	<u>✓ Approved</u>	12/21/15 4:14 PM
City Manager Approval	<u>✓ Approved</u>	12/23/15 1:32 PM

City of Moreno Valley
FY 2015/16 - 2016/17
City Position Summary

Position Title	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY
	2010/11 No.	2011/12 No.	2012/13 No.	2013/14 No.	2014/15 Adj.	2014/15 No.	2015/16 Adj.	2015/16 No.	2016/17 Adj.	2016/17 No.
Accountant I	2	2	2	2	-	2	(1)	1	-	1
Accountant II	-	-	-	-	1	1	-	1	-	1
Accounting Asst	5	3	3	3	-	3	-	3	-	3
Accounting Technician	4	4	4	3	-	3	(1)	2	-	2
Accounts Payable Supervisor	1	1	1	1	-	1	-	1	-	1
Administrative Asst	5	5	5	8	(1)	7	-	7	-	7
Administrative Services Dir	1	1	1	1	-	1	-	1	-	1
After School Prog Coordinator	4	-	-	-	-	-	-	-	-	-
After School Prog Specialist	8	-	-	-	-	-	-	-	-	-
After School Prog Supervisor	1	-	-	-	-	-	-	-	-	-
Animal Care Technician	4	4	4	4	-	4	1	5	-	5
Animal Control Officer	7	7	7	7	-	7	-	7	-	7
Animal Rescue Coordinator	-	-	-	-	-	-	1	1	-	1
Animal Services Asst	2	2	2	2	-	2	2	4	-	4
Animal Svcs Dispatcher	2	1	1	2	-	2	(1)	1	-	1
Animal Svcs Division Manager	1	1	1	1	-	1	-	1	-	1
Animal Svcs Field Supervisor	1	1	1	1	-	1	-	1	-	1
Animal Svcs License Inspector	1	1	1	1	-	1	-	1	-	1
Animal Svcs Office Supervisor	1	1	1	1	-	1	-	1	-	1
Applications & DB Admin	1	1	1	1	-	1	-	1	-	1
Applications Analyst	1	1	1	1	-	1	-	1	-	1
Assistant City Attorney	-	-	-	-	-	-	1	1	-	1
Assistant City Clerk	-	-	-	-	-	-	-	-	-	-
Assoc Environmental Engineer	1	1	1	1	-	1	-	1	-	1
Associate Engineer	6	5	5	5	-	5	(1)	4	-	4
Associate Planner	4	4	4	4	-	4	-	4	-	4
Asst Buyer	2	2	2	2	-	2	-	2	-	2
Asst City Manager	1	1	1	1	-	1	-	1	-	1
Asst Crossing Guard Spvr	1	1	1	1	-	1	-	1	-	1
Asst Network Administrator	1	1	1	1	-	1	-	1	-	1
Asst to the City Manager	1	1	1	1	-	1	(1)	-	-	-
Asst. Applications Analyst	-	-	-	-	-	-	-	-	-	-
Banquet Facility Rep	1	1	1	1	-	1	-	1	-	1
Budget Officer	1	-	1	-	-	-	-	-	-	-
Building & Neighborhood Services Div Mgr	-	-	-	1	-	1	(1)	-	-	-
Building Safety Supervisor	-	-	-	-	-	-	1	1	-	1
Building Div Mgr / Official	1	1	1	-	-	-	-	-	-	-
Building Inspector I I	4	4	4	4	-	4	-	4	-	4
Business License Liaison	-	-	-	-	-	-	1	1	-	1
Bus. Support & Neigh Prog Admin	1	1	1	-	-	-	-	-	-	-
Cable TV Producer	2	2	2	2	-	2	-	2	-	2
Chief Financial Officer/City Treas	1	1	1	1	-	1	-	1	-	1
Child Care Asst	5	5	5	4	-	4	-	4	-	4
Child Care Instructor I I	5	5	5	4	-	4	-	4	-	4
Child Care Program Manager	1	1	1	1	-	1	-	1	-	1
Child Care Site Supervisor	5	5	5	4	-	4	-	4	-	4
City Attorney	1	1	1	1	-	1	-	1	-	1
City Clerk	1	1	1	1	-	1	-	1	-	1
City Manager	1	1	1	1	-	1	-	1	-	1
Code & Neigh Svcs Official	1	1	1	-	-	-	-	-	-	-
Code Compliance Field Sup.	-	-	-	1	-	1	-	1	-	1
Code Compliance Officer I/I I	5	5	5	6	-	6	-	6	-	6
Code Supervisor	-	-	-	-	-	-	-	-	-	-
Comm & Economic Dev Director	1	1	1	1	(1)	-	-	-	-	-
Community Dev Director	1	-	-	-	1	1	-	1	-	1
Community Svcs Supervisor	1	1	1	1	-	1	-	1	-	1
Construction Inspector	4	5	5	5	-	5	-	5	-	5
Crossing Guard	35	35	35	35	-	35	-	35	-	35
Crossing Guard Supervisor	1	1	1	1	-	1	-	1	-	1

Attachment: Position Control Roster (1848 : FISCAL YEAR 2015/16 FIRST QUARTER BUDGET REVIEW AND APPROVAL OF THE REVISED

City of Moreno Valley
 FY 2015/16 - 2016/17
 City Position Summary

Position Title	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY
	2010/11 No.	2011/12 No.	2012/13 No.	2013/14 No.	2014/15 Adj.	2014/15 No.	2015/16 Adj.	2015/16 No.	2016/17 Adj.	2016/17 No.
Customer Service Asst	1	1	1	-	-	-	-	-	-	-
Dep PW Dir /Asst City Engineer	1	1	1	1	-	1	-	1	-	1
Deputy City Attorney I I I	2	2	2	-	1	1	(1)	-	-	-
Deputy City Clerk	1	1	1	1	-	1	-	1	-	1
Deputy City Manager	-	-	-	-	-	-	-	-	-	-
Dep. Comm & Economic Dev Director	-	-	-	-	-	-	-	-	-	-
Development Svcs Coordinator	1	1	-	-	-	-	-	-	-	-
Economic Dev Director	-	-	-	-	1	1	-	1	-	1
Economic Dev Mgr	-	-	-	-	-	-	1	1	-	1
Electric Utility Division Mgr	1	1	1	1	-	1	-	1	-	1
Electric Utility Program Coord	1	1	1	1	-	1	-	1	-	1
Emerg Mgmt & Vol Svc Prog Spec	2	1	1	1	-	1	-	1	-	1
Emerg Mgmt & Vol Svcs Prog Mgr	1	1	1	1	-	1	-	1	-	1
Engineering Division Manager	1	1	1	1	-	1	-	1	-	1
Engineering Technician I I	1	1	1	1	-	1	-	1	-	1
Enterprise Systems Admin	1	1	1	1	-	1	-	1	-	1
Environmental Analyst	1	1	1	1	-	1	-	1	-	1
Equipment Operator	4	4	4	4	-	4	-	4	-	4
Exec Asst to Mayor / City Council	1	1	1	1	-	1	-	1	-	1
Exec. Assistant to the City Manager	-	-	-	-	-	-	-	-	-	-
Executive Asst I	7	7	9	9	-	9	(1)	8	-	8
Executive Asst I I	1	1	1	1	-	1	-	1	-	1
Facilities Maint Mechanic	1	1	1	1	-	1	-	1	-	1
Facilities Maint Worker	3	3	3	3	(1)	2	1	3	-	3
Facilities Maintenance Spvr	1	-	-	-	-	-	-	-	-	-
Financial Analyst	-	-	-	-	-	-	1	1	-	1
Financial Operations Div Mgr	1	1	1	1	-	1	-	1	-	1
Financial Resources Div Mgr	-	-	-	1	-	1	-	1	-	1
Fire Inspector I	-	-	-	2	-	2	(2)	-	-	-
Fire Inspector I I	2	2	2	2	(1)	1	(1)	-	-	-
Fire Marshall	1	1	1	1	(1)	-	-	-	-	-
Fire Safety Specialist	1	1	1	2	(1)	1	(1)	-	-	-
Fleet Supervisor	-	-	-	-	-	-	1	1	-	1
GIS Administrator	1	1	1	1	(1)	-	-	-	-	-
GIS Specialist	1	1	1	1	-	1	-	1	-	1
GIS Technician	1	1	-	-	1	1	-	1	-	1
Housing Program Coordinator	1	1	1	1	-	1	-	1	-	1
Housing Program Specialist	3	3	3	-	-	-	-	-	-	-
Human Resources Analyst	1	1	1	1	-	1	-	1	-	1
Human Resources Technician	2	1	-	-	-	-	-	-	-	-
Info Technology Technician	2	2	2	2	-	2	-	2	-	2
Landscape Development Coord	1	1	-	-	-	-	-	-	-	-
Landscape Irrigation Tech	1	1	1	1	-	1	-	1	-	1
Landscape Svcs Inspector	7	5	3	2	-	2	-	2	-	2
Landscape Svcs Supervisor	-	-	-	-	1	1	-	1	-	1
Lead Animal Care Technician	1	1	1	1	-	1	-	1	-	1
Lead Facilities Maint Worker	-	-	-	-	1	1	-	1	-	1
Lead Maintenance Worker	3	3	3	3	-	3	1	4	-	4
Lead Parks Maint Worker	5	5	5	5	-	5	1	6	-	6
Lead Traffic Sign/Marking Tech	2	2	2	2	-	2	-	2	-	2
Lead Vehicle / Equip Tech	1	1	1	1	-	1	(1)	-	-	-
Legal Secretary	1	1	1	1	-	1	(1)	-	-	-
Lib Serv Div Mgr	1	1	1	-	-	-	-	-	-	-
Librarian	4	4	4	-	-	-	-	-	-	-
Library Asst	13	13	13	-	-	-	-	-	-	-
Library Circulation Supervisor	1	1	1	-	-	-	-	-	-	-
Maint & Operations Div Mgr	1	1	1	1	-	1	-	1	-	1
Maintenance Worker I	-	-	-	7	(7)	-	-	-	-	-
Maintenance Worker II	1	1	1	1	(1)	-	-	-	-	-

Attachment: Position Control Roster (1848 : FISCAL YEAR 2015/16 FIRST QUARTER BUDGET REVIEW AND APPROVAL OF THE REVISED

City of Moreno Valley
 FY 2015/16 - 2016/17
 City Position Summary

Position Title	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY
	2010/11	2011/12	2012/13	2013/14	2014/15	2014/15	2015/16	2015/16	2016/17	2016/17
	No.	No.	No.	No.	Adj.	No.	Adj.	No.	Adj.	No.
Maintenance Worker I/II	12	12	12	12	6	18	-	18	-	18
Management Aide	-	-	-	-	1	1	1	2	-	2
Management Analyst	11	11	14	12	(1)	11	(1)	10	-	10
Management Asst	3	3	3	4	1	5	(1)	4	-	4
Media & Production Supervisor	1	1	1	1	-	1	-	1	-	1
Network Administrator	1	1	1	1	-	1	-	1	-	1
Office Asst	1	1	1	1	(1)	-	-	-	-	-
Paralegal	-	-	-	-	-	-	1	1	-	1
Park Ranger	3	3	3	3	-	3	-	3	-	3
Parking Control Officer	2	2	2	2	-	2	-	2	-	2
Parks & Comm Svcs Director	1	1	1	1	-	1	-	1	-	1
Parks & Comm Svcs Div Mgr	-	-	1	1	-	1	-	1	-	1
Parks Maint Division Manager	1	1	-	-	-	-	-	-	-	-
Parks Maint Supervisor	2	2	2	2	-	2	-	2	-	2
Parks Maint Worker	13	13	13	13	-	13	(1)	12	-	12
Parks Projects Coordinator	1	1	1	1	-	1	-	1	-	1
Payroll Supervisor	1	1	1	1	-	1	-	1	-	1
Permit Technician	6	6	6	5	-	5	-	5	-	5
Planning Commissioner	7	7	7	7	-	7	-	7	-	7
Planning Div Mgr / Official	1	1	1	1	-	1	-	1	-	1
Principal Accountant	1	1	1	1	-	1	-	1	-	1
Purch & Facilities Div Mgr	1	1	1	1	-	1	-	1	-	1
PW Director / City Engineer	1	1	1	1	-	1	-	1	-	1
PW Program Manager	-	-	-	-	-	-	-	-	-	-
Recreation Program Coord	2	2	1	1	-	1	1	2	-	2
Recreation Program Leader	7	7	7	7	-	7	-	7	-	7
Recreation Supervisor	-	-	1	1	-	1	(1)	-	-	-
Recycling Specialist	-	-	-	1	-	1	-	1	-	1
Resource Analyst	-	-	-	-	-	-	-	-	-	-
Risk Division Manager	1	1	-	-	-	-	-	-	-	-
Security Guard	3	2	2	2	-	2	-	2	-	2
Spec Dist Budg & Accting Spvr	1	-	-	-	-	-	-	-	-	-
Spec Districts Div Mgr	1	1	1	1	-	1	-	1	-	1
Special Districts Prog Mgr	1	1	1	1	-	1	(1)	-	-	-
Sr Accountant	1	1	1	1	-	1	1	2	-	2
Sr Administrative Asst	19	14	16	14	3	17	1	18	-	18
Sr Applications Analyst	-	-	-	-	1	1	-	1	-	1
Sr Citizens Center Coord	1	1	1	1	-	1	-	1	-	1
Sr Code Compliance Officer	1	-	-	-	-	-	-	-	-	-
Sr Customer Service Asst	3	3	3	3	-	3	-	3	-	3
Sr Deputy Clerk	-	-	-	-	-	-	-	-	-	-
Sr Electrical Engineer	1	1	1	1	-	1	-	1	-	1
Sr Engineer, P.E.	11	9	9	9	-	9	(2)	7	-	7
Sr Engineering Technician	1	1	1	1	-	1	-	1	-	1
Sr Equipment Operator	1	1	1	1	-	1	-	1	-	1
Sr Financial Analyst	2	2	2	2	(1)	1	(1)	-	-	-
Sr GIS Analyst	1	1	1	1	-	1	-	1	-	1
Sr Graphics Designer	1	1	1	1	-	1	-	1	-	1
Sr Human Resources Analyst	1	1	1	1	-	1	-	1	-	1
Sr IT Technician	-	-	-	-	-	-	-	-	-	-
Sr Landscape Svcs Inspector	1	1	1	1	(1)	-	-	-	-	-
Sr Management Analyst	2	2	2	2	1	3	1	4	-	4
Sr Office Asst	6	5	5	4	(1)	3	-	3	-	3
Sr Park Ranger	1	-	-	-	-	-	-	-	-	-
Sr Parking Control Officer	1	1	1	1	-	1	-	1	-	1
Sr Parks Maint Technician	1	1	2	2	-	2	-	2	-	2
Sr Payroll Technician	1	1	1	1	-	1	-	1	-	1
Sr Permit Technician	2	2	2	2	-	2	-	2	-	2
Sr Planner	2	2	2	2	-	2	-	2	-	2

Attachment: Position Control Roster (1848 : FISCAL YEAR 2015/16 FIRST QUARTER BUDGET REVIEW AND APPROVAL OF THE REVISED

City of Moreno Valley
 FY 2015/16 - 2016/17
 City Position Summary

Position Title	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY
	2010/11	2011/12	2012/13	2013/14	2014/15	2014/15	2015/16	2015/16	2016/17	2016/17
	No.	No.	No.	No.	Adj.	No.	Adj.	No.	Adj.	No.
Sr Recreation Program Leader	2	2	2	2	-	2	-	2	-	2
Sr Telecomm Technician	1	1	1	1	-	1	-	1	-	1
Sr Traffic Engineer	1	1	1	1	-	1	(1)	-	-	-
Sr Traffic Signal Technician	1	1	1	1	-	1	-	1	-	1
Storekeeper	1	1	1	1	-	1	-	1	-	1
Storm Water Prog Mgr	1	1	1	1	-	1	-	1	-	1
Street Maintenance Supervisor	2	2	2	2	-	2	-	2	-	2
Sustainability & Intergovernmental Prog Mgr	-	-	-	1	-	1	-	1	-	1
Technology Services Div Mgr	1	1	1	1	-	1	-	1	-	1
Telecomm Engineer / Admin	1	1	1	1	-	1	-	1	-	1
Telecomm Technician	1	1	1	1	-	1	-	1	-	1
Traffic Operations Supervisor	1	1	1	1	-	1	-	1	-	1
Traffic Sign / Marking Tech I	1	1	1	1	-	1	-	1	-	1
Traffic Sign/Marking Tech II	2	2	2	2	-	2	-	2	-	2
Traffic Signal Technician	2	2	2	2	-	2	-	2	-	2
Trans Div Mgr / City Traf Engr	1	1	1	1	-	1	-	1	-	1
Treasury Operations Div Mgr	1	1	1	1	-	1	-	1	-	1
Tree Trimmer	1	1	1	1	-	1	(1)	-	-	-
Vehicle / Equipment Technician	2	2	2	3	-	3	-	3	-	3
Total	411	376	378	360	-	360	(5)	355	-	355

* Excludes City Council Members and temporary positions

City of Moreno Valley

Date Council Approved _____

Date Effective _____

CLASS SPECIFICATION
Animal Rescue Coordinator

GENERAL PURPOSE

Under general supervision, performs a variety of duties necessary for the evaluation and marketing of animals for adoption, development of rescue contacts and transfer of animals to rescue organizations and creates and maintains an active volunteer program that will reduce the number of animals euthanized. Promotes humane care of animals through education and humane, pro-active animal service programs committed to preventing the suffering of animals and ending pet overpopulation while recognizing the value of animal rescue groups to help place companion animals into new homes. May perform other related duties as assigned.

DISTINGUISHING CHARACTERISTICS

Animal Rescue Coordinators showcase and promote animals using social media, videos and photographs, while networking and relationship building with animal rescue groups. Incumbents may perform intake activities including inputting animal data into the department records system, performing vaccinations, conducting preliminary health examinations and animal assessments. Incumbents interact with the public during adoption events, out-processing of fostered, adopted or recovered animals. Work requires contact with sick, injured, unruly and/or vicious animals in accordance with law and City policy and procedure.

Animal Rescue Coordinator is distinguished from Lead Animal Care Technician in that incumbents in the latter class provide lead work direction in addition to performing animal care or rescue duties.

ESSENTIAL DUTIES AND RESPONSIBILITIES

The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to this class.

1. Development and implementation of animal marketing strategies to increase adoption rates and educational programs relating to animal welfare.
2. Make contacts, develop relationships and serve as the primary point of contact for animal rescue groups and organizations, in order to effectively increase the animal live release rate through the transferring of animals to these groups.
3. Manage, monitor, and promote an effective animal fostering program with outside groups.
4. Conduct initial and annual inspections and background checks as needed to rescue and foster homes that work with agency.
5. Participates regularly in or plans, schedules, set up and assists with animal adoption outreach events that frequently occur on weekends; coordinates spay/neutering of animals in anticipation of outreach activities.

Animal Rescue Coordinator

6. Conducts training sessions for animal adoption program and other staff or volunteers on the proper handling, evaluation and adoption of shelter animals.
7. Organize for or transports animals to groomers, veterinarians, adoption outreaches or other locations as needed.
8. Will video and photograph animals to email for breed specific and general interest groups.
9. Maintains records of rescued animals and communications made in attempt to get an animal placed.
10. Provides assistance to the public with contacting individual rescue groups.
11. Stays current with available shelter animals to assess for rescue, and able to follow through with policy and procedures to partner with groups.
12. Assists individuals seeking lost animals or adoptable animals; assists customers in making pet selections; responds to public inquiries regarding care and treatment of animals.
13. Advises public of legal rights and interprets appropriate laws, regulations and policy as they relate to the adoption of animals or transfer of animals to adoption partners; tactfully handle complaints, trying to remedy the problems, gathering evidence and issuing denials, as necessary.
14. Assist in the preparation and completion of grant applications related to reducing pet over-population and increasing positive outcomes for shelter animals.
15. Performs office clerical and administrative duties as assigned.

OTHER DUTIES

1. Treat all animals humanely, with compassion and concern, both on and off the job and transmit these values to others.
2. Assist in the office with preparation of required paperwork and assist in the kennel with the care of animals.
3. Provides microchip services to residents' impounded animals, including scanning and implanting chips.

QUALIFICATIONS

Knowledge of:

1. Techniques and procedures for the safe, humane and efficient handling of animals.
2. Methods, practices and procedures in the handling, care and feeding of animals, including practices and techniques for handling unruly and/or vicious animals.
3. Basic state, county and local law, ordinances and regulations applicable to the licensing, control, care and protection of animals.
4. Animal behaviors and proper animal handling techniques.
5. Common breeds of domestic animals, their characteristics and behavior patterns.

6. Infectious and contagious diseases of animals and their symptoms.
7. Safe operation of cleaning equipment and chemicals used in the cleaning process.
8. Microchip implantation and scanning techniques.
9. Excellent communication (written & verbal) and public relations skills.

Ability to:

1. Clearly explain animal services to the public and rescue groups.
2. Safely and confidently handle animals of all sizes and temperaments in a humane manner.
3. Learn and follow appropriate procedures for administering medications and vaccinations as directed by a veterinarian.
4. Use computer programs to track history and outcomes while utilizing the existing database.
5. Ability to create and manage an Adoption Partner network.
6. Proficiently maintain records needed to participate in the rescue program.
7. Work independently, be self-motivated and have ability to multi-task while following direction.
8. Demonstrate working in professional manner with others in a fast pace, complex and changing environment.
9. Understand and follow oral and written instructions.
10. Communicate effectively (written & verbal) with the public and provide effective customer service.
11. Apply sound independent judgment in a variety of situations in accordance with established policies and procedures.
12. Exercise tact and good judgment to establish and maintain effective working relationships with other staff, volunteers, rescue groups, the public and others encountered in the course of work.
13. Demonstrate knowledge and ability to euthanize animals.

Education, Training and Experience:

A typical way of obtaining the knowledge, skills and abilities outlined above is graduation from high school or G.E.D. equivalent, and two years of work experience that include working with animals; or an equivalent combination of training and experience.

Licenses; Certificates; Special Requirements:

A valid California driver's license and the ability to maintain insurability under the City's vehicle insurance policy.

Ability to obtain a P.C. 832 certification and pass a breed identification and symptoms of disease test within one year of employment.

PHYSICAL AND MENTAL DEMANDS

The physical and mental demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Physical Demands

While performing the duties of this job, employees are regularly required to use hands to finger, handle, feel or operate objects, tools or control; and reach with hands and arms. The employee is regularly required to stand, walk or sit; talk or hear; stoop, bend, kneel, crouch or crawl. The employee must regularly lift and/or move animals or objects up to 50 pounds and frequently over 100 pounds.

Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception and the ability to adjust focus.

Mental Demands

While performing the duties of this class, incumbents are regularly required to use written and oral communication skills; read and interpret data, information and documents; analyze and solve animal care and shelter maintenance problems; use basic mathematics; observe and interpret situations; work with regular interruptions; and interact with other staff, the public and others encountered in the course of work. The employee is occasionally required to deal with dissatisfied or quarrelsome individuals.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Employees regularly work on slippery and uneven surfaces and are exposed to loud noise, odors and dirt. Employees are routinely exposed to dangerous, injured or diseased animals; fecal matter, blood and other hazards; and to various cleaning chemicals.

City of Moreno Valley

Date Council Approved March 13, 2007

Date Effective April 6, 2007

CLASS SPECIFICATION
Assistant City Attorney

GENERAL PURPOSE

Under general direction, assists in managing operations of the City Attorney's Office and performs a wide range of legal services of a complex nature in representing the City and providing advice and counsel to City staff, the City Council and official City boards and commissions; conducts legal research and drafts legal documents; represents the City and its employees in federal and state litigation and administrative hearings; and performs related duties as assigned.

DISTINGUISHING CHARACTERISTICS

Assistant City Attorney is responsible for providing legal services and counsel on a wide range of highly complex and sensitive legal issues confronting City departments, elected officials, City management, employees and official City boards and commissions. An incumbent is also responsible for assisting the City Attorney in the management and supervision of the City Attorney's Office. Overall assignments are typically complex, require particularized skills and political sensitivity and involve significant risk and consequences for the City. Duties and responsibilities are carried out with considerable independence within the framework of established policies, procedures and guidelines.

Assistant City Attorney is distinguished from Deputy City Attorney in that an incumbent in the former class is responsible for assisting in the management of the City Attorney's Office and is responsible for the more complex cases involving a higher degree of sensitivity and greater risk and consequences for the City.

ESSENTIAL DUTIES AND RESPONSIBILITIES

The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to this class.

1. Assists in planning, organizing, supervising and evaluating work the City Attorney's Office; with staff, develops, implements and monitors work plans to achieve assigned goals and objectives; contributes to development of and monitoring of performance against the annual Office budget; participates in developing, implementing and evaluating work programs, plans, processes, systems and procedures to achieve Office and City goals, objectives and performance measures consistent with the City's quality and service expectations; assists in planning and evaluating the performance of Office staff.
2. Provides legal advice to City executives and managers on a wide range of law and regulations, including employment, environment, real estate, right of way, construction, tort liability, public records, Brown Act, conflicts of interest and public agency powers, obligations and limitations; conducts research and provides opinions and advice regarding the duties, powers, functions and

obligations of City departments and related bodies; provides risk assessments and advice to elected officials and City staff on current legal issues; provides advice and direction to ensure City compliance with legal requirements; reviews documents for legality; determines priorities and timelines for the resolution of numerous competing legal issues.

3. Prepares and litigates or oversees private counsel in litigating City cases in all areas of law and commercial, business and construction disputes, including the review, analysis and investigation of claims made against the City and its employees; represents the City and its employees in state and federal litigation; prepares for trial by investigating and mastering non-legal information and facts, legal provisions, statutes, case law and City Code; investigates claims and defenses raised by claimants; interviews witnesses; conducts document discovery; investigates and locates evidentiary materials; performs legal research; tries cases; drafts appellate briefs and oral arguments before state and federal appellate courts; participates in negotiations and settlement discussions; prepares cost/benefit analyses of pursuing litigation versus other forms of resolution; prepares and takes depositions; selects expert witnesses; files pre-trial pleadings and motions; drafts hearing briefs; handles appeals.
4. Researches legal issues and statutory and case law; drafts and reviews opinions, ordinances, resolutions, Code amendments, contracts, leases, deeds and other legal documents and instruments; drafts and approves ordinances, resolutions and contracts as to form and legality; prepares oral and written legal opinions for City departments and staff; drafts, reviews and finalizes legal documents; reviews and approves contracts; drafts explanatory memoranda on legal implications of complex issues; reviews department documents for legal sufficiency.
5. Attends meetings of and provides advice to the City Council and other official boards and commissions as requested by the City Attorney; represents the City in administrative hearings before City bodies and state and federal agencies; represents the City in negotiations to resolve issues involving litigation risk.
6. Reviews proposed legislation for policy and fiscal impacts on the City; advises City staff on legal and policy issues; monitors and prepares comments on proposed federal and state legislation and regulation; recommends changes in City policies and practices in order to comply with legal requirements..
7. Responds to complex public records requests; provides interpretations of City Code provisions to citizen and public official requests.

OTHER DUTIES

1. Keeps abreast of City functions, programs and operations and monitors changes in law and regulations for impacts.
2. Assists other attorneys in all phases of legal work on complex litigation.
3. Answers correspondence and public inquiries on legal matters related to City business.

QUALIFICATIONS

Knowledge of:

1. Principles and practices of civil and administrative law, especially as they relate to municipal governments.
2. State and federal court procedures and rules of evidence.
3. Interview techniques and methods and strategies for case preparation.
4. Pleadings and effective practices and techniques in the presentation of court cases.
5. Principles, methods and techniques of legal research and investigation.
6. City Council procedures, filing requirements and deadlines, as well as parliamentary procedures found in Code provisions that govern Council proceedings.
7. Municipal Code, state and federal law and regulation, court decisions and other legal requirements applicable to municipal government functions, operations and staff.
8. The Brown Act, the Fair Political Practices Act, the Public Records Act and other state laws and court cases applicable to municipalities and public bodies.
9. Principles and practices of legal communication.
10. Responsibilities and obligations of public officials and administrative agencies in the State of California.
11. Principles and practices of effective supervision.
12. City human resources policies and procedures and labor contract provisions.

Ability to:

1. Prepare legal briefs and other legal documents and instruments.
2. Define issues, perform legal research, analyze problems, evaluate alternatives and develop sound conclusions and recommendations.
3. Present statements of fact, law and argument clearly, logically and persuasively.
4. Exercise sound, independent judgment within general policy guidelines and legal parameters.
5. Interpret state and federal laws, regulations, legislation and constitutional provisions affecting municipal operations.
6. Develop sound litigation strategy and represent the City effectively in hearings, courts of law and meetings.
7. Prepare clear, concise and comprehensive correspondence, reports and other written materials.
8. Use effective written and oral communication skills, including explaining complex and unfamiliar principles to non-technical audiences.

9. Advocate for the City in presenting statements of fact, law and argument clearly, logically and persuasively.
10. Objectively and neutrally evaluate witnesses, legal materials and evidence.
11. Organize, set priorities and exercise sound independent judgment within areas of responsibility.
12. Remain neutral on issues where there are competing political agendas.
13. Conduct computer assisted legal research and investigation.
14. Use a high degree of tact, discretion and diplomacy in dealing with sensitive situations and concerned or upset individuals.
15. Develop and maintain effective working relationships with elected officials, City management and staff, officers of the court, litigants and their attorneys, complainants, representatives of other public agencies, business and community leaders, media representatives, City residents, the public and others encountered in the course of work.

Education, Training and Experience:

A typical way of obtaining the knowledges, skills and abilities outlined above is graduation from a four-year college or university; graduation with a juris doctor degree from an accredited law school; and at least seven years of progressively responsible experience in the practice of civil law and civil litigation defense in a municipal setting.

Licenses; Certificates; Special Requirements:

Admission to the Bar of the State of California and admission to practice law before State of California and federal courts.

A valid California driver's license and the ability to maintain insurability under the City's vehicle insurance policy.

PHYSICAL AND MENTAL DEMANDS

The physical and mental demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Physical Demands

While performing the duties of this job, the employee is regularly required to sit; talk or hear, both in person and by telephone; use hands to finger, handle and feel computers and standard business equipment; and reach with hands and arms. The employee is frequently required to stand and walk.

Specific vision abilities required by this job include close vision and the ability to adjust focus.

Mental Demands

While performing the duties of this class, the incumbent is regularly required to use written and oral communication skills; read and interpret complex data, information and documents; analyze and solve complex problems; use math/mathematical reasoning; perform highly detailed work under changing, intensive deadlines, on multiple concurrent tasks; work with constant interruptions, and interact with elected officials, City management and staff, officers of the court, litigants and their attorneys, complainants, representatives of other public agencies, business and community leaders, media representatives, City residents, the public and others encountered in the course of work.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

The employee works under typical office conditions, and the noise level is usually quiet.

City of Moreno Valley

Date Council Approved _____

Date Effective _____

CLASS SPECIFICATION**Paralegal****GENERAL PURPOSE**

Under general supervision, performs a wide range of legal support work in conjunction with the City Attorney's Office; conducts legal research, including state and federal case law, statutes and legislation; prepares legal documents, including all court filings and litigation related correspondence; assists attorneys in litigation of civil and criminal cases; reviews and prepares contracts, agreements and citations for attorney approval; and performs a wide range of paralegal and legal secretarial duties as assigned.

DISTINGUISHING CHARACTERISTICS

Paralegal is distinguished from Legal Secretary by their responsibilities of conducting factual or legal research; analyzing situations and recommending an effective course of action; working with a substantially greater degree of skill and independence; communicating effectively both orally and in writing; reading and understanding statutes, court decisions, and legal documents; and obtaining data through interviewing clients.

ESSENTIAL DUTIES AND RESPONSIBILITIES

The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to this class.

1. Performs legal research; prepares documents for civil litigation and code enforcement; and organizes and maintains litigation and litigation form files.
2. Composes, types and compiles pleadings, including answers, complaints, motions, appellate and trial briefs, affidavits, discovery and other legal documents and related correspondence, case memoranda, reports, and exhibits.
3. Supports in-house staff as needed in coordinating legal activities, such as, assist with depositions, trials and other legal events; inform attorneys of pertinent activities; schedules and arranges meetings for attorneys, calendar, organize, monitors and retrieves all court dates, legal deadlines, meetings and other important dates; arrange, contacts and coordinates investigators and experts; requests subpoenas of records and/or witnesses and review documents; and maintains telephone contact with courts, witnesses and outside counsel.
4. Prepares ordinances and resolutions as assigned. Prepares and maintains a variety of records, reports and files related to the City Attorney's office.
5. Reviews and processes finished materials for completeness, accuracy, format, compliance with local, state and federal rules and policy procedures, and appropriate English usage; reviews contracts and

agreements for compliance with standardized forms; reviews citations of case law, statutes, and City codes.

6. Perform secretarial duties; answering phones, filing, etc.
7. Formulates and implements new and revised office procedures and forms.
8. Participates in budget preparation and administration; Monitors and controls expenditures.
9. Reviews contracts, bonds and insurance certifications.
10. Maintains law library.
11. Perform other duties as assigned.

QUALIFICATIONS

Knowledge of:

1. Legal terminology, procedures and the format for legal documents.
2. Standard office administrative and secretarial practices and procedures as well as local court rules and procedures, pleading practices and litigation protocol.
3. Computer applications used in the course of work, such as, legal research databases, word-processing, spreadsheet and graphical presentation.
4. Correct English grammar, spelling and usage.
5. Basic business arithmetic.
6. Organization, functions and activities of the City Attorney's office and municipal government.
7. Legal office and secretarial procedures and requirements.
8. Federal and State Court rules and procedures.
9. Criminal and civil law functions of the legal office.
10. Modern office practices, procedures and equipment.
11. Interpersonal skills using tact, patience and courtesy.
12. City and department organization, operations, policies and objectives.
13. Proper telephone techniques and etiquette.

Ability to:

1. Perform a variety of responsible paraprofessional and legal secretarial duties in support of attorneys.
2. Research and analyze case law, statutes, regulations and legislation.

3. Properly interpret, apply, explain and make recommendations in accordance with laws, regulations, policies, codes and procedures.
4. Operate a computer to enter data, maintain records and generate reports; and utilize software applications, such as, legal research databases, word-processing, legal calendar and file management, spreadsheet, and graphics presentation as required by the duties of the job.
5. Analyze and resolve office administrative situations and problems.
6. Maintain accurate records and files, and calendar court dates and calculate litigation deadlines.
7. Organize work, set priorities, meet critical deadlines.
8. Perform work with minimal supervision.
9. Provide excellent customer service skills, including phone reception and direction.
10. Communication effectively both orally and in writing.
11. Maintain sensitive and confidential information.
12. Establish and maintain highly effective working relationships with City officials, staff, outside legal staff, litigants and claimants and others encountered in the course of work.

Education, Training and Experience:

A typical way of obtaining the knowledge, skills and abilities outlined above is graduation from high school or G.E.D. equivalent, and three years of progressively responsible experience performing journey level paralegal and legal secretarial work in a law office or municipal setting; or an equivalent combination of training and experience.

Licenses; Certificates; Special Requirements:

A valid California driver's license and the ability to maintain insurability under the City's vehicle insurance policy.

Possession of a certificate from an approved Paralegal Certification Program.

PHYSICAL AND MENTAL DEMANDS

The physical and mental demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Physical Demands

While performing the duties of this class, employees are regularly required to sit; talk or hear, both in person and by telephone; and use hands to operate, finger, handle or feel office equipment; and reach with hands and arms. The employee is frequently required to stand and walk and lift up to 10 pounds. Specific vision abilities required by this job include close vision and the ability to adjust focus.

Mental Demands

While performing the duties of this class, employees are regularly required to use written and oral communication skills; read and interpret data; analyze and solve problems; learn and apply new information; perform highly detailed work on multiple, concurrent tasks; meet intensive and changing deadlines and interact with City officials, staff, outside legal staff, litigants and claimants, the public and others encountered in the course of work.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. An employee works under typical office conditions, and the noise level is usually quiet.



Report to City Council

TO: Mayor and City Council

FROM: Marshall Eyerman, Interim Chief Financial Officer

AGENDA DATE: January 5, 2016

TITLE: UTILITY USERS TAX DISCUSSION

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Review and discuss the Utility Users Tax.
2. Take whatever action the City Council deems appropriate.

SUMMARY

On October 6, 2015, the City Council conducted a Study Session on the City's Utility User Tax (UUT). At the request of the City Council, the presentation is being brought back for further discussion as part of a regularly scheduled Council Meeting. The presentation shall be conducted to provide a background on the UUT and an overview of alternatives to the collection of the UUT and impacts on futures revenues and service levels.

ALTERNATIVES

1. Review and discuss.
2. Take whatever action the City Council deems appropriate.

FISCAL IMPACT

Any fiscal impacts will be determined by the direction of the City Council and will be brought back to City Council at a future date for further approval.

NOTIFICATION

None.

PREPARATION OF STAFF REPORT

Prepared By:
Marshall Eyerman
Financial Resources Division Manager

Department Head Approval:
Marshall Eyerman
Interim Chief Financial Officer

CITY COUNCIL GOALS

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

ATTACHMENTS

- 1. UUT Study Session

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/21/15 11:46 AM
City Attorney Approval	<u>✓ Approved</u>	12/21/15 9:50 AM
City Manager Approval	<u>✓ Approved</u>	12/23/15 2:43 PM



CITY OF MORENO VALLEY – UTILITY USERS TAX DISCUSSION

January 5, 2016

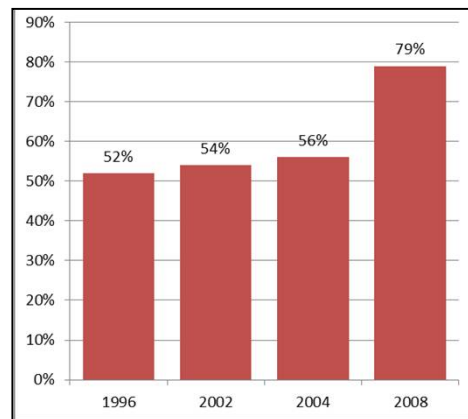
PRESENTATION BY: Michelle Dawson, City Manager
Marshall Eyerman, Interim Chief Financial Officer



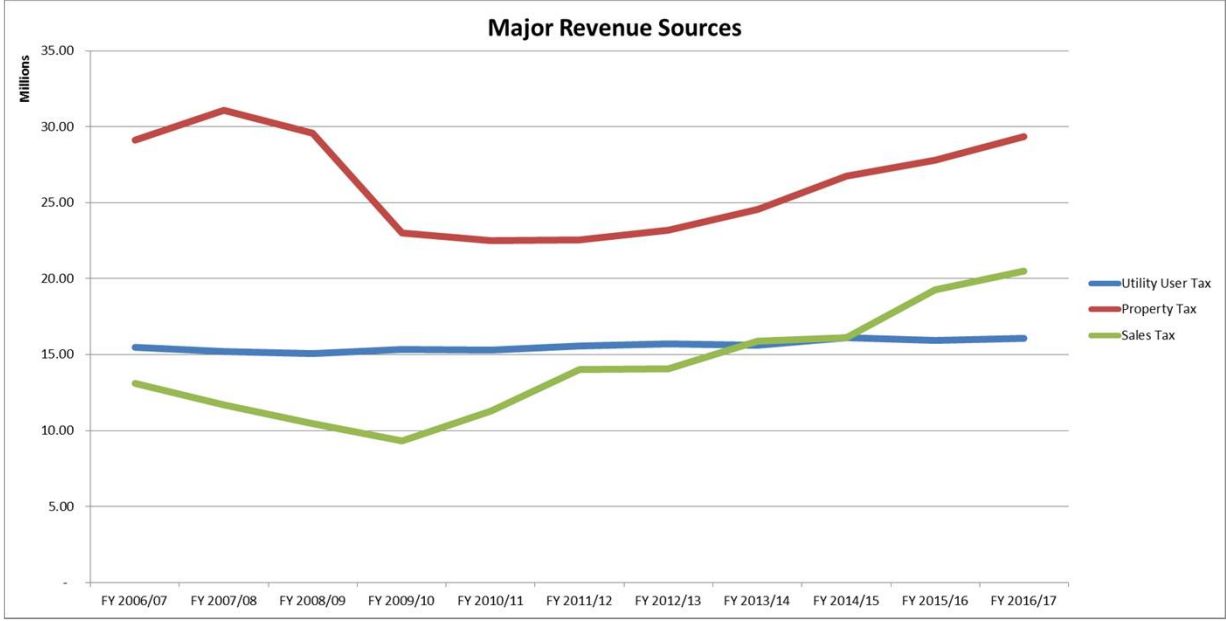
Attachment: UUT Study Session [Revision 3] (1841 : UTILITY USERS TAX DISCUSSION)

Moreno Valley Utility Users Tax (UUT) - History

- November 1996: UUT measure passed with 52% affirmative votes
- Measures to Repeal UUT presented to voters twice since November 1997:
 - 2002 - measure failed with 53.5% voting to retain the tax
 - 2004 - measure failed with 56.4% voting to retain the tax
- November 2008: measure to broaden scope and reduce rate from 6% to 5.75%
 - Passed with 79% voting in favor



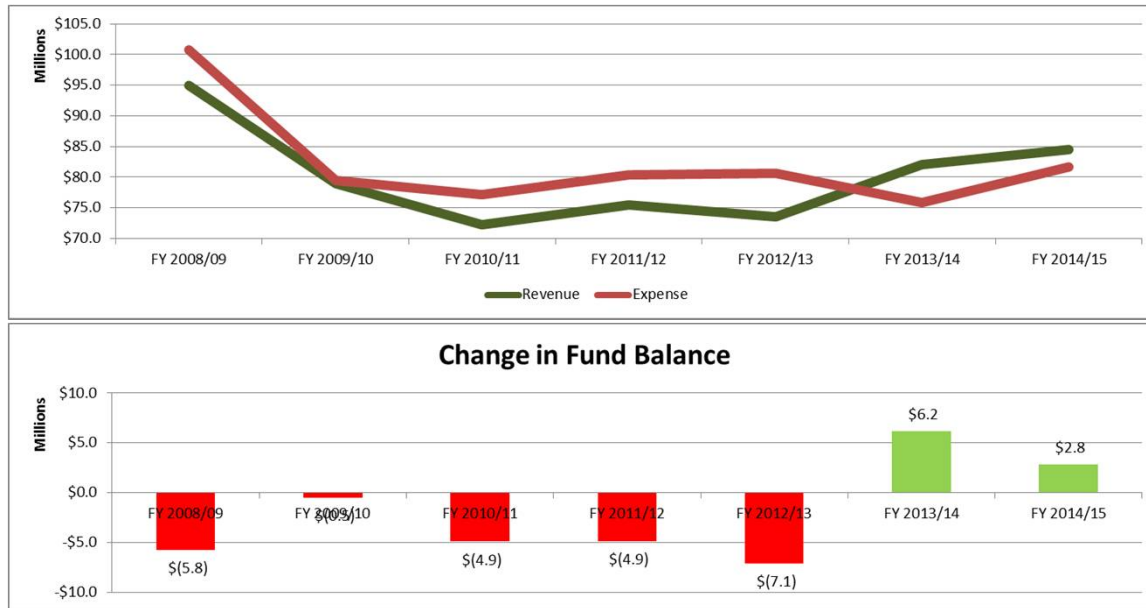
UUT Revenue Trends – Perspective and Context



- UUT represents over 17% of the current year General Fund Revenues
- City’s most stable revenue source (only revenue source not affected by economic recession)



UUT Revenue Trends – Perspective and Context

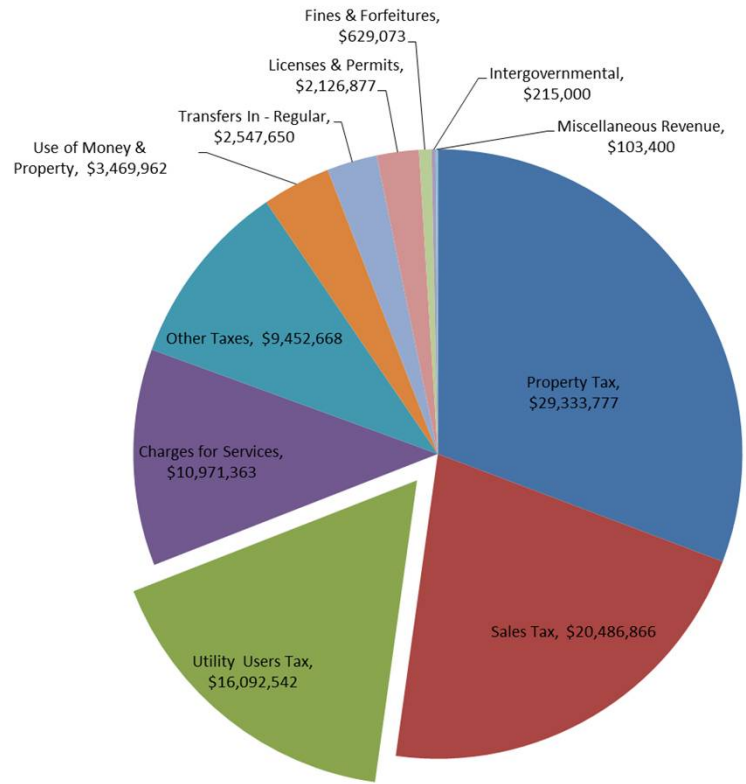


- Severe staff and service reductions (approx. \$20M) already occurred during the “Great Recession”
- Service levels have not returned to pre-recession levels
- Reduction or elimination of UUT would require a significant new or increased revenue source or reductions in staff and services

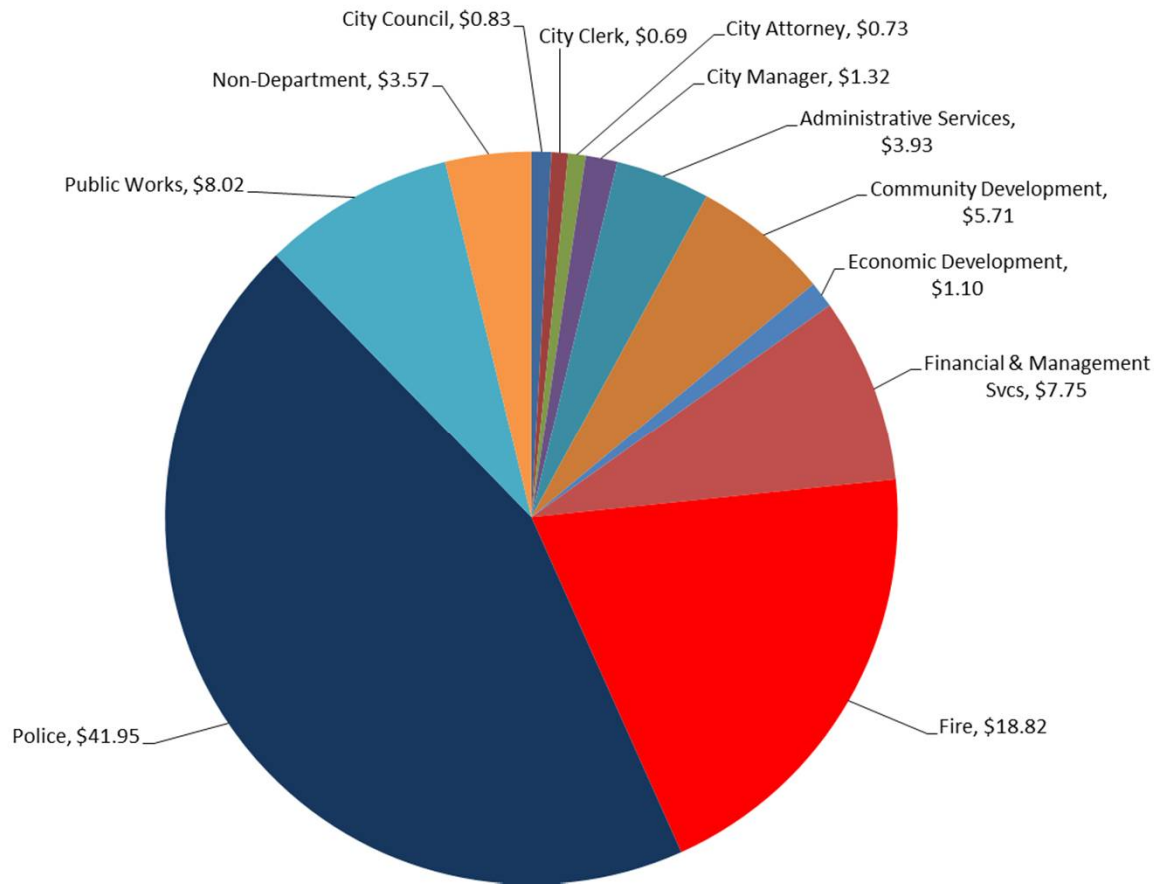


General Fund FY 2016/17 Budget

- Total Revenue budget = \$95.4 million
- Utility User Tax = \$16.1 million or 17% of budget



General Fund FY 2016/17 Budget



UUT – Perspective and Context

Comparison of comparable population size cities (including public safety)

- Includes current UUT revenue

City	01/01/2015	FY 2015/16 Gen. Fund Revenue per Capita
Ontario	168,777	1,140
Huntington Beach	198,389	1,091
Glendale	199,182	932
Santa Rosa	173,071	818
Riverside	317,307	812
Oceanside	171,682	768
Fremont	226,551	745
Average	206,354	717
Irvine	250,384	691
Rancho Cucamonga	174,064	655
Fontana	204,312	651
San Bernardino	213,933	600
Oxnard	206,148	559
Garden Grove	174,774	555
Modesto	209,186	543
Santa Clarita	213,231	460
Moreno Valley	200,670	458

City	FY 2015/16 Gen. Fund Property Tax per Capita
Huntington Beach	424
Fremont	354
Rancho Cucamonga	332
Oceanside	305
Ontario	265
Glendale	250
Oxnard	226
Average	222
Irvine	218
Riverside	178
Fontana	176
Santa Clarita	152
San Bernardino	139
Moreno Valley	139
Santa Rosa	137
Modesto	132
Garden Grove	128

City	Employees per 1,000 Capita
Riverside	7.89
Glendale	7.86
Santa Rosa	7.22
Ontario	6.30
Oxnard	5.91
Modesto	5.77
Oceanside	5.55
Rancho Cucamonga	5.39
Average	5.37
Huntington Beach	4.95
Irvine	4.34
Fremont	3.89
Garden Grove	3.62
Fontana	3.33
Moreno Valley	3.14
Santa Clarita	na
San Bernardino	na



Long Range Projections

- Updated projections
 - Projected surplus for FY 2016/17 = \$1 million
 - Additional economic growth projected for FY 2016/17 = \$710,000
 - Not previously in long range plan
 - Estimated average growth through FY 2024/25
 - Revenue estimated at 4% or approx. \$4.4M annually
 - Expense estimated at 5% or approx. \$5.6M annually
 - City needs \$1.2M annually of new growth to continue current services
 - Continued future economic development may meet this need



Long Range Projections (Including UUT)

- FY 2016/17
 - Amended Budget - Projected surplus of \$1M
 - Additional Economic Development activities estimated to generate \$710,000 annually
 - **Projected Surplus of \$1.71M**
- FY 2017/18
 - Projected Budget - Projected shortfall of \$1.2M
 - Additional Economic Development activities estimated to generate \$710,000 annually
 - **Additional service level reductions or new revenue required \$0.5M**



Long Range Projections

- Projections do not include:
 - Any changes in local, state, national, or global economics
 - Any currently unknown future economic development
 - Any new taxes or parcel fees
 - Transient Occupancy Tax (requires voter approval)
 - Online sales tax legislation (impact undetermined)
 - World Logistics Center
 - Development to occur over the next 20+ years
 - Additional revenues will be determined based on completed buildings and identified tenants
 - At full development and occupancy estimated to directly generate \$5.8M annually (amount includes approx. \$1M of UUT)
 - Impacts of Fire and Police cost of service studies occurring
 - Deferred maintenance costs of streets



UUT – Perspective and Context

- Estimated impacts of current UUT per taxpayer

	Estimate	UUT Dollars	Count	Annual per capita
Total UUT		\$ 16,100,000		
Residential	45%	\$ 7,245,000	200,640	\$ 36
Industrial	15%	\$ 2,415,000	300	\$ 8,050
Comm/Retail	40%	\$ 6,440,000	3,000	\$ 2,147
	100%	\$ 16,100,000		



UUT – Perspective and Context

- Status Quo
 - Current 5.75% UUT generates \$16.1 million in GF Revenues
- How would reductions affect the City Budget?
 - Each 1% reduction would decrease Gen Fund by \$2.8M
 - Reducing UUT by half would decrease Gen Fund by ~\$8M
- How much would residents save if UUT were reduced?
 - Each 1% reduction would save \$25/yr for a family of four (\$6.25/yr/person)
- How much would residents save if UUT were eliminated?
 - Elimination would save \$144/yr for a family of four (\$36/yr/person)
- If UUT were eliminated...what would \$16.1 million in GF expense reduction look like?
 - **All** non-public safety GF positions: total salary and benefits = \$18.5 million
 - Fire Department Budget totals \$18 million for 7 stations (approx. \$2.6M per station)
 - Sheriff's Deputies – 62 officers at \$260,000 each = \$16.1 million
 - City reduced from 181 to 151 over the past 3 years
 - Reducing to 89 officers would leave 0.44 officers per 1,000 residents



UUT – Perspective and Context

- Potential alternative phasing out of UUT
 - Incremental phasing out over 1.5 Years

		UUT Rate	UUT Revenue	Variance
FY 2016/17 (Current)		5.75%	\$ 16,092,542	
FY 2016/17				
	July - Nov.	5.75%	5,607,722	
	Dec. - Feb.	3.00%	2,052,314	
	Mar. - June	1.50%	1,708,808	
			\$ 9,368,844	\$ (6,723,698)
FY 2017/18				
	July - Dec.	1.50%	1,749,612	
	Jan. - June	0.00%	-	
			\$ 1,749,612	\$ (14,342,930)
FY 2018/19		0.00%	\$ -	\$ (16,092,542)
* Based on Nov. 2016 election				



UUT – Perspective and Context

- Potential alternative phasing out of UUT
 - 2 Years - \$8M of modified service levels or additional revenues annually

	UUT Rate	UUT Revenue	Variance
FY 2016/17 (Current)	5.75%	\$ 16,092,542	\$ -
FY 2016/17	3.00%	8,396,109	(7,696,433)
FY 2017/18	0.00%	0	(16,092,542)

- 3 Years - \$5.3M of modified service levels or additional revenues annually

	UUT Rate	UUT Revenue	Variance
FY 2016/17 (Current)	5.75%	\$ 16,092,542	\$ -
FY 2016/17	3.75%	10,495,136	(5,597,406)
FY 2017/18	1.75%	4,897,730	(11,194,812)
FY 2018/19	0.00%	-	(16,092,542)



UUT – Perspective and Context

- Potential alternative phasing out of UUT
 - 5 Years - \$3.2M of modified service levels or additional revenues annually

	UUT Rate	UUT Revenue	Variance
FY 2016/17 (Current)	5.75%	\$ 16,092,542	\$ -
FY 2016/17	4.60%	12,874,034	(3,218,508)
FY 2017/18	3.50%	9,795,460	(6,297,082)
FY 2018/19	2.40%	6,716,887	(9,375,655)
FY 2019/20	1.30%	3,638,314	(12,454,228)
FY 2020/21	0.00%	-	(16,092,542)



UUT – Perspective and Context

- Potential alternative phasing out of UUT
 - 7 Years - \$2.3M of modified service levels or additional revenues annually

	UUT Rate	UUT Revenue	Variance
FY 2016/17 (Current)	5.75%	\$ 16,092,542	\$ -
FY 2016/17	4.95%	13,853,580	(2,238,962)
FY 2017/18	4.15%	11,614,617	(4,477,925)
FY 2018/19	3.35%	9,375,655	(6,716,887)
FY 2019/20	2.55%	7,136,693	(8,955,849)
FY 2020/21	1.75%	4,897,730	(11,194,812)
FY 2021/22	0.95%	2,658,768	(13,433,774)
FY 2022/23	0.00%	-	(16,092,542)



UUT – Perspective and Context

- Potential alternative phasing out of UUT
 - 10 Years - \$1.6M of modified service levels or additional revenues annually

	UUT Rate	UUT Revenue	Variance
FY 2016/17 (Current)	5.75%	\$ 16,092,542	\$ -
FY 2016/17	5.20%	14,553,255	(1,539,287)
FY 2017/18	4.65%	13,013,969	(3,078,573)
FY 2018/19	4.10%	11,474,682	(4,617,860)
FY 2019/20	3.55%	9,935,395	(6,157,147)
FY 2020/21	3.00%	8,396,109	(7,696,433)
FY 2021/22	2.45%	6,856,822	(9,235,720)
FY 2022/23	1.90%	5,317,536	(10,775,006)
FY 2023/24	1.35%	3,778,249	(12,314,293)
FY 2024/25	0.80%	2,238,962	(13,853,580)
FY 2025/26	0.00%	-	(16,092,542)



UUT – Perspective and Context

Options to meet additional service level reductions or new revenue required:

- New Deficit Elimination Plan (DEP) required
 - Service levels not restored from last DEP
- Reductions to Police
 - Contract restricts cut to 10% per year (or approx. \$4M)
 - Each officer is approx. \$260,000
 - Must be balanced with public safety goals
- Reductions to Fire
 - Staffing levels must be balanced with equipment
 - Must be balanced with public safety and response time goals
- Reductions to services non-essential to operate City
 - Animal Services \$2.5M
 - Economic Development \$1.1M
- Reduce other services
 - Examine service level impacts



UUT – Perspective and Context

Options to meet additional service level reductions or new revenue required:

- Transient Occupancy Tax revenues approx. \$1.1M annually
 - Tax paid by visitors staying in hotels
 - Current TOT rate is 8%
 - Surrounding jurisdictions 10-13%*
 - Each 1% increase equals approx. \$130,000
 - 5% increase: new revenue of about \$650,000
 - Increase to TOT rate requires majority voter approval
 - Next ballot November 2016
 - Would require significant community effort to inform voters regarding the TOT tax measure

* City of Riverside is 13%



UUT – Perspective and Context

- **Options to meet additional service level reductions or new revenue required:**
 - General Fund Uncommitted Reserves \$32M
 - Amount necessary to meet cash flow \$17M
 - Economic Uncertainty \$15M – available to cover expenditures during recession to allow implementation of changes
 - Backstop for Moreno Valley Utility’s reserves \$27M and other funds
 - No unrestricted funds available to cover short-term loss of UUT
- Other considerations: recession cycles
 - Recession generally identified by a fall in GDP in two successive quarters
 - The 2007-2009 recession officially ended in June of 2009
 - Since World War II, the average length of time between recessions is less than 5 years
 - 6.5 years into current recovery



Conclusion

- Begin public outreach to inform the public
- Low tax City
- Still not recovered from last recession
 - Services/Staffing reduced
 - Lowest employee ratio
- Police/Fire cost increasing
 - Cost of services studies in process
- Establish service priorities (strategic planning process)
- Begin planning for next recession
- Begin planning for elimination of UUT
 - Length of phase out plan critical
- Develop and implement new “Deficit Elimination Plan”





Report to City Council

TO: Mayor and City Council

FROM: Michelle Dawson, City Manager
Marshall Eyerman, Interim Chief Financial Officer

AGENDA DATE: January 5, 2016

TITLE: TRANSMITTAL OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2015 AND REVIEW OF THE FISCAL YEAR 2014/15 YEAR-END RESULTS

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Receive and file the Comprehensive Annual Financial Report for the fiscal year that ended June 30, 2015.
2. Receive and file the Fiscal Year 2014-15 Year-End Budget Review.

SUMMARY

The Comprehensive Annual Financial Report (CAFR) for FY 2014-15 presents the results of the City's operations and financial position as of June 30, 2015, and is submitted for the City Council's review and information. The CAFR incorporates all component units of the City including the Moreno Valley Community Services District. A summary of the City's financial position as of June 30, 2015 is provided in the Management's Discussion and Analysis (MD&A) section of the CAFR. The City's financial statements have received an "unqualified" opinion from an independent auditor (Vasquez & Company), which indicates based on the independent auditor's judgment that the financial records and statements are fairly and appropriately presented in all material respects.

The year-end budget review report updates the Mayor and Council regarding prior year financial results and provides the FY 2014/15 budget review through June 30, 2015.

The Finance Sub-Committee reviewed the draft CAFR on November 23, 2015 and the year-end results on December 14, 2015; the Finance Subcommittee recommends the receipt and filing of the reports by the City Council.

DISCUSSION

The Comprehensive Annual Financial Report (CAFR) for Fiscal Year (FY) 2014-15 presents the audited results of the City's operations and financial position as of June 30, 2015. The submittal of the CAFR to the City Council is an established practice that signifies the completion of the City's annual financial audit and the distribution of the published annual financial report. Following a Request for Proposals (RFP) for Professional Auditing Services, the City Council selected the firm of Vasquez & Company to conduct the audit. The auditor was available to the members of the City Council for individual meetings. This is the first year of a five-year contract awarded to Vasquez & Company. It is the City's practice to change auditors no less than every five years to ensure independence of the audit function.

One of the most important items contained in the CAFR is the Independent Auditors' Report on the financial statements, which is also known as the "Opinion Letter". The auditors have provided the City with an "unqualified" audit opinion, which indicates that the City's financial statements fairly present the financial position of the City.

In addition to the City's financial results, the CAFR includes the financial results for all component units of the City, which includes the Moreno Valley Community Services District. A separate section of the CAFR is designated for the financial statements of this entity. A summary of the City's financial position as of June 30, 2015 is provided in the Management's Discussion and Analysis (MD&A) section of the CAFR. The MD&A provides the reader with important information, analysis and context to the Basic Financial Statements. The "Notes to the Financial Statements" follow the Basic Financial Statements and include a wealth of detailed information to the reader of the financial statements on financial policies, status of cash and investments, the value of capital assets, presentation of long term debt, funding status of the City's pension plan and Other Post Employment Benefits.

The June 30, 2015 CAFR reflects the City's first year of implementing the Governmental Accounting Standards Board (GASB) Statement No. 68, more commonly referred to as "GASB 68". This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense of pensions that are provided by local governmental employers. For defined benefit pensions, this statement identifies the methods and assumptions that should be used to project benefit payments, discount the projected benefit payments to their present value, and attribute the present value to periods of employee service. The additional implementation impact of this statement can be found in Note 14 of the CAFR.

In recognition of its financial reporting excellence, the Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of

Achievement for Excellence in Financial Reporting to the City of Moreno Valley for 17 consecutive years. This recognition represents the highest professional governmental accounting award possible. The Certificate is also advantageous to the City's reputation with bond rating agencies and to the financial markets overall. The CAFR for FY2014-15 has been submitted to the GFOA and staff anticipates receiving the Certificate once again.

The Year-End Budget Review report provides a review and analysis of the actual results compared to the Amended Budget for the twelve months ended June 30, 2015. The attached budget review for FY 2014/15 year-end focuses on the City's General Fund. The report also presents operational results for the Community Services District (CSD) and the Moreno Valley Utility (MVU).

The following are the key findings noted in the Financial Summary.

Fiscal Year 2014/15 Year-End:

- General Fund revenues, excluding transfers-in, were \$84,147,945 and within 0.6% of the budget.
- General Fund expenditures of \$81,673,911 were 3.7% (\$3,096,065) lower than budgeted.
 - Police Services, Fire Services, and Non-Departmental combined came in under budget by \$1.4 million.
 - City staff continues to operate very efficiently and respectful of the ongoing need for fiscal responsibility. The majority of departments achieved savings for FY 2014/15.
- Total fund balance at year end for the General Fund increased from \$40.5 million in FY 13/14 to \$43.4 million in FY 14/15. This represents a 7% increase.
- The second year of the two-year General Fund budget not only balanced but resulted in a positive change in uncommitted fund balance in excess of \$4 million.

ALTERNATIVES

1. Receive and file the Comprehensive Annual Financial Report for the fiscal year that ended June 30, 2015 and the Fiscal Year 2014/15 year-end budget review.
2. Do not receive and file the budget review documents.

Staff recommends Alternative 1.

FISCAL IMPACT

There is no fiscal impact. The CAFR and budget review report are provided for informational purposes only.

NOTIFICATION

The CAFR and Year-End budget review were presented to the Finance Sub-Committee on November 23, 2015 and December 14, 2015, respectively, for public review and discussion.

PREPARATION OF STAFF REPORT

Prepared By:
Marshall Eyerman
Financial Resources Division Manager

Department Head Approval:
Marshall Eyerman
Interim Chief Financial Officer

Concurred By:
Dena Heald
Financial Operations Division Manager

CITY COUNCIL GOALS

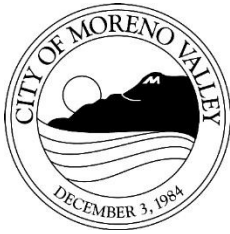
Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

ATTACHMENTS

1. FY 2014-15 Year End Financial Report
2. Year End Budget Presentation
3. Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/21/15 10:27 AM
City Attorney Approval	<u>✓ Approved</u>	12/17/15 8:44 AM
City Manager Approval	<u>✓ Approved</u>	12/22/15 4:00 PM



City of Moreno Valley

Fiscal Year 2014/15 Operating Budget

Year End Financial Summary

TO: Mayor and City Council

FROM: Richard Teichert, Chief Financial Officer

DATE: January 5, 2016

INTRODUCTION

On June 11, 2013, the City Council adopted the Two-Year Operating Budget for Fiscal Years (FY) 2013/14 – 2014/15. During the two-year budget period the City Council was apprised of the City's financial condition through the process of First Quarter, Mid-Year, and Third Quarter Budget Reviews. This ongoing process ensures a forum to look at expenditure and revenue deviations from the estimates made in the budget document.

This report provides a review of the financial results for FY 2014/15 through the twelve months of the fiscal year (July 2014 – June 2015).

CITYWIDE OPERATING EXPENDITURE SUMMARY

The following table contains a summary of the budget and the year-end expenditures. The Amended Budget reflects any adjustments as approved by City Council throughout the fiscal year. The totals represent each major fund type and component unit of the City.

Table 1. Citywide Expenditures

Fund/Component Unit	FY 2014/15 Amended Budget	Actuals as of 6/30/2015 (unaudited)	Variance	% of Amended Budget
General Fund	\$ 84,769,976	\$ 81,673,911	\$ (3,096,065)	96.3%
Community Services District (CSD)	23,421,829	20,401,513	(3,020,316)	87.1%
Successor Agency	6,895,406	7,487,512	592,106	108.6%
Housing Fund	125,000	15,906	(109,094)	12.7%
Special Revenue Funds	124,164,176	70,738,209	(53,425,967)	57.0%
Capital Projects Funds	43,423,246	22,364,626	(21,058,621)	51.5%
Electric Utility Funds	27,013,896	28,427,041	1,413,145	105.2%
Internal Service Funds	24,561,750	16,968,441	(7,593,309)	69.1%
Debt Service Funds	62,195,787	62,196,969	1,182	100.0%
Total	\$ 396,571,066	\$ 310,274,128	\$ (86,296,938)	78.2%

Note that the Debt Service Funds are extraordinarily high due to the refinancing of the 2005 Lease Revenue Bonds that occurred in December 2014. The Special Revenue Funds and the Capital Projects Funds represent multi-year projects that are fully funded, with the expenditures anticipated to occur in future years.

The majority of this year-end update will focus on the General Fund, as it supports all basic services provided to City residents. Highlights for other key component funds will be discussed at a summary level as well.

GENERAL FUND

Table 2. General Fund

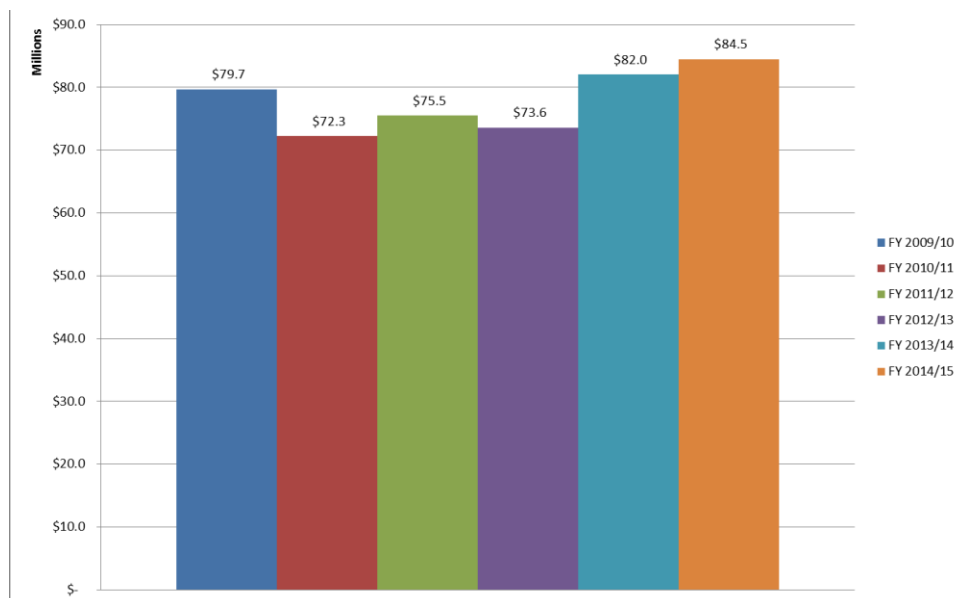
	FY 2014/15 Amended Budget	Actuals as of 6/30/2015 (unaudited)	Variance	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 11,083,551	\$ 11,594,459	\$ 510,908	104.6%
Property Tax in-lieu	14,912,136	15,137,754	225,618	101.5%
Utility Users Tax	15,912,000	16,138,202	226,202	101.4%
Sales Tax	17,638,770	16,130,340	(1,508,430)	91.4%
Other Taxes	8,266,100	9,750,622	1,484,522	118.0%
Licenses & Permits	1,519,200	2,020,231	501,031	133.0%
Intergovernmental	260,000	414,553	154,553	159.4%
Charges for Services	9,285,333	9,449,482	164,149	101.8%
Use of Money & Property	3,516,825	2,214,460	(1,302,365)	63.0%
Fines & Forfeitures	606,500	595,084	(11,416)	98.1%
Miscellaneous	654,904	702,757	47,853	107.3%
Total Revenues	\$ 83,655,319	\$ 84,147,945	\$ 492,626	100.6%
Expenditures:				
Personnel Services	15,645,774	15,281,073	(364,701)	97.7%
Contractual Services	56,487,764	52,787,376	(3,700,388)	93.4%
Material & Supplies	2,710,797	1,204,115	(1,506,682)	44.4%
General Government	-	-	-	-
Debt Service	-	-	-	-
Fixed Charges	5,219,274	7,705,008	2,485,734	147.6%
Fixed Assets	51,893	2,946	(48,947)	5.7%
Total Expenditures	\$ 80,115,502	\$ 76,980,519	\$ (3,134,983)	96.1%
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	3,539,817	7,167,426		
Transfers:				
Transfers In	2,138,312	346,293	(1,792,019)	16.2%
Transfers Out	4,654,474	4,693,392	38,918	100.8%
Net Transfers	\$ (2,516,162)	\$ (4,347,099)		
Total Revenues & Transfers In	85,793,631	84,494,238	(1,299,393)	98.5%
Total Expenditures & Transfers Out	84,769,976	81,673,911	(3,096,065)	96.3%
Net Change of Fund Balance	\$ 1,023,655	\$ 2,820,327	\$ 1,796,672	

General Fund Revenues

The General Fund is comprised of several revenue types. However, the main sources include property tax, utility users tax, and sales tax. Each of these are affected by different economic activity cycles and pressures.

Table 3. General Fund Revenues

	FY 2014/15 Amended Budget	Actuals as of 6/30/2015 (unaudited)	Variance	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 11,083,551	\$ 11,594,459	\$ 510,908	104.6%
Property Tax in-lieu	14,912,136	15,137,754	225,618	101.5%
Utility Users Tax	15,912,000	16,138,202	226,202	101.4%
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Licenses & Permits	1,519,200	2,020,231	501,031	133.0%
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Fines & Forfeitures	606,500	595,084	(11,416)	98.1%
Miscellaneous	654,904	702,757	47,853	107.3%
Transfers In	2,138,312	346,293	(1,792,019)	16.2%
Total Revenues	\$ 85,793,631	\$ 84,494,238	\$ (1,299,393)	98.5%

**Chart 1. General Fund Revenue Trends
(6 Year Trend)****Property Taxes/Property Taxes In-Lieu**

Property taxes were budgeted to increase by 10.7% from the FY 2013/14 Amended Budget. The annual schedule of property tax payments from the County of Riverside to the City was based on the following schedule:

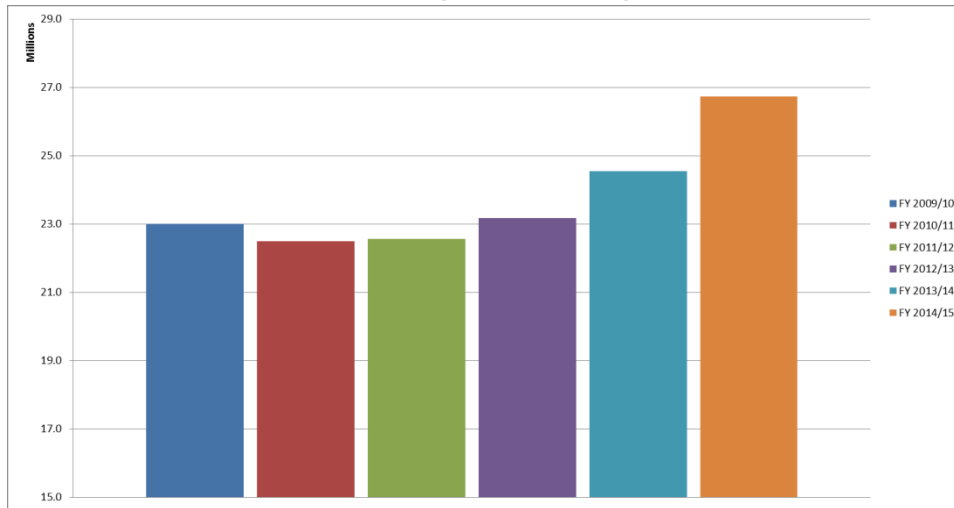
Secured Property Tax Payment Dates

Settlement 1 January 19-23, 2015

Settlement 2	May 18-22, 2015
Settlement 3	August 3-7, 2015
Teeter Settlement	October 19-23, 2015

The City has received 103% of budgeted property taxes through year-end. Property taxes will continue to be monitored as property valuations may adjust through future years based on property sales and assessment appeals filed with the County.

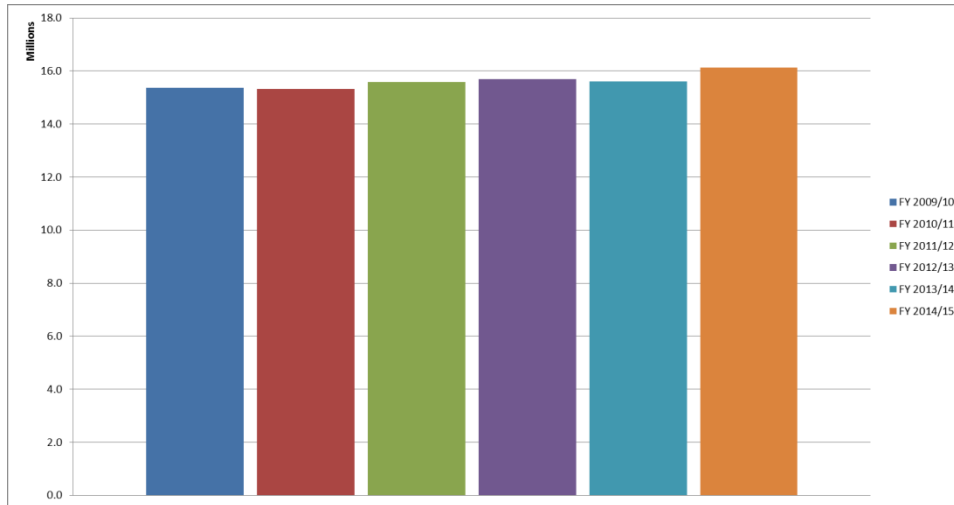
Chart 2. General Fund Revenue Trend – Property Taxes/Property Taxes In-Lieu (6 Year Trend)



Utility Users Tax

Utility Users taxes (UUT) were budgeted to decrease 1.3% from the FY 2013/14 Amended Budget. This reduction is primarily due to competitive forces within the communications markets. Both the wireless and wired markets experienced downturns year over year. Based on our discussions with utility tax experts, there are a couple of causes for this trend. First is competition and bundling practices within the market as more small players continue to join the market. Second is the migration of customers from contract plans to prepaid plans. To avoid cost impacts to residents who rely upon lower cost wireless service, the City Council voted in September 2015 not to collect UUT on pre-paid wireless telephone plans. The City has received 101% of budgeted UUT through the year-end.

**Chart 3. General Fund Revenue Trend – Utility Users Taxes
(6 Year Trend)**

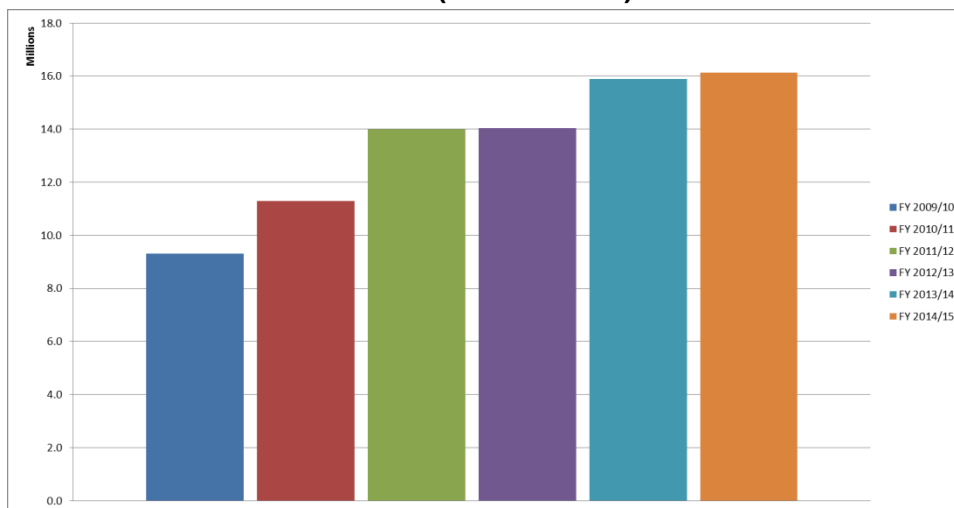


Sales Taxes

Based on the recovering economy and anticipation of new businesses beginning operations in the City, the FY 2014/15 sales tax revenues were estimated to increase by 13%. However, primarily due to the impacts of continued lower gas prices, sales taxes received were at 91% of the budget through the year-end.

For FY 2015/16 the City will continue to monitor potential impacts of gas prices, business activities, legislative actions related to internet sales taxes, and the end of the State’s Triple Flip. Additionally, sales tax receipts will be continually monitored throughout the years to determine if current trends begin to plateau or begin to decrease.

**Chart 4. General Fund Revenue Trend – Sales Taxes
(6 Year Trend)**

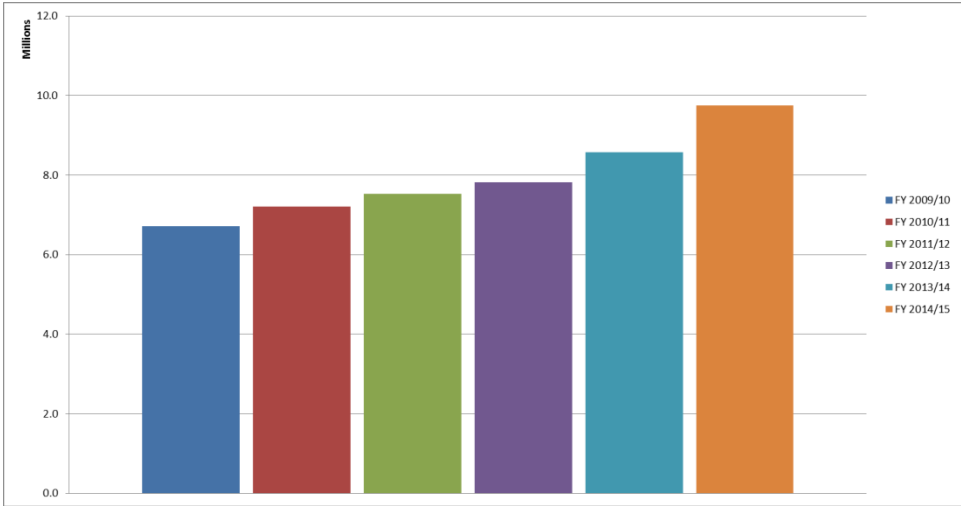


Other Taxes

Other taxes are primarily composed of Business Gross Receipts, Transient Occupancy Tax, Documentary Transfer Tax, and Franchise Fees. Collectively, other taxes were budgeted to increase 3.8% from the FY 2013/14 Amended Budget.

The City has received 118% of the budgeted combined other taxes through the year-end. The increase is driven primarily by increases in the transient occupancy tax of \$337,000 and Franchise Fees of \$589,000. Business License fees and taxes have also increased driven by the growth of businesses in the City.

Chart 5. General Fund Revenue Trend – Other Taxes (6 Year Trend)

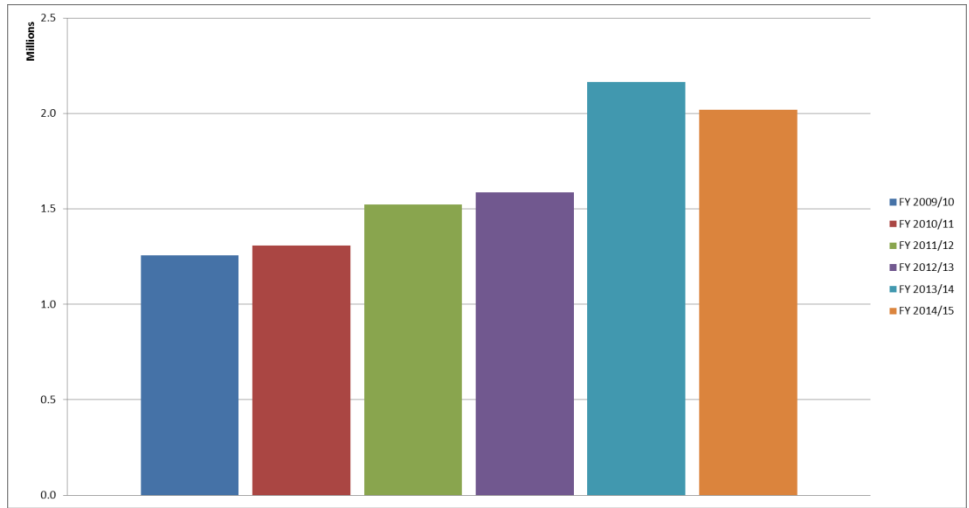


Licenses & Permits

Licenses & Permits are primarily composed of Business and Animal Licenses, along with Building, Electrical, Mechanical, Plumbing and other permits. For FY 2013/14, the City received some permit revenues for projects which may occur in the following year, as such the FY 2014/15 budget reflect this trend. Collectively, Licenses & Permits were budgeted to decrease 13.9% from the FY 2013/14 Amended Budget.

The City has received 133% of budgeted licenses and permit revenues through the year-end. The increase is driven primarily by increases in building permits of approx. \$433,710, which reflects a positive trend for future developments.

Chart 6. General Fund Revenue Trend – Licenses & Permits (6 Year Trend)

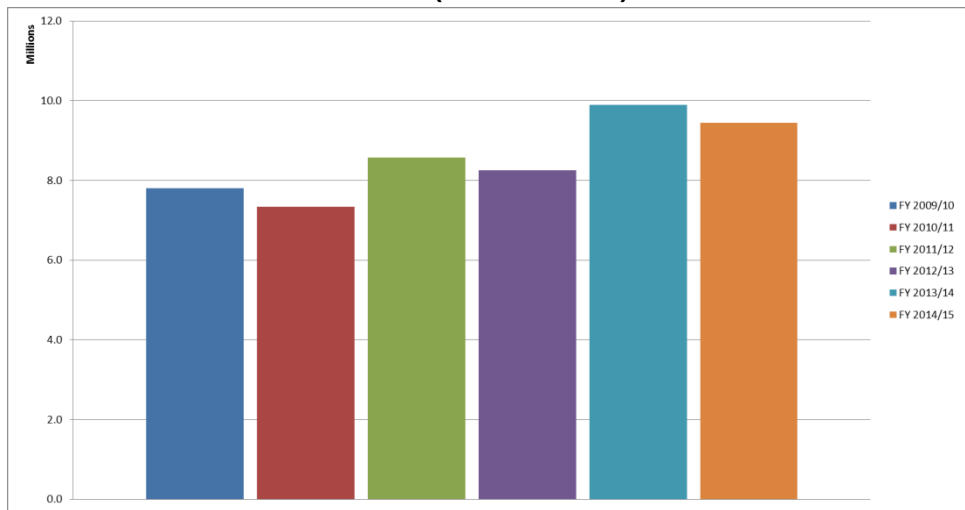


Charges for Services

Charges for Services are primarily composed of Plan Check Fees, Inspection Fees, Administrative Charges to other funds, and Parking Control Fines. Collectively, Charges for Services were budgeted to increase 0.1% from the FY 2013/14 Amended Budget.

The City has received 101% of budgeted charges for services through the year-end.

Chart 7. General Fund Revenue Trend – Charges for Services (6 Year Trend)



Use of Money and Property

Investment income continues to remain low due to extremely low rates of return for fixed income investments. Currently, the Two-year Treasury Note is yielding only 0.65%. Through professional money management firms, the City's two portfolio managers are achieving yields between 1.08% and 1.38% with average durations between 1.90 and 2.50 years. This is a very

low rate of return compared to historical experience, but is indicative of how investment income is performing everywhere.

Revenue on use of money and property finished \$1.3 million or 37% below budget. Due to market conditions, we were unable to take advantage of gains in value on investments during the fiscal year.

General Fund Expenditures

Expenditures are being spent in-line with prior year expenditures: although the following table does identify an overall reduction due to the expense reductions adopted as part of the FY 2014/15 budget.

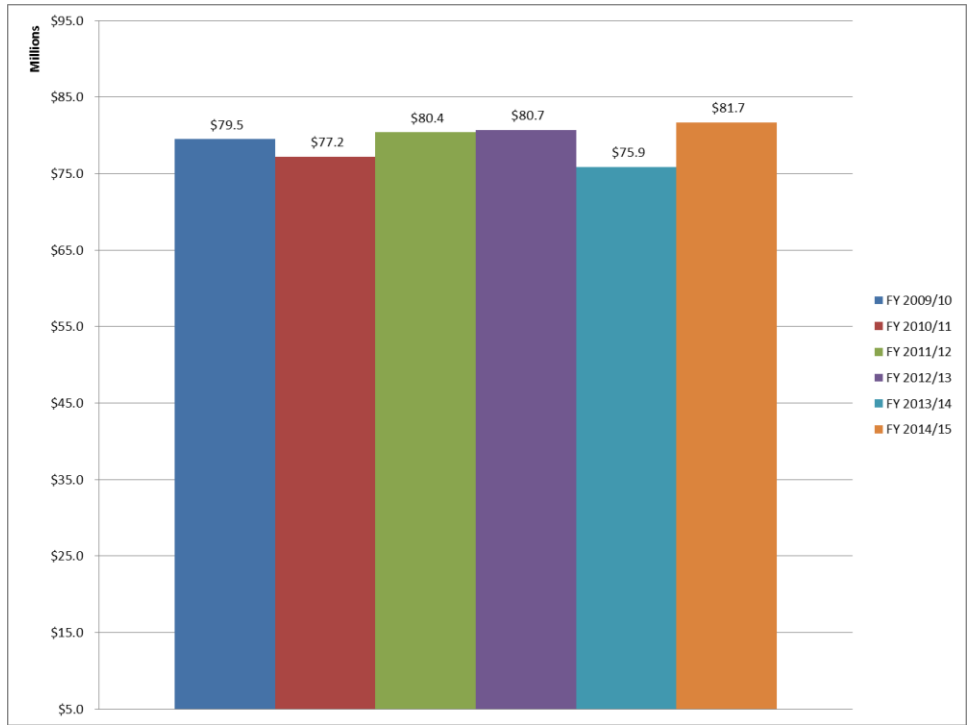
Table 4. General Fund Expenditures

Department	FY 2014/15 Amended Budget	Actuals as of 6/30/2015 (unaudited)	Variance	% of Amended Budget
City Council	\$ 668,537	\$ 629,042	\$ (39,495)	94.1%
City Clerk	662,185	697,675	35,490	105.4%
City Manager	1,936,366	1,911,497	(24,869)	98.7%
City Attorney	854,863	891,356	36,493	104.3%
Community & Economic Development	6,034,012	5,742,787	(291,225)	95.2%
Financial & Management Services	3,609,999	3,020,828	(589,171)	83.7%
Administrative Services	4,091,287	3,870,823	(220,464)	94.6%
Public Works	4,724,247	4,143,279	(580,968)	87.7%
Non-Departmental*	6,002,287	5,994,510	(7,777)	99.9%
			-	
Non-Public Safety Subtotal	28,583,783	26,901,796	(1,681,987)	94.1%
Public Safety*				
Police	38,638,679	38,005,224	(633,455)	98.4%
Fire	17,547,514	16,766,891	(780,623)	95.6%
			-	
Public Safety Subtotal	56,186,193	54,772,116	(1,414,077)	97.5%
Total	\$ 84,769,976	\$ 81,673,911	\$ (3,096,065)	96.3%

* Includes adjustments for anticipated vacancies.

General Fund expenditures of \$81,673,911 were 3.7% (\$3,096,065) lower than budgeted. These savings were due primarily City staff continuing to operate very efficiently and respectful of the ongoing need for fiscal responsibility. As part of the annual budget carryover process, the City Council has also approved the carryover of approx. \$1.5 million of expenses to FY 2015/16.

**Chart 8. General Fund Expense Trends
(6 Year Trend)**



CONTINUED CHALLENGES AND ITEMS OF NOTE

Preserving a balanced City budget over the next several years will require the same level of vigilance and strategic planning which produced the budget. While focusing significant energy to attract and retain local businesses, the City will also contend with fiscal pressures associated with:

- A General Fund subsidy for street lights, impacts of future SCE rate increases, along with potential options to purchase street lights based on Council's future direction;
- Continued significant cost increases levied by the County for contract law enforcement services;
- Projected cost increases for contract Fire protection;
- Anticipated pension cost increases, exacerbated by revisions to CalPERS rate methodology which had previously smoothed rate increases over longer periods;
- The General Fund's obligation to guarantee debt service payments on the police and fire facilities;
- The restoration of funding for deferred infrastructure maintenance during the fiscal downturn.
- Potential dramatic reduction or loss of Utility User Taxes of approx. \$16 million.

The City Council's resolve as demonstrated during the budget cycle, along with engaged managers throughout the City organization and a collaborative relationship with our employees will continue to serve us well to successfully address these challenges ahead.

OTHER KEY FUNDS

The following summaries describe other major funds in the City.

Moreno Valley Community Services District

The Moreno Valley Community Services District (CSD) was formed by the voters in 1984 to collect fees and certain taxes to provide an array of services including parks, recreation and community services, streetlights, landscaping and ongoing maintenance. The CSD provides these services through separate "zones", Community Facilities Districts, and Landscape Maintenance Districts that define the services that are provided.

For certain service areas, the primary revenue source used to provide services to properties is parcel fees or taxes levied on properties via their annual tax bill. Proposition 218, passed by California voters in November 1996, has posed a serious challenge to managing the future operation of the CSD zones. Prop. 218 requires any revenue increase to be addressed through a voting process by affected property owners. For a period following the initial implementation of Prop. 218, the CSD was successful in receiving approval for some new or increased revenues. There were also revenue increases due to the growth of developed parcels within the zones. However, due to cost increases that exceed any offsetting increases in the revenues over the past years, and the recent economic downturn slowing new parcel growth, property owners have been resistant to efforts to fully fund service levels.

Table 5. CSD Operations

	FY 2014/15 Amended Budget	Actuals as of 6/30/2015 (unaudited)	Variance	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 3,884,148	\$ 4,005,087	\$ 120,939	103.1%
Other Taxes	6,322,000	6,362,568	40,568	100.6%
Charges for Services	5,824,562	5,953,547	128,985	102.2%
Use of Money & Property	646,351	785,507	139,156	121.5%
Fines & Forfeitures	50,000	35,092	(14,908)	70.2%
Miscellaneous	20,100	23,662	3,562	117.7%
Transfers In	5,857,894	5,525,632	(332,262)	94.3%
Total Revenues	22,605,055	22,691,096	86,041	100.4%
Expenditures:				
Library Services Fund (5010)	\$ 1,753,611	\$ 1,761,074	\$ 7,463	100.4%
Zone A Parks Fund (5011)	9,077,057	8,484,352	(592,705)	93.5%
LMD 2014-01 Residential Street Lighting Fund (5012)	1,627,780	1,458,079	(169,701)	89.6%
Zone C Arterial Street Lighting Fund (5110)	960,571	817,349	(143,222)	85.1%
Zone D Standard Landscaping Fund (5111)	1,238,148	870,065	(368,083)	70.3%
Zone E Extensive Landscaping Fund (5013)	3,986,975	3,650,853	(336,122)	91.6%
5014 LMD 2014-02	2,404,405	1,781,803	(622,602)	74.1%
Zone M Median Fund (5112)	283,194	192,321	(90,873)	67.9%
CFD No. 1 (5113)	1,648,707	1,340,364	(308,343)	81.3%
Zone S (5114)	95,755	45,253	(50,502)	47.3%
5211 ZONE A PARKS - RESTRICTED ASSETS	345,626	-	(345,626)	0.0%
Total Expenditures	23,421,829	20,401,513	(3,020,316)	87.1%
Net Change or Adopted Use of Fund Balance	\$ (816,774)	\$ 2,289,582		

Community Services District Zone A – Parks & Community Services

The largest Zone within the CSD is Zone A. It accounts for the administration and maintenance of the Parks & Community Services facilities and programs. Funding sources for these services come from a combination of property taxes, fees for service and smaller amounts from other City funds.

Table 6. CSD Zone A Operations

	FY 2014/15 Amended Budget	Actuals as of 6/30/2015 (unaudited)	Variance	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 2,022,318	\$ 2,079,121	\$ 56,803	102.8%
Other Taxes	4,900,000	4,938,434	38,434	100.8%
Charges for Services	1,045,507	1,098,603	53,096	105.1%
Use of Money & Property	616,300	653,391	37,091	106.0%
Miscellaneous	18,100	10,150	(7,950)	56.1%
Transfers In	639,762	307,500	(332,262)	48.1%
Total Revenues	9,241,987	9,087,199	(154,788)	98.3%
Expenditures:				
35010 Parks & Comm Svcs - Admin	\$ 793,006	\$ 470,731	\$ (322,275)	59.4%
35210 Park Maintenance - General	3,111,955	2,820,246	(291,709)	90.6%
35211 Contract Park Maintenance	452,292	378,183	(74,109)	83.6%
35212 Park Ranger Program	367,233	338,080	(29,153)	92.1%
35213 Golf Course Program	375,414	299,076	(76,338)	79.7%
35214 Parks Projects	188,421	184,662	(3,759)	98.0%
35310 Senior Program	612,483	572,351	(40,132)	93.4%
35311 Community Services	182,887	155,933	(26,954)	85.3%
35312 Community Events	224,384	93,593	(130,791)	41.7%
35313 Conf & Rec Cntr	584,054	519,252	(64,802)	88.9%
35314 Conf & Rec Cntr - Banquet	349,077	337,755	(11,322)	96.8%
35315 Recreation Programs	1,304,736	1,218,181	(86,555)	93.4%
35317 July 4th Celebration	152,414	144,935	(7,479)	95.1%
35318 Sports Programs	384,345	545,769	161,424	142.0%
35319 Towngate Community Center	40,335	55,992	15,657	138.8%
95011 Non-Dept Zone A Parks	299,647	349,612	49,965	116.7%
Total Expenditures	9,422,683	8,484,352	(938,331)	90.0%
Net Change or Adopted Use of Fund Balance	\$ (180,696)	\$ 602,848		

Electric Utility

The Moreno Valley Utility (MVU) manages the operation, maintenance and business planning of the City's electric utility. MVU's basic purpose is to provide reliable electric service to customers in newly developed areas of the City. The City began serving new customers in February 2004, and now serves more than 5,600 customers. As it reaches fiscal and operational maturity, MVU will continue to be a key component of the City's economic development strategy. The City Council has established special tiered economic development rates for large electric utility commercial customers based upon factors such as the number of jobs created.

The main revenue source for this fund is derived from charges for services. The customer base includes residential, commercial and industrial customers. The growth in customer base will continue to provide for the ability to create rate stabilization and replacement reserve funding.

Table 7. MVU Operations

	FY 2014/15 Amended Budget	Actuals as of 6/30/2015 (unaudited)	Variance	% of Amended Budget
Revenues:				
Taxes:				
Intergovernmental	\$ 50,000	\$ -	\$ (50,000)	0.0%
Charges for Services	25,644,058	27,678,543	2,034,485	107.9%
Use of Money & Property	80,500	194,275	113,775	241.3%
Miscellaneous	121,878	1,085,513	963,635	890.7%
Total Revenues	25,896,436	28,958,331	3,061,895	111.8%
Expenditures*:				
45510 Electric Utility - General	\$ 16,971,469	\$ 18,220,768	\$1,249,299	107.4%
45511 Public Purpose Program	628,532	325,394	(303,138)	51.8%
45520 2007 Taxable Lease Rev Bonds	1,335,995	1,342,327	6,332	100.5%
45530 2005 Lease Revenue Bonds	22,159	109,791	87,632	495.5%
80005 CIP - Electric Utility	1,791,748	2,143,773	352,025	119.6%
96010 Non-Dept Electric	-	22,210	22,210	
96031 Non-Dept 2013 Refunding 05 LRB	59,334	46,416	(12,918)	78.2%
96032 Non-Dept 2014 Refunding 2005 LRB	55,000	66,702	11,702	121.3%
Total Expenditures	20,864,237	22,277,381	1,413,145	106.8%
Net Operations	\$ 5,032,199	\$ 6,680,950		

* Adjusted for Contra Accounts

As a result of net operations, MVU will have a net change in fund balance is as follows:

	FY 2014/15
Revenues	\$ 28,958,331
Expenditures	(22,277,381)
Net Operations	\$ 6,680,950
Net Investment in Infrastructure	(1,334,116)
Net Change in Fund Balance	\$ 5,346,834

MVU's revenues and expenses will fluctuate annually based on energy demands. Future projections are based on the comprehensive cost of service studies, which examine the impacts of:

- The cost of power supply
- State mandated targets for renewable energy purchases and greenhouse gas emission reductions
- Demand fluctuations
- Solar generation
- Energy efficiency programs

SUMMARY

The FY 2014/15 Budget was the second year of a balanced budget without the use of reserves. This success continues to position the City for the next fiscal years of a balanced budget.



CITY OF MORENO VALLEY: FY 2014/15 YEAR END BUDGET REVIEW

PRESENTATION BY: Michelle Dawson, City Manager
Rick Teichert, Chief Financial Officer
Marshall Eyerman, Financial Resources Division Manager

City Council Meeting January 5, 2016



FY 2014/15 General Fund Operating Results - Revenues

- Results within 1.5% of budget
- Reflects positive growth and one-time revenues

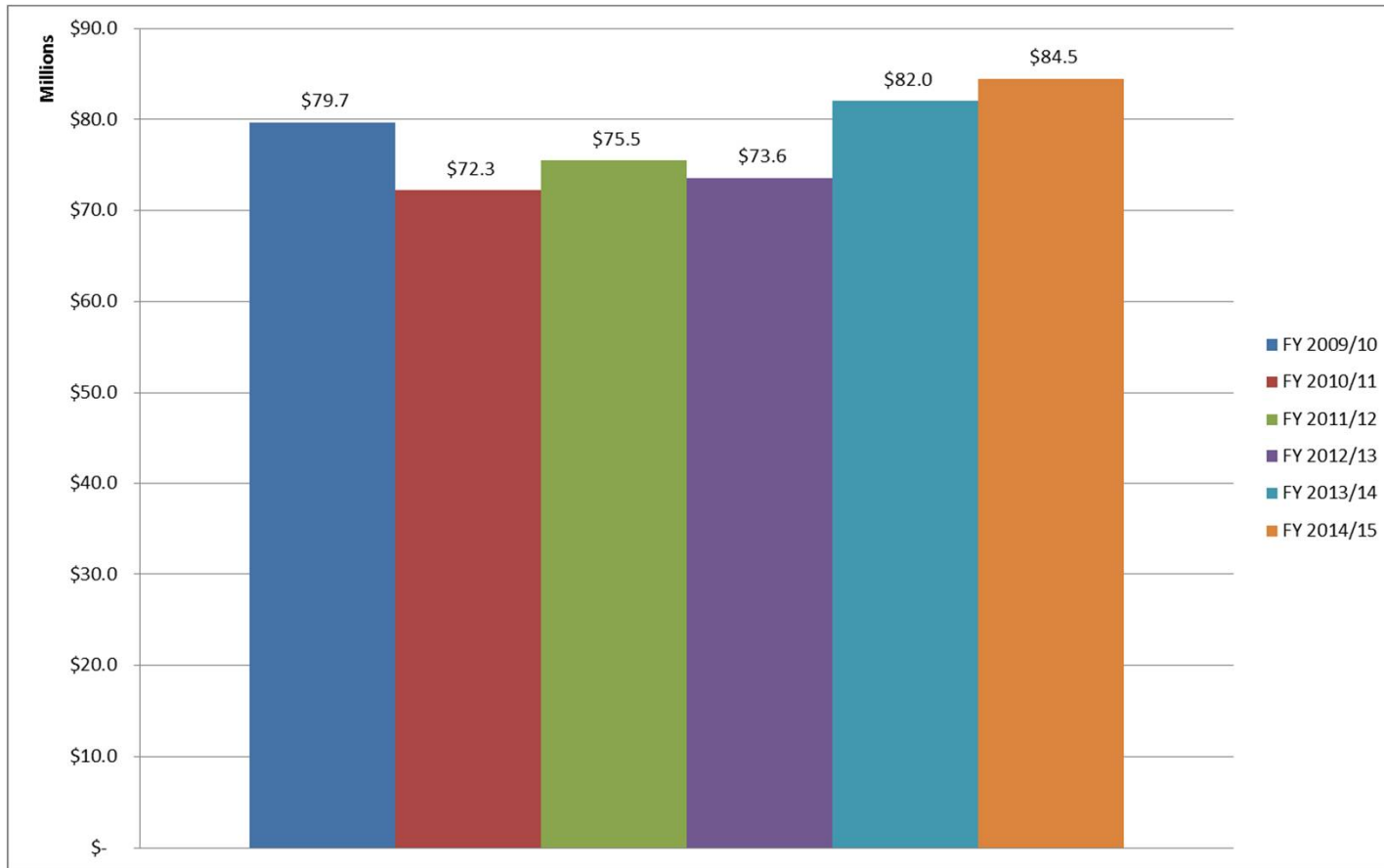
	FY 2014/15 Amended Budget	Actuals as of 6/30/2015 (unaudited)	Variance	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 11,083,551	\$ 11,594,459 ▲	\$ 510,908	104.6%
Property Tax in-lieu	14,912,136	15,137,754 ▲	225,618	101.5%
Utility Users Tax	15,912,000	16,138,202 ▲	226,202	101.4%
Sales Tax	17,638,770	16,130,340 ▲	(1,508,430)	91.4%
Other Taxes	8,266,100	9,750,622 ▲	1,484,522	118.0%
Licenses & Permits	1,519,200	2,020,231 ▲	501,031	133.0%
Intergovernmental	260,000	414,553 ▲	154,553	159.4%
Charges for Services	9,285,333	9,449,482 ▲	164,149	101.8%
Use of Money & Property	3,516,825	2,214,460 ▲	(1,302,365)	63.0%
Fines & Forfeitures	606,500	595,084 ▲	(11,416)	98.1%
Miscellaneous	654,904	702,757 ▲	47,853	107.3%
Transfers In	2,138,312	346,293 ▲	(1,792,019)	16.2%
Total Revenues	\$ 85,793,631	\$ 84,494,238	\$ (1,299,393)	98.5%

GENERAL FUND OPERATING RESULTS

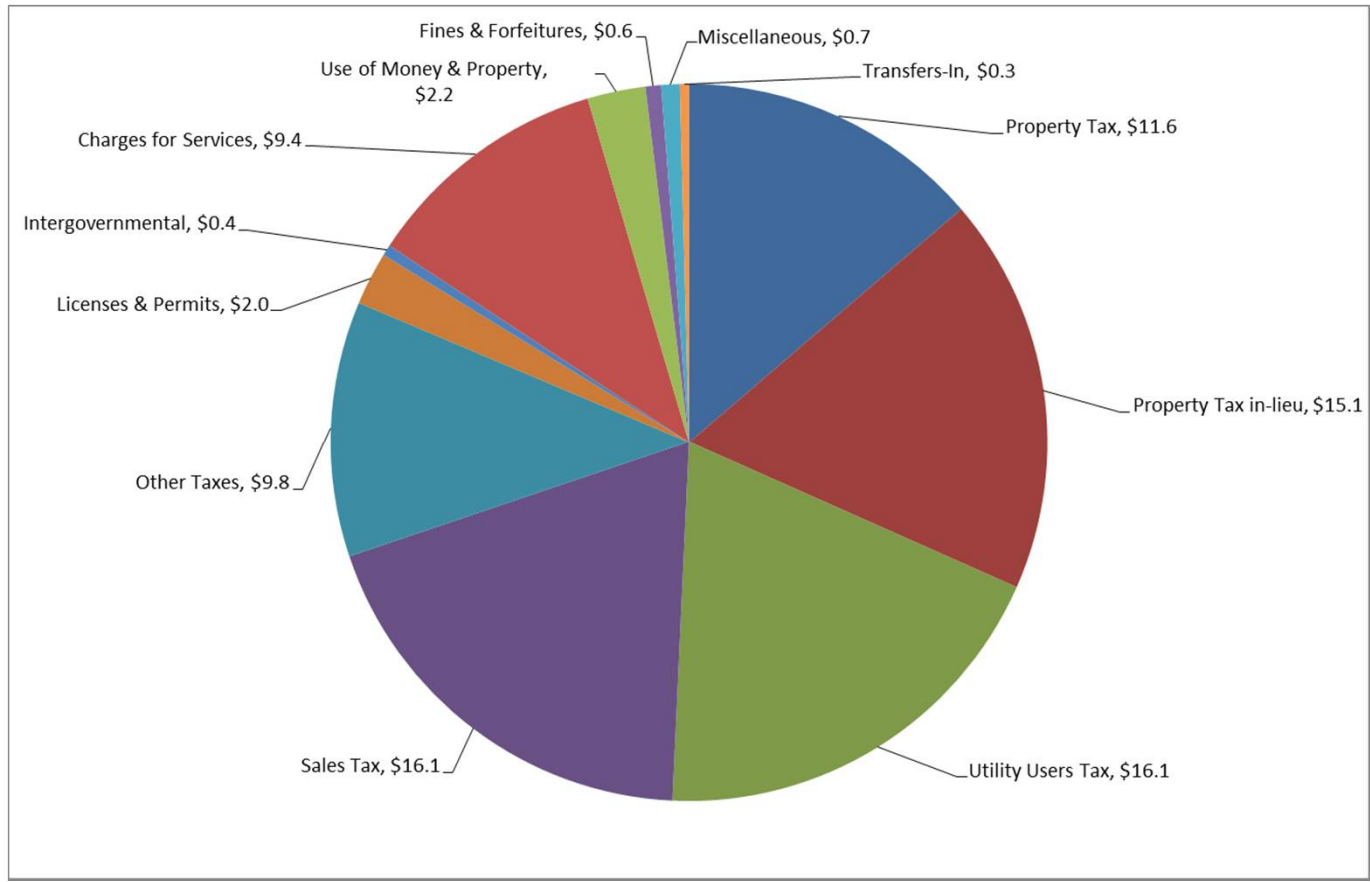
Attachment: Year End Budget Presentation [Revision 1] (1789 : TRANSMITTAL AND REVIEW OF THE



FY 2014/15 General Fund Operating Results - Revenues

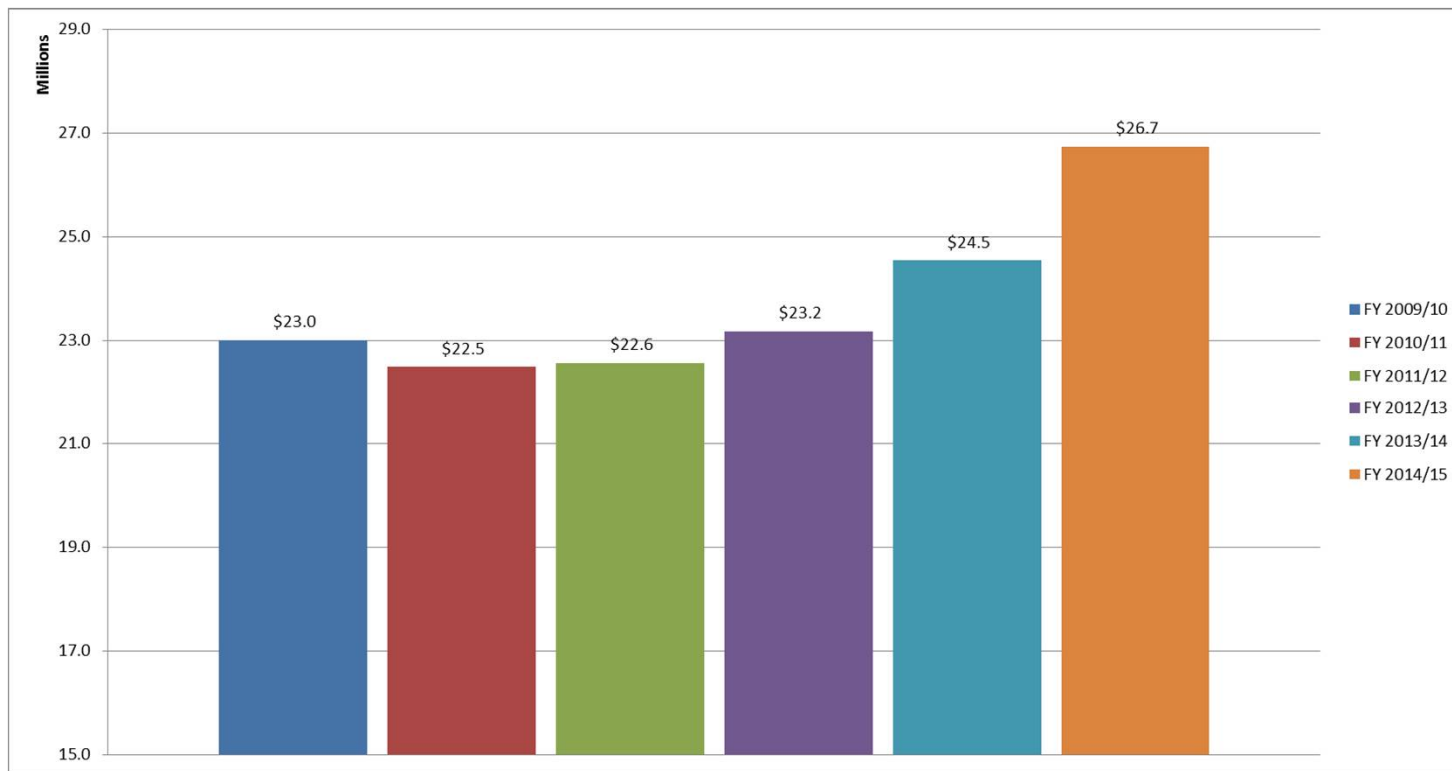


FY 2014/15 General Fund Operating Results - Revenues



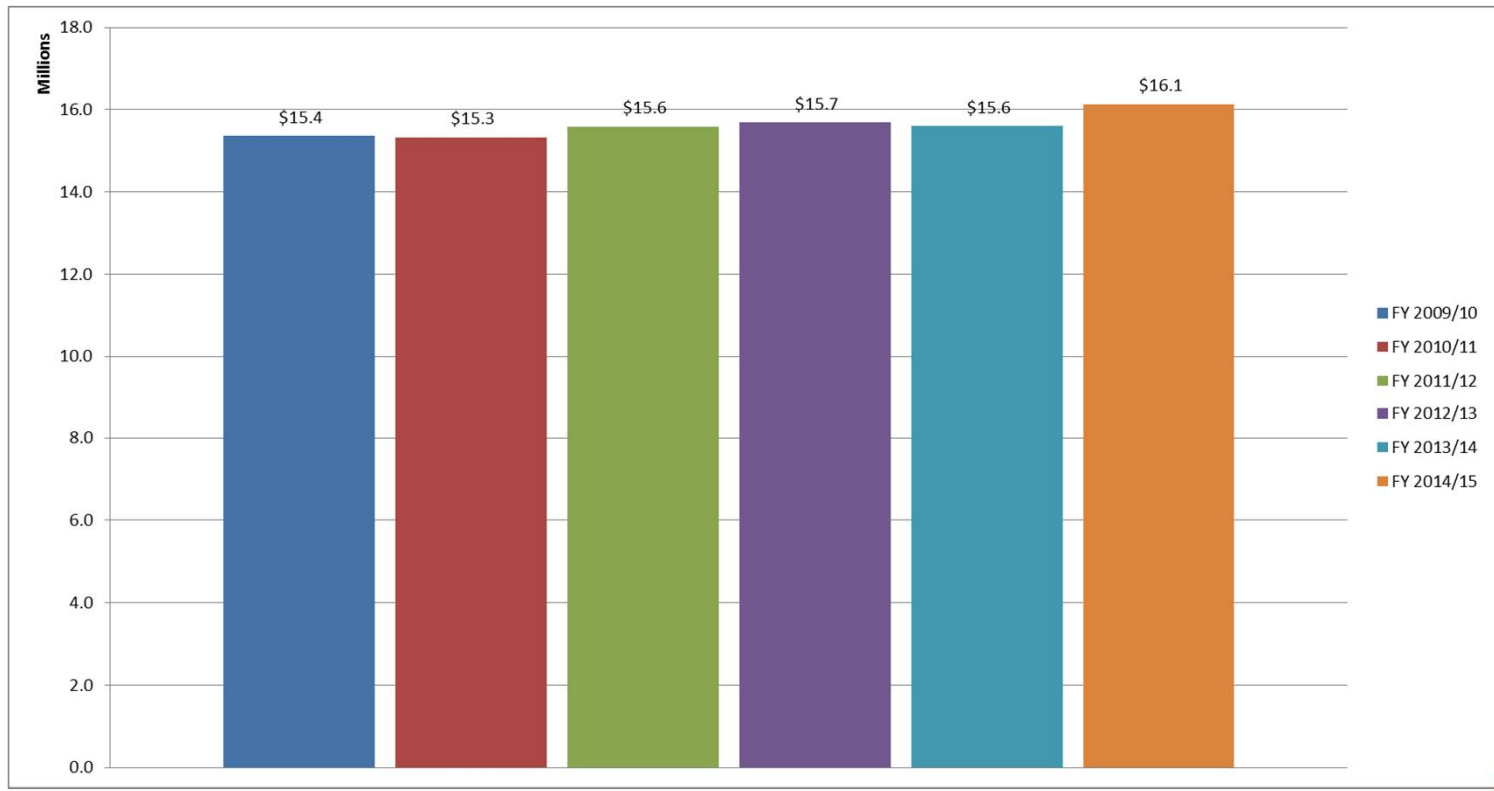
FY 2014/15 General Fund Operating Results

- Property Tax Revenues



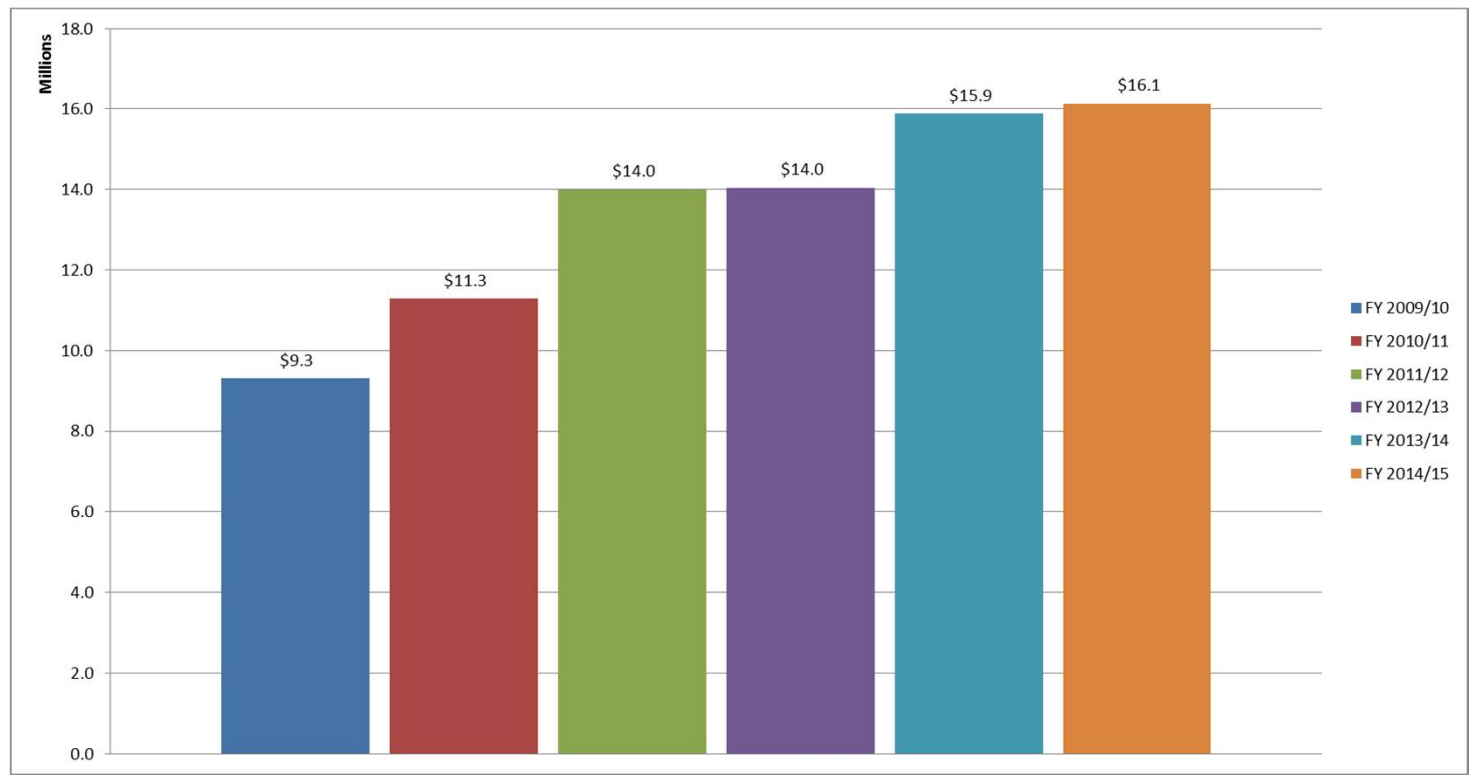
FY 2014/15 General Fund Operating Results

- Utility Users Tax Revenues



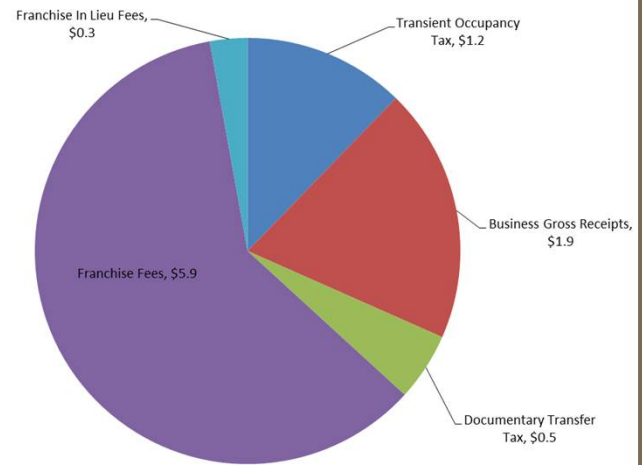
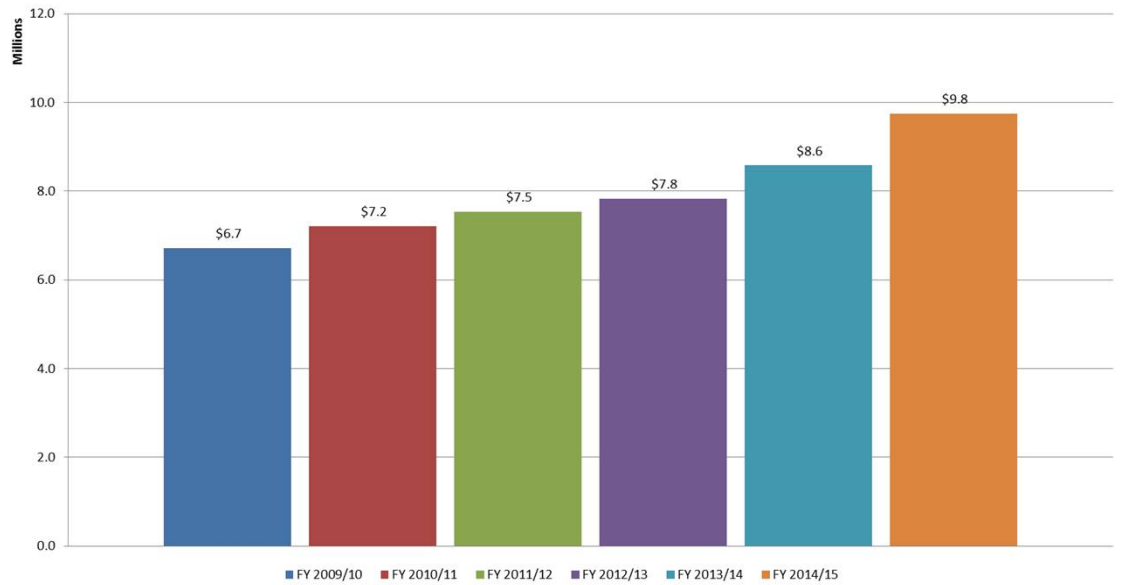
FY 2014/15 General Fund Operating Results

- Sales Tax Revenues



FY 2014/15 General Fund Operating Results

- Other Tax Revenues
- Growth seen in Transient Occupancy Tax and Business Taxes

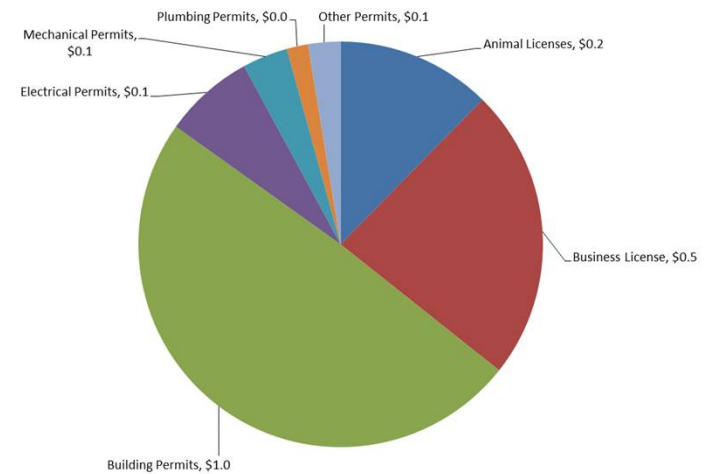
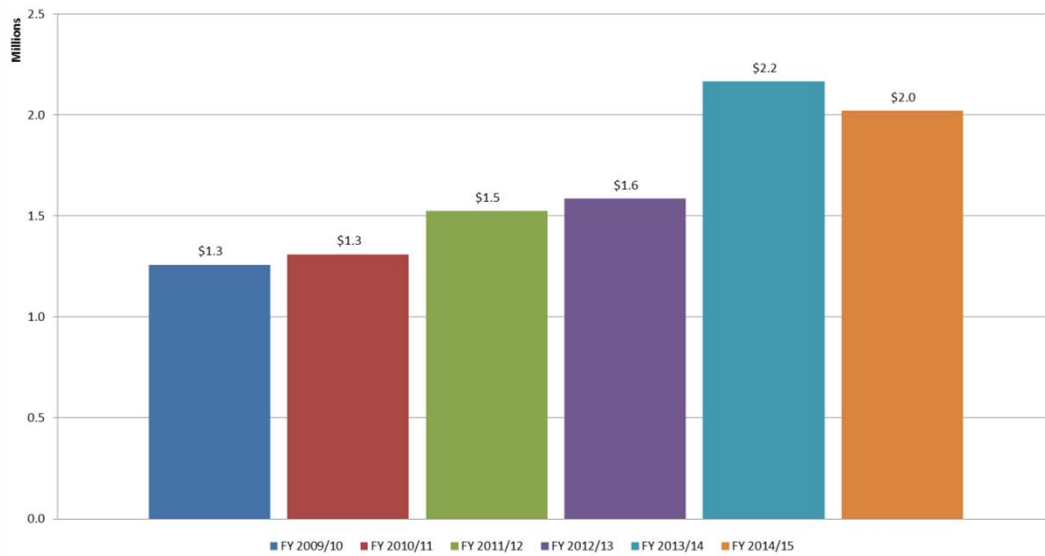


GENERAL FUND OPERATING RESULTS



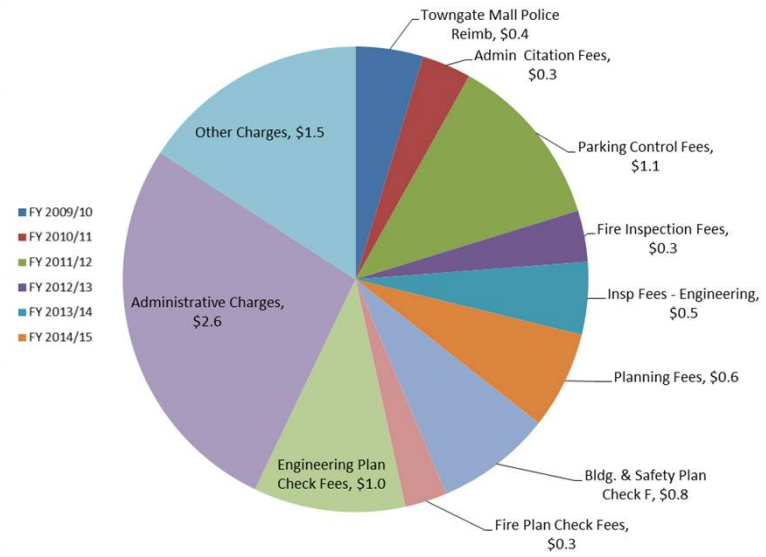
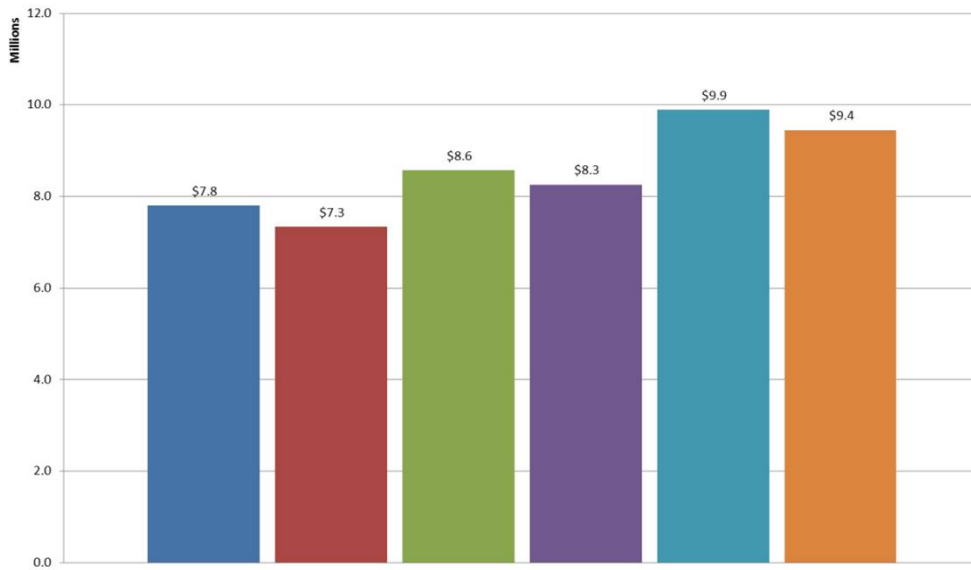
FY 2014/15 General Fund Operating Results

- Licenses and Permits Revenues
 - Business and Animal Licenses, along with Building, Electrical, Mechanical, Plumbing and other permits



FY 2014/15 General Fund Operating Results

- Charges for Services Revenues
 - Includes Plan Check Fees for Building & Safety, Fire, and Engineering



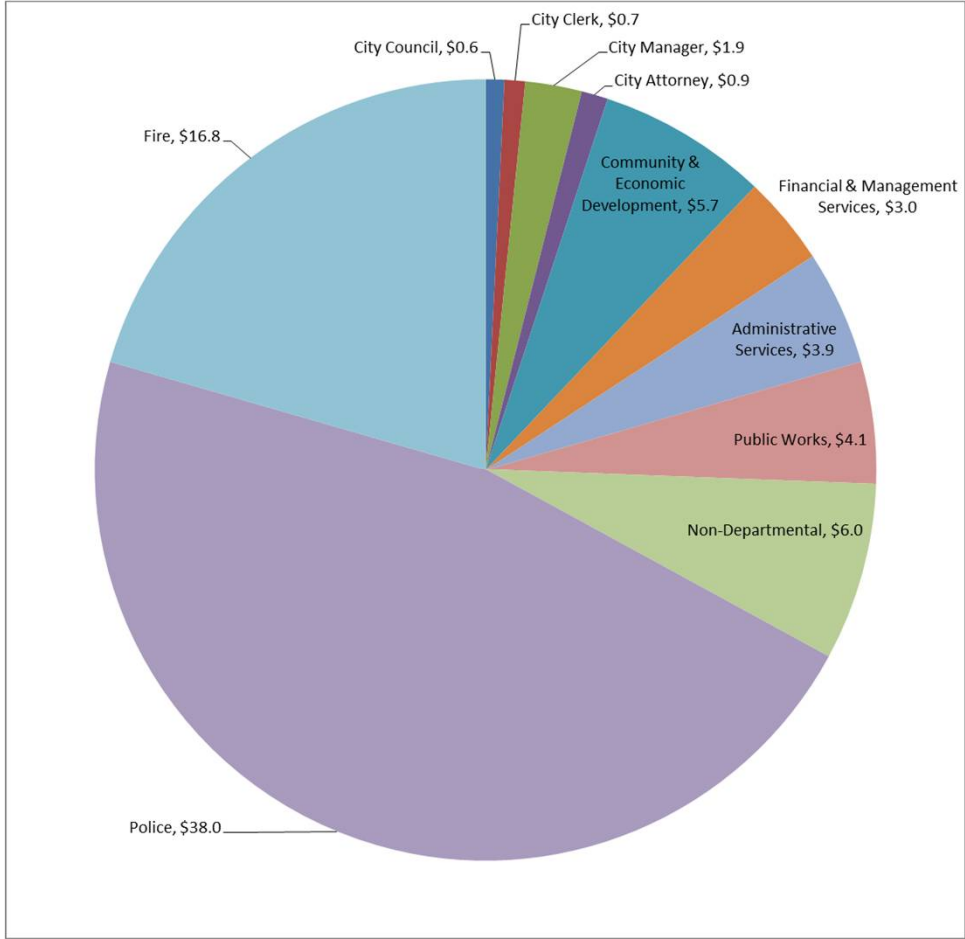
FY 2014/15 General Fund Operating Results - Expenses

- Results within 3.7% of budget
- Reflects increased cost controls and savings

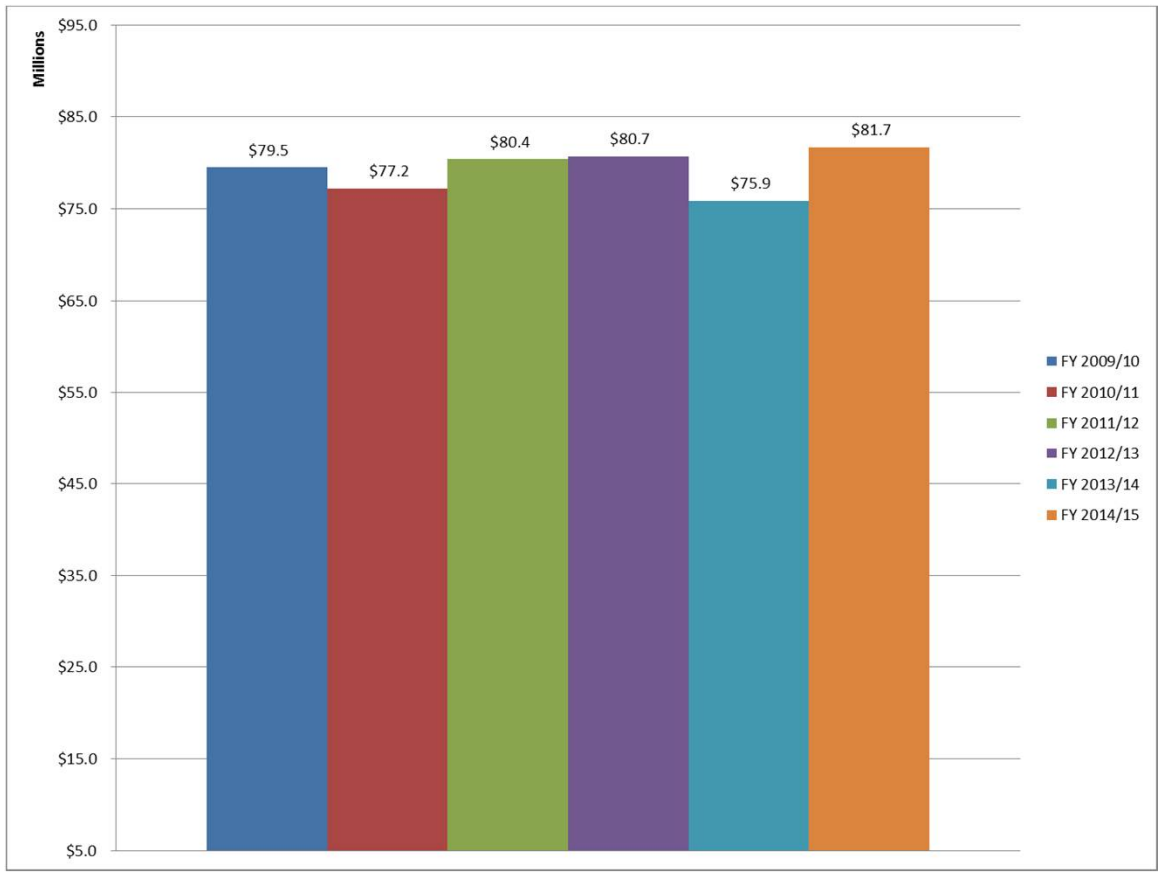
Department	FY 2014/15 Amended Budget	Actuals as of 6/30/2015 (unaudited)	Variance	% of Amended Budget
City Council	\$ 668,537	\$ 629,042	\$ (39,495)	94.1%
City Clerk	662,185	697,675	35,490	105.4%
City Manager	1,936,366	1,911,497	(24,869)	98.7%
City Attorney	854,863	891,356	36,493	104.3%
Community & Economic Development	6,034,012	5,742,787	(291,225)	95.2%
Financial & Management Services	3,609,999	3,020,828	(589,171)	83.7%
Administrative Services	4,091,287	3,870,823	(220,464)	94.6%
Public Works	4,724,247	4,143,279	(580,968)	87.7%
Non-Departmental*	6,002,287	5,994,510	(7,777)	99.9%
			-	
Non-Public Safety Subtotal	28,583,783	26,901,796	(1,681,987)	94.1%
Public Safety*				
Police	38,638,679	38,005,224	(633,455)	98.4%
Fire	17,547,514	16,766,891	(780,623)	95.6%
			-	
Public Safety Subtotal	56,186,193	54,772,116	(1,414,077)	97.5%
Total	\$ 84,769,976	\$ 81,673,911	\$ (3,096,065)	96.3%



FY 2014/15 General Fund Operating Results - Expenses



FY 2014/15 General Fund Operating Results - Expenses



GENERAL FUND OPERATING RESULTS



FY 2014/15 General Fund Results

	Actuals as of 6/30/2015 (unaudited)
Total Revenues & Transfers In	\$ 84,494,238
Total Expenditures & Transfers Out	81,673,911
Net Change of Fund Balance	\$ 2,820,327

Fund Balance Summary	FY 2013/14	FY 2014/15	Variance
Assigned/Restricted	\$ 13,019,131	\$ 11,769,741	\$ (1,249,390)
Unassigned	27,536,445	31,606,162	4,069,716
Total Fund Balance	\$ 40,555,576	\$ 43,375,903	\$ 2,820,327

- Unassigned funds may be used to cover annual cash flow requirements and reserves.



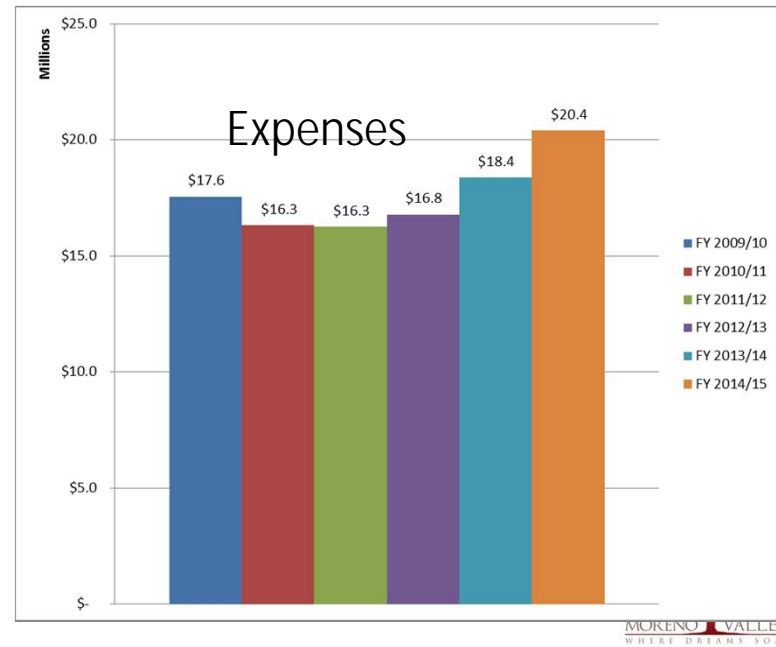
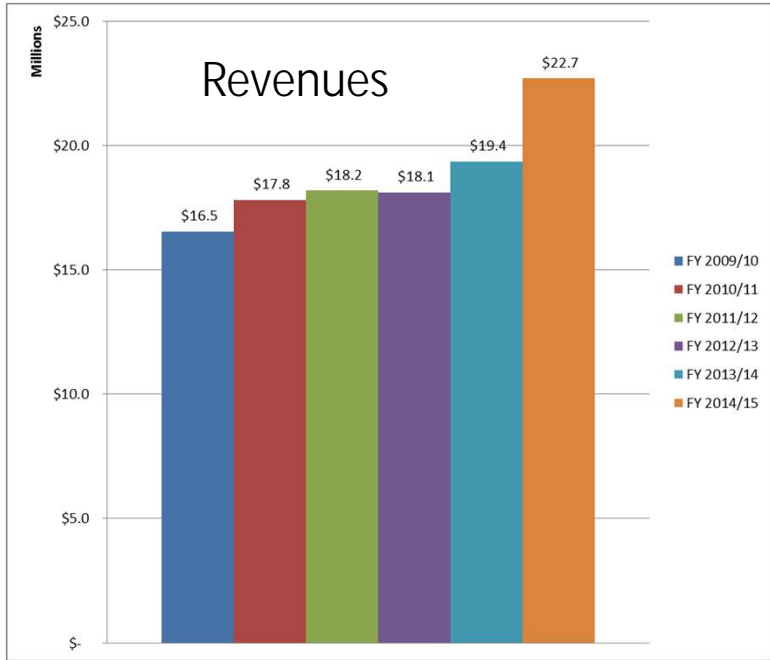
FY 2014/15 Community Services District Operating Results

	FY 2014/15 Amended Budget	Actuals as of 6/30/2015 (unaudited)	Variance	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 3,884,148	\$ 4,005,087	\$ 120,939	103.1%
Other Taxes	6,322,000	6,362,568	40,568	100.6%
Charges for Services	5,824,562	5,953,547	128,985	102.2%
Use of Money & Property	646,351	785,507	139,156	121.5%
Fines & Forfeitures	50,000	35,092	(14,908)	70.2%
Miscellaneous	20,100	23,662	3,562	117.7%
Transfers In	5,857,894	5,525,632	(332,262)	94.3%
Total Revenues	22,605,055	22,691,096	86,041	100.4%
Expenditures:				
Library Services Fund (5010)	\$ 1,753,611	\$ 1,761,074	\$ 7,463	100.4%
Zone A Parks Fund (5011)	9,077,057	8,484,352	(592,705)	93.5%
LMD 2014-01 Residential Street Lighting Fund (5012)	1,627,780	1,458,079	(169,701)	89.6%
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Zone M Median Fund (5112)	283,194	192,321	(90,873)	67.9%
CFD No. 1 (5113)	1,648,707	1,340,364	(308,343)	81.3%
Zone S (5114)	95,755	45,253	(50,502)	47.3%
5211 ZONE A PARKS - RESTRICTED ASSETS	345,626	-	(345,626)	0.0%
Total Expenditures	23,421,829	20,401,513	(3,020,316)	87.1%
Net Change or Adopted Use of Fund Balance	\$ (816,774)	\$ 2,289,582		



FY 2014/15 Community Services District Operating Results

- Voter approved services and charges



FY 2014/15 Community Services District Operating Results

- Parks and Community Services - Zone A

	FY 2014/15 Amended Budget	Actuals as of 6/30/2015 (unaudited)	Variance	% of Amended Budget
Revenues:				
Total Revenues	9,241,987	9,087,199	(154,788)	98.3%
Expenditures:				
35010 Parks & Comm Svcs - Admin	\$ 793,006	\$ 470,731	\$ (322,275)	59.4%
35210 Park Maintenance - General	3,111,955	2,820,246	(291,709)	90.6%
35211 Contract Park Maintenance	452,292	378,183	(74,109)	83.6%
35212 Park Ranger Program	367,233	338,080	(29,153)	92.1%
35213 Golf Course Program	375,414	299,076	(76,338)	79.7%
35214 Parks Projects	188,421	184,662	(3,759)	98.0%
35310 Senior Program	612,483	572,351	(40,132)	93.4%
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35315 Recreation Programs	1,304,736	1,218,181	(86,555)	93.4%
35317 July 4th Celebration	152,414	144,935	(7,479)	95.1%
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35319 Towngate Community Center	40,335	55,992	15,657	138.8%
95011 Non-Dept Zone A Parks	299,647	349,612	49,965	116.7%
Total Expenditures	9,422,683	8,484,352	(938,331)	90.0%
Net Change or Adopted Use of Fund Balance				
	\$ (180,696)	\$ 602,848		



FY 2014/15 Moreno Valley Utility Operating Results

- Moreno Valley Utility (MVU) manages the operation, maintenance and business planning of the City's electric utility.

	FY 2014/15 Amended Budget	Actuals as of 6/30/2015 (unaudited)	Variance	% of Amended Budget
Revenues:				
Taxes:				
Intergovernmental	\$ 50,000	\$ -	\$ (50,000)	0.0%
Charges for Services	25,644,058	27,678,543	2,034,485	107.9%
Use of Money & Property	80,500	194,275	113,775	241.3%
Miscellaneous	121,878	1,085,513	963,635	890.7%
Total Revenues	25,896,436	28,958,331	3,061,895	111.8%
Expenditures*:				
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45511 Public Purpose Program	628,532	325,394	(303,138)	51.8%
45520 2007 Taxable Lease Rev Bonds	1,335,995	1,342,327	6,332	100.5%
45530 2005 Lease Revenue Bonds	22,159	109,791	87,632	495.5%
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96032 Non-Dept 2014 Refunding 2005 LRB	55,000	66,702	11,702	121.3%
Total Expenditures	20,864,237	22,277,381	1,413,145	106.8%
Net Operations	\$ 5,032,199	\$ 6,680,950		

* Adjusted for Contra Accounts



FY 2014/15 Moreno Valley Utility Operating Results

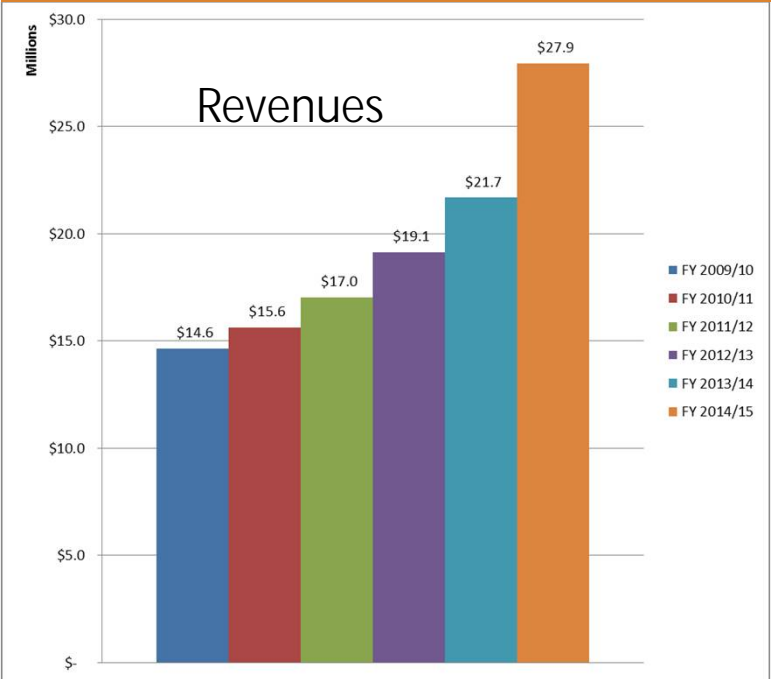
	FY 2014/15
Revenues	\$ 28,958,331
Expenditures	(22,277,381)
Net Operations	\$ 6,680,950
Net Investment in Infrastructure	(1,334,116)
Net Change in Fund Balance	\$ 5,346,834

Net Position/Equity Summary	FY 2013/14	FY 2014/15	Variance
Inv in Capital Assets	\$ 9,569,296	\$ 10,903,412	\$ (1,334,116)
Restricted Public Purpose	3,903,663	3,803,242	100,421
Unrestricted	(1,149,816)	4,297,438	(5,447,254)
Total Net Position/Equity Summary	\$ 12,323,143	\$ 19,004,092	\$ (6,680,949)

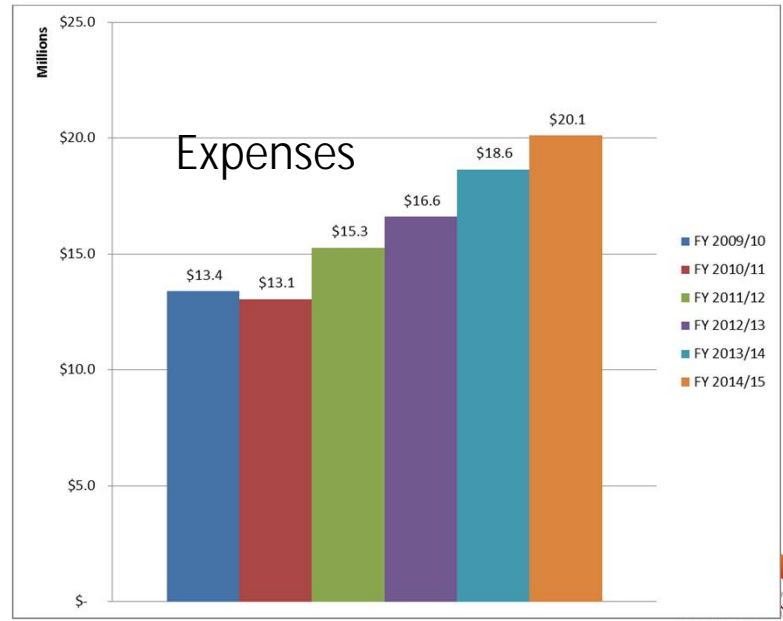
- Unrestricted funds may be used to cover annual cash flow requirements and reserves.
- Reflects prior year adjustment for GASB 68 - net pension liability



FY 2014/15 Moreno Valley Utility Operating Results



● Reflects continued growth of the utility



Financial Updates

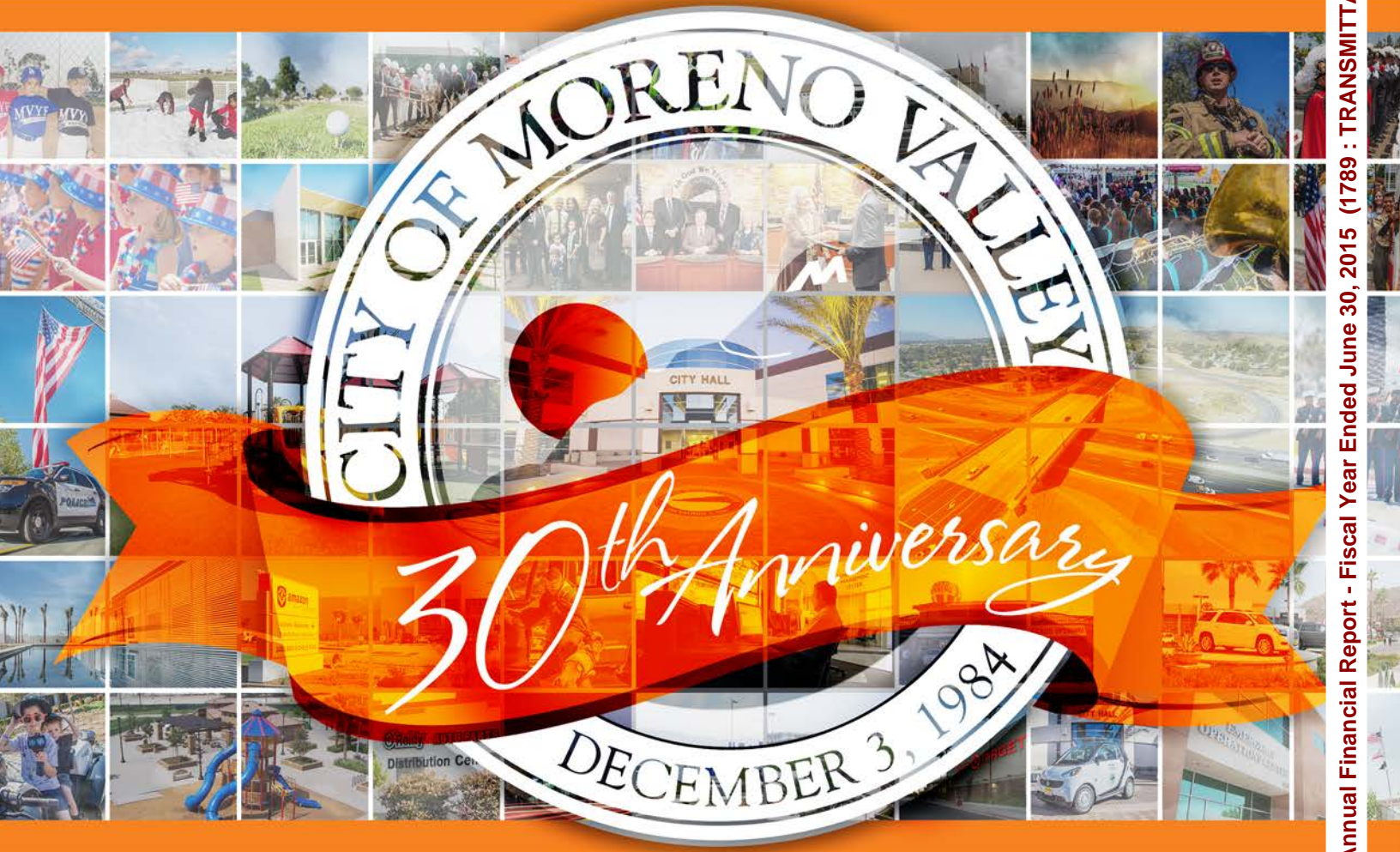
- March 2016: FY 2016/17 Mid-Year Budget Adjustments

Future Study Sessions/Discussions

- Utility User Tax (UUT)
- Development Impact Fees (DIF)
- User Fees
- Transient Occupancy Tax (TOT)
- Public Safety Service Levels



COMPREHENSIVE ANNUAL FINANCIAL REPORT



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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789) - TRANSMITTAL AND REVIEW OF THE

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

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Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

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

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COMPREHENSIVE ANNUAL FINANCIAL REPORT



FISCAL YEAR
ENDED JUNE 30, 2015

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14177 FREDERICK STR
 P.O. BOX 880
 MORENO VALLEY, CA 92552-0880

December 7, 2015

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

On behalf of the City Manager, Management Team and City Staff, it is my pleasure to submit the Comprehensive Annual Financial Report (CAFR) of the City of Moreno Valley (the City) for the fiscal year ended June 30, 2015.

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

The City's financial statements have been audited by Vasquez & Company LLP, a firm of certified public accountants. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unqualified opinion on the City's financial statements for the fiscal year ended June 30, 2015. An unqualified opinion reflects the auditor's judgment that the City's financial records and statements are fairly and appropriately presented, and are in accordance with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

Profile of the City of Moreno Valley

The City of Moreno Valley was incorporated on December 3, 1984. It is centrally located in Southern California, 66 miles east of Los Angeles and 100 miles north of San Diego. The City encompasses approximately 50 square miles of land area in western Riverside County and with a population estimate of 200,670, continues to be the second largest city in Riverside County. Though it has slowed because of the economy, the City's population continues to grow.

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

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

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

Factors Affecting Financial Condition

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

Local economy. The City of Moreno Valley is ideally located at the junction of State Route 60 and Interstate 215 in the Inland Empire, which consists of Riverside and San Bernardino Counties. The City continues to be a leader in business development with an array of undeveloped land, development opportunities, entitled development projects, and available lease space at economically feasible prices.

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

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

Awards and Acknowledgements

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

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

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

Respectfully submitted,



Richard Teichert
Chief Financial Officer/City Treasurer

CITY OF MORENO VALLEY, CALIFORNIA

MUNICIPAL OFFICIALS
June 30, 2015

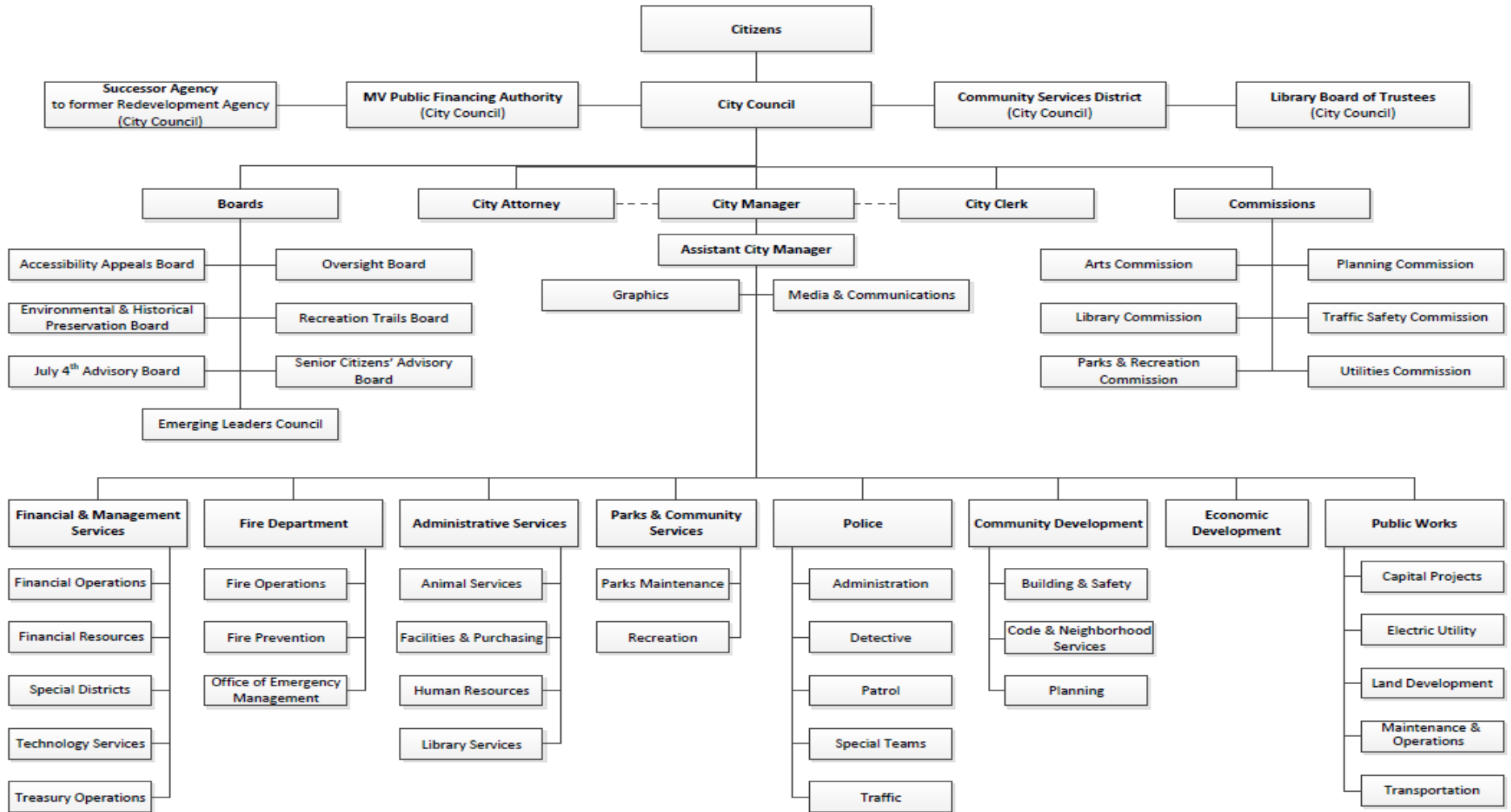
CITY COUNCIL

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

EXECUTIVE OFFICERS

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

City of Moreno Valley Organization Chart





Government Finance Officers Association

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

Presented to

**City of Moreno Valley
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE



COMPREHENSIVE ANNUAL FINANCIAL REPORT



FISCAL YEAR
ENDED JUNE 30, 2015

INDEPENDENT AUDITORS' REPORT

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

Report on Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moreno Valley, California, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, CSD Zones Special Revenue Fund, Development Impact Fees Special Revenue Fund, Housing Authority Special Revenue Fund and Neighborhood Stabilization Grant Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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



Implementation of New Accounting Standards

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

Other Reporting Required by Government Auditing Standards

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

Vasquez + Company LLP

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



City of Moreno Valley, California

Management’s Discussion and Analysis

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

Financial Highlights

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

Overview of Financial Statements

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

Components of the Basic Financial Statements

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



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

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

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

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

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

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

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

Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

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

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

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

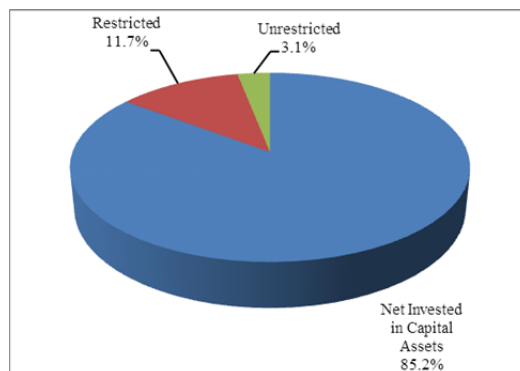
Financial Analysis of the Government-wide Statements

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

Analysis of Net Position

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

City of Moreno Valley's Net Position



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

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

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

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

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

Governmental Activities

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

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

Business-type Activities

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

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

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

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

Analysis of the changes to net position

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

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

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

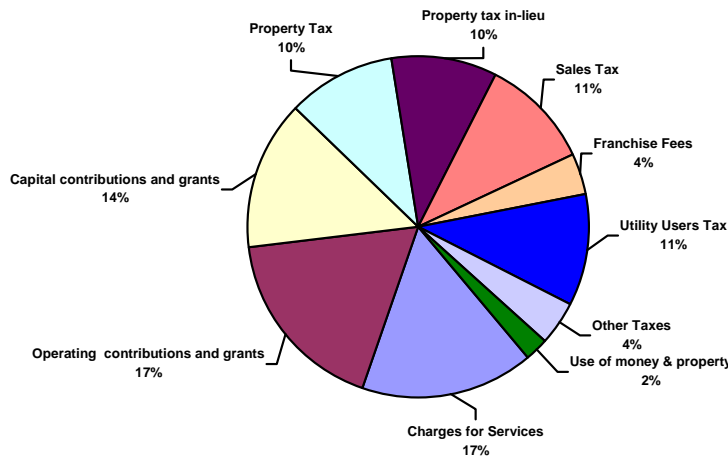
Governmental Activities

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

Revenue

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

Revenues by Source – Governmental Activities



Expense

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

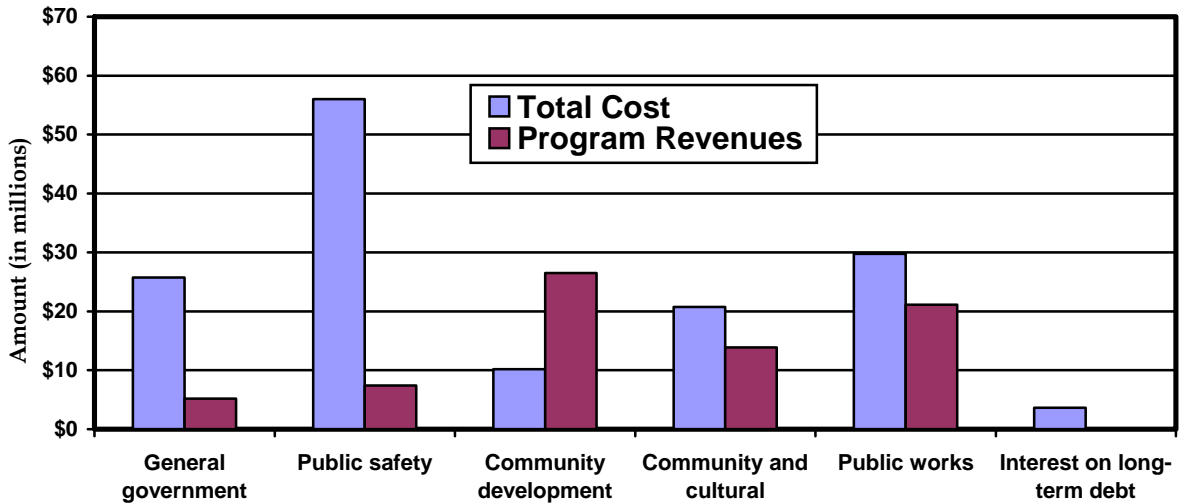
The following table presents the cost of each of the six major program categories, and identifies each program’s *net cost* (total cost less revenues generated by the activities). The net cost is the amount paid for by general revenue sources that are generated by all City taxpayers. As illustrated,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

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

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

The City paid for the remaining public benefit portion of these governmental activities with \$72.1 million in taxes (some of which were restricted for certain programs) and with other revenues. This governmental activity cost/revenue relationship is further illustrated in the following graph.

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



Business-type Activities

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

Revenue

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

Expenses

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

Financial Analysis of the Fund Statements

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

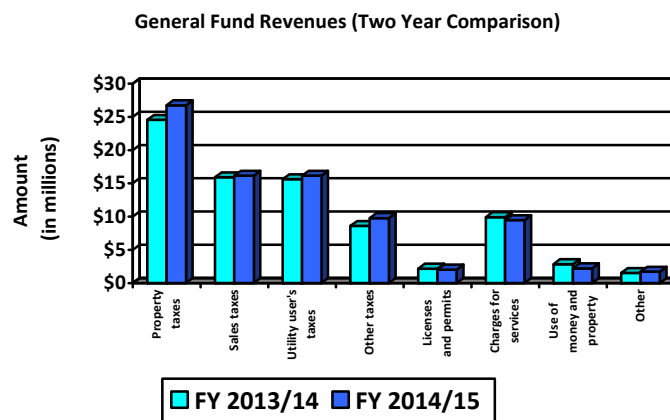
Total fund balances presented in the governmental funds balance sheet are \$159.7 million, with the General Fund representing \$43.4 million, or 26.9% of the total. The City's General Fund has unassigned fund balance of \$31.6 million.

General Fund Financial Results

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

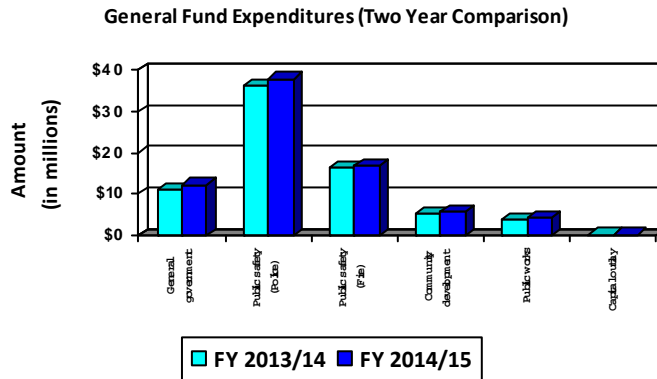
General Fund tax revenues were \$0.9 million more than anticipated and an increase in charges for services of \$0.2 million along with a \$0.7 million increase in licenses, permits and miscellaneous activity all contributed to the unanticipated revenue increase.

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



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

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



Other Major Fund Financial Results

The fund balance of the Community Service District Zones Special Revenue Fund increased by \$2.3 million over FY 2013-14. This fund accounts for the administration, operations and maintenance of the City’s various service zones established by the Moreno Valley Community Services District. The increase in fund balance is primarily the result of \$1.1 million decrease in expenditures in community and cultural (down \$0.5 million) and public works (down \$0.5 million) as well as an overall increase in transfers from the General Fund of \$0.1 million.



The fund balance of the Development Impact Fees Special Revenue Fund decreased by \$0.9 million under FY 2013-14. This fund accounts for the developer impact fees, which are one-time charges, used to offset the additional public-service costs of new development. The decrease in fund balance is primarily due to the preliminary engineering of SR-60 Redlands and construction of the Citywide Pedestrian Countdown Signal Head Improvements. Each of these projects received development impact fee funding during the fiscal year.

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

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

Capital Asset and Debt Administration

Capital Assets

At the end of 2015, the City's governmental activities had \$1.3 billion (\$907.2 million net of depreciation) invested in a broad range of capital assets, including land, buildings and improvements, machinery and equipment, vehicles, park facilities, roads, highways and bridges. The current year capital asset additions of \$45.2 million were offset by current year depreciation expense of \$26.6 million and retirements of \$6.4 million for a net increase of \$12.2 million primarily attributed to the increase in infrastructure.

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

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

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

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

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

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

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



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

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

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

Long-Term Debt

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

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

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

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

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

Economic Factors and Outlook for Future Years

Although the focus of this Annual Report is on the economic condition of the City in the fiscal year that ended June 30, 2015, it is important for the City's financial management to report on current issues affecting the City and their economic impact on FY 2014-15 and future years.

The economic recovery of the City of Moreno Valley has continued to demonstrate steady improvements as our tax revenues continue to experience moderate growth. Although the economic downturn has impacted Moreno Valley, with a population of 200,670, Moreno Valley is still experiencing population growth. Moreno Valley remains the second largest city in Riverside County and is presently the fourth largest city in the Inland Region. Though population growth has slowed because of the economy, population growth continues in Moreno Valley because of its strategic location at the junction of Interstate I-215 and State Route 60, along with offering a wide array of quality housing options, a family oriented lifestyle and a variety of quality of life amenities.

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

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

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

Contacting the City's Financial Management

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

City of Moreno Valley, California

Statement of Net Position
June 30, 2015

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

See notes to Financial Statements

City of Moreno Valley, California

Statement of Activities
June 30, 2015

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

General Revenues:

Taxes:

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

Total General Revenues

Change in Net Position

Net Position - Beginning of year, as restated

Net Position - End of year*See notes to Financial Statements*

City of Moreno Valley, California

Statement of Activities
June 30, 2015

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

See notes to Financial Statements



MAJOR GOVERNMENTAL FUNDS

General Fund

This fund is used to account for all financial resources of the City traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

Community Services District (CSD) Zones Special Revenue Fund

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

Development Impact Fees Special Revenue Fund

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

Housing Authority Fund

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

Neighborhood Stabilization Program Fund

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

Nonmajor Governmental Funds

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

City of Moreno Valley, California

Balance Sheet
Governmental Funds
June 30, 2015

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

See notes to Financial Statements

City of Moreno Valley, California

Balance Sheet
Governmental Funds
June 30, 2015

<u>Special Revenue</u>		<u>Nonmajor</u>		<u>Total</u>	
<u>Neighborhood</u>		<u>Governmental</u>		<u>Governmental</u>	
<u>Stabilization Grant</u>				<u>Funds</u>	
\$	123,876	\$	33,056,094	\$	104,249,080
	-		691,390		3,507,158
	6,175,325		5,598,667		46,183,301
	-		-		15,568,341
	-		470,807		2,396,990
	243,629		8,624,768		12,154,203
	-		-		5,037,561
	-		464,525		4,660,525
	-		2,500		2,500
	-		-		3,916,126
	-		11,680,204		11,680,204
\$	6,542,830	\$	60,588,955	\$	209,355,989
Assets					
Pooled cash and investments (note 3)					
Receivables:					
Accounts					
Notes and loans (note 4)					
Notes to Successor Agency (note 4)					
Interest					
Due from other governments					
Due from other funds (note 7)					
Advances to other funds (note 7)					
Prepays					
Land held for resale					
Restricted assets:					
Cash with fiscal agents (note 3)					
Total Assets					
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable					
Accrued liabilities					
Unearned revenues					
Deposits payable					
Due to other governments					
Due to other funds (note 7)					
Advances from other funds					
Total Liabilities					
Deferred Inflows of Resources					
Unavailable revenues					
Total Deferred Inflows of Resources					
Fund Balances					
Nonspendable:					
Notes and loans					
Notes to Successor Agency					
Advances to other funds					
Permanent fund principal					
Restricted for:					
Community development projects					
Public safety					
Community and cultural					
Public works					
Capital projects					
Debt service					
Endowments					
Water quality					
Committed to:					
Revolving line of credit					
Maintenance of pedestrian bridge					
Assigned to:					
Continuing appropriations					
Temporary fluctuations in market value of investments pursuant to GASB 31					
Unassigned					
Total Fund Balances					
Total Liabilities, Deferred Inflows of Resources and Fund Balances					
\$	109,452	\$	4,016,016	\$	18,405,870
	-		28,128		1,055,063
	258,053		85,942		922,581
	-		-		18,516
	-		-		249,671
	-		5,028,245		5,037,561
	-		-		3,707,000
	367,505		9,158,331		29,396,262
	6,175,325		470,807		20,306,666
	6,175,325		470,807		20,306,666
	-		5,598,667		5,598,667
	-		-		4,192,275
	-		464,525		4,660,525
	-		288,098		288,098
	-		1,823,940		40,372,522
	-		1,000,633		1,000,633
	-		-		15,490,740
	-		9,370,788		20,648,807
	-		22,581,478		22,581,478
	-		9,695,909		9,695,909
	-		44,499		44,499
	-		538,908		538,908
	-		-		2,111,000
	-		-		155,281
	-		-		620,683
	-		-		494,501
	-		(447,628)		31,158,535
	-		50,959,817		159,653,061
\$	6,542,830	\$	60,588,955	\$	209,355,989

See notes to Financial Statements



City of Moreno Valley, California

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

Fund balances - total governmental funds		\$ 159,653,061
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of depreciation have not been included as financial resources in governmental fund activity		
Capital Assets (excludes internal service capital assets)		1,289,793,660
Accumulated depreciation (excludes internal service accumulated depreciation)		(396,245,362)
Long-term debt and compensated absences have not been included in the governmental fund activity:		
2007 Towngate Special Tax Refunding Bonds	\$ (6,095,000)	
2007 Towngate Improvement Tax Refunding	(2,605,000)	
2011 Private Placement Refunding, Series 1997		
Variable Rate Certificates of Participation	(1,529,500)	
2011 Private Placement Refunding, Series 1997		
Variable Rate Certificates of Participation	(2,314,000)	
2013 Refunding of 2005 Lease Revenue Bonds	(9,831,000)	
2013 Total Road Improvement Certificates of Participation	(20,000,000)	
2014 Refunding of 2005 Lease Revenue Bonds	(22,655,745)	
Unamortized Premium/Discount	(2,258,890)	
Compensated Absences	<u>(5,184,344)</u>	(72,473,479)
Governmental funds report all OPEB contributions as expenditures, however in the statement of net position any excesses or deficiencies in contributions in relation to the Annual Required Contribution (ARC) are recorded as an asset or liability		
		(1,593,000)
Deferred pension costs are not financial resources and therefore are not reported in the governmental funds		
		4,795,102
Accrued interest payable for the current portion of interest due on long-term debt has not been reported in the governmental funds		
		(435,977)
Revenues reported as unavailable revenue in the governmental funds are recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity		
		20,306,666
Long-term liabilities related to pension are not due and payable in the current period and therefore are not reported in the governmental funds:		
Net pension liability		(52,471,997)
Net difference between projected and actual earnings on pension plan investments		(7,580,582)
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position		
		52,739,353
Net Position of Governmental Activities		\$ <u>996,487,445</u>

City of Moreno Valley, California

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

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

See notes to Financial Statements

City of Moreno Valley, California

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

See notes to Financial Statements

City of Moreno Valley, California

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

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

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

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

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

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

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

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period. 75,612

Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (526,567)

Governmental funds report all contributions in relation to the annual required contribution (ARC) for OPEB as expenditures, however, in the statement of activities only the ARC is an expense. This is the amount by which contributions made exceeded the ARC. (246,000)

Revenues reported as unavailable revenue in the governmental funds are recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity. 2,723,057

Pension expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 993,091

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The change in net position of the internal service funds is reported with the governmental funds. 281,727

Change in net position of governmental activities \$ 11,040,689

See notes to Financial Statements

City of Moreno Valley, California
Budgetary Comparison Statement
General Fund
Year Ended June 30, 2015

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

See notes to Financial Statements

City of Moreno Valley, California
Budgetary Comparison Statement
CSD Zones
Year Ended June 30, 2015

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

See notes to Financial Statements

City of Moreno Valley, California

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

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

See notes to Financial Statements

City of Moreno Valley, California
Budgetary Comparison Statement
Housing Authority
Year Ended June 30, 2015

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

See notes to Financial Statements

City of Moreno Valley, California

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

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

See notes to Financial Statements



PROPRIETARY FUNDS

ENTERPRISE FUND:

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

INTERNAL SERVICE FUNDS:

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

City of Moreno Valley, California

Statement of Net Position
Proprietary Funds
June 30, 2015

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

See notes to Financial Statements

City of Moreno Valley, California

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

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

See notes to Financial Statements

City of Moreno Valley, California

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

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

Noncash Capital and Related Financing Activities:

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

See notes to Financial Statements

City of Moreno Valley, California

FIDUCIARY FUNDS

FIDUCIARY FUNDS:

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

City of Moreno Valley, California
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2015

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

See notes to Financial Statements

City of Moreno Valley, California

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

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

See notes to Financial Statements



City of Moreno Valley, California

Notes to Financial Statements Year Ended June 30, 2015

Note 1 Organization and Summary of Significant Accounting Policies

a. Description of the Reporting Entity

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

Reporting Entity

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

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

City of Moreno Valley, California

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

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

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

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

b. Government-Wide and Fund Financial Statements

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

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

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

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

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

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

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

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

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

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

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

The City reports the following major governmental funds:

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

City of Moreno Valley, California

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

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

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

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

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

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

The City reports the following major business-type fund:

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

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

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

Additionally the government reports the following fund types:

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

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

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

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

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

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

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

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

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

Deposits, Investments, Cash and Cash Equivalents

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

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

Receivables and Payables

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

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

Inventory and Prepaid Items

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

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

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

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

Capital Assets

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

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

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

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

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

Deferred Inflows of Resources

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

Unearned Revenue

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

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

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

Compensated Absences

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

Long-Term Obligations

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

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

Land Held for Resale

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

Fund Balance

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

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

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

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

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

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

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

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

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

Fund Balance Flow Assumptions

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

Net Position Flow Assumption

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

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

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

Property Taxes

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

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

Implementation of New Accounting Pronouncements

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

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

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

Note 2 Stewardship, Compliance and Accountability

a. Budget Information

Budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for all governmental fund types. The budget is prepared on a GAAP (Generally Accepted Accounting Principles) basis.

From the effective date of the budget, the amounts stated therein as proposed expenditures become appropriations to the various City departments.

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

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

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

City of Moreno Valley, California

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

Note 2 Stewardship, Compliance and Accountability (Continued)

b. Excess Expenditures Over Appropriations

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

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

City of Moreno Valley, California

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

Note 3 Cash and Investments

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

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

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

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

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

Deposits

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

City of Moreno Valley, California

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

Note 3 Cash and Investments (Continued)

Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an “Agent of Depository” has the effect of perfecting the security interest in the name of the local government agency. Accordingly, all collateral held by the California Agents of Depository are considered to be held for, and in the name of, the local government agency.

Investments

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

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

Investments Authorized by Debt Agreements

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

Investments in State Investment Pool

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

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

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

GASB Statement No. 31

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

Credit Risk

The City's investment policy limits investments in medium term notes (MTN's) to those rated in the top category by two of the three largest nationally recognized rating services at the time of purchase (with split ratings, the lower rating must meet the standard). As of June 30, 2015, the City's investment in medium term notes consisted of investments with PepsiCo Inc., JP Morgan Chase, IBM Corp, Wells Fargo Bank, Costco Wholesale, Qualcomm Inc., Coca Cola Company, Bank of New York, Pfizer Inc., Praxair Inc., EBAY Inc., Google Inc., John Deere, Occidental Petroleum, United Technologies Corp., Chevron Corp., Intel Corp., WalMart Stores Inc., Apple Inc., U.S. Bankcorp, General Electric, Cisco Systems, Honda, Toyota, American Express and Oracle. At June 30, 2015, all MTN's were rated "A" or higher by Moody's. All securities were investment grade and legal under State and City law at their time of purchase. Federal agency securities are rated AA+. Investments in U.S. Treasury securities are not considered to have credit risk and, therefore, their credit quality is not disclosed. As of June 30, 2015, the City's investments in external investment pools and investment agreements are unrated.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The carrying amount of the City's demand deposits was (\$184,454) at June 30, 2015. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. In accordance with the City's investment policy, all investments are held by third-party custodians for safekeeping, with the securities in the City's name. This is the lowest level of custodial credit risk exposure.

City of Moreno Valley, California

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

Note 3 Cash and Investments (Continued)

Interest Rate Risk

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

As of June 30, 2015, the City had the following investments and original maturities:

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

Concentration of Credit Risk

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

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

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

Note 3 Cash and Investments (Continued)

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

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

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

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

Note 4 Notes and Loans

a. Notes and Loans Receivable

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

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

	Housing Authority	Neighborhood Stabilization Grant	Nonmajor Governmental Funds	Total
Cottonwood Properties	\$ 3,839,108	\$ -	\$ 2,050,000	\$ 5,889,108
Sheila Street Rehabilitation	2,651,875	-	-	2,651,875
RHDC Properties	1,833,104	-	728,469	2,561,573
CVHC	1,639,450	-	-	1,639,450
Ability First	824,917	-	-	824,917
Bay Family Apartments	755,000	-	-	755,000
Perris Isle	413,000	-	687,000	1,100,000
Oakwood	3,000,000	-	-	3,000,000
Rancho Dorado	12,500,000	-	-	12,500,000
Hemlock Family Apartments	6,300,000	-	1,628,642	7,928,642
Others	652,855	6,175,325	504,556	7,332,736
Totals	<u>\$ 34,409,309</u>	<u>\$ 6,175,325</u>	<u>\$ 5,598,667</u>	<u>\$ 46,183,301</u>

City of Moreno Valley, California

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

Note 4 Notes and Loans (continued)

b. Notes to Successor Agency

In prior years, the City made various loans to the former Redevelopment Agency. Upon dissolution of the Redevelopment Agency, certain loans were approved as enforceable obligations in a letter dated May 26, 2012, from the California Department of Finance and remain as a receivable in the General Fund and a liability of the Successor Agency. At June 30, 2015, the balance of \$15,568,341 consists of the following:

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

Note 5 Capital Assets

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

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

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

Note 5 Capital Assets (continued)

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

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

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

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

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

Electric Utility	<u>\$ 875,924</u>
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City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2015 (Continued)

Note 6 Long Term Debt

a. Changes in Long-Term Debt - Governmental Activities

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

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

2007 Towngate Special Tax Refunding Bonds

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

City of Moreno Valley, California

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

Note 6 Long Term Debt (Continued)

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

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

2007 Towngate Improvement Tax Refunding Bonds

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

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

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

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

Note 6 Long Term Debt (continued)

2011 Private Placement Refunding, 1997 Certificates of Participation

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

The annual debt service requirements for the 2011 Private Placement Refunding, 1997 Certificates of Participation payable outstanding at June 30, 2015, are as follows:

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

2011 Private Placement Refunding, 1997 Lease Revenue Bonds

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

City of Moreno Valley, California

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

Note 6 Long Term Debt (continued)

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

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

2013 Refunding Lease Revenue Bonds

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

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

Note 6 Long Term Debt (continued)

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

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

2013 Total Road Improvement Program COPs

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

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

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

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

Note 6 Long Term Debt (continued)

2014 Refunding Lease Revenue Bonds

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

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

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

Compensated Absences

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

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

Note 6 Long Term Debt (continued)

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

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

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

Lease Revenue Bonds, 2007

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

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

Note 6 Long Term Debt (continued)

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

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

2013 Refunding Lease Revenue Bonds

Refunding Lease Revenue Bonds 2013 in the original issue amount of \$11,695,000 were issued for the purpose of paying off a portion of the 2005 Lease Revenue Bonds and certain costs related to the issuance of the Bonds. Of the \$11,695,000 originally issued, the portion for the electric utility infrastructure (\$1,240,770) has been separated and is shown as long-term debt for Electric Fund business-type activities. The bonds mature in serial fashion through November 1, 2032 and bear interest ranging from 3% to 5.00%. The bonds are not subject optional redemption but are subject to mandatory redemption beginning November 1, 2014. The bonds are payable from lease payments made by the City under a project lease dated May 1, 1997, between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City as rent for use of the Public Safety Building and the City Hall. This issue is fully insured in the event of nonpayment by the City. The refunding transaction resulted in an economic gain of \$540,667 (\$58,446 attributable to the electric fund) and a reduction of \$554,000 (\$59,887 attributable to the electric fund) in the future debt service payments.

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

Note 6 Long Term Debt (continued)

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

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

2014 Refunding Lease Revenue Bonds

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

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

Note 6 Long Term Debt (continued)

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

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

Compensated Absences

At June 30, 2015, the amount of compensated absences liability totaled \$137,225. Based on the current trend of usage, \$82,335 is expected to be paid within one year.

c. Conduit Debt

The Moreno Valley Public Financing Authority issued \$5,548,000 Assisted Living Housing Revenue Bonds, Series 2000A. The bonds and interest thereon are limited obligations of the issuer, payable solely from the revenues and the trust estate, which are assigned and pledged to such purposes. Consequently, no liability is reported in these accompanying financial statements. The outstanding balance at June 30, 2015, was \$5,063,000.

d. Non-Commitment Debt

The Community Facilities District No. 5 of the City of Moreno Valley 2007 Special Tax Bonds were issued to finance various public improvements needed to develop property located within the Community Facilities District No. 5 ("District"). The original issue amount was \$5,870,000. The Bonds are special limited obligations of the District and are payable solely from revenues derived from certain annual Special Taxes to be levied on and collected from the owners of the taxable land within the District and from certain other funds pledged under the Fiscal Agent Agreement dated May 1, 2007 by and between the City for and on behalf of the District and Wells Fargo Bank, National Association, as fiscal agent.

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

Note 6 Long Term Debt (continued)

The Special Taxes are to be levied according to the rates and method of apportionment approved by the City Council, the legislative body of the District, and the qualified electors within the District. Except for the Special Taxes, no other taxes are pledged to the payment of the Bonds. The City is in no way liable for repayment but is acting as an agent for the property owners in collecting the assessments and forwarding the collections to bondholders. Interest on the Bonds will be payable on September 1, 2007 and semiannually thereafter on each March 1 and September 1 thru 2037. Interest rates range from 4.00% to 5.00%. Principal on the Bonds is due each September 1 beginning 2009 and ending 2037. The outstanding balance at June 30, 2015, was \$5,700,000.

Note 7 Interfund Receivables, Payables and Transfers

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

a. Due To/From other Funds

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

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

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

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

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

a. Advances To/From Other Funds

Advances to Other Funds	Advances from Other Funds		
	Development Impact Fees	Electric Enterprise Fund	Total
General Fund	\$ 3,707,000	\$ 489,000	\$ 4,196,000
Nonmajor Governmental Fund	-	464,525	464,525
Total	<u>\$ 3,707,000</u>	<u>\$ 953,525</u>	<u>\$ 4,660,525</u>

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

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

b. Interfund Transfers

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

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

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

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

Note 8 Employee Pension Plan

a. General Information about the Pension Plans

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

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

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

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

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

	<u>Miscellaneous</u>
Active employees	370
Total	370

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

Note 8 Employee Pension Plan

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

b. Net Pension Liability

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

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

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

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

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

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

Note 8 Employee Pension Plan (Continued)

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

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

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

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

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

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

Note 8 Employee Pension Plan (Continued)

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

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

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

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

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

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

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

c. Changes in the Net Pension Liability

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

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

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

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

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

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

Note 8 Employee Pension Plan (Continued)

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

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

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

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

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

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

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

Note 9 Other Post-Employment Benefits (OPEB)

Plan Description

The City's defined benefit postemployment healthcare plan provides a portion of certain health care for retired employees. In accordance with City policy, employees hired prior to September 30, 2011, who retire directly from the City under Cal PERS (age 50 and 5 years of Cal PERS service or disability) and are not temporary employees, are eligible for these benefits. In June 2009, the City established an irrevocable trust fund to begin funding the City's unfunded liability through the California Employers' Retiree Benefit Trust (CERBT), an agent multiple-employer plan administered by California Public Employees' Retirement System (Cal PERS), which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions, as well as other requirements, are established by state statutes within the Public Employees' Retirement Law. The City selects optional benefit provisions from the benefit menu by contract with Cal PERS and adopts those benefits through local ordinance. Cal PERS issues a separate comprehensive annual financial report. Copies of the Cal PERS annual financial report may be obtained from the Cal PERS Headquarters, 400 Q Street, Sacramento, California 95811.

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by City Council. The City is required to contribute the Annual Required Contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The current ARC rate is 5.00% of the annual covered payroll.

Annual OPEB Cost

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

- a) 6.00% investment rate of return (net of administrative expenses),
- b) projected salary increases for employees of 3.25%, and
- c) an annual healthcare cost increase of 4.5%.

Both a) and b) include an inflation component of 3.00%. The amortization method is the level percent of payroll.

The amortization period is a 30 year fixed (closed) period for the initial unfunded accrued actuarial liability with 23 years remaining as of June 30, 2015.

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

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

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

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

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information on the next page, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing the benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial assets, consistent with the long-term perspective of the calculations.

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

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

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

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

Required Supplementary Information – Funded Status of Plan
Latest Information Available

Valuation Date	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Ratio	Annual Covered Payroll	UAAL as Percent of Payroll
6/30/2011	\$ 11,670,000	\$ 4,428,000	\$ 7,242,000	37.9%	\$ 23,195,000	31.2%
6/30/2013	12,531,000	6,186,000	6,345,000	49.4%	21,589,000	29.4%
6/30/2015	18,148,000	7,805,000	10,343,000	43.0%	17,919,000	57.7%

Note 10 Fund Deficits

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

Nonmajor Governmental Funds:

Special Revenue Funds:

State Gasoline Tax \$ 194,890

Child Care Grant 979

Fire Services Capital Projects 15,374

Capital Fund Projects:

TUMF Capital Projects 237,364

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

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

Note 11 **Commitments and Contingencies**

a. Community Facilities District No. 87-1 Agreement

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

b. Construction Commitments

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

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

c. Litigation

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

Note 12 **Self-Insurance**

The City is a member of CSAC Excess Insurance Authority. The Authority is a member directed joint powers insurance pool, which has been operational since October of 1979. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other coverage.

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

Note 12 Self-Insurance (continued)

The City participates in the excess workers' compensation and employer's liability programs of the Authority. For workers' compensation, the City has a self-insured retention of \$300,000 per occurrence. For employer's liability, the City has a self-insured retention of \$250,000 per occurrence. The City has a pooled retention of \$5,000,000 each occurrence, a \$45,000,000 reinsurance layer in excess of the \$5,000,000 pooled retention per occurrence for workers' compensation claims, and a \$5,000,000 employer's liability reinsurance layer per occurrence in excess of the \$5,000,000 pooled retention. During the past three fiscal years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There has been no significant reduction in pooled or insured liability coverage from coverage in the prior year.

Self-Insurance Payable

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

The fund establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. The City has accrued for its anticipated liability with respect to claims filed and claims incurred but not reported to the City as of year-end. The accruals are in the amounts of \$1,423,000 and \$671,000 for the workers' compensation claims and general liability claims, respectively, for a total of \$2,094,000. Of these amounts, the current year's adjustment is a decrease of \$14,000.

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

Note 12 Self-Insurance (Continued)

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

	General Liability	Workers; Compensation	Total
Amounts of accrued claims at June 30, 2013	\$563,000	\$ 1,545,000	\$2,108,000
Incurred claims, representing the total of a provision for events for the current fiscal year and any changes (increase or decrease) in the provision for events of prior fiscal years and adjustments to estimates.	321,000	387,000	708,000
Payments on claims attributable to events of both the current fiscal year and prior fiscal years.	<u>(213,000)</u>	<u>(509,000)</u>	<u>(722,000)</u>
Amount of accrued claims at June 30, 2014	<u>671,000</u>	<u>1,423,000</u>	<u>2,094,000</u>
Incurred claims, representing the total of a provision for events for the current fiscal year and any changes (increase or decrease) in the provision for events of prior fiscal years and adjustments to estimates.	<u>359,000</u>	<u>436,000</u>	<u>795,000</u>
Payments on claims attributable to events of both the current fiscal year and prior fiscal years.	<u>183,000</u>	<u>489,000</u>	<u>672,000</u>
Amount of accrued claims at June 30, 2015	<u>\$847,000</u>	<u>\$ 1,370,000</u>	<u>\$2,217,000</u>

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

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

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

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

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

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

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

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

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

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

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

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

a. Cash and Investments

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

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

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

Long-Term Debt

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

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

Loans Payable to the City of Moreno Valley

The Towngate Regional Mall notes (Sears Note), totaling \$13,000,000, originated from a participation agreement (as amended) whereby the Agency acquired certain parcels within the mall for subsequent transfer to major tenants. The notes bear interest of 7.25% and are payable solely from available site-generated property tax increment and up to 50% of site-generated sales tax. Furthermore, the Agency had covenanted to use reasonable best efforts to refinance these notes with Tax Allocation Bonds, provided such financing is determined to be fiscally feasible. During 2003-2004, the City purchased the rights to the notes from the holder.

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

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

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

The Successor Agency owed the City a total of \$652,248 for funds borrowed to finance redevelopment activities. \$518,520 represents monies borrowed during 2006-2007 by the Agency. \$133,728 represents monies borrowed during 2007-2008 by the Agency. The interest rate on the borrowings is 12% and repayment of the long-term payable is made when funds become available. In a letter dated May 16, 2014, the California Department of Finance recalculated the accumulated interest to the LAIF rate. At June 30, 2015, the outstanding principal and accrued interest balances were paid in full.

Note Payable - Price Company

The former Redevelopment Agency had recorded a long-term payable in the original amount of \$2,433,744 under a development and disposition agreement and promissory note with Price Company for the reimbursement of costs of construction of a 130,000-square-foot retail store. The note bears interest at 8% per annum and is payable from property tax equal to 50% of site-generated sales tax. Any remainder payable after May 2015 will be forgiven. The amount outstanding as of June 30, 2015, was \$166,043.

2007 Tax Allocation Bonds Series A

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

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

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

The annual debt service requirements for the 2007 Tax Allocation Bonds Series A payable outstanding at June 30, 2015, are as follows:

Year Ending June 30,	2007 Tax Allocation Bonds Series A	
	Principal	Interest
2016	\$ 235,000	\$ 2,009,121
2017	245,000	2,000,109
2018	250,000	1,990,209
2019	260,000	1,980,009
2020-2024	3,510,000	9,641,116
2025-2029	9,185,000	8,101,816
2030-2034	12,085,000	5,547,125
2030-2049	15,815,000	2,054,375
Totals	\$ 41,585,000	\$ 33,323,880

Pledged Revenue

The former Redevelopment Agency pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill X1 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$74,908,880 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$6,189,541 and the debt service obligation on the bonds was \$2,247,259.

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

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

a. Insurance

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

b. Commitments and Contingencies

Litigation

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

Borrowings from the City of Moreno Valley

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

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

Note 14 Restatement of Net Position

Implementation of GASB Statement No. 68

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

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

Note 15 Subsequent Events

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



City of Moreno Valley, California

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

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

Notes to Schedule:

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

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

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

City of Moreno Valley, California

Schedule of Plan Contributions
Last Ten Years*

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

Notes to Schedule:

Valuation date 6/30/2013

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

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

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FISCAL YEAR
ENDED JUNE 30, 2015





NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS:

State Gas Tax Fund

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

Article 3 Transportation Fund

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

Measure A Fund

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

Law Enforcement Grants Fund

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

Other Grants Fund

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

Public Education Government Access Fund

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

Air Quality Management Fund

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

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (CONTINUED):

Community Development Block Grant Fund

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

Special Districts Administration Fund

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

Storm Water Management Fund

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

HOME Fund

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

Child Care Grant Fund

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

Used Oil Recycling Grant Fund

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

Storm Water Maintenance Fund

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

ASES Program Grants Fund

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

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (CONTINUED):

CFD No. 2014-01

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

CFD No. 4-M Fund

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

Civil Penalties Fund

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

Emergency Services Agency Fines Fund

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

Energy Efficiency Revolving Fund

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

Grant Capital Projects

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

CAPITAL PROJECTS FUNDS:

Facility Construction Fund

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

Public Works Capital Projects Fund

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

Traffic Signal Mitigation Fund

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

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

CAPITAL PROJECTS FUNDS (CONTINUED):

Fire Services Capital Projects Fund

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

Towngate Capital/Administration Fund

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

Warner Ranch Capital/Development Fund

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

Parks and Community Services Development and Projects Fund

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

TUMF Capital Projects Fund

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

DIF Capital Projects Fund

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

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

CAPITAL PROJECTS FUNDS (CONTINUED):

Lease Revenue Bonds 2005 Capital Projects Fund

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

TRIP Capital Projects Fund

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

DEBT SERVICE FUNDS:

Lease Revenue Bonds 2005 Debt Service Fund

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

2007 Towngate Improvement Refunding Debt Service Fund

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

2007 Towngate Refunding Debt Service Fund

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

2011 Private Placement Refunding 97 Lease Revenue Bonds

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

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**DEBT SERVICE FUNDS (CONTINUED):****2011 Private Placement Refunding 97 Various COPs**

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

TRIP COP 13A Debt Service Fund

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

2013 Refunding 2005 Lease Revenue Bonds

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

2014 Refunding 2005 Lease Revenue Bonds

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

PERMANENT FUNDS:**Celebration Park Endowment Fund**

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

Equestrian Trail Endowment Fund

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

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**PERMANENT FUNDS (CONTINUED):****Rockridge Park Endowment Fund**

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

NPDES Endowment Fund

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

Cultural Preservation Fund

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



City of Moreno Valley, California

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

Special Revenue Funds			
Other Grants	Public Education Government Access	Air Quality Management	Community Development Block Grant
\$ 25,225	\$ 1,463,234	\$ 85,003	\$ -
-	148,351	-	-
-	-	-	-
121,040	-	64,600	914,988
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 146,265</u>	<u>\$ 1,611,585</u>	<u>\$ 149,603</u>	<u>\$ 914,988</u>
\$ 66,543	\$ 458	\$ 1,990	\$ 178,215
-	-	-	-
34,417	-	-	-
-	-	-	-
45,305	-	-	736,773
<u>146,265</u>	<u>458</u>	<u>1,990</u>	<u>914,988</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	1,611,127	-	-
-	-	-	-
-	-	147,613	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>1,611,127</u>	<u>147,613</u>	<u>-</u>
<u>\$ 146,265</u>	<u>\$ 1,611,585</u>	<u>\$ 149,603</u>	<u>\$ 914,988</u>

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

Liabilities, Deferred Inflows of Resources, and Fund Balances:
Liabilities
 Accounts payable
 Accrued liabilities
 Unearned revenues
 Due to other governments
 Due to other funds
Total Liabilities

Deferred Inflows of Resources:
 Unavailable revenues
Total Deferred Inflows of Resources

Fund Balances:
Nonspendable
 Notes and loans
 Advances to other funds
 Permanent fund principal
Restricted for:
 Community development projects
 Public safety
 Public works
 Capital projects
 Debt service
 Endowment
 Water quality
Unassigned
Total Fund Balances
Total Liabilities, Deferred Inflows of Resources and Fund Balances

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California

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

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

City of Moreno Valley, California

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

Special Revenue Funds

Used Oil Recycling	Storm Water Maintenance	ASES Program Grants	CFD No. 2014-01
\$ 54,845	\$ -	\$ -	\$ 38,192
-	435,895	-	-
-	-	-	-
-	-	507,990	-
-	-	-	-
-	-	-	-
<u>\$ 54,845</u>	<u>\$ 435,895</u>	<u>\$ 507,990</u>	<u>\$ 38,192</u>
\$ 3,320	\$ 3,137	\$ 5,066	\$ -
-	-	-	-
51,525	-	-	-
-	-	-	-
-	397,354	487,294	-
<u>54,845</u>	<u>400,491</u>	<u>492,360</u>	<u>-</u>
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	15,630	-
-	-	-	-
-	35,404	-	38,192
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>35,404</u>	<u>15,630</u>	<u>38,192</u>
<u>\$ 54,845</u>	<u>\$ 435,895</u>	<u>\$ 507,990</u>	<u>\$ 38,192</u>

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

Liabilities, Deferred Inflows of Resources, and Fund Balances:
Liabilities
Accounts payable
Accrued liabilities
Unearned revenues
Due to other governments
Due to other funds
Total Liabilities

Deferred Inflows of Resources:
Unavailable revenues
Total Deferred Inflows of Resources

Fund Balances:
Nonspendable
Notes and loans
Advances to other funds
Permanent fund principal
Restricted for:
Community development projects
Public safety
Public works
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Water quality
Unassigned
Total Fund Balances
Total Liabilities, Deferred Inflows of Resources and Fund Balances

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California

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

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

City of Moreno Valley, California

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

Special Revenue Funds	Capital Projects Funds		
Grants Capital Projects	Facility Construction	Public Works Capital Projects	Traffic Signal Mitigation
\$ 749,497	\$ 7,571,926	\$ 1,070,150	\$ 141,191
-	-	-	-
-	-	-	-
781,534	-	26,060	-
-	-	-	-
-	-	-	-
-	-	-	-
\$ 1,531,031	\$ 7,571,926	\$ 1,096,210	\$ 141,191
-	-	-	-
468,888	80,405	96,250	-
-	-	-	-
-	-	-	-
-	-	-	-
468,888	80,405	96,250	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,062,143	7,491,521	999,960	141,191
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,062,143	7,491,521	999,960	141,191
\$ 1,531,031	\$ 7,571,926	\$ 1,096,210	\$ 141,191

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

Liabilities, Deferred Inflows of Resources, and Fund Balances:
Liabilities
Accounts payable
Accrued liabilities
Unearned revenues
Due to other governments
Due to other funds
Total Liabilities

Deferred Inflows of Resources:
Unavailable revenues
Total Deferred Inflows of Resources

Fund Balances:
Nonspendable
Notes and loans
Advances to other funds
Permanent fund principal
Restricted for:
Community development projects
Public safety
Public works
Capital projects
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Water quality
Unassigned
Total Fund Balances
Total Liabilities, Deferred Inflows of Resources and Fund Balances

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California

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

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

City of Moreno Valley, California

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

Capital Projects Funds		
TUMF Capital Projects	DIF Capital Projects	Lease Revenue Bonds 2005 Capital Projects
\$ -	\$ 1,520,872	\$ -
16,128	-	-
-	-	-
3,207,625	17,304	-
-	-	-
-	-	-
-	-	-
\$ 3,223,753	\$ 1,538,176	\$ -
\$ 690,068	\$ 46,968	\$ -
-	-	-
-	-	-
-	-	-
2,771,049	-	-
3,461,117	46,968	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	1,491,208	-
-	-	-
-	-	-
-	-	-
(237,364)	-	-
(237,364)	1,491,208	-
\$ 3,223,753	\$ 1,538,176	\$ -

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

Liabilities, Deferred Inflows of Resources, and Fund Balances:
Liabilities
Accounts payable
Accrued liabilities
Unearned revenues
Due to other governments
Due to other funds
Total Liabilities

Deferred Inflows of Resources:
Unavailable revenues
Total Deferred Inflows of Resources

Fund Balances:
Nonspendable
Notes and loans
Advances to other funds
Permanent fund principal
Restricted for:
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Total Fund Balances
Total Liabilities, Deferred Inflows of Resources and Fund Balances

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

Debt Service Funds			
2011 Priv Placement Ref 97 Lease Rev Bonds	2011 Priv Placement Ref 97 COPs	TRIP COP 13A Debt Service	2013 Refunding 2005 Lease Revenue Bonds
\$ -	\$ -	\$ -	\$ 31
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	7,239	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,239</u>	<u>\$ 31</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	7,239	-
<u>-</u>	<u>-</u>	<u>7,239</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	31
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>31</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,239</u>	<u>\$ 31</u>

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

Liabilities, Deferred Inflows of Resources, and Fund Balances:
Liabilities
Accounts payable
Accrued liabilities
Unearned revenues
Due to other governments
Due to other funds
Total Liabilities

Deferred Inflows of Resources:
Unavailable revenues
Total Deferred Inflows of Resources

Fund Balances:
Nonspendable
Notes and loans
Advances to other funds
Permanent fund principal
Restricted for:
Community development projects
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Public works
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Unassigned
Total Fund Balances
Total Liabilities, Deferred Inflows of Resources and Fund Balances

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789) : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
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Nonmajor Governmental Funds
Year Ended June 30, 2015

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

Revenues

Taxes:

Other taxes

Intergovernmental

Charges for services

Use of money and property

Contributions from Successor Agency

Miscellaneous

Total Revenues**Expenditures**

Current:

General government

Public safety

Community development

Community and cultural

Public works

Capital outlay

Debt service:

Principal retirement

Interest and fiscal charges

Bond issuance costs

Total Expenditures**Excess (Deficiency) of Revenues****Over (Under) Expenditures****Other Financing Sources (Uses)**

Transfers in

Transfers out

Payment to refunded bond escrow agent

Refunding bonds issued

Total other financing sources (uses)**Net Change in Fund Balances****Fund Balances**

Beginning of year

End of year

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

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

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

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

Revenues
Taxes:
Other taxes
Intergovernmental
Charges for services
Use of money and property
Contributions from Successor Agency
Miscellaneous
Total Revenues

Expenditures
Current:
General government
Public safety
Community development
Community and cultural
Public works
Capital outlay
Debt service:
Principal retirement
Interest and fiscal charges
Bond issuance costs
Total Expenditures
Excess (Deficiency) of Revenues Over (Under) Expenditures

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

Fund Balances
Beginning of year
End of year

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

Special Revenue Funds	Capital Projects Funds		
Grants Capital Projects	Facility Construction	Public Works Capital Projects	Traffic Signal Mitigation
\$ -	\$ -	\$ -	\$ -
909,371	-	1,292,959	-
-	-	-	-
-	-	-	-
167	225	209,836	3,613
909,538	225	1,502,795	3,613
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,343,155	1,452,605	2,641,613	-
-	-	-	-
-	-	-	-
-	-	-	-
1,343,155	1,452,605	2,641,613	-
(433,617)	(1,452,380)	(1,138,818)	3,613
1,495,760	3,658,804	-	-
-	(176,852)	(189,835)	-
-	-	-	-
-	-	-	-
1,495,760	3,481,952	(189,835)	-
1,062,143	2,029,572	(1,328,653)	3,613
-	5,461,949	2,328,613	137,578
\$ 1,062,143	\$ 7,491,521	\$ 999,960	\$ 141,191

Revenues

- Taxes:
 - Other taxes
 - Intergovernmental
 - Charges for services
 - Use of money and property
 - Contributions from Successor Agency
 - Miscellaneous

Total Revenues

Expenditures

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

Total Expenditures

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

Other Financing Sources (Uses)

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

Total other financing sources (uses)

Net Change in Fund Balances

Fund Balances

- Beginning of year
- End of year

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 : TRANSMITTAL AND REVIEW OF THE

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

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

City of Moreno Valley, California
Combining Statement of Revenues,
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Nonmajor Governmental Funds
Year Ended June 30, 2015

Debt Service Funds			
2011 Priv Placement Ref 97 Lease Rev Bonds	2011 Priv Placement Ref 97 COPs	TRIP COP 13A Debt Service	2013 Refunding 2005 Lease Revenue Bonds
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	5	-
-	-	-	-
-	-	5	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	6,500	2,766
-	-	-	-
241,000	732,000	-	623,230
96,893	55,349	991,313	489,542
-	-	-	-
337,893	787,349	997,813	1,115,538
(337,893)	(787,349)	(997,808)	(1,115,538)
337,893	787,349	997,808	1,115,569
-	-	-	-
-	-	-	-
-	-	-	-
337,893	787,349	997,808	1,115,569
-	-	-	31
-	-	-	-
\$ -	\$ -	\$ -	\$ 31

Revenues

- Taxes:
- Other taxes
- Intergovernmental
- Charges for services
- Use of money and property
- Contributions from Successor Agency
- Miscellaneous

Total Revenues

Expenditures

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

Total Expenditures

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

Other Financing Sources (Uses)

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

Total other financing sources (uses)

Net Change in Fund Balances

Fund Balances

- Beginning of year
- End of year

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

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

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

<u>Permanent Funds</u>		
<u>NPDES Endowment</u>	<u>Cultural Preservation</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ 151,232
-	-	29,785,703
-	-	1,680,726
519	1,710	104,178
-	-	1,464,134
-	-	897,004
519	1,710	34,082,977
-	-	886,530
-	-	608,012
-	-	1,935,018
-	-	7,381,947
-	-	8,688,269
-	-	28,505,564
-	-	2,556,230
-	-	3,388,158
-	-	360,956
-	-	54,310,684
519	1,710	(20,227,707)
-	-	41,310,733
(223)	-	(33,989,170)
-	-	(25,940,000)
-	-	24,108,085
(223)	-	5,489,648
296	1,710	(14,738,059)
32,161	116,997	65,697,876
\$ 32,457	\$ 118,707	\$ 50,959,817

Revenues

- Taxes:
 - Other taxes
- Intergovernmental
- Charges for services
- Use of money and property
- Contributions from Successor Agency
- Miscellaneous

Total Revenues

Expenditures

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

Total Expenditures

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

Other Financing Sources (Uses)

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

Total other financing sources (uses)

Net Change in Fund Balances

Fund Balances

- Beginning of year
- End of year

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
Budgetary Comparison Schedule
State Gasoline Tax
Year Ended June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
Budgetary Comparison Schedule
Article 3 Transportation
Year Ended June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
Budgetary Comparison Schedule
Measure A
Year Ended June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
Budgetary Comparison Schedule
Law Enforcement
Year Ended June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

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

City of Moreno Valley, California

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

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

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

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

City of Moreno Valley, California

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

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

City of Moreno Valley, California

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

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

City of Moreno Valley, California
Budgetary Comparison Schedule
Child Care Grant
Year Ended June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
Budgetary Comparison Schedule
Used Oil recycling
Year Ended June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
Budgetary Comparison Schedule
ASES Program Grant
Year Ended June 30, 2015

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

City of Moreno Valley, California
Budgetary Comparison Schedule
CFD No. 2014-01
Year Ended June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

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

City of Moreno Valley, California
Budgetary Comparison Schedule
Civil Penalties
Year Ended June 30, 2015

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

City of Moreno Valley, California

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

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

City of Moreno Valley, California

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

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

City of Moreno Valley, California

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

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

City of Moreno Valley, California
Budgetary Comparison Schedule
Facility Construction
Year Ended June 30, 2015

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

City of Moreno Valley, California
Budgetary Comparison Schedule
Public Works Capital Projects
Year Ended June 30, 2015

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

City of Moreno Valley, California

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

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

City of Moreno Valley, California

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
Budgetary Comparison Schedule
Parks and Community Services Capital Projects
Year Ended June 30, 2015

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

City of Moreno Valley, California
Budgetary Comparison Schedule
TUMF Capital Projects
Year Ended June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
Budgetary Comparison Schedule
DIF Capital Projects
Year Ended June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
Budgetary Comparison Schedule
Lease Revenue Bonds 2005 Capital Projects
Year Ended June 30, 2015

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

City of Moreno Valley, California
Budgetary Comparison Schedule
TRIP Capital Projects
Year Ended June 30, 2015

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

City of Moreno Valley, California
Budgetary Comparison Schedule
Lease Revenue Bonds 2005 Debt Service
Year Ended June 30, 2015

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

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California

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

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

City of Moreno Valley, California
Budgetary Comparison Schedule
2011 Private Placement Refunding 97 Lease Revenue Bonds
Year Ended June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
Budgetary Comparison Schedule
2011 Private Placement Refunding 97 COPs
Year Ended June 30, 2015

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

City of Moreno Valley, California

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

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

City of Moreno Valley, California
Budgetary Comparison Schedule
2013 Refunding 2005 Lease Revenue Bonds
Year Ended June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
Budgetary Comparison Schedule
2014 Refunding 2005 Lease Revenue Bonds
Year Ended June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
Budgetary Comparison Schedule
Celebration Park Endowment
Year Ended June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
Budgetary Comparison Schedule
Equestrian Trail Endowment
Year Ended June 30, 2015

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

City of Moreno Valley, California
Budgetary Comparison Schedule
Rockridge Endowment
Year Ended June 30, 2015

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

City of Moreno Valley, California
Budgetary Comparison Schedule
NPDES Endowment
Year Ended June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE



INTERNAL SERVICE FUNDS

General Liability Insurance Fund

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

Worker's Compensation Insurance Fund

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

Technology Service Fund

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

Facilities Maintenance Fund

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

Equipment Maintenance Fund

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

Equipment Replacement Reserve Fund

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

Compensated Absences Fund

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

City of Moreno Valley, California
Combining Statement of Net Position
Internal Service Funds
June 30, 2015

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

City of Moreno Valley, California
Combining Statement of Net Position
Internal Service Funds
June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2015

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

City of Moreno Valley, California
Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2015

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

AGENCY FUNDS

Deposit Liability Fund

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

Assessment District 87-4 Fund

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

Assessment District 98-1 Fund

This fund is used to account for the receipt and remittance of special assessments for the Assessment District 98-1 Limited Obligation Improvement Bonds. The bonds are not secured by the general taxing power of the City, the State of California or any other political subdivision thereof, and neither the City nor the State, nor any potential subdivision thereof, has pledged its full faith and credit for the payment thereof.

TUMF Trust Fund

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

MSHCP Trust Fund

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

Moreno Valley Foundation Donations Fund

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

CFD #5 Stoneridge Fund

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

Riverside County Flood Control and Water Conservation District Fund

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

AGENCY FUNDS (CONTINUED)**Arts Commission Fund**

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

City of Moreno Valley, California

Combining Balance Sheet
All Agency Funds
June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California

Combining Balance Sheet
All Agency Funds
June 30, 2015

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California

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

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

City of Moreno Valley, California

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

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



Statistical
Section

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FISCAL YEAR
ENDED JUNE 30, 2015



STATISTICAL SECTION

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

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

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

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

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

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

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

(Continued)

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

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

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

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

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

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

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

Fiscal Year	Property Tax In-Lieu of Vehicle License Fees		Utility Users	Sales & Use	Transient Occupancy	Franchise	Motor Vehicle In-Lieu	Business License Gross Receipt	Documentary Transfer	Total
	Property	License Fees (1)								
2006	\$ 11,930,618	\$ 12,068,070	\$ 13,811,740	\$ 11,317,841	\$ 582,307	\$ 4,142,646	\$ 1,275,342	\$ 1,240,764	\$ 1,548,205	\$ 57,917,533
2007	14,022,135	14,150,000	15,463,291	13,116,271	586,383	4,349,870	943,313	1,315,039	972,995 (2)	64,919,297
2008	14,361,253	16,728,600	15,186,616	11,694,525	593,009	4,478,698	800,667	1,111,021	575,003	65,529,392
2009	12,790,196	16,791,078	15,081,286	10,202,384	497,936	4,997,024	865,718	1,051,701	598,084	62,875,407
2010	9,917,734	13,703,197	15,358,341	9,298,296	535,775	4,757,920	547,188	961,303	479,208	55,558,962
2011	9,430,846	13,055,796	15,317,439	11,283,435	692,586	5,038,600	887,331	1,053,145	424,931	57,184,109
2012	9,397,373	13,170,964	15,591,386	14,003,992	747,100	5,176,775	96,578	1,175,104	434,554	59,793,826
2013	9,765,007	13,414,446	15,683,931	14,043,560	831,881	5,336,919	100,727	1,305,924	350,413	60,832,808
2014	10,668,782	13,871,755	15,595,141	15,887,129	991,431	5,556,474	84,056	1,581,918	447,103	64,683,789
2015	11,591,459	15,137,754	16,138,202	16,130,340	1,197,143	6,164,099	81,658	1,886,558	502,822	68,830,035
Change										
2006 to 2015	-3.00%	(3) 25.00%	(3) 17.00%	(3) 43.00%	(3) 106.00%	49.00%	-94.00%	52.00%	-68.00%	19.00%

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(1) In 2004 the State of California discontinued the back-fill of the Vehicle License Fee In-Lieu. At the same time the basis of the revenue stream was changed from a per capita calculation to the change in assessed valuations of property.

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

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

Source: City of Moreno Valley Financial and Management Services Department

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

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

Source: City of Moreno Valley Financial and Management Services Department

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

Fiscal Year Ended June 30,	City						Redevelopment Agency **						
	Secured Value	Unsecured Value	Total Assessed and Estimated Full Value	Less: Exemptions	Taxable Assessed Value	Direct Tax Rate	Secured Value	Unsecured Value	Total Assessed and Estimated Full Value	Less: Exemptions	Taxable Assessed Value	Direct Tax Rate	Total Direct Tax Rate
2006	\$ 11,327,235	\$ 165,133	\$ 11,492,368	\$ (118,051)	\$ 11,374,317	0.00131	\$ 2,028,330	\$ 85,608	\$ 2,113,938	\$ (35,633)	\$ 2,078,305	0.00643	0.00210
2007	13,419,168	198,776	13,617,944	(147,891)	13,470,053	0.00140	2,546,327	109,685	2,656,012	(47,345)	2,608,667	0.00672	0.00226
2008	13,491,161	232,774	13,723,935	(194,693)	13,529,242	0.00143	2,788,876	137,206	2,926,082	(75,251)	2,850,831	0.00838	0.00264
2009	13,132,444	243,521	13,375,965	(154,973)	13,220,992	0.00131	2,229,290	117,596	2,346,886	-	2,346,886	0.01013	0.00264
2010	10,625,910	236,904	10,862,814	(154,289)	10,708,525	0.00160	2,391,494	154,639	2,546,133	(81,595)	2,464,538	0.00675	0.00256
2011	10,516,338	238,786	10,755,124	(227,178)	10,527,946	0.00164	2,375,549	157,430	2,532,979	(81,830)	2,451,149	0.00575	0.00242
2012	10,561,585	271,336	10,832,921	(236,235)	10,596,686	0.00258	-	-	-	-	-	-	0.00258
2013	10,646,415	342,094	10,988,509	(249,331)	10,739,178	0.00183	-	-	-	-	-	-	0.00183
2014	11,042,637	352,337	11,394,974	(264,161)	11,130,813	0.00185	-	-	-	-	-	-	0.00185
2015	12,102,252	366,400	12,468,652	(262,713)	12,205,939	0.00179	-	-	-	-	-	-	0.00179

Source: Riverside County Auditor/Controller

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

**As of January 31, 2012 the Redevelopment Agency was dissolved due to the California Supreme Court passing two bills, AB X1 26 and AB X1 27.

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

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

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

NOTE:

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

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

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

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

Source: Hdl Coren & Cone

City of Moreno Valley, California
 Property Tax Levies and Collections
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal		Collections in Subsequent years	Total Collections to Date	
		Amount	Percent of Levy (1)		Amount	Percent of Levy
2006	\$ 32,385,248	\$ 32,347,436	99.88%	\$ 37,812	\$ 32,385,248	100.00%
2007	39,206,275	39,141,295	99.83%	64,980	39,206,275	100.00%
2008	43,561,908	43,457,010	99.76%	104,898	43,561,908	100.00%
2009	41,285,111	41,165,168	99.71%	119,943	41,285,111	100.00%
2010	35,573,656	35,492,693	99.77%	80,963	35,573,656	100.00%
2011	33,713,334	33,658,226	99.84%	55,108	33,713,334	100.00%
2012	33,226,437	33,172,713	99.84%	53,724	33,226,437	100.00%
2013	25,630,602	25,580,901	99.81% (2)	49,701	25,630,602	100.00%
2014	26,906,254	26,862,040	99.84%	44,214	26,906,254	100.00%
2015	26,455,986	26,154,116	98.86%	-	26,154,116	98.86%

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Notes:

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

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

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

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

City of Moreno Valley, California
Direct and Overlapping Debt

Fiscal Year 2014/15 Assessed Valuation

\$ 12,199,658,731

<u>OVERLAPPING TAX AND ASSESSMENT DEBT</u>	Total Debt 6/30/2015	% Applicable(1)	City's Share of Debt 6/30/2015
Metropolitan Water District	\$ 110,420,000	0.526%	\$ 580,809
Eastern Municipal Water District I.D. No U-22	2,624,000	100	2,624,000
Riverside Community College District	227,097,323	14.576	33,101,706
Mount San Jacinto Community College District	70,000,000	0.014	9,800
Moreno Valley Unified School District	136,588,521	84.244	115,067,634
San Jacinto Unified School District	42,604,103	0.424	180,641
Val Verde Unified School District	109,531,488	37.704	41,297,752
Moreno Valley Unified School District Community Facilities District No. 88-1	-	100	-
Moreno Valley Unified School District Community Facilities District No. 2002-1	7,535,000	100	7,535,000
Moreno Valley Unified School District Community Facilities District No. 2003-1&2	11,070,000	100	11,070,000
Moreno Valley Unified School District Community Facilities District No. 2004-1	2,960,000	100	2,960,000
Moreno Valley Unified School District Community Facilities District No. 2004-2	5,225,000	100	5,225,000
Moreno Valley Unified School District Community Facilities District No. 2004-3	3,820,000	100	3,820,000
Moreno Valley Unified School District Community Facilities District No. 2004-5	4,770,000	100	4,770,000
Moreno Valley Unified School District Community Facilities District No. 2004-6	26,220,000	100	26,220,000
Moreno Valley Unified School District Community Facilities District No. 2005-2, 3 & 5	23,570,000	100	23,570,000
Moreno Valley Unified School District Community Facilities District No. 2007-1	5,195,000	100	5,195,000
Val Verde Unified School District Community Facilities District No. 98-1	18,845,000	100	18,845,000
Val Verde Unified School District Community Facilities District No. 2003-2	2,910,000	100	2,910,000
Eastern Municipal Water District Community Facilities District	12,725,000	100	12,725,000
City of Moreno Valley Community Facilities District No. 5	5,670,000	100	5,670,000
City of Moreno Valley Community Facilities District No. 87-1, I.A. No. 1	2,605,000	100	2,605,000
TOTAL GROSS OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 325,982,342
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Riverside County General Fund Obligations	961,952,082	5.404%	\$ 51,983,891
Riverside County Pension Obligations	320,470,000	5.404%	17,318,199
Riverside County Board of Education Certificates of Participation	1,835,000	5.404%	99,163
Mt. San Jacinto Community College District General Fund Obligations	-	0.000%	0
Moreno Valley Unified School District Certificates of Participation	12,475,000	84.244%	10,509,439
San Jacinto Unified School District Certificates of Participation	40,270,000	0.424%	170,745
Val Verde Unified School District Certificates of Participation	71,445,000	37.704%	26,937,623
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			107,019,060
Less: Riverside County self-supporting obligations			408,813
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			106,610,247
City Direct Debt (City of Moreno Valley General Fund Obligations)			63,288,500
TOTAL DIRECT & OVERLAPPING GENERAL FUND DEBT			\$ 169,898,747
<u>OVERLAPPING TAX INCREMENT DEBT:</u>	79,130,000	31.234-100	\$ 57,503,093
TOTAL DIRECT DEBT			63,288,500
TOTAL GROSS OVERLAPPING DEBT			490,504,496
TOTAL NET OVERLAPPING DEBT			490,095,682
GROSS COMBINED TOTAL DEBT			553,792,995 (2)
NET COMBINED TOTAL DEBT			553,384,182

Notes:

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

Ratios to FY 2014-15 Assessed Valuation:

Total Gross Overlapping Tax and Assessment Debt 2.67%

Ratios to Adjusted Assessed Valuation:

Total Direct Debt (\$63,288,500) 0.52%
Gross Combined Total Debt 4.54%
Net Combined Total Debt 4.54%

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

Total Overlapping Tax Increment Debt 2.48%

KD: (\$475)

Source: California Municipal Statistics

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

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

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

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

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

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

Fiscal Year Ended June 30	Governmental Activities					Business-type Activities		Total Primary Government	Percentage of Personal Income ¹	Debt per Capita
	Special Tax Bonds	Certificates of Participation	Lease Revenue Bonds	RDA Tax Allocation Bonds	Notes and Other	Total Governmental Activities	Lease Revenue Bonds			
2006	\$ 23,345,000	\$ 7,115,000	\$ 47,530,000	-	\$ 4,866,378	\$ 82,856,378	\$ 4,647,000	\$87,503,378	2.75%	501
2007	21,415,000	6,590,000	46,890,000	-	4,696,689	79,591,689	30,870,000	110,461,689	3.67%	612
2008	18,925,000	6,040,000	46,160,000	43,495,000	4,318,513	118,938,513	30,870,000	149,808,513	4.61%	815
2009	17,265,000	5,470,001	45,205,000	42,725,000	6,849,487	117,514,488	30,775,000	148,289,488	4.48%	796
2010	15,525,000	4,875,000	44,205,000	42,605,000	6,667,850	113,877,850	30,285,000	144,162,850	4.09%	765
2011	13,655,000	- ⁽³⁾	39,660,000 ⁽³⁾	42,475,000	12,301,668 ⁽³⁾	108,091,668	29,780,000	137,871,668	3.80%	706
2012	11,870,000	-	38,775,000	- ⁽⁴⁾	12,405,733	63,050,733	29,245,000	92,295,733	2.70%	470
2013	10,685,000	-	37,855,000	- ⁽⁴⁾	12,340,304	60,880,304	28,685,000	89,565,304	2.62%	452
2014	9,660,000	20,000,000	36,394,230	- ⁽⁴⁾	11,874,411	77,928,641	27,836,607	105,765,248	2.93%	531
2015	8,700,000	20,000,000	32,486,745	-	10,620,844	71,807,589	26,975,706	98,783,295	2.72%	492

Notes:

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

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

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

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

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

- 1) Assessed value has been used because the actual value of taxable property is not readily available in the State of California.
- 2) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.
- 3) In Fiscal Year 2011 the City defeased the 1997 Lease Revenue Bonds and the 1997 City Hall COPs with private placement financing.

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

City of Moreno Valley, California
Pledged Revenue Coverage
Last Ten Years

Fiscal Year Ended June 30,	Community Facilities District No. 3, AutoMall Refinancing					Community Facilities District No. 5 of the City of				Towngate Community Facilities District No. 87-1,				Towngate Community Facilities District No. 87-1, Improvement No.				
	Special Tax Levy	Property Tax Increment	Debt Service		Coverage	Special Tax Levy	Debt Service		Coverage	Property Tax Increment	Debt Service		Coverage	Special Tax Levy	Property Tax Increment	Debt Service		Coverage
			Principal	Interest			Principal	Interest			Principal	Interest				Principal	Interest	
2006	\$ 1,189,465	\$ 73,700	\$ 640,000	\$ 426,625	1.18	-	-	-		-	-	-		-	-	-	-	
2007	1,179,479	108,986	710,000	379,375	1.18	-	-	-		-	-	-		-	-	-	-	
2008	1,088,427	190,425	785,000	327,050	1.15	\$ 198,306	\$ -	\$ 217,261	0.91	\$ 2,072,568	\$ -	\$ 226,176	9.16	\$ 429,990	\$ -	\$ -	\$ 60,994	0.00
2009	1,212,713	103,026	865,000	269,300	1.16	344,701	-	288,613	1.19	1,164,131	575,000	435,881	1.15	108,706	287,228	220,000	175,859	1.00
2010	1,173,443	185,125	950,000	205,775	1.18	362,124	15,000	288,313	1.19	373,011	600,000	409,381	0.37	78,519	303,573	190,000	168,029	1.07
2011	78,021	96,489	1,045,000	135,950	0.15	376,005	20,000	287,613	1.22	1,168,536	630,000	382,569	1.15	112,162	277,359	195,000	160,375	1.10
2012	74,137	29,292	925,000	64,688	0.10	384,249	30,000	286,613	1.21	1,175,145	655,000	359,294	1.16	115,946	274,445	205,000	152,173	1.09
2013	75,878	31,192	295,000	18,938	0.34	388,022	35,000	285,295	1.21	1,170,595	680,000	335,931	1.15	110,672	275,008	210,000	143,719	1.09
2014	-	-	105,000	3,938	0.00	393,684	45,000	283,633	1.20	1,174,345	700,000	310,906	1.16	117,164	275,007	220,000	135,009	1.10
2015	-	-	-	-	0.00	398,468	55,000	281,505	1.18	1,186,238	730,000	283,181	1.17	114,616	277,896	230,000	125,668	1.10

Community Redevelopment Agency 2007 Tax Allocation

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

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

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

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

<u>Calendar</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita</u>	<u>Unemployment</u>
2008	183,860	\$ 3,423,011	\$ 17,997	9.9%
2009	186,301	3,702,458	18,898	15.7%
2010	188,537	3,836,808	19,230	17.6%
2011	195,216	3,463,419	17,519	16.1%
2012	196,495	3,491,186	17,425	13.9%
2013	198,129	3,615,062	18,246	11.8%
2014	199,258	3,612,548	18,130	11.0%
2015	200,670	3,649,385	18,186	7.0%

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

Data Source: California Department of Finance

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

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

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

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

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

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

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This data represents a count of people employed by the City not the number of approved full time equivalents.

(1) The City contracts with the County of Riverside for Police and Fire services.

(2) In 2007 the Parks and Community Services Department received a grant from the State of California related to the After School Education and Safety Grant. This grant resulted in an increase in staffing to achieve the grant growth objectives.

(3) In 2011 the Parks and Community Services Department received a grant from the State of California related to the After School Education and Safety Grant, however staffing for this services was contracted to an outside agency. This resulted in a large decrease in staffing.

Source: City of Moreno Valley Financial and Management Services Department

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

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

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

Sources: City of Moreno Valley Technology Services, Special Districts, Transportation, Fire Department, Police Department, Parks & Community Services, Utilities.

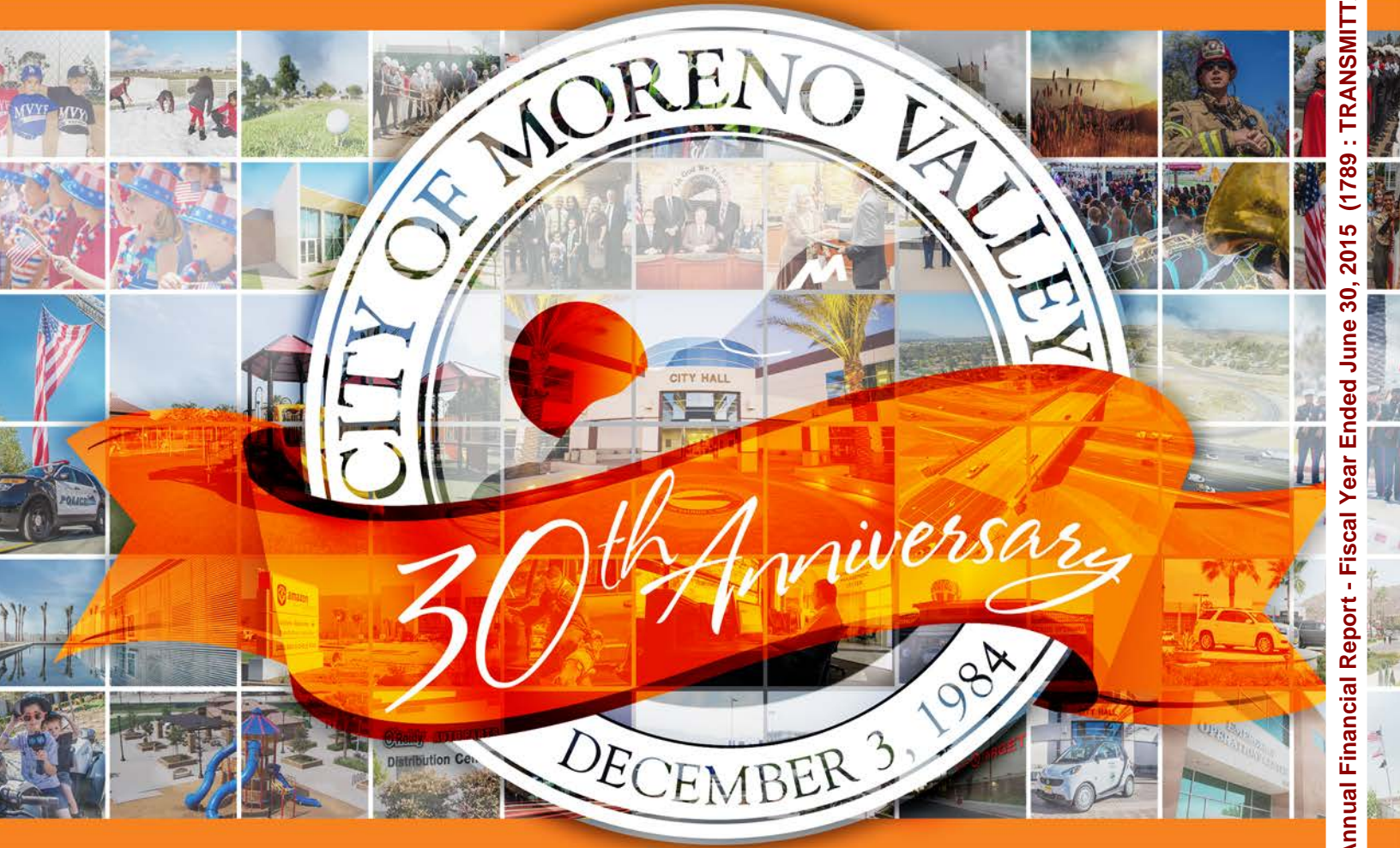
City of Moreno Valley, California
 Operating Indicators by Function
 Last Eight Fiscal Years

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

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

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT



CITY OF MORENO VALLEY, CALIFORNIA
COMMUNITY SERVICES DISTRICT

FISCAL YEAR ENDED JUNE 30, 2015

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789) : TRANSMITTAL AND REVIEW OF THE

City of Moreno Valley, California
Community Services District

Financial Statements
Year Ended June 30, 2015

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Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

INDEPENDENT AUDITORS' REPORT

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

Report on Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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



Opinions

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

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

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

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



Implementation of New Accounting Standards

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

Other Reporting Required by Government Auditing Standards

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

Vasquez + Company LLP

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



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

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

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



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

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

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

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

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

Assets:
 Pooled cash and investments (note 2)
 Receivables:
 Accounts
 Due from other governments
Total Assets

Liabilities and Fund Balances:
Liabilities:
 Accounts payable
 Unearned revenues
 Deposits payable
 Due to other governments
 Due to the City of Moreno Valley
Total Liabilities

Fund Balances:
Restricted for:
 Special zones
Total Fund Balances
Total Liabilities and Fund Balances



City of Moreno Valley, California
Community Services District

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

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

Expenditures:
 Current:
 Community and cultural
 Public works
 Capital outlay
Total Expenditures

Excess (Deficiency) of Revenues
 Over (Under) Expenditures

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

Fund Balances, Beginning of year

Fund Balances, End of year

City of Moreno Valley, California
Community Services District

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

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

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlay	170,481
Depreciation expense	(1,924,752)
Loss on disposal of assets	(1,357,727)
Capital assets contributions from the City of Moreno Valley	8,230,992

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

(70,818)

Change in net position of governmental activities

\$ 7,337,760

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

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

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

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

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

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

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

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

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

City of Moreno Valley, California
Community Services District

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

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

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

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

Note 1 Summary of Significant Accounting Policies

a. Description of the Reporting Entity

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

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

b. Government-Wide and Fund Financial Statements

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

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

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

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

Note 1 Summary of Significant Accounting Policies (Continued)

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

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

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

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

The District reports the following major governmental funds:

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

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

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

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

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

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

Note 1 Summary of Significant Accounting Policies (Continued)

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

d. Budgetary Reporting

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

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

e. Unavailable Revenue and Unearned Revenue

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

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

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

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

Note 1 Summary of Significant Accounting Policies (Continued)

f. Fund Balance

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

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

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

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

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

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

Fund Balance Flow Assumptions

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

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

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

Note 1 Summary of Significant Accounting Policies (Continued)

g. Net Position

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

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

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

Net Position Flow Assumption

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

h. Capital Assets

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

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

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

City of Moreno Valley, California
Community Services District

Notes to Financial Statements (Continued)
June 30, 2015

Note 1 Summary of Significant Accounting Policies (Continued)

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

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

i. Investments

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

j. Salary Expenditures

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

k. Property Taxes

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

l. Use of Estimates

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

Attachment: Comprehensive Annual Financial Report - Fiscal Year Ended June 30, 2015 (1789 : TRANSMITTAL AND REVIEW OF THE

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

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

Note 2 Cash and Investments

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

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

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

Note 3 Capital Assets

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

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

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

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

Note 3 Capital Assets (Continued)

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

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

Note 4 Commitments and Contingencies

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

Note 5 Pension Plans

A. General Information about the Pension Plans

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

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

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

Notes to Financial Statements (Continued)

June 30, 2015

Note 5 Pension Plans (Continued)

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

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

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

	<u>Miscellaneous</u>
Active Employees	370

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

B. Net Pension Liability

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

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

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

Note 5 Pension Plans (Continued)

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

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

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

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

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

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

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

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

Note 5 Pension Plans (Continued)

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

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

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

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

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

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

Note 5 Pension Plans (Continued)

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

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

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

C. Changes in the Net Pension Liability

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

Miscellaneous Plan:	Net Pension Liability (Asset)
Balance at June 30, 2013	\$ 10,074,100
Changes in the year:	
Service cost	766,374
Interest on the total pension liability	1,950,505
Contribution - employer	(764,726)
Contribution - employee (paid by employer)	(321,709)
Net investment income	(2,797,198)
Net Changes	<u>(1,166,754)</u>
Balance at June 30, 2014	<u>\$ 8,907,346</u>

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

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

Note 5 Pension Plans (Continued)

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

For the year ended June 30, 2015, the District recognized pension expense of \$884,808. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred outflows of resources - Pension contributions subsequent to measurement date	\$ 813,989
Deferred inflows of resources - Net differences between projected and actual earnings on plan investments	\$ (1,286,836)

The amount of \$813,989 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2016	\$ (321,709)
2017	(321,709)
2018	(321,709)
2019	(321,709)
Thereafter	-

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

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

Note 6 Restatement

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

	<u>Governmental Activities</u>
Net Position - Beginning of year, as previously stated	\$ 31,470,132
Adjustment to give retroactive effect to GASB Statement No. 68 implementation	(9,309,374)
Net Position - Beginning of year, as restated	\$ 22,160,758

Note 7 Subsequent Events

The District has evaluated events subsequent to June 30, 2015 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 7, 2015, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no other subsequent events occurred that require recognition or additional disclosure in the financial statements.

City of Moreno Valley, California
Community Services District

Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2015

	Special Revenue Funds		
	Zone C Arterial Street Lights Administration	Zone D Standard Landscaping Administration	Zone M Median
Assets:			
Pooled cash and investments	\$ 633,717	\$ 1,318,212	\$ 597,740
Due from other governments	9,521	10,722	1,630
Total Assets	\$ 643,238	\$ 1,328,934	\$ 599,370
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 43,257	\$ 58,339	\$ 10,659
Total Liabilities	43,257	58,339	10,659
Fund Balances:			
Restricted for:			
Special zones	599,981	1,270,595	588,711
Total Fund Balances	599,981	1,270,595	588,711
Total Liabilities and Fund Balances	\$ 643,238	\$ 1,328,934	\$ 599,370

Special Revenue Funds

<u>CFD No. 1</u>	<u>Zone S Sunnymead Boulevard Maintenance</u>	<u>Total Nonmajor Funds</u>
\$ 959,212	\$ 99,396	\$ 3,608,277
16,603	652	39,128
<u>\$ 975,815</u>	<u>\$ 100,048</u>	<u>\$ 3,647,405</u>
\$ 97,187	\$ 1,943	\$ 211,385
<u>97,187</u>	<u>1,943</u>	<u>211,385</u>
878,628	98,105	3,436,020
<u>878,628</u>	<u>98,105</u>	<u>3,436,020</u>
<u>\$ 975,815</u>	<u>\$ 100,048</u>	<u>\$ 3,647,405</u>

Assets:
 Pooled cash and investments
 Due from other governments
Total Assets

Liabilities and Fund Balances:
Liabilities:
 Accounts payable
Total Liabilities

Fund Balances:
Restricted for:
 Special zones
Total Fund Balances

Total Liabilities and Fund Balances

**City of Moreno Valley, California
Community Services District**

**Nonmajor Governmental Funds
Combining Statement of Revenues
Expenditures and Changes in Fund Balances
Year Ended June 30, 2015**

	<u>Special Revenue Funds</u>		
	<u>Zone C Arterial Street Lights Administration</u>	<u>Zone D Standard Landscaping Administration</u>	<u>Zone M Median</u>
Revenues:			
Taxes:			
Property taxes	\$ 167,068	\$ -	\$ -
Other taxes	423,826	-	-
Charges for services	69,753	1,178,633	166,136
Miscellaneous	-	3,290	-
Use of money and property	6,242	14,271	7,756
Total Revenues	666,889	1,196,194	173,892
Expenditures:			
Current:			
Community and cultural	-	-	-
Public works	817,348	870,064	192,322
Capital outlay	-	-	-
Total Expenditures	817,348	870,064	192,322
Excess (Deficiency) of Revenues Over (Under) Expenditures	(150,459)	326,130	(18,430)
Other Financing Sources (Uses):			
Contributions from the City of Moreno Valley	397,000	-	103,400
Total Other Financing Sources (Uses)	397,000	-	103,400
Net Change in Fund Balances	246,541	326,130	84,970
Fund Balances, Beginning of year	353,440	944,465	503,741
Fund Balances, End of year	\$ 599,981	\$ 1,270,595	\$ 588,711

<u>Special Revenue Funds</u>		
<u>CFD No. 1</u>	<u>Zone S Sunnymead Boulevard Maintenance</u>	<u>Total Nonmajor Funds</u>
\$ -	\$ -	\$ 167,068
999,864	-	1,423,690
26,033	57,237	1,497,792
-	-	3,290
10,037	1,227	39,533
<u>1,035,934</u>	<u>58,464</u>	<u>3,131,373</u>
1,175,011	-	1,175,011
-	45,253	1,924,987
165,353	-	165,353
<u>1,340,364</u>	<u>45,253</u>	<u>3,265,351</u>
<u>(304,430)</u>	<u>13,211</u>	<u>(133,978)</u>
-	-	500,400
-	-	500,400
<u>(304,430)</u>	<u>13,211</u>	<u>366,422</u>
1,183,058	84,894	3,069,598
<u>\$ 878,628</u>	<u>\$ 98,105</u>	<u>\$ 3,436,020</u>

Revenues:
 Taxes:
 Property taxes
 Other taxes
 Charges for services
 Miscellaneous
 Use of money and property
Total Revenues

Expenditures:
 Current:
 Community and cultural
 Public works
 Capital outlay
Total Expenditures
 Excess (Deficiency) of Revenues
 Over (Under) Expenditures

Other Financing Sources (Uses):
 Contributions from the City of Moreno Valley
Total Other Financing Sources (Uses)
Net Change in Fund Balances

Fund Balances, Beginning of year
 Fund Balances, End of year

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Schedule
Zone C Arterial Street Lights Administration
Year Ended June 30, 2015**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 110,000	\$ 158,988	\$ 167,068	\$ 8,080
Other taxes	422,000	422,000	423,826	1,826
Charges for services	28,700	28,700	69,753	41,053
Use of money and property	-	-	6,242	6,242
Total Revenues	560,700	609,688	666,889	57,201
Expenditures:				
Current:				
Public works	957,400	960,571	817,348	143,223
Total Expenditures	957,400	960,571	817,348	143,223
Excess (Deficiency) of Revenues Over (Under) Expenditures	(396,700)	(350,883)	(150,459)	200,424
Other Financing Sources (Uses):				
Contributions from the City of Moreno Valley	397,000	397,000	397,000	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	397,000	397,000	397,000	-
Net Change in Fund Balances	300	46,117	246,541	200,424
Fund Balance, Beginning of year	353,440	353,440	353,440	-
Fund Balance, End of year	\$ 353,740	\$ 399,557	\$ 599,981	\$ 200,424

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Schedule
Zone D Standard Landscaping Administration
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 1,198,100	\$ 1,173,100	\$ 1,178,633	\$ 5,533
Use of money and property	412	412	14,271	13,859
Miscellaneous	-	-	3,290	3,290
Total Revenues	<u>1,198,512</u>	<u>1,173,512</u>	<u>1,196,194</u>	<u>22,682</u>
Expenditures:				
Current:				
Public works	1,120,300	1,238,148	870,064	368,084
Total Expenditures	<u>1,120,300</u>	<u>1,238,148</u>	<u>870,064</u>	<u>368,084</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	78,212	(64,636)	326,130	390,766
Net Change in Fund Balances	78,212	(64,636)	326,130	390,766
Fund Balance, Beginning of year	944,465	944,465	944,465	-
Fund Balance, End of year	<u>\$ 1,022,677</u>	<u>\$ 879,829</u>	<u>\$ 1,270,595</u>	<u>\$ 390,766</u>

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Schedule
Zone M Median
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 202,700	\$ 170,796	\$ 166,136	\$ (4,660)
Use of money and property	427	427	7,756	7,329
Total Revenues	<u>203,127</u>	<u>171,223</u>	<u>173,892</u>	<u>2,669</u>
Expenditures:				
Current:				
Public works	292,144	283,194	192,322	90,872
Total Expenditures	<u>292,144</u>	<u>283,194</u>	<u>192,322</u>	<u>90,872</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(89,017)</u>	<u>(111,971)</u>	<u>(18,430)</u>	<u>93,541</u>
Other Financing Sources (Uses):				
Contributions from the City of Moreno Valley	103,400	103,400	103,400	-
Total Other Financing Sources (Uses)	<u>103,400</u>	<u>103,400</u>	<u>103,400</u>	<u>-</u>
Net Change in Fund Balances	14,383	(8,571)	84,970	93,541
Fund Balance, Beginning of year	<u>503,741</u>	<u>503,741</u>	<u>503,741</u>	<u>-</u>
Fund Balance, End of year	<u>\$ 518,124</u>	<u>\$ 495,170</u>	<u>\$ 588,711</u>	<u>\$ 93,541</u>

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Schedule
CFD No. 1
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Other taxes	\$ 1,000,000	\$ 1,000,000	\$ 999,864	\$ (136)
Charges for services	25,400	25,400	26,033	633
Use of money and property	25,000	25,000	10,037	(14,963)
Total Revenues	<u>1,050,400</u>	<u>1,050,400</u>	<u>1,035,934</u>	<u>(14,466)</u>
Expenditures:				
Current:				
Community and cultural	1,225,757	1,215,343	1,175,011	40,332
Capital outlay	-	433,364	165,353	268,011
Total Expenditures	<u>1,225,757</u>	<u>1,648,707</u>	<u>1,340,364</u>	<u>308,343</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(175,357)</u>	<u>(598,307)</u>	<u>(304,430)</u>	<u>293,877</u>
Net Change in Fund Balances	(175,357)	(598,307)	(304,430)	293,877
Fund Balance, Beginning of year	<u>1,183,058</u>	<u>1,183,058</u>	<u>1,183,058</u>	<u>-</u>
Fund Balance, End of year	<u>\$ 1,007,701</u>	<u>\$ 584,751</u>	<u>\$ 878,628</u>	<u>\$ 293,877</u>

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Schedule
Zone S Sunnymead Boulevard Maintenance
Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 56,300	\$ 56,300	\$ 57,237	\$ 937
Use of money and property	41	41	1,227	1,186
Total Revenues	56,341	56,341	58,464	2,123
Expenditures:				
Current:				
Public works	68,017	95,755	45,253	50,502
Total Expenditures	68,017	95,755	45,253	50,502
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,676)	(39,414)	13,211	52,625
Net Change in Fund Balances	(11,676)	(39,414)	13,211	52,625
Fund Balance, Beginning of year	84,894	84,894	84,894	-
Fund Balance, End of year	\$ 73,218	\$ 45,480	\$ 98,105	\$ 52,625