

CITY OF JURUPA VALLEY
Jurupa Valley, California

Comprehensive Annual Financial Report

Year Ended June 30, 2014

Prepared by

FINANCIAL SERVICES

ALAN KREIMEIER

Director of Administrative Services

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CITY OF JURUPA VALLEY

Comprehensive Annual Financial Report

Year Ended June 30, 2014

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INTRODUCTORY SECTION

City of Jurupa Valley

May 14, 2015

Honorable Mayor, City Council,
And Citizens of the City of Jurupa Valley
City of Jurupa Valley
Jurupa Valley, CA 92509

Letter of Transmittal Fiscal Year 2013-14 Comprehensive Annual Financial Report (CAFR)

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

It is with great pleasure that we present to you the City of Jurupa Valley's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2014. This report gives its readers a comprehensive view of the City's financial activities during the fiscal year and the financial position at the end of the fiscal year. The basic financial statements are presented in conformity with Generally Accepted Accounting Principles (GAAP). They were audited in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed certified public accountants.

This report consists of management representations concerning the finances of the City of Jurupa Valley in its third year of incorporation. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in the report. To provide a reasonable basis for making these representations, management has implemented a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information to prepare the City's financial statements in conformity to GAAP. The City's internal control procedures are established on the principle that the cost of internal controls should not outweigh their benefits. As a result the City has designed the internal control systems to provide reasonable rather than absolute assurance that the financial statements are free from material misstatements. 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 Mayer Hoffman McCann P.C., an independent firm of certified public accountants. The purpose of an independent audit is to provide reasonable assurance that the financial statements of the City of Jurupa Valley for the fiscal year ended June 30, 2014, are free of any material misstatements. The independent auditors' report is presented as the first component of the financial section of this report. GAAP require that management provide a narrative of introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A).

This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors in the financial section of this report.

Profile of the Government

The City of Jurupa Valley, California was incorporated as a general law city effective July 1, 2011. Jurupa Valley is the 28th city in Riverside County and newest city in California. The City is located approximately 50 miles southeast of Los Angeles. A community of communities the City of Jurupa Valley joined together the unincorporated areas of Riverside County previously known as Mira Loma, Sky Country, Country Village, Glen Avon, Pedley, Indian Hills, Jurupa Hills, Sunnyslope, Crestmore Heights, Rubidoux, and Belltown. The new city covers approximately 46 square miles, with the borders running along the 15 freeway to the west, the Santa Ana River to the south and east and San Bernardino County to the north.

The City operates under a Council-Manager form of government. Under this form of government, policy-making and legislative authority are vested in the City Council consisting of five (5) members elected at-large. The City Council responsibilities include, but are not limited to, passing ordinances, adopting the budget, appointing committees and commissions, and hiring both the City Manager and City Attorney. The Council Members serve four (4) year terms and the Mayor is appointed annually by and from the City Council. As Chief Administrative Officer, the City Manager is responsible for administering program in accordance with policies established by the City Council and within the guidelines of the annual budget adopted by the Council.

This report includes all funds of the City. It includes all governmental organizations and activities for which the City of Jurupa Valley's City Council is financially accountable. The City provides a wide range of services including planning, building, public works, engineering, code enforcement, and general administrative activities. Services including library, police, animal control and fire protection are also provided to the City and its citizens through contract with the County of Riverside. Other services are provided directly through other agencies, specifically water and sewer through the Jurupa Community Services District, parks and recreation through the Jurupa Community Services District and Jurupa Area Recreation and Parks District, and public transit through the Riverside Transit Agency. The City has franchise agreements for electricity service through Southern California Edison, natural gas through the Gas Company, refuse collection through Waste Management and Burrtec, and cable service through state franchise agreements with Pacific Bell (AT&T), Time Warner and Charter Communications.

Relevant financial policies

The City has a set of financial policies that it abides by and is continually enhancing as it develops its formal financial systems. Initially following incorporation, the City adopted all of the County's policies/codes. As the City develops its own unique needs, it will continue to create and tailor these former County policies to directly address the City's goals.

The Budget Process

Beginning at incorporation, and continuing each year thereafter, the City embarks on a strategic budget process beginning in the spring with a discussion of the City Council goals and priorities. The annual budget serves as the foundation for the City of Jurupa Valley's financial planning and control of both operating and capital expenditures.

The City maintains budgetary controls to ensure compliance with the legal provisions embodied in the annual appropriated budget approved by the City Council. The proposed budget is submitted to the City Council and a public meeting is conducted to allow taxpayers the opportunity to comment on the proposed budget. Subsequently, the budget is adopted by the City Council through the passage of resolutions. Throughout the year the City Council may amend the budget to add or remove appropriations, transfer appropriations within a fund or change appropriations between funds.

Local Economy

This information presented in the financial statements is perhaps best understood when it is considered within the specific environment that the City of Jurupa Valley operates.


The City of Jurupa Valley, in its third year of incorporation is mirroring national, state and regional economies and showing signs of recovery. The unemployment rate improved from the prior year, from 11.2% to 9.0%. Both the City and the local region have begun to see a marked increase in new construction and housing growth. Regional retail sales have experienced growth and the City's sales tax collections increased from \$6.4 million in fiscal year 2012-2013 to \$6.7 million in fiscal year 2013-2014, a 4.7% increase.

However, since incorporation in 2011, the fiscal viability of the City has been challenged by the State's passage of SB89 shifting the City's annual Vehicle License Fee Revenue to public safety programs. This legislation particularly impacts newly incorporated cities, such as Jurupa Valley, which received a special allocation from VLF revenues. The City lost approximately \$6.5 million in the first year of incorporation (fiscal year 2011-2012) and expects to lose approximately \$5.5-6.0 million annually in each subsequent year. This revenue loss is being addressed through budgetary measures, staffing strategies and payment deferral of certain County obligations. Although attempts have been made to restore this funding, there has been no resolution as of this date. The City is continuing to work with the other newly incorporated cities, and State and County legislators to find a solution.

Awards and Acknowledgements

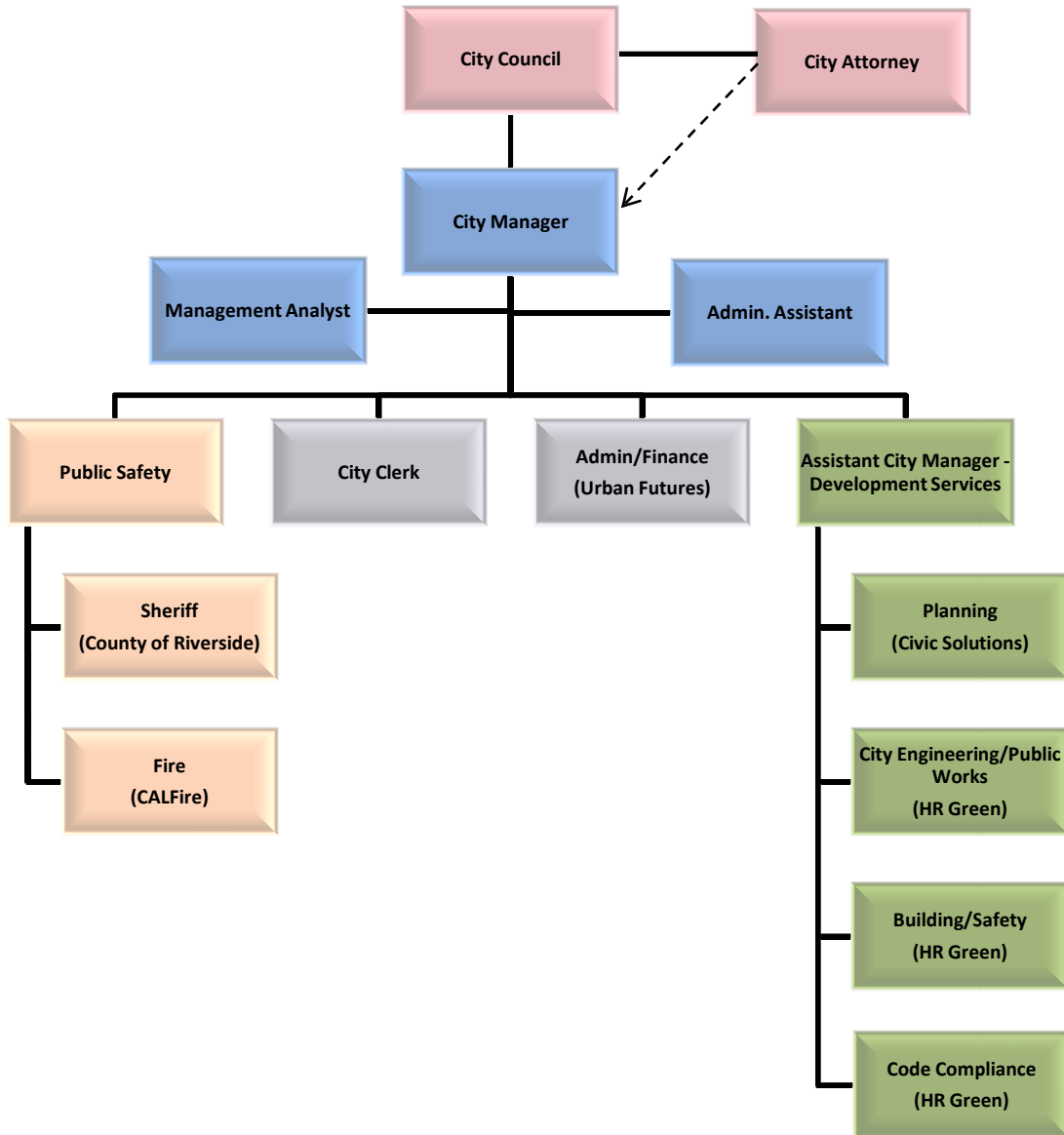
The preparation of the Comprehensive Annual Financial Report could not have been accomplished without the dedication and effort of the entire Administrative Services Department's staff and the independent auditors, Mayer Hoffman McCann P.C. We would like to express our appreciation to the City Council and City staff for their effort and support throughout the year.

Respectfully submitted,



Gary Thompson, City Manager

CITY OF JURUPA VALLEY
Organization Chart
June 30, 2014



CITY OF JURUPA VALLEY
LIST OF PRINCIPAL OFFICIALS

Council – Manager Form of Government

CITY COUNCIL

FRANK JOHNSTON
Mayor

MICHAEL GOODLAND
Mayor Pro Tem

VERNE LAURITZEN
Council Member

BRAD HANCOCK
Council Member

LAURA ROUGHTON
Council Member

CITY ADMINISTRATION

Steve Harding
City Manager

George Wentz, Assistant City Manager

Peter Thorson, City Attorney

Alan Kreimeier, Director of Administrative Services

Vicki Wasko, City Clerk

Tom Merrell, Director of Planning Services

Roy Stephenson, City Engineer

FINANCIAL SECTION

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City Council
City of Jurupa Valley
Jurupa Valley, California

Independent Auditor's Report

Report on the 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 Jurupa Valley, California, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City of Jurupa Valley'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 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.

Basis for Qualified Opinion

In accordance with generally accepted accounting principles applicable to state and local governments, the City recorded on the accompanying statement of net position the infrastructure assets that were contributed to the City by the County of Riverside (“the County”) upon the incorporation of the City. The records provided by the County indicated that there were no changes made to such infrastructure assets since the year 2000. The City believes that there have been additions to the infrastructure since the year 2000, but was unable to quantify the amount of such additions. The City was not able to provide evidence to support the amount of any such additions. In addition, the City has not evaluated whether the estimated useful lives that were established by the County for these assets conform to the City’s plan for its use of the asset including the depreciation of certain rights-of-way that should not be depreciated.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Jurupa Valley, California, as of June 30, 2014, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

The accompanying financial statements have been prepared assuming that the City will continue as a going concern. As discussed in note 11 to the financial statements, on January 16, 2014, the City Council voted to direct staff to initiate all actions necessary to formalize the application for disincorporation and to return at a later date for the formal filing for disincorporation. Depending upon the outcome of this process, there is substantial doubt about the City’s ability to continue as a going concern. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should the City be unable to continue as a going concern. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management’s discussion and analysis* and *budgetary comparison information* for the general fund and major special revenue funds 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 an opinion on the financial statements that collectively comprise the City of Jurupa Valley's basic financial statements. The *combining and individual nonmajor fund financial statements and schedules*, the *introductory section* and the *statistical section* are presented for purposes of additional analysis and are not a required part of the basic financial statements. The *combining and individual nonmajor fund financial statements and schedules* are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *combining and individual nonmajor fund financial statements and schedules* are fairly stated, in all material respects, in relation to the basic financial statements as a whole. The information in the *introductory section* and the *statistical section* have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 14, 2015 on our consideration of the City of Jurupa Valley's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Jurupa Valley's internal control over financial reporting and compliance.

Mayor Hoffman

Irvine, California
May 14, 2015

Management's Discussion and Analysis

The following Management Discussion and Analysis (MD&A) of the City of Jurupa Valley's (City) financial condition and performance provides an introduction and overview of the financial activities for the fiscal year ended June 30, 2014. Since the Management's Discussion and Analysis (MD&A) is designed to be condensed, we encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the basic financial statements including the accompanying notes to the basic financial statements.

Financial Highlights

- Total assets of the City at the end of fiscal year 2014 of \$38.7 million exceeded total liabilities of \$21.0 million by \$17.7 million. The difference between total assets and total liabilities is referred to as total net position.
- As of June 30, 2014, the City's governmental funds reported combined fund balances of \$19.5 million. Approximately \$7.6 million of the governmental funds' fund balance is nonspendable or restricted. The remaining fund balance of \$11.9 million, or 61.0%, is unassigned.
- As of June 30, 2014, the City's unassigned fund balance for the General Fund was \$11.9 million.

Overview of the Financial Statements

The financial statements presented herein include all of the activities of the City of Jurupa Valley as prescribed by GASB Statement No. 34. The MD&A is intended to serve as an introduction to the City's financial statements. The City's basic financial statements are comprised of the following three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements: The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner that is similar to a private-sector business.

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

The *statement of activities* provides information showing how the City's net position changed during the most recent fiscal year. These changes are reported using the full accrual basis of accounting, that is, when the economic event occurs, rather than when cash is received or paid. Under this basis of accounting, revenues and expenses are reported in the statement for some items that will only result in future cash inflows or outflows such as vacation earned but not paid and uncollected taxes.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (government activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, community development, public works, and public safety. The City does not have any business-type activities.

The government-wide financial statements can be found in the Table of Contents under the heading Basic Financial Statements.

Fund financial statements: A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

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

The City maintains ten individual governmental funds for financial reporting purposes. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the General Fund, Gas Tax Special Revenue Fund, and Measure A Special Revenue Fund, which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its general fund, special revenue funds and capital projects funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The governmental fund financial statements can be found in the Table of Contents under the heading Basic Financial Statements.

Proprietary Funds: *Proprietary funds* account for two types of services – enterprise and internal services funds. The City maintains only internal service funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions and departments. The City uses internal service funds to account for self-funded insurance and information services activities. Because these funds predominantly

benefit governmental activities rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found in the Table of Contents under the heading Basic Financial Statements.

Fiduciary Funds: *Fiduciary funds* are used to account for resources held for the benefit of parties outside the City. In these cases, the City has a fiduciary responsibility and is acting as a trustee. The Statement of Fiduciary Assets and Liabilities separately reports all of the City's fiduciary activities. Fiduciary funds are not included in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The City uses a fiduciary fund to account for development deposits made in conjunction with certain building, planning and engineering permits issued.

The basic fiduciary fund financial statements can be found in the Table of Contents under the heading Basic Financial Statements.

Notes to the basic financial statements: The notes to the basic financial statements provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found in the Table of Contents under the heading Notes to Basic Financial Statements.

Other supplementary information: In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* (RSI), about the City's General Fund, the Gas Tax Fund and Measure A Fund budgetary comparison. The combining statements referred to earlier in connection with nonmajor governmental funds are presented for all non-major Special Revenue and Capital Projects Funds. The supplementary financial information also includes budgetary comparison schedules for the nonmajor governmental funds to demonstrate compliance with the annual budget as adopted and amended. The Required Supplementary Information can be found following the Notes to Basic Financial Statements.

The combining statements for nonmajor governmental funds and the budgetary comparison schedules for the nonmajor governmental funds can be found following the Required Supplementary Information.

Government-wide financial analysis

The government-wide financial statements provide long-term and short-term information about the City's overall financial condition. This analysis addresses the financial statements of the City as a whole.

For the fiscal year ended June 30, 2014, City assets exceeded liabilities by \$17.7 million as summarized below:

**City of Jurupa Valley
Statement of Net Position
As of the Year Ended June 30
(\$ in thousands)**

	Governmental Activities		Variance
	2014	2013	
Assets:			
Current and other assets	\$ 26,394	\$ 24,253	\$ 2,141
Capital assets (net of depreciation)	12,332	14,321	(1,989)
Total assets	<u>38,726</u>	<u>38,574</u>	<u>152</u>
Liabilities:			
Current and other liabilities	5,899	5,248	651
Long-term liabilities	15,080	15,080	-
Total liabilities	<u>20,979</u>	<u>20,328</u>	<u>651</u>
Net position:			
Net investment in capital assets	12,332	14,321	(1,989)
Restricted	7,617	8,131	(514)
Unrestricted	(2,203)	(4,206)	2,003
Total net position	<u>\$ 17,746</u>	<u>\$ 18,246</u>	<u>\$ (500)</u>

Total assets increased \$0.2 million as a result of increases in cash offset by the annual addition to accumulated depreciation on capital assets. The increase in current and other assets is due to increases in property taxes, franchise fees and license/permit fees offset by an increase in the volume of vendor invoices paid.

Current and other liabilities increased by \$0.7 million due to the City increased activity in public works projects and an increase in overall consultant staffing levels.

Net investment in capital assets represents 69.5% of the City's net position due to the initial transfer of fixed assets from the County of Riverside. The City uses capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Statement of Activities: The statement of activities shows how the City's net position changed during the fiscal year 2013-2014. Provided below is a summary of changes in net position.

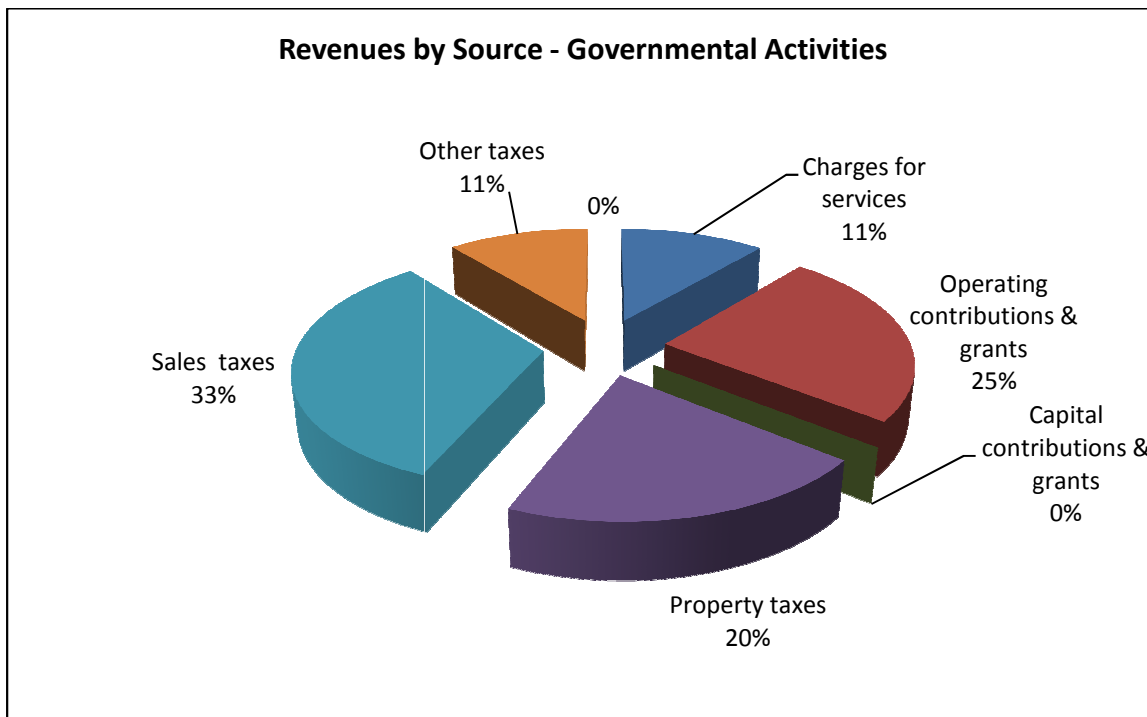
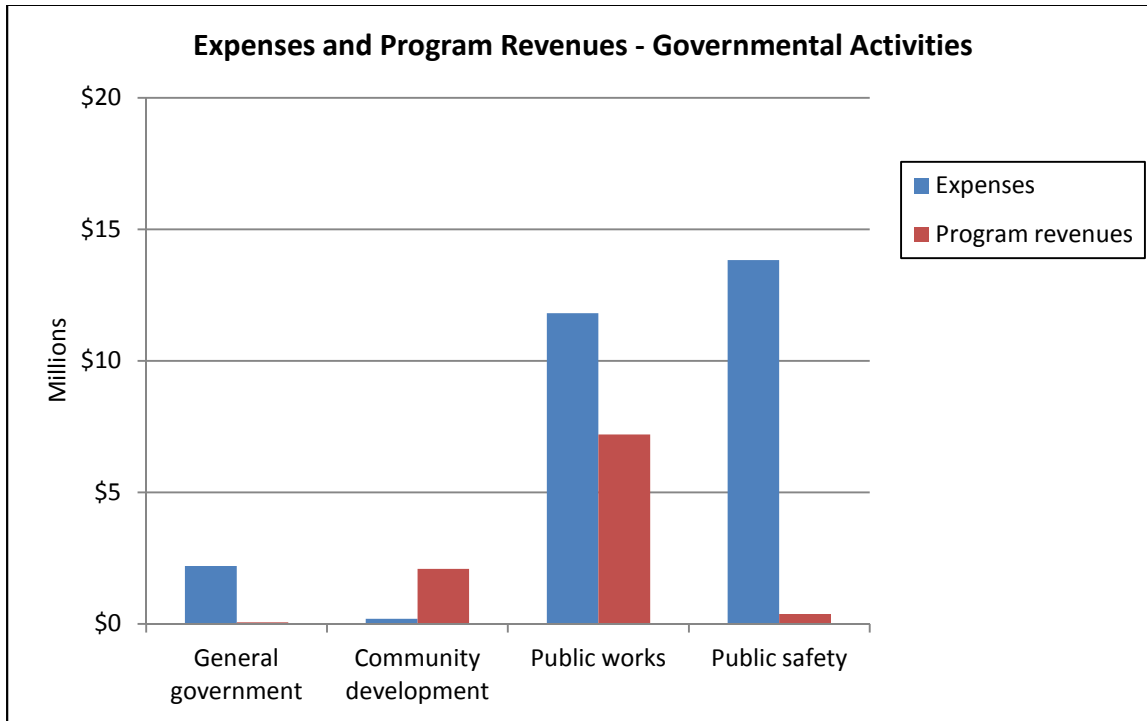
City of Jurupa Valley
Summary of Changes in Net Position
For the Year Ended June 30
(\$ in thousands)

	Governmental Activities		Variance
	2014	2013	
Revenues:			
Program Revenues:			
Charges for Services	\$ 3,039	\$ 2,388	\$ 651
Operating grants and contributions	6,696	5,204	1,492
General revenues	17,799	16,230	1,569
Total revenues	<u>27,534</u>	<u>23,822</u>	<u>3,712</u>
Expenses:			
General government	2,207	1,746	461
Community development	194	199	(5)
Public works	11,806	6,974	4,832
Public safety	13,827	12,762	1,065
Total expenses	<u>28,034</u>	<u>21,681</u>	<u>6,353</u>
Increase in net position	(500)	2,141	(2,641)
Net position, beginning	18,246	16,105	2,141
Net position, ending	<u>\$ 17,746</u>	<u>\$ 18,246</u>	<u>\$ (500)</u>

Total revenues increased by \$3.7 million over the prior year. The increase was due increases in charges for services of \$0.7 million, operating grants and contributions of \$1.5 million and general revenues of \$1.6 million. The increases in operating grants and contributions is comprised primarily of increases in Gas Tax and Measure A revenues of \$1.0 million. The increase in general revenues is comprised primarily of increases in property taxes of \$1.1 million and franchise fees of \$0.8 million offset by a decrease in sales tax of \$0.4 million.

Total expenses increased by \$6.4 million over the prior year. Projects funded by Gas Tax and Measure A funds were the primary reason for the large increase in public works expenses. New projects of \$2.4 million were authorized and projects were rolled forward from the prior fiscal year for completion. In total, approximately \$5.0 million of the increase was due to an increase in road and street projects. In addition, the building, planning and engineering department expenses included higher staffing levels and a dramatic increase in the quantity of permits issued in the current fiscal year; combined this translated to an increase of \$.7 million. The increase in public safety expenses of \$1.0 million was primarily due to full payments remitted to the County of Riverside Sheriff; in prior years, portions of the payments were included in the deferral of costs.

The charts below provide graphic representation of the City's expenses compared to program revenues by function and its revenue by source.



The governmental activities' expense and program revenue chart is designed to reflect expenses associated with each City function and the revenues that are directly attributable to each function. It is important to note that general revenues such as property, sales, and other taxes are not directly attributable to specific functions and are therefore used to support program activities citywide. Regarding the revenues by source chart, it shows that general revenues (i.e. property tax, sales tax, other taxes) represent 64 percent of governmental activities revenues.

Financial Analysis of City's Funds

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

Governmental Funds: The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable resources*. Such information is useful in assessing the City's ability to meet financial obligations in the short-term. As example, assigned and unassigned fund balance could serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

As of June 30, 2014, The City's governmental funds reported combined ending fund balances of \$19.5 million. Of the \$19.5 million, \$7.6 million or 39.0%, constitutes restricted fund balance which can only be used for specific purposes due to external restrictions or enabling legislation. The remainder of fund balance is unassigned which represents the amount that is available for any purpose.

Proprietary Funds: Proprietary funds provide the same type of information found in the governmental-wide financial statements, but in more detail. The City's Proprietary funds consist of two Internal Service funds. The Internal Service funds are presented as Governmental Activities in the Statement of Net Position and Statement of Activities. The City uses the two funds to allocate the cost of the City's information systems and risk management activities to various departments.

Fiduciary Funds: The City uses Fiduciary funds to account for development deposits made in conjunction with certain building permits issued.

General Fund Financial and Budgetary Highlights

The General Fund is the chief operating fund of the City. At June 30, 2014 unassigned fund balance was \$11.9 million. As a measure of the General Fund's financial condition, it may be useful to compare the unassigned fund balance to total expenditures. Unassigned fund balance represents 62.4% of the General Fund expenditures.

Overall, General Fund revenues for fiscal year ended June 30, 2014 totaled \$20.6 million, compared to \$18.2 million in the prior year. The major components are property taxes (\$5.3 million), sales taxes (\$9.0 million) and franchise taxes (\$2.9 million).

General Fund expenditures total \$19.1 million for the fiscal year ended June 30, 2014 compared to \$17.1 million in the prior year. The major expenditure components are general government (\$2.2 million), public works (\$3.0 million) and public safety (\$13.7 million).

The difference between General Fund budget and actual are summarized below:

- Actual revenues were above budget by \$3.9 million.
 - Property tax revenues were \$0.9 million over budget due to an increase in housing activity in the City.
 - Sales tax revenues were \$1.6 million over budget due to additional distributed revenues from the State of California.
 - Franchise fees for utilities and solid waste companies were \$1.2 million over budget due to an increase in housing activity in the City.

- Actual expenditures were above budget by \$1.0 million. The detailed variances are:
 - General government expenditures were \$0.2 million over budget primarily due to an increase in activity in legal consulting services.
 - Public works expenditures were \$0.6 million over budget primarily due to an increase in engineering, planning and building consulting services in relation to increased housing activity in the City.
 - Public safety expenditures were \$0.2 million over budget due an increase in services provided by the County of Riverside Sheriff.

Capital Assets and Debt Administration

Capital Assets: City investment in capital assets for its governmental type activities as of June 30, 2014, amounted to \$12.3 million (net of accumulated depreciation). Investment in capital assets includes infrastructure assets as well as land, buildings, improvements and equipment. During the year, no capital assets were added to the governmental activities.

Additional information on the City’s capital assets can be found in the notes to basic financial statements and a summary is provided below.

**City of Jurupa Valley
Capital Assets (net of depreciation)
For the Year Ended June 30
(\$ in thousands)**

	Governmental Activities		Variance
	2014	2013	
Land	\$ -	\$ -	\$ -
Machinery, equipment and vehicles	-	-	-
Infrastructure	12,332	14,321	(1,989)
Construction in progress	-	-	-
Total	<u>\$ 12,332</u>	<u>\$ 14,321</u>	<u>\$ (1,989)</u>

Long-term debt: At the end of fiscal year 2014, the City’s total long-term debt outstanding was \$15.1 million. This amount was comprised of \$9.1 million in transition costs, and \$6.0 million in deferred sheriff costs.

Outstanding long-term debt of the City is summarized below and additional information can be found in the notes to basic financial statements.

**City of Jurupa Valley
Outstanding Long-Term Debt
As of the Year Ended June 30
(\$ in thousands)**

	Governmental Activities	
	2014	2013
Loan payable - County of Riverside	15,080	15,080
Total	\$ 15,080	\$ 15,080

Economic Factors and Fiscal Year 2014-2015 Budget

After the adoption of the City’s Fiscal Year 2011-2012 Budget, the State of California on June 28, 2011 approved SB 89 which eliminated Vehicle License Fees, which was a subvention collected by the State and allocated to cities. The City of Jurupa Valley lost approximately \$6.5 million for fiscal year 2011-2012.

The fiscal year 2014-2015 City budget was prepared conservatively. Property tax estimates were projected with minimal growth from the previous fiscal year and there were no tax rate or fee increases as part of the preparation of and adoption of the fiscal year 2014-2015 budget.

The General Fund budget for fiscal year 2014-2015 anticipated using \$4,408,834 of available reserves.

Requests for Information

This financial report is designed to provide a general overview of the City’s finances for all those with interest in the government’s finances. Questions concerning any of the information provided in this report, or requests for additional information should be addressed to the City Clerk, City of Jurupa Valley, 8930 Limonite Avenue, Jurupa Valley, CA 92509, or call (951) 332-6464.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF JURUPA VALLEY

Statement of Net Position

June 30, 2014

	<u>Governmental Activities</u>
Assets:	
Cash and investments (note 2)	\$ 23,205,898
Receivables:	
Interest	1,047
Due from other governments	3,186,779
Capital assets, net (note 4)	<u>12,332,415</u>
Total assets	<u>\$ 38,726,139</u>
Liabilities:	
Accounts payable	\$ 5,742,713
Accrued salaries and benefits	3,494
Deposits payable	153,478
Non-current liabilities - due beyond one year (note 5)	<u>15,080,076</u>
Total liabilities	<u>20,979,761</u>
Net Position:	
Net investment in capital assets	12,332,415
Restricted for:	
Public works	7,617,001
Unrestricted	<u>(2,203,038)</u>
Total net position	<u>\$ 17,746,378</u>

See accompanying notes to basic financial statements.

CITY OF JURUPA VALLEY

Statement of Activities

Year Ended June 30, 2014

		Program Revenues			Net (expense) revenue and changes in net position
		Charges for	Operating	Capital	
	<u>Expenses</u>	<u>Services</u>	<u>Contributions and Grants</u>	<u>Contributions and Grants</u>	<u>Governmental Activities</u>
Governmental activities:					
General government	\$ 2,207,474	62,396	-	-	(2,145,078)
Community development	194,391	2,099,866	-	-	1,905,475
Public works	11,805,575	541,369	6,656,316	-	(4,607,890)
Public safety	<u>13,826,904</u>	<u>335,760</u>	<u>40,229</u>	<u>-</u>	<u>(13,450,915)</u>
Total governmental activities	<u>\$ 28,034,344</u>	<u>3,039,391</u>	<u>6,696,545</u>	<u>-</u>	<u>(18,298,408)</u>
General revenues:					
Taxes:					
Property taxes					5,597,375
Sales taxes					8,969,471
Franchise taxes					2,792,929
Transient occupancy taxes					167,080
Investment income, unrestricted					8,750
Other					<u>262,933</u>
Total general revenues					<u>17,798,538</u>
Change in net position					(499,870)
Net position, beginning of year					<u>18,246,248</u>
Net position, end of year					<u>\$ 17,746,378</u>

See accompanying notes to basic financial statements.

CITY OF JURUPA VALLEY

Governmental Funds

Balance Sheet

June 30, 2014

		Special Revenue Funds		Non-Major	
	General	Gas Tax	Measure A	Governmental Funds	Totals
Assets					
Cash and investments	\$ 15,070,415	5,153,341	1,749,936	1,232,206	23,205,898
Receivables:					
Interest	-	-	-	1,047	1,047
Due from other governments	2,208,180	370,931	279,203	328,465	3,186,779
Due from other funds (note 3)	231,714	-	-	-	231,714
Total assets	<u>\$ 17,510,309</u>	<u>5,524,272</u>	<u>2,029,139</u>	<u>1,561,718</u>	<u>26,625,438</u>
Liabilities					
Liabilities:					
Accounts payable	\$ 4,787,271	575,207	370,028	1,047	5,733,553
Accrued salaries and benefits	3,494	-	-	-	3,494
Due to other funds (note 3)	-	-	-	231,714	231,714
Deposits payable	153,478	-	-	-	153,478
Total liabilities	<u>4,944,243</u>	<u>575,207</u>	<u>370,028</u>	<u>232,761</u>	<u>6,122,239</u>
Deferred Inflows of Resources:					
Unavailable revenue	632,466	-	-	320,132	952,598
Total deferred inflows of resources	<u>632,466</u>	<u>-</u>	<u>-</u>	<u>320,132</u>	<u>952,598</u>
Fund balances					
Restricted for:					
Public Works	-	4,949,065	1,659,111	1,008,825	7,617,001
Unassigned	11,933,600	-	-	-	11,933,600
Total fund balances	<u>11,933,600</u>	<u>4,949,065</u>	<u>1,659,111</u>	<u>1,008,825</u>	<u>19,550,601</u>
Total liabilities, deferred inflows or resources and fund balances	<u>\$ 17,510,309</u>	<u>5,524,272</u>	<u>2,029,139</u>	<u>1,561,718</u>	<u>26,625,438</u>

See accompanying notes to basic financial statements.

CITY OF JURUPA VALLEY

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

June 30, 2014

Fund balances of governmental funds	\$ 19,550,601
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	18,957,945
Accumulated depreciation	(6,625,530)
Non-current liabilities, including bonds payable and compensated absences are not due and payable in the current period and accordingly are not reported as fund liabilities.	
Loan from the County	(15,080,076)
Receivable amounts that were earned in the audit period but not collected within the availability period have not been reported in the governmental funds.	952,598
Internal service funds are used by management to charge the costs of certain activities. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	<u>(9,160)</u>
Net position of governmental activities	<u>\$ 17,746,378</u>

See accompanying notes to basic financial statements.

CITY OF JURUPA VALLEY

Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2014

	Special Revenue Funds			Non-Major Governmental Funds	Totals
	General	Gas Tax	Measure A		
Revenues:					
Taxes	\$ 17,589,251	-	-	-	17,589,251
Licenses and permits	770,213	-	-	-	770,213
Intergovernmental	-	3,927,159	1,639,801	321,751	5,888,711
Charges for services	1,651,338	-	-	582,309	2,233,647
Fines and forfeitures	335,760	-	-	-	335,760
Investment income	5,497	2,190	732	332	8,751
Other	262,933	-	-	-	262,933
Total revenues	<u>20,614,992</u>	<u>3,929,349</u>	<u>1,640,533</u>	<u>904,392</u>	<u>27,089,266</u>
Expenditures:					
Current:					
General government	2,197,705	-	-	-	2,197,705
Community development	177,823	-	-	15,708	193,531
Public works	3,016,788	4,099,039	2,434,414	223,092	9,773,333
Public safety	13,739,984	-	-	25,728	13,765,712
Total expenditures	<u>19,132,300</u>	<u>4,099,039</u>	<u>2,434,414</u>	<u>264,528</u>	<u>25,930,281</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,482,692</u>	<u>(169,690)</u>	<u>(793,881)</u>	<u>639,864</u>	<u>1,158,985</u>
Other financing sources (uses):					
Transfers in (note 3)	96,187	-	-	-	96,187
Transfers out (note 3)	(129,106)	-	-	(96,187)	(225,293)
Total other financing sources (uses)	<u>(32,919)</u>	<u>-</u>	<u>-</u>	<u>(96,187)</u>	<u>(129,106)</u>
Net change in fund balances	1,449,773	(169,690)	(793,881)	543,677	1,029,879
Fund balances, beginning of year	<u>10,483,827</u>	<u>5,118,755</u>	<u>2,452,992</u>	<u>465,148</u>	<u>18,520,722</u>
Fund balances, end of year	<u>\$ 11,933,600</u>	<u>4,949,065</u>	<u>1,659,111</u>	<u>1,008,825</u>	<u>19,550,601</u>

See accompanying notes to basic financial statements.

CITY OF JURUPA VALLEY

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

Year Ended June 30, 2014

Net change in fund balances - total governmental funds	\$ 1,029,879
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense.	
Depreciation	(1,988,797)
Revenues that are measurable but not available are not recorded as revenues in the funds.	445,208
Internal service funds are used by management to charge the costs of certain activities. The net revenue (expenses) of the internal service funds is reported with governmental activities	<u>13,840</u>
Change in net position of governmental activities	<u>\$ (499,870)</u>

See accompanying notes to basic financial statements.

CITY OF JURUPA VALLEY
Proprietary Funds
Statement of Fund Net Position
June 30, 2014

	Governmental Activities - Internal Service		
	Risk Management	Information Systems	Totals
LIABILITIES			
Current liabilities:			
Accounts payable	\$ -	9,160	9,160
Total liabilities	-	9,160	9,160
FUND NET POSITION			
Unrestricted	-	(9,160)	(9,160)
TOTAL FUND NET POSITION	\$ -	(9,160)	(9,160)

See accompanying notes to basic financial statements.

CITY OF JURUPA VALLEY
Proprietary Funds

Statement of Revenues, Expenses and Changes in Fund Net Position
Year Ended June 30, 2014

	Governmental Activities - Internal Service		
	Risk Management	Information Systems	Totals
OPERATING EXPENSES			
Contractual services	\$ 21,495	93,771	115,266
	21,495	93,771	115,266
TOTAL OPERATING EXPENSES			
	(21,495)	(93,771)	(115,266)
Transfers in (note 3)	21,495	107,611	129,106
Change in fund net position	-	13,840	13,840
FUND NET POSITION AT BEGINNING OF YEAR	-	(23,000)	(23,000)
FUND NET POSITION AT END OF YEAR	\$ -	(9,160)	(9,160)

See accompanying notes to basic financial statements.

CITY OF JURUPA VALLEY
Proprietary Funds
Statement of Cash Flows
Year Ended June 30, 2014

	Governmental Activities - Internal Service		
	Risk Management	Information Systems	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash payments to suppliers of goods and services	\$ (21,495)	(93,771)	(115,266)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	(21,495)	(93,771)	(115,266)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash received from other funds	21,495	93,771	115,266
NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES	21,495	93,771	115,266
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	-	-
Cash and cash equivalents at beginning of year	-	-	-
Cash and cash equivalents at end of year	\$ -	-	-
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (21,495)	(93,771)	(115,266)
Adjustments to reconcile operating income (loss) to net income provided by (used for) operating activities:			
TOTAL ADJUSTMENTS	-	-	-
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	\$ (21,495)	(93,771)	(115,266)

There were no significant noncash capital, financing or investing activities for the year ended June 30, 2014.

See accompanying notes to basic financial statements.

CITY OF JURUPA VALLEY
Agency Funds

Statement of Fiduciary Assets and Liabilities

June 30, 2014

Assets

Cash and investments (note 2)	<u>\$ 3,154,206</u>
Total assets	<u>\$ 3,154,206</u>

Liabilities

Accounts payable	\$ 335,138
Deposits payable	<u>2,819,068</u>
Total liabilities	<u>\$ 3,154,206</u>

See accompanying notes to basic financial statements.

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

Year Ended June 30, 2014

(1) Summary of Significant Accounting Policies

The accounting policies of the City of Jurupa Valley (the "City") conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

(a) Reporting Entity

The City was incorporated July 1, 2011, under the general laws of the State of California. The City operates under the Council-Manager form of government. The City provides the following services as authorized by its general laws: public safety, public works, community development and general administrative services.

Generally Accepted Accounting Principles require that these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. As of the end of the reporting period the City had no component units as defined by the GASB.

(b) Basis of Accounting, Measurement Focus and Financial Statement Presentation

The *basic financial statements* of the City are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Government-Wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include a single column for the governmental activities of the primary government. The City has no business-type activities. Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, general government expenses have not been allocated as indirect expenses to the various functions of the City.

Government-wide financial statements are presented using the *economic resources measurement focus* and the *accrual basis of accounting*. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. *Basis of accounting* refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies. (Continued)

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the Statement of Activities, to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

Fund Financial Statements

The underlying accounting system of the City is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and non-major funds in the aggregate for governmental funds. Fiduciary statements include financial information for fiduciary funds. Fiduciary funds of the City primarily represent assets held by the City in a custodial capacity for other individuals or organizations.

Governmental Funds

In the fund financial statements, governmental funds are presented using the *modified-accrual basis of accounting*. Their revenues are recognized when they become *measurable* and *available* as net current assets. *Measurable* means that the amounts can be estimated, or otherwise determined. *Available* means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City uses an availability period of 60 days.

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies. (Continued)

Governmental Funds (Continued)

Sales taxes, property taxes, franchise taxes, gas taxes, motor vehicle license fee, transient occupancy taxes, grants 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 to the extent normally collected within the availability period. Other revenue items are considered to be measurable and available where cash is received by the government.

Revenue recognition is subject to the *measurable* and *availability* criteria for the governmental funds in the fund financial statements. *Exchange transactions* are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). *Locally imposed derived tax revenues* are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. *Imposed non-exchange transactions* are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. *Government-mandated and voluntary non-exchange transactions* are recognized as revenues when all applicable eligibility requirements have been met. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, which requires that local governments defer grant revenue that is not received within 60 days after the fiscal year ends to meet the “available” criteria of revenue recognition.

In the fund financial statements, governmental funds are presented using the *current financial resources measurement focus*. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. However, special reporting treatments are used to indicate that they should not be considered “available spendable resources,” since they do not represent net current assets.

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies. (Continued)

Governmental Funds. (Continued)

Recognition of governmental fund type revenue represented by non-current receivables are deferred until they become current receivables. Non-current portions of other long-term receivables are offset by fund balance reserve accounts.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as *expenditures* in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an *other financing source* rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

Proprietary and Fiduciary Funds

The City's internal service funds are proprietary funds. In the fund financial statements, the proprietary funds and fiduciary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, taxes, and investment earnings result from nonexchange transactions or ancillary activities. Amounts paid to acquire capital assets are capitalized as assets in the enterprise fund financial statements, rather than reported as an expense. Proceeds of long-term debt are recorded as a liability in the enterprise fund financial statements, rather than as another financing source. Amounts paid to reduce long-term indebtedness of the enterprise fund are reported as a reduction of the related liability, rather than as an expense. Agency funds are custodial in nature (assets equal liabilities) and do not involve the recording of City revenues and expenses.

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies. (Continued)

Proprietary and Fiduciary Funds. (Continued)

(c) Fund Classifications

The City reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Gas Tax Special Revenue Fund - To account for revenue received for gasoline taxes under Sections 2105, 2106, 2107 and 2107.5 of the Street and Highway Code to be used solely for transportation related purposes.

Measure A Special Revenue Fund - To account for revenue received from the State of California from a special ½% sales tax to be used for street maintenance and improvements only.

The City's fund structure also includes the following fund type:

Internal Service Funds - These funds are used to account for self-funded insurance and information services activities.

Agency Funds - To account for development deposits made in conjunction with certain building permits issued. Upon satisfactory completion of the project, the deposit is returned to the depositor.

(d) Cash and Investments

Investments are reported in the accompanying statement of net position at fair value. Changes in fair value that occur during a fiscal year are recognized as *investment income* reported for that fiscal year. *Investment income* includes interest earnings and changes in fair value. The City pools cash and investments of all funds. Each fund's share in this pool is displayed in the accompanying financial statements as *cash and investments*. Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance, except for investment income associated with funds not legally required to receive pooled investment income which has been assigned to and recorded as revenue of the general fund, as provided by California Government Code Section 53647.

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies. (Continued)

(e) Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are reported under the consumption method. The fund balances in the governmental fund statements have been classified as nonspendable fund balance for amounts equal to the prepaid items in the fund-level statements.

(f) Capital Assets

Capital assets (including infrastructure) are recorded at cost where historical records are available and at an estimated original cost where no historical records exist. Contributed capital assets are valued at their estimated fair market value at the date of the contribution. Generally, capital asset purchases in excess of \$5,000 are capitalized if they have an expected useful life of three years or more.

Capital assets include public domain (infrastructure) general capital assets consisting of certain improvements including roads, streets, sidewalks, medians, and storm drains. The City has elected to include infrastructure capital assets in their entirety (e.g., prior to 1980) in compliance with requirements of GASB Statement No. 34.

Capital assets used in operations are depreciated over their estimated useful lives. The City uses the straight-line method in the government-wide financial statements. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the respective statement of net position. The range of lives used for depreciation purposes for each capital asset class are as follows:

<u>Item</u>	<u>Useful Life</u>
Infrastructure:	
Sidewalks	20-50 years
Curbs and gutters	20-50 years
Medians	20-50 years
Traffic signals	15 years
Storm drains	20-50 years

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies. (Continued)

(g) Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas.

Accordingly, the City accrues only those taxes that are received within 60 days after year-end. Property taxes are attached as a lien on property as of March 1. Taxes are levied on July 1 and are payable in two installments on December 10 and April 10.

(h) Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America 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 reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

(i) Fund Equity

Fund balances are reported in the fund statements in the following classifications:

Nonspendable Fund Balance

Nonspendable Fund Balance – this includes amounts that cannot be spent because they are either not spendable in form (such as inventory) or legally or contractually required to be maintained intact (such as endowments).

Spendable Fund Balance

Restricted Fund Balance – this includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation. If the Council action limiting the use of funds is included in the same action (legislation) that created (enables) the funding source, then it is restricted.

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies, (Continued)

Committed Fund Balance – this includes amounts that can be used only for the specific purposes determined by a formal action of the Council. It includes legislation (Council action) that can only be overturned by new legislation requiring the same type of voting consensus that created the original action. Therefore, if the Council action limiting the use of the funds is separate from the action (legislation) that created (enables) the funding source, then it is committed, not restricted. The City considers a resolution to constitute a formal action of City Council for the purposes of establishing committed fund balance.

Assigned Fund Balance – this includes amounts that are designated or expressed by the Council, but does not require a formal action like a resolution or ordinance. The Council may delegate the ability of an employee or committee to assign uses of specific funds, for specific purposes. Such delegation of authority has not yet been granted to persons or bodies other than City Council.

Unassigned Fund Balance – this includes the remaining spendable amounts which are not included in one of the other classifications.

It is the City's policy that restricted resources will be applied first, followed by (in order of application) committed, assigned, and unassigned resources, in the absence of a formal policy adopted by the Council.

(j) Deferred Outflows and Deferred Inflows of Resources

When applicable, the statement of net position and balance sheet will report a separate section for deferred outflows of resources. Deferred outflows of resources represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, are not recognized as an expense or expenditure until that time.

When applicable, the statement of net position and the balance sheet will report a separate section for deferred inflows of resources. Deferred inflows of resources represent inflows of resources (acquisition of net position) that apply to future periods and that, therefore, are not recognized as an inflow of resources (revenue) until that time.

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

(Continued)

(2) Cash and Investments

Cash and investments as of June 30, 2014, are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$23,205,898
Statement of Fiduciary Assets and Liabilities:	
Cash and investments	<u>3,154,206</u>
 Total cash and investments	 <u>\$26,360,104</u>

Cash and investments as of June 30, 2014, consist of the following:

Cash on hand	\$ 200
Deposits with financial institutions	23,342,203
Investments	<u>3,017,701</u>
 Total cash and investments	 <u>\$26,360,104</u>

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

The table below identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

<u>Investment Types</u> <u>Authorized by State Law</u>	<u>Authorized by</u> <u>Investment</u> <u>Policy</u>	<u>Maximum</u> <u>Maturity*</u>	<u>Maximum</u> <u>Percentage</u> <u>of Portfolio*</u>	<u>Maximum</u> <u>Investment</u> <u>In-One Issuer*</u>
Local Agency Bonds	No	5 years	None	None
U.S. Treasury Obligations	Yes	5 years	75%	None
U.S. Agency Securities	Yes	5 years	60%	\$7,000,000
Banker's Acceptances	Yes	180 days	20%	\$3,000,000
Commercial Paper	Yes	270 days	20%	10%
Negotiable Certificates of Deposit	Yes	5 years	75%	\$5,000,000
Repurchase Agreements	Yes	30 days	10%	\$2,000,000

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

(Continued)

(2) Cash and Investments, (Continued)

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

<u>Investment Types Authorized by State Law</u>	<u>Authorized by Investment Policy</u>	<u>Maximum Maturity*</u>	<u>Maximum Percentage of Portfolio*</u>	<u>Maximum Investment In-One Issuer*</u>
Reverse Repurchase Agreements	No	30 days	10% of base value	\$2,000,000
Medium-Term Notes	Yes	5 years	10%	\$1,000,000
Mutual Funds	No	None	20%	10%
Money Market Mutual Funds	Yes	None	10%	\$1,000,000
Mortgage Pass-Through Securities	No	5 years	20%	None
County Pooled Investment Funds	No	None	None	None
Local Agency Investment Fund	Yes	None	None	\$30,000,000
JPA Pools (other investment pools)	No	None	None	None

* Based on state law requirements or investment policy requirements, whichever is more restrictive.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates.

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

<u>Investment Type</u>	<u>Total</u>	<u>Remaining Maturing (in Months)</u>	
		<u>12 Months Or Less</u>	<u>More Than 12 Months</u>
State investment pool	<u>\$3,017,701</u>	<u>3,017,701</u>	<u>-</u>

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

(Continued)

(2) Cash and Investments, (Continued)

Disclosures Relating to Credit Risk

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

<u>Investment type</u>	<u>Total</u>	<u>Minimum Legal Rating</u>	<u>Rating as of Year End</u>	
			<u>AAA</u>	<u>Not Rated</u>
State investment pool	<u>\$ 3,017,701</u>	N/A	<u>-</u>	<u>3,017,701</u>

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code.

Custodial Credit Risk

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 its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

(Continued)

(2) Cash and Investments, (Continued)

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at an amount based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Currently, LAIF does not have an investment rating.

(3) Interfund Transfers

Interfund transfers at June 30, 2014, consisted of the following:

<u>Transfers in</u>	<u>Transfers out</u>	<u>Amount</u>
Internal Services Funds	General Fund	\$ 129,106
General Fund	Non-Major Governmental Funds	<u>96,187</u>
	Total	<u>\$ 225,293</u>

Interfund transfers from the General Fund to the Internal Service Funds were to close out the Internal Services Funds at year-end. The interfund transfer from the COPS Fund to the General Fund took place to reimburse the General Fund for police services reimbursed by the COPS grant.

Due From/Due To Other Funds

The composition of current interfund balances as of June 30, 2014, was as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Non-Major Governmental Funds	<u>\$ 231,714</u>

The interfund balances reflected above represents short-term borrowings of cash pending receipt of reimbursements.

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

(Continued)

(4) Capital Assets

Capital asset activity for the year ended June 30, 2014, was as follows:

	<u>Balance at June 30, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2014</u>
Infrastructure	\$ 18,957,945	-	-	18,957,945
Less accumulated depreciation: Infrastructure	<u>(4,636,733)</u>	<u>(1,988,797)</u>	-	<u>(6,625,530)</u>
Capital assets, net	<u>\$ 14,321,212</u>	<u>(1,988,797)</u>	-	<u>12,332,415</u>

Depreciation expense in the amount of \$1,988,797 was charged to Public Works.

(5) Non-Current Liabilities

Changes in non-current liabilities for the fiscal year ended June 30, 2014, were as follows:

	<u>Balance at June 30, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2014</u>	<u>Amount Due Within One Year</u>	<u>Amount Due Beyond One Year</u>
Loan from County of Riverside	\$15,080,076	-	-	15,080,076	-	15,080,076
Total	<u>\$15,080,076</u>	-	-	<u>15,080,076</u>	-	<u>15,080,076</u>

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

(Continued)

(5) Non-Current Liabilities. (Continued)

Loan Payable – County of Riverside

As part of the Comprehensive Fiscal Analysis prepared as part of the formation documents for the City, the County of Riverside (the “County”) and other servicing agencies were to provide municipal level services during the transition year (July 1, 2011 through June 30, 2012). The County was to receive certain revenues on behalf of the City and apply them to the payment that would otherwise be necessary for providing those services. However, the County is allowed under law to require the City to pay back the overall net cost of providing these services. The unpaid balance accrues interest at a rate of equivalent to CPI and does not have a set debt service schedule. The extend repayment of the General Fund Transition Year Costs in the amount of \$6,483,443 is due in eight equal annual payments, plus CPI beginning FY 15/16 and ending FY 22/23. The total amount owed to the County for these services as of June 30, 2014 is \$9,060,580.

In addition, the County provided Sheriff services to the City for the first six months of the current fiscal year, which was recognized as a deferral of cost. The total of these costs were \$6,019,496. The repayment of this amount is due in eight equal annual payments beginning in FY 15/16 and ending in FY 22/23. The full amount remains outstanding as of June 30, 2014.

(6) Risk Management

The City is a member of the Public Entity Risk Management Authority (PERMA), a joint powers insurance authority formed under Section 990 of the California Government Code for the purpose of jointly funding programs of insurance coverage for its members. PERMA is comprised of thirty-one participating agencies, twenty-two cities, three transit agencies and six special districts. The City participates in the liability, property, auto physical damage, and crime insurance programs of PERMA.

The liability program provides coverage up to \$50 million per occurrence for personal injury, bodily injury, property damage and public officials’ errors and omissions. The City has selected a \$0 self-insured retention for this coverage and participates in risk sharing pools for losses up to \$1 million, followed by PERMA’s membership in the CSAC Excess Insurance Authority (EIA) for \$49 million of excess liability coverage.

The property insurance program is group purchased under a master property insurance policy with accumulated values from all participants effecting lower rates and broader coverage for members. The program covers real property, business personal property, inland mariner coverage for special mobile equipment and business interruption. Commercial property coverage is written on a replacement cost basis and all risk, eliminating the traditional commercial “named peril” policy.

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

(Continued)

(6) Risk Management, (Continued)

The auto physical damage insurance program is also group purchased under a master insurance policy with accumulated values from all participants effecting lower rates for members. Auto physical damage coverage is written on an agreed amount basis. The crime insurance program provides public employee dishonesty, forgery or alteration, and computer fraud coverage under a master insurance policy. The City is insured with the State Compensation Insurance Fund for workers' compensation claims. There is no deductible requirement for this coverage.

(7) Contingent Liabilities

Various claims and suits have been filed against the City in the normal course of business. Although the outcome of these matters is not presently determinable in the opinion of legal counsel, the resolutions of these matters will not have a material adverse effect on the financial condition of the City.

(8) Excess of Expenditures Over Appropriations

Expenditures for the year ended June 30, 2014, exceeded appropriations in the following funds:

	<u>Final Budget</u>	<u>Actual</u>	<u>Excess over Appropriations</u>
Non-Major Funds:			
Checkpoint Grant	\$ -	25,728	(25,728)
SNAPS	-	15,708	(15,708)
TUMF	-	223,092	(223,092)

(9) Accumulated Fund Deficits

The following funds reported deficits in fund balances/net position as of June 30, 2014:

	<u>Deficit Balance</u>
Non-Major Funds:	
TUMF	\$(223,092)
Internal Service Funds:	
Information Systems	(9,160)

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

(Continued)

(10) Revenue Neutrality Commitment to the County of Riverside

As part of the Comprehensive Fiscal Analysis prepared as part of the formation documents for the City, the County approved a revenue neutrality agreement to be paid to the County annually. The terms of the agreement include 100% deferral of the revenue neutrality payment owed to the County for three years, with repayment consisting of five equal annual payments, plus CPI, beginning 60 days after the end of FY 15/16 and ending 60 days after the end of FY 19/20.

Once the sum of the property and sales taxes reaches \$15,840,000, revenue neutrality payments escalate as percentages of property and sales tax revenues based on trigger amounts. When the sum of property and sales taxes reaches \$15,840,000, the County receives 16% of the total property and sales tax revenues. At \$16,880,000, the County receives 21%, at \$17,940,000, the County receives 22% and at \$19,030,000, the County receives 24% of total property and sales tax revenue. The term of this agreement is indefinite. During fiscal year 13/14, the sum of property and sales tax was \$14,566,846 and no payment was required to be made to the County

(11) Financial Condition of the City of Jurupa Valley

In June 2011, lawmakers in Sacramento decided to redirect statewide vehicle license fee revenue from cities to the state due to budget problems. For the City of Jurupa Valley, the result was a 47% loss of revenues in the first fiscal year and, to date, an approximate loss of \$19 million in General Fund revenue. The ongoing revenue loss for the City is approximately \$5.5-\$6.0 annually.

Assembly Bill 1098 would have restored some of the revenue to Riverside County's newest cities (including Jurupa Valley), however the Governor vetoed the bill. Last year's legislative efforts, SB 56 (now SB 69), which would restore this revenue as property tax, stalled in the State Legislature.

In March 2013, the City reached an agreement with the County for an extension of the transition year sheriff services and deferral of certain transition year net costs and revenue neutrality payments. The terms of this agreement include:

- 1) Deferring six months of FY 12/13 Sheriff Costs in the amount of \$6,019,496, with repayment consisting of eight equal annual payments beginning in FY 15/16
- 2) Defer three years of revenue neutrality payments in the amount of \$6,050,000, with repayment consisting of five equal payments beginning 60 days after the end of FY 15/16
- 3) Extend repayment of general fund transition year costs in the amount of \$6,483,442, consisting of eight equal annual payments beginning in FY 15/16

CITY OF JURUPA VALLEY

Notes to Basic Financial Statements

(Continued)

(11) Financial Condition of the City of Jurupa Valley. (Continued)

On January 16, 2014, the City Council voted to direct staff to initiate all actions necessary to formalize the application to disincorporate and to return at a later date for the formal filing for disincorporation. The accompanying financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should the City disincorporate. Our opinion is not modified with respect to this matter.

Government Code Section 56815, as well as the revenue neutrality agreement, authorizes the County to renegotiate the revenue neutrality agreement.

Management's Plans to Improve Operation and Limit City Obligations

The City implemented several cost saving measures to allow a certain level of sustainability while pursuing a legislative solution. Some of these actions included:

- 10% reduction in law enforcements services
- Froze service staffing levels – currently maintained at the minimum levels achievable to meet statutory service and administrative requirements
- Refrained from hiring permanent city employees
- Froze contract service rates (at 2011 levels)
- Refrained from initiating process of developing the City's General Plan due to costs

The City is continuing efforts to find a legislative solution however, given the length of the disincorporation process (18-24 months) combined with the City's current cash flow projections, the City adopted Resolution 2014-01 on January 16, 2014 to commence the disincorporation process. The City's current cash flow projections indicate that the City will exhaust all of its General Fund cash during FY 15/16, if no legislative solution is implemented.

GENERAL FUND

The General Fund has been classified as a major fund and is used to account for revenues and expenditures that are not required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for a particular purpose. The following funds have been classified as major funds. The budget-actual comparison for these funds have been presented in the accompanying financial statements as Required Supplementary Information:

Gas Tax Fund

To account for revenue received for gasoline taxes under Sections 2105, 2106, 2107 and 2107.5 of the Street and Highway Code to be used solely for transportation related purposes.

Measure A Fund

To account for revenue received from the State of California from a special ½% sales tax to be used for street maintenance and improvements only.

CITY OF JURUPA VALLEY

General Fund

Budgetary Comparison Schedule

Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 13,703,000	13,703,000	17,589,251	3,886,251
Licenses and permits	939,775	939,775	770,213	(169,562)
Charges for services	1,686,500	1,686,500	1,651,338	(35,162)
Fines and forfeitures	114,000	114,000	335,760	221,760
Investment income	3,500	3,500	5,497	1,997
Other	252,236	252,236	262,933	10,697
Total revenues	16,699,011	16,699,011	20,614,992	3,915,981
Expenditures:				
Current:				
General government	1,824,434	1,977,409	2,197,705	(220,296)
Community development	78,716	158,716	177,823	(19,107)
Public works	2,290,920	2,429,920	3,016,788	(586,868)
Public safety	13,577,438	13,577,438	13,739,984	(162,546)
Total expenditures	17,771,508	18,143,483	19,132,300	(988,817)
Excess (deficiency) of revenues over (under) expenditures	(1,072,497)	(1,444,472)	1,482,692	2,927,164
Other financing sources (uses):				
Transfers in	181,600	181,600	96,187	(85,413)
Transfers out	(217,000)	(217,000)	(129,106)	87,894
Total other financing sources (uses)	(35,400)	(35,400)	(32,919)	2,481
Net change in fund balances	(1,107,897)	(1,479,872)	1,449,773	2,929,645
Fund balances, beginning of year	10,483,827	10,483,827	10,483,827	-
Fund balances, end of year	\$ 9,375,930	9,003,955	11,933,600	2,929,645

CITY OF JURUPA VALLEY
Major Special Revenue Fund

Gas Tax

Budgetary Comparison Schedule
Budget and Actual

Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances with Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenues:				
Intergovernmental	\$ 3,517,093	3,517,093	3,927,159	410,066
Investment income	<u>5,000</u>	<u>5,000</u>	<u>2,190</u>	<u>(2,810)</u>
Total revenues	<u>3,522,093</u>	<u>3,522,093</u>	<u>3,929,349</u>	<u>407,256</u>
Expenditures:				
Current:				
Public works	<u>3,225,955</u>	<u>9,961,955</u>	<u>4,099,039</u>	<u>5,862,916</u>
Total expenditures	<u>3,225,955</u>	<u>9,961,955</u>	<u>4,099,039</u>	<u>5,862,916</u>
Net change in fund balances	296,138	(6,439,862)	(169,690)	6,270,172
Fund balances, beginning of year	<u>5,118,755</u>	<u>5,118,755</u>	<u>5,118,755</u>	<u>-</u>
Fund balances, end of year	<u>\$ 5,414,893</u>	<u>(1,321,107)</u>	<u>4,949,065</u>	<u>6,270,172</u>

CITY OF JURUPA VALLEY
Major Special Revenue Fund

Measure A

Budgetary Comparison Schedule
Budget and Actual

Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Intergovernmental	\$ 1,400,000	1,400,000	1,639,801	239,801
Investment income	<u>1,000</u>	<u>1,000</u>	<u>732</u>	<u>(268)</u>
Total revenues	<u>1,401,000</u>	<u>1,401,000</u>	<u>1,640,533</u>	<u>239,533</u>
Expenditures				
Public works	<u>2,207,259</u>	<u>3,502,159</u>	<u>2,434,414</u>	<u>1,067,745</u>
Total expenditures	<u>2,207,259</u>	<u>3,502,159</u>	<u>2,434,414</u>	<u>1,067,745</u>
Net change in fund balances	(806,259)	(2,101,159)	(793,881)	1,307,278
Fund balances, beginning of year	<u>2,452,992</u>	<u>2,452,992</u>	<u>2,452,992</u>	-
Fund balances, end of year	<u>\$ 1,646,733</u>	<u>351,833</u>	<u>1,659,111</u>	<u>1,307,278</u>

CITY OF JURUPA VALLEY

Notes to Required Supplementary Information

Year Ended June 30, 2014

Budgetary Accounting

The City Manager shall prepare and submit the proposed annual budget to the City Council for its approval for all governmental funds. The agenda for the budget workshops and budget meetings are noted in accordance with the Brown Act. After reviewing the same and making such revisions as it may deem advisable and public input, the budget is then adopted annually by the Council at a regularly held meeting. The budget is adopted prior to the beginning of the fiscal year and serves as the foundation for the City's financial plan.

The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. Transfers of appropriations between department budgets can be made with the City Manager/Director of Administrative Services approval. City Council's approval is required for all budget amendments that result in a change to the adopted budget of the fund.

Budgets are prepared in accordance with generally accepted accounting principles using the modified accrual basis of accounting.

Appropriations lapse at the end of the fiscal year unless they are re-appropriated through the formal budget process. Open encumbrances will be paid by subsequent year's budget appropriations. Encumbrances do not constitute expenditures or liabilities of the City.

Budgeted amounts are as originally adopted, or as amended in accordance with prescribed procedures throughout the fiscal year.

NON-MAJOR GOVERNMENTAL FUNDS

NON-MAJOR SPECIAL REVENUE FUNDS

Air Quality Improvement Fund

This fund is used to account for the City's share of vehicle registration fees that the State of California has allocated to address air quality concerns in Southern California. These monies are to be used in air quality maintenance programs locally and/or regionally.

COPS Fund

To account for revenue received from the State of California for front line public safety purposes.

Checkpoint Grant Fund

To account for revenue received from the DUI checkpoint grant program.

SNAP Grant Fund

To account for revenue and expenditures associated with the California Supplemental Nutrition Assistance Program Education Grant administered by the County of Riverside.

TUMF Project Fund

To account for revenues and expenditures associated with the Transportation Uniform Mitigation Fee Program's agreement to reimburse a portion of the improvements to Limonite Avenue.

NON-MAJOR CAPITAL PROJECT FUNDS

Development Impact Fees

This fund is used to account for the receipt of fees for development related activities such as infrastructure and public facilities.

Road and Bridge Benefit District

This fund is used to account for the receipt of fees for development related activities such as road & bridge projects.

CITY OF JURUPA VALLEY
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2014

	Special Revenue Funds					Capital Project Funds		Totals
	AQMD	COPS	Checkpoint Grant	SNAPS Grant	TUMF Grant	Development Impact Fees	Road and Bridge Benefit District	
Assets								
Cash and investments	\$ 316,488	300	3	-	-	752,938	162,477	1,232,206
Interest Receivable	-	-	-	1,047	-	-	-	1,047
Due from other governments	<u>31,329</u>	<u>74,044</u>	<u>-</u>	<u>-</u>	<u>223,092</u>	<u>-</u>	<u>-</u>	<u>328,465</u>
Total assets	<u>\$ 347,817</u>	<u>74,344</u>	<u>3</u>	<u>1,047</u>	<u>223,092</u>	<u>752,938</u>	<u>162,477</u>	<u>1,561,718</u>
Liabilities								
Accounts payable	\$ -	-	-	1,047	-	-	-	1,047
Due to other funds	<u>-</u>	<u>8,622</u>	<u>-</u>	<u>-</u>	<u>223,092</u>	<u>-</u>	<u>-</u>	<u>231,714</u>
Total liabilities	<u>-</u>	<u>8,622</u>	<u>-</u>	<u>1,047</u>	<u>223,092</u>	<u>-</u>	<u>-</u>	<u>232,761</u>
Deferred Inflows of Resources:								
Unavailable revenue	<u>31,329</u>	<u>65,711</u>	<u>-</u>	<u>-</u>	<u>223,092</u>	<u>-</u>	<u>-</u>	<u>320,132</u>
Total deferred inflows of resources	<u>31,329</u>	<u>65,711</u>	<u>-</u>	<u>-</u>	<u>223,092</u>	<u>-</u>	<u>-</u>	<u>320,132</u>
Fund balances								
Restricted for:								
Public Works	<u>316,488</u>	<u>11</u>	<u>3</u>	<u>-</u>	<u>(223,092)</u>	<u>752,938</u>	<u>162,477</u>	<u>1,008,825</u>
Total fund balances	<u>316,488</u>	<u>11</u>	<u>3</u>	<u>-</u>	<u>(223,092)</u>	<u>752,938</u>	<u>162,477</u>	<u>1,008,825</u>
Total liabilities, deferred inflows or resources and fund balances	<u>\$ 347,817</u>	<u>74,344</u>	<u>3</u>	<u>1,047</u>	<u>223,092</u>	<u>752,938</u>	<u>162,477</u>	<u>1,561,718</u>

CITY OF JURUPA VALLEY
 Non-Major Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Year Ended June 30, 2014

	Special Revenue Funds					Capital Project Funds		Totals
	AQMD	COPS	Checkpoint Grant	SNAP Grant	TUMF Grant	Development Impact Fees	Road and Bridge Benefit District	
Revenues:								
Intergovernmental	\$ 89,517	176,291	40,235	15,708	-	-	-	321,751
Charges for services	-	-	-	-	-	451,135	131,174	582,309
Investment income	109	11	-	-	-	182	30	332
Total revenues	<u>89,626</u>	<u>176,302</u>	<u>40,235</u>	<u>15,708</u>	<u>-</u>	<u>451,317</u>	<u>131,204</u>	<u>904,392</u>
Expenditures:								
Current:								
Community Development	-	-	-	15,708	-	-	-	15,708
Public Works	-	-	-	-	223,092	-	-	223,092
Public Safety	-	-	25,728	-	-	-	-	25,728
Total expenditures	<u>-</u>	<u>-</u>	<u>25,728</u>	<u>15,708</u>	<u>223,092</u>	<u>-</u>	<u>-</u>	<u>264,528</u>
Excess (deficiency) of revenues over (under) expenditures	89,626	176,302	14,507	-	(223,092)	451,317	131,204	639,864
Other financing sources (uses):								
Transfers out (note 3)	-	(96,187)	-	-	-	-	-	(96,187)
Total other financing sources (uses)	<u>-</u>	<u>(96,187)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(96,187)</u>
Net change in fund balances	89,626	80,115	14,507	-	(223,092)	451,317	131,204	543,677
Fund balances, beginning of year	226,862	(80,104)	(14,504)	-	-	301,621	31,273	465,148
Fund balances (deficits), end of year	<u>\$ 316,488</u>	<u>11</u>	<u>3</u>	<u>-</u>	<u>(223,092)</u>	<u>752,938</u>	<u>162,477</u>	<u>1,008,825</u>

CITY OF JURUPA VALLEY
 Non-Major Special Revenue Fund

AQMD

Budgetary Comparison Schedule
 Budget and Actual

Year Ended June 30, 2014

	Final Budget	Actual	Variances with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 110,000	89,517	(20,483)
Investment income	<u>50</u>	<u>109</u>	<u>59</u>
Total revenues	<u>110,050</u>	<u>89,626</u>	<u>(20,424)</u>
Expenditures:			
Current:			
Community Development	<u>85,000</u>	<u>-</u>	<u>85,000</u>
Total expenditures	<u>85,000</u>	<u>-</u>	<u>85,000</u>
Net change in fund balances	25,050	89,626	64,576
Fund balances, beginning of year	<u>226,862</u>	<u>226,862</u>	<u>-</u>
Fund balances, end of year	<u>\$ 251,912</u>	<u>316,488</u>	<u>64,576</u>

CITY OF JURUPA VALLEY
 Non-Major Special Revenue Fund

COPS

Budgetary Comparison Schedule
 Budget and Actual

Year Ended June 30, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variances with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 152,236	176,291	24,055
Investment income	<u>-</u>	<u>11</u>	<u>11</u>
Total revenues	<u>152,236</u>	<u>176,302</u>	<u>24,066</u>
Excess (deficiency) of revenues over expenditures	<u>152,236</u>	<u>176,302</u>	<u>24,066</u>
Other financing sources (uses):			
Transfers out	<u>152,236</u>	<u>(96,187)</u>	<u>(248,423)</u>
Total other financing sources (uses)	<u>152,236</u>	<u>(96,187)</u>	<u>(248,423)</u>
Net change in fund balances	304,472	80,115	(224,357)
Fund balances, beginning of year	<u>(80,104)</u>	<u>(80,104)</u>	<u>-</u>
Fund balances, end of year	<u>\$ 224,368</u>	<u>11</u>	<u>(224,357)</u>

CITY OF JURUPA VALLEY
 Non-Major Special Revenue Fund

Checkpoint Grant

Budgetary Comparison Schedule
 Budget and Actual

Year Ended June 30, 2014

	Final Budget	Actual	Variances with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ -	40,235	40,235
Total revenues	-	40,235	40,235
Expenditures:			
Current:			
Public safety	-	25,728	(25,728)
Total expenditures	-	25,728	(25,728)
Net change in fund balances	-	14,507	14,507
Fund balances, beginning of year	(14,504)	(14,504)	-
Fund balances, end of year	\$ (14,504)	3	14,507

CITY OF JURUPA VALLEY
 Non-Major Special Revenue Fund

SNAP Grant

Budgetary Comparison Schedule
 Budget and Actual

Year Ended June 30, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variances with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	<u>\$ 168,750</u>	<u>15,708</u>	<u>(153,042)</u>
Total revenues	<u>168,750</u>	<u>15,708</u>	<u>(153,042)</u>
Expenditures:			
Current:			
Community Development	<u>168,750</u>	<u>15,708</u>	<u>153,042</u>
Total expenditures	<u>168,750</u>	<u>15,708</u>	<u>153,042</u>
Net change in fund balances	-	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

CITY OF JURUPA VALLEY
 Non-Major Special Revenue Fund

TUMF Grant

Budgetary Comparison Schedule
 Budget and Actual

Year Ended June 30, 2014

	Final Budget	Actual	Variances with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ -	-	-
Total revenues	-	-	-
Expenditures:			
Public works	545,000	223,092	321,908
Total expenditures	545,000	223,092	321,908
Net change in fund balances	(545,000)	(223,092)	321,908
Fund balances, beginning of year	-	-	-
Fund balances, end of year	\$ (545,000)	(223,092)	321,908

CITY OF JURUPA VALLEY
 Non-Major Capital Project Fund

Development Impact Fees

Budgetary Comparison Schedule
 Budget and Actual

Year Ended June 30, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variances with Final Budget Positive (Negative)</u>
Revenues:			
Charges for services	\$ -	451,135	451,135
Investment income	<u>-</u>	<u>182</u>	<u>182</u>
Total revenues	<u>-</u>	<u>451,317</u>	<u>451,317</u>
Net change in fund balances	-	451,317	451,317
Fund balances, beginning of year	<u>301,621</u>	<u>301,621</u>	<u>-</u>
Fund balances, end of year	<u>\$ 301,621</u>	<u>752,938</u>	<u>451,317</u>

CITY OF JURUPA VALLEY
 Non-Major Capital Project Fund

Road and Bridge Benefit District

Budgetary Comparison Schedule
 Budget and Actual

Year Ended June 30, 2014

	Final Budget	Actual	Variances with Final Budget Positive (Negative)
Revenues:			
Charges for services	\$ -	131,174	131,174
Investment income	-	30	30
Total revenues	-	131,204	131,204
Net change in fund balances	-	131,204	131,204
Fund balances, beginning of year	31,273	31,273	-
Fund balances, end of year	\$ 31,273	162,477	131,204

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**City of Jurupa Valley
Net Position by Component
Last Three Fiscal Years**

(\$ in thousands)

	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Governmental activities			
Net investment in capital assets	\$ 16,666	\$ 14,321	\$ 12,332
Restricted	5,264	8,132	7,617
Unrestricted	(5,825)	(4,206)	(2,203)
Total governmental activities net assets	<u>\$ 16,105</u>	<u>\$ 18,247</u>	<u>\$ 17,746</u>

Note: Due to the City's incorporation on July 1, 2011, there is no information available prior to FY 2012-2013.

Source: City of Jurupa Valley Finance Department

**City of Jurupa Valley
Changes in Net Position
Last Three Fiscal Years**

(\$ in thousands)

	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Expenses			
Governmental activities:			
General government	\$ 1,715	\$ 1,746	\$ 2,207
Community development	710	199	194
Public works	5,606	6,974	11,806
Public safety	7,818	12,762	13,827
Total governmental activities expenses	<u>15,849</u>	<u>21,681</u>	<u>28,034</u>
Program Revenues			
Governmental activities:			
Charges for services			
General government	-	-	62
Community development	871	1,841	2,100
Public works	183	363	541
Public safety	66	183	336
Operating contributions and grants	5,566	5,204	6,697
Capital contributions and grants	18,958	-	-
Total governmental activities program revenues	<u>25,645</u>	<u>7,592</u>	<u>9,736</u>
Total government net (expense)/revenues	<u>\$ 9,796</u>	<u>\$ (14,089)</u>	<u>\$ (18,298)</u>
General Revenues and Other Changes in Net Position			
General revenues:			
Taxes:			
Property taxes	\$ 181	\$ 4,528	\$ 5,597
Sales taxes	4,220	9,316	8,969
Franchise taxes	1,679	1,981	2,793
Transient occupancy taxes	149	171	167
Investment income	3	8	9
Other	76	226	263
Total governmental activities	<u>6,309</u>	<u>16,230</u>	<u>17,799</u>
Total Change in Net Position	<u>\$ 16,105</u>	<u>\$ 2,141</u>	<u>\$ (500)</u>

Note: Due to the City's incorporation on July 1, 2011, there is no information available prior to FY 2012-2013.

Source: City of Jurupa Valley Finance Department

City of Jurupa Valley
Fund Balances of Governmental Funds
Last Three Fiscal Years
(\$ in thousands)

	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
General Fund			
Nonspendable	\$ 36	\$ 5	\$ -
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	3,219	10,479	11,934
Total general fund	<u>\$ 3,255</u>	<u>\$ 10,484</u>	<u>\$ 11,934</u>
All other governmental funds			
Nonspendable	-	-	-
Restricted	5,264	8,132	7,617
Committed	-	-	-
Assigned	-	-	-
Unassigned	(11)	(95)	-
Total all other governmental funds	<u>\$ 5,253</u>	<u>\$ 8,037</u>	<u>\$ 7,617</u>
Total fund balances of governmental funds	<u>\$ 8,508</u>	<u>\$ 18,521</u>	<u>\$ 19,551</u>

Note: Due to the City's incorporation on July 1, 2011, there is no information available prior to FY 2012-2013.

Source: City of Jurupa Valley Finance Department

City of Jurupa Valley
Changes in Fund Balances of Governmental Funds
Last Three Fiscal Years
(\$ in thousands)

	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Revenues			
Taxes:			
Property tax	\$ 181	\$ 4,528	\$ 5,597
Sales tax	4,220	9,316	8,969
Franchise tax	1,679	1,981	2,793
Transient occupancy tax	149	171	167
Other taxes	-	123	62
Licenses and permits	482	637	770
Intergovernmental	5,500	4,833	5,889
Charges for services	625	1,436	2,234
Fines and forfeitures	66	183	336
Investment income	8	15	9
Other	76	104	263
Total revenues	12,985	23,325	27,089
Expenditures			
Current:			
General government	1,635	1,737	2,198
Community development	272	198	194
Public works	1,824	4,605	9,773
Public safety	604	12,698	13,766
Debt service			
Interest	-	-	-
Capital outlay	-	-	-
Total expenditures	4,335	19,239	25,930
Excess (deficit) of revenues over expenditures	8,650	4,087	1,159
Other financing sources/(uses)			
Proceeds of loan from County	-	6,019	-
Transfers in	-	155	96
Transfers out	(142)	(248)	(225)
Total other financing sources/(uses)	(142)	5,926	(129)
Net change in fund balance	8,508	10,013	1,030
Debt service as a percentage of noncapital expenditures	0.0%	0.0%	0.0%

Note: Due to the City's incorporation on July 1, 2011, there is no information available prior to FY 2012-2013.

Source: City of Jurupa Valley Finance Department

City of Jurupa Valley
Assessed Value and Estimated Actual Value of Taxable Property
(\$ in thousands)

<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Other</u>	<u>Total Assessed Valuation</u>	<u>Less Tax Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Direct Tax Rate (City)</u>
2012	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2013	\$ 3,623,231	\$ 433,870	\$ 1,775,910	\$ 574,549	\$ 6,407,560	\$ (55,219)	\$ 6,352,341	0.06933
2014	3,816,851	436,460	1,833,726	1,073,123	7,160,161	(109,876)	7,050,285	0.10347

Note: Due to the City's incorporation on July 1, 2011, there is no data available prior to FY 2012-2013. The County of Riverside assessed and collected all property tax payments as a part of the County's assessment roll for FY 2011-2012. The first year for assessment and collections in the name of Jurupa Valley was FY 2012-2013.

Source: HdL, Coren & Cone

City of Jurupa Valley
Direct and Overlapping Property Tax Rates
(rate per \$100 of assessed value)

Fiscal Year	City Direct Rates				Total
	Basic County, City, and School Levy	Community College District	Water District	School District	
2012	n/a	n/a	n/a	n/a	n/a
2013	1.00000	0.06292	0.16600	0.43349	1.66241
2014	1.00000	0.05958	0.16600	0.46506	1.69064

Note: Due to the City's incorporation on July 1, 2011, there is no historical data available prior to FY 2012-2013.

The County of Riverside assessed and collected all property tax payments as a part of the County's assessment roll in FY 2011-2012. The first year for assessment and collections in the name of Jurupa Valley was FY 2012-2013.

Source: County of Riverside, Tax Rates by Tax Rate Areas (2012-2013) Schedule; HdL, Coren & Cone

**City of Jurupa Valley
Principal Property Tax Payers
Current Year and Prior Year**

Taxpayer	2014		2013	
	Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
Costco Wholesale Corporation	\$ 106,751,311	1.51%	\$ 103,947,782	1.64%
Teachers Insurance and Annuity Association	106,645,279	1.51%	104,554,198	1.65%
UPS Supply Chain Solutions General Svs Inc.	81,467,456	1.16%	88,302,210	1.39%
Lineage CC California RE LLC	68,878,400	0.98%	63,163,277	0.99%
Metal Container Corporation	62,328,918	0.88%	66,962,730	1.05%
Vernola Marketplace	60,335,253	0.86%	57,098,070	0.90%
COMREF So California Industrial	59,696,547	0.85%	-	-
Home Depot USA Inc.	58,361,360	0.83%	49,463,870	0.78%
Millard Refrigerated Service Atlanta II Inc.	55,053,914	0.78%	-	-
Space Center Mira Loma Inc.	47,125,352	0.67%	46,221,295	0.73%
TCAM Core Properties Fund Operating	-	-	48,564,583	0.76%
Prefco XVIII Limited	-	-	44,295,358	0.70%
Total	\$ 706,643,790	10.03%	\$ 672,573,373	10.59%

Note: Due to the City's incorporation on July 1, 2011, there is no data available prior to FY 2012-2013. The County Riverside assessed and collected all property tax payments as a part of the County's assessment roll in FY 2011-2012. FY 2012-2013 was the first year for assessment and collections in the name of Jurupa Valley.

Source: HdL, Coren & Cone

**City of Jurupa Valley
Property Tax Levies and Collections
Last Three Fiscal Years**

Fiscal Year	Taxes Levied For the Fiscal Year	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	n/a	n/a	n/a	n/a	n/a	n/a
2013	\$ 4,146,481	\$ 4,030,936	97.21%	\$ -	\$ 4,030,936	97.21%
2014	4,473,310	4,319,380	96.56%	-	4,319,380	96.56%

Note: Due to the City's incorporation on July 1, 2011, there is no data available prior to FY 2012-2013. The County of Riverside assessed and collected all property tax payments as a part of the County's assessment roll in FY 2011-2012. The first year for assessment and collection in the name of Jurupa Valley was FY 2012-2013.

Source: City of Jurupa Valley Finance Department; Riverside County Auditor-Controller's "2013 Statement of Original Charge"

**City of Jurupa Valley
Ratio of Outstanding Debt by Type
Last Three Fiscal Years**

Fiscal Year	General Obligation Bonds	Lease Revenue Bonds	Total Governmental Activities	% of Actual Assessed Value of Property	Per Capita
2012	\$ -	\$ -	\$ -	0.00%	\$ -
2013	-	-	-	0.00%	-
2014	-	-	-	0.00%	-

Note: Due to the City's incorporation on July 1, 2011, there is no information available prior to that date.

Source: City of Jurupa Valley Finance Department

**City of Jurupa Valley
Ratio of General Bonded Debt
Last Three Fiscal Years**

Fiscal Year	General Obligation Bonds	Tax Allocation Bonds	Certificates of Participation	Percent of Assessed Value	Debt per Capita
2012	\$ -	\$ -	\$ -	0.00%	\$ -
2013	-	-	-	0.00%	-
2014	-	-	-	0.00%	-

Note: Due to the City's incorporation on July 1, 2011, there is no information available prior to that date.

Source: City of Jurupa Valley Finance Department

City of Jurupa Valley
Legal Debt Margin Information
Last Three Fiscal Years
(amount expressed in thousands)

Fiscal Year	Assessed Valuation	Legal Debt Limit (15% of Assessed Value)	Amount of Debt Applicable to Debt Limit	Legal Debt Margin	Total Debt Applicable to the Limit as a Percentage of the Debt Limit
2012	n/a	n/a	n/a	n/a	n/a
2013	\$ 6,407,560	\$ 961,134	\$ -	\$ 961,134	0.0%
2014	7,160,161	1,074,024	-	1,074,024	0.0%

Note: Section 43605 of the Government Code of the State of California limits the amount of general bonded indebtedness for public improvements to 15% of the assessed valuation of all real and personal property of the City. The City has no general obligation bonded debt.

Due to the City's incorporation on July 1, 2011, there is no data available prior to FY 2012-2013. The County of Riverside assessed and collected all property tax payments as a part of the County's assessment roll in FY 2011-2012. FY 2012-2013 was the first year for assessment and collections in the name of Jurupa Valley.

Source: City of Jurupa Valley Finance Department; HdL, Coren & Cone

**City of Jurupa Valley
Pledged Revenue Coverage
Last Two Fiscal Years**

Fiscal Year	Lease Revenue Bonds					Coverage
	Revenue	Less Operating Expenses	Net Available Revenue	Principal	Interest	
2012	The City has no direct outstanding bonded debt					
2013	The City has no direct outstanding bonded debt					
2014	The City has no direct outstanding bonded debt					

Note: Due to the City's incorporation on July 1, 2011, there is no information available prior to that date.

Source: City of Jurupa Valley Finance Department

**City of Jurupa Valley
Demographic and Economic Status
Last Three Fiscal Years**

Calendar Year	(1) Population	(2) Personal Income in Thousands	Per Capita Personal Income	(3) Median Age	(4) Unemployment Rate
2012	96,745	\$ 1,002,805	\$ 10,365	27.4	12.2%
2013	97,246	1,039,993	10,694	29.9	11.2%
2014	97,774	1,100,561	11,256	29.9	9.0%

Note: Due to the City's incorporation on July 1, 2011, there is no prior year information available.

Sources:

- (1) Population - California Department of Finance
- (2) Personal Income - California Franchise Tax Board, adjusted gross income for zip code 92509
- (3) Median Age - U.S. Census Bureau State of California - 2010 (for zip code 92509)
- (4) Unemployment Rate - No individual information for City of Jurupa Valley available; percent presents average unemployment rate from California Employment Development Division for County of Riverside.

**City of Jurupa Valley
Employment by Industry
Current Year**

Industry	2014	
	Labor Force	Percent of Total
Farm	12,400	2.08%
Goods Producing	81,800	13.72%
Trade, Transportation and Utilities	128,300	21.52%
Information	6,200	1.04%
Financial Activities	20,000	3.35%
Professional and Business Services	57,400	9.63%
Education and Health Services	83,100	13.94%
Leisure and Hospitality	75,800	12.71%
Other Services	20,000	3.35%
Government	111,200	18.65%
Total	596,200	100.00%

Note: Information on the largest employers for the City of Jurupa Valley is not available. Presented above is the annual average of Industry Employment & Labor Force for Riverside County as of December 2013.

Due to the City's incorporation on July 1, 2011, there is no information available prior to that date.

Source: State of California Employment Development Department

**City of Jurupa Valley
Full-time City Employees by Function
Last Three Fiscal Years**

Fiscal Year	(1) General Government	(1) Public Works	(2) Public Safety	(3) Community Services	Total
2012	-	-	-	-	-
2013	-	-	-	-	-
2014	-	-	-	-	-

Notes:

- (1) The City of Jurupa Valley contracts all services for General Government and Public Works, except for the City Council, through third party providers.
- (2) The City of Jurupa Valley contracts Public Safety services through the County of Riverside.
- (3) Community Services are provided by the Jurupa Community Services District.

Due to the City's incorporation on July 1, 2011, there is no information available prior to that date.

Sources: City of Jurupa Valley Finance Department